



3 November 2023

## **Submission to the Senate Community Affairs Legislation Committee re: Economic Inclusion Advisory Committee Bill 2023 [Provisions]**

### **Introduction**

Inclusion Australia is the national Disability Representative Organisation representing the rights and interests of Australians with an intellectual disability and their families. Founded in 1954, our mission is to work to make sure people with an intellectual disability have the same opportunities as people without disability. Our policy team includes several policy officers with an intellectual disability and our policy and advocacy is directly shaped by people with an intellectual disability and their families.

Inclusion Australia's strength comes from our state members who use their combined experience and expertise to promote the inclusion of people with an intellectual disability. Our state members are:

- Developmental Disability Western Australia (DDWA) – Western Australia
- NSW Council for Intellectual Disability (CID) – New South Wales
- Parent to Parent (P2P) – Queensland
- South Australian Council on Intellectual Disability (SACID) – South Australia
- Speak Out Advocacy – Tasmania
- Victorian Advocacy League for Individuals with Disability (VALID) – Victoria
- Since September 2021 we have had a Northern Territory branch based in Darwin. Our work in the Northern Territory is informed by a Local Steering Group that includes representatives from advocacy and other territory-based organisations.

We are also a proud member of the Australian Council of Social Service (ACOSS) and often work collaboratively with the Antipoverty Centre.

We appreciate the opportunity to provide a submission on this important topic and welcome any further opportunity to discuss the issues raised in this submission in more detail.

### **The importance of genuine representation**

We wish to reiterate the concerns raised by ACOSS and the Antipoverty Centre regarding the Economic Inclusion Advisory Committee Bill 2023. We agree that in its current form, the Bill does not provide a sufficient guarantee that it will meaningfully include people with direct experience of poverty and unemployment.

We endorse both ACOSS' and the Antipoverty Centre's recommendations in full, especially their stipulations that the Economic Inclusion Advisory Committee membership must be genuinely representative of people with direct lived experience of poverty and economic exclusion.

In particular, we strongly endorse the Antipoverty Centre's recommendation to:

“Amend s11(2) to ensure the committee includes full-status members who have direct, contemporary experience of poverty, the social security system, employment services and related supports. This representation must comprise people who are actively involved in policy, advocacy and peer support work related to economic exclusion, whether in their capacity as an individual or within a relevant constituent group led by people directly affected by economic exclusion.

Appointments to the committee must ensure it is majority-comprised of people from organisations run by and for people with direct experience or individual advocates who have direct experience of economic exclusion. These organisations must include groups who represent welfare recipients and people in poverty, First Nations people, and disabled people, and may also include organisations who represent people who experience economic exclusion because of their race, gender, visa status, caring responsibilities or age.”<sup>1</sup>

From our perspective, this will be fundamental to the Committee's successful operation. We would like to see people with disability represented on the Committee, including people with an intellectual disability. This must be done in a genuinely inclusive and well-supported way.<sup>2</sup>

As a group, people with an intellectual disability are disproportionately impacted by cost-of-living pressures (compared to both other people with disability and people without disability) and are more likely to experience poverty and exclusion from equitable, inclusive employment settings for real wages. There is a growing evidence base demonstrating the structural inequities that perpetuate this economic disadvantage and exclusion.

Ensuring people with an intellectual disability are represented on the Committee will bring valuable perspectives and expertise from lived experience as well as direct experience of *what works* to overcome some of the barriers created by the social security and employment services systems.

## **Evidence demonstrating the experiences of people with an intellectual disability of poverty and economic disadvantage**

It is well evidenced that Australians with disability face higher cost of living pressures than people without disability and are more likely to have a lower level of personal income.<sup>3</sup>

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<sup>1</sup> Antipoverty Centre, 2023. Recommendation 2 in 'Nothing about us without us', submission to the Economic Inclusion Advisory Committee Bill 2023 [Provisions].

<sup>2</sup> Inclusion Australia's project "Towards Inclusive Practice" contains a range of advice for government and large organisations on being more inclusive of people with an intellectual disability. Our resources can be found here: <https://www.inclusionaustralia.org.au/towards-inclusive-practice/>

<sup>3</sup> Australian Institute of Health and Welfare. (2022). *People with disability in Australia*. Retrieved from <https://www.aihw.gov.au/reports/disability/people-with-disability-in-australia>

People with disability also experience higher rates of poverty than those without disability.<sup>4</sup> Unfortunately, this is global trend.<sup>5</sup>

The National Centre for Social and Economic Modelling (NATSEM) has estimated the extra costs of living for households with a member with disability compared with households with similar characteristics but with no member with disability.<sup>6</sup> They found that:

- Households with an adult with profound or severe disability need an extra \$173 per week on average over and above their 2015-16 net income, and
- Households with an adult with mild or moderate disability need an extra \$87 per week on average.

With the increase in cost of living over recent years, we can presume that the costs to households have also increased.

In 2021, the Centre for Research Excellence in Disability and Health reported on the intersection of disability and socioeconomic hardship. That research showed that 34% of people with disability (1,154,917 people) report living in financial hardship compared to 14% of people without disability.

The same report also showed that financial hardship is associated with a two-fold increase in the experience of violence (regardless of disability status). This means that people with disability who report living in financial hardship are three times as likely to experience violence than people without disability who report no financial hardship.

