



15 July 2021

Committee Secretary
Senate Standing Committee on Community Affairs
Parliament House
CANBERRA ACT 2600

Dear Committee Secretary

RE: Purpose, intent and adequacy of the Disability Support Pension

The St Vincent de Paul Society National Council of Australia ('the Society') welcomes the opportunity to make this submission.

We believe that people with disability should be consulted and listened to when matters being reviewed impact them and their future.

Nothing about me without me.

Background

The Society is a lay Catholic charitable organisation that comprises over 60,000 members and volunteers and over 3,000 employees and has an extensive history providing on the ground assistance in the form of emergency relief, supported accommodation, community housing and a range of other support services including counselling, disaster relief, mental health, disability services, youth services and family and domestic violence support.

Information contained in this submission addresses terms of reference (g) to (j). The Society has consulted with its state and territory entities in preparing this submission.

The Society acknowledges that a key determinant of health and wellbeing is employment and that all people, and especially those living with disability, should be encouraged and supported in their efforts to find suitable and appropriate work if they are able to do so.

However, over many years the Australian Government of the day has persisted in its efforts to restrict access to the Disability Support Pension (DSP), thereby reducing the 'welfare spend', without efficiently reinvesting the savings gained to support those most in need.

Impetus for change not based on evidence or best practice

Under the Welfare to Work Program in 2006 those who were unable to work for 15 hours per week were eligible for DSP. Previously DSP was accessible to those unable to work 30 hours per week. NATSEM modelling at the time found that the living standards of people with disability could be cut by up to 31 percent compared with the tax and transfer system in 2005.¹

More substantive changes followed in 2011, when the Impairment Tables were reviewed (and downgraded to a legislative instrument), and the number of tables reduced. The assessment of a person's ability to work shifted from a diagnosis-based approach to a function--based approach.

DSP claimants also had to complete a program of support for 18 months through an employment service provider, disability enterprise or another form of mutual obligation in the 36 months immediately prior to making a claim.

Exemption from a program of support was only possible if a person had a severe impairment (20 points under a single impairment table), effectively excluding those with moderate impairments across two or more impairment tables.

In 2014, DSP recipients under 35 years, who were granted a DSP prior to the Impairment Tables being introduced (i.e. from 1 Jan 2008 to 31 Dec 2011) were subjected to eligibility reviews, including participation in a program of support (from Jan 2015). Those with an assessed work capacity of eight hours or more per week were required to undertake a compulsory work focussed activity such as education, training or engagement with an employment service provider (July 2014).

DSP portability was reduced to four weeks in a 12-month period for recipients travelling overseas unless they had been granted indefinite portability (January 2015).

The treating doctor's report was replaced by an assessment conducted by a government -contracted doctor, with raw medical records required in support of each claim, along with a face to face assessment conducted by the doctor and job capacity assessor (July 2015).

Combined, these measures increased the rejection of DSP applications, increased the numbers cancelled on medical review and reduced the number of DSP recipients overall.

Changes have contained DSP numbers but not improved outcomes

Over the last eight years, the overall number of DSP recipients has decreased by almost 9 percent.² However, between June 2015 and June 2018, the number of people living with disability increased by almost 2 percent (to around 4.4 million);³ of which approximately 2 million report having a mild to profound disability. Yet only 36 percent of people with mild to profound disability aged 16 to 64 years receive the DSP (AIHW 2020, DSS Demographics 2020).

Where increases in the number of DSP recipients have occurred (around 2014-15), significant policy changes were introduced, thereby reducing the number of DSP recipients to around 750,000, where it has stabilised over the last four years. Notably, over this period the cost per head of DSP recipient has increased by around 9 percent (from \$21,400 to \$23,400). This takes on a magnitude of significance when annual DSP expenditure is \$17.7 billion.⁴

The number of new DSP recipients per year has decreased markedly, from 89,000 in 2009-10 to around 32,000 in 2016-17. The rate of successful DSP claims has also declined substantially from 64 percent in 2010 to 40.6 percent in 2014, down to 29.8 percent in 2018 and up slightly to 41.3 percent in 2020.⁵

The society is concerned about the drivers for government change in this area based on the history of the DSP. Each policy change has made it more difficult for people to either access the DSP or stay on it. The stability of DSP numbers suggests that governments' efforts have been directed towards addressing rising costs at the expense of meeting need. The government focus should be directed towards lifting people out of poverty, providing appropriate housing and improving access to good-quality health, support, employment and training services. Such a focus will ultimately improve the health and wellbeing of people with disability and provide them with the agency they need to carve out their own path, suited to their needs.

