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SPEAKER: PATRICIA SCOTT
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PATRICIA SCOTT:

Ladies and gentlemen, thank you for coming to hear my presentation today.

Jon Walsh is the Associate Commissioner for this enquiry. Thank you also to the Alliance for inviting me to this presentation.

The Commonwealth government asked us to undertake an enquiry into the feasibility of a National Disability Insurance Scheme. It took a long time to get to this point.

(inaudible)

We will finalise the draft report soon.

It is quite an open process, very transparent.

I still find myself taken aback by the deficiencies in the current arrangement.

I don't think I ever would have anticipated hearing what I have heard.

(inaudible)

In my naivety, I thought I should start by mapping the current system... After about two weeks I completely gave up because it was impossible to do!

There are implications for how it is funded. It is feasible and necessary. There are practical solutions to complex design issues. I know you are all busy people.

There is a lot of detail in the full report.

This is volume 1 and volume 2 of the full report.

For those of you have read it all, congratulations. I will take the time to go through some of the key findings because I think it is worthwhile everyone seeing them.

We have independently looked at the current arrangements.

(inaudible)

We recommend two, and not one, schemes.

What about the private insurance sector? The commission is known for taking a very market orientated approach. We did look at that issue, long and hard. We did not consider that the private insurance market is able to operate well in the area of long-term support. The insurance cover you would need would be very substantial in places. Most people would underestimate the risk and the cost. It is not enough for a significant, long-term disability. I think people underestimate that. You cannot get the cover you need.

If you have half an hour at some stage, mainly to see that compelling testimony, to follow the submissions coming in to government, you may wish to go to the website. www.pc.gov.au. Press reports and some commentary have been wrong.

One scheme will cover all new catastrophic injury and accidents, including no-fault accident insurance. The National injuries insurance scheme. (inaudible). It is the smaller of the two schemes, covering motor

vehicle accidents, medical accidents, criminal injury, and general accidents occurring in the community and the home. It will provide lifetime care and support.

We make reference to the existing motor vehicle accidents schemes. That is because a number of them are well run schemes. Lifetime care and support to the standards we think would be well worth replicating.

(inaudible)

Local governments have very liberal in creating laws for pubs and clubs, they provide public transport at night time. Otherwise, you end up with criminal injury cases. You can alter people's behaviour and circumstance in terms of lifelong injury. There are 800 cases a year. Preliminary cost is estimated at \$685 million a year.

You might say, the timeline is ambitious. But they have been talking about this for seven years. So we anticipate they could take action fairly quickly. You don't change something if it isn't broken. And there are good things operating in a number of states. A number of people came along to our hearing that spoke very favourably about the traffic accident commission in Victoria.

The question we had in our mind was, if there are good schemes operating, can we quickly implement them into our law reform? (inaudible).

Now, to the larger scheme. It would provide universal insurance cover. You may have heard press reports suggesting only 300,000 people would be covered. That is not true. We would provide universal insurance cover. Just as all of us are covered by Medicare. Support would be provided on the basis of reasonable needs. Support would be focused on the individual and their carers. Support would be over the long-term.

You might want to look at what is available on the website. But if you can imagine three concentric circles, the first tier is about social participation. It is targeted at all Australians. It is ensuring that local government is thinking about arrangements, state governments are thinking about schools, employers are thinking about rather than visas, what talent is available locally? Trying to reduce the confusion. To find that there are support groups in their local areas. We anticipate that up to 4,000,000 people would receive that sort of personal referral. Finding out the right person. Ensuring that people receive real quality referral. This is about individualised packages. (inaudible). Support to people that have significant (inaudible).

People who had an intellectual disability who were not in the first group. They can help people in the scheme, even though we don't know exactly who they are now. We have allowed to the fact that some people would get considerable benefit but may not reach the first three criteria.

\$280 per Australian per year.

Funding from consolidated revenue (inaudible)

Early intervention doesn't necessarily refer to childhood.

(inaudible)

We need to help people with a disability navigate through the services...

(inaudible)

Some people will want to manage their own funds but others will have their fund administered.

(inaudible)

They will provide support and liaise between individuals... (inaudible)

What's in and what's out? In the draft report we just summarised... There are two ways to go with summaries. We talked about home modifications, vehicle modifications, early intervention, funding for innovations.

If you write down...

Should I provide a full list so that everyone is comfortable? Or do I take a chance that there will be breakthroughs around the corner?

(inaudible)

The cost estimates are preliminary and we are juggling funding based on material we had available at the time. It came from associated revenue. The cost is significant but we are a wealthy country. Our national income is \$1.3 trillion per year. The Federal budget next year is to be \$380 billion. We are talking about (inaudible) per year.

The budget costs are manageable and affordable. Individuals and families face the high cost now, waiting years for necessary services. Individuals and families are worrying about basic services now and in the future.

We looked at alternative financing, we look at the European social insurance models. We looked at the levy on personal income tax. We looked at State responsibilities. For the certainty of individuals and their families, we went for the Commonwealth.

We are suggesting that the Commonwealth fund the entire NDIS.

