



ACOSS Supplementary Submission | March 2010

Australian
Council of
Social Service

**ACOSS response to question on notice:
Senate Community Affairs Legislation Committee Inquiry into *Social
Security and Other Legislation Amendment (Welfare Reform and
Reinstatement of Racial Discrimination Act) Bill 2009* and related bills**

March 2010

Question on notice

(Friday 26 February, 2010, Transcript CA 27)

CHAIR: I just want to leave a question on notice ... Firstly, considering this particular proposal of government includes an evaluation process, and that is core to two points—in **view of how it should work and how evaluation should happen**—it seems to be a vexed issue all of the time and **we would like to get your views on that**. Secondly, an evaluation process of a change for use of the targeted tool in some areas, the consideration of what is going to happen under it in the NT for the next 12 months of being a chance to get some basic data. It is my view, and it is one I have discussed with your organisation in the past, the lack of any evidence for anything in this area continues to be an issue. It permeates all kinds of submissions in this case, but not in this case alone. **So some consideration of whether there should be the introduction of this change, that it be used effectively to see how it works and how that could be done**. I would really appreciate some comment on. That would be useful.

Response to question on notice

ACOSS opposes the compulsory income management provisions in the legislation being considered by the Committee. We do not support the roll-out of the proposed income management across the Northern Territory or to disadvantaged communities across the country.

Should the legislation be passed despite the strong opposition of a broad range of stakeholders, any evaluation of the roll-out of the proposed scheme in the Northern Territory should have the following characteristics:

- The evaluation should be designed and conducted by a respected research organisation which is independent of government.
- Affected communities should be consulted about the evaluation design.
- The evaluation should seek to measure the impact of income management on a range of clearly defined outcomes that relate to policy objectives. It should also seek to measure any unintended effects.
- As a pre-condition to further evaluation, benchmark data needs to be collected and collated to enable meaningful comparison.
- The evaluation should take into account, if not control for, the impact of other variables (including other NTER measures) on the outcomes.
- The evaluation should include reliable quantitative as well as qualitative data. Existing evidence is too reliant on qualitative data.

The Government has indicated that, should the legislation be passed, an evaluation of the roll-out of the scheme to the Northern Territory will inform a possible national roll-out of compulsory income management. Reliable, independent data will certainly assist the Government and stakeholders in assessing the impacts of the policy.

However, caution should be exercised before using this evidence to justify a broader national extension of the policy. In particular, the specific socio-demographic and geographic characteristics of the Territory suggest that it is not necessarily a predictor of the policy impacts elsewhere. Further, any national roll out should be preceded by a meaningful

consultation with the community sector and affected communities across the country and consider evidence-based policy alternatives to achieve the specified policy outcomes.