

Submission to the Community Affairs Legislative Committee on the Social Security (Administration) Income Management Regime instruments

24 November 2023

ACOSS is a national voice in support of people affected by poverty, disadvantage and inequality and the peak body for the community services and civil society sector. ACOSS consists of a network of approximately 4000 organisations and individuals across Australia in metro, regional and remote areas. Our vision is an end to poverty in all its forms; economies that are fair, sustainable and resilient; and communities that are just, peaceful and inclusive.

Mandatory income management must be abolished

ACOSS reiterates its opposition to mandatory income management and urges the government to transition to a voluntary model of income quarantining.

Following the abolition of the cashless debit card and implementation of Enhanced Income Management, more than 22,000 people remain on compulsory income management. Most people reside in the Northern Territory, and most are First Nations People. As we outlined in [our submission](#) to the Social Security (Administration) Amendment (Income Management Reform) Bill 2023, mandatory income management discriminates against First Nations Peoples, interferes with the rights to social security, privacy and non-discrimination, and operates without an evidence-base to support its continuation.

Mandatory income management is a disproportionate response to the issues it purports to address. This has yet again been highlighted by the Parliamentary Joint Committee on Human Rights, which has flagged that the government has not demonstrated how mandatory income management is a proportionate response:

“that while the general objective of income management is important, that is, to combat social harms caused by the use of harmful products, it is not clear that continuing to operate mandatory income management is, for the purposes of international human rights law, a necessary measure that addresses a pressing and substantial concern. The committee considers that, in the absence of adequate safeguards and sufficient flexibility to consider individual circumstances, and in light of the potentially significant interference with human rights that may result from compulsory participation in income management, the legislative

instruments risk impermissibly limiting the rights to social security, privacy, equality and non-discrimination and the rights of the child as well as potentially the right to an adequate standard of living if participants experience difficulties in meeting basic needs.”¹

Not only do these instruments facilitate the continuation of mandatory income management, but they also permit the expansion of it without an Act of Parliament, limiting scrutiny of a policy that is discriminatory and lacks evidence that it achieves its objectives. They also go against the government’s assertions that it will introduce legislation to move to a voluntary income management scheme “in the near future”.²

ACOSS is concerned about the lack of a timeline or clear outline of how the government intends to phase out mandatory income management. There are no sunset clauses set out in these instruments, which counters the government’s statements that it will move to a voluntary system of income quarantining. While the government has stated it has consulted with communities subjected to income management, the outcomes of those consultations are unclear.

ACOSS highlights the inherent issue with these measures targeting people who are long-term unemployed or considered vulnerable because of circumstances such as homelessness. Unemployment and homelessness are functions of labour market, income, and affordable housing available. Quarantining someone’s income will not address these issues and merely serves to ‘blame the victim’ for living in an area with high unemployment and limited housing opportunities.

Although the government has implemented Enhanced Income Management, which resolves some technological issues experienced with the BasicsCard, the policy still restricts access to income support payments to be only spent on priority goods in a blanket fashion.

ACOSS strongly recommends that the Federal Government abolish mandatory income management and engage with communities to determine how to best support people who may have addiction or who are in difficult circumstances.

Recommendation: The Federal Government abolish mandatory income management and engages with communities to determine how to achieve the best outcomes for their communities.

¹ Parliamentary Joint Committee on Human Rights (2023) ‘Human rights scrutiny report’, Report 11 October https://www.aph.gov.au//media/Committees/Senate/committee/humanrights_ctte/reports/2023/Report_11/Report_11_of_2023.pdf?la=en&hash=45D8CD5B432ABB11513695CE11AD97C7831018EE p.50

² Parliamentary Joint Committee on Human Rights (2022) ‘Human rights scrutiny report’, Report 5 p. 48 https://www.aph.gov.au//media/Committees/Senate/committee/humanrights_ctte/reports/2022/Report_5/Report_5_of_2022.pdf?la=en&hash=3D7DE576159D9428DB320FC11686FD4D0DECF058