



ADACAS
A D V O C A C Y

Response to Inquiry into:
Adequacy of Newstart and
related payments and alternative
mechanisms to determine the
level of income support
payments in Australia
(by the
Senate Standing Committees on
Community Affairs, Parliament of Australia)

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1. About ADACAS

The ACT Disability Aged and Carer Advocacy Service (ADACAS) has been delivering advocacy for and with people with disability, people experiencing mental ill health (or psychosocial disability), older people, and carers in Canberra and the ACT for 28 years. ADACAS also provides free advocacy and information to people with disability in parts of NSW: specifically, in set areas of Shoalhaven, the Eurobodalla Hinterland, Batemans Bay, Broulee – Tomakin, Moruya – Tuross Head.

As an advocacy service, ADACAS is frequently working with people who are “falling through the cracks” in current service systems. We advocate on many topics including housing, quality of service issues, NDIS appeals, at psychiatric treatment order tribunal hearings, on child protection matters, on restrictive practice/restraint/seclusion, substitute decision making etcetera. ADACAS advocates visit clients at their homes or places of the clients’ choosing. ADACAS additionally offer NDIS support coordination to a small number of NDIS participants, and have a Projects/research team currently exploring practical responses to issues arising through advocacy and Supported Decision Making. We have also recently commenced delivering Redress Scheme support services to people who are survivors of institutional child sexual abuse. ADACAS is additionally supporting individuals making submissions to the Royal Commission into Aged Care Quality and Safety, and the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability.

Throughout this submission we seek to highlight both the issues that advocates have observed, and also issues that our clients have raised with us, and will use case studies to demonstrate circumstances. We value the opportunity to provide this feedback.

ADACAS acknowledges the traditional owners of the lands on which we work, and pay our respects to their Elders, and to all Aboriginal and Torres Strait Islanders in our communities.

2. Adequacy of Newstart and related payments

A. ADACAS position:

ADACAS accords with the chorus of voices highlighting that the level of income provided via Newstart (and related payments) is currently inadequate and emphasises the need for the rates to be urgently raised to a level appropriate to Australian standards and with respect to Human Rights.

ADACAS also urges a rethink on the design of the income support system, such that it can better meet the needs of diverse populations, including people living with one or more of the following: disability, chronic or acute illness, mental ill health. We especially urge a focus on ensuring that Aboriginal and Torres Strait Islanders are receiving sufficient support, and are not being additionally disadvantaged by the design of the income support structures, as is currently occurring¹.

B. Numbers of people receiving Newstart

As at December 2018, according to the Department of Social Services, there were 6044 people receiving Newstart living in the ACT, and 198,780 people receiving Newstart living in NSW (Source: DSS dataset as at December 2018²).

Analysis of this dataset shows that in December 2018, there were 722,923 people receiving Newstart across Australia³. At that time, the average duration of payment for Newstart is 156 weeks (approximately 3 years)⁴, with durations as follows (in percentages (calculations rounded to one decimal place)⁵:

- 33.4% of people receiving Newstart have received it less than a year,
- 17.7% have received Newstart between 1 and less than 2 years,
- 27.7% of people have been receiving Newstart for between 2 but less than 5 years,
- 17.3% of people have been receiving Newstart for between 5 but less than 10 years,
- 3.8% of people have been receiving Newstart for more than 10 years.

¹ Soldatic, K and Fitts, M. (2019), Disability poverty and ageing in regional Australia: The impact of disability income reforms for indigenous Australian, *Disability and Society*, Australian Journal of Social Issues 2018; 53:223–238

² Department of Social Services (2018), *DSS Demographics December 2018*, Accessed via: <https://data.gov.au/dataset/ds-dga-cff2ae8a-55e4-47db-a66d-e177fe0ac6a0/distribution/dist-dga-c4db7814-fde1-4448-a7b5-94fb666b85d2/details?q=DSS> in September 2019.

³ Department of Social Services (2018), *DSS Demographics December 2018*, Accessed via: <https://data.gov.au/dataset/ds-dga-cff2ae8a-55e4-47db-a66d-e177fe0ac6a0/distribution/dist-dga-c4db7814-fde1-4448-a7b5-94fb666b85d2/details?q=DSS> in September 2019.

