



Australian Government

Department of Family and Community Services

Characteristics of Disability Support Pension Customers

June 2003

DISABILITY SUPPORT PENSION - OVERVIEW

Who is this Payment for?

Disability Support Pension (DSP) is paid to people who are unable to work for at least 30 hours per week, or be re-skilled for such work, for more than two years because of a disability. DSP is intended to ensure that people with disabilities have adequate levels of income and maximum opportunities to participate in society.

Eligibility Requirements

To qualify for DSP a person must:

- be over 16 and be under Age Pension age (currently 62 for women and 65 for men); and
- be permanently blind; or
- have a physical, intellectual or psychiatric impairment (assessed at 20 points or more under the Impairment Tables); and be unable to do any work, or be re-skilled for any work, for a period of at least two years; and
- have become unable to work while in Australia, or have 10 years qualifying Australian residence.

Trends

As at June 2003, there were 673,334 people receiving DSP. Almost two thirds of these customers were aged 45 years or over; 61.3% were male; 72.7% were born in Australia; only 9.4% had income from employment though 16.4% were on reduced rates due to their or their partner's income or assets; and, on average, they had been in continuous receipt of DSP for 7.3 years. The three main medical conditions are musculo-skeletal or connective tissue conditions, representing 33.7% of the total DSP population, psychological/psychiatric conditions, representing 24.7%, and intellectual/learning difficulties, representing 10.5%.

Since 1982 the DSP customer population has been steadily increasing, with the greatest growth, of 13.3%, occurring in 1992 following the introduction of the Disability Reform Package (DSP replaced the Invalid Pension and Sheltered Employment Allowance in November 1991). Between 1996 and 2001 the growth rate has reduced gradually from 7.5% to 3.6%. It increased to 5.6% in 2002 before dropping to 2.2% in 2003, with the introduction of the AWT Better Assessment and Early Intervention initiative. The proportion of females on DSP has increased each year since 1989 and now represents 38.7% of the total DSP population.

Almost 72,000 claims for DSP were granted in the 2002-03 financial year and just over 41,000 claims rejected (36.6% of total claims processed). Lack of medical eligibility was the main reason for rejecting a claim for DSP (40.2%).

Over half of people coming onto Disability Support Pension are coming from other income support payments with the main payments being Newstart or Youth Allowance (35.3%), Parenting Payments (5.6%) and Sickness Allowance (1.7%). 45.4% were not previously in receipt of another Centrelink payment.

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This report was prepared by the Disability Payments Section, Office of Disability.

1 DISABILITY SUPPORT PENSION POPULATION CHARACTERISTICS

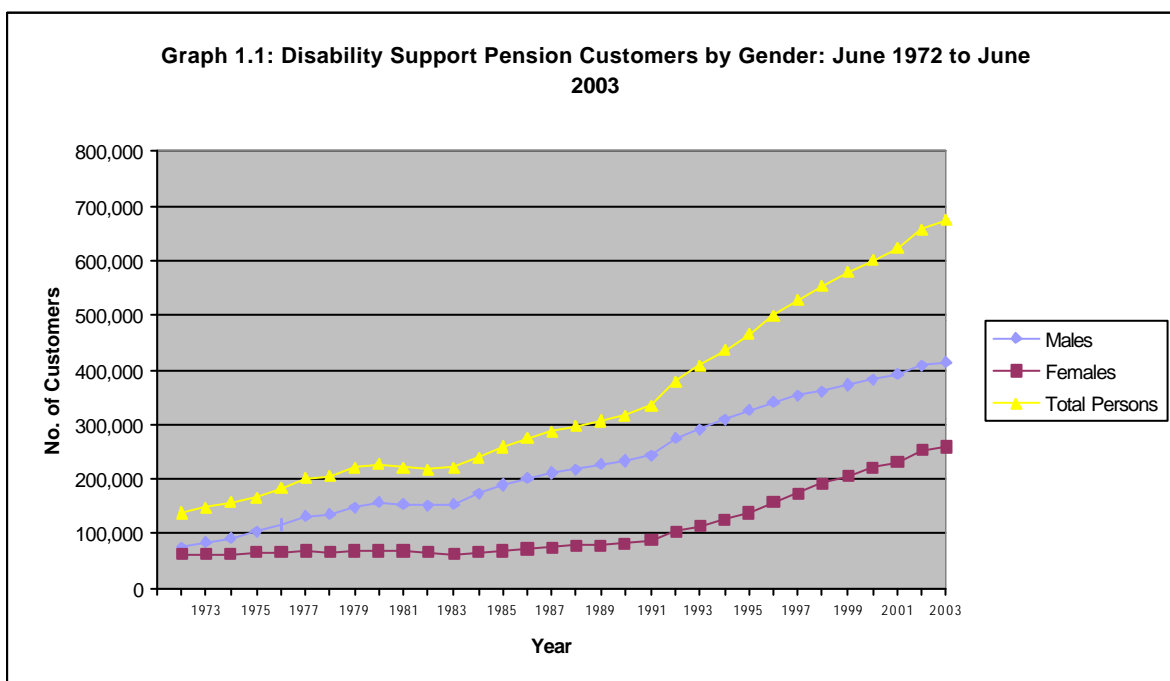
1.1 Customers by Gender 1972 to 2003

As at June 2003, the number of people receiving Disability Support Pension (DSP) was 673,334 and has been steadily increasing since 1982, with the greatest growth period (13.3%) occurring in 1992 following the introduction of the Disability Reform Package. The growth rate in DSP for 2002-03 was 2.2%, down on the 5.6% increase in 2001-02. This can be attributed to the lower number of claims received and granted during the year, with the introduction of the AWT Better Assessment and Early Intervention initiative.

A number of factors have been suggested as contributing to the increases in the DSP customer numbers in the last decade:

- changed eligibility criteria for disability payments following the introduction of the Disability Reform Package;
- loss of access to other forms of support such as Veterans' Affairs Service Pension, Widow B and Wife Pension;
- increases in the Age Pension qualifying age for females;
- demographic effects such as the ageing of the population; and
- changes in the labour market which have resulted in a reduced capacity for people with disabilities to retain or find work.

The proportion of the DSP population that is female has been increasing, from a low of 26.2% in 1989 to the current figure of 38.7%.



Source: Characteristics of Disability Support Pension Customers (June 2002); Superstar Pensions Database 13/06/2003

Table 1.1: Disability Support Pension Customers by Gender: 1972 to 2003

At June each year	Males			Females			Total Persons	
	Count	Change	% of total	Count	Change	% of total	Count	% growth
1972	77,133		55.6%	61,685		44.4%	138,818	
1973	85,305	85,305	57.0%	64,304	64,304	43.0%	149,609	7.8%
1974	92,140	6,835	58.8%	64,643	339	41.2%	156,783	4.8%
1975	102,817	10,677	60.9%	65,967	1,324	39.1%	168,784	7.7%
1976	116,118	13,301	63.2%	67,669	1,702	36.8%	183,787	8.9%
1977	133,209	17,091	65.6%	69,754	2,085	34.4%	202,963	10.4%
1978	137,245	4,036	67.0%	67,699	-2,055	33.0%	204,944	1.0%
1979	149,759	12,514	68.1%	70,084	2,385	31.9%	219,843	7.3%
1980	158,327	8,568	69.1%	70,892	808	30.9%	229,219	4.3%
1981	153,889	-4,438	69.3%	68,062	-2,830	30.7%	221,951	-3.2%
1982	151,146	-2,743	69.8%	65,503	-2,559	30.2%	216,649	-2.4%
1983	155,672	4,526	70.7%	64,617	-886	29.3%	220,289	1.7%
1984	173,063	17,391	71.9%	67,511	2,894	28.1%	240,574	9.2%
1985	188,713	15,650	72.8%	70,449	2,938	27.2%	259,162	7.7%
1986	200,898	12,185	73.4%	72,912	2,463	26.6%	273,810	5.7%
1987	213,290	12,392	73.8%	75,760	2,848	26.2%	289,050	5.6%
1988	219,168	5,878	73.8%	77,745	1,985	26.2%	296,913	2.7%
1989	227,285	8,117	73.8%	80,510	2,765	26.2%	307,795	3.7%
1990	233,251	5,966	73.6%	83,462	2,952	26.4%	316,713	2.9%
1991	244,699	11,448	73.2%	89,535	6,073	26.8%	334,234	5.5%
1992	273,697	28,998	72.3%	104,861	15,326	27.7%	378,558	13.3%
1993	291,471	17,774	71.7%	115,101	10,240	28.3%	406,572	7.4%
1994	309,123	17,652	70.9%	127,111	12,010	29.1%	436,234	7.3%
1995	324,672	15,549	69.9%	139,758	12,647	30.1%	464,430	6.5%
1996	340,256	15,584	68.2%	158,979	19,221	31.8%	499,235	7.5%
1997	352,607	12,351	66.8%	174,907	15,928	33.2%	527,514	5.7%
1998	361,539	8,932	65.3%	191,797	16,890	34.7%	553,336	4.9%
1999	373,340	11,801	64.6%	204,342	12,545	35.4%	577,682	4.4%
2000	382,351	9,011	63.5%	219,929	15,587	36.5%	602,280	4.3%
2001	392,354	10,003	62.9%	231,572	11,643	37.1%	623,926	3.6%
2002	406,893	14,539	61.8%	252,022	20,450	38.2%	658,915	5.6%
2003	412,777	5,885	61.3%	260,557	8,536	38.7%	673,334	2.2%

Source: Characteristics of Disability Support Pension Customers (June 2002)
Superstar Pensions Database 13/06/2003

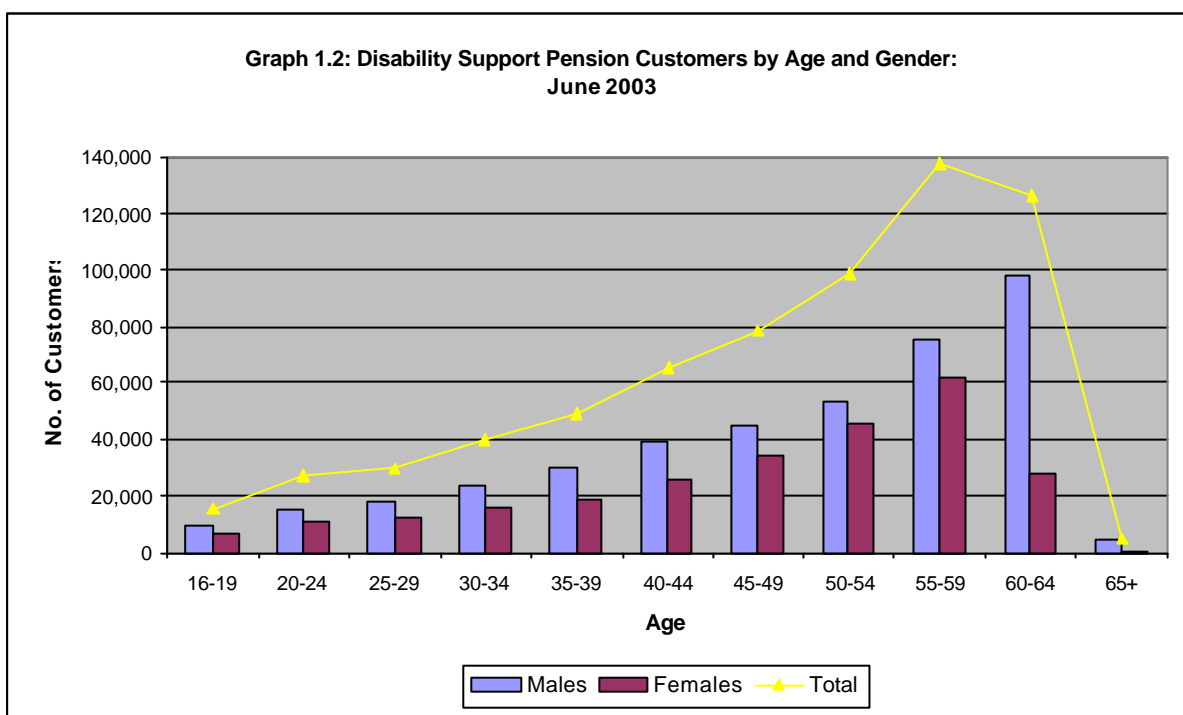
From 1972 to the introduction of the Disability Reform Package (DRP) in 1991 the number of male customers more than tripled (77,133 to 244,699). In the same period of time the number of female customers increased by less than half (61,685 to 89,535).

