

In the following submission, I have used some examples of personal experiences and disabilities as examples to illustrate my points. My main disability is physical and this is the basis for my arguments and concerns. If I have missed anything or misinterpreted/misrepresented or offended a disability or disability group I apologise. We really do all need to work together to benefit everyone, something I have understood a lot more recently than when I first wrote the following...

**Contradictions and unjust clauses in relation to centrelink's Disability Support Pension (DSP) and other services or benefits applicable to people living with a (permanent) disability.**

As of 01/07/09 the payments for singles with no children **per fortnight** are:

DSP (includes \$19.50 pension supplement) - \$569.80

Pharmaceutical Allowance - \$6.00

Income Test for Pensioners – Can earn up to \$142.00 (before tax) except for permanently blind (BVI) persons receiving DSP who have no income or assets test (unless they are also receiving rent assistance)

Mobility Allowance - \$79.30 (basic rate) or \$111.00 (higher rate)

Rent Assistance - \$111.20 (max) if rent is more than \$247.07 over 2 weeks or \$74.13 (max) if rent is more than \$197.64 and sharing accommodation

I will now outline the double standards of the above payments. Everything typed in *Italics* is a direct copy from various Centrelink forms and/or information booklets published between October 2008 and July 2009.

***Disability Support Pension*** is a payment for people whose physical, intellectual or psychiatric impairment prevents them from working, or for people who are permanently blind.

*You may receive DSP if you have a disability, illness or injury and you are:*

- *Aged 16 or over but under pension age at date of claim lodgement (and)*
- *Assessed as not being able to work 15 hours or more per week within the next 2 years, or be retrained for such work within 2 years because of your disability, illness or injury, or*

- *Permanently blind, or*
- *Participating in the Supported Wage System*

When a new injury or disability is acquired, not being able to work or train for 15 hours or more per week for two years is a reasonable standard for people to be granted the Disability Support Pension. Especially as it takes from months to years of rehab and therapy to complete goals and relearn basic daily tasks.

While many spinal cord injuries are not confined to life in a wheelchair after rehab, there is a great number who are, and it is this group that have ongoing medical appointments and expenses and rely on medications and equipment just to keep their body functioning. Like permanent blindness, being confined to a wheelchair for the rest of one's life should be suitable grounds to get DSP without income tests.

It is important to note that most people assume that if someone is permanently blind, they have no sight or vision at all. This is a vast misconception and while there are some individuals who cannot see anything, whether from birth or accident, this number is much less than the number of vision impaired individuals. These are people deemed legally blind thus cannot drive, but many can see, often read (obviously with difficulty) and function independently. You are legally blind (minimum) if you see at 6m, what someone with 20/20 vision can see 60m away.

I have also been informed (from a number of resources) that the reasons behind someone who is legally blind or vision impaired (BVI) ('permanently blind') is not subject to an income or assets test because: There was a member of Parliament who was vision impaired and he told the government that there was no equipment or funding provided for BVI (like there supposedly is for wheelchairs etc) and the costs of aids for the blind was great.

While every disability is different and each person has different circumstances, as you can see the medical/medicine bills to live with a spinal cord injury is also great. Especially as people like myself require a large number of medications and medical equipment just to keep bowel and bladder functioning.

***Pharmaceutical Allowance*** is \$6 per fortnight for eligible single person, and \$3 per fortnight for each eligible member of a couple

This is wrong for so many reasons! Some may argue that we are doing well as a prescription on the pensioner Pharmaceutical Benefits Scheme (PBS) currently cost \$5.30ea, and we are allocated \$6.00 which may appear to be a saving of 70cents. This is certainly not the case for those that rely on as many medications as wheelchair users and the like.

Please note that the \$6 is paid per fortnight so that is 26 times per year (\$156total). Despite the 52 weeks in the year (and one prescription a week is more than enough)

pensioners must now purchase 60 lots of PBS medicines before reaching the safety net limit (currently \$318). Not only do we need to find a further \$156 to pay for these scripts before we're on the 'free' list, but the 60 scripts required to reach the safety net limit must all be listed as PBS scripts – and many necessary drugs are not. This means that not only are we paying full price for over the counter and non PBS scripts (this may be anywhere from \$20-100ea) but none of these purchases are counted in reaching the safety net.

