



Family Advocacy submission to the Reference Group on Welfare Reform

In response to 'A
New System for
Better Employment
and Social
Outcomes: Interim
Report of the
Reference Group on
Welfare Reform to
the Minister for
Social Services'

Contact:
Megan Clement-Couzner
Systemic Advocate
PO Box 502 Epping NSW 1710
PH: (02) 9869 0866
meg@family-advocacy.com

Family Advocacy submission to the Reference Group on Welfare Reform

Family Advocacy is a New South Wales (NSW) state-wide advocacy organisation which promotes and protects the rights and interests of children and adults with developmental disability. The organisation has a high presence and profile across the State:

- building the capacity of families of people with disability to undertake an advocacy role;
- developing leadership skills in families;
- making representations to Government regarding legislation, policy, funding, monitoring and practice and the extent to which they reflect the needs of people with developmental disability;
- providing advocacy related information and advice.

Family Advocacy speaks on behalf of many families of people with disability who have difficulties reconciling income support needs with their needs as people with disability. For this reason our submission aims to highlight material about the connection between disability and access to income support.

Around 45 per cent of people with disability in Australia live near or below the poverty line (PWC 2011). This economic disadvantage is particularly felt by people with disability in terms of access to the benefits of employment, meaningful lives, and the economic opportunities other Australians might routinely expect.

Family Advocacy submits comments regarding the following sections of A New System for Better Employment and Social Outcomes: Interim Report of the Reference Group on Welfare Reform to the Minister for Social Services, referred to hereafter as the 'Interim Report'.

Introduction and About the Review

We suggest that the period for submissions should be re-opened for another six weeks and re-advertised. The material in this review affects people who are vulnerable and have limited resources. Thus a longer period for submissions is necessary to make sure people have the greatest opportunity to have their voices heard.

Part One: The Case for Reform

Need for Reform: Broader social support system

Housing

Family Advocacy wishes to note the significance and benefit of public housing to many people with disability. It is important to note that public housing facilitates independent housing for people with disability who might not otherwise be able to access the private rental market. We refer specifically to the following statement:

Government assistance to people in the private rental market (via Rent Assistance) is less generous than assistance provided to people in public housing. People in the private rental market receive a lower subsidy through Rent Assistance and pay higher rents than people in public housing. They may also have less stable tenancies. This can create an incentive for people to try to change to public housing.

However, public housing is limited and waiting lists are generally very long. Public housing is usually only for those most in need. This can create an unintended incentive for some people not to look for work as it could jeopardise their eligibility for public housing.

Rents in public housing are generally set at around 20 to 25 per cent of income. This can be another disincentive for people to work, because their rents will increase if they earn more (Interim Report, p. 30).

Family advocacy notes that for a person with a low income, 25 percent of their earnings remains significant and even onerous, especially when they may have other expenses such as medications and supports.

Given that public housing is not currently available to all people in need, Family Advocacy welcomes the acknowledgement that:

Rent Assistance has been gradually becoming less effective in reducing rental stress for people in the private market. It has also widened the gap between the relative generosity of Rent Assistance and public housing (Interim Report, p. 31).

Particularly in Sydney, many people with disability struggle with renting in the private market.

National Disability Insurance Scheme (NDIS)

[I]t is intended that NDIS participant plans should seek to strengthen and build the capacity of families and carers to support the children or adults they care for and that the reasonable and necessary supports that will be funded consider what is reasonable to expect families, carers and communities to provide. For many carers, the NDIS will enable them to work part-time or participate in activities that may enhance their employment prospects when no longer caring (Interim Report, p. 31).

The NDIS is expected to result in long term cultural change as people with disability are seen more in their communities and are increasingly regarded as capable of and entitled to the same environment, living conditions and opportunities as the majority of Australians. However, while this cultural shift is taking place, it is important to recognise the systemic barriers to employment that people with disability face, including but not limited to community attitudes and employer attitudes regarding their capabilities.

We support the current government's commitment to the NDIS. The NDIS is an imperative and life changing facilitation of supports, and should not be seen as replacing the Disability Support Pension or other income supports. If it is to facilitate social participation for full lives for people with disability, it is imperative that other supports are not simultaneously withdrawn and equally, that people do not perceive that there is a threat to their other supports.

Groups at risk: people with disability

Australia's employment of people with disability is also lower than the OECD average.

In 2013, there were 790,576 people of working age receiving Disability Support Pension, equal to around 5 per cent of the working age population. In addition, more than 100,000 people with disability were receiving Newstart Allowance in the partial capacity to work category...