From the introduction of the DRP in 1991 to 2003 the number of male customers almost doubled (244,699 to 412,777) while the number of female customers almost tripled (89,535 to 260,557).

(see dot points on page 4 for explanation of changes to the number of DSP customers).

1.2 Customers by Age and Gender

People aged 55 years and over represent 39.9% of the overall DSP customer population. The small proportion of females in the 60 to 64 years age group is due to the lower Age Pension qualifying age for women. As the qualifying age increases for females, it is expected that this age group will grow and eventually exceed the number in the 55 to 59 years age group. The qualifying age for women is currently 62 years. The trend in the graph below is consistent with the trend for all Australians with a disability, which shows that the occurrence of a disability increases with age.



Source: Superstar Pensions Database 13/06/2003

Table 1.2: Disability Support Pension Customers by Age and Gender: June 2003

Age	Males	%	Females	%	Total	%
16-19	9,449	2.3%	6,399	2.5%	15,848	2.4%
20-24	15,763	3.8%	11,137	4.3%	26,900	4.0%
25-29	17,888	4.3%	12,106	4.6%	29,994	4.5%
30-34	24,203	5.9%	15,935	6.1%	40,138	6.0%
35-39	30,448	7.4%	18,816	7.2%	49,264	7.3%
40-44	39,370	9.5%	26,085	10.0%	65,455	9.7%
45-49	44,524	10.8%	34,053	13.1%	78,577	11.7%
50-54	53,239	12.9%	45,239	17.4%	98,478	14.6%
55-59	75,046	18.2%	62,357	23.9%	137,403	20.4%
60-64	98,078	23.8%	28,044	10.8%	126,122	18.7%
65+	4,769	1.2%	386	0.1%	5,155	0.8%
Total	412,777	100.0%	260,557	100.0%	673,334	100.0%

Source: Superstar Pensions Database 13/06/2003

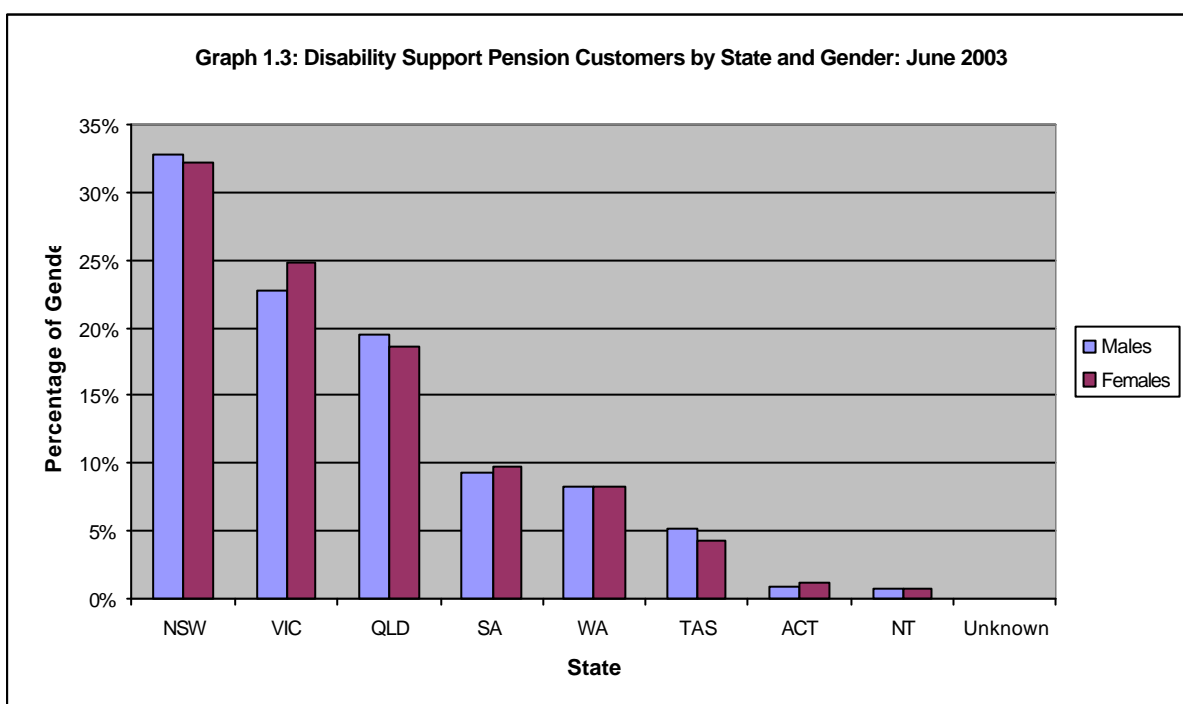
Males represent the majority of customers in all age groups (also by single years of age). Females made up 45.9% of customers in the 50-54 year old age group and only 38.2% of customers in the 35-39 year old age group.

1.3 Customers by Geographic State

As expected the majority of DSP customers can be found in the more populous Australian States. New South Wales is the largest with 32.6% of the DSP population, while the Northern Territory is the smallest with 0.8%.

The ACT has the highest percentage of females (43.3%) while Tasmania has the lowest (34.6%).

When compared with the ABS Census 2001, the proportion of DSP customers living in Tasmania and South Australia is higher than the proportion of the total Australian population in these States.



Source: Superstar Pensions Database 13/06/2003

Table 1.3: Disability Support Pension Customers by State for June 2003

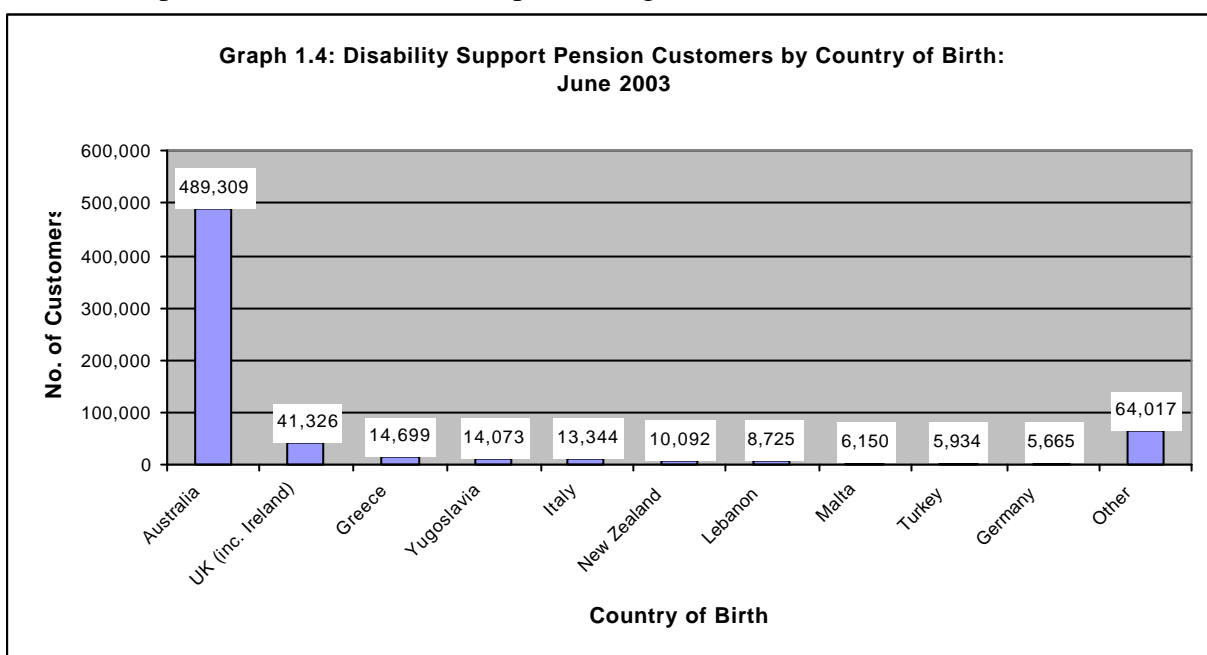
STATE	Males	%	Females	%	Total DSP	DSP %	ABS Census 2001
NSW	135,743	32.9%	84,077	32.3%	219,820	32.6%	33.6%
VIC	94,295	22.8%	64,586	24.8%	158,881	23.6%	24.5%
QLD	80,785	19.6%	48,600	18.7%	129,385	19.2%	19.3%
SA	38,938	9.4%	25,383	9.7%	64,321	9.6%	7.7%
WA	34,494	8.4%	21,779	8.4%	56,273	8.4%	9.8%
TAS	21,084	5.1%	11,141	4.3%	32,225	4.8%	2.4%
ACT	3,885	0.9%	2,965	1.1%	6,850	1.0%	1.6%
NT	3,371	0.8%	1,943	0.7%	5,314	0.8%	1.1%
Unknown	182	0.0%	83	0.0%	265	0.0%	
Total	412,777	100.0%	260,557	100.0%	673,334	100.0%	100.0%

Source: Superstar Pensions Database 13/06/2003
ABS Census of Population and Housing 2015.0, 2001

1.4 Customers by Country of Birth

The following graph and table reports on the country of birth of DSP customers. The 10 countries with the highest number of customers are shown.

The majority of DSP customers were born in Australia (72.7%). The next largest group was those born in the United Kingdom (including Ireland) (6.1%). When compared with ABS Census 2001 country of birth data, 9 out of the top 10 countries are over-represented on DSP (the exception being New Zealand).



Source: Superstar Pensions Database 13/06/2003

Table 1.4: Disability Support Pension Customers by Country of Birth: June 2003

COUNTRY OF BIRTH	Males	%	Females	%	Total DSP	DSP %	ABS Census 2001
Australia	295,432	71.6%	193,877	74.4%	489,309	72.7%	71.8%
UK (inc. Ireland)	26,538	6.4%	14,788	5.7%	41,326	6.1%	5.7%
Greece	9,306	2.3%	5,393	2.1%	14,699	2.2%	0.6%
Yugoslavia	9,353	2.3%	4,720	1.8%	14,073	2.1%	0.3%
Italy	8,986	2.2%	4,358	1.7%	13,344	2.0%	1.2%
New Zealand	6,198	1.5%	3,894	1.5%	10,092	1.5%	1.9%
Lebanon	6,120	1.5%	2,605	1.0%	8,725	1.3%	0.4%
Malta	4,509	1.1%	1,641	0.6%	6,150	0.9%	0.2%
Turkey	3,363	0.8%	2,571	1.0%	5,934	0.9%	0.2%
Germany	3,623	0.9%	2,042	0.8%	5,665	0.8%	0.6%
Other	39,349	9.5%	24,668	9.5%	64,017	9.5%	17.1%
Total	412,777	100.0%	260,557	100.0%	673,334	100.0%	100.0%

Source: Superstar Pensions Database 13/06/03; ABS Census of Population and Housing 2001.0, 2001

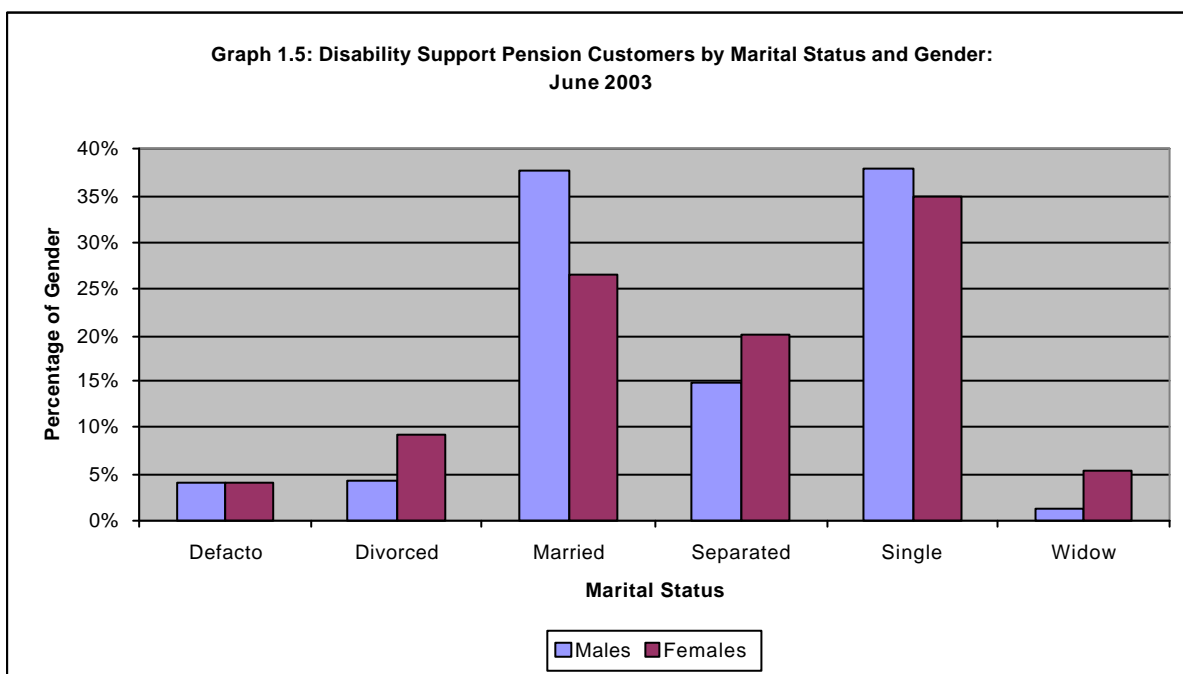
While males only represent 49.3% of the Australian population (ABS Census 2001), they represent 61.3% of the DSP population (June 2003). Of the countries listed above, males are over-represented on DSP for all countries, with Malta (73.3% on DSP compared to 51.9% reported in the ABS Census 2001) and Lebanon (70.1% of DSP compared to 52.0% reported in the ABS Census 2001) being the highest. Turkey is the lowest at 56.7% and 51.5% respectively.

