

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

Dear Secretary,

The NSW WRM has been operating for over 30 years. The organisation is a state-wide representative body of specialist domestic violence services. Member 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 NSW Women's Refuge Movement:

- Provides a supportive network and forum for members to discuss and promote best practice and exchange skills and knowledge;
- Undertakes projects to facilitate the work and effective operation of member refuges;
- Develops and provides resources and information about women and children's homelessness, domestic violence and related matters for members, the sector and the community;
- Advises and informs Government about issues relating to domestic violence and sexual abuse, women and children's homelessness, and the needs of women and children as clients of Specialist Homelessness Services and other services; and
- Works with government and community groups to improve responses to women and children escaping domestic violence, sexual assault and other forms of abuse.

Thank you for the opportunity to provide a submission to the Inquiry into the ***Stronger Futures in the Northern Territory Bill 2011 and two related bills.***

This submission relates to Schedule 1 (Income management) of the *Social Security Legislation Amendment Bill 2011*.

The NSW WRM's concerns regarding Compulsory Income Management are canvassed in the NSW WRM's Policy Position Statement on Compulsory Income Management endorsed by WRM members at the October 2011, WRM State Conference. This submission is consistent elaborates further on the WRM's Position Statement which, is included below for the Committee's reference.

#### **NSW Women's Refuge Movement, Compulsory Income Management – Position Statement**

##### **Preamble**

The NSW Women's Refuge Movement (NSW WRM) members endorsed this position statement at the October 2011 WRM State Conference. This position statement is informed by extensive consideration and discussion on Compulsory Income Management at the conference, particularly in respect to its application to victims of domestic and family violence. These discussions were informed by a presentation to all conference participants on Income Management processes, other consultations with Centrelink, and feedback from some members who had travelled to the Northern Territory and met with various women to discuss the impact of Income Management.

##### **Position**

The NSW WRM opposes the implementation of Compulsory Income Management. Compulsory Income Management crushes self-esteem, self-respect and self-determination. NSW Women's Refuge Movement views Compulsory Income Management as systemic abuse of vulnerable people and implicitly targets Aboriginal people, people from Culturally and Linguistically Diverse backgrounds and women. It is an abhorrent breach of human rights, is unacceptable in a modern democratic society and is incompatible with the *"Australian Government's vision of a socially inclusive society is one in which all Australians feel valued and have the opportunity to participate fully in the life of our society."*<sup>1</sup>

Further to this the NSW WRM draws attention to the impact of Compulsory Income Management on women and children experiencing domestic and family violence:

- Compulsory Income Management will further inhibit a woman's ability to disclose their experience of violence and seek support to live a life free from violence.
- Responses to domestic and family violence must aim to empower women and children to live free from violence, and hold perpetrators accountable. Compulsory Income Management is a punitive measure that disempowers victims of domestic and family violence, does not hold the perpetrator accountable through similar income management measures and is counter-productive to the Commonwealth Government's *National Plan to Reduce Violence Against Women and their Children*
- Compulsory Income Management removes any control that victims of domestic and family violence have on their finances and is therefore secondary victimisation.
- Lack of economic independence is a "major factor influencing a woman's decision to remain with a violent partner"<sup>2</sup>. Compulsory Income Management, 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.

##### **Recommendation**

Victims of domestic and family violence be exempted from Compulsory Income Management. The Department of Human Services work closely with local and state/ territory Governments and non-Government organisations to increase access to services and coordinated support for victims of domestic and family violence.

<sup>1</sup> Australian Government, 'The Social Inclusion Agenda', <http://www.socialinclusion.gov.au/>

<sup>2</sup> Time for Action: The National Council's Plan for Australia to Reduce Violence against Women and their Children, 2009-2021

The NSW WRM has highlighted its numerous concerns about Compulsory Income Management to the *Senate Standing Committee on Community Affairs in 2010* for the Committee's Inquiry into the *Social Security and other Legislative Amendment (Welfare Reform and Reinstatement of the Racial Discrimination Act) Bill 2009*. The NSW WRM in addition to its broad concerns about Compulsory Income Management has significant concerns about compulsory income management of victims of family violence and its impact on the safety and wellbeing of women and children who have experienced domestic and family violence.