⁴ Department of Social Services (2018), *DSS Demographics December 2018*, Accessed via: <https://data.gov.au/dataset/ds-dga-cff2ae8a-55e4-47db-a66d-e177fe0ac6a0/distribution/dist-dga-c4db7814-fde1-4448-a7b5-94fb666b85d2/details?q=DSS> in September 2019.

⁵ Department of Social Services (2018), *DSS Demographics December 2018*, Accessed via: <https://data.gov.au/dataset/ds-dga-cff2ae8a-55e4-47db-a66d-e177fe0ac6a0/distribution/dist-dga-c4db7814-fde1-4448-a7b5-94fb666b85d2/details?q=DSS> in September 2019.

In terms of the age demographics of Newstart recipients across Australia (in percentages with calculations rounded to one decimal place):

- 8.6% are aged between 21-24 years old.
- 20.7% are aged between 25-34 years old.
- 21.8% are aged between 35-44 years old.
- 23.3% are aged between 45-54 years old.
- 24% are aged between 55-64 years old.
- 1.5% are aged 65 years or above.

Due in part to progressive tightening of the Disability Support Pension criteria over the last decade or more (changes to impairment tables and the capacity to work assessment expectations)⁶, many people who may be vulnerable (people with disability, chronic illness and/or people who experience mental ill health) are currently receiving Newstart (which offers much lower levels of income). From the DSS dataset, as at December 2018 it was evident that 38% of the people who receive Newstart (activity-tested recipients) had been deemed to have “a physical, intellectual or psychiatric impairment, assessed in the last two years, which would prevent them from working 30 hours per week”⁷.

C. What is an acceptable standard of living? :

As a signatory to the United Nations Convention on the Rights of Persons with Disabilities (UNCRPD), Australia has obligations to “recognize the right of persons with disabilities to an adequate standard of living for themselves and their families, including adequate food, clothing and housing, and to the continuous improvement of living conditions, and shall take appropriate steps to safeguard and promote the realization of this right without discrimination on the basis of disability.”⁸

In our view, an acceptable standard of living in Australia constitutes a level whereby all the various human rights are upheld: in particular that every one of us has the following rights and/or levels of access:

- Right to the highest standard of physical and mental health
- Right to adequate food, water and clothing
- Right to safe, secure and affordable housing
- Right to social security
- Right to not be discriminated against
- Equitable access to justice
- Equitable access to education, employment, leisure activities.

⁶ Australian Institute of Health and Welfare (AIHW) (2009), *People with Disability in Australia* report, accessed via: <https://www.aihw.gov.au/reports/disability/people-with-disability-in-australia/income-and-finance/income-support/changes-over-time-in-dsp> in September 2019.

⁷ Department of Social Services (2018), *DSS Demographics December 2018*, Accessed via: <https://data.gov.au/dataset/ds-dga-cff2ae8a-55e4-47db-a66d-e177fe0ac6a0/distribution/dist-dga-c4db7814-fde1-4448-a7b5-94fb666b85d2/details?q=DSS> in September 2019.

⁸ UN General Assembly (2007), *Convention on the Rights of Persons with Disabilities : resolution / adopted by the General Assembly, 24 January 2007*, accessed via: <https://www.un.org/development/desa/disabilities/convention-on-the-rights-of-persons-with-disabilities/convention-on-the-rights-of-persons-with-disabilities-2.html> in September 2019.

- Equitable access to community and social connectedness
- Support (including for decision-making) when needed

Many of these various rights are already reflected (and further explained) in various International Human rights instruments including many to which Australia is a signatory⁹, and/or within the ACT Human Rights Act (2004). We expand on some of these rights throughout this paper.

D. Housing security and affordability

In terms of the right to housing and housing affordability – in our view: everyone in Australia (including people in receipt of income support such as Newstart and related benefits) should be able to access safe, secure and affordable housing (without housing stress). Housing stress is generally defined: “a household is typically described as being in ‘housing stress’ if it is paying more than 30% of its income in housing costs¹⁰.

At the present time, people receiving Newstart are highly likely to be experiencing housing stress. Anglicare’s Rental Affordability Snapshot, found that “no properties in any capital city were affordable for a single person on Youth Allowance or Newstart”¹¹. This is clearly unacceptable.