Review of Impairment Tables

This Committee is due to report by 30 November 2021. The Department of Social Services' consultation process on a review of the Impairment Tables closes on 31 July 2021, with the aim of introducing the new DSP Impairment Tables in 2022 (prior to the expiry of the legislative instrument in April 2022). It is likely that some of the broader findings of this Senate Standing Committee on Community Affairs' Inquiry will not be available in time to inform the Department's review of the Impairment Tables, where applicable.

The Department states that the review of the Impairment Tables is to ensure they are 'fit for

purpose and reflect the advances in medical treatment and assistive technology over the last nine years; and that the tables facilitate the assessment of a person's ability to engage in the labour market, rather than the condition they may have.⁶

We consider that the line drawn between these two concepts is nebulous. Academics also believe that the evidence base on the impact of policy changes since 2006 on the financial wellbeing of many Australian families is lacking.⁷

It is difficult to see how people with impairments across one or more areas of function would find it easier to secure and maintain work than a person with a severe impairment in only one area of function.

Recommendation #1:

Policy and process impediments should not be put in place to limit access to DSP for people with disability. Eligibility should not be limited to people meeting 20 points under one Impairment Table but should include attainment of 20 points across one or more Impairment Tables.

The experiences of those we assist

Many people who seek our help are DSP recipients or on JobSeeker, either long-term or with a partial capacity to work. Those on JobSeeker often have ongoing health issues but are unable to qualify for DSP. During COVID-19, it was noticeable that relatively small increases in funding, such as through the Economic Support Payment, significantly reduced the number of DSP recipients seeking the Society's help.

As at March 2021, there were over 1.1 million on JobSeeker, of whom around 735,000 (or 63 percent) are long-term unemployed and around one-third (375,000) have only a partial capacity to work.⁸

In Canberra-Goulburn, of those assisted on income support each year for the last three years, around 60 percent are on either DSP (30 percent) or JobSeeker (30 percent).

In New South Wales, the percentage of DSP recipients who receive assistance varies depending on the type of assistance provided. Statistics quoted are year to date.

For housing, homelessness and health services, over 7,500 persons in need have been assisted, of which around 15 percent receive DSP. The majority presented as individuals (97 percent), almost 70 percent were male, around one quarter identified as Aboriginal and/or Torres Strait Islander and the majority were aged over 40 years (70 percent).

For disability services, just over 200 people have been assisted, of which 15 are in group homes, 38 receive support coordination, 59 attend day programs and 94 are supported employees.

Of the people assisted through conference work (visitation program, including emergency relief), around one-third are on DSP (just over 10,000). The majority are on less than \$1,000 per fortnight (80 percent) and three-quarters are individuals. Almost 40 percent live in government housing, 20 percent in temporary accommodation or are homeless and around 30 percent are in private rentals. In 2019-20, almost 30 percent, or around 15,500 people, assisted through the visitation program were DSP recipients. This means that a significant number of DSP recipients are experiencing hardship and require assistance just to cover daily basics.

In NSW, DSP recipients are the second largest cohort, following JobSeeker, who receive assistance from the Society's members. Members have noted that some JobSeeker recipients should be receiving DSP but have not been able to access it or are still in the process of applying.

A significant decrease in the overall number of people seeking assistance occurred around April 2020, due to the Coronavirus Supplement and Economic Support Payments. DSP recipients who sought assistance dropped by 65 percent following the first \$750 Economic Support Payment, when compared to the same month the previous year. In July 2020,

following the second \$750 payment, requests for assistance dropped 50 percent. Relatively small one-off payments have made a significant difference to the number of DSP recipients seeking assistance from the Society.

In general, the number of DSP recipients who seek assistance to cover the cost of essentials such as food, energy bills, rent and clothing (and the reduction in requests for assistance following the additional payments made during the pandemic) suggests that for many people, the level of DSP payment is inadequate.

