



Submission to the Senate Community Affairs Committee inquiry into the

Security Legislation Amendment Bill 2011,

**Stronger Futures in the Northern Territory Bill
2011, and**

**Stronger Futures in the Northern Territory
(Consequential and Transitional Provisions) Bill
2011**

National Welfare Rights Network

February 2012

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1. About the National Welfare Rights Network

Our work

The National Welfare Rights Network (NWRN or Welfare Rights) is a network of 16 community legal services throughout Australia which specialise in Social Security law and its administration by Centrelink. Based on the experience of clients of NWRN members, the Network also develops policy and advocates for reform based on the principles and rights set out below.

NWRN member organisations provide casework assistance to their clients. NWRN members also conduct training and education for community workers and produce publications to help Social Security recipients and community organisations understand the system. The NWRN also engages in policy analysis and lobbying to improve the current Social Security system and its administration.

Our aim

NWRN member organisations, individual Welfare Rights centres and services throughout Australia, aim to reduce poverty, hardship and inequality in Australia by:

- providing casework advice and assistance to individuals to ensure they can exercise their rights, fulfil their obligations, meet their responsibilities and maximise their entitlements under the Australian Social Security system; and
- advocating for the maintenance of a Social Security system that has rights and entitlements, obligations and responsibilities, detailed under and protected by law.

Our principles

The NWRN advocates that the Social Security system in Australia should be characterised by an uncompromising recognition of the following rights:

- the right of all people in need to an adequate level of income support which is protected by law;
- the right of people to be treated with respect and dignity by Centrelink and those administering the Social Security system;
- the right to accessible information about Social Security rights and entitlements, obligations and responsibilities;
- the right to receive prompt and appropriate service and Social Security payments without delay;
- the right to a free, independent, informal, efficient and fair appeal system;
- the right to an independent complaints system; and
- the right to independent advice and representation.

2. Executive Summary

1. The Northern Territory Emergency Response and the policies that followed are perceived as **'top-down' and bureaucratic**, having been formulated and implemented in ways that have **reinforced negative community stereotypes** and perceptions that portray Aboriginal communities in the Territory – and people on income support more generally – as incapable of managing their affairs properly.
2. The three Bills before Parliament have largely been conceived and developed without the input of those who are most likely to be affected. Local communities and representative bodies have **not been fully or sufficiently engaged in developing and implementing responses** to complex and seemingly intractable problems.
3. The Aboriginal Peak Organisations of the Northern Territory (APO NT) has identified how the Government can renew its commitment to **a better way of working in partnership with Aboriginal people** and has urged the Government to move beyond the intervention.
4. Plans to **impose a 10 year sunset clause** further entrenches compulsory (albeit targeted) income management as part of the national welfare system, despite the lack of any evidence to indicate its effectiveness and without the support of local communities. Instead, NWRN supports a 5-year sunset period with an independent evaluation within that timeframe.
5. NWRN considers that **compulsory income management is fundamentally flawed** in its premise of pursuing financial control measures in the absence of clear evidence that it will deliver positive benefits. At a cost of \$4,100 per person there is limited evidence of significant improvements in the social and economic health of those targeted by the regime.
6. The Bill will see sweeping referral powers where **any income support recipient could be placed on compulsory income management** under a decision by state and territory agencies outside of Centrelink.
7. NWRN is concerned that **people experiencing a personal crisis** who need help to cope with a family problem or who, need an urgent payment or Crisis Payment (which is available for people escaping domestic violence) **may be discouraged from seeking help** from Centrelink or local community organisations because of a fear that they will be “marked” for income management.
8. NWRN submits that **the denial of discretion** on the part of the Secretary is dangerous and **will lead to inconsistent and procedurally unfair decision making** for income support recipients.
9. Where the Department of Human Services (Centrelink) is not the decision maker, **there is no access to the external administrative review procedures that normally apply**. Under plans to extend the referral powers will see an expanded range of agencies making decisions about a person’s access to income support that are **not subject to independent scrutiny**.
10. A person who is referred for compulsory income management by a recognised State or Territory authority under the Bill will have **70% of their social security payments quarantined**.
11. In some circumstances the Minister can decree that the entire amount of a person’s income support – **100% – may be quarantined on the BasicsCard**.
12. A deeply worrying aspect of this legislation is the Government’s intention to rely on **Disallowable Instruments to determine key aspects of social security policy** which will be unprecedented in scope and impact. Disallowable Instruments are **not open to public**

scrutiny and robust parliamentary processes – such as this current inquiry – are rarely debated and hardly ever changed or opposed.

13. There is the potential for , and danger of, **of “function creep”** in relation to income management policies, especially from an administration that apparently sees it as the **panacea** for a growing shopping list of social ills.
14. It is also deeply concerning that the Commonwealth does not place any checks, balances, oversight or approval on decisions it is delegating. In relation to delegated decisions, there is no **right of access to the social security appeals** system.
15. As a matter of fairness and at law, these decisions ought properly to have a chain of appeal which is **transparent**, and set out in Centrelink’s own policy Guide.
16. Those subject to income management will be tracked if they move out of a “designated location. Furthermore, people’s spending habits will be monitored under expensive and paternalistic operational guidelines.
17. It is unclear if the new arrangements offer **sufficient privacy protection**, as much information may be inappropriate or unnecessary for disclosure, especially between the various state authorities.
18. The NWRN supports the need for students who are socio-economically disadvantaged to be **fully engaged in school life**. However no child or family should be left in poverty and without food as a result of the SEAM. Threatening to suspend payments for 13 week and then cancel payments altogether is excessive and unnecessary.
19. Levels of payments for families reliant on income support are already insufficient. The suspension of Centrelink payments is likely to **increase the number of families living in poverty**.
20. NWRN urges Committee members to recognise that **the ‘suspension’ of a person’s payment is in itself a severe punishment** and it could, for example, leave families without sufficient funds to pay immediate bills, rent, utilities, medicines or place food on the table. In the worst cases it could lead to evictions and homelessness.
21. There is limited evidence that SEAM has been effective in the longer term, yet the scheme is **costing over \$200,000 per school year** to administer, with a the total allocation of \$28.2 million to date.
22. NWRN remains concern about the **“opportunity costs” and opportunities lost** by such levels of expenditure on a punitive program that offers little real benefit in return.
23. NWRN notes with alarm the disturbingly high numbers of parents that were unaware of their participation in the SEAM, with **40 per cent of parents** surveyed indicating that they **had not heard about SEAM** prior to be interviewed for the Government’s evaluation.
24. The use of the education system to enact these punitive measures **compromises relationships between students, their families and schools**. In the *Stronger Futures* consultations, community members suggested introducing Aboriginal culture into the curriculum, involving elders and parents more in school activities, developing mentoring programs for parents, and doing more to attract and retain good teachers. Aboriginal communities and peak organisations have also been calling for the reinstatement of bilingual learning.
25. SEAM measure does not **address the underlying issues** that impact on low school attendance.