More than 75 per cent of people receiving Disability Support Pension continue receiving the payment for five or more years. This highlights that once people begin receiving the payment, they are unlikely to stop receiving it.

People receiving Newstart Allowance with a partial capacity to work are more likely to report income from employment than people receiving Disability Support Pension, but less likely than the broader group of people receiving Newstart Allowance (Interim Report 33-34).

This section of the Interim Report helpfully notes the problems faced by people with disability in seeking employment. Currently people with disability face multiple barriers to employment including discrimination in the labour market, accessibility of workplaces and transport, in many cases both personal and group histories of institutionalisation, and devaluation of their capacities and potential in work and life. Family Advocacy has an expectation that cultural change will be made possible by the NDIS. This cultural shift to inclusion will include the wider public and employers seeing people with disability in their communities, participating in everyday life, as well as some people with disability gaining a wider range of experience and social competence themselves. The NDIS will help alleviate some of the perception barriers mentioned.

However, such change takes time. While many people with disability and their families have been leading the way on full inclusion for years, the introduction of the NDIS means for the first time inclusion will be possible in a widespread way in Australia. Periods of change present particular challenges, and it is imperative that while change takes place, in the meantime, supports that people currently rely on not be removed. The approach taken to any welfare reform therefore should not be punitive in either its intent or its perception but should focus on supporting people to live the fullest possible lives, including experiencing employment where possible, whilst also offering support. Income support to people with disability, whether Newstart or the Disability Support Pension, should follow the spirit of the NDIS and allow for choice, control, and self-management.

Part Two: Pillars of Reform

Pillar One: Simpler and Sustainable Income Support System

Simpler Architecture: Future Directions

Disability Support Pension would be reserved only for people with a permanent impairment and no capacity to work (Interim Report, p. 51).

Family Advocacy wishes to note that the proportion of people of working age accessing the Disability Support Pension (DSP) has remained steady over the past decade, as acknowledged in the Interim Report (p. 164). Previous growth in access to the payment was in large part due to structural changes to the welfare system at the time. Almost half of people with disability live in poverty, and Family Advocacy is concerned that further limiting of the DSP will marginalise this group further.

Reserving the DSP for “people with a permanent impairment and no capacity to work” and moving others currently eligible for DSP to a lower working age payment ignores the fact that life is generally more expensive for people with disability, whether their impairment is permanent or otherwise.

The permanence or otherwise of an impairment and capacity to work are not simply causative issues. Those with psychological disability for example may find it difficult to maintain employment even if their disability is not ‘permanent’. Others with a relatively stable condition may have capacity to do work that suits their ability level but face systemic barriers to gaining employment. It is important that the DSP remain available for those who need it. Additionally we reiterate that a

longer period for submissions to the Reference Group should be considered, in particular in relation to this proposed change.

Rent Assistance

Eligibility for Rent Assistance: impact of public housing on income support recipients

Family Advocacy has a vision of an inclusive society. An inclusive housing system is one which caters to the needs of all people, including people with disability, and provides for and encourages social mix.

The United Nations Convention on the Rights of People with Disability upholds this view, supporting “the equal right of all persons with disabilities to live in the community, with choices equal to others.” It commits countries who have signed the convention to “take effective and appropriate measures to facilitate full enjoyment by persons with disabilities of this right and their full inclusion and participation in the community.” While the Interim Report notes that a “large and increasing proportion of income support recipients rely on housing in the private rental market (Interim Report p. 68),” many people with disability depend on public housing. Family Advocacy also notes the suggestion that

[c]onsideration could be given to moving away from the current system of income based rents towards the use of Rent Assistance as the preferred rent subsidy scheme across both private and public tenures (Interim Report p. 71).

It is imperative that national housing policy allow for further investment in the social housing sector in NSW. One option would be to hold another round of the National Rental Affordability Scheme.

Future Directions

How could Rent Assistance be better targeted to meet the needs of people in public or private rental housing (Interim Report p. 71)?

Leaving home is a major milestone in any young person’s life, however, for people with disability this is often out of reach. We note that in 2009, the Harmer Report recommended a Rental Affordability Index. Family Advocacy would welcome any moves toward indexation of Commonwealth Rent Assistance to regional rent increases rather than CPI.

