

NTCOSS
Northern Territory Council of Social Service



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Committee Secretary
Senate Standing Committees on Community Affairs
Via email: community.affairs.sen@aph.gov.au

12th August 2022

To the Community Affairs Legislation Committee,

Re: Inquiry into the Social Security (Administration) Amendment (Repeal of Cashless Debit Card and Other Measures) Bill 2022

The NT Council of Social Service (NTCOSS) welcomes the opportunity to provide a submission to the Social Security (Administration) Amendment (Repeal of Cashless Debit Card and Other Measures) Bill 2022 (the Bill).

NTCOSS is the peak body for the Northern Territory (NT) community and social services sector and is a voice for people affected by social and economic disadvantage and inequality. NTCOSS membership is made up of community managed, non-government, not for profit organisations, which work in social and community service delivery, sector development and advocacy. NTCOSS' vision is a fair, inclusive and sustainable NT.

NTCOSS represents over 130 members across the NT, including Aboriginal community controlled organisations (ACCOs), and organisations based in regional and remote areas. NTCOSS recognises the expertise of members and external stakeholders with expertise in matters relating to the Cashless Debit Card (CDC) and Income Management. In particular, NTCOSS supports submissions to this Inquiry by ACCO members and stakeholders, including the North Australian Aboriginal Justice Agency (NAAJA), Tangentyere Council, the Darwin Community Legal Service (DCLS), and the Aboriginal Peak Organisations of the NT (APONT).

NTCOSS commends the Commonwealth Government's commitment to abolishing the CDC. As per Minister Rishworth's second reading of the Bill, it is time to put an end to a scheme that has failed to deliver on its 'long promised outcomes'.¹

As this is the latest in several inquiries into the CDC and given the short timeframe for providing submissions, NTCOSS' submission will not provide an in-depth response to the Bill. NTCOSS refers instead to previous submissions made to the Senate Community Affairs Legislation Committee on the Social Security (Administration) Amendment (Continuation of Cashless Welfare) Bill 2020 (attachment

¹ p.28 Commonwealth of Australia 2022, records Second Reading of the *Social Security (Administration) Amendment (Repeal of Cashless Debit Card and Other Measures) Bill 2022*

A), and to the Senate Inquiry on the Social Security (Administration) Amendment (Income Management to Cashless Debit Card Transition) Bill 2019 (attachment B), supporting the immediate abolition of the CDC. Further, NTCOSS refers the Inquiry to the significant number of submissions from the NT to previous inquiries, which were in unanimous opposition to the CDC and compulsory Income Management, including from:

- NAAJA
- APONT
- Congress
- Northern Land Council
- Tangentyere Council
- DCLS
- Aboriginal Medical Services Alliance NT (AMSANT)

In addition to submissions from NT-based organisations, NTCOSS refers the Inquiry to submissions from the Australian Council of Social Service, including its submission to this current Inquiry. Further, NTCOSS refers the Inquiry to APONT's comprehensive proposal for a remote development an employment scheme, 'Fair Work and Strong Communities'.²

While NTCOSS supports the Commonwealth Government's commitment to abolishing the CDC, the scope of this Bill will mean the continuation of compulsory Income Management for over 4,000 people in the NT who are currently on the CDC. These NT residents will be transitioned to Income Management, joining almost 23,000 people³ from the NT who are currently subject to compulsory quarantining of income support through the BasicsCard. In total, over 27,000 Territorians, the vast majority of whom are Aboriginal people, will continue to be unfairly targeted and impacted by this failed policy approach.⁴

NTCOSS notes the Commonwealth Government's intention to consult with communities in the NT prior to making any decision relating to Income Management. This position by the Government is at odds with its (justifiably) assertive action on the CDC. With extensive feedback and evidence from Aboriginal communities, leaders and organisations clearly and compellingly articulating that compulsory Income Management does not work, the need for consultation on the question of whether to repeal Income Management has been addressed.

NTCOSS supports calls from organisations including Tangentyere Council, that withdrawing compulsory Income Management must be a considered process, designed/informed by consultations with ACCOs and community leaders. The current system is entangled with implications for payments including rent, and the transfer of future Income Management payments must accordingly be managed with care. However, NTCOSS echoes NAAJA's position that the Government's desire to co-design a workable voluntary income management scheme with affected communities will not be hampered by the immediate repeal of compulsory Income Management.

² APONT 2017, 'Fair Work and Strong Communities: Proposal for a Remote Development and Employment Scheme', accessed at <https://www.clc.org.au/wp-content/uploads/2021/03/CLC-Proposal-for-Remote-Development-and-Employment-Scheme.pdf>

³ Table 2. Current Income Management participants with an active BasicsCard by state/territory as at 1 July 2022, Department of Social Service, Australia, 'Income management data summary July 2022', sourced on 10 August 2022, accessed at <https://data.gov.au/data/dataset/australian-government-income-management-program/resource/d6404d7b-f3ea-4446-8500-76d54b18215a>

⁴ Bray, J. R., Gray, M., Hand, K., & Katz, I. (2014). *Evaluating New Income Management in the Northern Territory: Final evaluation report*. Social Policy Research Centre, University of New South Wales

To support participants through this process, and ongoing, there needs to be adequate resourcing of positions to support culturally and linguistically accessible financial counselling in ACCOs, across the NT.

NTCOSS calls for the abolition of all forms of compulsory income management, and consequently recommends that the Bill be amended to repeal Part 3B of the *Social Security (Administration) Act 1999 (Cth)*.

NTCOSS wishes to take this opportunity to note the lack of funding for specialist social security legal advice and assistance in the NT. There are disproportionately high levels of poverty in remote and very communities, and a high proportion of people in need of social security support. However, there are a plethora of social security legal issues which are going unaddressed. Examples include, people not knowing their rights when social security penalties are imposed, when payment plans are established, or when they are told they are ineligible. Access to social security legal help should be ensured as a matter of principle, in recognition of people's fundamental rights. This assistance is critical to ensuring the application of fair and equitable social security programs.⁵

Additionally, in the NT there is strong anecdotal evidence of large numbers of people not on any form of social security income and not in the workforce. Feedback suggests that many people become disengaged as they find the social security system repelling, belittling, impenetrably complicated, and damaging.

Proper access to trauma informed, culturally safe, locationally accessible social security legal help is likely to have preventative and facilitative effects and help provide much more information back to Government and other stakeholders about addressing implementation and related issues and improving outcomes.

NTCOSS also joins calls from other key stakeholders, including AMSANT, NAAJA and APONT, for studies to ascertain the magnitude of social security disengagement in the NT and to develop strategies to address the issue(s).

NTCOSS supports recommendations from NAAJA and APONT that the Commonwealth Government provides additional, adequate funding to community legal services in the NT, to enable provision of specialist legal advice, representation and education, and community capacity building relating to social security issues, particularly regarding compulsory Income Management.

⁵ Economic Justice Australia 2022, 'Federal budget submission 2022', accessed at https://webcache.googleusercontent.com/search?q=cache:XFfcQXoQoLcJ:https://treasury.gov.au/sites/default/files/2021-05/171663_economic_justice_australia.docx&cd=1&hl=en&ct=clnk&gl=au

NTCOSS reiterates support for the abolition of the CDC and commends the Commonwealth Government for its commitment to this first step in removing unjust and ineffective compulsory income management.

Please contact Sarah Holder, Policy Manager with NTCOSS, with any queries relating to this submission

Yours sincerely,

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CEO
NT Council of Social Service