The Society has also experienced a lack of coordination across the Commonwealth income support and the National Disability Insurance Scheme systems (NDIS), and with other federal and state-based concessions. This results in people continuing to fall through the gaps. Given the shared goal of ensuring all people with disability can afford the things they need to live well in our communities, improved cross-jurisdictional coordination is required.

For reference, in NSW the main state-based concessions available to people with disability include:

- The taxi transport subsidy scheme (which offers a 50 percent subsidy, up to a maximum of \$60, for people with severe and permanent disability in eligible categories)
- The Life Support Energy Rebate, which subsidises energy costs for people who require life support equipment
- The Medical Energy Rebate, which subsidises energy costs for people who are unable to self-regulate their body temperature.

Recommendation #2:

Improved coordination and awareness of programs and services is required across all levels of government to ensure that people with disability have agency and can access services that best fit their needs at the local level. Improved coordination is particularly needed between the welfare support system, the NDIS and state, territory and local government initiatives.

The following case study highlights some of the systemic process issues that have significant and adverse impacts, not just on the DSP recipient, but also on their extended family and support networks. The case study also demonstrates the considerable support and advocacy required for a person to successfully receive the DSP.

Aaron's Story (Not his real name)

Aaron was in his late twenties when he was diagnosed with motor neuron disease. He was unable to continue working but as his claim for the Disability Support Pension was still pending, he applied for the JobSeeker Payment (then called NewStart).

With two young children at home, the family found it hard to make ends meet. Despite their best efforts, they began accruing debt and reached out to the St Vincent de Paul Society for help. The Society was able to pay the family's outstanding childcare fees while helping them get their financial situation sorted. They discovered that while Aaron had been asked to attend a Disability Medical Assessment as part of the claim process, he was still waiting for an appointment. On further enquiries, they found his claim was sitting with a Government-contracted provider in the nearest large town (135km away), and that the request for an appointment had not yet been actioned. They were able to transfer the Medical Assessment to Aaron's home time and eventually secured an appointment, resulting in a successful claim.

All told, this process took several months, during which time Aaron's condition deteriorated. The family also endured significant and unnecessary hardship in the meantime, compounding the stress and grief they experienced as they struggled to come to terms with Aaron's diagnosis.

In **Queensland**, almost 7 percent of those assisted through visitation and emergency relief provision have identified as living with a disability. This represents just over 13,000 clients.

Additionally, a number of people are supported through the NDIS in Supported Independent Living (SIL) across six houses. The Society also provides engagement opportunities through either volunteer work opportunities or employment through supported employment organisations.

In **Victoria**, DSP recipients are consistently recorded as the largest group of callers seeking help from the Society. The call pattern in 2018 and 2019 was relatively consistent and reflected seasonal patterns. However, during the COVID-19 months, the number of calls remained lower over the period. This may be due in part to the lack of opportunities for discretionary spending (thereby reducing pressure on cost of living expenses). And like NSW, drops in the number of calls for assistance also aligned with the timing of one-off payments (such as \$750 in March 2020 and late July 2020; and \$250 payments in December 2020 and March 2021).

The growth pattern from January 2021 when supplements reduced to their lowest tier, suggests, even with slight tapering off in April 2021, that call numbers are building again.

The second largest group of callers was those on JobSeeker. Government policy change over the years has seen many people moved from DSP to JobSeeker, even though they continue to live with disability and medical illness. This policy approach has pushed already disadvantaged people into further precarious situations, the most serious consequence being housing. In general, DSP recipients have greater opportunity to access supported housing whereas housing insecurity is a constant threat for many on JobSeeker, particularly those with intellectual disability.

Based on our experience of interacting with people with disability, we consider that the reasons why DSP (and Aged Pension) recipients are the largest group of callers seeking assistance could be due to:

- the eligibility criteria for DSP, which are stringent and require proof of diagnoses of disability that prevent a person's capacity to work. In short, most recipients are dealing with complex life challenges.
- the fact that for most DSP recipients, disability is not transient. Almost 98 percent on DSP are on it for more than one year, of which just over 70 percent stay on it for 10 years or more. Needs continue over time.
- the fact that 70 percent of those on DSP are aged 45+ years and are therefore more likely to have multiple health issues and associated needs.⁹
- the fact that most are single. Eight out of ten seeking assistance report their partner status as single and are therefore living without the recognised protective factor of being in a relationship.
- the complex and multiple issues that DSP recipients must manage, as witnessed by the Society's Conference members.