The NSW WRM notes that whilst domestic and family violence is not listed as specific 'vulnerability indicator', the experience of many victims of family violence such as vulnerability to financial exploitation and experience of homelessness or risk of homelessness may lead to victims of domestic and family violence having their income managed by Centrelink.

Our concerns outlined in our Position Statement are discussed in more detail below:

#### Economic security and escaping violence

Lack of economic independence is a "major factor influencing a woman's decision to remain with a violent partner"<sup>3</sup>. Compulsory Income Management, 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. Compulsory Income Management does not take into consideration the additional cost pressures experienced by victims of family violence who are seeking to flee the violence and places unnecessary restriction on their access to financial resources in times of crisis<sup>4</sup>. As highlighted by research undertaken by the Australian Domestic and Family Violence Clearinghouse (ADFVC), financial and material support is essential "to enable safety, independence and recovery from abuse"<sup>5</sup>.

#### Victim blaming and secondary victimisation

Women who experience domestic and family violence are subjected to a range of controlling behaviours by perpetrators. Domestic violence is a "disempowering force, undermining women's self-esteem and their sense of agency, as well as often inducing a sense of shame in victims and disregard by others"<sup>6</sup>. The NSW WRM agrees with findings from the ADFVC study that obtaining financial security is greater than just having the capacity to meet living expenses

---

<sup>3</sup> Time for Action: The National Council's Plan for Australia to Reduce Violence against Women and their Children, 2009-2021

<sup>4</sup> Australian Law Reform Commission, 2011, Family Violence and Commonwealth Laws (DP76), paragraphs 13.44 – 13.64, [http://www.alrc.gov.au/publications/13-income-management%E2%80%94social-security-law/compulsory-income-management-and-family-violence#\\_ftn49](http://www.alrc.gov.au/publications/13-income-management%E2%80%94social-security-law/compulsory-income-management-and-family-violence#_ftn49)

<sup>5</sup> Braaf, R., Barrett Meyering, 2011, *Seeking Security: Promoting women's economic wellbeing following domestic violence*, Australian Domestic and Family Violence Clearinghouse, p.7

<sup>6</sup> Ibid, p.18.

but about countering victim's disempowerment resulting from violence and abuse and obtaining control over their lives. The use of compulsory income management will further disempower women by removing control over their income. It is indeed secondary victimisation.

### Perpetrator Accountability

It is the NSW WRM's firm belief that responses to domestic and family violence must aim to empower women and children to live free from violence, and hold perpetrators accountable. The *National Plan to Reduce Violence Against Women and Their Children* (National Plan) expresses the same view. Compulsory Income management we would argue *is* counter-productive to the National Plan goal to hold perpetrators accountable. Compulsory Income Management is a punitive measure that targets victims of domestic and family violence and does not hold the perpetrator accountable through similar income management measures.

The WRM is not arguing that perpetrators should be income managed as this may increase the risk of further violence and abuse as perpetrators seek to blame the victim. We are seeking to highlight, however the significant injustice of the measures being subjected on victims of family violence. The ADFVC study reported on the frustrations of many of the study's participants that, they were penalised for the actions of their ex-partner<sup>7</sup>. Government agencies, banks and companies were often viewed as protecting abusers<sup>8</sup>. Compulsory Income Management by placing the onus of responsibility on victims, continues in that vein.

### Barrier to disclosure

Compulsory Income Management would lead to women becoming even more reluctant to disclose their experience of violence and seek support to 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.