If that's not frustrating enough, I have been forced to pay for private health care because of the waiting lists and inadequacy of the public health system. If I have paid for a non PBS script, I can claim the difference between what I paid, and what it would have cost on PBS through Mutual Community. The flaw however, is that they only refund the extra above \$32.90 (general patients PBS costs, not pensioner). I therefore pay extra and get nothing back for non PBS scripts and over the counter medications and supplies under \$33 AND the purchase does not contribute towards reaching my \$318 safety net – Something I seem to do around July each year regardless.

***Mobility Allowance*** provides assistance to people with disabilities engaged in certain qualifying activities such as job seeking or any combination of paid employment, voluntary work, vocational training and independent living/life skills training, and who cannot use public transport permanently or for an extended period without substantial assistance.

To qualify for the **standard rate** of Mobility Allowance, you must also be:

- Doing at least 32 hours over a 4 week period of voluntary work, paid work, self-employment, training (including life skills courses) or any combination of these.

*NB: there are other options/requirements also listed but have nothing to do with permanent disabilities and the DSP. Whilst I have not included them here, I can provide the full documentation if required.*

To qualify for the **higher rate** of Mobility Allowance, you must also be:

- Receiving Newstart Allowance, Youth Allowance, Parenting Payment or Disability Support Pension, and
- Working 15 hours or more per week for wages at or above the minimum wage, or
- Looking for work under an agreement with an Employment Service Provider, or
- Working for at least 15 hours per week under the Supported Wage System

I am currently studying full time at UniSA (Bachelor of Education, Junior Primary/Primary) and assist at Gymnastics SA as a Judge at gymnastics competitions. Each subject at uni has 3 hours contact (lectures and tutorials), plus 9 hours studying per week. Therefore fulltime uni is more than 40 hours per week and even part time uni with 2 subjects is 24 hours a week. Yet because I am not earning money from studying, I am not eligible for the higher rate of mobility allowance.

The slip up with the higher rate of mobility allowance is that you must be working 15 hours or more (paid) per week. This is a condition for people on the Disability Support Pension, even though the criteria for being on the DSP in the first place, states that you cannot work for 15 hours or more per week!?!

Again, the eligibility for DSP needs re-wording and needs to be more specific to each disability group (physical, intellectual, mental) and sub-group (permanent wheelchair user, 24hour carer) depending on an individual's incapacities and medical expenses.

***Income and Assets:*** *Mobility Allowance is not income and assets tested.*

*DSP paid to customers who are blind is not subject to the income or assets test. If rent assistance is claimed however, income and assets must be declared. The income and assets tested rate is compared to the non income and assets tested rate and the higher amount is paid.*

*Income over these amounts reduces the rate of pension payable by 40cents in the dollar (single), or 20cents in the dollar each (for couples).*

*For DSP customers, these limits apply if aged over 21 only. For under 21 the same income/assets test applies, but with different limits See your Centrelink Customer service Centre for information. (This was not the case for me!?! See below)*

*These figures may be higher if Rent Assistance is paid with your pension.*

While not being able to work or train for two years was apparent and applicable to myself when I became a paraplegic in June 2001, it is not necessarily always the case. As you would have seen in my medical expenses spread sheet, with a complete spinal cord break, I have a number of doctor, physio and specialist appointments to attend frequently and a normal 40 hour week is not always possible. Without even considering how difficult it is for someone in my position (wheelchair user) to get casual work, people who are permanently blind, do not have to have limited work capacity or any other impairment. Therefore, as with vision impairment, those confined to a wheelchair (and I mean those who cannot stand at all) should also be exempt from income or assets tests.

The fact that BVI clients who receive rent assistance are then limited to \$142 fortnight income (before tax) is just stupid. Effectively, a BVI person could be an astrophysicist earning \$500 000 annually and still receive the full DSP, yet if they are working 5 hours a week at \$20p.h. and on DSP and rent assistance, they will lose \$23.20 from their pension for earning \$58 more than the income test allows.