I am pleased to say that State and Federal government have already agreed to consider our final report. I don't and I will be. We don't receive the report till the end of July. We put a recommended timetable in the report. We suggest that they should have a memorandum of understanding. They should have an intergovernment agreement by 2013. They should recruit and train new staff. Build infrastructure, provide information to people and its roll-out by 2014. It should roll out nationally by 2018.

We have had feedback from participants that it should occur in more than one region and maybe impact every state. Recommended timetable for the injury scheme is a little faster because they have been thinking about it for so long. There could be an agreement as early as next year. Even earlier! They could agree earlier!

It was suggested in the draft report that it should cover vehicle accidents and injuries. They will look at how both schemes are performing.

Our work finishes on 30 July. My last report was about trade agreement. I don't know what my next one will be about. I thought you should know that. We hand a report over to the government and then it is up to them and their legal process. That will determine the outcome. I am happy to take questions and you can download the overview. The full report, hearing and transcript can be downloaded anytime you like by going to www.pc.gov.au. Thank you very much.

(Applause)

>>

We will take a couple of questions now. Can you people ask questions? Please let everyone know where you are from so people get to know each other. Just short questions. One up here please. Is there a microphone?

>>:

I am John from central Queensland. I speak for the Capricorn development application. I am not sure if you read in the Weekend Australian about the NDIS conference. He wrote about the questions around the system as it would be rolled out. I believe the Western Australia Premier already (inaudible) best system in the country. Would you have a comment on a?

>>

I don't think I will get into a discussion about individual submissions.

>>

There is a second question up there, please.

>>

I am at the back here. I am Margaret Stevens from Women With Disabilities Victoria. So far I am of the understanding that this is an overall view. Has there been any perspectives from a gender perspective involved in this?

>>

Thank you for your question. We have had a number of submissions and commentary provided to us on gender. We did seek information about disability on a gender perspective. I don't think you will find a lengthy section in the report on it. We have individualised needs addressed.

>>

Can we just have another mic maybe down here? Thank you.

>>

Is \$4.4 billion going to be enough? How do you define what is reasonable? I am thinking in terms of recognising that we are all about our own views and what we need. How will need to be determined in NDIS?

>>

A very good question. We are still doing the numbers. If you recall from the last report that at one stage we only had three weeks. The new deadline becomes available today. We'll be working very hard with those numbers. That is why it is a draft report. What constitutes reasonable? We are suggesting that as part of the assessment process of the individual disability talks about and identifies what their individual needs and aspirations are. Not everyone has the same needs. Even if they have exactly the same condition - it depends on the natural support of the community around them. It depends on interest and desires. It started individual identifying what they need, then there is discussions and an assessment process.

Not everyone is an angel and people can have high needs - higher than what some people would think is reasonable. There has to be some entry process. For those of you who are about to tell me that in Britain it is all self-assessment... It is not. There has to be some sort of reasonable check about what constitutes reasonable.

Some of the States use these terms in legislation. 'Reasonable' and 'necessary'. We recommend the application of those terminologies in a draft report. Somebody living in Aulbrey could well get different

packages based on what is available to support them in their community.

>>

I am a client representative. You said about aged care that it would be discussed later. What is going to happen when we reach a test age?

>>

Thank you for keeping me honest. I had forgotten. This is a contentious area. It turns out that the government has given the productivity commission an enquiry into aged care at exactly the same time. They finished their work a month before us. It is all backwards and forwards. We are still very open to ideas. The government reference to us and goes for about three or four pages. It said that we need to look at non-age-related disability. Frailty does increase for many individuals with age. Coming up with a definition of non-age-related disability is near impossible. We have fallen back to the convenient pension age idea.

We put two proposals in the draft. If people are already in the scheme and receiving an individualised package, at age pension age they can decide whether they want to receive services from the aged care system or receive their services from their current providers in the disability sector or mainstream sector. The funding however would come from the aged care funding bucket.

The second idea - and this is what happens with some state-based access schemes - someone is able to determine which part of your need relates to your age and which bit of your need relates to your disability. We thought this sounded very tough, difficult and the cause of endless fights. We had a preference for the first one. Something to note, you never say if you are automatically in the aged care sector, it is about where the money is coming from. Imagine what the number would be if we had more aged care needs on top of disabilities. Think about that number.

>>

At this stage we have gone over time. I could see heaps of questions, we will find a place to put you back here so we can continue the questions through the day. Patricia is also around, you can talk to her or put them down in writing where the answers could be shared with others. Patricia, I hope you don't mind me of relating a story. You really educated me, quite strongly, when you said that your experience a secretary - especially in communications and industry based the apartment, it is quite common for industry types to come to government and ask for large amounts in terms of industry. People are determined to ask this amount from our department from consolidated revenue. It indicates how oppressed we are. If that is going to fix problems to a large degree, what a small price to pay. It is about time that money came forward. I thought that was a powerful message, we can have the Productivity Commission crunch the numbers and gave us a solid estimate. As Patricia said, they are not exactly left wing think tanks, pushing things along on that side. This is a conservative body from market forces saying that it is time, this is what is needed.

I really thank you for your thoroughness. We have a detailed and thorough assessment. It is time something is done. Thank you so much, Patricia.

(Applause)

– END OF TRANSCRIPT