1.5 Customers by Marital Status and Gender

The majority of DSP customers are not partnered (62.6%) with females more likely to not have a partner than males (69.5% of the female population are not partnered, compared to 58.3% of males). Proportionally, males and females are similar in the defacto category (4.0%). Males are more likely than females to be married or single while females are more likely to be divorced, separated or widowed.

The higher percentages of divorced, separated and widowed women could be the result of a number of factors:

- Women who have separated from a spouse who was the main income earner which resulted in them having to seek income support;
- The closing off of payments such as Widow B Pension; and
- The shorter lifespan of men increasing the probability of widowhood among women.



Source: Superstar Pensions Database 13/06/2003

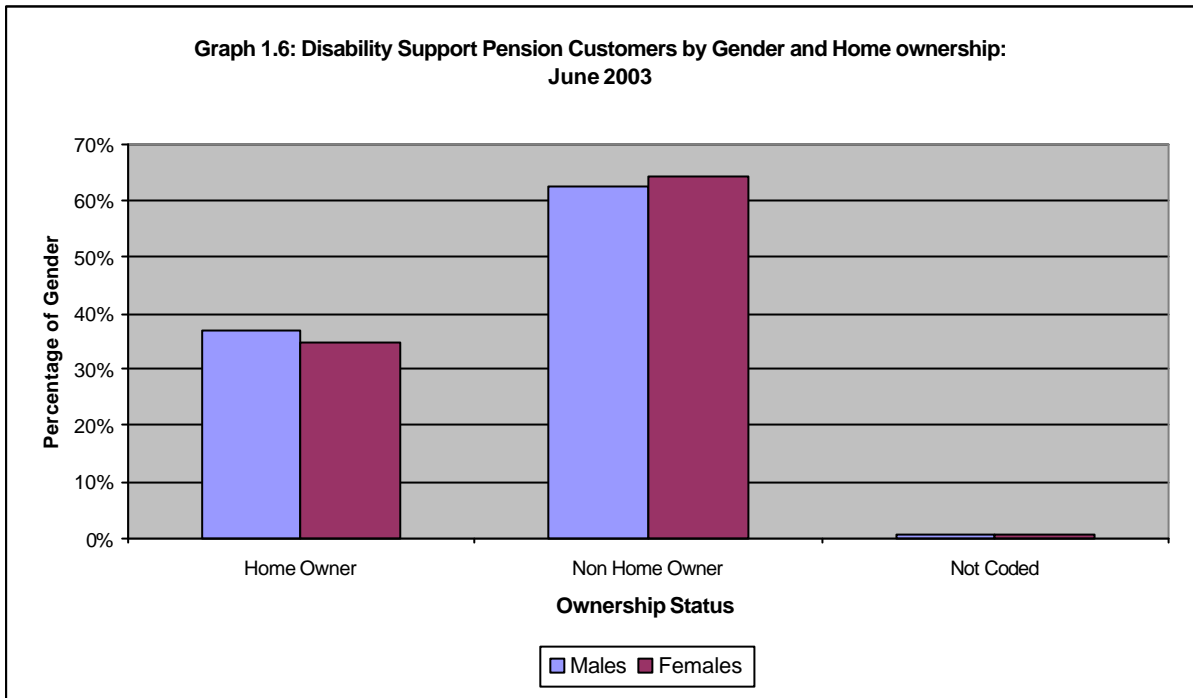
**Table 1.5: Disability Support Pension Customers by Marital Status and Gender:
June 2003**

MARITAL STATUS	Males	%	Females	%	Total	%
Defacto	16,611	4.0%	10,680	4.1%	27,291	4.1%
Divorced	17,484	4.2%	24,280	9.3%	41,764	6.2%
Married	155,487	37.7%	68,875	26.4%	224,362	33.3%
Separated	61,465	14.9%	52,222	20.0%	113,687	16.9%
Single	156,457	37.9%	90,579	34.8%	247,036	36.7%
Widow	5,273	1.3%	13,921	5.3%	19,194	2.9%
Total	412,777	100.0%	260,557	100.0%	673,334	100.0%

Source: Superstar Pensions Database 13/06/2003

1.6 Customers by Gender and Home Ownership

The majority of DSP customers do not own their home (63.3%). Males receiving DSP are marginally more likely to own a home (including paying it off) than females.



Source: Superstar Pensions Database 13/06/2003

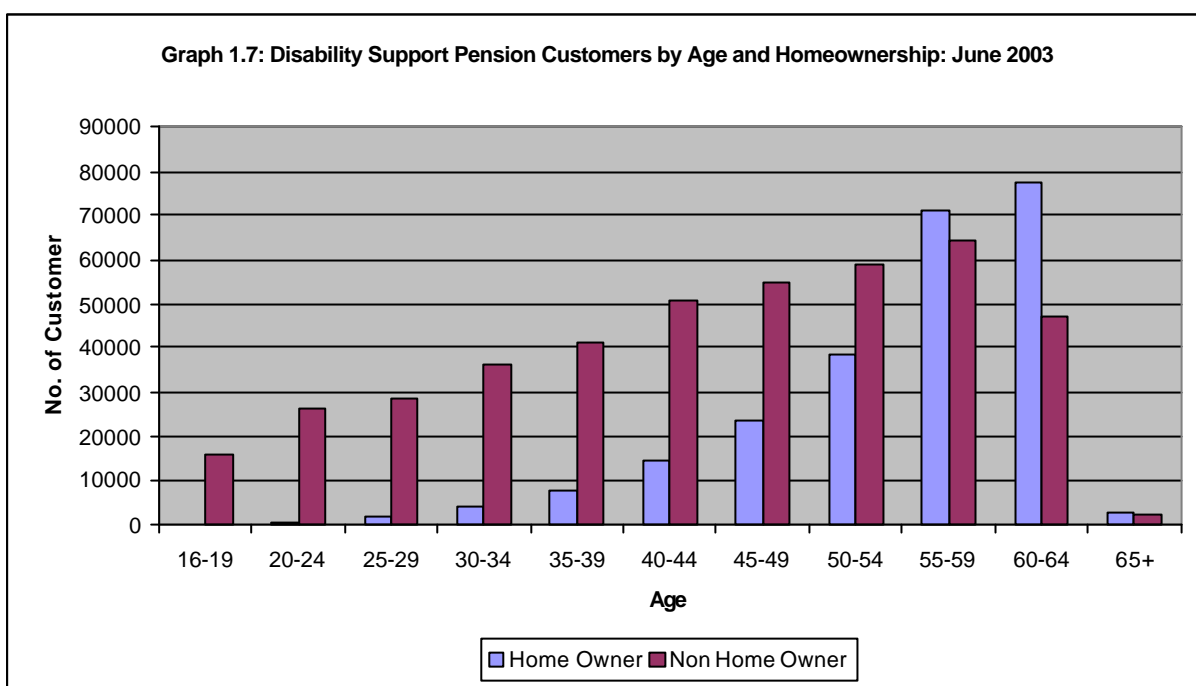
Table 1.6: Disability Support Pension Customers by Gender and Homeownership:
June 2003

HOUSING STATUS	Males	%	Females	%	Total	%
Home Owner	151,369	36.7%	90,753	34.8%	242,122	36.0%
Non Home Owner	258,392	62.6%	167,833	64.4%	426,225	63.3%
Not Coded	3,016	0.7%	1,971	0.8%	4,987	0.7%
Total	412,777	100.0%	260,557	100.0%	673,334	100.0%

Source: Superstar Pensions Database 13/06/2003

1.7 Customers by Age and Home Ownership

DSP customers who own their own home or are paying it off tend to be skewed towards the older age groups with the 55+ age groups containing more homeowners than non-homeowners.



Source: Superstar Pensions Database 13/06/2003

Table 1.7: Disability Support Pension Customers and Home ownership by Age: June 2003

AGE	Home Owner	%	Non Home Owner	%	Other	%	Total	%
16-19	160	0.1%	15,679	3.7%	9	0.2%	15,848	2.4%
20-24	473	0.2%	26,403	6.2%	24	0.5%	26,900	4.0%
25-29	1,441	0.6%	28,515	6.7%	38	0.8%	29,994	4.5%
30-34	3,958	1.6%	36,106	8.5%	74	1.5%	40,138	6.0%
35-39	7,686	3.2%	41,446	9.7%	132	2.6%	49,264	7.3%
40-44	14,540	6.0%	50,644	11.9%	271	5.4%	65,455	9.7%
45-49	23,327	9.6%	54,810	12.9%	440	8.8%	78,577	11.7%
50-54	38,662	16.0%	58,908	13.8%	908	18.2%	98,478	14.6%
55-59	71,508	29.5%	64,451	15.1%	1,444	29.0%	137,403	20.4%
60-64	77,559	32.0%	46,958	11.0%	1,605	32.2%	126,122	18.7%
65+	2,808	1.2%	2,305	0.5%	42	0.8%	5,155	0.8%
Total	242,122	100.0%	426,225	100.0%	4,987	100.0%	673,334	100.0%

Source: Superstar Pensions Database 13/06/2003

2 MEDICAL CONDITION

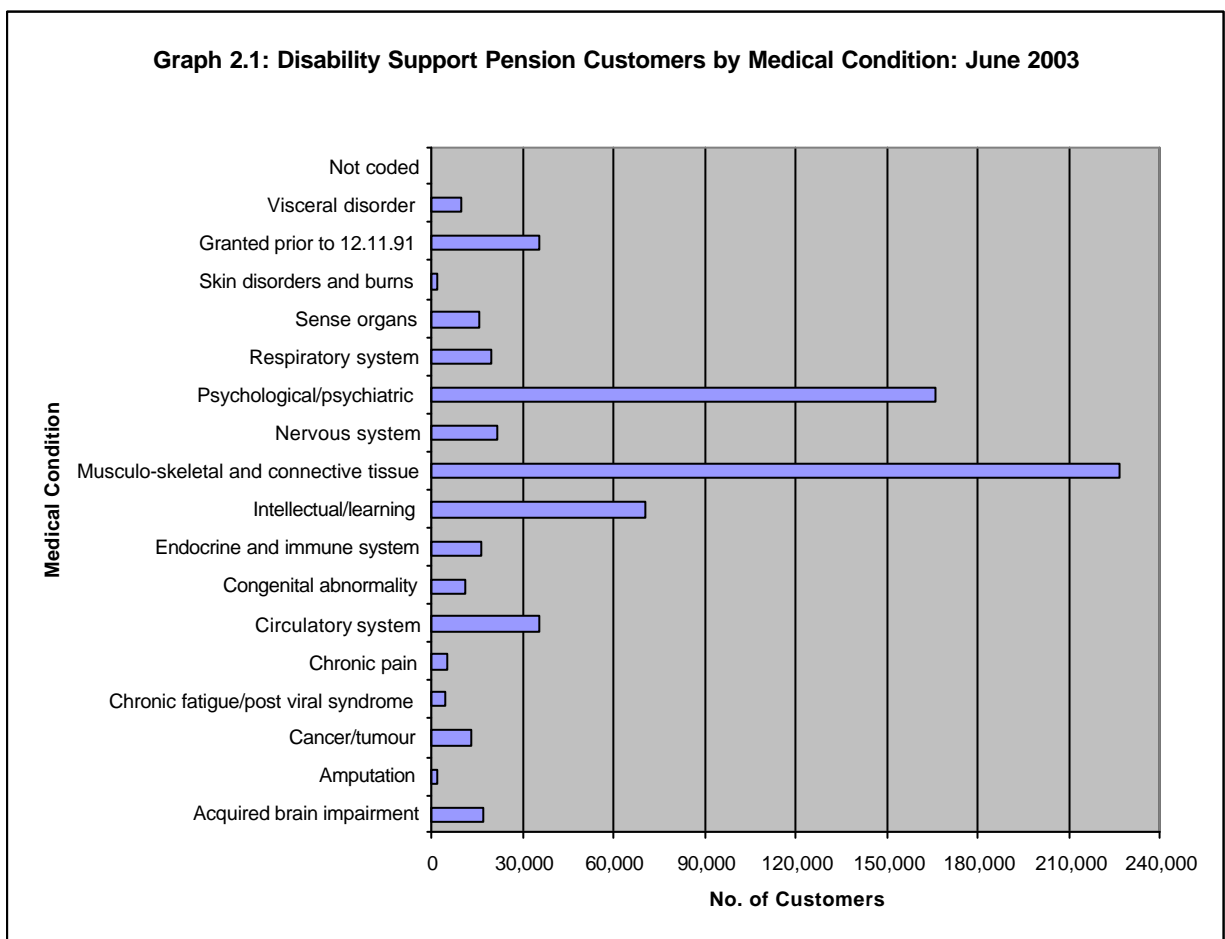
2.1 Customers by Medical Condition

With the introduction of the DSP in 1991, the medical condition of customers was collected and recorded on their administrative file. Many of those customers who were already on payment have had their condition recorded or have left payment, although a significant number still have their medical condition unclassified (such as Invalid Pensioners who were granted prior to 12.11.91 who comprise 5.3% of the DSP population as at June 2003).

