



Disability Support Pension Projects Section
Carer and Disability Payments Branch
Department of Social Services
GPO Box 9820
Canberra, ACT 2601

By email: DisabilityandCarerPayments@dss.gov.au

Dear Sir/Madam,

REVIEW OF THE DSP IMPAIRMENT TABLES

COTA Australia writes in response to the Department of Social Service's request for submissions for the above Review.

COTA Australia is the national consumer peak body for older Australians. Through its own networks and those of the State and Territory Councils on the Ageing (COTAs) around Australia we represent more than 1,000 seniors' organisation members – which jointly represent over 500,000 older Australians – and over 45,000 individual members and supporters.

We note that the largest number of new claimants for the Disability Support Pension (DSP) are those Australians aged between 40-60 years, a situation that has not changed since 2001-02. We have long been concerned that changes to assessment practices since 2009-10 have resulted in many within this cohort having their applications rejected and confined to Newstart/Jobseeker, on lower rates of support until they reach Age Pension age. It is our view that the practices associated with the impairment tables serve to disproportionately disqualify mature age claimants.

Use and interpretation of the impairment tables has changed significantly since they were first derived from those used by the Department of Veterans Affairs (DVA) to assess disability pensions among veterans. The most notable difference is that DVA's assessment does not include the "20 points on a single table" test that is used to exclude DSP claimants and divert them to job search or training. This diversion serves, for older claimants facing structural ageism in the job market, to confine them to poverty and misery of Jobseeker payments for 18 months or until they qualify for the Age Pension.

We would strongly urge that the revision of the DSP Impairment Tables include directions on their use by assessors regarding the difference between an impairment being permanent or stabilised. In this regard, DVA provides clear guidance to its assessors on the matter

(<https://clik.dva.gov.au/military-compensation-mrca-manuals-and-resources-library/policy-manual/ch-5-permanent-impairment/54-when-impairment-stable>). The guide makes the difference clear:

Stable - simply means it is unlikely to improve to any major degree. This should not be judged based on possible improvement in impairment ratings.

Permanent - means that the condition is not likely to resolve.

COTA strongly believes that raising questions about stabilisation should not be used to reduce expenditure by shifting claimants out of DSP and onto Jobseeker.

Under current arrangements, the assessment processes for the DSP direct that it be granted if the applicant is rated at 20 points (i.e., 'severe' impairment) in a single table, such as lower limbs. However, should the 20-points be reached by adding the scores across multiple tables, then the applicant must enter a 'Program of Support' to seek employment or training for 18 months. This is not funded at DSP levels, but at the much lower Jobseeker levels. COTA Australia would argue that if the applicant has been found to meet the DSP requirements, that is 20 points of impairment, then any requirement to undertake job seeking or training activities should entitle them to support at full DSP levels. We would also urge the Review to note that evidence from the Parliamentary Budget Office shows that only some 3 percent of individuals on DSP leave it because they find a job. On that basis, it is open for us to conclude that the Program of Support requirements are aimed solely at reducing government outlays, regardless of the effect on vulnerable disabled Australians.

We note that COTA received reports from older Australians that they believe the new impairment tables introduced in 2011 resulted in more older Australians being deemed ineligible for the DSP than the previous arrangements. Data requested from DSS has not been made available to compare age based approval rates prior to and since the introduction of the impairment tables being reviewed. Accordingly, COTA has been unable to interrogate the veracity of this proposition.

In preparing this submission, COTA Australia found that the way DVA conducts its assessment of disability using impairment tables is both more humane and rational than how it is conducted for the purposes of the DSP. Indeed, the DVA assessment even includes a "Lifestyle Factor" that allows consideration of the impact of the disability on the claimant's ability to live a normal life.

Consequently, we recommend that this Review carefully considers the content and approach to impairment used by DVA to inform and improve DSP impairment tables and their assessment.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Ian Yates', written over a large, stylized, abstract shape that resembles a triangle or a large letter 'A'.

Ian Yates AM
Chief Executive