Another injustice in the basic DSP pension payment is the amount that under 21's and under 18's may receive. I was 17 when I had my accident and from October 2001 I began to receive the pension for under 18's living at home. Thanks to government funding and bathroom renovations (or lack thereof), I could not return home after I had completed my rehab goals and become accustomed to life in a wheelchair. I was forced to live at the Hampstead Rehab Centre as an inpatient (solely there for the bed and the bathroom) as I could not get to the toilet in my mum's home.

Anyway, I was in hospital/rehab til September 02 and (although I turned 18 07/02/02) I was still receiving the pension for someone under 21 living at home. When I was finally able to move home, I began paying rent, and still had to cover all other costs myself (medications, taxis, phone, food etc). Despite the roof over my head, I was as independent as possible and looking after myself, yet there is a \$125 difference between under 21's living in or out of home.

A person legally becomes an adult in Australia at 18 years of age. This should be the age one goes from youth to full Disability Support Pension. While I appreciate 21 is a lower age for full pension compared to other payments who may not receive the full amount if they are under 25 and living at home, but people with disabilities of all ages have the constant and continuous medical bills that able persons do not.

What is even worse, is although I was only receiving \$300 per fortnight (as I was under 21), I was still only allowed to earn \$120 per fortnight (before tax). In 2003 and 2004 I had two gymnastics coaching jobs at various schools/clubs and was working around 5 hours a week at \$20 p/h. Not only was I already being underpaid compared to others as I was under 21 and living at home (which is incorrect enough, as 18 is the 'legal' age you become an adult, so why are you not eligible for full pension at 18? It doesn't make sense) but I was earning over the \$120 and would lose 40c to every dollar I earned over.

What makes this even more unfair, is that (what I lost) was calculated on a week by week basis rather than an average over the year. This is not only unreasonable for those who may be able to work one week on, one week off etc. But for 3 weeks, I had a 3<sup>rd</sup> job working my free lunch and after school times. In total, over the year I had earned approx \$7500 from pension and \$5000 working. Because of the excess over the 3 week period, I later had to repay centrelink \$1200 I had been 'overpaid' despite my total annual income still being below the full pension!

Another complication that had to do with my living at home or not, was my mum receiving carer allowance. After my accident, my mum was advised to apply for carer allowance (\$100pf) to help care for me and complete daily tasks. As she had to continue to work, she was not eligible for carer payment, but was given the all clear for carer allowance (months before I was even granted DSP). It was paid for a few weeks then stopped. We were given no information or reason but we recently heard it was because I was living in a hospital (Hampstead Rehab Centre)– despite the fact that she was there with me every morning and night – and this rule has since been changed. We only just discovered that she should have been receiving this payment because of the care she has provided me with over the last 8 years! Now I have moved out of home and she is still providing daily care and is back on carer allowance, but centrelink would not pay back more than 13 weeks of the payments she had missed. This is HUGE double standard because if it were \$20 000 that I had been over paid in the past, there is no way I would be allowed to only repay the recent 13 weeks!

As you can see, there are a lot of inconsistencies and double standards. The definition of eligibility for the Disability Support Pension must be changed, along with no working limits, income or asset tests for individuals who suffer a permanent injury.

For example, I cannot walk, or stand, or move my legs. I require a wheelchair to get around everywhere. This will be the case for the rest of my life. While I have a number of other medical conditions (some related to spinal cord injuries, some not) I will always be a paraplegic and always need a wheelchair. Because of this inevitable fact alone, I should not have to reapply for DSP or wheelchair parking permits which (when expired or reviewed) require a new doctor's statement. Incomplete injuries however, should be regularly reviewed and assessed.

## **Centrelink Pension Info as of September 8<sup>th</sup> 2009**

I recently received a letter from Centrelink explaining the \$60 increase in age/disability etc pension as of September 20<sup>th</sup> 2009. I read the documents thoroughly and surprise surprise, one can never receive a benefit without a corresponding loss of some kind.

While I and no doubt many others are very grateful for the \$63.87 per fortnight increase in the single full pension, it is definitely not without backlash. The first change that shocked me was the limits put on coupled pensioners. While supported by each other, they will only receive an extra \$10.15 each per fortnight, regardless if they are on full or part pension. Those on part pension that also work remain no better off as they will now lose an extra \$10 from every \$100 they earn (before tax)

as the government is now taking 50% of every dollar earned (before tax) over \$142 per fortnight!