The medical conditions reported here represent the primary condition that is recorded on a customer's record.

The three largest groups are customers with Musculo-skeletal/Connective tissue (33.7%), Psychological/ Psychiatric (24.7%) or Intellectual/Learning medical conditions (10.5%).

10,279 (1.5%) of DSP customers are identified as being blind.

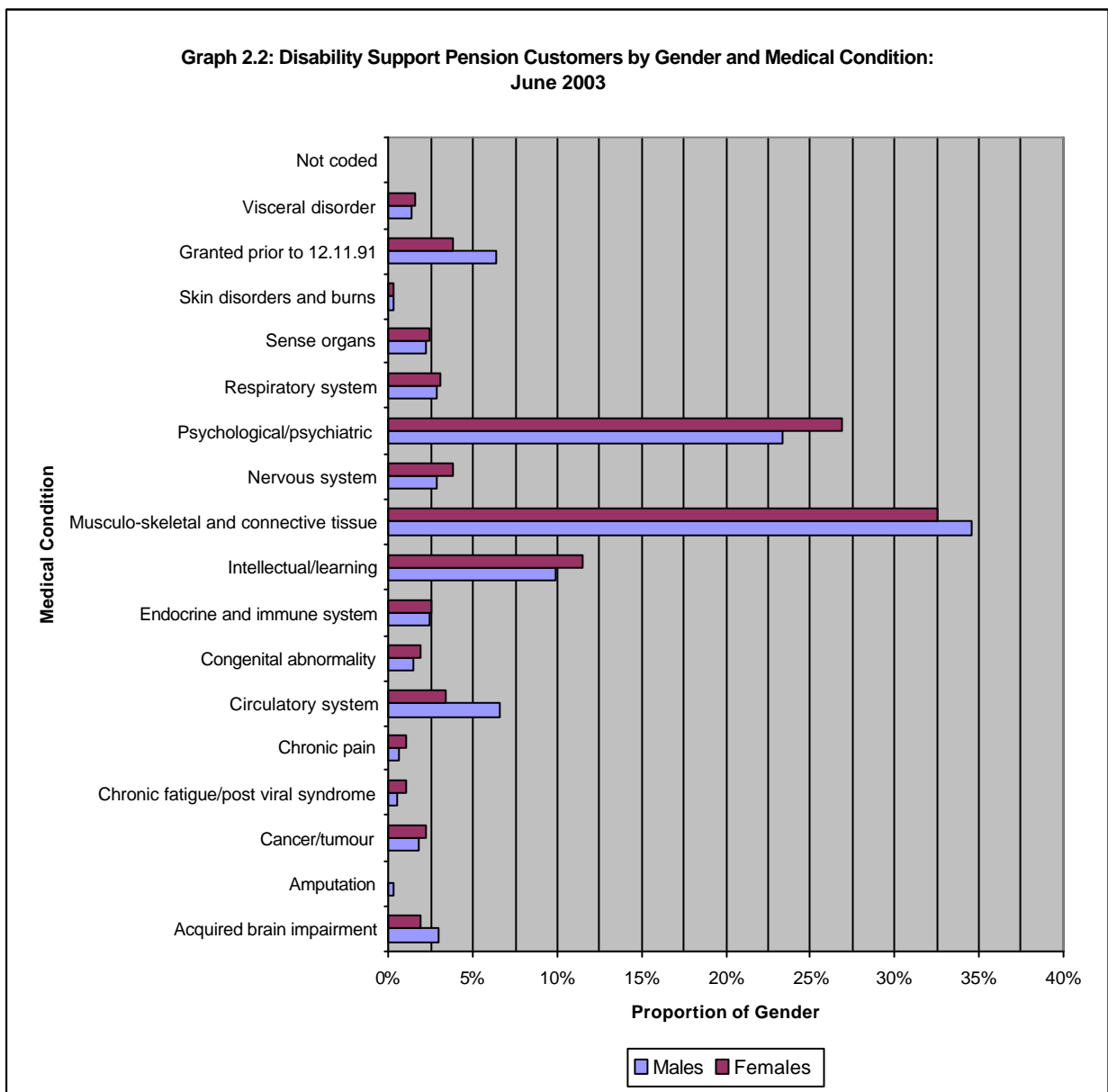


Source: Superstar Pensions Database 13/06/2003

2.2 Customers by Medical Condition and Gender

Males and females show a similar distribution of medical conditions. The only noticeable differences (ie. a greater than 2 percentage point difference) are in regards to Psychological/Psychiatric customers (23.3% male compared to 26.8% female) and those with circulatory conditions (6.5% male and 3.4% female).

There is also a greater percentage of males who were former Invalid Pension recipients than females and therefore do not have their medical condition coded. This needs to be taken into account when interpreting the data as this may contribute to situations where the percentage of females with a particular condition appears greater than the percentage of males.



Source: Superstar Pensions Database 13/06/2003

Table 2.1: Disability Support Pension Customers by Gender and Medical Condition – June 2003

MEDICAL CONDITION	Males	%	Females	%	Total	%
Acquired brain impairment	12,295	3.0%	4,772	1.8%	17,067	2.5%
Amputation	1,380	0.3%	318	0.1%	1,698	0.3%
Cancer/tumour	7,167	1.7%	5,837	2.2%	13,004	1.9%
Chronic fatigue/post viral syndrome	2,029	0.5%	2,841	1.1%	4,870	0.7%
Chronic pain	2,401	0.6%	2,780	1.1%	5,181	0.8%
Circulatory system	26,827	6.5%	8,827	3.4%	35,654	5.3%
Congenital abnormality	6,046	1.5%	5,065	1.9%	11,111	1.7%
Endocrine and immune system	9,795	2.4%	6,635	2.5%	16,430	2.4%
Intellectual/learning	40,905	9.9%	29,842	11.5%	70,747	10.5%
Musculo-skeletal and connective tissue	142,291	34.5%	84,698	32.5%	226,989	33.7%
Nervous system	11,439	2.8%	10,099	3.9%	21,538	3.2%
Psychological/psychiatric	96,252	23.3%	69,788	26.8%	166,040	24.7%
Respiratory system	11,718	2.8%	7,929	3.0%	19,647	2.9%
Sense organs	9,326	2.3%	6,357	2.4%	15,683	2.3%
Skin disorders and burns	1,029	0.2%	733	0.3%	1,762	0.3%
Granted prior to 12.11.91	26,167	6.3%	9,748	3.7%	35,915	5.3%
Visceral disorder	5,500	1.3%	4,124	1.6%	9,624	1.4%
Not coded	210	0.1%	164	0.1%	374	0.1%
Total	412,777	100.0%	260,557	100.0%	673,334	100.0%

Source: Superstar Pensions Database 13/06/2003

Table 2.2: Disability Support Pension Customers by Gender and Medical Condition – Gender as a Percentage of Total, June 2003

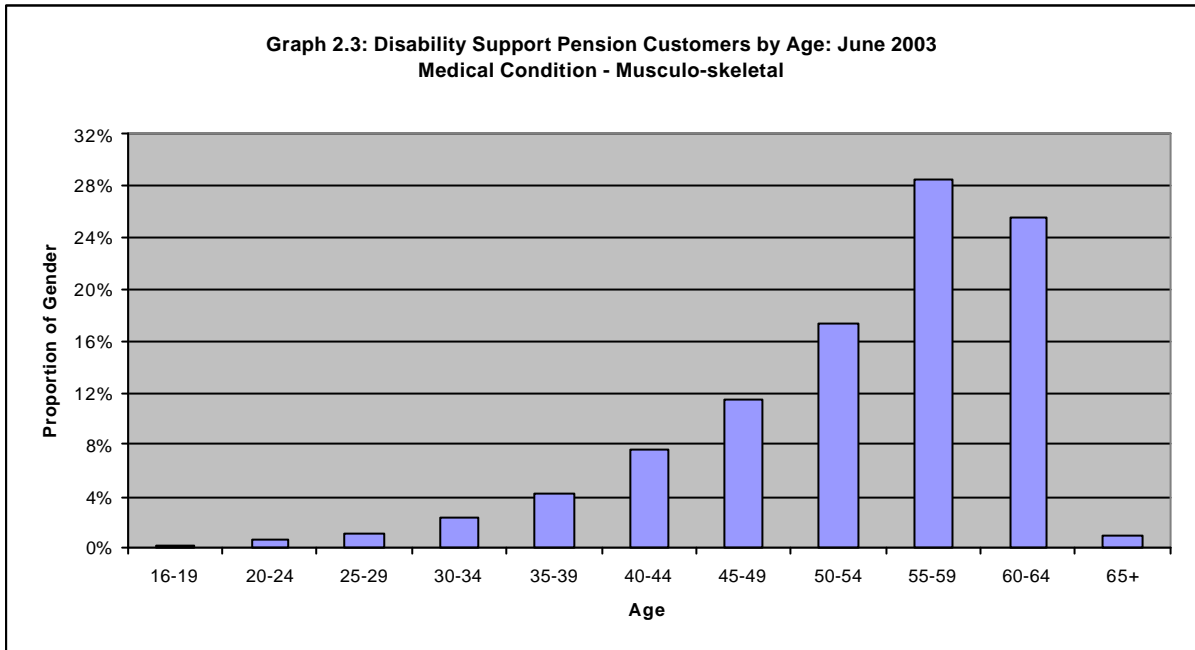
MEDICAL CONDITION	Males	%	Females	%	Total
Acquired brain impairment	12,295	72.0%	4,772	28.0%	17,067
Amputation	1,380	81.3%	318	18.7%	1,698
Cancer/tumour	7,167	55.1%	5,837	44.9%	13,004
Chronic fatigue/post viral syndrome	2,029	41.7%	2,841	58.3%	4,870
Chronic pain	2,401	46.3%	2,780	53.7%	5,181
Circulatory system	26,827	75.2%	8,827	24.8%	35,654
Congenital abnormality	6,046	54.4%	5,065	45.6%	11,111
Endocrine and immune system	9,795	59.6%	6,635	40.4%	16,430
Intellectual/learning	40,905	57.8%	29,842	42.2%	70,747
Musculo-skeletal and connective tissue	142,291	62.7%	84,698	37.3%	226,989
Nervous system	11,439	53.1%	10,099	46.9%	21,538
Psychological/psychiatric	96,252	58.0%	69,788	42.0%	166,040
Respiratory system	11,718	59.6%	7,929	40.4%	19,647
Sense organs	9,326	59.5%	6,357	40.5%	15,683
Skin disorders and burns	1,029	58.4%	733	41.6%	1,762
Granted prior to 12.11.91	26,167	72.9%	9,748	27.1%	35,915
Visceral disorder	5,500	57.1%	4,124	42.9%	9,624
Not coded	210	56.1%	164	43.9%	374
Total	412,777	61.3%	260,557	38.7%	673,334

There are only two medical condition groups where the number of female customers is higher than the number of male customers. These groups are Chronic Fatigue/Post Viral Syndrome (58.3%) and Chronic Pain (53.7%).