Whilst some people in receipt of Newstart (or related benefits) may be eligible for public or social housing (where rents are capped at a level related to income), the demand for these types of housing far exceeds supply. The ACT Government Housing Register website states that: as of 5 August in the ACT there are 2286 applications on the waiting list for public housing, with 125 in the most urgent category (priority), 1320 in the category badged as (high needs), and 841 in the standard needs category¹². For priority housing, the average waiting time is 151

⁹List of International instruments include:

- Universal Declaration of Human Rights
- International Covenant on Civil and Political Rights (Australia’s signature 18/12/1972/ Ratified 13/8/1980).
- International Covenant on Economic, Social and Cultural Rights (Australia’s signature: 18/12/1972 / Ratified 10/12/1975)
- International Convention on the Elimination of all Forms of Racial Discrimination (Australia’s signature: 13/10/1966 / Ratified 30/9/1975)
- United Nations Convention on the Elimination of All Forms of Discrimination Against Women (Australia’s signature: 17/7/1980/ Ratified 28/7/1983)
- United Nations Convention against Torture and Other Cruel, Inhuman or Degrading Treatment (Australia’s signature 10/12/1985/ Ratified 21/12/17)
- United Nations Convention on the Rights of the Child (Australia’s signature: 22/8/1980 / Ratified 17/12/1990)
- United Nations Convention on the Rights of Persons with Disabilities (Australia’s signature: 13/3/2007/ Ratified 17/7/08).

¹⁰ Thomas, M and Hall, A. (2016) Housing Affordability, *Parliamentary Briefing Book*, accessed via: https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/BriefingBook45p/HousingAffordability in September 2019.

¹¹ Anglicare Australia (2019), *Rental Affordability Snapshot 2019*, accessed via <https://www.anglicare.asn.au/our-work/research-reports/the-rental-affordability-snapshot> in September 2019

¹² ACT Government (2019) Social Housing Waiting lists, ACT Government Community Services website, accessed via https://www.communityservices.act.gov.au/hcs/services/social_housing/waiting_lists in September 2019

days, for high needs housing the average is 625 days, and for standard housing the average is 1079 days¹³. Please especially note that these are average wait times (which means that there are some people waiting much longer than these time periods). Our experience is that people with disability who need modified or accessible housing (so that a property is accessible for a wheelchair, or otherwise adapted to meet individual needs) are frequently amongst those who experience longer wait times.

As a signatory to the United Nations Convention on the Rights of Persons with a Disability (UNCRPD), Australia has an obligation to ensure that “Persons with disabilities have the opportunity to choose their place of residence and where and with whom they live on an equal basis with others, and are not obliged to live in a particular living arrangement”.¹⁴ At the present time, all too many people with disability are finding themselves with more limited housing options (sometimes as a direct result of the nature of their disability). Continued work and effort is needed to address this disparity.

Excessive housing and financial stress can also mean that people find themselves in situations where they become homeless.

As ADACAS submitted to the Productivity Commission earlier this year:

“Homelessness is one of the most potent examples of disadvantage in the community, and one of the most important markers of social exclusion (Department of Human Services, 2002).”¹⁵ On 2016 census night there were 1596 people homeless in Canberra¹⁶. It is estimated that many of the people who are homeless experience mental illness or disability¹⁷.

In ADACAS’ view homelessness needs to be treated as an **emergency** and urgently addressed, with significant investment in specialist outreach and support services, and investment in safe and appropriate housing stock and in supportive housing solutions¹⁸ at a level that matches the need¹⁹. We

¹³ ACT Government (2019) Social Housing Waiting lists, ACT Government Community Services website, accessed via https://www.communityservices.act.gov.au/hcs/services/social_housing/waiting_lists in September 2019

¹⁴ UN General Assembly (2007), *Convention on the Rights of Persons with Disabilities : resolution / adopted by the General Assembly*, 24 January 2007, accessed via: <https://www.un.org/development/desa/disabilities/convention-on-the-rights-of-persons-with-disabilities/convention-on-the-rights-of-persons-with-disabilities-2.html> in September 2019.

