

Chapter 1

Introduction

Purpose of the Bill

1.1 The Social Services Legislation Amendment (Queensland Commission Income Management Regime) Bill 2017 (the Bill) was introduced into the House of Representatives on 24 May 2017.¹

1.2 The Bill amends the *Social Security (Administration) Act 1999* (the Social Security Administration Act) to continue the income management component of Cape York Welfare Reform for a further two years until 30 June 2019.²

1.3 Funding of income management was due to cease on 30 June 2017, however the Government has decided to extend income management in all existing locations until 30 June 2019 to ensure continuity of support for its participants.³

Background

1.4 Income management was first introduced in the Northern Territory in 2007 as part of the Northern Territory Emergency Response.⁴ Approximately 25 000 people in specific locations across Australia are now on income management, a large proportion of whom are Indigenous.⁵

1.5 Income management quarantines a proportion of a recipient's social security benefits on a BasicsCard (similar to an EFTPOS card) which can only be used at approved merchants and used to buy basic essentials of life such as food, clothing, housing and utilities.⁶ A BasicsCard cannot be used to withdraw cash or purchase excluded goods and services, including alcohol, pornography, tobacco products and gambling products and services.⁷

1.6 As part of the 2017-18 Budget, the Government announced that income management would be extended in all existing locations until 30 June 2019. Income

1 *House of Representatives Votes and Proceedings*, No. 52, 24 May 2017, p. 768.

2 Explanatory Memorandum, [p. 2].

3 Explanatory Memorandum, [p. 4].

4 Mr Mal Brough MP, Minister for Families, Community Services and Indigenous Affairs, 'National emergency response to protect Aboriginal children in the NT', *Media release*, 21 June 2007.

5 Explanatory Memorandum, [p. 4].

6 Department of Social Services, *Income Management* <https://www.dss.gov.au/our-responsibilities/families-and-children/programmes-services/family-finance/income-management> (accessed 15 June 2017).

7 Department of Human Services, *About the BasicsCard*, <https://www.humanservices.gov.au/customer/enablers/about-basicscard> (accessed 15 June 2017).

management is an element of the Cape York Welfare Reform program which operates in the Queensland communities of Aurukun, Coen, Hope Vale, Mossman Gorge and Doomadgee.⁸

1.7 The Social Security Administration Act provides that a person can only be subject to income management under section 123UF of the Act after a decision by the Family Responsibilities Commission made before 1 July 2017. The Bill amends this provision to apply to decisions made prior to 1 July 2019.⁹

Legislative scrutiny

Senate Standing Committee for the Scrutiny of Bills

1.8 The Senate Standing Committee for the Scrutiny of Bills considered the Bill in *Scrutiny Digest 6 of 2017* and made no comment on the Bill.¹⁰

Parliamentary Joint Committee on Human Rights

1.9 The Parliamentary Joint Committee on Human Rights (human rights committee) noted that placing a person on compulsory income management for any period of time engages and limits the right to equality and non-discrimination, the right to social security and the right to privacy and family.¹¹

1.10 The human rights committee noted that each of these rights was discussed in the context of the *2016 Review of Stronger Futures Measures* which focused on the income management regime's operation in the Northern Territory.¹² However, the committee's report also noted that the income management regime applied in Cape York and facilitated by the Queensland Family Responsibilities Commission may be less restrictive on rights than other location-based regimes such as that applied in the Northern Territory.¹³

1.11 Notwithstanding this, the human rights committee noted that the application of income management in Cape York may be compulsory rather than voluntary and therefore drew the Parliament's attention to the human rights implications identified in the *2016 Review of Stronger Futures Measures* report.

8 Explanatory Memorandum, p. 4. Note: While Doomadgee was not part of the initial Cape York Welfare Reform trial in 2007, income management was extended to Doomadgee in 2016.

9 Proposed subparagraphs 123UF(1)(g) and 123UF(2)(h).

10 Senate Standing Committee for the Scrutiny of Bills, *Scrutiny Digest 6 of 2017*, 14 June 2017, p. 60.

11 Parliamentary Joint Committee on Human Rights (PJCHR), *Report 5 of 2017*, 14 June 2017, p. 47.

12 PJCHR, *Report 5 of 2017*, 14 June 2017, p. 47; See also: PJCHR, *2016 Review of Stronger Futures measures*, 16 March 2016; PJCHR, *Eleventh Report of 2013: Stronger Futures in the Northern Territory Act 2012 and related legislation*, 26 June 2013.

13 PJCHR, *Report 5 of 2017*, 14 June 2017, p. 47.

Conduct of the inquiry

1.12 On 13 June 2017, the Senate referred the provisions of the Bill to the Community Affairs Legislation Committee for inquiry and report by 20 June 2017.¹⁴

1.13 Details of the inquiry, including a link to the Bill and associated documents, were placed on the committee's website.¹⁵ The committee wrote to relevant individuals and organisations inviting submission to the inquiry by 16 June 2017.

1.14 The committee received seven submissions which are listed at Appendix 1.

1.15 The committee thanks those individuals and organisations who contributed to the inquiry.

14 *Journals of the Senate*, No. 42, 13 June 2017, p. 1376.

15 See: Community Affairs Legislation Committee, http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Community_Affairs/QLDIncomeManagement (accessed 14 June 2017).