26. While we **oppose the SEAM generally**, we recognise that the Bill includes proposals to better assist parents and their children in improving school attendance. We propose that funding be provided for smaller community based projects which have good evidence supporting their ability to improve school attendance amongst disadvantaged communities.
27. NWRN appreciates the plan to **employ additional social workers** to monitor and work with families and children. There is a need for flexibility and common sense in administering the system in practice, in situations where, for instance three children of a family of four attend school.

NWRN recommends that the Committee oppose the bills and that Compulsory Income Management be rescinded and replaced with a system of voluntary income management, along the lines of the final report by the Australian Law Reform Commission *Family Violence and Commonwealth Laws – Improving Legal Frameworks, Final Report, ALRC Report 117, November 2011.*

2.1 About this inquiry

This submission responds to proposals stemming from the *Social Security Legislation Amendment Bill 2011* and the Stronger Futures in the Northern Territory Bills jointly referred to the Senate Community Affairs Committee. The specific bills under scrutiny are:

- the Stronger Futures in the Northern Territory Bill 2011,
- the Stronger Futures in the Northern Territory (Consequential and Transitional Provisions) Bill 2011, and
- the Social Security Legislation Amendment Bill 2011.

Below we consider the main issues arising from the three Bills that are before the Committee. In providing our comments, we explore the recent experiences of major changes to the way that social security policies operate in Australia, which have undergone significant reforms since 2007.

We also provide a response to the provisions in the legislation, consider its implications, and suggest ways that the current proposals can be improved.

2.2 Setting the scene

The Government has acknowledged the need to “reset” what some see as a fractured relationship with Aboriginal and Torres Strait Islander (ATSI) people and to improve Indigenous policy and responsiveness more generally. The National Welfare Rights Network joined the Australian Council of Social Service, major Indigenous organisations and over 20 signatories to urge new directions in Indigenous policies.¹ On the positive side, in recent years there have been significant investment and support by Federal Governments in education, health, housing and community safety measures. NWRN has welcomed the additional resources that have flowed to disadvantaged ATSI communities since the beginning of the NTER. However, it should not have taken the intervention to ensure that

¹ Australian Council of Social Service, Media Statement: *Cooperation no intervention: a call for a new direction in policies affecting Indigenous Australians in the Northern Territory*, November 23 2011.

Aboriginal people have access to Centrelink and other services that most Australians take for granted.

In the area of Centrelink services NWRN is pleased to report findings from the *Community Safety and Wellbeing Research Survey* of communities' experiences with services and how things have changed since the beginning of the intervention in 2007. More than half of the people surveyed thought that it was easier to get help from Centrelink (55 per cent), with 25 per cent agreeing that it was now a bit easier to obtain assistance.² Just 3 per cent disagreed with the proposition.

3. Genuine partnership and effective community engagement

It is unfortunate the way that controversial Government policies such as the Northern Territory Emergency Response (NTER) have been implemented. The *Stronger Futures Quantitative Analysis Report for the Department Families, Housing, Community Services and Indigenous Affairs* provided a detailed analysis of the views expressed at recent consultation on the *Stronger Futures* proposals.

In terms of *Governance*, "there was a strong sense of disempowerment in many communities. There is a widespread view that communities are not being listened to and that they do not have an adequate say in decision-making".³

The message for *Governments* was also clear, with the report finding that communities felt "that government does not listen and does not understand the needs of communities".⁴

On the ground policies are perceived as 'top-down' and bureaucratic. Unfortunately, the way that policies have been formulated and implemented have, at times been insensitive to local and cultural sensitivities and undermined communities' sense of dignity, self-esteem and independence. Additionally, some policies and the way that Federal policies have been implemented have reinforced negative community stereotypes and perceptions that portray Indigenous communities in the Territory – and people on income support more generally – as unable or incapable of managing their affairs properly.

The three Bills before Parliament – and the processes that led to this current suite of changes to the NTER regime – are fundamentally flawed. Like previous iterations of policies meant to 'help' overcome Indigenous disadvantage they have largely been conceived and developed without the input of those who are most likely to be affected. Local communities and representative bodies with an interest and expertise in Indigenous policy and social security policies have not been fully or sufficiently engaged in developing and implementing responses to complex and seemingly intractable problems.

The consequences of getting it wrong as far as consultation with Aboriginal and Torres Strait Islander people – still rightly aggrieved over the initial suspension of the *Racial*

² Department of Families, Housing, Community Services and Indigenous Affairs, *Northern Territory Emergency Response, 2011*, p. 15.

³ O'Brien and Rich Research Group, *Stronger Futures Quantitative Analysis Report for the Department of Families, Housing, Community Services and Indigenous Affairs*, September 2009, p. 108.

⁴ *Ibid*, p.110.

Discrimination Act under former income management regimes – was laid bare in the Government’s own 2011 evaluation of the NTER. It found that: “*blanket imposition of Income Management—in combination with other changes, such as local government reform, shire amalgamation and loss of local councils; changes to the Community Development Employment Projects (CDEP) program; the loss of the permit system; and changes in land tenure, contributed to people’s feeling of a loss of freedom, empowerment and community control.*”⁵

There were limited opportunities for input to the *Stronger Futures* strategy, with many concerns that the consultations were compromised as a result. Such views seem well-founded, as the *Stronger Futures* discussion paper itself sought to artificially limit the discussions by spuriously claiming that the subject of income management in the Territory was not relevant to the six week consultations because it was being extended nationally.⁶

This overlooks the fact that income management policies are integral to the entire social policy environment in the Northern Territory, and it dismisses the reality that the largest numbers of Australians affected by income management live in the Northern Territory. Furthermore, there is no recognition that the scope of those subject to income management in the Northern Territory is unique and this blanket approach does not exist in any other jurisdiction and remains five years on as a major Australian social experiment.