Compulsory Income Management is therefore inconsistent with many of principles and policy directions contained within many of the Governments other policy frameworks including the *National Plan to Reduce Violence Against Women and their Children* and the *Homelessness White paper: the Road Home*. Both policy frameworks emphasise the need to improve coordination between agencies and ensuring that victims of family violence or other people experiencing homelessness should be able to disclose their experiences and receive appropriate responses by any agency through direct support or referral pathways. The Road Home refers to this as having 'no wrong door', Compulsory Income Management effectively 'closes the door' for some people.

---

<sup>7</sup> Braaf, R., Barrett Meyering, 2011, *Seeking Security: Promoting women's economic wellbeing following domestic violence*, Australian Domestic and Family Violence Clearinghouse, p.37

<sup>8</sup> Ibid

## Widespread Concern

Our concerns are shared by many other practitioners supporting women and children experiencing domestic and family violence, this is evident by the many submissions to the Australian Law Reform Commission's (ALRC) Inquiry into Family Violence and Commonwealth Laws<sup>9</sup>. The NSW WRM notes that the Australian Human Rights Commission (AHRC) has also raised significant similar concerns about the unintended consequences of Compulsory Income Management of victims of Domestic and Family Violence<sup>10</sup>. Both the ALRC and AHRC have also observed that compulsory income management of victims of family violence runs contrary to the National Plan to Reduce Violence Against Women and Their Children<sup>11</sup>.

The Australian Law Reform Commission's extensive consideration of this issue as part of this Inquiry resulted in its proposal that:

- "The *Social Security (Administration) Act 1999* (Cth) and the *Guide to Social Security Law* should be amended to ensure that a person or persons experiencing family violence are not subject to Compulsory Income Management"<sup>12</sup>.

The NSW WRM supports this proposal by the ALRC and urges the Government and the Parliament to support it.

## **Practical concerns regarding the implementation of Compulsory Income Management**

Having expressed our overall concerns about the use of Compulsory Income Management for victims of family violence we also have specific practical concerns about the implementation of compulsory income management.

### *Guide to Social Security Law*

As the ALRC notes "the decision-making principles in the *Guide to Social Security Law* do not identify why, or how, income management may assist a person who is experiencing family

---

<sup>9</sup> Australian Law Reform Commission, 2011, Family Violence and Commonwealth Laws (DP76), paragraphs 13.44 – 13.64, [http://www.alrc.gov.au/publications/13-income-management%E2%80%94social-security-law/compulsory-income-management-and-family-violence#\\_ftn49](http://www.alrc.gov.au/publications/13-income-management%E2%80%94social-security-law/compulsory-income-management-and-family-violence#_ftn49)

<sup>10</sup> Gooda, M, 2010, *AHRC Response to the Exposure Drafts of the Policy Outlines for Income management*, Australian Human Rights Commission, p.5, [http://www.hreoc.gov.au/legal/submissions/2010/20100625\\_income\\_management.pdf](http://www.hreoc.gov.au/legal/submissions/2010/20100625_income_management.pdf)

<sup>11</sup> Australian Law Reform Commission, 2011, Family Violence and Commonwealth Laws (DP76), paragraphs 13.68, [http://www.alrc.gov.au/publications/13-income-management%E2%80%94social-security-law/compulsory-income-management-and-family-violence#\\_ftn49](http://www.alrc.gov.au/publications/13-income-management%E2%80%94social-security-law/compulsory-income-management-and-family-violence#_ftn49) & Gooda, M, 2010, *AHRC Response to the Exposure Drafts of the Policy Outlines for Income management*, Australian Human Rights Commission, p.5, [http://www.hreoc.gov.au/legal/submissions/2010/20100625\\_income\\_management.pdf](http://www.hreoc.gov.au/legal/submissions/2010/20100625_income_management.pdf)

<sup>12</sup> Ibid, Proposal 13-1

violence.”<sup>13</sup> Nor do the decision making principles provide any prompts to consider the specific circumstances of individuals experiencing domestic and family violence. The guide notes that delegates must consider the individual circumstance of individuals who are homeless or ‘at risk’ but no corresponding prompt for people experiencing financial exploitation which may also include victims of family violence.

