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**Commonwealth Risk Management –
Inquiry based on Auditor –General’s Report 18 (2015 – 16)**

**Qualifying for the Disability Support Pension - Submission
(I request that my name and contact details remain anonymous to the general
public, as my name is uncommon and could be easily tracked by any person). I
am happy to be interviewed by the Committee itself.**

Dear Commissioners,

I have been receiving the Disability Support Pension (DSP) since 1987 as a long-term sufferer of epilepsy. Even though I would have far preferred a life without the medical issue or needing the DSP, it does mean I am most familiar with the shackles of living this way. Consequently I have three submissions to make. In summary:-

- 1)** I am making the submission that Centrelink should revert to accepting the decision of the personal doctor of the pension applicant as to whether the DSP should be granted.

- 2)** I am making the submission that people on the Disability Support Pension should not be confined by any time restrictions because they are out of Australia for any reason and the Disability Pension should continue to be paid into their accounts during their absence.

- 3)** I make the submission that any new legislation that limits the amount of non-concessional contributions to Superannuation needs to consider Disability Support Pensioners and those with little or no savings for the future. I therefore submit permitting much larger annual non-concessional payments into Superannuation if a large sum of money becomes available to them.

Argument re Submission 1)

Firstly, there are never ending changes to the rules and regulations within the system imposed through Centrelink. They are impossible to keep up with, being changed by every federal government, every budget and not relayed to the recipients. Even if pensioners were updated, these changes to ‘tighten the welfare belt’ have reached the point of strangulation. Living with disabilities is not a fun lifestyle that is happily chosen and many legitimate recipients are forever harassed by a bureaucracy that presumes an oppressive health problem is imaginary, or can be repaired by flicking a switch on their arms, or that there is an automatic recovery period that applies to all. It is an unfortunate fact that many disabilities are permanent.

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The irony of this is that it must cost Centrelink a fortune to employ doctors to constantly re-evaluate health conditions. It seems ridiculous that the opinion given by the personal General Practitioner and/or Specialists(s) of the patient is not sufficient, especially as such people mostly have a long-term knowledge of someone's particular medical history and abilities. Surely their opinions are also more realistic than short interviews that can be arduous to attend and their qualifications are no less. Indeed, in many cases the qualifications of one's own doctors are far superior.

Argument re Submission 2)

Secondly, I am now in my year and finally have the opportunity to travel overseas. This is because retired friends can now provide me with the availability of a travel companion. Suffering from epilepsy means I always need a travel companion to visit a foreign country.

However, I have now been informed by Centrelink that I can only travel outside Australia for four weeks within any twelve month rolling period. Obviously someone at the top level feels if I can travel overseas for more than four weeks, then I should be fit enough to work. Unfortunately the reverse is actually true.

For many people, myself included, the disability and/or side effects of medication slows them down considerably and not nearly so much can be crammed into a day compared to someone who is well. The reality of this means much more time is needed for basic sight-seeing with added time required for rest or application of treatments. I simply can't see what the difference is that I stay alive in Australia or any other country for more than four weeks.

This patronising rule means I'll only ever be able to make short visits to nearby countries. There's no way I could handle the extended travel to and from remote places such as Europe or North America within four weeks, let alone enjoy the scenery on offer. So now travel has now been offered to me and absurd regulations mean I can't accept it without losing my DSP payments. Enough of my life has already been taken from me by fate and I feel it is incredibly cruel for Centrelink to deny pensioners with disabilities such pleasures that so many take for granted.

Argument re Submission 3)

Thirdly, I do not have any Superannuation deposited into an account by an employer. Consequently, I am bringing to your attention the oncoming rules beginning 1/7/17 that create an annual limit of \$100,000 of non-concessional (after-tax) contributions into Superannuation. This limit does not cater for persons who have little or no superannuation paid into a fund.

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Many people receiving the DSP are in this category because they have never been able to work, have worked only before compulsory superannuation was imposed or had to stop working with only a small amount in their fund.

This oncoming rule presumes only the wealthy have a large amount of \$100,000 or more to contribute to an already healthy pot of retirement money, but it totally disregards those on the DSP or others in financially tight positions who may receive a lump sum of inheritance money in excess of \$100,000 and wish to deposit it into Superannuation. By limiting the non-concessional annual deposit to only \$100,000 most people will spend the inheritance as they will have no incentive to save it for their 'golden years'. Disability Support Pensioners will be penalised because of excess taxation by depositing more than \$100,000 of the inheritance into Superannuation. If they keep it outside Superannuation to avoid this, even if they don't spend it in an effort to be frugal, they will lose their DSP and will use the inheritance up quickly just to support daily living. Then they will face the ominous task of getting a new DSP granted and may not even succeed because of more gruelling rules to prove the fact of disability.

The \$100,000 annual limit is also a deterrent to someone who may contemplate down-sizing to convert excess home value into money if they can't deposit that excess money into Superannuation. This particularly applies to those receiving the DSP as they would either lose or reduce their DSP under the current 'income/asset' rules. This in itself keeps such persons 'asset rich but cash poor'.

Both above examples show the incoming rule stops large possible desired deposits into Superannuation, keeping persons permanently cash poor for their future and force more people to be totally dependant on the aged pension when they reach the applicable age. Of course this totally thwarts the aim of any government in reducing the drain of money from the public purse as it increases over time.

All legislation regarding non-concessional contributions to Superannuation needs to consider Disability Support Pensioners and those with little or no savings for their future and permit much larger non-concessional annual payments into Superannuation. This can be done by 'bundling' the amount that would have been allowed over several years. The previous 'bring-forward' rule is an example of this.

Yours faithfully,