In mid-2011 the federal government undertook a six-week sounding tour through one hundred NT communities and claimed the tough income management measures were requested by communities. There was no public process for input to this review.⁷

An insight into how Aboriginal people experienced the consultations can be seen from some of the findings from an evaluation of the consultations by the Cultural and Indigenous Research Centre Australia (CIRCA).⁸

In addition to the limited participation of young people and in some cases, women, CIRCA noted that “Many participants...find the number of questions presented confusing and/or confusing” and it was “difficult to ascertain a sense of the order/priority of the issues raise”. In future, steps were needed to “avoid participation fatigue”.⁹

The Aboriginal Peak Organisations of the Northern Territory (APO NT) made a submission in response to the Government’s *Stronger Futures* discussion paper.¹⁰ That submission identified ways that the Government deliver on its commitment to a new way of working in partnership with Aboriginal people, leaders and communities to address Aboriginal and Torres Strait Islander disadvantage.

⁵ Department of Families, Housing, Community Services and Indigenous Affairs, *Northern Territory Emergency Response Evaluation Report*, 2011, p.

⁶ Australian Government, *Stronger Futures in the Northern Territory*, June 2011, p. 7.

⁷ Australian Government, *Stronger Futures in the Northern Territory – Report on Consultations*, October 2011.

⁸ Cultural & Indigenous Research Centre Australia, for the Department of Families, Housing, Community Services and Indigenous Affairs: *Report on Stronger Futures Consultation 2011 – Final Report*, September 2011, pp. 1-28.

⁹ Cultural and Indigenous Research Centre Australia, p. 14.

¹⁰ Aboriginal Peak Organisations of the Northern Territory (APO NT) is an alliance of the CLC, NLC, CAALAS, NAAJA and AMSANT.

APO NT has urged the Government to move beyond the intervention. Many submitters to the 'Stronger Futures' consultations proposed positive measures to address school attendance and to extend proven programs that have been found to make a difference in this area. The Government's response has been to extend the SEAM measure – at a cost of \$200,000 per school – while leaving other suggestions from local people, elders and community experts on the shelf.

While criticisms of the way that the engagement was framed are legitimate, so too are concerns over excessive bureaucratic interventions in many remote Indigenous communities.

From August 2007 to August 2011 Federal public servants visited the 73 remote communities subject to the intervention over 45,000 times. This startling figure is buried deep in the latest 400 plus page evaluation report which found that "the lack of engagement attracted criticism in the initial phase of the Northern Territory Emergency Response (NTER), there was also concern, as the NTER continued, that some communities were overburdened with consultation."¹¹

In pondering the claims of being over-run by public servants, the other figure of relevance is that the population in the 73 prescribed NTER communities is also 45,000 people. Feedback from Welfare Rights' workers on the ground indicates that some people and communities in the Northern Territory feel like they are living in a fishbowl.

NWRN supports Centrelink's accessibility to remote Aboriginal communities and people living in the Territory have high regard for the additional education, housing, health and other services provided. However, it would be of concern if the intervention has morphed into the funding of an expensive mini bureaucracy costing Aboriginal people their dignity. Without a breakdown of the reasons for these visits it is difficult to know if they were all essential.

3.1 10 year Sunset Clause

This legislation will extend punitive and discriminatory provisions that were introduced through the Northern Territory Emergency Response for a further ten years in the Territory, without the consent of local communities. There are widespread complaints of disempowerment and resentment. This move will further entrench compulsory (either blanket or targeted) income management as part of the national welfare system despite the lack of any evidence to indicate its effectiveness.

The Government should have been open and transparent about its plans when it undertook consultations over the *Stronger Futures* Discussion Paper. Any plan to extend the life of the intervention should have been the subject of community debate and discussion at the consultations and in submissions to *Stronger Futures* proposals.

¹¹ Department of Families, Housing, Community Services and Indigenous Affairs, *Northern Territory Emergency Response: 2011 Evaluation Report*, p. 5.

3.2 Income management – the story so far

Existing models of income management operating across Australia

As discussed below, the model of income management that is proposed in the five locations is different to the various types that operate elsewhere in Australia.

The model of income management (called New Income Management or Compulsory Income Management) that currently applies in declared areas in the Northern Territory is very different to the scheme that will be rolled out in the five designated locations after 1 July 2012. Below we describe the broad categories of people that it applies to:

- People in a declared child protection state or territory (currently WA and NT) required by a child protection officer of a State or Territory to be subject to income management;
- People in a declared area and assessed by a Centrelink social worker as vulnerable or requiring income management;
- People in a declared area 15-24 who have been receiving payments for more than 13 weeks of the last 26 weeks: “disengaged youth”;
- People in a declared area 25 or over who have been receiving payments for more than 1 year in the last 2 years: “long-term welfare recipients”;
- People living in Queensland and required by the Queensland Family Responsibilities Commission;
- People whose nominees are subject to income management; and
- People in a declared area who volunteer to have their payments income managed.

Currently there are no “declared areas” outside of the Northern Territory.

3.3 Extending income management to “disadvantaged locations”

One of the three bills before Parliament implements a 2010-11 Federal Budget measure that extends the controversial income management scheme – where half of a person’s social security payments are quarantined on a Centrelink BasicsCard– to five disadvantaged locations across Australia.

The five locations are Bankstown (NSW), Logan and Rockhampton (QLD), Playford (SA) and Shepparton (VIC). Income management in these areas will target so-called “high risk groups”. From 1 July 2012 a new “placed based” income management will apply to people referred by the State or Territory Child Protection Authorities, anyone referred by a Centrelink (DHS) social worker, or anyone who volunteers.

The cost of the trials will be \$96.9 million over four years, the scheme will include the offer of matched savings, a voluntary income management incentive payment of \$250 paid into the BasicsCard account if a person stays on the scheme for six months. Help with financial management will be offered to all involved in the trials.

A person income managed under the two proposed compulsory categories of income management – Child Protection, or as a person identified by Centrelink as vulnerable – won't be able to apply for an exemption. Child protection income management cases will be able to appeal within the various state and territory child protection agencies, however in both Western Australia and the Northern Territory these processes are not accessible. A person identified by Centrelink as vulnerable can ask Centrelink to review their circumstances and vary or revoke the decision to apply income management to them.

A person identified as “vulnerable” will need to demonstrate they are no longer in that vulnerable position and that ceasing the application of income management will not put the person back into that vulnerable position. Refusals by Centrelink can be appealed to an Authorised Review Officer and on to the Social Security Appeals Tribunal if necessary.

3.4 What could mark a person as “vulnerable”?

Disclosures to a Centrelink social worker would be the most common way in which a person is identified as vulnerable. These include disclosures that a person may have experienced family violence, financial hardship, financial exploitation, substance abuse, gambling, mental health issues or homelessness. These could each result in a decision being made, without consent, that a person ought to be income managed.

