

Australian Greens Dissenting Report

The Australian Greens are very concerned at the very quick time frame of this inquiry, given the very short time of the inquiry, moving the reporting date forward has only made it more difficult for stakeholders to participate. The small number of submissions should not be taken as a sign that this issue is not highly contested.

The application of income management in Cape York is quite widespread. While income management is meant to be applied as a measure of last resort, 25% of those living in the welfare trial sites had been subject to it by December of 2011. And although an income management order is meant to be between 3 to 12 months, the average length of time on the Basics Card is 16.8 months.¹ Clearly the income management orders are applied frequently and often extended beyond the original time period.

While the Australian Government argues that income management has been instrumental in improving 'school attendance, care and protection of children and community safety',² there has not yet been any objective analysis of income management in Cape York that has shown that it has delivered these outcomes.

The continued application of a highly coercive program such as income management needs to be justified before the Australian Greens would support extending it in any guise. This justification has not been provided through the committee inquiry process.

The majority committee report points to subjective measures of wellbeing, obtained by surveying the community attitude towards Income Management as evidence of the program's success.³ However, it is the view of the Australian Greens that this should be supported by empirical evidence as perceptions are very different to real outcomes.

The major source of information about income management in Cape York is the evaluation report commissioned by the Australian Government.⁴ This report is unable to demonstrate conclusively that income management in Cape York had met its stated aims.

Only three of the four communities demonstrated a reduction in the number of times that people were reported to the Family Relationship Council, and only then was there a 10% reduction in reports per person.⁵ The evaluation report goes on to say that,

The reduction in breaches may not be a function of income management alone, as it is possible that the fact of being repeatedly brought before the FRC conferences encourages individuals to comply.⁶

1 Australian Government, *Cape York welfare reform evaluation*, FaHCSIA, 2013, p 2.

2 Explanatory Memorandum, *Social Security and Other Legislation Amendment Bill* 2013, p. 5.

3 Australian Government, *Cape York welfare reform evaluation*, FaHCSIA, 2013.

4 Ibid., p. 34.

5 Ibid.

6 Ibid.

The evaluation found that there had been improvements in areas such as school attendance and reductions in crime.⁷ However, income management is just one of a number of measures that have been implemented by the Cape York Welfare Reform Trial, which contributes to these changes.

Furthermore, two of the report's authors, Ilan Katz and Margaret Raven, have noted in the Indigenous Law Bulletin that it is difficult to draw conclusions from this given that 'many other Indigenous communities in Queensland had also shown improvements'.⁸

This is reflected in the submission from St Vincent de Paul Society, states,

There seems to be limited evidence to suggest that these positive outcomes are a direct result of compulsory income management, as opposed to a range of new social services being rolled out in Cape York... there is no particular reason to think that income management is the sole driver of the positive changes, with so many programs operating simultaneously.⁹

The majority report, 'acknowledges the support of the Queensland Government, one of the partners in CYWR, for the extension of income management'¹⁰ but fails to acknowledge that the Queensland Government originally withdrew funding for the programs in March 2013, with Queensland Aboriginal and Torres Strait Islander Affairs Minister, Glen Elmes stating,

It is an extraordinary amount of money and the fear I have is that a very large amount of money is going into those four communities ... The other Indigenous communities—not only in Cape York—but places like Woorabinda and Cherbourg and other parts of the state are missing out on what should be their share.¹¹

Although the Queensland Government has subsequently agreed to extend the trial until the end of 2014 (one year less than this Bill seeks to extend the trial for), it is clear that the Queensland Government is not unambiguously supportive of the program.

The evaluation report also notes that there is some community dissent about income management and the Basics Card, including concern about the 'inability to use it in some stores and the paternalistic nature of the intervention',¹² which echoes the

7 Ibid., pp. 3-5.

8 I Katz and M Raven, 'Evaluation of the Cape York Welfare Reform Trial', *Indigenous Law Bulletin*, 8(7), July 2013, p.19.

9 St Vincent de Paul Society, *Submission 2*, p. 3.

10 Finance and Public Administration Legislative Committee, *Majority Report on Social Services and Other Legislation Amendment Bill*, 2013, Section 2.26.

11 J Rawlins and S Kim, 'Government cuts funding to Cape York welfare trial', *ABC News*, 27 March 2013.

12 Australian Government, *Cape York welfare reform evaluation*, FaHCSIA, 2013, p. 34.

concern that have been associated other forms of income management such as the NT Trials and the Place-Based Trials.

The evaluation report of the Northern Territory 'New Income Management' Trials found the program to be disempowering, while being unable to pinpoint any measurable improvements in community wellbeing or personal responsibility.¹³

Similarly, the Parliamentary Joint Committee on Human Rights included the 'new income management trials' in their assessment of the Stronger Futures regime. Their report found that there was evidence of 'equally significant adverse aspects' to counter any benefits of the regime. The Committee also noted the fact that income management intrudes on personal freedom and autonomy.¹⁴

While there are differences between the Northern Territory and Queensland application of income management, the negative impact on human rights and personal dignity is common to both and should not be dismissed.

There have also been no assessments to date about how income management has changed purchasing habits in Cape York. However, again looking to other assessments from the Northern Territory for insight, the Menzies Institute research found virtually no change to tobacco or fresh food purchases under income management,¹⁵ while a study conducted by the Equality Rights Alliance of more than 180 women with direct experience of Income Management found that 85% had not changed what they buy and 74% felt discriminated against.¹⁶

On the weight of the evidence, the Australian Greens believe that income management is a failed and expensive policy that the Government is persisting with in the absence of any real justification. There are a number of other programs, which are not coercive in nature, such as Centrepay that can be used to help people manage their money better.

The Greens support a direct investment in programs and communities that address the underlying causes of disadvantage people are facing rather than income management which is expensive to implement.

The money being spent on income management around Australia would be better invested directly into communities in order to provide specialist, direct programs to address things like financial management, education, better access to fresh food, a reduction in alcohol and drug abuse and better support for parents and people looking for work.

13 Rob Bray et al, (Social Policy Research Centre, UNSW, Australian National University and Australian Institute of Family Studies), *Evaluating New Income Management in the Northern Territory: First Evaluation Report*, 2012, pp. xviii-xix.

14 Joint Standing Committee on Human Rights, *Stronger Futures in the Northern Territory Act 2012 and related legislation*, 2013, section 1.223.

15 Brimblecombe, J et.al. *Impact of Income Management on Store Sales in the Northern Territory*, *Medical Journal Australia*, 192(10), 2010, p.549 – 554.

16 Equality Rights Alliance, *Women's Experience of Income Management in the Northern Territory*, 2011, p.22.

Recommendation 1

The Australian Greens recommend that the Senate not pass the measure contained in Schedule 2 of the Social Security and other Legislation Amendment Bill 2013.

Recommendation 2

That the funding associated with Schedule 2 be directed towards other programs of support that are not coercive in nature.

**Senator Rachel Siewert
Australian Greens**