



14 April 2023

Committee Secretary
Senate Standing Committees on Community Affairs
PO Box 6100
Parliament House
Canberra ACT 2600

Sent via email: community.affairs.sen@aph.gov.au

Dear Committee,

Submission to Social Security (Administration) Amendment (Income Management Reform) Bill 2023

We write to provide comment to the Social Security (Administration) Amendment (Income Management Reform) Bill 2023.

Suicide Prevention Australia is the national peak body for the suicide prevention sector. With over 420 members representing more than 140,000 workers, staff, and volunteers across Australia, we provide a collective voice for service providers, practitioners, researchers, local collaboratives, and people with lived experience.

We support abolishing all forms of compulsory income management under social security legislation, including the BasicsCard and SmartCard Income Management program. This Bill essentially includes elements of the Cashless Debit Card program and compulsory income management which disproportionately target Aboriginal and Torres Strait Islander people, and remove financial autonomy from Australians. Moving participants from the BasicsCard to the SmartCard does not provide Australians with a choice in whether to remain subject to income management.

Links between unemployment, financial insecurity, homelessness, and suicidality are, sadly, well established. In addition, socioeconomic status is strongly associated with deaths by suicide.¹ Over the past 10 years age-standardised suicide rates were highest for those living in the lowest socioeconomic areas.² In 2020, the overall suicide rate for people living in the lowest socioeconomic (most disadvantaged) areas (18.1 deaths per 100,000) was twice that of those living in the highest socioeconomic (least disadvantaged) areas (8.6 deaths per 100,000).³

Financial security, employment, community participation and engagement can act as protective factors for suicide. Income support payments act as a protective factor for suicide and provide capability for people to engage with their communities.

Suicide rates for Aboriginal and Torres Strait Islanders are significantly disproportionate compared to the general Australian population⁴ and they are over-represented among income support recipients (5.3% of Aboriginal and Torres Strait Islander peoples compared

¹ AIHW. (2020). Suicide, by socioeconomic areas, Suicide & Self-Harm Monitoring, available online: <https://www.aihw.gov.au/suicide-self-harm-monitoring/data/behaviours-risk-factors/suicide-by-socioeconomic-areas>.

² Ibid.

³ Ibid.

⁴ Australian Bureau of Statistics (2022) Causes of Death, Australia, available online: <https://www.abs.gov.au/statistics/health/causes-death/causes-death-australia/latest-release>.

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to 2.8% of the Australian population aged 16 and over).⁵ In 2022 of the total 17,795 participants in the Cashless Debit Card program, approx. 50% were Aboriginal and/or Torres Strait Islander.^{6,7} In 2018-19, more than half of Aboriginal and Torres Strait Islander people reported living in a household that could not raise \$2,000 within a week for an emergency, and almost 2 in 5 reported their household had days without money for basic living expenses in the last 12 months.⁸

Income management programs disproportionately impact Aboriginal and Torres Strait Islander people and removes their right to self-determination in financial decision-making. People living in rural and remote communities do not have reliable access to technology, internet, and phone communications – of which the majority of social security income support schemes in Australia require to meet mutual obligations.

The Bill indicates income management will still be compulsory in the Northern Territory and Cape York for primarily Aboriginal and Torres Strait Islander people and introduced across the rest of Australia as a voluntary-only measure.

We are concerned that the broad expansion language in the Bill which would allow Northern Territory categories of long-term unemployed and disengaged young people to be applied outside the Territory (123SDA). The Bill broadens language more generally to states and territories (amendment to section 123SA). While it may not be the Government's intention for continued expansion, it would make it possible if the Bill is passed in its current form.

Australia needs to invest in developing employment opportunities in regional, rural and remote areas to make more employment opportunities available to those heavily reliant on income support payments to survive.

The Accountable Income Management Network identifies there are no specific funds provided for social security legal help under the National Legal Assistance Partnership, and no specific funds for social security legal help for Aboriginal and Torres Strait Islander peoples.⁹ Aboriginal and social security legal services should be funded in regional, rural and remote areas with a priority focus on the regions subject to compulsory income management. Access to social security legal help will help address barriers to accessing income support in these communities.¹⁰

The proposed Bill would make compulsory income management permanent as it will enable the Minister to expand the program through legislative instrument in the proposed provisions. There is further no specified end date for compulsory income management.

