

Economic Reform Roundtable Consultation

People with Disability Australia (PWDA) welcomes the opportunity to provide views on priority reforms for consideration as part of the **Economic Reform Roundtable**, and support its focus on building a more productive, resilient, and fiscally sustainable economy.

Improve Productivity

Australia's productivity is hindered by the underutilisation of a significant segment of the workforce – people with disability and unpaid carers. While 21.4% of the population has disability, only 5.1% of public service employees identify as such. The employment rate for people with disability (56.1%) is significantly below that of non-disabled Australians (82.3%), and income inequality remains high. Unlocking this economic potential requires:

- Inclusive public sector hiring to meet targets that reflect population diversity.
- Ending sub-minimum wages, to encourage genuine participation and reduce poverty traps.
- Accessible education and training, including at Universities and TAFEs.
- Adequate support services for people with disability and carers (e.g. NDIS and foundational supports) to remove employment barriers.

This approach would not only increase individual productivity but also reduce long-term welfare dependency and enhance Australia's skilled labour base.

Budget impact: *Budget-neutral to positive* - increased capacity for workforce participation reduces welfare reliance and increases tax contributions.

Enhance Economic Resilience

Accessible, affordable housing is fundamental to workforce mobility and community stability. However, rental prices far exceed affordability benchmarks, especially for low-income earners, carers, and people with disability. Investment in accessible public and social housing:

- Provides a secure base for participation in employment and education.
- Builds resilience in the essential services workforce.
- Reduces pressure on emergency and crisis services, improving outcomes across health, education, and employment.

Reforming negative gearing and the capital gains tax (CGT) discount would reduce speculative investment and redirect funds toward housing supply; particularly social and affordable accessible housing built to National Construction Code standards.

Budget impact: *Budget-positive* - estimated \$20 billion in annual savings through housing tax reform can fund construction of 30,000 accessible homes per year, generate 18,000 jobs, and stimulate regional economies.

Strengthen Budget Sustainability

Current tax concessions (negative gearing and CGT discount) disproportionately benefit high-income earners without improving housing supply or affordability. These subsidies result in no public assets and limit capital available for more productive sectors like climate resilience, innovation, and infrastructure. Redirecting these funds to build public and community housing:

- Creates appreciating government assets.
- Improves housing affordability and labour mobility.
- Reduces long-term social spending by improving health and employment outcomes.

Additionally, this better aligns tax settings with the government's **Measuring What Matters** wellbeing framework, and investment with socially and fiscal sustainability.

Budget impact: *Strongly budget-positive* - reduces structural deficits, builds long-term public wealth, and supports broader economic resilience.

A productivity-focused, resilient, and sustainable economy must actively include people with disability. These reforms are cost-effective, economically sound, and aligned with the Government's own wellbeing and fiscal objectives. A summary of our recommendations can be found in the **appendix**.

If you wish to discuss this submission, please contact Bastien Wallace, Senior Policy Officer at bastienw@pwd.org.au, or Megan Spindler-Smith, Acting CEO at megans@pwd.org.au.

Appendix

Summary of Recommendations

Improve Productivity

Recommendation 1 – Increase the employment of people with disability in the public service

Recommendation 2 – End sub-minimum wages for people with disability

Recommendation 3 - Ensure post school education such as University and TAFE is accessible and inclusive

Recommendation 4 - Work with people with disability and our carers to ensure that sufficient and appropriate supports are made available to enable people to undertake employment, education and training

Build economic resilience in the face of global uncertainty

Recommendation 5 – Reform the tax system and invest in building new accessible social and affordable homes that conform the National Construction Code

Recommendation 6 – We recommend reforming the tax system, building more accessible public and social housing to uphold the wellbeing framework, and incentivising investment in research, industries and infrastructure that contributes to the 5 key areas of the wellbeing framework.

Strengthen Budget Sustainability

Recommendation 7 – We recommend reforming negative gearing and phasing out CGT to save billions of dollars per year, which could be reinvested in public and community housing that becomes a community asset.

The overarching theme of this submission is that economic reform is essential to progressing the nation towards the healthy, secure, sustainable cohesive and prosperous future envisioned in the [Measuring What Matters](#) wellbeing framework.

PWDA is Australia's peak cross-disability Disability Representative Organisation. Nationally 4.4 million Australians have a disability, around 17.7% of the population.¹ When compared with the wider population, people with disability continue to experience discrimination and poorer life outcomes across all life domains.² It is estimated that 22% of people aged over 15 with disability in Australia have experienced some form of discrimination compared with 15% of those without disability.³ Disability discrimination is the largest ground of complaint to Anti-Discrimination NSW (ADNSW)⁴ and the Australian Human Rights Commission (AHRC).⁵ Discrimination against people with disability appears deeply entrenched across systems. Governments have an obligation to respect, protect and fulfil human rights.⁶ Disability Rights are Human Rights.

¹ Australian Institute of Health and Welfare, *People with Disability in Australia 2022* (2022)

<https://www.aihw.gov.au/reports/disability/people-with-disability-in-australia/contents/about>; Australian Bureau of Statistics, *Disability, Ageing and Carers, Australia: Summary of Findings* (2019) <https://www.abs.gov.au/statistics/health/disability/disability-ageing-and-carers-australia-summary-findings/latest-release#disability>.

² Rosemary Kayess and Therese Sands, *Convention on the Rights of Persons with Disabilities: Shining a light on Social Transformation* (UNSW Social Policy Research Centre, 2020); Australian Bureau of Statistics (n1); Australian Institute of Health and Welfare (n 1); Jeromey B Temple, Margaret Kelaher and Ruth Williams, 'Discrimination and avoidance due to disability in Australia: evidence from a National Cross-Sectional Survey' (2018) 18 *BMC Public Health* 1347.

³ Australian Institute of Health and Welfare (n 1) 163.

⁴ Anti-Discrimination NSW, *Annual Report 2021-22* (2022) 15 <https://antidiscrimination.nsw.gov.au/documents/annual-reports/anti-discrimination-annual-report-2021-22.pdf>

⁵ Australian Institute of Health and Welfare (n 1) 163.

⁶ Committee on the Rights of Persons with Disabilities, *General comment No. 6 (2018) Equality and non-discrimination* CRPD/C/GC/6 (26 April 2018) [30]; Australian Human Rights Commission, *Free and Equal. A reform agenda for federal discrimination laws* (December 2021) 16; United Nations, *Convention on the Rights of Persons with Disabilities* (12 December 2006), article 5.