



Towards a Safer Future
NSW WOMEN'S REFUGE MOVEMENT WORKING PARTY INC.

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Committee Secretary
Senate Standing Committee on Community Affairs
PO Box 6100
Parliament House
Canberra ACT 2600

To the Committee Secretary,

Outlined below is the Women's Refuge Movement Working Party Inc response to the Inquiry into Social Security and other Legislative Amendment (Welfare Reform and Reinstatement of the Racial Discrimination Act) Bill 2009. This brief submission will focus on one of the stated purposes of the Bill, that is to "deliver measurable improvements in protecting women and children, reducing alcohol related harm, improving nutrition and food security, promoting community engagement and strengthening personal and cultural sense of value in all affected communities, including but not limited to Indigenous communities in the Northern Territory". Specifically this submission will focus on the proposal to introduce compulsory income management to income support recipients who are assessed as vulnerable to domestic violence.

The NSW Women's Refuge Movement (WRM) has been operating for over 30 years and is incorporated as the NSW Women's Refuge Movement Working Party Inc (WRM WP Inc). This is a non-profit, state-wide representative body of specialist domestic violence services. Member women and children's services aim to respond to community needs by providing a continuum of services to women and children who are homeless or at imminent risk of homelessness, particularly when this is due to domestic and family violence.

The WRM is concerned about the proposal to introduce compulsory income management for women experiencing domestic and family violence. Whilst supportive of the Commonwealth Governments overall efforts to reduce violence against women and children, the WRM is concerned that new legislative measures to introduce compulsory income management may have unintended but very serious consequences.

Whilst the WRM assumes that the intention of the Government, by introducing compulsory income management, is to limit the capacity of perpetrators of domestic and family violence to subject victims to financial abuse and deprivation, we are not satisfied that the means justifies the intended end. Women who experience domestic and family violence are subjected to a range of controlling behaviours by perpetrators. The use of compulsory income management has the potential to further disempower women by removing any control they may have over their income.

Additionally, we believe compulsory income management would lead to women becoming even more reluctant to disclose their experience of violence and seek support to a live a life free from violence. Mainstream agencies such as Centrelink are often the first point of contact to the service system for women experiencing domestic and family violence. It is therefore critical that agencies such as Centrelink do not impose punitive measures, such as income management, on victims of violence that will either discourage women from reporting the violence in the first instance or discourage them from seeking further assistance from other agencies due to an increased level of distrust with the service system as a whole.

Social security reform aimed at ‘protecting’ women and children should focus on improving a woman’s financial independence from the perpetrator; not by further restricting a woman’s control over often meagre levels of income support. Lack of economic independence is a “major factor influencing a woman’s decision to remain with a violent partner”¹. Compulsory income management, whilst potentially restricting the ability of the perpetrator to misuse the income, also restricts the victim’s control over her income, does nothing to improve her financial independence and may further restrict her capacity to leave the violence. Additionally, the compulsory income management of women who have left a relationship that is violent and abusive may well make it more difficult to achieve financial independence as their spending is restricted to certain shops and approved items. If 50% of a payment is withheld and woman’s rent is 50% of her income, there will be no money left for other necessary items or other ongoing costs that are associated with leaving the violence, such as relocation costs, medical and legal bills, and non payment of child support by the perpetrator. Some women may see that there is no other option in this situation but to return to the violence.

¹ Time for Action: The National Council’s Plan for Australia to Reduce Violence against Women and their Children, 2009-2021

Further to this, the WRM understands that there is very little evidence that suggests compulsory income management achieves its intended outcomes and that the little evidence that has been provided is somewhat questionable. During the course of 2008 and 2009, the Government - appointed National Council to Reduce Violence Against Women and Children undertook consultation with a diverse range of stakeholders to develop a National Plan of Action to Reduce Violence Against Women and the Children. The Council's Report *Time for Action* proposed many actions to address violence against women and children, yet nowhere in the Council's report or recommendations is compulsory income management proposed or discussed. Presumably, if the Council had thought compulsory income management was a useful strategy they would have recommended it.

The WRM appreciates that some women who are experiencing violence may want compulsory income management, and that for some of these women voluntary income management may not be possible as this may increase the risk of further violence. However, the risk and consequences of removing this choice and control from all women experiencing violence, we believe outweighs the potential benefits.

The WRM urges the Commonwealth Government to reconsider its position on compulsory income management and to consult extensively with the specialist domestic and family violence sector prior to any social security reform that is intended to enhance the safety and wellbeing of women and children who have experienced domestic and family violence.

Yours Sincerely

Catherine Gander
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NSW Women's Refuge Movement Resource Centre