⁵ AIHW. (2020). Suicide, by socioeconomic areas, Suicide & Self-Harm Monitoring

⁶ Australian Government. (2022). Dataset Number of Cashless Debit Card participants as at 1 July 2022, available online: <https://data.gov.au/data/dataset/e5a6ca38-b17c-4e65-af70-84e7759a0ffa/resource/6628c9ae-8bd3-46fb-941b-ac41903bdacf/download/cashless-debit-card-data-summary-july-2022.pdf>

⁷ Accountable Income Management Network. (2022). Submission to Inquiry into the Social Security (Administration) Amendment (Repeal of Cashless Debit Card and Other Measures) Bill 2022, available online: <https://accountableincomemanagementnetwork.files.wordpress.com/2022/08/2022-august-aimn-repeal-of-cdc-bill-submission.pdf>.

⁸ AIHW. (2021). Indigenous income and finance, *AIHW*, available online: <https://www.aihw.gov.au/reports/australias-welfare/indigenous-income-and-finance>.

⁹ Ibid.

¹⁰ Ibid.

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We endorse the National Suicide Prevention Adviser's Final Advice that Aboriginal and Torres Strait Islander peoples should hold leadership and delivery of suicide prevention activities in Indigenous communities.¹¹ All areas of government activity that impact social and emotional wellbeing of Aboriginal and Torres Strait Islander people should include leadership by Aboriginal and Torres Strait Islander people in alignment with Article 4 of the Gaya Dhuwi (Proud Spirit) Declaration 'Aboriginal and Torres Strait Islander presence and leadership is required across all parts of the Australian mental health system'.¹²

To support communities in need, we support ACOSS' Raise the Rate campaign¹³ and recommend the Government:

- lift income support payments including JobSeeker, Youth Allowance and Parenting Payment to at least \$70 a day and index these payments twice per year to wages as well as prices
- increasing Commonwealth Rent Assistance by 50%
- establishing a Disability and Illness Supplement of \$50 a week, and,
- establishing a Single Parent Supplement recognising the additional costs of single parenthood.

We further support recommendations made by ACOSS¹⁴, Accountable Income Management Network¹⁵, and Economic Justice Australia¹⁶ made in their submissions to the Inquiry into the Social Security (Administration) Amendment (Repeal of Cashless Debit Card and Other Measures) Inquiry in 2022, and Economic Justice Australia's submission to this Inquiry.

Recommendations

1. Commonwealth Government should abolish compulsory income management programs.
2. Commonwealth Government to invest in and develop employment opportunities in sites where income management programs are targeted to create opportunities for remuneration.
3. Commonwealth Government to establish specialist social security legal services in regional, rural and remote areas with priority given to regions subject to compulsory income management.

¹¹ National Suicide Prevention Adviser. (2020). Connected and compassionate, *Australian Government*, available online:

<https://www.health.gov.au/sites/default/files/documents/2021/05/national-suicide-prevention-adviser-final-advice-connected-and-compassionate.pdf>.

¹² Gaya Dhuwi. (2015). Gaya Dhuwi (Proud Spirit) Declaration, available online:

https://natsilmh.org.au/sites/default/files/gayaa_dhuwi_declaration_A4.pdf.

¹³ ACOSS. (2022). Submission Inquiry into the Social Security (Administration) Amendment (Repeal of Cashless Debit Card and Other Measures) Bill 2022, available online:

<https://www.acoss.org.au/wp-content/uploads/2022/08/Submission-to-Community-Affairs-Cashless-Debit.pdf>.

¹⁴ Ibid.

¹⁵ <https://accountableincomemanagementnetwork.files.wordpress.com/2022/08/2022-august-aimn-repeal-of-cdc-bill-submission.pdf>

¹⁶ https://www.ejaustralia.org.au/wp-content/uploads/Repeal-of-CDC-Bill_Economic-Justice-Australia-submission.pdf

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We thank you for the opportunity to contribute to this Inquiry. For further information please contact Caitlin Bambridge, Manager of Policy and Government Relations on

Yours sincerely

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