Male customers make up 81.3% of the Amputation medical condition group. The next highest male dominated group is Circulatory System with 75.2%.

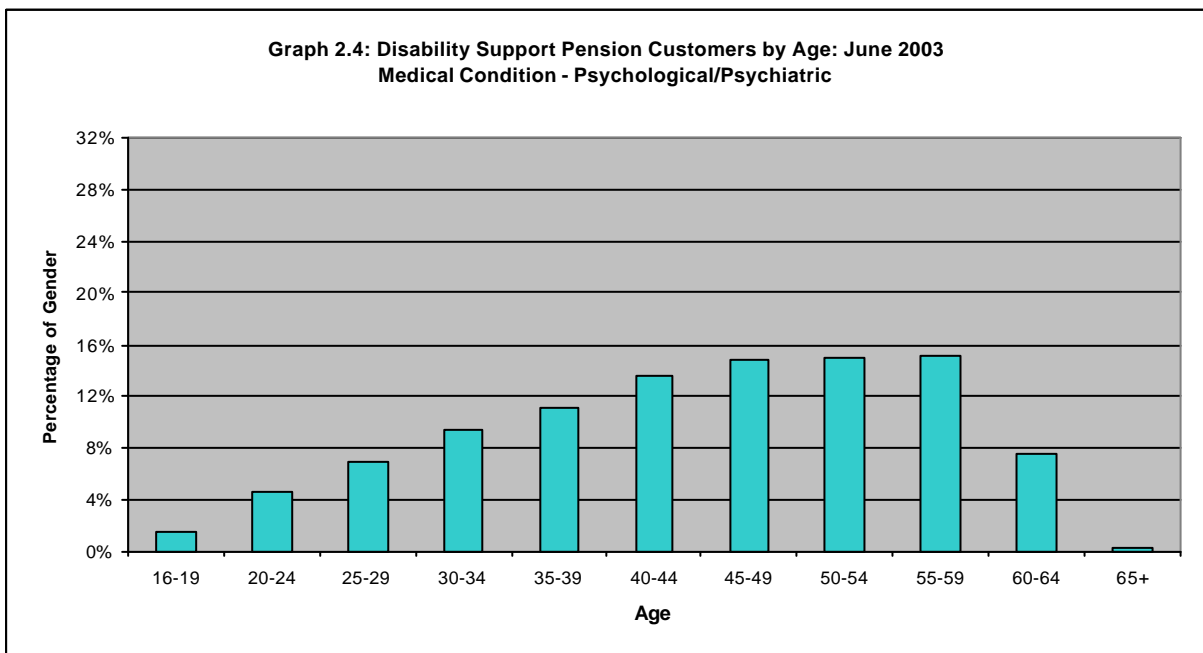
2.3 Customers by Musculo-skeletal/Connective tissue, Psychological/Psychiatric and Intellectual Medical Conditions

The age distribution for Musculo-skeletal/Connective tissue customers is skewed strongly towards the older age groups. This indicates a strong correlation between this type of condition and age.



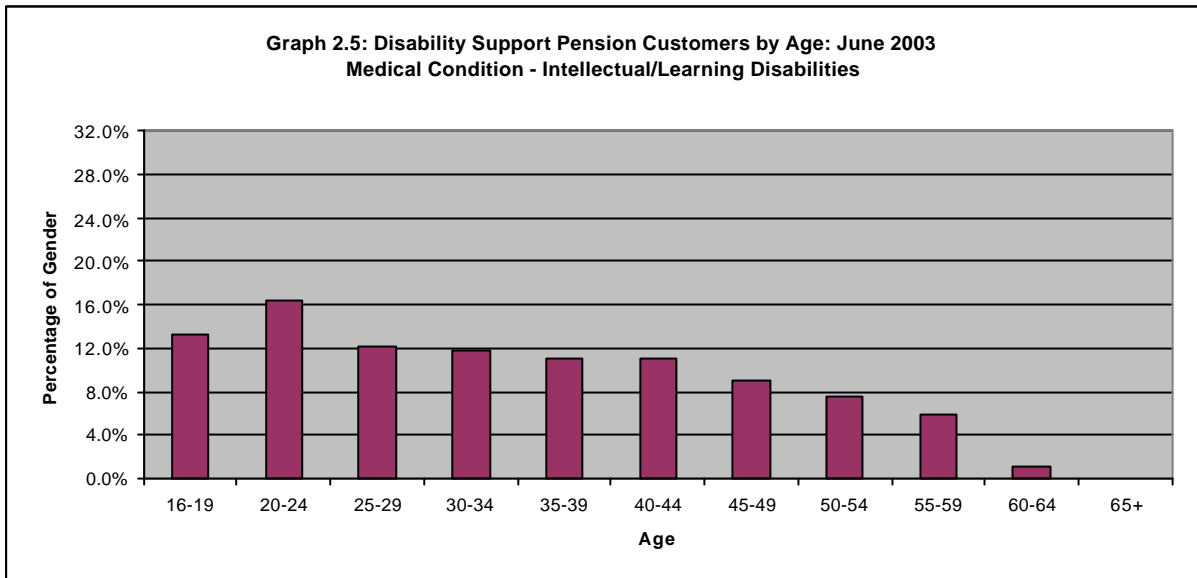
Source: Superstar Pensions Database 13/06/2003

Psychological/Psychiatric conditions also show a high representation in the older age groups but substantial numbers are in the younger age groups, leading to a more even distribution.



Source: Superstar Pensions Database 13/06/2003

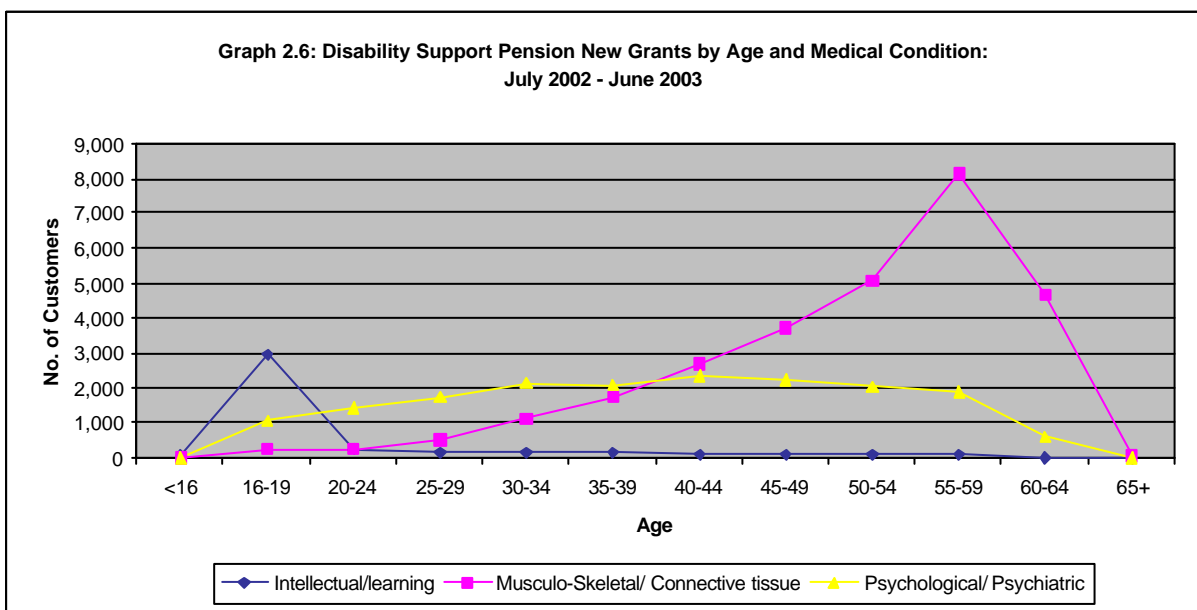
Customers with Intellectual or Learning disabilities vary again in that they are skewed towards the younger age groups. The majority of these customers are born with their condition and may suffer a reduced lifespan as a result of their condition. This is reflected in information on duration on DSP for customers with these disabilities, where over half have been on payment for 10 years or more.



Source: Superstar Pensions Database 13/06/2003

A comparison of the age distributions of the total DSP population to customers granted in the 2002-03 financial year shows that:

- new customers with musculo-skeletal/connective tissue conditions have similar age distributions to the overall DSP population with the same condition;
- new customers with psychological/psychiatric conditions tend to be in the younger age groups (less than 45 years old) than the overall DSP population with the same condition; and
- new customers with Intellectual/Learning difficulties show a higher proportion of young customers (under 20 years) coming onto payment.



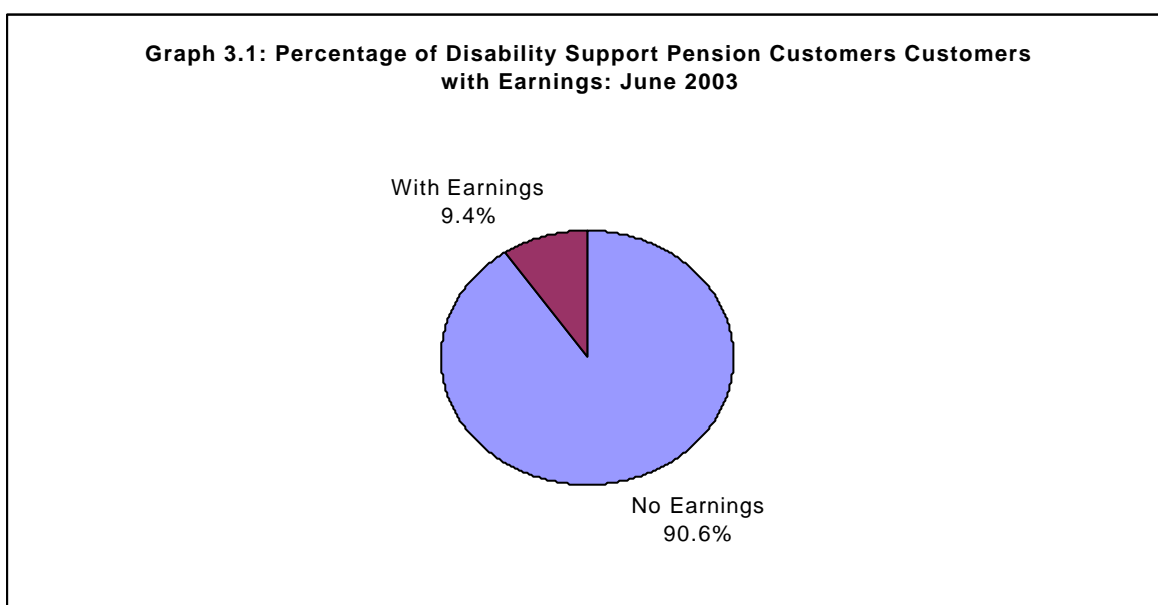
Source: Superstar Common Events Databases 12/07/2002 to 13/06/2003

3 EARNINGS, PAYMENT RATES AND DURATION

3.1 Customers with Earnings from Employment

Only a small percentage of DSP customers have declared earnings related to work (9.4%). This is a slight decrease on the 9.7% in June 2002. The majority of customers have earnings in the lower income ranges (52.6% earn less than \$100 per week). Around one fifth of customers with earned income earn \$300 or more per week (21.0%).

Under the current income test, a single DSP customer can earn up to \$60 per week without their rate of payment being reduced. A couple can have a combined income of \$106 per week before the DSP customer's rate of payment is affected. Customers receiving allowances, such as Newstart Allowance, have lower income free thresholds. A Newstart Allowance customer can earn up to \$31 per week before their rate of payment is affected.