In 2022, the Australian Institute of Health and Welfare (AIHW) reported that while people with disability are as likely as people without disability to have an income, that income is far more likely to come primarily from a government payment than from salary or wages.<sup>7</sup>

Among people with disability, people with an intellectual disability are among the least likely to receive an income from a wage or salary through employment: 72% of people with an intellectual disability's main source of income comes from a government pension or allowance.

The most common government payment for people with an intellectual disability is the Disability Support Pension.<sup>8</sup> The AIHW reports that 71% of people with an intellectual

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<sup>4</sup> According to a report published by UNSW and the Australian Council of Social Service, 1 in 6 people with disability were living in poverty, compared with just 1 in 10 Australians without disability. See: Davidson, P., Saunders, P., Bradbury, B. and Wong, M. (2018), [Poverty in Australia 2018](#). ACOSS/UNSW Poverty and Inequality Partnership Report No. 2, Sydney: ACOSS.

<sup>5</sup> World Health Organization, & World Bank. (2011). *World report on disability*. World Health Organization: Geneva, Switzerland

<sup>6</sup> Li, J., Brown, L., La. H.N., Miranti, R., and Vidyattama, Y. (2019). *Inequalities in Standards of Living: Evidence for Improved Income Support for People with Disability*. NATSEM, Institute for Governance and Policy Analysis, University of Canberra. Report commissioned by the Australia Federation of Disability Organisations. September 2019.

<sup>7</sup> 43% or 780,000 people with disability aged 15-64 receive an income that comes primarily from government support rather than from salary or wages, compared with 7.9% or 999,000 people without disability. See: Australian Institute of Health and Welfare. (2022). *People with disability in Australia*. Retrieved from <https://www.aihw.gov.au/reports/disability/people-with-disability-in-australia>

<sup>8</sup> The DSP provides an income for single people with disability of \$936.80 per fortnight, with an additional pension supplement (\$75.60) and energy supplement (\$14.10) per fortnight. Department of Social Services (February 2023). *Social Security Guide*. Version 1.303. Retrieved from [www.guides.dss.gov.au/social-security-guide/3/6/2/50](http://www.guides.dss.gov.au/social-security-guide/3/6/2/50)

disability receive the DSP. Many people with an intellectual disability rely on the DSP for their whole adult lives.

The reasons for this are multifactorial, but chief among them is that people with an intellectual disability are systematically shut out from obtaining and sustaining equitable employment, and as such are forced to rely on government payments to support their livelihoods. Inclusion Australia has consulted and reported widely on this issue, and would recommend the below submissions for more detail:

- What Works: Making Disability Employment Services (DES) work for people with an intellectual disability, December 2021.<sup>9</sup>
- DES Reform Submission, February 2022.<sup>10</sup>

The maximum basic rate for the DSP is \$501.25 per week. This is grossly inadequate, and means many people with an intellectual disability live close to the poverty line.<sup>11</sup> We hear time and again from our community that the DSP doesn't cover the basics, such as a place to live and food on the table, let alone the additional expenses related to living with disability.

The DSP system also shuts people out of getting jobs in open employment: for people with disability who do not meet the manifest eligibility rules (such as people with an intellectual disability with an IQ of more than 70 and less than 85), they must not be able to work more than 15 hours per week in the following two years.

For people with an intellectual disability—a lifelong, permanent condition—eligibility requirements to get the DSP are unnecessarily repetitive, difficult and costly. The DSP is complex, inaccessible and emotionally stressful to navigate for people with an intellectual disability, and most depend on families or other supports to help them. Families tell us they are overburdened with the significant administrative workload these systems cause.

In its current form, the DSP discriminates against and disadvantages people who are unable to navigate the system and presents a major disincentive to finding employment for fear of losing the DSP.

This is a near unanimous experience for people with an intellectual disability across Australia, and is why people with an intellectual disability must be a meaningful part of the EIAC—including by creating accessible and inclusive ways for people to engage and be a part of the Committee.

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<sup>9</sup> Inclusion Australia. (2021). *What Works: Making Disability Employment Services (DES) work for people with an intellectual disability*. [https://www.inclusionaustralia.org.au/wp-content/uploads/2022/02/Our-Submissions\\_2022\\_02\\_What-Works-Final-Report-2021.pdf](https://www.inclusionaustralia.org.au/wp-content/uploads/2022/02/Our-Submissions_2022_02_What-Works-Final-Report-2021.pdf)

<sup>10</sup> Inclusion Australia. (2022). *DES Reform Submission*. [https://www.inclusionaustralia.org.au/wp-content/uploads/2022/03/Our-Submissions\\_2022\\_02\\_Submission-on-Disability-Employment-System-Reform.pdf](https://www.inclusionaustralia.org.au/wp-content/uploads/2022/03/Our-Submissions_2022_02_Submission-on-Disability-Employment-System-Reform.pdf)

<sup>11</sup> Melbourne Institute for Applied Economic and Social Research (2022). *Poverty Lines: Australia*. Retrieved from: [Poverty-Lines-Australia-June-2022.pdf \(unimelb.edu.au\)](https://www.unimelb.edu.au/poverty-lines-australia-june-2022.pdf)