Senate Community Affairs Committee ANSWERS TO ESTIMATES QUESTIONS ON NOTICE FAMILIES, HOUSING, COMMUNITY SERVICES AND INDIGENOUS AFFAIRS PORTFOLIO 2011-12 Budget Estimates Hearings

Outcome Number: 3

Question No: 83

Topic: Income Management

Hansard Page: 1 June 2011, CA 73

Senator Siewert asked:

What is the difference in cost between the approach that has been taken under this trial and with Cape York (over an equivalent period of time to Cape York)?

Answer:

It is not possible to compare funding for the Cape York Welfare Reform (CYWR) Trial with other income management measures.

In 2007, the Australian Government committed \$48m to the CYWR for 2008-11. In the 2011-12 Budget, the Australian Government extended the trial by committing an additional \$16.1m to 31 December 2011. This funding covers measures to improve social responsibility, such as income management and school attendance case managers, as well as other initiatives concerning education, economic opportunity and housing.

The Queensland State Government also provides funding to the CYWR Trial (\$40m for 2008-11 plus \$1.6m in their recent Budget for the extension of the CYWR Trial) which supports the ongoing running costs of the Family Responsibilities Committee, as well as a range of other initiatives supporting the Trial as a whole.

The Australian Government has committed \$117.5m over five years (including \$25.8m in 2015-16) for the implementation of income management in five of the targeted locations. The funding covers the establishment of wrap around services such as Financial Management Support Services, support for merchants who accept income managed funds from customers, infrastructure to support income management, evaluation of the measures, and funding for the Voluntary Income Management Incentive Payment and the Matched Savings Payment.