

Disability support pension still under pressure

Concerns over proposed changes to the disability support pension (DSP) have been allayed as support for the legislation has once again been blocked in the Senate. According to ACROD, the Government is taking the stance that unless Parliament approves its Bill, it won't release the \$258 million package of assistance for job seekers with disabilities announced in its 2002 Budget.

The Government is still pushing for the introduction of the Bill to tighten eligibility for the DSP.

- People who are assessed as being able to work at least 15 hours a week at award wages would no longer be eligible (the current test is 30 hours per week). The change would apply to new DSP claimants.
- Assessment of DSP eligibility for people over 55 would no longer take into account local labour market conditions.
- Centrelink staff would assess work capacity of DSP claimants (Health Services Australia currently makes this assessment).

Ironically, an initiative designed to move people into work may act as a disincentive as eligibility reviews could well deter some disability pensioners from demonstrating a capacity to work for 15 hours or more. Should they do so, they will be moved to the cheaper Newstart allowance with reduced benefits and new obligations.

At June 2003, 673,300 Australians of working age received DSP, a rise of 17% from 1999 (compared with general population growth over the same period of 5%). The Federal Government is very keen for the DSP growth rate to slow.

With an ever greater focus on achievements and returns, the DSPs exemption from mutual obligation is weakening the case for continued investment in disability employment services. Following representation from ACROD, the Department of Family and Community Services has agreed to commission a cost-benefit study of disability employment services which will hopefully strengthen the case for increased investment in disability services.

Some good news is that DSP recipients are entitled to receive the full range of Job Network services. Under the current pilot DSP, recipients without ongoing support requirements, with a capacity to work, will gain immediate access to the help they need to get a job. The primary focus of the pilot DSP is to identify best practice and appropriate servicing options to assist people with a disability in Job Network. The outcomes of the pilot, operating to September 2004, will be used to benchmark best practice for Job Network members.

Pioneer Clubhouse report that over 100 people have signed up since the beginning of the DSP pilot nearly a year ago. The pilot which operates under the 'Working for Credit' scheme means participants are currently not losing benefits when seeking work and allows them to go back onto the pension for up to 6 months if they have been unsuccessful in finding work. Pioneer is looking positively at the pilot and will await the success rates of employment placement and job sustainability when the pilot provides an evaluation later this year.