

## Social Services Legislation Amendment (No. 2) Bill 2015

I'm writing to express my concern that the power this bill gives the minister to deem broad classes of people to be 'vulnerable' without allowing flexibility for individual circumstances, may lead to an overly broad application of income management to many more people than need it. I would also like to comment more generally on the role of income management and the implications of it for the privacy, dignity and anonymous healthcare rights of welfare recipients and especially people with a disability.

This bill seeks to remove the ability for Centrelink staff to assess vulnerability on a case-by-case basis and instead replace this with a system where the minister can prescribe broad criteria to determine vulnerability with no avenue of appeal for individuals affected and no legislative change needed to expand the criteria. This could, over time, lead to increasing numbers of welfare recipients being subjected to income management without sufficient public consultation or parliamentary oversight.

In its current form, this bill provides no restrictions on who the minister may apply the status of 'vulnerable' to. There is nothing to limit it to people with drug or alcohol issues or a demonstrated inability to manage money. The minister could, for instance, assign vulnerable status to all intellectually disabled and mentally ill welfare recipients regardless of the severity of their illness, or apply it to people with savings in the bank who clearly have no difficulties in managing their finances.

The issue with applying income management more broadly than is absolutely necessary is one of privacy and human dignity due to the data which gets recorded on purchase transactions, the detail of which could reveal sensitive information such as medical conditions, sexual orientation, or political and religious persuasions. It's something which goes to the heart of why the use of cash is protected by law. Removing the ability to pay with cash creates a data trail which records every item purchased, every shop, church and medical facility where money is spent, and every town and suburb visited. Even where purchase details may not be recorded by all parties, time and date stamps together with card numbers could potentially be used to connect information.

One area that may be significantly impacted upon would be the ability of welfare recipients, and particularly people with a disability, to exercise their right to access anonymous healthcare for privacy reasons. This is something for which a cash payment is necessary to avoid either the card recording the clinic details, or the clinic recording the card details, providing a potential connection between the patient's true identity and the treatment sought. Removing access to cash and cash savings could lead to a situation where disabled people are either denied this anonymity and the dignity it offers, or else choose to delay treatment until they can save enough cash to use as payment, risking worse health outcomes.

This applies also to the government's proposal to introduce a 'cashless welfare card' connected to welfare recipients' bank accounts. It would be logistically impossible to design this scheme in a way that respects the privacy and dignity of the people subject to it, such that it doesn't record items purchased, places of purchase, or date and time of purchase, nor give a card number or the person's identity to the retailer to store against the purchase list. Any comparison to the data collection associated with credit card and EFTPOS usage ignores the fact that that data is collected with the full consent of the shopper and they still have the option to pay with cash when desired. The data collection involved with income management is non-consensual and therefore inappropriate, especially when income management has been applied arbitrarily on a dubious claim of vulnerability.

There would also be additional practical issues with cashless welfare cards, such as how they interact with any e-saver accounts linked to the locked account; if excess money left at the end of the fortnight can be transferred to high-interest savings accounts or used to pay off a mortgage quicker; or how to give or repay loans to friends and family. The details haven't yet been adequately considered.

In conclusion, income management should only be applied where it is deemed to be absolutely necessary



based on individual circumstances, and the sections of this bill which allow for the minister to indiscriminately assign vulnerable status to broad classes of welfare recipients regardless of their ability to manage their finances should be rejected. In addition, every attempt should be made to avoid an income management system which records the purchase history of welfare recipients, something which would be especially degrading for disability pensioners with higher medical expenses, or anyone in need of anonymous healthcare.

P. Lucas

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