Complexities of the current system

General medical rules for DSP - "fully" diagnosed, treated and stabilised

To meet DSP requirements, people must meet residence and income and assets tests, and the following general medical rules namely:

- their condition will last more than two years
- their condition is fully diagnosed, treated and stabilised
- they have an impairment rating of 20 points or more (on at least one impairment table)
- they meet the program of support rules, if they apply, and
- their condition will stop them from working at least 15 hours a week in the next two years.

A condition is fully diagnosed if there is medical evidence of the condition and further testing has been completed, if required. For some conditions, evidence from specific specialists may be required.

A condition is fully treated if treatment is continuing or planned for the next two years.

A condition is stabilised if the person has undertaken reasonable treatment and any further treatment is unlikely to result in the person being able to work in the next two years; or if the person has not undertaken reasonable treatment for the condition and any reasonable treatment is unlikely to result in the person being able to work for the next two years.¹⁰

These requirements may be difficult to meet if access to medical specialists is limited, such as in non-metropolitan areas.

Economic Justice Australia and ACOSS have also stated that 'fully' is often misunderstood by Service Australia assessors, leading to a claim being rejected even though a person's condition will not change in the next two years. Examples cited include a change in medication (which does not change prognosis), or conditions such as psychiatric illness or cancer, where the complexity of these conditions does not align with the concept of being 'fully diagnosed, treated and stabilised'.

Recommendation #3

The word "fully" should be removed from the requirement that medical conditions must be "fully diagnosed, treated and stabilised".

Program of support

DSP claimants who do not meet 20 points in one impairment table must complete the program of support, unless they are exempt.

The lack of information about the program of support, attendance requirements, costs, complexity and lack of transparency around obtaining exemptions all add to the difficulty of navigating the DSP assessment process.

The lack of public information about the program of support is evident in the questions on notice to the Department of Social Services (see below).

Victorian Legal Aid also notes that not many people are aware that in order to access exemptions, they must first engage with a program of support prior to making their DSP claim.

The requirement is satisfied if the program is completed or terminated because the person is unable to participate or was prevented from improving their capacity to find or maintain work through continued participation.

However, if a person has partially completed a program of support, exemptions are often difficult to access because employment service providers are unwilling to exit the person from the program and put in writing that they are unable to assist the person because of their impairments.

Economic Justice Australia found that program of support requirements remain a critical issue for many DSP claimants, even though these requirements are only a relevant factor in determining a small number of DSP claims. For example, in ten of 22 cases assessed, the claim for DSP was rejected on the basis that the program of support requirements were not met. On appeal, the Tribunal found that nine of these cases medically qualified for DSP: one case satisfied the program of support requirements, and eight cases had their points increased resulting in a finding of a severe impairment (and therefore no requirement to complete a program of support).¹¹

We are not aware of any independent evaluation of the program of support or evidence base that demonstrates its effectiveness in achieving outcomes.

Recommendation #4:

The program of support should be abolished from the eligibility

requirements of the DSP.

Treating Doctor's Report

We note Economic Justice Australia's work regarding two changes that were made to the medical assessment process in 2015, namely the removal of the treating doctor's report and the introduction of the disability medical assessment process (by a government-contracted doctor).

Removal of the treating doctor's report has made it more difficult for claimants and doctors to understand what information should be provided to Services Australia to support a claim, due largely to the complexity of current legislative requirements. Consequently, claimants are relying on raw medical evidence which may not address the legislative requirements and may result in a claim being unsuccessful. Research shows that upon review, the majority of claims (77 percent of 22 decisions) would have been successful if there had been a treating doctor's report.¹² We also support Economic Justice Australia's recommendation that doctor and clinical psychologists be able to claim Medicare benefits for completing these forms.

A second medical assessment conducted by a government-contracted doctor also creates significant delays in the application process.¹³

Recommendation #5:

The treating doctor's report should be reinstated in the DSP application process and doctors and clinical psychologists should be able to claim the Medicare rebate for completing these forms.