### **Access to payments in times of crisis**

The restrictions placed on accessing ‘income managed accounts’ and the approval process for the transfer of funds from these accounts into the personal accounts may act as a barrier to accessing much needed resources to victims of family violence who are seeking to leave the violence. As the ALRC points out the ability of victims of family violence to travel or to access funds for alternative accommodation is curtailed by income management and related administrative barriers<sup>14</sup>. If Income Management is going to continue to apply to some victims of family violence through the existing ‘vulnerability indicators’ then we recommend the Commonwealth Government and Parliament adopt the ALRC's proposal that

*“Priority needs, for the purposes of s 123TH of the Social Security (Administration) Act 1999 (Cth) are goods and services that are not excluded for the welfare recipient to purchase. The definition of ‘priority needs’ in s 123TH and the Guide to Social Security Law should be amended to include travel or other crisis needs for people experiencing family violence.”<sup>15</sup>*

### **Referral to Compulsory Income Management by housing authorities**

The introduction of place based income management will allow for Housing authorities to refer people to Centrelink for assessment for Compulsory Income Management. The ability of Housing authorities to make such referrals is also unsettling. Providing this option to Housing authorities maybe counter-productive to encouraging housing authorities to intervene early and provide referral to support agencies when tenancies are at risk due to arrears.

Agreements and subsequent guidelines between the Commonwealth and the States should seek to diminish this risk and include transparent data collection, monitoring and review and reporting of the number of referrals from housing authorities, reasons for referral and other action taken prior to referral.

---

<sup>13</sup> Australian Law Reform Commission, 2011, Family Violence and Commonwealth Laws (DP76), paragraphs 13.68, [http://www.alrc.gov.au/publications/13-income-management%E2%80%94social-security-law/compulsory-income-management-and-family-violence#\\_ftn49](http://www.alrc.gov.au/publications/13-income-management%E2%80%94social-security-law/compulsory-income-management-and-family-violence#_ftn49), paragraph 13.39

<sup>14</sup> Ibid paragraph 13.108

<sup>15</sup> Ibid, Recommendation 13.4

## **Referral to Compulsory Income Management by State or Territory Child Protection Authorities**

The links between domestic and family violence, children's wellbeing and child protection is well known and the need for improved integration across these service systems is now widely acknowledged.

The ability of State Child Protection Authorities to refer people to Compulsory Income Management is of concern to the NSW WRM. The NSW WRM has for many years expressed concern that child protection responses to domestic and family violence, whilst quite rightly, focus on the safety and protection of children; the blame for children being exposed or experiencing violence is often felt by, and directed at the non-offending caregiver (usually the mother) not the perpetrator of violence. The service system should be focused on improving the safety and wellbeing of both women and children.

Research undertaken by the WRM and other feedback from members indicates that women experiencing domestic violence are frequently directed to leave the relationship or risk having their children removed yet often very little support is provided to women by child protection authorities to increase her and her children's safety, through for example support to obtain protection orders.

The NSW WRM is concerned that the ability of child protection authorities to refer victims of family violence to compulsory income management further allows child protection workers to focus the blame on the non-offending care giver and disempower victims of family violence. Instead of, encouraging coordinated action between agencies to improve the safety of both women and children who have experienced domestic and family violence.

Notwithstanding the NSW WRM's opposition to compulsory income management for victims of family violence we recommend that the Bi-Lateral Agreements between the Commonwealth and State and Territory Governments and the development of subsequent guidelines include the following:

- A statement that child protection interventions arising from domestic and family violence should aim to improve the safety and wellbeing of both the non-offending caregiver (usually the mother) and children. Therefore child protection authorities and Centrelink should provide coordinated support with a range of other services, such as domestic and family violence services prior to any consideration of compulsory income management.
- Transparent data collection, monitoring and review and reporting of the number of referrals from child protection authorities, reasons for referral and other action taken prior to referral. In addition to qualitative information collected through evaluation processes.