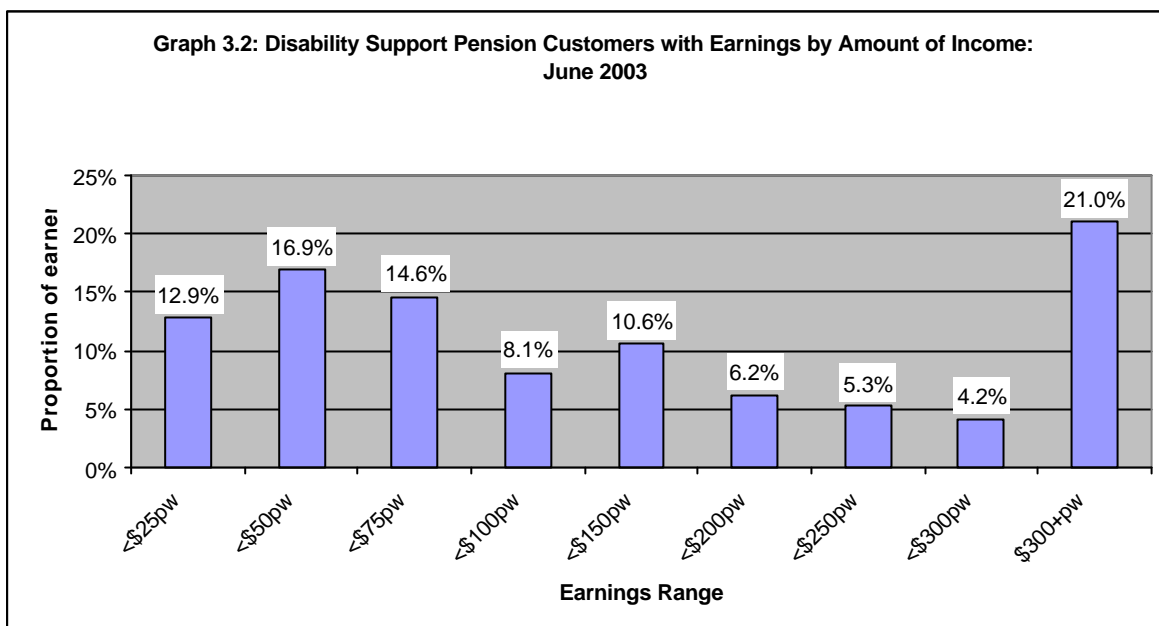


Source: Superstar Pensions Database 13/06/2003

Table 3.1: Disability Support Pension Customers by Earned Income Range: June 2003

Weekly earnings	Male	Earned only %	Female	Earned only %	Total	Earned only %	Total %
No Earnings	374,980	na	235,116	na	610,096	na	90.6%
<\$25pw	4,638	12.3%	3,517	13.8%	8,155	12.9%	1.2%
<\$50pw	6,256	16.6%	4,448	17.5%	10,704	16.9%	1.6%
<\$75pw	5,675	15.0%	3,580	14.1%	9,255	14.6%	1.4%
<\$100pw	3,288	8.7%	1,863	7.3%	5,151	8.1%	0.8%
<\$150pw	4,037	10.7%	2,656	10.4%	6,693	10.6%	1.0%
<\$200pw	2,173	5.7%	1,775	7.0%	3,948	6.2%	0.6%
<\$250pw	1,876	5.0%	1,482	5.8%	3,358	5.3%	0.5%
<\$300pw	1,417	3.7%	1,248	4.9%	2,665	4.2%	0.4%
\$300+pw	8,437	22.3%	4,872	19.2%	13,309	21.0%	2.0%
	412,777	100.0%	260,557	100.0%	673,334	100.0%	100.0%

Source: Superstar Pensions Database 13/06/2003



Source: Superstar Pensions Database 13/06/2003

When comparing the characteristics of DSP customers with earnings from employment to the characteristics of the overall DSP population it was found that:

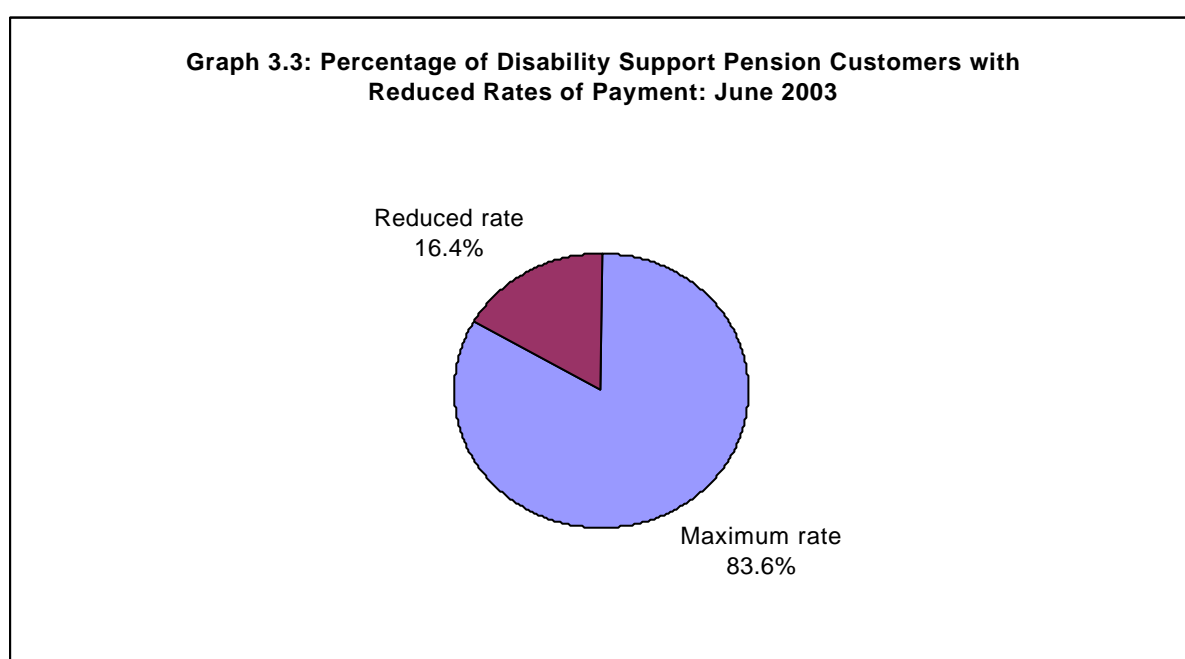
- ‘Single’ customers (including single, divorced, separated and widowed) were more likely to have earned income. ‘Single’ customers represented 71.1% of the customers with earned income but only represented 62.6% of the total DSP population.
- Of customers with intellectual/learning disabilities, 20.8% had earned income. 66.5% of these had earnings of less than \$75 per week but only 8.3% had earnings of more than \$300 per week. These customers represented 23.3% of those with earned income but only 10.5% of the total DSP population.
- Of customers with psychological/psychiatric disabilities, only 7.7% had earned income. 40.4% of these had earnings of less than \$75 per week with 24.2% having earnings of more than \$300 per week. These customers represented 20.2% of those with earned income but 24.7% of the DSP population.
- Of customers with musculo-skeletal/connective tissue disabilities, only 7.1% had earned income. 33.9% of these had earnings of less than \$75 per week but 35.9% had earnings of more than \$250 per week. These customers represented 25.7% of those with earned income and 33.7% of the total DSP population.
- Customers aged less than 50 years were more likely to have earned income than older customers (13.0% and 6.3% respectively). 63.3% of customers with earned income were aged less than 50 years but customers aged less than 50 only represented 45.6% of the total population.

3.2 Customers with Maximum/Reduced Rates of Payment

The majority of DSP recipients receive a full rate of pension (83.6%). Customers may be receiving a part rate of payment due to:

- their income from employment or other investments;
- partner income from employment or other investments;
- repaying a debt; or
- repaying an advance.

Although only 9.4% of DSP customers have income from employment, there is a significant proportion (81.5%) that has income from other sources, such as superannuation, savings or income from investments. The majority of these customers have income below the income free threshold (\$60 per week for a single customer) and therefore receive the maximum rate of DSP.



Source: Superstar Pensions Database 13/06/2003

Table 3.2: Disability Support Pension Customers by Maximum Rate Indicator: June 2003

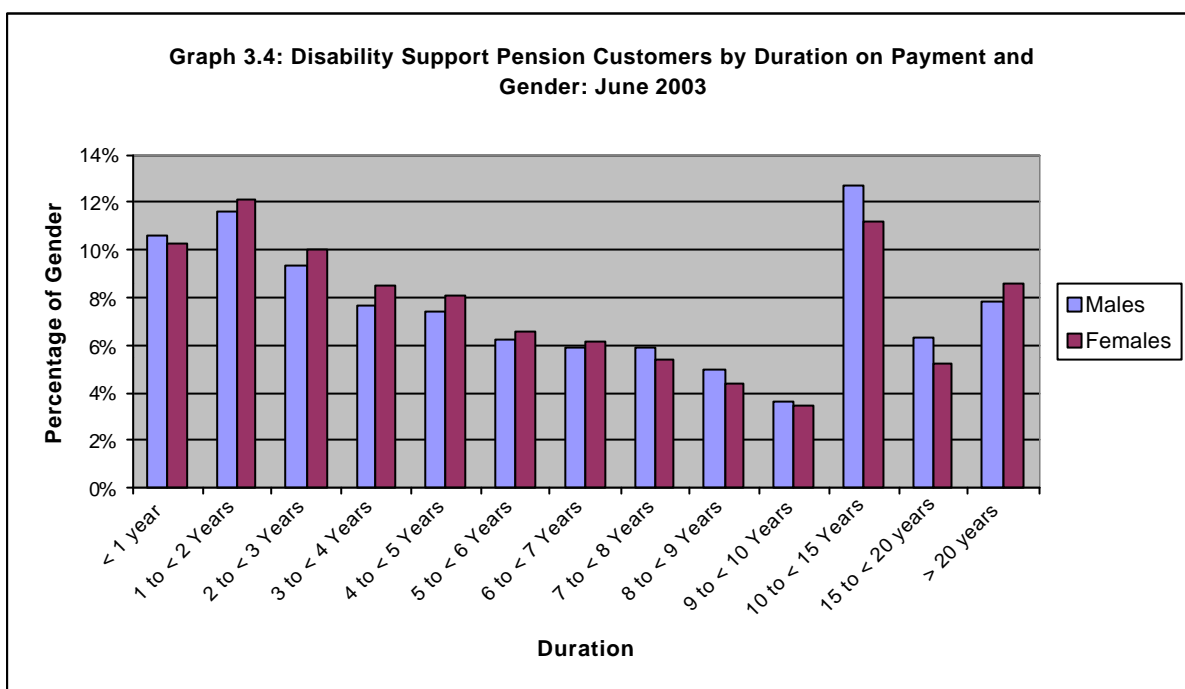
MAX RATE IND.	Male	%	Female	%	Count	%
Maximum rate	348,348	84.4%	214,675	82.4%	563,023	83.6%
Reduced rate	64,429	15.6%	45,882	17.6%	110,311	16.4%
Total	412,777	100.0%	260,557	100.0%	673,334	100.0%

Source: Superstar Pensions Database 13/06/2003

3.3 Customers by Current Duration on Payment and Gender

The distribution of duration on payment shows that the largest category is customers who have been continuously receiving DSP for 1 to 2 years, representing 11.8% of all DSP recipients. There is also a significant proportion of customers who have been in continuous receipt of DSP for 10 years or more (26.1% of all DSP customers).

The average length of time a customer spends on DSP continuously is 7.3 years, with no significant difference between males and females.



