



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

BILLS

**Social Security and Other Legislation
Amendment (Disability Support Pension
Participation Reforms) Bill 2012**

Second Reading

SPEECH

Wednesday, 29 February 2012

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

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Speaker Macklin, Jenny, MP	Question No.

Ms MACKLIN (Jagajaga—Minister for Families, Community Services and Indigenous Affairs and Minister for Disability Reform) (12:07): The Social Security and Other Legislation Amendment (Disability Support Pension Participation Reforms) Bill 2012 introduces two key reforms to the disability support pension announced in the 2011-12 federal budget as part of the Building Australia's Future Workforce package of measures. These significant reforms will, for the first time, introduce new participation requirements for certain disability support pensioners and allow disability support pensioners to work more hours without having their payment suspended or cancelled. This improved support for Australians with disability will help them into work, where possible, but will still make sure that there is an essential safety net for those who are unable to support themselves fully through work.

Many people with disability are great contributors in the workforce, and many want to do more. This bill contains three disability support pension measures, all effective from 1 July 2012. With the first measure, more generous rules will allow all disability support pensioners to work up to 30 hours a week without having their payments suspended or cancelled. These people will be able to receive a part pension subject to the usual means testing arrangements.

Since the previous government's introduction of the Welfare to Work changes on 11 May 2005, those with newly granted disability support pensions can only work up to 15 hours a week before their payment is suspended or cancelled. The 15-hour rule can make it difficult for disability support pensioners to find work that is limited to 15 hours a week. People will now be able to take up work or increase their hours if they are able to do so. The change will help address the low workforce participation rate of people with disability.

The second measure will introduce new participation requirements to encourage disability support pensioners with some capacity to work to engage with the workforce. Disability support pension recipients under age 35 who have a work capacity of at least eight hours a week will be required to attend regular participation interviews with Centrelink to develop participation plans tailored to their individual circumstances, helping build their capacity. Participation plans could involve working with employment services to improve job readiness, searching for employment, undertaking training, volunteering or undergoing rehabilitation. There will also be the opportunity to connect disability support pension recipients to other services and supports that they need to overcome barriers to participation, such as drug and alcohol rehabilitation, mental health services and other community services. Exceptions to these participation requirements will apply to disability support pension recipients who have a work capacity of zero to seven hours, those who work in an Australian disability enterprise, those under the supported wage system and those who are manifestly eligible for the disability support pension.

The third measure introduces new, more generous, rules to allow people receiving a disability support pension who have a permanent disability and no future work capacity to travel overseas for more than 13 weeks while retaining access to their pension, excluding certain add-on payments such as rent assistance. Existing portability rules will continue to apply to disability support pension recipients who may have some ability to work. Other working age payments will not be affected by these changes to portability arrangements. I thank all the members who have contributed to the debate.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.