Other indicators of vulnerability that are referred to in Centrelink's policy when considering an exemption application include:

- urgent payment requests;
- requests to change paydays;
- attempts by a third party to contact Centrelink on your behalf; and
- changes to Centrepay arrangements.

The NWRN has heard directly about experiences in areas with people currently subject to income management. The feedback has been overwhelmingly negative. We have heard of examples such as:

- errors like payments being made from income management accounts for rental payments to the wrong landlord – such as to the wrong local council and to a different local council from the community where a person resides;
- people having left prescribed areas still having their payments managed in that prescribed area which causes problems for them accessing their money or organising how payments will be spent;

- people subjected to spending a frustrating amount of time on the BasicsCard telephone line on hold before being able to check the balance of their available funds, or then having the phone drop out after having spent lengthy periods of time on hold waiting to get through;¹²
- the loss of control in not being able to check your balance easily or arrange payments without worrying that a payment will be unexpectedly refused on the basis of some debate as to whether it's purpose is on the list of priority needs;
- in remote areas, increased costs in people having to travel to access stores where they could buy things;
- public and humiliating debates about the purpose or use of items bought in stores or shopkeepers making the decision about whether an item is for a priority need or not;
- people having to forego their actual priority needs because of the way in which they normally access them – e.g. shopping at places which don't take the BasicsCard, sharing transport costs by 'putting in for petrol' with friends, food co-op shopping among a small group; and
- delays or rejections of payments by both shopkeepers and Centrelink leaving people without funds, food or essential needs, or transport to important events or appointments.

3.5 NWRN concerns with income management generally

The NWRN's position is that Compulsory Income Management is fundamentally flawed. At a cost of \$4,100 per person per year there is limited evidence of significant improvements in the social and economic health of those targeted by the regime.

We remain concerned that compulsory income management:

1. Is incredibly expensive to deliver and administer;
2. Will not achieve its intended outcome;
3. Involves disempowering and demeaning effects that will likely cause long term damage to those subjected to it;
4. Undermines an individual's capacity to learn to manage their finances;
5. Has been plagued with practical problems since its introduction, including leaving people without funds and placing people in situations of public humiliation;
6. Remains indirectly racially discriminatory and creates situations of inequality and unfairness in its practical application; and
7. Diverts funds away from legitimate purposes such as addressing inadequate levels of income support, or programs and services which, with community consultation, could be used to

¹² NWRN understands that Coles brand allows individuals to "opt in" to having BasicsCard balances visible on receipts. We are unaware of how available this option is through other retailers and outlets, or whether it is feasible for smaller shops and businesses.

better help overcome chronic health conditions, accessibility to housing, and underfunded education provision.

3.6 Concerns with income management extension

Child protection income management and compulsory income management for those identified as vulnerable plays into the rhetoric that income management will in some way help those people in addressing the issues which have led them to be in their current situation. But on closer examination – the large bulk of child protection applications lodged in the children’s court in New South Wales, for example, concern substance abuse and mental illness on the part of parents – both of which tend to occur regardless of a person’s source of income and irrespective of their financial management skills.

A parent, after an application is lodged in the children’s court, may end up seeing a psychologist for the first time in their life. The psychologist may diagnose them with some form of mental illness and make comments as to their capacity to care for the children with treatment.

The interventions that are usually recommended in these children’s court reports, and which these parents could benefit from would be a course of cognitive behavioural therapy, regular sessions with a psychologist, and/or drug and alcohol rehabilitation. There are plenty of other services that would help these parents address their issues that the money which income management takes to administer could be put towards. It remains difficult for these parents to easily find a psychologist who bulk bills, or a good rehabilitation facility without a waiting list.

What is particularly regrettable about what is proposed for these five locations is that there are many other areas within social security law, where a person is advised to contact a social worker to disclose violence, homelessness, gambling problems or other personal difficulties, for the purposes of other exemptions or special rules that apply. Some of these areas include getting an exemption from the requirement to claim child support if you are at risk from a non-carer parent , claiming Crisis Payment, exemptions from the activity test on the basis of domestic violence or homelessness and opportunities to have a person’s special circumstances considered in relation to debt waiver or compensation preclusion periods.

This Bill, should it become law, means that a person will need to consider whether disclosure of their “special circumstances” or lodging a claim for an available payment such as Crisis Payment may lead to income management.

The other worrying factor in relation to the identification of “vulnerable” welfare recipients is how racially discriminatory this category has been applied to date. In Senate data obtained in June 2011, the government revealed that currently in the Northern Territory there are 219 “vulnerable” welfare recipients and around 98 per cent were Indigenous. Around three quarters are Disability Support Pension recipients.

In relation to another discretionary area, namely the granting of exemptions from income management, discrimination and paternalism toward those of a different racial background appears rife. Of the 2,130 people that have obtained an exemption from income management, 75 per cent were non-Indigenous and 25 per cent were Indigenous.

“Exemptions” won’t apply in the five “disadvantaged locations” in the same way that they apply elsewhere as neither the Disengaged Youth or Long Term Welfare categories will be applied. However, in applying for exemption from being income managed, a person will again have to satisfy a Centrelink decision maker about quite a discretionary issue – namely whether they remain “vulnerable” and whether ceasing income management will put them in a vulnerable position.

Age, Disability and Carer pensioners who are assessed as being in financial difficulties, women experiencing domestic violence and people who are homeless or at risk of homelessness who live in these five locations could be placed on income management if they are assessed as “vulnerable”. It is Centrelink social workers who will likely determine who is a Vulnerable Welfare Payment Recipient – in line with the system which currently operates in the Northern Territory.

NWRN is concerned that people experiencing a personal crisis who need help to cope with a family problem, need an urgent payment or Crisis Payment (which is available for people escaping domestic violence) may be discouraged from seeking help from Centrelink or local community organisations because of a fear that they will be “marked” for income management.

3.7 State and Territory authority given referral powers over compulsory income management

The Bill will see the introduction of sweeping powers where any income support recipient could be placed on income management under decision-making that is to be handed to various agencies outside of Centrelink.

The Government plans to amend the *Social Security Administration Act 1991* to confer new powers to state and territory authorities and agencies with a new external referral measure. The Minister has indicated that this power will be given to the Northern Territory Alcohol and Other Drug Tribunal. This proposal should not proceed unless Centrelink is tasked with the role of independently reviewing the decision to subject individuals to income management.

These changes pose a major threat to the individuals’ access to fairness and natural justice.