Source: Superstar Pensions Database 13/06/2003

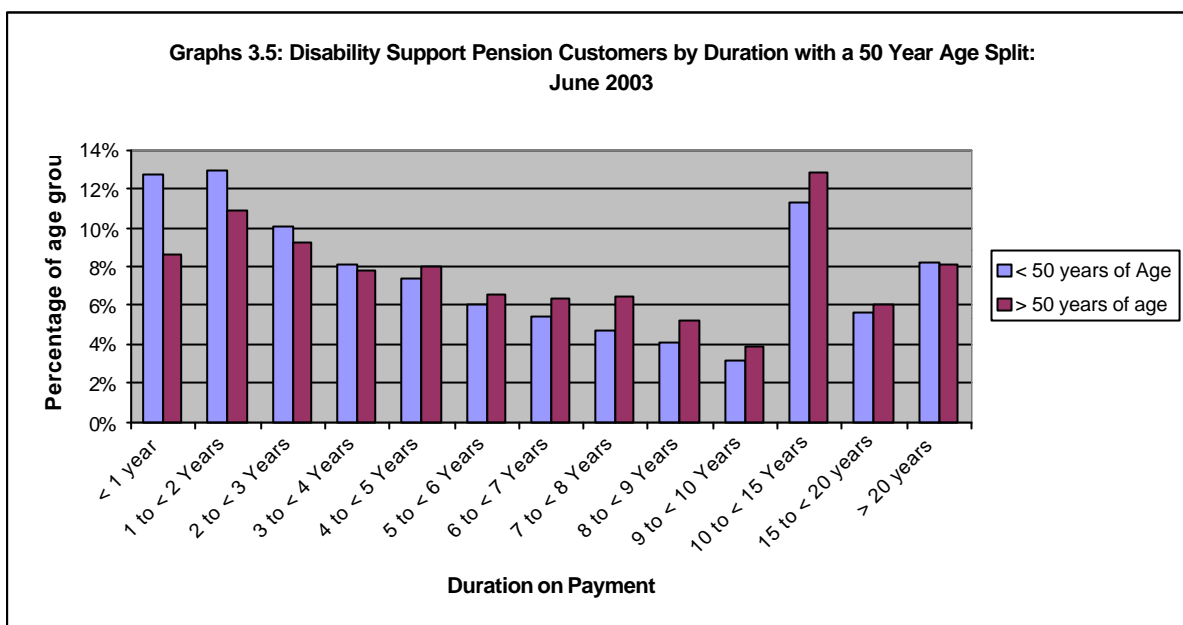
Table 3.3: Disability Support Pension Customers by Duration on Payment and Gender: June 2003

Duration	Males	%	Females	%	Total	%
< 1 year	43,809	10.6%	26,834	10.3%	70,643	10.5%
1 to < 2 Years	48,051	11.6%	31,445	12.1%	79,496	11.8%
2 to < 3 Years	38,670	9.4%	25,981	10.0%	64,651	9.6%
3 to < 4 Years	31,429	7.6%	22,288	8.6%	53,717	8.0%
4 to < 5 Years	30,721	7.4%	21,091	8.1%	51,812	7.7%
5 to < 6 Years	25,616	6.2%	17,257	6.6%	42,873	6.4%
6 to < 7 Years	24,107	5.8%	16,042	6.2%	40,149	6.0%
7 to < 8 Years	24,336	5.9%	14,063	5.4%	38,399	5.7%
8 to < 9 Years	20,357	4.9%	11,442	4.4%	31,799	4.7%
9 to < 10 Years	14,949	3.6%	9,067	3.5%	24,016	3.6%
10 to < 15 Years	52,529	12.7%	29,169	11.2%	81,698	12.1%
15 to < 20 years	25,915	6.3%	13,488	5.2%	39,403	5.9%
> 20 years	32,288	7.8%	22,390	8.6%	54,678	8.1%
Total	412,777	100.0%	260,557	100.0%	673,334	100.0%

Source: Superstar Pensions Database 13/06/2003

3.4 Customers by Current Duration on Payment and Gender by those aged below 50 and those aged 50 years and over

DSP customers aged 50 years or over make up over half of the total DSP population (54.5%). DSP customers over 50 years tend to have been on payment for longer periods than customers aged less than 50 years.



Source: Superstar Pensions Database 13/06/2003

Table 3.4 Disability Support Pension Customers by Gender and Duration with a 50 Year Age Split: June 2003

DURATION	<50 yrs				50+ yrs			
	Male	Female	Total	% of total <50 yrs	Male	Female	Total	% of total <50 yrs
< 1 year	24,171	14,789	38,960	12.7%	19,638	12,045	31,683	8.6%
1 to < 2 Years	23,507	16,041	39,548	12.9%	24,544	15,404	39,948	10.9%
2 to < 3 Years	17,973	12,714	30,687	10.0%	20,697	13,267	33,964	9.3%
3 to < 4 Years	14,387	10,642	25,029	8.2%	17,042	11,646	28,688	7.8%
4 to < 5 Years	13,138	9,458	22,596	7.4%	17,583	11,633	29,216	8.0%
5 to < 6 Years	10,877	7,749	18,626	6.1%	14,739	9,508	24,247	6.6%
6 to < 7 Years	9,743	6,860	16,603	5.4%	14,364	9,182	23,546	6.4%
7 to < 8 Years	8,734	5,796	14,530	4.7%	15,602	8,267	23,869	6.5%
8 to < 9 Years	7,656	4,992	12,648	4.1%	12,701	6,450	19,151	5.2%
9 to < 10 Years	6,019	3,925	9,944	3.2%	8,930	5,142	14,072	3.8%
10 to < 15 Years	21,321	13,192	34,513	11.3%	31,208	15,977	47,185	12.9%
15 to < 20 years	10,216	7,049	17,265	5.6%	15,699	6,439	22,138	6.0%
> 20 years	13,903	11,324	25,227	8.2%	18,385	11,066	29,451	8.0%
Total	181,645	124,531	306,176	100.0%	231,132	136,026	367,158	100.0%

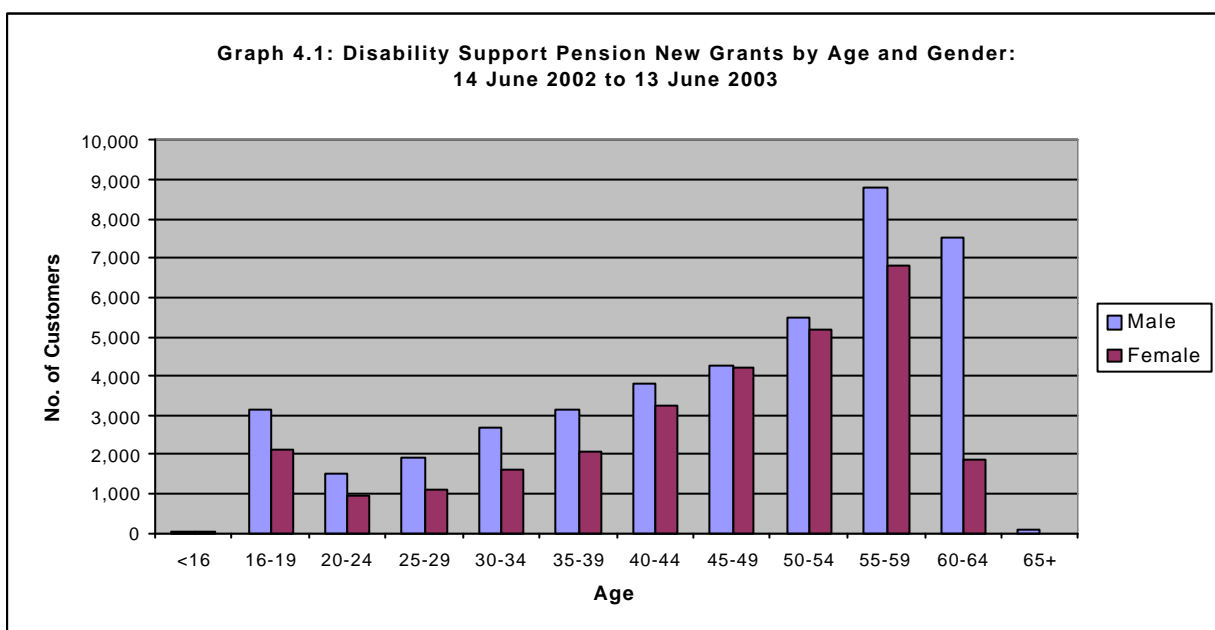
Source: Superstar Pensions Database 13/06/2003

4 NEW CLAIMS

4.1 New Claims Granted by Age and Gender

During the period 14 June 2002 to 13 June 2003, there were 71,726 new claims for DSP that were granted. This represents 63.4% of total claims processed.

Males make up 59.2% of new grants for DSP while females comprise 40.8%. These proportions are similar to the percentage distribution of males and females in the overall DSP population (males currently make up 61.1% of the total DSP population and females 38.9%). The age distribution of new grants also shows a higher percentage of customers in the age groups 16 to 19 and 55 to 59 years, than is found in the total DSP population.



Source: Superstar Common Events Databases 12/07/2002 to 13/06/2003

Table 4.1: Disability Support Pension New Grants by Age and Gender:
14 June 2002 to 13 June 2003

AGE	New grants						Total DSP customers	
	Male	%	Female	%	Total	%	Total	%
<16	60	0.1%	32	0.1%	92	0.1%	0	0.0%
16-19	3,128	7.4%	2,156	7.4%	5,284	7.4%	16,082	2.4%
20-24	1,476	3.5%	959	3.3%	2,435	3.4%	26,951	4.0%
25-29	1,939	4.6%	1,099	3.8%	3,038	4.2%	30,013	4.5%
30-34	2,709	6.4%	1,595	5.4%	4,304	6.0%	40,284	6.0%
35-39	3,143	7.4%	2,056	7.0%	5,199	7.2%	49,372	7.3%
40-44	3,822	9.0%	3,222	11.0%	7,044	9.8%	65,591	9.7%
45-49	4,274	10.1%	4,243	14.5%	8,517	11.9%	78,783	11.7%
50-54	5,504	13.0%	5,218	17.8%	10,722	14.9%	98,725	14.7%
55-59	8,794	20.7%	6,813	23.3%	15,607	21.8%	137,763	20.5%
60-64	7,517	17.7%	1,898	6.5%	9,415	13.1%	125,692	18.7%
65+	69	0.2%	0	0.0%	69	0.1%	4,078	0.6%
Total	42,435	100.0%	29,291	100.0%	71,726	100.0%	673,334	100.0%

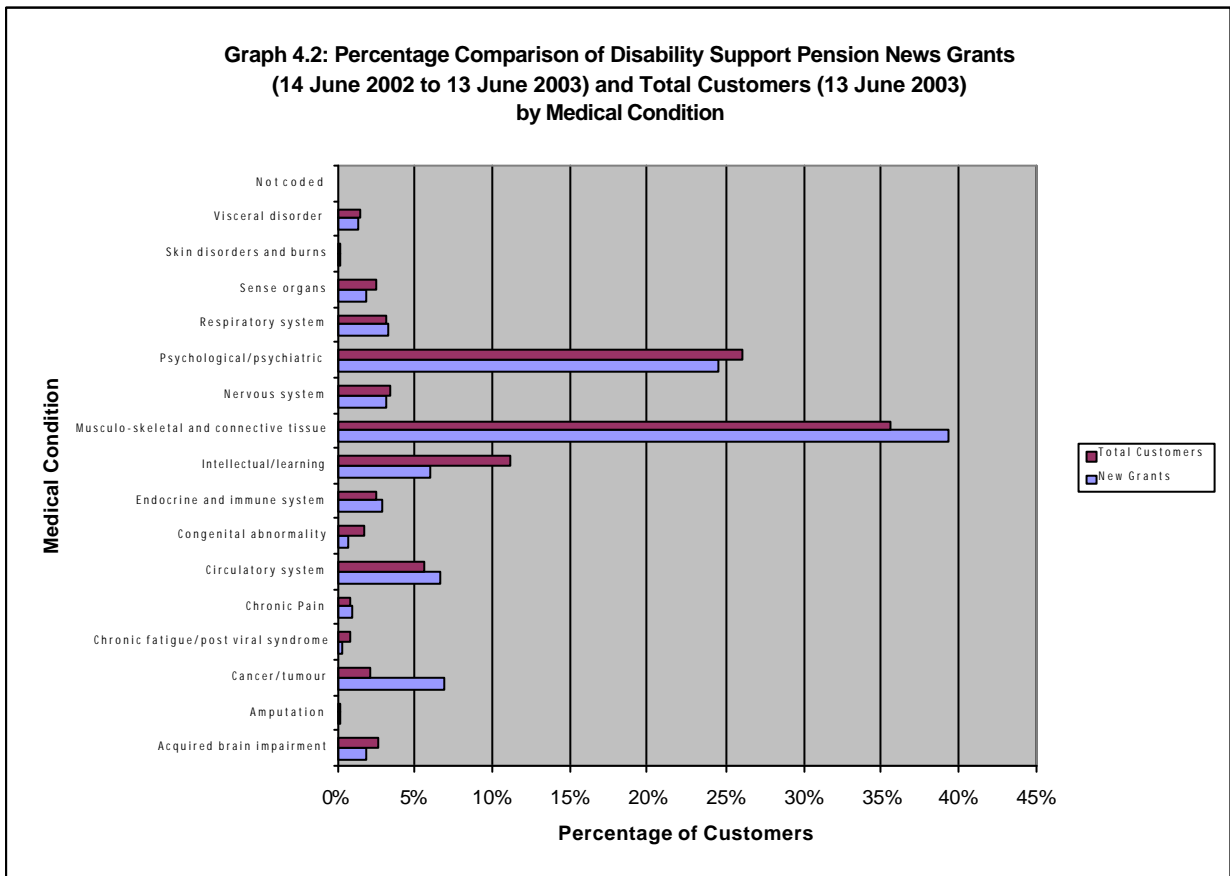
Source: Superstar Common Events Databases 12/07/2002 to 13/06/2003

4.2 Comparison of New Grants and Current Customers by Medical Condition

The distributions of new grants and current customers by medical condition are very similar. A few notable exceptions are the reduced percentage of new grants of customers with intellectual/learning disabilities and the increased number of new grants for customers with cancer/tumour or musculo-skeletal/connective tissue conditions.

