Shepparton Income Management Survey Report

31 January 2012

About the survey
The Goulburn Valley Community Legal Centre Pilot (GVCLCP) conducted an online survey to assess community views on the extension of income management measures in Shepparton. Invitations to participate in the survey were sent to local agencies and the survey was advertised via the GVCLCP website at www.clc4gv.org.au. The survey was open between 17 and 25 January 2012. Survey results were compiled by Joanne Ellis, solicitor, GVCLCP.

About the GVCLCP
The GVCLCP is a project of the Loddon Campaspe Community Legal Centre and Uniting*Care* Cutting Edge. The GVCLCP is based in Shepparton and provides free legal assistance to disadvantaged residents of the Goulburn Valley. Currently a pilot project, the service is campaigning for a permanent Community Legal Centre in the Goulburn Valley, a region that represents one of the last significant black spots for community legal services in Victoria.

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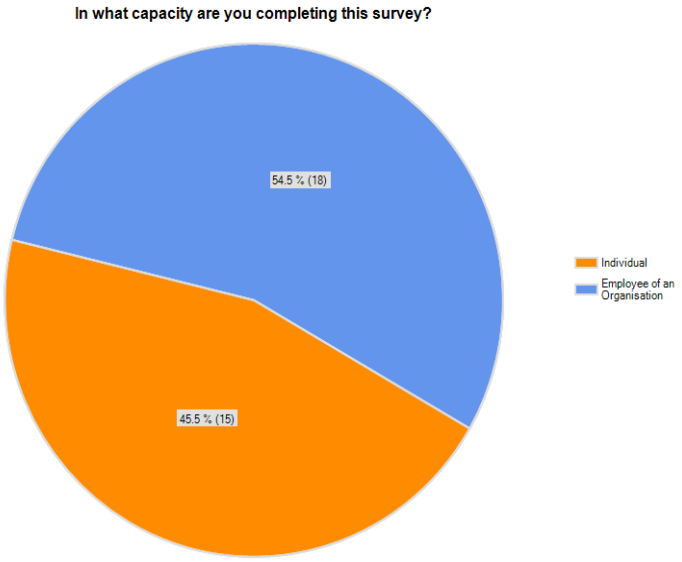
54 Mitchell Street, Bendigo, VIC.

Looking for Justice in the Goulburn Valley?

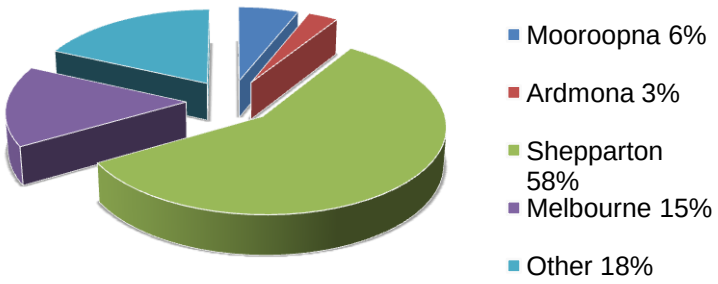
About the survey participants

1. There were 33 survey participants. Participants were asked to disclose the capacity in which they were completing the survey and the town in which they live. For those who identified as being an employee of an organisation, represented occupations included: youth workers, managers of local organisations, counsellors, lawyers, community development workers and consultants.



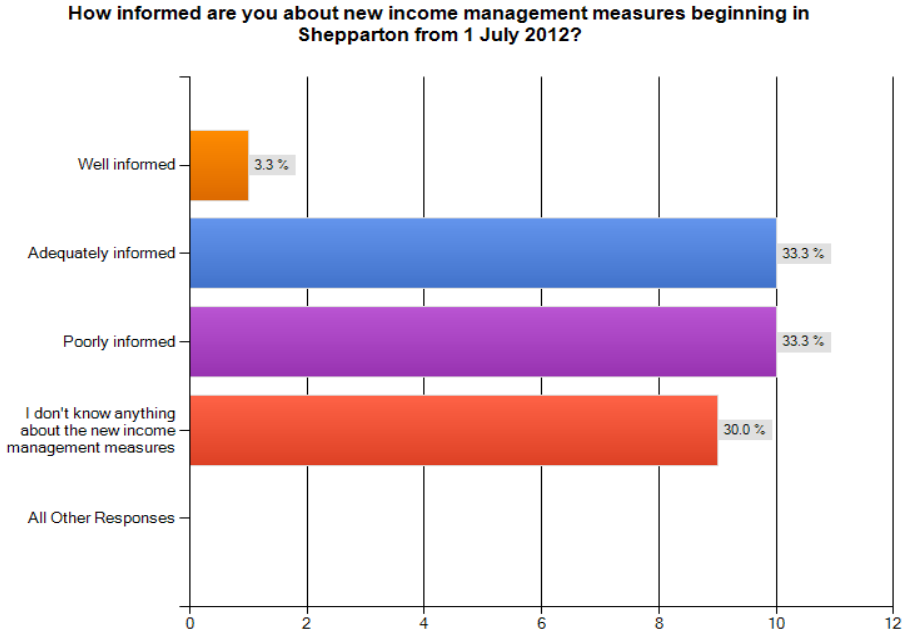
2. Most survey participants came from Shepparton. In total, 67% of participants came from areas within the local government area of the City of Greater Shepparton and will therefore be directly affected by income management measures. Other participants identified as living outside the City of Greater Shepparton but many noted that they would have clients directly affected by income management measures.

