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Ms Jeanette Radcliffe
Committee Secretary
Senate Standing Committees on Community Affairs
PO Box 6100
Parliament House
CANBERRA ACT 2600

Email: community.affairs.sen@aph.gov.au

Dear Ms Radcliffe

**RE: SOCIAL SECURITY LEGISLATION AMENDMENT (QUEENSLAND COMMISSION INCOME
MANAGEMENT REGIME) BILL 2017 (THE BILL)**

Thank you for the opportunity to make a submission about the Social Security Legislation Amendment (Queensland Commission Income Management Regime) Bill 2017 (the Bill) referred to the Committee on 13 June 2017. We support the extension of Income Management proposed, indeed it is essential so that the Family Responsibilities Commission (FRC) can continue its good work in Cape York Welfare Reform (CYWR) communities, and in Doomadgee, beyond 30 June 2017.

Income Management under the CYWR model is just one element of the more comprehensive approach to reform taken under CYWR, but it is an essential one. Our welfare system, although built on good intentions, has been a disaster for many of our people. CYWR tackled the erosion of social norms and responsibility that has occurred under passive welfare by attaching conditions to welfare and ensuring people were held to account by their own elders/leaders in the community sitting as local Commissioners on the FRC.

The CYWR model does not assume all welfare recipients are dysfunctional, and Income Management is not universally applied. It is applied only to support the most at-risk individuals and families, where there has been a demonstrated failure to meet basic obligations. It is only people who have breached important basic obligations — like getting the children to school, keeping children safe so there is no need for child safety intervention, obeying the law, and abiding by tenancy conditions — who come before the FRC Commissioners and who may be subject to an Income Management order. Where Income Management order is made, these decisions are made by local FRC Commissioners after a conferencing process.



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Income Management applied through the FRC model gives Indigenous people the power and authority to help their own community members build basic capability to understand their primary obligations to their children and their community, and their obligation to use welfare payments to pay the rent and electricity, and to provide food and clothing for the household. There is a very widespread feeling of support in CYWR communities for our own people to have authority, so that they can help their own children and families to have a better life.

Income Management under CYWR has been highly effective at ensuring quarantined income is used to meet basic household needs. Quarantined income is to be used for food, clothing, rent and utilities, and this provides a basic form of protection for individuals and for any vulnerable members of their household, such as children. Although we are not aware of an evaluation of this aspect of Income Management, our experience is that infants and children are far less likely to go hungry than they were before Income Management was enabled in these places.

A number of people, particularly women stay on Income Management because it protects them from humbugging. This is not a sign of further dependency, but a sign of people wanting to meet their basic responsibilities using the best methods available to them.

Through the FRC, Income Management is used in conjunction with the other tools of local authority, conferencing and case management, to help to 'push' those people who need help the most to access supports and make behaviour change. The CYWR model helps to overcome the classic service delivery dilemma—that is, that those who need help the most (and are highest risk for long term/intergenerational welfare dependency) are often those least likely to access the very services that could help. The FRC has successfully demonstrated the potential for change that can occur when the Commonwealth Income Management system is connected to the (largely) state service support system. The FRC is the only model that makes this connection.

Cape York Institute acknowledges the hard work done by FRC Commissioners since 2008 to hold their own people to account. This hard work is reaping dividends but these would be seriously jeopardised if Income Management were to abruptly end on 30 June 2017.

Income Management is not a 'silver bullet' and cannot on its own be expected to reduce welfare dependency by moving dysfunctional people from welfare to work, or to rectify the multiple and complex issues of addiction, child abuse and neglect, violence and offending, and school attendance. It was never intended to do so and in these areas other efforts must bolster the good work of the FRC.

Cape York Institute remains committed to working with government, on-the-ground Indigenous reform leaders and Indigenous people to build on the successes achieved to date, and to pursue further reforms that empower Indigenous people to lead change in their own communities.

Yours faithfully

Fiona Jose

Executive General Manager