¹⁵ Australian Bureau of Statistics (2018), *Census of Population and Housing: Estimating homelessness, 2016* viewed on 15 April 2019, <https://www.abs.gov.au/ausstats/abs@.nsf/mf/2049.0>

¹⁶ ACT Council of Social Services (2018), *ACT homelessness data- A closer look*, media release 16 March 2018, <https://www.actcoss.org.au/news-events/actcoss-news/act-homelessness-data-closer-look>

¹⁷ Flatau P, Tyson K, Callis Z, Seivwright A, Box E, Rouhani L, Lester N, Firth D, Ng, S-W (2018), *The State of Homelessness in Australia’s Cities: A Health and Social Cost Too High*, Centre for Social Impact The University of Western Australia, Perth, Western Australia, www.csi.edu.au/research/project/the-state-of-homelessness

¹⁸ Parsell, C., Moutou, O., Lucio, E. and Parkinson, S. (2015) Supportive housing to address homelessness, AHURI Final Report No.240. Melbourne: Australian Housing and Urban Research Institute, accessed on 15 April 2019, available from: <http://www.ahuri.edu.au/publications/projects/21024>

¹⁹ ACT Council of Social Services (2018), *ACT homelessness data- A closer look*, media release 16 March 2018, <https://www.actcoss.org.au/news-events/actcoss-news/act-homelessness-data-closer-look>

consider that there is both a moral and financial imperative for all levels of government to act fast and end homelessness.”²⁰

Poverty and financial strain are also widely understood to both contributor to and cause of homelessness.²¹ The poverty experienced by people in receipt of income support must be addressed: we reiterate the urgent need to raise the rate of payments such as Newstart and related benefits.

There can also be longer term financial impacts: if people experience low incomes/ insecure job market for the period of their working life, they are denied the opportunity to enter the housing market. At the present time, there is still an assumption in Australian society, that by the time we retire, that we will have a level of income and housing security: an assumption which is untrue if people have found themselves locked out of those opportunities.

Recommendations:

1. *That the rate of Newstart and related benefits be immediately and urgently raised by a minimum of \$75 a week (ideally considerably more).*
2. *That the rate of Newstart and related benefits be presently and for future always set at a level where everyone can access an adequate standard of living and have all of their rights (including that to affordable housing) upheld.*
3. *That there be further analysis and action to ensure equitable access to income and housing security in the longer term for all members of our community, including people with disability and those who experience mental ill health.*

E. Health

As a signatory to the UNCRPD, Australia agreed that people with disability have the right to achieve the highest attainable standard of physical and mental health²². At the present time, however, many people do not experience equitable access to healthcare and have poor health outcomes relative to the non-disabled population. Everyone should be able to equitably access healthcare when and where needed, without (as currently occurs for many people on Newstart or related benefits), people needing to delay or miss appointments due to the costs of accessing medical treatment (gap fees) or the cost of travel to the location of the appointment being prohibitive.

²⁰ ADACAS (2019), *Response to Productivity Commission Inquiry into the social and economic benefits of improving mental health*, full submission available via: https://www.pc.gov.au/_data/assets/pdf_file/0016/241432/sub493-mental-health.pdf

²¹ Homelessness Australia (2016), *Homelessness and Poverty in Australia*, accessed via https://www.homelessnessaustralia.org.au/sites/homelessnessaus/files/2017-07/Homelessness_and_Povertyv2.pdf#targetText=Poverty%20is%20an%20underlying%20cause,standard%20accommodation%20and%20social%20exclusionvi in September 2019.

²² UN General Assembly (2007), *Convention on the Rights of Persons with Disabilities: resolution / adopted by the General Assembly*, 24 January 2007, Article 25, accessed via: <https://www.un.org/development/desa/disabilities/convention-on-the-rights-of-persons-with-disabilities/article-25-health.html> in September 2019.

Monash University researchers found recently that people who receive Newstart are six times more likely to suffer poor health²³. The Australian Institute of Health and Welfare, in their report Australia's health 2018, observes that the "psychosocial stress caused by unemployment has a strong impact on physical and mental health and wellbeing."²⁴ There is additionally an urgent need to address the added impacts of structural inequities occurring for Aboriginal Australians on Newstart and related payments as part of the efforts to "close the gap" in terms of health (and life expectancy)²⁵. There are many costs for everyone (to individuals and society) when all people are not able to have their health needs met: we urge further work to improve outcomes in this area.