NWRN submits that the denial of discretion on the part of the Secretary is dangerous and will lead to inconsistent and procedurally unfair decision making for income support recipients.

It is proposed to confer delegated powers to enable state agencies to place people on income management with no questions asked and no right of review. This gives unprecedented power to these agencies without the protections routinely afforded to most others on income support. These new arrangements which could allow a range of state government agencies, or any agencies put on a list by the Minister for Indigenous Affairs, to summarily refer people to income management, with no right of appeal or review.

We understand that any new powers will operate similar to the current operation of, the Child Protection Income Management (CPIM) in the Northern Territory. Once it makes a

determination that a person be income managed there is no capacity for Centrelink to exercise its discretion. NWRN submits that there is no way to ensure that the decision-making process by the Department of Families and Children (or any other authority) is fair and in line with the intent of Social Security Administrative Law.

As Centrelink is not the decision maker, there is no access to an external administrative review procedures that normally applies. Under plans to extend the referral powers will see an expanded range of agencies making decisions about a person's access to income support that are not subject to independent scrutiny.

This approach is almost unprecedented in Australian social security policy. Currently, there are about 208,000 appeals about a Centrelink decision each year across jurisdictions.¹³ This option will not be available to those placed on income management by a referring agency under these new powers. The Commonwealth Ombudsman or judicial review on narrow grounds may be the only avenues available to a person. However, Commonwealth Ombudsman decisions are not binding, and pursuing a matter in Court is unrealistic for most people.

With the passage of this Bill, the Minister would be given unprecedented power. That power allows the hand-over of decision-making authority regarding compulsory income management to any state authority.

An additional concern is that this places disadvantaged individuals under the scrutiny of potentially a large number of government bureaucrats, and increases the potential of staff to undermine the supports provided by other agencies.

3.8 Up to 100% of payments subject to income management

A person who is referred by a recognised State or Territory authority under the Bill will have 70% of their social security payments quarantined.¹⁴

The Minister can also decree that the entire amount – 100% of a person's income support may be quarantined. We are concerned about the excessive power of the Minister to determine the percentage of funds subject to income management. There is no accountability for this decision.

The differing amounts of funds that are subject to income management will create significant confusion among recipients and the community more generally.

These proposals are extreme and are opposed by NWRN.

3.9 Public and parliamentary scrutiny usurped by Ministerial decrees

A deeply worrying aspect of the legislation before the Committee is the Government's intention to rely on Disallowable Instruments to determine key aspects of social security

¹³ Centrelink, *Annual Report*, 2010-11.

¹⁴ *Social Security Legislation Amendment Bill 2011*, (S15 – 123XPAA(3) (a).

policy which will be unprecedented in scope and impact. For example, an instrument will decide:

- who will be income managed;
- what state and territory authorities will be given powers to refer a person for income management;
- what locations or areas will be income managed, and
- the percentage of funds subject to income management (up to the entire sum).

Under proposals before this Parliament, the Minister for Families, Community Services and Indigenous Affairs can, with the virtual stroke of a pen, decide that a local government area, a town or an entire state or territory can be subject to income management.

The Minister can also decide that a particular state or territory agency – *any* state or territory agency – can make referrals for people to be placed on income management. There is no requirement for reasons or rationale for such decisions to be made public.

This Government, in particular, is increasingly relying on Disallowable Instruments, rather than legislation that is open to public scrutiny and robust parliamentary processes – such as this current inquiry – to decide on major aspects of how our welfare and income support arrangements will operate into the future.

Disallowable instruments are essentially ministerial decrees which only have to be signed and tabled for a specific period to take effect. They are rarely debated or the subject of considered parliamentary or public scrutiny and rarely changed or opposed. This reliance on disallowable instruments as a substitute for considered parliamentary scrutiny was noted in a recent Parliamentary Library Bills Digest which concluded that the use of Disallowable Instruments “has the potential to reduce parliamentary scrutiny of any future changes made to them”.¹⁵

The Government is putting in place a process whereby it could extend income management to any group of pensioners and allowees — as long as the instrument is signed by the Minister and lodged in Parliament. This raises the spectre of a major expansion of income management – to address any numbers of perceived “social ills” imaginable. There is nothing to prevent a Minister from decreeing that income quarantining would be a “useful tool” for people receiving a certain social security payment, such as Special Benefit; or decreeing that all released prisoners or people on parole be income managed; that anybody who sought financial assistance from an emergency relief agency or that any person seeking assistance from a refuge for homeless people be placed on income management.

Since its inception in 2007 income management has increased in scope and coverage, and the reasons for its usage have ballooned. NWRN warns of the grave dangers of “function

¹⁵ Daniels, D, Buckmaster, L. and Thomas, M. *Parliamentary Library Bills Digest No. 37, 2011-12, Social Security and Other Legislation Amendment Bill 2011*, 23 August 2011, p. 6.

creep” in relation to income management policies, especially from an administration that sees it as the panacea for a growing shopping list of societal problems.

3.10 No avenues for independent review when the State’s get it wrong on child protection

It is also deeply concerning that the Commonwealth does not place any checks, balances, oversight or approval on decisions it is delegating to State or Territory departments. In relation to delegated decisions, there is no right of access to the social security appeals system.

Currently there are no appeals processes or guidelines in place at most state or territory level outlining a person’s appeal rights / time limits in relation to income management for the reasons of child protection. On the Western Australian Department of Child Protection website if the link to “if you disagree with the Department” is clicked you are taken to a blank page. In theory, a person whose children were removed years ago by the children’s court could be income managed indefinitely against their consent and without any legitimate reason to do so, without any rights of appeal.

NWRN’s concern is that as a matter of fairness and at law, these decisions ought properly to have a chain of appeal which is transparent, and set out in the Guide to the Social Security Act provided by the Department of Families, Housing, Community and Indigenous Affairs (FaHCSIA)

We would propose that all state and territory guidelines should include:

- The decision making principals that should guide a child protection officer in making their decision to refer a person for income management;
- An expiry period for a written notice either linked to current court proceedings, or with a standard (e.g. 6 or 12 months) expiry period with opportunity to review at the end of that period of time; and
- Full detail as to how an individual would appeal the decision to issue the notice and the decision as to how long income management applies.

As a matter of transparency and fairness, all state and territory guidelines pertaining to Child Protection Income Management referrals and review of those decisions should be publicly available at the *Guide to Social Security Act* at 11.3.7.

3.11 Centrelink appeal rights undermined and under threat

An additional concern for NWRN is that individuals seeking a review of their decisions through Centrelink’s internal review mechanisms or the independent tribunals, the Social Security Appeals Tribunal or the Administrative Appeals Tribunal may end up being recommended as the subject to income management.