Pillar Two: Strengthening individual family capacity

Mutual Obligation: Income Management

Family Advocacy notes that the Interim Report contains a section on Income Management, which states that:

[i]ncome management is an example of how the income support system is used to promote personal and family responsibility, particularly in relation to care of children. It ensures a percentage of income support and family assistance payments are directed toward necessities including food, housing, utilities, clothing and medical care... Overall, however, the evidence to date suggests income management has assisted individuals and families to stabilise their financial circumstances, helped them meet priority needs, particularly the needs of children, and can protect vulnerable people from financial harassment and exploitation (Interim Report, pp. 83-84).

A large quantitative and qualitative study of women's experiences using the Basics Card in Alice Springs by the Equality Rights Alliance (ERA) reported a number of concerns. Firstly, women stated they did not need help managing money and that the Basics Card did not change what they purchased. Secondly they noted that the lack of cash caused problems for saving money by shopping at op shops, markets, and discount stores. The majority (seventy per cent) did not feel safer using the Basics Card, one of the primary justifications for its introduction (ERA 2011 p. 33).

Importantly, people who participated in the study felt that the Basics Card stigmatised them in their communities. The participants did not feel good using the Basics Card and also reported that people in shops were "less nice" to them when using it (ERA 2011 p. 31). Given the importance of casual interaction in reducing social isolation and creating community (for example see Williams, Pocock and Bridge 2009: 25-26), this phenomenon should be taken seriously. For people experiencing social disadvantage, especially those with disability, markers of being valued members of communities are ways of bridging the gap that negative stereotypes create. Therefore social security systems that stigmatise and set people apart are undesirable, and contradict many of the most important goals of other social policy and programs in Australia.

The National Disability Insurance Scheme promotes goals of self-management, a better life and improved inclusion for anyone with a significant and permanent disability in Australia. Family Advocacy has been supportive of the government's continued commitment to the NDIS. Unfortunately and inadvertently, income management stands in contrast with many of the goals of the NDIS and of inclusion for people experiencing disadvantage.

Education and Training: Future Directions

What can be done to improve access to literacy, numeracy and job relevant training for young people at risk of unemployment (Interim Report, p.90)?

Family Advocacy supports inclusive education as the most effective means of achieving quality education for all. Inclusive education is an approach that seeks to address the learning needs of all children, youth and adults with a specific focus on those who are vulnerable to marginalization and exclusion. The principle of inclusive education was adopted at the Salamanca World Conference (UNESCO 1994) where inclusive education was viewed as a human rights issue and as a means of bringing about personal development and building relationships among individuals, groups and nations. This was stated clearly in Article 2:

Regular schools with an inclusive orientation are the most effective means of combating discrimination, creating welcoming communities, building an inclusive society and achieving education for all.

An inclusive school can be identified by its approach to a number of key variables including those noted below.

In an inclusive school, all children and young people from the local community are welcomed to participate in the full curricular and co-curricular life of the school. Everyone who is engaged with students – teachers, school leaders, parents – has high expectations for all learners.

The school's welcoming attitude is underpinned by a system that believes all children and young people belong and should be welcomed and educated in the regular class of their local

neighbourhood school. The system recognises and promotes the benefits of inclusion to schools, school boards, parents and the general community.

In an inclusive school, classroom teachers have core competencies to teach mixed ability classes. The core competencies are achieved through teacher training that adequately prepares teachers for the mixed ability classes they will teach and ongoing professional development opportunities to build greater competence.

In an inclusive school, classroom teachers are supported by trained staff with the expertise to plan and adjust curriculum and teaching strategies. The system ensures the availability of such staff in a timely fashion.

In an inclusive school, classroom teachers draw on curricula frameworks that address the learning needs of all students. Systemically, State and National Curriculum Bodies develop inclusive curricula and material to support their implementation.

In an inclusive school, classroom teachers have resources at their disposal to facilitate inclusive practice. The system provides training and materials to assist schools to welcome and educate all students.

This approach means that disadvantaged learners receive the benefit of high expectations, which is critical to ensuring they go on to have the expectation of ordinary life paths, including working in ordinary employment if they have the capacity to do so.

References

Equality Rights Alliance (2011), 'Women's Experience of Income Management in the Northern Territory', available online from

http://www.equalityrightsalliance.org.au/sites/equalityrightsalliance.org.au/files/docs/readings/income_management_report_v1-4_0.pdf

Williams, Philippa, Barbara Pocock and Ken Bridge (2009) 'Linked up Lives: Putting Together Work, Home and Community in Ten Australian Suburbs, Overview Report', available online from

<http://w3.unisa.edu.au/hawkeinstitute/cwl/documents/Linked-Up-Lives.pdf>