

Australian Council of Social Service (ACOSS) Statement

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ROLLOUT OF BLANKET INCOME MANAGEMENT UNFAIR AND UN-AUSTRALIAN

ACOSS has raised concerns about the Federal Government's plans to roll out income management across the country, saying it could further disadvantage low income Australians.

"While the reinstatement of the Racial Discrimination Act is welcome step, it comes at a cost," said Clare Martin, CEO, Australian Council of Social Service.

"These are major reforms to our welfare system and we are concerned there is no evidence to warrant an extension of income quarantining.

"Blanket income management is a blunt instrument which does not consider individual circumstances. We need individual solutions to individual problems and we urge caution on a national rollout."

The proposed scheme to extend income management to more low-income people will mean unemployed Australians and sole parents who have been on payments for over a year in the last two years will have their payments quarantined.

"Applying different provisions to different income support recipients is unfair and un-Australian.

"In addition to being unable to find a job and having to live on \$228 a week, this announcement is another humiliation for unemployed people. These measures will not give unemployed Australians jobs or training."

The last report released by the Government on the progress on the NTER – the Closing the Gap in the Northern Territory – showed that high levels of disadvantage remain despite over two years of income management.

Overall, there has been no improvement in school attendance, and sales of cigarettes have remained steady, despite the argument that income management would improve school attendance and reduce alcohol and tobacco sales.

While the provision to opt-out of income management by applying for an exemption to income quarantining represents a softening of the current policy, these measures should be a first rather than a last resort.

ACOSS supports the option for an individual to choose to have their income managed, if they decide it is right for their individual circumstances.

Media Contact: Clare Cameron, ACOSS – 0419 626 155