Should committal for income management be possible or actually occur, it would place an additional disincentive and barrier for individuals who have been unfairly treated and want a Centrelink decision reviewed. Under such a scenario, groups who are currently reluctant

to exercise their appeal rights to Centrelink decisions – especially indigenous people and young people – could be even more reluctant to challenge a decision maker.

For those who may consider NWRN’s concern over this scenario as excessive or unrealistic we draw to the Committee’s attention a recent decision by the Administrative Appeals Tribunal which declares: *“I also recommend that if and when “income management” becomes operational in NSW that the Secretary review whether Ms Randall is an appropriate person to make subject (sic) income management.”*¹⁶

3.12 Housing referrals and income management risks

Proposals to accept referrals from State and Territory housing authorities and place those at risk of eviction or homelessness raise similar concerns regarding access to external appeal rights similar to those previously stated with respect to child protection.

Other difficulties are likely to arise, as indicated below. Currently voluntary income management is an option intended to be available for those who feel they could benefit from it. NWRN is concerned that as part of eviction proceedings before the various state and territory consumer tenancy tribunals clients are being pressured into “voluntary” income management as part of settlement negotiations. Similarly some community and supported accommodation services require prospective tenants to sign onto voluntary income management as a condition for the provision of accommodation. This has occurred in Western Australia where voluntary income management has been available since the introduction of Child Protection Income Management. Situations have arisen which raise questions over whether the act of signing on to income management was really voluntary.

NWRN’s concern is that while a person can exit voluntary income management after three months, being pressured to agree to it (as a condition of continued housing or access to housing) undermines voluntary income management. If there are any guidelines in place as to what relevance rental arrears play in a referral for income management as a vulnerable person, they should be publicly available in the afore mentioned Guide.

It is vital that various state and territory consumer tenancy tribunals work with the relevant Commonwealth agencies and stakeholders to ensure that terms of consent that include voluntary income management are in fact fully entered into with consent.

3.13 Income management to follow recipients who move from “disadvantaged locations”

Social Security legislation will be changed to remove the capacity for “vulnerable income support recipients” to leave a prescribed area to avoid being income managed. The Explanatory Memorandum of the *Social Security Legislation Amendment Bill 2011* states that “the current provisions may also create an inappropriate incentive for people to move in order to avoid income management.”¹⁷

Consistent with the paternalistic approach that underpins the income management policies more generally, the Government states that “having become subject to income

¹⁶ *Randall and FaHCSIA [2011] AATA 922.*

¹⁷ Explanatory Memorandum, *Social Security Legislation Amendment Bill 2011*, p. 3.

management, it may not be to the person's benefit for income management to end upon their moving to reside outside the declared area."¹⁸

This approach is of significant concern to NWRN for a number of reasons, the least of all being that this approach deters a person from moving to an area that may offer them a greater opportunity to find employment. This runs counter to the state "participation" agenda that we hear so much about.

The Department of Human Services has indicated that should a person move from an income managed location, for example, from Bankstown, Sydney, to a small town outside of Dubbo, Centrelink would contact them and spend time tracking down and signing up local shops and stores so that they could ensure they can access BasicsCard services locally to meet their "priority needs".¹⁹ This is extremely inefficient and a very wasteful exercise. It is likely that the person may not have easy access to shops and businesses that would accept the BasicsCard.

This scenario raises the ridiculous situation whereby Centrelink would essentially need to develop policy guidelines for income management exemptions relating to the distance that a person may have to travel to get to a store to purchase essential items with the BasicsCard. This has to date not been an issue in the Northern Territory for Indigenous people in remote locations where access to use the BasicsCard has never been a reason for exemption from income management under the NTER or later iterations of income management.

3.14 Privacy concerns

The *Social Security Legislative Amendment Bill 2011* proposes to authorise information sharing between Centrelink and recognised State or Territory authorities. NWRN considers that the existing protections of social security recipient's privacy in the *Social Security (Administration) Act* should not be eroded.

We recognise that information sharing arrangements with appropriate safeguards may improve administration of the regime, particularly where they relieve recipients of the burden of collecting relevant information or having to retell their stories.

However, such safeguards would include notification to a person that a disclosure has been made, providing a person with the opportunity to correct any misleading, inaccurate or inappropriate information held or disclosed, requiring consent for a disclosure and implementing enforceable guidelines as to the disclosure and use of information under the provision. Much information may be inappropriate for disclosure (for example sensitive medical information) and this should be clearly set out in guidelines.

Any reforms must be consistent with approaches to service delivery reform which give individuals control of their information and choices to "opt in".

¹⁸ Ibid, p. 3.

¹⁹ Meeting with Bankstown Department of Human Services Government Action Leader and Welfare Rights Centre, Sydney, Legal Aid NSW and Redfern Aboriginal Legal Service, 17 November, 2011.

The only constraint on disclosure in the Bill is a criterion of relevance which is not a sufficient safeguard of a social security recipient's personal information. Indeed the Bill apparently seeks to override State or Territory legislation for information privacy and may go so far as diminishing Human Rights protections existing in those States or Territories with a Human Rights Act in particular the right to protection of a person's privacy against arbitrary and unlawful interference.

4. Extending SEAM across the Northern Territory

The NWRN supports the need for students who are socio-economically disadvantaged to be fully engaged in school life. However, the network opposes the extension of conditional welfare in such a punitive and counter-productive measure as SEAM.

NWRN had previously provided this Committee with a substantial critique of Compulsory Income Management in the Northern Territory and the SEAM (Schooling Requirements) proposals. These submissions are attached, for the information of the Committee.

4.1 Threats to income support

The extension of SEAM will result in more parents being at risk of the immediate suspension of a "schooling requirement payment" (such as Newstart Allowance or Parenting Payment or Age Pension) for up to thirteen weeks.

No child or family should be left in poverty and without food as a result of the SEAM. Threatening to suspend payments for 13 week is excessive and unnecessary.

Levels of payments for families reliant on income support are already insufficient. The suspension of Centrelink income support payments is likely to increase the number of families living in poverty. Any loss of income is problematic, but this is particularly so for those parents on Newstart Allowance (principal carer) who live on \$53 a week less than the rate paid to those in receipt of Parenting Payment (Single).

NWRN urges Committee members to recognise that the 'suspension' of a person's payment is in itself a severe punishment and it could, for example, leave families without sufficient funds to pay immediate bills, rent, utilities, medicines or place food on the table. In the worst cases it could lead to evictions or homelessness.

