

PHAA submission on the Enhanced Income Management Regime Determinations 2023



Committee Secretary
Senate Standing Committees on Community Affairs
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17 November 2023

Dear Committee Secretary,

The Public Health Association of Australia (PHAA) is Australia's peak body on public health. We advocate for the health and well-being of all individuals in Australia. We believe that health is a human right, a vital resource for everyday life, and a key factor in sustainability. The health status of all people is impacted by the social, commercial, cultural, political, environmental and economic determinants of health.

Specific focus on these determinants is necessary to reduce the root causes of poor health and disease. These determinants underpin the strategic direction of PHAA.

Our focus is not just on Australian residents and citizens, but extends to our regional neighbours. We see our well-being as connected to the global community, including those people fleeing violence and poverty, and seeking refuge and asylum in Australia.

PHAA welcomes the opportunity to provide input to the Senate Standing Committee on Community Affairs for an inquiry into the provisions of the *Social Security (Administration) (Enhanced Income Management Regime—Volunteers) Determination 2023*, *Social Security (Administration) (Enhanced Income Management Regime—State Referrals) Determination 2023*, and *Social Security (Administration) (Enhanced Income Management Regime—Commonwealth Referrals and Exemptions) Determination 2023*.

PHAA has previously made [submissions](#) regarding the Income Management system, outlining the concerns about the lack of evidence to support its efficacy and potential harmful features. PHAA appreciates that income management is a complex issue with community voices both for and against. It is essential that income management policy is evidence-based and thoroughly evaluated for efficacy to avoid functioning as a punitive measure that restricts autonomy and increases surveillance and vilification of welfare recipients.

PHAA supports providing recipients of Enhanced Income Management with more options for where they can spend their money. However, we are keen to ensure that these system changes do not distract from bigger issues, specifically the inadequacy of social welfare support payments to meet the rising costs of living. Furthermore, PHAA would like to reaffirm our previously stated position that income management should occur on a voluntary basis only.

The ministerial Determinations referred to this inquiry are intended to broaden the scope of compulsory income management. However, we have concerns that have not been adequately addressed regarding the potential negative effects of income management.

Enhanced Income Management retains many of the undesirable features of the pre-existing income management scheme. It unfairly targets First Nations peoples, limits the financial autonomy of its participants, and promotes ineffective and stigmatising approaches to addressing social issues through a paternalistic top-down approach.

Compulsory income management has been proven to have a substantial negative impact on the mental health of individuals who are subjected to it. Many participants experience mental exhaustion, anxiety, and depression as a result. Additionally, people who are subject to income management often report feeling a sense of shame and stigma that can have a negative impact on their overall wellbeing.

It is evident that compulsory income management policies are causing significant difficulties for numerous Australian benefit recipients. Despite a few instances of success on an individual level, research has shown that compulsory income management has not been able to achieve its intended objectives. In fact, its impact has been more harmful than beneficial.

PHAA has previously offered support for a *voluntary* income management system, combined with evidence-based and strengths-based initiatives developed in collaboration with affected communities. Such a program should involve informed consent, transparent processes and negotiations of terms that are tailored to individual circumstances.

Please do not hesitate to contact me should you require additional information or have any queries in relation to this submission.

Yours Sincerely,

Terry Slevin
Chief Executive Officer
Public Health Association of Australia