It has been recently brought to my attention that BVI (legally blind/vision impaired) is the only disability group **NOT** subject to any income or assets test. This means that regardless of any income, they will still receive the full pension payment fortnightly. This became the case post World War II when a vision impaired Politician got the bill passed as there were many who lost some or all of their sight at this time. BVI people were also disadvantaged because of the lack of funds provided by the government, and the large cost associated with equipment and medical expenses.

Regardless of any qualifications, people who are blind or vision impaired are still limited finding work today because of the misconception employers have about people with physical disabilities and the adaptations and equipment they may or may not need to assist them in the workplace.

With no income or assets test, those BVI who are able to find work are rewarded by not having to worry about any partial or complete loss of their pension and the benefits that come with it such as reduced medical expenses including some medications on the Pharmaceutical Benefits Scheme (PBS currently \$5.30ea). Please note, I do not wish for BVI's to lose this freedom, but appeal that this incentive is applied to the two other physical disability groups with major restrictions. This includes deaf or hearing impaired persons and permanent wheelchair users. Like those with impaired vision, people who fit these categories are often mentally able to work, yet still find it extremely difficult to find and/or sustain employment because they are repeatedly seen as 'disabled' and therefore a liability – Imagine what this ongoing rejection will do to one's mental health, consequently impeding their ability to live happily and participate freely in a non-discriminatory society.

All three aforementioned severe (physical) disabilities have great individual expenses and requirements to get through day to day life. Those able to work and able to find someone willing to employ them (it's a double edged sword) should not have to be concerned about the implications it will have on their pension concessions and payments.

I am appalled at the new changes now implemented to the income test for pensions (except BVI). Prior to September 20<sup>th</sup> 2009 a person living on the pension could earn up to \$142 per fortnight (at or above minimum wage) before tax, before their pension was decreased by 40 cents per extra dollar earned. This was already giving no incentive for people living with disabilities to find paid work, but now each dollar earned (over the initial \$142) will lose 50 cents per dollar from their usual pension.

Whether a person can work just one hour a day or one day a week they are likely to earn over \$142 and start reducing their pension. Below is a list of problems associated with this:

Firstly, the \$142 limit is ridiculous. For the severe permanent physical disability groups there should be no limit as is currently the case for BVI. This will encourage a vast amount of people with disabilities (like myself as a wheelchair user currently studying at university) to want to work. What you must realise is there are many additional personal expenses people with physical disabilities face like the money we must then spend on taxis for transport – even with the vouchers costs us an arm and a leg! Not to mention the time sacrificed by sitting around waiting for access cabs to arrive and take us to and from work.

If there was to be no income test for the aforementioned permanent disabilities, not only would it encourage people to look for work (part or full time depending on availability and individual circumstances) it would be at NO extra cost to the government AND if able to earn enough, we too would be paying taxes on top of the GST. You must realise that people living with these severe physical disabilities will be more incapacitated the older they get. While more treatments and possible cures may be on their way over the next 100 years, these will no doubt be at great expense – wouldn't it be better if an individual living with a disability could pay for part or all of their treatment, new home modifications and equipment? It would reduce the thousands currently on disability waiting lists as I (for example) would have no problem using continuing full pension payments to purchase my next wheelchair if and when I had a working income and Disability Support Pension to cover my continuous and expensive medical needs.

The next concern I have with the \$142 fortnightly income limit, is Centrelink documents state that this is the 'income test free limit' for people working at or above the minimum wage. Not only do I find it sickly amusing that full pension plus \$142 is still below the minimum wage earned over a fortnight, I am interested to know if people with intellectual disabilities (ID) working at Bedford Industries lose any of their pension. This is because ID people employed by Bedford et al are initially tested for their productivity, and their wage is then determined as percentage of the standard minimum wage relative to their percentage of production compared to an 'able' worker. While it is great that there are businesses like Bedford Industries willing to employ people with intellectual disabilities, is not fair for anyone (disability or not) to be paid less than the average minimum wage for an hour's work. Yet as they are earning less than minimum wage, are they too exempt from the \$142 gross fortnightly income?

