



St Vincent de Paul Society
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good works

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Submission on Schedule 2 of the Social Services and Other Legislation Amendment Bill 2013

The St Vincent de Paul Society (the Society) is a respected lay Catholic charitable organisation, operating in 149 countries around the world. In Australia, we operate in every state and territory, with more than 50,000 members, volunteers, and employees. Our people are deeply committed to our work of social assistance and social justice, and we run a wide variety of programs around Australia. Our work seeks to provide help for those who are marginalised by structures of exclusion and injustice, and our programs target (among other groups) people who are homeless and insecurely housed, Indigenous Australians, migrants and refugees, people living with mental illness, and people experiencing poverty.

On Friday 6 December 2013, the Senate Standing Committee on Finance and Public Administration invited the Society to make a submission to its inquiry into Schedule 2 of the Social Services and Other Legislation Amendment Bill 2013. The submission is due by close of business on Monday 9 December. The Society welcomes this opportunity to contribute.

Preliminary

Before commenting on Schedule 2, there are several things to note. Firstly, we are disappointed by the very short time-frame for submissions to this inquiry. Giving the sector only two business days to prepare a submission does not, we believe, evince a real desire to consult in a meaningful way.

Secondly, it is unfortunate that the terms of the inquiry are limited to Schedule 2 of the Bill. Other Schedules to this Bill deal with issues on which the Society has expertise, has made submissions in the past, or would have been otherwise well-placed to provide comment. This includes the Bill's move to repeal recent legislation that was assisting people who struggle with gambling addiction, moving back the start of the *Charities Act* by 9 months (apparently a pre-cursor to dismantling the ACNC), charging interest on some Centrelink debts, and stopping the indexation of some benefits.

Cape York

Schedule 2 enables a two-year continuation of income management as part of the continuation of Cape York Welfare Reform.

We note several compelling reports over the last few years have strongly indicated that the Cape York community-government partnerships are resulting in very positive outcomes for the four communities involved.¹ For example, school attendance rates at Aurukun increased from 46.1% in 2008 to 70.9 % in 2012, inhabitants in the four communities are reporting vastly positive experiences with the programs, and there were increases in employment rates.² Many qualitative indices have also increased, including parents reporting children being happier, increasing interest in home ownership, and grassroots belief in and support for the project.³

However, there seems to be limited evidence to suggest that these positive outcomes are a direct result of compulsory income management, as opposed to a range of other new social services being rolled out in Cape York. These other new services include (importantly) voluntary financial management courses, as well as changes in how criminality and anti-social behaviour is perceived and responded to, real efforts to build Indigenous leadership, wellbeing centres, and assistance with parenting. There is no particular reason to think that income management is the sole driver of the positive changes, with so many programs operating simultaneously. In fact, in a study of compulsory income management (minus other programs) in the Northern Territory, it was found that the results of income management in isolation were at best mixed.⁴

This leads to the strong conclusion that the positive results in Cape York are not due to income management, but to the range of other positive programs that have been rolled out there.

Not only does it seem likely that income management itself provides little or limited benefit, but the Society believes it can disempower the very people it is seeking to assist. By taking away people's financial freedom, income management can be seen as reflecting an outdated colonial view that Indigenous Australians are incapable of

¹ For example, *Cape York Welfare Reform Evaluation* (2012) available at www.dss.gov.au/sites/default/files/documents/03_2013/cywr_evaluation_report_v1.2_0.pdf.

² Ibid, executive summary.

³ Ibid.

⁴ J Rob Bray, Matthew Gray, Kelly Hand, Bruce Bradbury, Christine Eastman and Ilan Katz, *Evaluating New Income Management in the Northern Territory: First Evaluation Report* (2012) available at www.dss.gov.au/sites/default/files/documents/11_2012/nim_first_evaluation_report.pdf

knowing what's best for them, and that others have the right to make these decisions for them. It is these very ideologies that have caused much of the disadvantage experienced by Indigenous Australians today.

We urge the government to re-consider the extension of income management for another two years, and instead consider re-allocating the money that would be spent on income management in community development instead.