Recommendation:

4. *That both the income support and health systems be improved so everyone has equitable access to healthcare, such that everyone can seek to achieve the highest attainable standard of physical and mental health.*

F. People with multiple and complex needs:

ADACAS encourages a social investment approach that prioritises investing now in reducing poverty, inequality and disadvantage and especially in fixing the gaps in support that exist at present for people experiencing entrenched disadvantage and/or with multiple and complex needs.

The current structure of the social security system is ignoring dimensions of disability that are internationally recognised, and instead providing people (in receipt of Newstart or related benefits) with a level of income that is insufficient to ameliorate the additional cost imposts that occur when a person has disability (refer to discussion on this topic later in this paper).

Investing now (by both increasing the rate of Newstart (and related payments) and also addressing service gaps) would have a tangible quality of life impact on the wellbeing of the individuals involved but also positive impacts for inclusion and broader social cohesion.

²³ Collie, A, Sheehan, L McAllister, A (2019), *The Health of Disability Support Pension and Newstart Allowance Recipients: Analysis of National Health Survey Data*. Accessed via the following website in September 2019: https://www.monash.edu/_data/assets/pdf_file/0008/1968461/The-Health-of-DSP-and-Newstart-recipients.pdf

²⁴ AIHW (2018), Australia's health 2018, Section 4.2 Social determinants of health, accessed via: <https://www.aihw.gov.au/getmedia/746ded57-183a-40e9-8bdb-828e21203175/aihw-aus-221-chapter-4-2.pdf.aspx> in September 2019.

²⁵ Soldatic, K (2018), "Disability poverty and ageing in regional Australia: The impact of disability income reforms for indigenous Australians", *Australian Journal of Social Issues* 2018: 53 223-238, accessed via: <https://onlinelibrary.wiley.com/doi/epdf/10.1002/ajs4.51> in September 2019.

Recommendations

5. *That there be immediate action to address design issues within the income support and support service systems that are available to assist people with multiple and complex needs (and/or people within our communities who are experiencing entrenched disadvantage and/or heightened vulnerability), with a view to reducing inequality and improving quality of life for this cohort.*

G. Social Model of Disability

When thinking about the experiences of people with disability, it is important also to have an understanding of the social model of disability. People with Disability Australia define the social model of disability as follows: “The social model sees ‘disability’ is the result of the interaction between people living with impairments and an environment filled with physical, attitudinal, communication and social barriers. It therefore carries the implication that the physical, attitudinal, communication and social environment must change to enable people living with impairments to participate in society on an equal basis with others.”²⁶ Structural inequities in the income protection system are contributing to the myriad of barriers that people with disability are facing, and must urgently be addressed.

H. Employment

People with disability have an enormous amount to offer in the workplace, and for some, the advent of new technologies and equipment are providing new and different opportunities that may not have existed (or been possible) in earlier decades.

Unfortunately, however, many people with disability in situations where they are wanting to work (or to work more hours) face significant and unfair barriers: often attitudinal barriers borne of discrimination, stigma or ignorance²⁷. AIHW reports that “in the last year, 47% of unemployed people aged 15-64 with a disability experienced disability discrimination from an employer”²⁸. This effect can be magnified for people with disability who are becoming older, with people in this situation also likely to experience age discrimination²⁹.

In terms of numbers - AIHW statistics (based on the ABS’ Survey of Disability, Ageing and Carers) indicate that 49% of people aged 15-64 with disability are employed (as compared with 79% of people without disability)³⁰. The figures for

²⁶ People with Disability Australia (2019), Social Model of Disability website: accessed via: <https://pwd.org.au/resources/disability-info/social-model-of-disability/> in September 2019.

²⁷ Australian Institute of Health and Welfare (AIHW) (2009), *People with Disability in Australia* report, accessed via: <https://www.aihw.gov.au/reports/disability/people-with-disability-in-australia/employment> in September 2019.

²⁸ Australian Institute of Health and Welfare (AIHW) (2009), *People with Disability in Australia* report, accessed via: <https://www.aihw.gov.au/reports/disability/people-with-disability-in-australia/employment> in September 2019.

²⁹ Australian Human Rights Commission (2016), *Willing to Work National Inquiry into Employment Discrimination Against Older Australians and Australians with Disability* report, accessed via: <https://www.humanrights.gov.au/our-work/disability-rights/publications/willing-work-national-inquiry-employment-discrimination> in September 2019

³⁰ Australian Institute of Health and Welfare (AIHW) (2009), *People with Disability in Australia* report, accessed via: <https://www.aihw.gov.au/reports/disability/people-with-disability-in-australia/employment> in September 2019.

