

June 4, 2008

The Secretary
Senate Community Affairs Committee
PO Box 6100
Parliament House
Canberra ACT 2600



Dear Sir/Madam,

Re: SENATE COMMUNITY AFFAIRS COMMITTEE
INQUIRY INTO SPECIAL DISABILITY TRUSTS

With reference to the above Committee, I wish to submit the following for consideration.

My daughter is 23 years of age. Jessica has Down Syndrome and is legally blind and bilaterally hearing impaired. She is working full time in supported employment, and lives in Westcare accommodation, Shenton Park.

Full board and lodgings are taken from Jessica's pension by Centrelink, and she is left with a small amount each fortnight to spend.

Her father, stepfather and myself have been building up her bank account and have a Term Deposit in her name, using the balance of her income and extra funds from us.

I have been appointed Plenary Administrator for Jessica – an Order which cannot be revoked as the Court has deemed her unable to manage her own finances. This Order requires me to submit a yearly statement of her financial affairs.

With the above in mind, I wish to make the following points regarding the Special Disability Trusts as they relate to Jessica and our family:

When the Special Disability Trusts legislation was introduced, I looked at the possibility of setting up such a Trust for Jessica. After looking at the guidelines, I decided not to proceed based on the following restrictions:

1. Jessica could not deposit any of her own funds into the Trust. All of her monetary assets are in her name (as recommended by Centrelink). We are not in a position financially (and never will be) to deposit large sums of money into a Trust. We are also not of retirement age, are not receiving any subsidies, and would not be eligible for the gifting concession.

Jessica's savings will accumulate until eventually her pension will be reduced according to her bank balance and Centrelink limits. Her money cannot be spent without regard to the Plenary Administration Order conditions, yet cannot be accumulated without detriment to her pension.

The use of a Trust for all expenses (such as holidays and household items), as well as accommodation, would be much more useful. This would also necessitate only one financial return (time consuming!) instead of two to be completed each year.

2. Any unused SDT yearly income would be taxed at 46.5%. This seems unfair – considering this Trust would be for those with a disability, it would surely be better to return this excess to the Trust for future use.
3. Because of her disability, Jessica is currently unable to make a Will. If the Special Disability Trust was workable, I believe that provision could be made within the Trust for monies to be returned to those who made the gift in the event of Jessica's death.

As Jessica's family, we need to make provision for her future – both emotionally and financially. With current Centrelink limits, and the lack of a useable, easily accessed Trust or other system available, this seems difficult, if not impossible.

We respectfully request that the Senate Community Affairs Committee Inquiry consider all of the difficulties encountered by families and carers of people with a disability.

The disabled have many obstacles to overcome in their lives, and any assistance to ease these worries about future financial independence would be welcome.

Yours sincerely,

A handwritten signature in cursive script, appearing to read 'Rkleber'.

Robyn KLEBER

