



Social Security (Administration) Amendment (Income Management to Cashless Debit Card Transition) Bill 2019

Darwin Community Legal Service

DCLS is a multi-disciplinary service providing general legal advice and assistance, a Tenancy Advice Service providing support for those in public, private and community housing, and a specialised Seniors and Disability Rights Service providing advocacy support in the areas of ageing and disability. We create awareness and empower our community, support access to services and rights, and advocate for change that promotes fairness and justice.

We service a highly disadvantaged population, including Aboriginal and remote communities. Most of our clients are receiving Centrelink payments or support benefits of some kind.

DCLS opposes the Bill.

Our submission is necessarily short because of a curtailed consultation process and our limited resources. It is the lack of consultation, the absence of sound evidence and conclusive evaluations from the trial sites, and the absence of a clear definition of the problem and the proposed outcomes that make a response to the contents of the Bill difficult. The groundwork has not been done, it is not based on policy or sound economic assumptions, and is hard to justify.

However, this scheme purports to impact the rights of those who are most disadvantaged and vulnerable through disempowering and denying people control over their lives without identifying any clear benefits or outcomes. In the Northern Territory context, where Aboriginal people will be particularly impacted as three-quarters of participants are Indigenous, it appears discriminatory and is contrary to self-determination and principles of place-based community control which have been demonstrated to support outcomes amongst disadvantaged communities. It also has vestiges of 'The Intervention', probably one of the most traumatic episodes in the lives of Aboriginal people in the NT since the Stolen Generation, and one that continues to adversely effect the economic independence and wellbeing of Aboriginal people in the Territory.

There are further serious privacy concerns about how data will be managed and shared, with incredibly broad provisions around information sharing and no clarity around protections of data and information.

Our experience with welfare recipients is that they are generally excellent money managers; their livelihood depends on it. The evidence on income management schemes suggests that the Federal Government is not so savvy, as these schemes are prohibitively costly with not much to show for it. The program could do with a good old fashioned cost-benefits analysis. The Australian National Audit Office provided similar comments.

If the card has all the benefits being spruiked then there would be no need to impose it on people compulsorily, a voluntary approach would surely see people signing up in droves.

The imposition of the scheme is not balanced by means to ensure administrative justice. An individual effected has limited scope to appeal the decision to impose the Cashless Debit Card and Income Management process on them. The current provisions raise concerns about what notice a person will be provided of the restriction on their rights and the way in which they can request a reconsideration of this decision.

The Bill allows for \$17.8 million in support services, yet there is no indication as to how this money will be spent. The Basics Card was introduced in 2007 and there are still problems with it's administration. These problems will not be rectified by introducing a new Cashless Debit Card. With such a big financial commitment which is alleged to support the 23,000 Territorians to transition to the payment, how is that money to be spent? Will it be like so many other programs where the money is swept up in the administration of the card and little then spent on financial counselling and assisting those with the burden of navigating the transition.

The resources allocated would be better spent on raising the Newstart rate to ensure that the most vulnerable of Australians have the money that they need to access their basic needs such as adequate housing, food, clothing and transport to support employment readiness.

Our view is that the Bills will have a significant impact on the rights of those involved, lead to stereotyping and stigmatisation, and hinder their economic wellbeing by removing their ability to manage their income and their priorities.

There is strong evidence that social and economic participation and productivity is improved through investment in housing and early childhood. A commitment to these areas would yield far greater results.

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Executive Director
3/10/19