What was most shocking with the new changes to income tests though, is that even over 65's on the age pension are given a little extra leeway and therefore more incentive to work, while relatively able disabled 25 year olds like myself are held back. The introduction of the Work Bonus Scheme is for people on the Age Pension to provide 'an incentive for senior workers to be in the workforce'. While the first \$142 age pensioners earn will not be touched, only 50% of their paid income (up to \$500 per fortnight) will be counted as income. Age pensioners who earn \$500 would have their pension reduced by \$125 compared to Disability Support Pension who



would now lose \$179. This \$54 difference would definitely add up over the year(s) and I can guarantee that people living with disabilities of all ages will often have greater daily living, mobility and medical expenses compared to the elderly, costing us much more to survive on a day to day basis – yet we're still offered less

Another unjust change to the income test is 'The current additional income test free area for customers with dependent children will be removed.'

**Mel's current dilemma (it's a black and white explanation):**

Imagine when I complete my Bachelor of Junior Primary and Primary Education degree, I will have three choices. First, I can graduate and put my qualification in the filing cabinet and continue training for the London Paralympics. I will continue to receive the Disability Support Pension and spend most of it along with any funds I get from SASI on my bike, entering and getting to and from national and international competitions to qualify for London in 2012. I will continue my volunteer work on some weekends but have the majority of time over the week to train. I will remain on Disability SA waiting lists for under resourced and underfunded equipment and renovations, such as building me a useable kitchen and a new wheelchair (I already had to wait 7 years for my current day chair).

The second option is also under the current guidelines, which is I can take my degree and look for employment. Because of my sporting commitments and time, I would only be interested or able to work part time, maybe a day or two a week. Whether teaching at one school or as a Temporary Relief Teacher (TRT), I would effectively be losing training time and some pension from money earned in doing so, therefore eliminating any incentive to want to work. Of course winning gold at the Paralympics is my current goal, I still love working with and educating children and genuinely enjoy it. I don't mind if teaching takes a day or two out of my training time, but I will not even consider it if there is to be no financial benefit (to help get to competitions etc) as much of what I earn would be taken from my pension. I would also remain on the endless Disability SA waiting lists.

The third is only applicable should I get injured and can no longer compete - which I really hope won't happen! Otherwise, once I have finished competing in elite sport. Suppose I am successful in finding permanent full time employment at a wheelchair friendly school. Regardless whether it is government funded or independent, my salary would no doubt be at or above the income test for pensioners and I would no longer be a pensioner. This means I would lose the Pharmaceutical Benefits Scheme medication cost of \$5.30 and have to pay full price for all my medications. This alone would cost about \$500 a month as a paraplegic, I require a large number of prescriptions just to stay alive. Depending on my income and expenses living with a disability without being a pensioner, I would most likely remain on the ever growing Disability SA waiting lists.

Now, if a vision impaired person was in my position, they could take a part or full time job, continue receiving the full pension and its benefits and be able to pay for most of their own aids and equipment. People in wheelchairs or with a hearing impairment should be (similarly) rewarded for trying to go out into the workplace, not hindered by the income test.

My ultimate ideal once I complete my degree would be to go out into the workforce and teach. Because of my elite sport and various regular medical appointments, I would like to work no more than a day or two a week between now and the London Paralympics. By earning a taxable income, I would effectively be 'paying for' the full pension that I would also receive. I may be able to finance my own wheelchairs and mobility equipment and reduce the Disability SA waiting lists. As I would have been teaching throughout and managed to keep my 'toe in the door' I would not forget all my pre-service teacher training from university. Once I have finished competing in sport, I could apply for a full time, permanent teaching position. If this was the case, (and still receiving the pension) I would be eligible to get a deposit on a house and potentially fund the renovations myself. Not only freeing up Disability SA's waiting lists, but also assisting Housing SA by living independently in MY house. By owning a wheelchair friendly house, I would not need to move or go back on the waiting list for accessible housing later in life when I age or are no longer able to work. I would have been able to use my pension to fund my ongoing medical and equipment expenses enabling me access to the services/equipment I need as I require it and would reduce the wait for others on disability waiting lists unable to work at all, or order equipment for themselves.

I will leave it there for now, but I am certain there are many benefits for individuals AND the state and federal governments if the income and asset tests for severe permanent disabilities (eg hearing impaired and full time wheelchair users) is removed.