Table 1 below highlights the fortnightly amount which would be unavailable to meet family's living expenses once income support payments were suspended under SEAM. Payment suspensions under SEAM mean that a family can lose anywhere from \$439 to \$689 per fortnight. The removal of a significant proportion of regular income support payments from low income families will have immediate and adverse impact on these already vulnerable families and will not be conducive to children/pupils engagement/re-engagement in school.

If a family's main source of income is cancelled under this policy, the reduction in income over the 13 weeks is significant, at \$4,169 for a person in receipt of Parenting Payment (Single).

Payment Type	Loss per fortnight	Loss over 13 weeks
Parenting Payment (Single)	\$641.50	\$4169.75
Parenting Payment (Partnered)	\$439.40	\$2856.10
Newstart Allowance (Single with child)	\$526.60	\$3422.90
Newstart Allowance (Partnered)	\$439.40	\$2856.10
Age Pension (Single)	\$689.00	\$4478.50
Age Pension (Partnered)	\$519.40	\$3376.10

Table 1. Possible loss of family income under SEAM

If a person has a Centrepay or other direct debit arrangement with a financial institution they may be at risk of significant account default fees if there are insufficient funds in their account as a result of their payments being suspended.

Under the existing Northern Territory Government's *Every child, Every day* initiative large fines (ranging from \$1,995 to \$2,600) are imposed on parents whose children consistently do not attend school. The existing penalties are excessively harsh and should be replaced by measures based on evidence of what works to effectively engage young people at school. Additional penalties proposed under these measures are excessive, extreme and should not be countenanced.

Before moving to the question of evidence about whether or not SEAM is effective in reducing school absences NWRN points out that this measure cannot be seen to comply with the United Nations Convention on the Rights of the Child. The convention gives "every child the right to benefit from social security."²⁰ This measure that punishes an entire family does not act in the best interests of the child, potentially leaving them at risk of a lack of nutrition and healthcare and even at risk of homelessness and which ultimately could impact on school attendance.

4.2 The conflicting SEAM evidence base

NWRN does not consider that the withdrawal of income support will assist in overcoming complex and longstanding problems with school attendance or truancy. There is limited and deeply contested evidence to show that punitive measures such as the suspension of income support will significantly improve school attendance or learning outcomes for children.²¹

²⁰ United Nations, *The United Nations Convention on the Rights of the Child*.

²¹ See: Behrendt, Larrisa, McCausland, Ruth and Jumbunna Indigenous House of Learning, University of Technology Sydney, *Welfare payments and school attendance: An analysis of experimental policy in Indigenous education*, August 2008, pp. 1-36; Cox, Eva, *Evidence-Free Policy Making? The Case of Income Management*, in *The Journal of Indigenous Policy*, Issue 12,

There is limited evidence that SEAM has been effective in the longer term, yet the scheme is costing over \$200,000 per school year to administer.

SEAM is a very expensive program. *Budget Paper No. 2, 2010-11* provided an extra \$3.4 million to extend SEAM for one year, bringing the total allocation to \$28.2 million.²² NWRN remains concerned about the “opportunity costs” and opportunities lost by such levels of expenditure on a punitive program that offers little real benefit in return.

Opinion and evidence that income management is an inappropriate response to income management arises from a wide variety of sources, including most recently the Australian Law Reform Commission’s report into *Family Violence and Commonwealth Laws*.²³

The key advisory body on child protection in the most populous state has also questioned the efficacy and usefulness of the approach promoted by the Federal Government.

NWRN notes the minutes from meeting of the NSW Government’s *Child Protection Advisory Group* under the former ALP Government’s *Human Services Community Services* department. The briefing provides an overview of recent research and government reports into income management responses and reform across various states and territories, including research from “eminent organisations”.

It reached the following conclusion:

“In summary, there appears to be little evidence to date that demonstrates the efficacy of quarantining the welfare payments of parents with children at risk of maltreatment. If it is to be used it seems that there also need to be intensive supportive case management provided to address the issues facing families and to improve child outcomes.”²⁴

Based on its evaluation of the evidence the briefing to the NSW *Child Protection Advisory Group* notes that:

“It is too early to determine whether income management is an effective strategy to improve family outcomes. However, research provided to date indicates that in the absence of appropriate support services this strategy may have little long term benefit to families and their children.”²⁵

A similar trial in Halls Creek in Western Australia was evaluated, and the program was seen as failing largely due to lack of engagement between the school and the local community. Insecure teacher and staff employment caused problems of high staff turnover and

September 2011, pp.1-93; Harris, Michele and Rosa McKenna and *Cuts to Welfare Payments for School Non-Attendance: Requested or Imposed?*, October 2011, pp.1-26.

²² Senate Standing Committee on Education, Employment and Workplace Relations, *Questions on Notice, Supplementary Budget Estimates 2010-2011, No. EW0529_11*

²³ Australian Law Reform Commission, *Family Violence and Commonwealth Laws – Improving Legal Frameworks – Final Report*, November 2011.

²⁴ NSW Government, *Keep Them Safe – Major Change Program, Tab A: evidence for the effectiveness of Income Management as a strategy to improve family outcomes*, Briefing to Child Protection Advisory Group, 2010.

²⁵ NSW Government, *ibid, Keep Them Safe - Major Change Program*.

shortages. This was especially the case in remote areas which impacted on the ability of both parents and children to engage with the school and support services.²⁶

At a Senate hearing in October 2011 an official said an early evaluation of the SEAM pilot program showed "mixed success rates."

The 2009 Seam Evaluation Report by the Department of Education, Employment and Workplace Relations indicates that the measure does not increase school attendance and in part this is due to "Centrelink's inability to provide the necessary support to families" and that "'tailored case management" was the most critical factor in reducing absenteeism.²⁷

The Government's own into the *NTER Evaluation 2011 Report* found no improvements from the SEAM program that has been in operation: "There was no observable increase in school attendance between 2006 before the NTER and 2010, the last year that data was available."²⁸

More recent analysis released in February 2012 provides a mixed report card on the success of SEAM. Overall, attendance rates increased by 5 per cent over 2009-10, but the attendance falls over time and attendance lapses.²⁹

NWRN notes with alarm the disturbingly high numbers of parents that were unaware of their participation in the SEAM, with 40 per cent of parents surveyed indicating that they had not heard about SEAM prior to being interviewed for the Government's evaluation.