Departmental responses to questions on notice

Questions on notice raised during Senate Estimates and the Department of Social Services' responses further highlight the lack of information about the system, its complexities and lack of transparency. They demonstrate:

- the subjective way in which the program of support is administered
- the significant health issues for those on DSP (with the second highest reason for exiting DSP being death).
- the outcomes of the policy approach to date, which has been to either limit access to or move people off the DSP and on to other payments (which is the most common reason for exiting DSP).

The Department was asked whether people knew about the impact that suspension of mutual obligations had on their program of support, in particular, whether people knew that a person could volunteer to continue with their activities and that this would be counted towards their program of support. The answer given was not clear.

- The Department replied that information was provided on the Services Australia website and that Services Australia explains the program of support requirement to people claiming DSP (DSS SQ20-000799).

The Department was asked whether it was possible for a person to complete an agreed program of support in less than 18 months and, if so, to provide a breakdown of numbers over the life of the program. A full answer was not provided.

- The Department replied that data on the way people have met the program of support requirement is not captured – the data does not distinguish between those who met the requirement through completing a full program and those who were unable to benefit from further participation solely due to their impairment (DSS SQ20-000825).

The Department was asked to provide information on the eligibility criteria used by Services Australia to determine that a person should be terminated from the program of support due to not being able to improve their capacity. The answer given demonstrated the amount of discretion that may be applied by the Assessor and that evidence taken into account is not prescribed (for instance through forms etc)

- The Department replied that a Services Australia Job Capacity Assessor is responsible for determining if a DSP claimant has actively participated in a program of support and meets the requirements. This would include using “all available information, including the information recorded in Services Australia IT systems. It may include contacting the person’s provider to seek more information if clarification is required (and the provider may be asked to complete ‘information about participation in a program of support’ form).”
- The Assessor will discuss the person’s participation history with them at the Job Capacity Assessment interview to ensure all relevant information is taken into account. Evidence can include medical documentation from the person’s treating health professionals and information from employment service providers. Assessment includes further consideration of the nature and impacts of the person’s conditions, their history of participation and the likely outcome of any periods of further participation. (DSS SQ20-000829).

The Department was asked to provide the number of people on JobSeeker who have been granted DSP following completion of a program of support.

- The Department’s response indicates that numbers are very low and most were on JobSeeker prior to moving to DSP. In 2019-20, 1,423 people were granted DSP where the program of support was met. Of these, 1,276 were on JobSeeker or Newstart prior to their DSP being granted. (DSS SQ20-000951)

The Department was asked to provide annual data over five years for exit rates within 12 months for DSP and Newstart broken down by reason for person exiting the payment. A full answer was not provided.

- The Department’s response indicates that the number of new entrants to DSP has consistently fallen over the five year period (in the order of 44 percent, from 22,868 in 2013-14 to 12,913 in 2017-18). The Department could not provide comparable data on the reason for exiting the payment. Exit rate, expressed as a percentage of new entrants, remained steady at around 14 percent. (DSS SQ20-000317).

The Department was asked to provide a breakdown on the number of people who exit the DSP each year and the reason they exit.

- The Department provided annual data for 2014-15, 2015-16, 2016-17. Across all three years, the most frequent reason for exiting the DSP was an internal transfer (ie to another type of payment – not surprisingly, this was highest in 2014-15 when significant policy changes were made). For the most recent financial year (2016-17), over half of those who exited DSP were transferred to another payment (53 percent). Sadly, the second highest reason for exiting the DSP was death (28 percent). Other reasons for DSP exit comprised around 1 to 3 percent and ranged from assets over limit, return to work (30hrs), failure to report, overseas more than 28 days, failure to reply to correspondence etc (DSS SQ18-000206).

Finally, we note that Victorian Legal Aid advises those whose condition worsens after they lodge their DSP claim, to lodge a new claim. This is because if an appeal has been lodged, the reviewer will only assess qualification for DSP from the time the application was lodged, and the appeal will relate only to the original decision, which may not reflect the applicant’s changed circumstances.¹⁴ These processes simply further delay an already long and complex path to DSP entitlement.

Recommendation #6:

The DSP application and appeal processes are complex and should be streamlined. Information sharing and transparency must be improved. The success or otherwise of a DSP claim should not be contingent on applicants having a strong support network or access to an advocate, who can navigate the system on their behalf.

