

Budget 2016: Disability support crackdown to help fund National Disability Insurance Scheme

By political reporter Jane Norman

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The Federal Government will again crack down on the Disability Support Pension and cut off carbon tax compensation for all new welfare recipients to help fund the \$22-billion National Disability Insurance Scheme.

Key points:

No carbon tax compensation for new welfare recipients

30,000 people to have Disability Support Pension reassessed

Savings will help to foot bill for NDIS

The Government has found \$2.1 billion in savings from the welfare budget which it will move into the new NDIS savings fund.

Nearly \$1.4 billion will be saved by stopping all new recipients of Government welfare payments from receiving carbon tax compensation which, for a pensioner, was worth up to \$14 a fortnight.

Federal Treasurer Scott Morrison said in his budget announcement, those who were receiving the compensation would continue to do so but it was "nonsensical" for the Government to extend that to new welfare recipients.

"What we will be doing, going forward, is anyone coming onto benefits into the future, well we're not going to have carbon tax compensation for a carbon tax that doesn't exist," he said.

The Government also expects to save \$62 million by assessing 30,000 Disability Support Pension recipients' capacity to work.