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Committee Secretary
Senate Standing Committees on Community Affairs
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Dear Committee Members,

Thank you for the opportunity to make a submission in response to the *Social Security (Administration) Amendment (Continuation of Cashless Welfare) Bill 2020* to amend the *Social Security (Administration) Act 1999* including to: establish the Northern Territory and Cape York areas as Cashless Debit Card (CDC) program areas and transition income management participants in these areas to the CDC program in 2021; and extend the sunset date for income management in Cape York from 30 June 2020 to 31 December 2021.

We support these changes affecting First Nations families of Cape York to the extent that the critical work of the Families Responsibilities Commission (FRC) and its Local Commissioners continues. We understand that the intent of the amendments is for Cape York and the Northern Territory to be subject to different approaches to ensure current income management settings and the role of the FRC in managing their clients will be maintained under the transition to CDC.

It is more than 12 years since Cape York Welfare Reform arose in partnership with four Cape York communities, the Queensland and the Commonwealth Governments and Cape York Institute. At the core of the reforms was the establishment of the FRC, legislated by Labor Premier Anna Bligh in 2008. Together with a suite of Cape York Welfare Reform initiatives, the FRC remains Australia's most effective, comprehensive, joined-up effort to tackle entrenched disadvantage, based on the principle of rebuilding and empowering local Indigenous agency and authority to support Cape York families to take control of their lives and build their future.

The FRC itself is an example of local Indigenous empowerment, achieved by giving life to a structure designed by Cape York people for Cape York families. It is the only extant example of a structural reform in Queensland that shifts real power and responsibility that elsewhere continues to be held by government, to respected local elders and leaders acting as local FRC Commissioners, so they can support their own people to change their behaviour. Through a set of 'family responsibilities' triggers, it gives local Commissioners, the power to call people in and conference them if they have failed to send their children to school, been the subject of a child safety notice, committed an offence, or failed to pay their rent.

Cape York's model and the FRC provide a nuanced and balanced approach—applying highly targeted conditional welfare (including income management orders) and linking clients to extra support services to motivate and build capability for change. The FRC model restores the social and cultural authority of community elders and leaders, with income management orders applied only after restorative justice conferencing from local FRC Commissioners who have social and cultural authority, and only where a person has failed to meet a basic obligation set out in the triggers. During a FRC conference Local Commissioners often have difficult but ultimately supportive conversations and they can make decisions about how a person before them, or the family, can be enabled to improve their lives.

Income management is an important tool for the FRC, on its own, however, it is not sufficient to tackle entrenched disadvantage. The FRC through conferencing, income management and case management links clients to extra support services to motivate and build capability for change.

Although not well understood, the FRC is one of the best models of early intervention in the country – providing people with early and rapid referral to support services so they have a real opportunity to take positive action to address problems before formal intervention by government.

The FRC provides a bridge connecting the State service support system and the Commonwealth income support system, that elsewhere in Queensland and Australia operate in isolation from each other. The FRC establishes a connection through complementary State and Commonwealth laws, and coordinates the service system and the income support system to provide maximum support to disadvantaged families.

This year it was encouraging to see that the FRC has increased early referrals to support services by almost 400 per cent, ensuring families have the support they need well ahead of their issues turning into a crisis – the point at which the State service system often intervenes. The FRC also held over 2, 228 conferences with families in 2019-2020. The beneficial impact of this early intervention on our Indigenous children cannot be overstated and should continue to be supported and recognized by all stakeholders.

Other Important points to note about the Cape York model are:

- It is the local FRC Commissioners who make an income management order when it is needed, according to an individual's circumstances. The assessment is made after **restorative justice style conferencing**, and income management is not the only tool available to be used under a case management approach.



- Unlike other models, **income management is not a blanket restriction imposed on all**. Nor is income management permanent, but rather an order can be removed by the local FRC Commissioners where a person takes steps to change and to fulfil their basic obligations.
- Some people, elect to come before the FRC and **voluntarily request an income management order** as a means of supporting them to manage their money and protect it from others (for example, humbugging).
- The reforms were not imposed, but the four communities involved, **opted-in**. The reforms were **co-designed on-the-ground** over more than 18 months of intensive engagement. The level of local leadership support and involvement in both the design and implementation of the reforms is a stand out in Indigenous affairs in Australia. High levels of in-community support remain for the reforms.
- A clear message from the ground from those who engaged in the 2018 Queensland Government led consultation process on CYWR was **overwhelmingly support for continuation of community-controlled welfare reform**. Cape York communities do not want government deciding their futures for them.

The power and potential of the FRC is self-evident for anyone willing to understand its foundations and operation. We strongly support Commissioner Williams and the Local Commissioners to continue their foundational work and support for the families of Cape York through the proposed changes to Commonwealth income management provisions.

Yours sincerely

Fiona Jose
Chief Executive Officer

Noel Pearson
Founder



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