Relevant research to this Inquiry

An extensive body of research and evidence base exists with respect to the experiences of those trying to live on DSP. We refer the Committee to several recent and relevant reports, the findings of which we support.

NATSEM's report on *Inequalities in standards of living: Evidence for improved income support for people with disability*¹⁵ found that:

- Households with a member with disability and receiving either the DSP or Newstart are much more likely to experience financial hardship and insecurity compared with all Australian households with a member with disability or households with a member with disability receiving the Age Pension
- In line with other countries, the cost of disability was found to be substantial with major gaps in household income and standards of living.
- For single people on DSP, an increase of \$50 per week would achieve the same standard of living as someone without a disability receiving a pension and would halve poverty among DSP recipients. An increase of \$155 per week for a couple household would do the same.¹⁶

Recommendation #7:

A disability supplement should be paid to people living with disability to cover disability costs. It should be around \$50 per week for singles and a \$155 per week for couples.

Monash University's report on *The Health of Disability Support Pension and Newstart Allowance Recipients*¹⁷ found that:

- Only 38 percent of DSP recipients rated their health as good, compared with just over two-thirds of JobSeeker recipients and just over 90 percent of wage earners
- 16 percent of DSP recipients report psychological disability as their main disability type but almost 70 percent report experiencing a mental or behavioural problem, including mood and anxiety disorders, depression, obsessive compulsive disorder, alcohol and drug problems and post-traumatic stress (this has also been witnessed by Society members who provide assistance)
- Similar patterns of mental or behavioural problems were evident among JobSeeker recipients (perhaps because many who were on DSP have been moved to JobSeeker)
- Both DSP and JobSeeker recipients have a greater risk of multi-morbidity
- Around one-quarter of DSP recipients reported being admitted as a hospital inpatient in the previous 12 months and nearly one-quarter made at least one emergency department visit. DSP recipients were 2 to 3 times the risk of visiting a hospital than wage earners, while Jobseeker recipients were at 1.5 to 2 times increased risk.¹⁸

Poor health and disability are substantial barriers to finding and maintaining employment. Health can be improved by delivering tailored health services identified for individuals at the point of entry to the welfare system. Improving access to health services particularly significant 'out of pocket' costs would alleviate health issues and improve outcomes.

Access to safe housing, quality health services, good nutrition and other support services that build self-empowerment and foster support networks is essential. Appropriate employment and training programs are also vital. Poverty and financial distress are also linked to poor health and reduced ability to participate in employment. The burden of engaging with government must also be reduced, as the psychological costs of applying for benefits and complying with bureaucratic processes can be substantial.¹⁹

ANU's Centre for Social Research & Methods report on *Making a difference to children and families in financial stress and poverty*²⁰ found that financial stress and poverty in families

undermines children's long-term health and wellbeing. It increases their likelihood of experiencing disadvantage later in life and creates significant costs in society through justice and welfare systems.

Rates of financial stress are much higher for people on income support. Those on working age social security payments such as the DSP and JobSeeker have been left behind. Relatively modest increases in overall social security spending would reduce the very high rates of poverty and financial stress.

This can be achieved by targeting additional investment towards those who need it most: people receiving JobSeeker, Parenting Payments, Disability Support Pensions and Carer Payment. A 20 percent increase in the overall social security spend would yield strong benefits in terms of reducing poverty and financial stress. Even a 10 percent increase would lower poverty rates for those on JobSeeker from 88 percent to 34 percent and result in working age pensions increase by 13 percent (from \$929 pf to \$1051 pf).²¹

Recommendation #8:

Working age social security payment rates are forcing many people to live below the poverty line. This has a profound effect on inequality in Australia and the future of our children. The Australian Government must:

- **not consider the DSP in isolation. The evidence base on the social determinants of health is well established. Access to safe housing, quality health services, good nutrition and other support services that empower people and foster support networks is essential. Appropriate employment and training programs are essential. The burden of engaging with government must also be reduced, as the psychological costs of applying for benefits and complying with bureaucratic processes can be substantial.**
- **implement all 27 recommendations made by the Community Affairs References Committee in its final report on the Adequacy of Newstart and related payments, April 2020**
- **establish a Social Security System Expert Group to advise and report to Parliament on whether the Australian Government is meeting its responsibilities and to ensure that eligible recipients are not living in poverty**
- **bring all pensions and payments into line until the Expert Group is established. For example, the base rate of JobSeeker (single) should be an additional \$300 per fortnight, bringing the total fortnightly payment to around \$920 (not \$620).**