Aboriginal people with disability, are even starker – 41.7% of Indigenous people with disability are employed.³¹

There is a proportion of people with disability where the intrinsic impact of disability/health matters precludes working (the AIHW advises that of people with disability in Australia who are not currently working, 63% report that they are permanently unable to do so (for most, this is due to the impact of their disability or health issues)³²), and it is imperative that this group is not placed under undue pressure.

For those who want to be working, or working more hours, however, there needs to be a change both in the income support structures, and also in societal attitudes. Such change should mean that recipients of Newstart and related benefits do not experience further disadvantage or marginalisation in their efforts to find work. Further, if a person who receives Disability Support Pension is in a position where they might be able to take on a small amount of work, that that they do not risk the security offered by that benefit in doing so.

The approach of “blaming the victim” and attributing difficulties in finding work to individual failings, instead of rightly recognising and addressing the structural and systemic failings that are causal factors (e.g. lack of availability of jobs or discrimination) is both unconscionable and damaging in impact. Also damaging is the current system, which is placing people under extreme financial pressure to the extent which it is affecting their health, housing and wellbeing (as is the case at present for recipients of Newstart and related benefits).

In terms of unemployment - at the present time – AIHW report - “the unemployment rate for people with disability has risen from 8% [to 10%] since 2003, while the rate for people without disability [5%] has remained steady”³³.

The most recent NDIS Quarterly report (June 2019) showed that even for NDIS participants (who perhaps might be expected to have more support available both in accessing work opportunities and with any supports that assist in maintaining a work arrangement), there has been only a very modest increase in the employment rate (from 23% to 24%)³⁴.

Clearly much greater effort and energy is needed to counteract unfair and negative community attitudes, discrimination and stigma that unjustly affect people with disability in seeking work (and in other settings).

³¹ Soldatic, K and Fitts, M. (2019), Disability poverty and ageing in regional Australia: The impact of disability income reforms for indigenous Australian, *Disability and Society*, Australian Journal of Social Issues 2018; 53:223–238

³² Australian Institute of Health and Welfare (AIHW) (2009), *People with Disability in Australia* report, accessed via: <https://www.aihw.gov.au/reports/disability/people-with-disability-in-australia/employment> in September 2019.

³³ Australian Institute of Health and Welfare (AIHW) (2009), *People with Disability in Australia* report, accessed via: <https://www.aihw.gov.au/reports/disability/people-with-disability-in-australia/employment> in September 2019.

³⁴ NDIS (2019), Quarterly Report (Report to the COAG Disability Reform Council for Q4 of Y6 Summary Part A), Accessed via <https://www.ndis.gov.au/about-us/publications/quarterly-reports> in September 2019.

Recommendations:

6. *That there be a concerted and concentrated effort to educate the broader community (and the media), to counter discrimination and to positively change community attitudes towards people with disability in the workplace and in the community.*
7. *That more job opportunities are made available to people with disability who are in situations where they can and are wanting to work, such that the unemployment rate for people with disability is dramatically reduced.*

I. Additional financial costs experienced by people living with disability or ill health

For people who live with a disability (and/or ill health), there are extra financial costs (direct and indirect)³⁵ that are intrinsically linked to the experience of living with disability (and/or ill health). These costs vary significantly, but can include things such as the costs of equipment, costs of extra medical appointments (both medical gap fees, and added travel costs to get to and from appointments etc.).

The National Disability Insurance Scheme (NDIS) can provide assistance to Australians with some of the additional costs that are occurred due to having disability. At full scheme, the National Disability Insurance Agency Deputy CEO reports that they expect that the NDIS will assist 500,000 people with disability (aged under 65) with individualised funding packages³⁶. However - according to the Australian Institute of Health and Welfare (AIHW) there were 4.3 million Australians with disability (nearly 1 in 5 people) as of 2015³⁷. If people with disability are not NDIS participants (i.e. at present 4 million Australians, given that the current number of participants within the scheme is 298,816³⁸ (close to 300,000)), the availability of alternative supports (e.g. via the health and social support systems) and the quality of same) varies widely across Australia, between the various States and Territories.