When Invalid Pension ceased in November 1991, current customers were transferred to DSP. These customers did not have a medical condition recorded on their Centrelink record. They are being progressively reviewed and ascribed a medical condition, but as at June 2003, approximately 5% of the DSP population was still comprised of ex-Invalid Pension customers without a medical condition recorded.

By including these customers when looking at medical conditions, it has the effect of reducing the percentages in the other categories. Therefore, ex-Invalid Pensioners have been excluded from this graph to provide a clearer picture of the relationship between current customers and new grants.



Source: Superstar Common Events Databases 12/07/2002 to 13/06/2003
Superstar Pensions Database 13/06/2003

Table 4.2: New Grants and Current Customers by Medical Condition:
14 June 2002 to 13 June 2003

MEDICAL CONDITION	Male	%	Female	%	New Grants	%	Total	%
Acquired brain impairment	915	2.2%	379	1.3%	1,294	1.8%	17,067	2.7%
Amputation	101	0.2%	28	0.1%	129	0.2%	1,698	0.3%
Cancer/tumour	2,940	6.9%	1,950	6.7%	4,890	6.8%	13,004	2.0%
Chronic fatigue/post viral syndrome	67	0.2%	149	0.5%	216	0.3%	4,870	0.8%
Chronic Pain	275	0.6%	361	1.2%	636	0.9%	5,181	0.8%
Circulatory system	3,476	8.2%	1,276	4.4%	4,752	6.6%	35,654	5.6%
Congenital abnormality	305	0.7%	219	0.7%	524	0.7%	11,111	1.7%
Endocrine and immune system	1,168	2.8%	904	3.1%	2,072	2.9%	16,430	2.6%
Intellectual/learning	2,599	6.1%	1,638	5.6%	4,237	5.9%	70,747	11.1%
Musculo-skeletal and connective tissue	16,463	38.8%	11,752	40.1%	28,215	39.3%	226,989	35.6%
Nervous system	1,155	2.7%	1,090	3.7%	2,245	3.1%	21,538	3.4%
Psychological/psychiatric	10,088	23.8%	7,477	25.5%	17,565	24.5%	166,040	26.0%
Respiratory system	1,391	3.3%	968	3.3%	2,359	3.3%	19,647	3.1%
Sense organs	782	1.8%	539	1.8%	1,321	1.8%	15,683	2.5%
Skin disorders and burns	105	0.2%	100	0.3%	205	0.3%	1,762	0.3%
Visceral disorder	557	1.3%	425	1.5%	982	1.4%	9,624	1.5%
Not coded	48	0.1%	36	0.1%	84	0.1%	374	0.1%
Total	42,435	100.0	29,291	100.0	71,726	100.0	637,419	100.0

Source: Superstar Common Events Databases 12/07/2002 to 13/06/2003
Superstar Pensions Database 13/06/2003

* Excludes customers granted prior to 12/11/1991 (35,915 customers).

4.3 New Claims Rejected by Reason and Gender

During the period 14 June 2002 to 13 June 2003, there were 41,370 claims for DSP rejected. This represents 36.6% of total claims processed. The main reasons for rejecting the claim were because the customer had less than 20 points impairment as assessed under the Impairment Tables (40.6%), or had a short-term disability (19.9%).

Females were more likely than males to be rejected because the disability was short-term or their impairment level was less than 20 points. Males were more likely than females to be rejected due to compensation.

Table 4.3: New Claims Rejected by Reason by Gender: 12 June 2002 to 13 June 2003

REJECTION REASON	Male	%	Female	%	Total	%
Less than 20% impaired	9,824	39.9%	6,816	40.6%	16,640	40.2%
Disability is short term	4,418	18.0%	3,333	19.9%	7,751	18.7%
Failed to reply to correspondence	2,926	11.9%	1,972	11.8%	4,898	11.8%
Other	1,759	7.2%	1,159	6.9%	2,918	7.1%
Greater than 20% impaired/can work full time	1,011	4.1%	497	3.0%	1,508	3.6%
Fail to attend assessment/medical exam	771	3.1%	480	2.9%	1,251	3.0%
Withdrawn/voluntary surrender	574	2.3%	416	2.5%	990	2.4%
Compensation preclusion period	581	2.4%	218	1.3%	799	1.9%
Excess income	322	1.3%	410	2.4%	732	1.8%
Precluded due to periodic compensation	483	2.0%	165	1.0%	648	1.6%
Not residentially qualified	296	1.2%	297	1.8%	593	1.4%
Greater than 20% impaired/can be reskilled	363	1.5%	146	0.9%	509	1.2%
Assets over limit	319	1.3%	147	0.9%	466	1.1%
Failed to undergo medical exam	237	1.0%	171	1.0%	408	1.0%
Not Coded	230	0.9%	158	0.9%	388	0.9%
Failed to attend interview	180	0.7%	110	0.7%	290	0.7%
Proof of identity not provided	96	0.4%	79	0.5%	175	0.4%
Failed agreement specific rules	61	0.2%	51	0.3%	112	0.3%
Doesn't meet age requirements	32	0.1%	61	0.4%	93	0.2%
DSP excess income/assets - no medical exam	44	0.2%	38	0.2%	82	0.2%
Incapacitated/blinded overseas	24	0.1%	24	0.1%	48	0.1%
Not permanently blind	17	0.1%	15	0.1%	32	0.1%
Whereabouts unknown	15	0.1%	7	0.0%	22	0.1%
Claim lodged early	13	0.1%	4	0.0%	17	0.0%
Total	24,596	100.0	16,774	100.0	41,370	100.0

Source: Superstar Common Events Databases 14/07/02 to 13/06/03

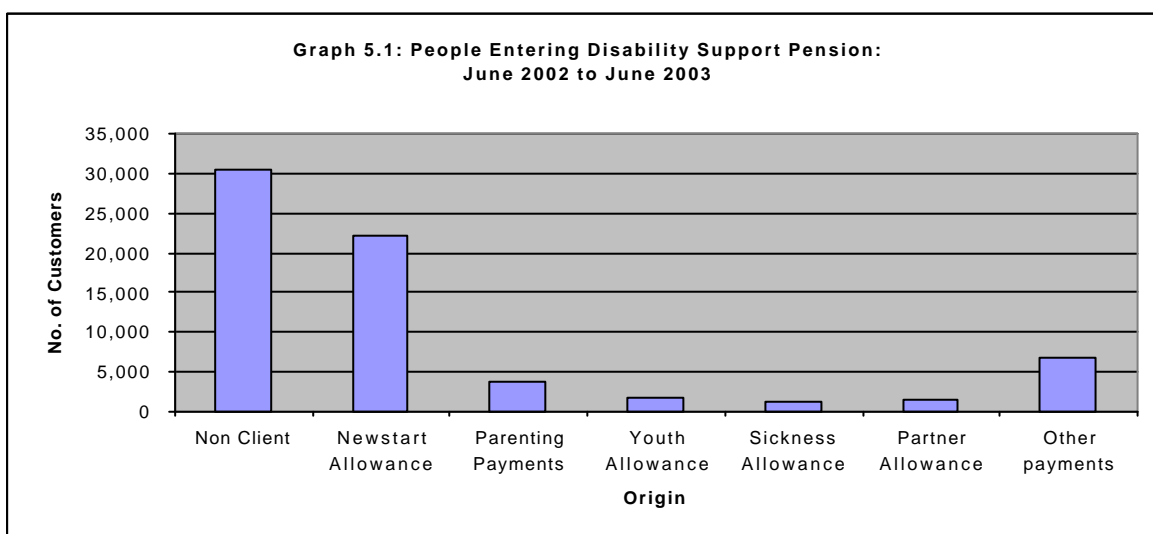
5 WHERE DSP CUSTOMERS ARE COMING FROM AND GOING TO

5.1 Where DSP Customers Are Coming From

There were 67,409 people receiving DSP in June 2003 who were not receiving DSP in June 2002. These “new customers” represent 10.0% of the total DSP population as at June 2003.

The largest group of people entering DSP are those who were not previously receiving an income support payment. These comprise 45.4% of new customers on payment. The next largest source of DSP customers is transfers from Newstart Allowance with 32.9% of new customers, down from 35.0% in 2001/02, followed by Parenting Payment (both Single and Partnered) with 5.6% of new DSP customers. A large group of customers (16.1%) have their origins from a range of other payments such as Youth Allowance, Carer Payment and Special Benefit although the numbers from each payment are small. These proportions have remained fairly static for at least the last few financial years.

It should be noted that figures for customer transfers do not exactly match those for new grants due to the different business rules used in extracting these data sets, for example, some new grants can be for the same customer or a customer may be granted DSP and then leave DSP within the same year.



Source: FaCS Data Map, Payment to Payment Reports

Table 5.1: People Entering onto Disability Support Pension: June 2002 to June 2003

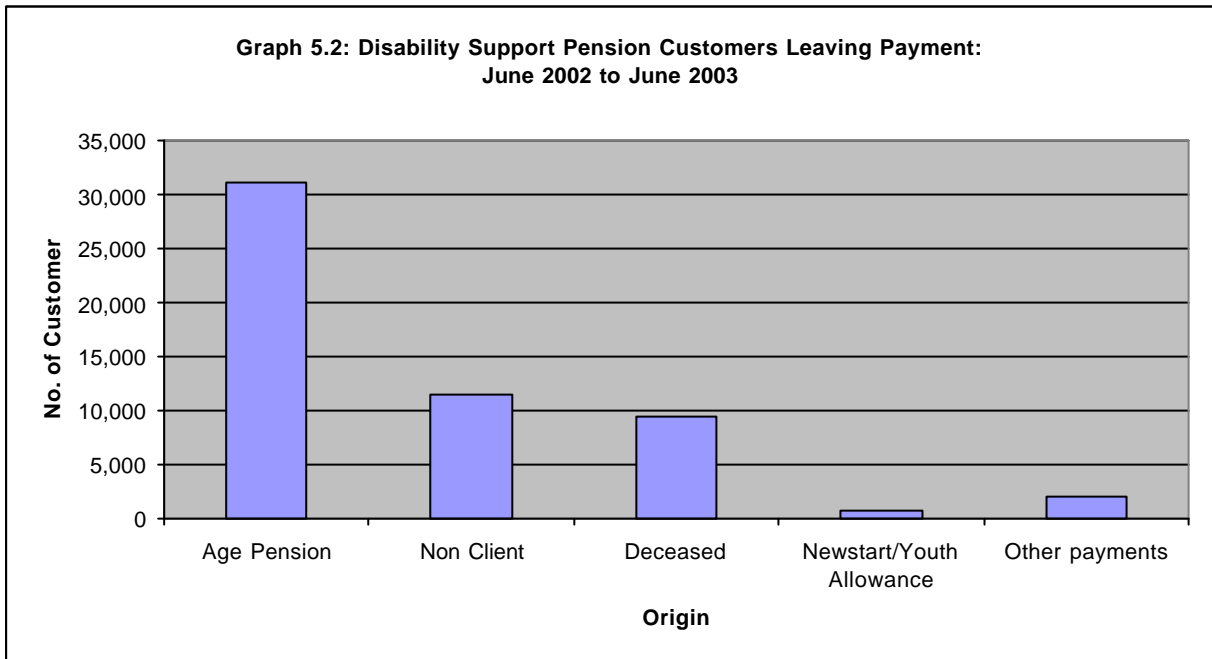
Origin	Count	%
Non Income Support	30,622	45.4%
Newstart Allowance	22,180	32.9%
Parenting Payments	3,745	5.6%
Youth Allowance	1,649	2.4%
Sickness Allowance	1,172	1.7%
Partner Allowance	1,460	2.2%
Other payments	6,581	9.8%
Total	67,409	100.0%

Source: FaCS Data Map, Payment to Payment Reports, 2003

5.2 Where DSP Customers Are Going To

The majority of customers who were on DSP in June 2002 but were not on DSP in June 2003 moved on to Age Pension (56.7%). As customers reach Age Pension eligibility age the vast majority transfer across although a very small percentage of customers choose to remain on DSP.

Of the people who left DSP, 21.1% left payments entirely. A substantial proportion (17.4%) of exits from DSP was because of the death of the customer.



Source: FaCS Data Map, Payment to Payment Reports

Table 5.2: Disability Support Pension Customers Exiting Payment:
June 2002 to June 2003

Destination	Count	%
Age Pension	31,146	56.7%
Non Client	11,571	21.1%
Deceased	9,541	17.4%
Newstart/Youth Allowance	711	1.3%
Other payments	1,970	3.6%
Total	54,939	100.0%

Source: FaCS Data Map, Payment to Payment Reports