The shortfalls of the current Disability Employment Services Program

A recent review of the Disability Employment Services Program by Boston Consulting found many operational and policy issues with the current program, which involves over 100 service providers and 280,000 registered participants in job search. Costs and caseloads have increased without improvements in the number and quality of employment outcomes. The quality of service is mixed with participants funnelled into irrelevant training programs, all within an administrative environment that is complex, inflexible and lacks transparency.²²

We note that the Minister for Social Services has recently announced a dedicated national referral and support service for people with disability, the Disability Gateway. The Gateway has been promoted as helping people locate advocacy services...find a sporting team that meets their needs or identify local disability-related events. A new Disability Employment Service Star Rating system will also be developed to make performance levels of providers more transparent for participants. We understand that work is underway to develop a performance framework to manage poor performance of employment service providers.

It is essential that disability employment service providers offer high-quality, tailored and flexible services, that are not formulaic but responsive in their approach. Their role, particularly with respect to the program of support and job placement, is significant.

Recommendation #9:

The Disability Gateway, Disability Employment Service Star Rating system and performance framework must be independently evaluated within the next two years, along with another evaluation of Disability Employment Service Providers. People on DSP must have input on the design of the evaluation and an opportunity to provide feedback on the services provided.

Conclusion

In summary, the Society recommends that:

1. Policy and process impediments should not be put in place to limit access to DSP for people with disability. Eligibility should not be limited to people meeting 20 points under one impairment table but should include attainment of 20 points across one or more impairment tables (also called for by ACOSS).
2. Improved coordination and awareness of programs and services is required across all levels of government to ensure that people with disability have agency and can access services that best fit their needs at the local level. Improved coordination is particularly needed between the welfare support system, the NDIS and state, territory and local government initiatives.
3. The word “fully” should be removed from the requirement that medical conditions must be “fully diagnosed, treated and stabilised” (also called for by ACOSS and Economic Justice Australia).
4. The program of support should be abolished from the eligibility requirements of the DSP (also called for by ACOSS and Economic Justice Australia).
5. The treating doctor’s report should be reinstated in the DSP application process and doctors and clinical psychologists should be able to claim the Medicare rebate for completing these forms (also called for by ACOSS and Economic Justice Australia).
6. The DSP application and appeal processes are complex and should be streamlined. Information sharing and transparency must be improved. The success or otherwise of a DSP claim should not be contingent on applicants having a strong support network or access to an advocate, who can navigate the system on their behalf.
7. A disability supplement should be paid to people living with disability to cover disability costs. It should be around \$50 per week for singles and \$155 per week for couples (also called for by ACOSS).
8. Working age social security payment rates are forcing many people to live below the poverty line. This has a profound effect on inequality in Australia and the future of our children. The Australian Government must:
 - not consider the DSP in isolation. The evidence base on the social determinants of health is well established. Access to safe housing, quality health services, good nutrition and other support services that empower people and foster support networks is essential. Appropriate employment and training programs are also vital. The burden of engaging with government must also be reduced, as the psychological costs of applying for benefits and complying with bureaucratic processes can be substantial.
 - implement all 27 recommendations made by the Community Affairs References Committee in its final report on the Adequacy of Newstart and related payments, April 2020
 - establish a Social Security System Expert Group to advise and report to

Parliament on whether the Australian Government is meeting its responsibilities and to ensure that eligible recipients are not living in poverty

- bring all pensions and payments into line until the Expert Group is established. For example, the base rate of JobSeeker (single) should be an additional \$300 per fortnight, bringing the total fortnightly payment to around \$920 (not \$620).
9. The recently announced Disability Gateway, Disability Employment Service Star Rating system and performance framework must be independently evaluated within the next two years, along with another evaluation of Disability Employment Service Providers. People on DSP must have input on the design of the evaluation and an opportunity to provide feedback on the services provided.

Thank you for the opportunity to provide this submission and do not hesitate to contact me if you require further information.

Yours sincerely



Mr P Toby oConnor
Chief Executive Officer

Yours sincerely



Mr P Toby oConnor
Chief Executive Officer

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