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SERVICES GET BETTER VALUE FOR MONEY AND PRODUCE BETTER OUTCOMES THAN INVOLUNTARY INCOME MANAGEMENT

UnitingCare Australia will present evidence tomorrow at the Senate Inquiry into the draft legislation that will enable compulsory income management of several social security payments. UnitingCare Australia will ask if spending around \$4,400 per year per child on delivering compulsory income management is better value for money than spending similar amounts on services that have been shown to ensure parents can meet their children's nutritional, health, housing and education needs and keep them safe.

"The key question we will ask Senators to consider is whether investing \$350m in implementing a flawed compulsory income management scheme and related financial programs can deliver better long term outcomes than targeted investment in services that have been proved to make a real difference in the lives of children living in disadvantaged and vulnerable families?" said Susan Helyar, National Director of UnitingCare Australia.

"UnitingCare services across Australia work with children and families in the care and protection system, and those who are at risk of entering the child protection system. We also provide financial counselling, budgeting support and emergency assistance to families unable to make ends meet. We have learned, from careful analysis and evaluation of our work, what improves parenting outcomes and ensures families can manage their money in ways that meets their children's needs."

Karen Bevan, Director of Social Justice at UnitingCare Children, Young People and Families, added that "What works is to offer services that provide families with intensive support for a long enough time to address drug and alcohol abuse, mental health problems, financial difficulties, unemployment, poor housing and social isolation."

"For example, the *Moving Forward Program* in Cabramatta NSW helps drug-affected parents achieve stability in their lives and ensures children are safe in parental care. This is achieved by assisting people with financial management and housing issues, child care, building relationships and staying safe and work with children to monitor their safety and well being. Participation in structured groups prevents relapse by helping those in recovery to understand what triggers their lapses and how to manage them."

"Similarly, the NEWPIN program in NSW, Victoria, Tasmania, WA and the ACT helps families with children under five years old who are at risk of child abuse and neglect to improve their lives and keep children safe. It achieves this by working on parenting skills, children's development needs and improving vocational skills."

"We have also learned from the *Intensive Family Based Support Program* that works with children who would otherwise be removed from their parent's care. This service costs \$3,809 which is \$600 less than the estimated cost of funding Centrelink to manage people's income and fund related financial inclusion services. A recent independent evaluation of this program found that it doubled the capacity of families to provide stable and habitable housing, safety, access to income, be employed, support children's learning, manage their finances, and provide adequate food and nutrition, personal hygiene and transport."

"If one thing comes out of this Inquiry, it needs to be a commitment to fund the sorts of services that we have strong evidence really help children living in disadvantaged and vulnerable families. We stand ready to work with the Australian Government, other social service providers and all people who want to make a difference, to extend the reach of these sorts of services," Ms Helyar concluded.

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