When focussing specifically on Newstart – the aforementioned 38% of recipients receiving Newstart who are deemed to have a physical, intellectual or psychiatric impairment³⁹, this equates to 274,711 people who are likely to be experiencing the impact of financial costs related to disability and/or illness. Whilst a small proportion of Newstart recipients might be NDIS participants, for people with disability who are not NDIS recipients (and in a financial circumstance where they are in receipt of

³⁵ Mitra, S. Palmer, M. Kim, H. Mont, D. Groce, N. (2017), "Extra costs of living with a disability: A review and agenda for research", *Disability and Health Journal*, Volume 10, Issue 4, October 2017, Pages 475-484.

³⁶ NDIS (2019), "NDIS now available across Australia as scheme celebrates sixth year" News article from NDIS website, July 2019, accessed via <https://www.ndis.gov.au/news/3034-ndis-now-available-across-australia-scheme-celebrates-sixth-year> in September 2019.

³⁷ AIHW (2019), Picture of the experiences of Australians living with disability Media release in relation to the *People with Disability in Australia* report, accessed via <https://www.aihw.gov.au/news-media/media-releases/2019/september/picture-of-the-experiences-of-australians-living-w> in September 2019

³⁸ NDIS (2019), Quarterly Report (Report to the COAG Disability Reform Council for Q4 of Y6 Summary Part A), Accessed via <https://www.ndis.gov.au/about-us/publications/quarterly-reports> in September 2019.

³⁹ Australian Institute of Health and Welfare (AIHW) (2009), *People with Disability in Australia* report, accessed via: <https://www.aihw.gov.au/reports/disability/people-with-disability-in-australia/income-and-finance/income-support/changes-over-time-in-dsp> in September 2019.

Centrelink benefits (whether these be Newstart, or the Disability Support Pension or other benefits) the impact can be significant, disproportionate and profound.

Given the large numbers of people with disability in Australia who do not receive an individual package of support through the NDIS, it is imperative that there is due consideration of how service systems (and the income support systems) can be revised to ensure that Australia can meet its international obligations under the UNCRPD to ensure that all people with disability are experiencing an adequate standard of living, and are not being discriminated against due to disability⁴⁰.

J. Inaccessibility of income support options / Newstart by default:

The ostensible goal of Newstart is to assist people who are unemployed and looking for work⁴¹. The current design of the social security system however, whereby the Disability Support Pension (and Sickness benefits) are very difficult to access, means that there is a group of people experiencing very strong impacts of disability, acute or chronic illness or mental ill health who are finding themselves in situations where they are unable to access payments such as the DSP or Sickness Benefit. Consequently, the only income support that they are able to access (to help with living costs) is Newstart. Whilst people can seek an exemption from the mutual obligation/job search requirements that come with Newstart, these exemptions are generally only provided as a short-term (not ongoing) arrangement. In our view, this is a structural fault of the current system and very counterproductive. The effect is the impost of job search expectations on people during periods when they may not be well enough to be working, and on employers who may receive applications from people unable to take up opportunities at that time. Given that this structure is in effect requiring people who might struggle at that point in time to take up work, to still submit job applications, these interactions can unfairly reinforce with employers, negative stereotyped perceptions of people with disability as being unable to work.

Whilst there are many people with disability or chronic illness or mental ill health who are wanting and seeking work, a social security system which means that people who are) unable to work, are being forced into a situation where they are having to go on Newstart (due to the inaccessibility of other benefit types) is incredibly problematic.

When the system design means that this group are also being further disadvantaged due to the significant differences between the pay rates of, for example, the DSP and Newstart, this is especially unjust. These are clearly faults with the current design of the social security system, and need to be urgently addressed.

⁴⁰ UN General Assembly (2007), *Convention on the Rights of Persons with Disabilities : resolution / adopted by the General Assembly*, 24 January 2007, accessed via: <https://www.un.org/development/desa/disabilities/convention-on-the-rights-of-persons-with-disabilities/convention-on-the-rights-of-persons-with-disabilities-2.html> in September 2019.

