

Senate Community Affairs Committee
Public Hearing
Social Security and Other Legislation Amendment Bill 2011 – Schedule 3
(Disability Support Pension Impairment Tables)
Tuesday 6 September 2011

Responses to Senator Siewert

Question 1:

- a. **In relation to appeals of DSP decisions, can you provide the number and percentage (of total DSP claims) of appeals and the decision at each of the following stages:**
 - i. **Original Decision Maker**
 - ii. **Authorised Review Officer**
 - iii. **Social Security Appeals Tribunal**
 - iv. **Administrative Appeals Tribunal.**
- b. **At stages iii and iv, can you provide a breakdown of whether the review / appeal was initiated by the DSP claimant or the Department.**
- c. **Could the Department of Families, Housing, Community Services and Indigenous Affairs and/or the Department of Human Services provide an estimate of the current cost of DSP-related reviews?**
- d. **Has the Department considered the impact of the current changes to the DSP impairment tables on the number of appeals and earmarked additional funding for Centrelink to meet the costs associated with an increased number of appeals?**

Parts (a) and (b) of this question were addressed in the Department's response to questions on notice at the hearings.

Only the DSP applicant can appeal to the SSAT. Both the DSP applicant and the Department can appeal to the AAT.

Appealing to the ARO, SSAT and AAT is free for Centrelink customers. The cost to Government of an ARO review of a DSP rejection case is approximately \$400. The cost to Government for the SSAT to hear an appeal of a DSP rejection case is approximately \$700. FaHCSIA does not have information on the cost to Government of an appeal to the AAT.

Centrelink has been allocated approximately 37 additional ASL per year. The SSAT has been allocated an additional 8.8 ASL per year.

Question 2: Access to advice and assistance and information for people experiencing problems

At the public hearings, there was some discussion about the resources available to assist DSP claimants to appeal a negative payment decision / rejection by Centrelink, and the capacity of individuals to obtain assistance.

- a) What financial assistance does the Federal Government offer to members of the National Welfare Rights Network to assist people seeking assistance to appeal a decision by Centrelink/**
- b) How many Welfare Rights workers does this fund in each location across Australia, and where they are situated?**
- c) Has the Government considered increasing funding for community organisations such as the National Welfare Rights Network, to enable them to meet the expected increase in demand for assistance with appeals that will arise from the changes to the DSP?**

This question has been referred to the Attorney-General's Department.

Question 3: DSP profiling reviews

- a) Further to the discussion during the public hearing about medical reviews of current DSP recipients, could the Department provide details of the parameters for the “risk profiling” of DSP recipients?**
- b) Are a DSP claimant's recent earnings or regular earnings included in the range of factors that may trigger a review?**
- c) If the answer is yes, has the Department considered that this may be seen as a work disincentive for people concerned about losing their payments, which is a widespread concern for people on the DSP who are considering participating in paid work?**

It is a long-standing convention that the parameters for risk profiling have not been made public. Employment predictors by themselves are not enough to select a pensioner; they also need to meet other condition rules as well as other predictors to be selected for a review.

Question 4: Adequacy of employment assistance

- a. The adequacy of programs of support and employment assistance for people with a disability was raised in some submissions, and also in the introductory remarks by the NWRN.**

Can the Department provide a breakdown of the various employment supports listed in the Anglicare Australia submission?

Can the Department also examine a similar issue raised in the NWRN submission, which asks for a breakdown of the various programs of assistance and support that will be available for people with a disability whose payments for DSP are rejected under the revised impairment tables?

This question has been referred to DEEWR as employment assistance for people with a disability falls within their portfolio responsibility.

Question 5: Outcomes evaluation

- a. Many submitters raised concerns about the potential outcomes of the draft revised impairment tables, specifically whether those moved onto Newstart Allowance will find employment, and if they do, whether the employment will be “sustainable”.**

How does the Department respond to this claim?

This question has been referred to DEEWR because Newstart Allowance and employment assistance for people with a disability falls within their portfolio responsibility.

- b. Some submitters, like the NWRN, called on the Government to commit to qualitative and quantitative research that would allow tracking people's experiences if moved off DSP and onto Newstart under the revised tables, and that this be done for at least the first two years of the reforms.**

The Advisory Committee recommended that a formal evaluation be undertaken 18 months after implementation of the revised tables. The Government has agreed to this recommendation.

- c. Will the Department be undertaking this type of qualitative and quantitative evaluation and tracking of people who are moved onto Newstart over the first 24 months of these new reforms?**

The details of the evaluation are still being determined, including through ongoing consultations.

- d. How does the Department plan to determine the success or otherwise of this measure? Is it going to be measured in terms of how many people are turned away from the DSP?**

The changes will ensure the impairment tables are in line with contemporary medical and rehabilitation practices and modern expectations about functional ability. They will ensure a person's ability is looked at when assessing their eligibility for the DSP, not just their disability. No targets are in place, but inflows onto DSP will be monitored along with take-up rates of employment assistance and outcomes from these programs.