It is certain that the supporters and opponents of SEAM will look to data to support their views, but perhaps the better approach for the Committee to take is to consider the implications of the concluding comments from the 2011 NTER Evaluation Report which predicts that "*as these measures are more fully integrated into Northern Territory education, it will be more difficult to ascertain the direct influence of the NTER on student outcomes.*"³⁰

Each state and territory has legislation that deals with truancy and in severe cases a parent/caregiver can be prosecuted for persistent non-attendance of students of compulsory school age. Where there is neglect/ abuse then surely this is a matter for relevant state or territory welfare department rather than Centrelink.

There have been numerous programs across Australia which have increased attendance of Aboriginal students at school. All of these programs stress the need to have a teacher who can build constructive relationships with students and their parents.

²⁶ Department of Education, Employment and Workplace Relations, *Halls Creek Engaging Families Trial: Evaluation Report*, September 2006.

²⁷ Department of Education, Employment and Workplace Relations, *Improving School Enrolment and Attendance through Welfare Reform Measure (SEAM) Evaluation Report for the Northern Territory in 2009 with early findings for 2010*, January 2011.

²⁸ FaHCSIA, Op cit, p. 327.

²⁹ Department of Education, Employment and Workplace Relations, *Improving School Enrolment and Attendance through Welfare Reform Measure (SEAM) Evaluation for 2010, January 2012*.

³⁰ Department of Families, Housing, Community Services and Indigenous Affairs, *Northern Territory Emergency Response Evaluation*, November 2011, p. 327.

A good example is the website *What Works The Work Program* hosted by DEEWR. The site lists many examples of programs that have increased school attendance by having teaching staff who have been able to build constructive relations with students and parents.³¹

The use of the education system to enact these punitive measures compromises relationships between students, their families and schools. It goes against recent research which Minister for School Education, Peter Garrett praised:

*“Parental engagement is central to ensuring every child receives a first class education”.*³²

The Stronger Futures in the Northern Territory: Report on Consultations, of October 2011 showed quite clearly that communities in the Northern Territory understand the complexity involved with improving the attendance of their children at school, suggesting better skilled teachers and greater community support. There was strong support for extending existing successful measures that improve school attendance such as breakfast and lunch programs; programs that integrate with local communities, especially elders, greater use of Aboriginal teacher’s aides Aboriginal teachers, a curriculum that engages children, and schemes that target self-esteem and confidence through a focus on cultural awareness.

In the consultations, community members suggested introducing Aboriginal culture into the curriculum, involving elders and parents more in school activities, developing mentoring programs for parents, and doing more to attract and retain good teachers. Aboriginal communities and peak organisations have also been calling for the reinstatement of bilingual learning.

This measure does not address underlying issues that have an effect on low school attendance, which include, for example:

- living in an environment that is not conducive to participating in school, e.g. homelessness or living in an overcrowded environment;
- lack of a parent /carer who has the skills to ensure that children attend school and can provide assistance with homework;
- bullying by other children/ teachers; and
- experienced, well-resourced teaching staff.

Local and community expertise bears out the research and yet both are incongruous with the consequences of the SEAM measure’s implementation to date. Ensuring greater community and parental involvement in schools is less achievable if the school system is seen to be applying punitive compliance measures on behalf of the state. Trust is essential for good relationships and this trust is eroded when one party has the ability to determine whether the other has any income or a dramatically reduced income under SEAM. As

³¹ See: <http://www.whatworks.edu.au/dbAction.do?cmd=displaySitePage1&subcmd=select&id=499>

³² Minister for School Education and Minister for Early Childhood and Youth, Media Release, *Research reveals importance of parental engagement in schooling*, 16 December 2011.

discussed previously, there is evidence that school officials are reticent to erode and damage these relationships.

4.3 Other issues under SEAM

Below we raised a number of key issues regarding the implementation of the revised SEAM processes.

- While we oppose SEAM generally, we recognise that the Bill includes proposals to better assist parents and their children in improving school attendance. Attendance plans must be in a range of formats that are accessible to parents from a range of backgrounds, and must be in plain English and easy to understand. The legislation should be amended to ensure that this occurs.
- NWRN also appreciates the plan to employ additional social workers to monitor and work with families and children. This supportive approach works best. NWRN supports the proposal by AP ONT for social workers to be incorporated within the Aboriginal Community Controlled Comprehensive Primary Health Care sector rather than Centrelink.
- NWRN understands that there is no discretion to allow Centrelink flexibility in situations where, for instance three children on a family of four attend school. Only a willfully harsh and extreme approach would penalise the entire family for the failings of one child.

4.4 School attendance conferences and school attendance plans

Presumably in an attempt to provide flexibility, a person may be required to attend a conference. However it is unfair for a person to be not given appropriate notice of what they will be asked to agree to during this conference, including any requirements to address school attendance (in the form of a school attendance plan). This is likely to be extremely confusing for clients if there is not a formal process for authorities clearly stating their expectations.

Additionally, NWRN members' experience is that many clients find notices received from Centrelink difficult to understand at the best of times, and there is a real risk of client's experiencing unexpected payment suspension for failing to respond to what was assumed to be "just another letter from Centrelink".

4.5 Unclear appeal rights limited on School Attendance Plans

The lack of a clear right of appeal in the legislation is a matter of concern. It is also unclear whether 'payment pending review' is available for parents under this measure. It is not apparent how a parent subject to a "School Attendance Plan" might pursue an appeal if they consider the plan is unreasonable in the circumstances. The legislation only states that the plan must contain requirements "*that the notifier considers appropriate for the purpose of ensuring improved school attendance of the one or more children covered by the plan*" (124NC(7)).

There is broad scope within this program for inequity between school regimes. Students who attend a school with a supportive and flexible ethos could benefit from a greater number of chances to improve their attendance before SEAM's punitive measures are enacted. One of the findings from the 2009 SEAM evaluation was that principals are unwilling to “dob in” parents to Centrelink. Alternatively, a school with a more rigid discipline philosophy could find the measure a useful approach.

Likewise there is scope for differences around how conference and compliance notices are administered. These variations in school cultures will discriminate between students even before Centrelink’s ability to provide oversight becomes relevant. It is unacceptable that students from the same area could receive such differing treatment and outcomes. It is even possible that outcomes would differ between members of the same family who attend different schools.

5. Recommendation

NWRN recommends that the Committee oppose the bills and that Compulsory Income Management be rescinded and replaced with a system of voluntary income management, along the lines of the final report by the Australian Law Reform Commission *Family Violence and Commonwealth Laws – Improving Legal Frameworks, Final Report, ALRC Report 117, November 2011.*