⁴¹ Department of Social Services (2019), *Newstart Allowance*: accessed via <https://www.humanservices.gov.au/individuals/services/centrelink/newstart-allowance> in September 2019

Recommendations:

8. *That the criteria for the Disability Support Pension be re-considered, and broadened (in line with the dimensions of disability outlined with the International Classification of functioning), such that people with disability are more easily able to access the DSP payment in an ongoing way.*
9. *That there be a review of the income support options available, such that people who are unable to work (temporarily or in a more ongoing way) can access income support via a benefit relevant to their circumstances.*
10. *That people who are unable to work (temporarily or in a more ongoing way) are not required to undertake job search activities.*

K. Client story

In his life, Jonathan* has been a government employee and also employed in a variety of roles outside that sector. He also has been an elite athlete, representing Australia in his sport, at a national level. His circumstances however have changed. After an exacerbation of multiple health and disability issues, Jonathan found himself needing to medically retire from work. He subsequently applied (initially unsuccessfully) for the DSP. He received Newstart for a year.

Throughout the period that Jonathan was on Newstart, Jonathan advises that there were many occasions where he was having to skip meals, to choose between food and medicine, or food and heating for his home. He frequently couldn't afford the transport costs (or the gap fees) for his medical appointments, and almost ended up homeless.

The ongoing level of stress from living in poverty, and the impacts on his physical and mental health have been profound, with Jonathan needing frequent visits and lengthy stays in hospital.

Whilst Jonathan eventually (with help) did successfully appeal the decision to deny access to the DSP, Jonathan advises that his circumstances have meant that he continues to be under extreme financial pressure in an ongoing way.

*This person's story has been de-identified (the client's name and some other identifying factors changed) to protect the identity of the individual involved. It is included with the client's consent.

3. Alternative mechanisms to determine the level of income support payments in Australia

At the present time and in recent history, the setting of rates for income security payments has been a political and politicised process, all too subject to the whims and vagaries of political will, the values of the government of the day, and the forces of political expediency.

The income support system in Australia has such a profound impact on the wellbeing of so many people, many of whom are disadvantaged or vulnerable, that it is imperative that decisions about its design, rates of payment, decisions re payment types and levels are fully informed decisions, that have taken due account of both immediate and longer term impacts of those decisions and the impact of those decisions on the populations receiving the payments and society as a whole.

We endorse the need for a universal approach to setting income support payments that is strengths based, and not punitive, nor stigmatising in its approach.

In our view, an independent and expert statutory body (an Independent Social Security Commission) needs to be established, to take a holistic view of the social security system and to examine and set income support levels based on academic research and evidence. This body should be specifically staffed by researchers with expertise in inequality, health, and poverty, and needs to have adequate funds available such that they can commission additional research when needed.

On a separate but related note: we also wish to be clear that we strongly contest the arguments against the legislation recently being considered by Parliament, which would require people in receipt of Newstart to undertake drug testing. The proposed legislation taps into and seeks to amplify age-old narratives about the deserving or undeserving poor and makes judgements based on a moral superiority/inferiority lens, as opposed to considering the evidence-base as to what works in support of people who experience substance-abuse and addiction issues. Initiatives and approaches like the proposed legislation increase stigma, and make it less likely that people will access any help that they might need. It is imperative that Australia take a kinder and more evidence-based approach on such issues.

Recommendation:

11. That an Independent Social Security Commission be established to examine and set income support levels based on academic research and evidence, that it be staffed with expertise in inequality, health, and poverty, and that it have adequate funds available such that they can commission additional research when needed to assist with its duties.

4. Conclusion

As is apparent throughout this submission, ADACAS strongly endorses calls by the Australian Council for Social Services (ACOSS), the Australian Medical Association (AMA), and many others with regards to the need for a minimum \$75 increase per week in Newstart (and related) benefits, to start immediately.

We also emphasise the need for reform of the social security system, such that it is better able to adequately meet the needs (and uphold the rights) of our diverse population (in particular the rights of people with disability, people with mental ill health and/or other illness (acute or chronic)). Such action will have impact across society including broadening access to more appropriate supports for people transitioning through a Newstart scheme.

The current income support system and payment structures are having a disproportionate impact for people with disability, and people with mental ill health. For Aboriginal Australians, the current approach is also acting against the goals of the Closing the Gap initiative.

It is oft said that a society should be judged by how it treats its most vulnerable. This review provides an opportunity for Australia to develop a response that is in Australia's economic and social interests, and to significantly improve the experience of many.