Origin of Participants:

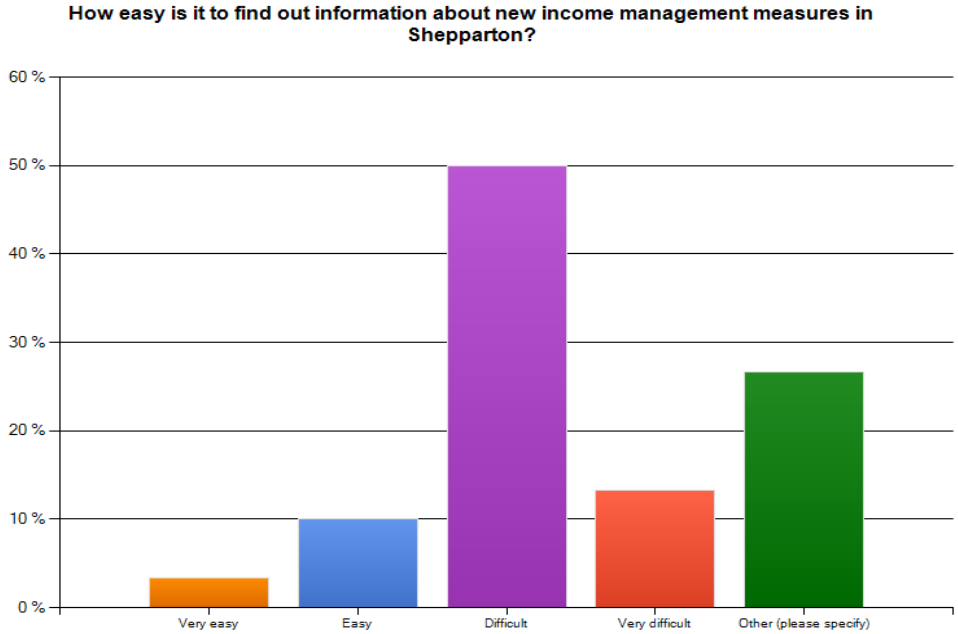


The extension of income management to Shepparton

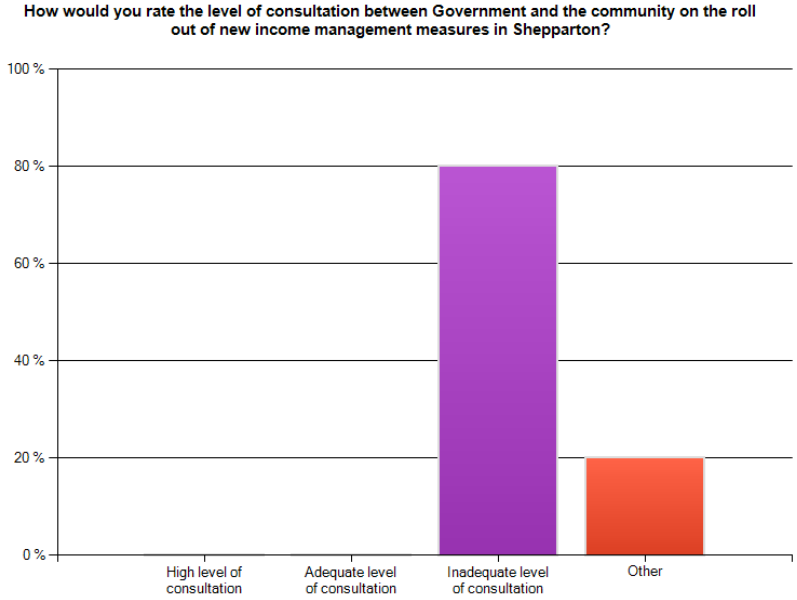
3. Participants were asked questions to measure how informed they are about the rollout of income management in the City of Greater Shepparton. Only a small percentage of participants identified themselves as being 'well informed' about the rollout while a majority identified as being either 'poorly informed' or 'not knowing anything' about the new income management measures.



4. Further to this, participants were asked to rate the ease at which they have been able to obtain information about the rollout of income management in the region. Most identified that it is difficult to obtain information about the rollout. Of the participants who selected the 'other' option, most commented that they had not yet attempted to locate information specific to income management.

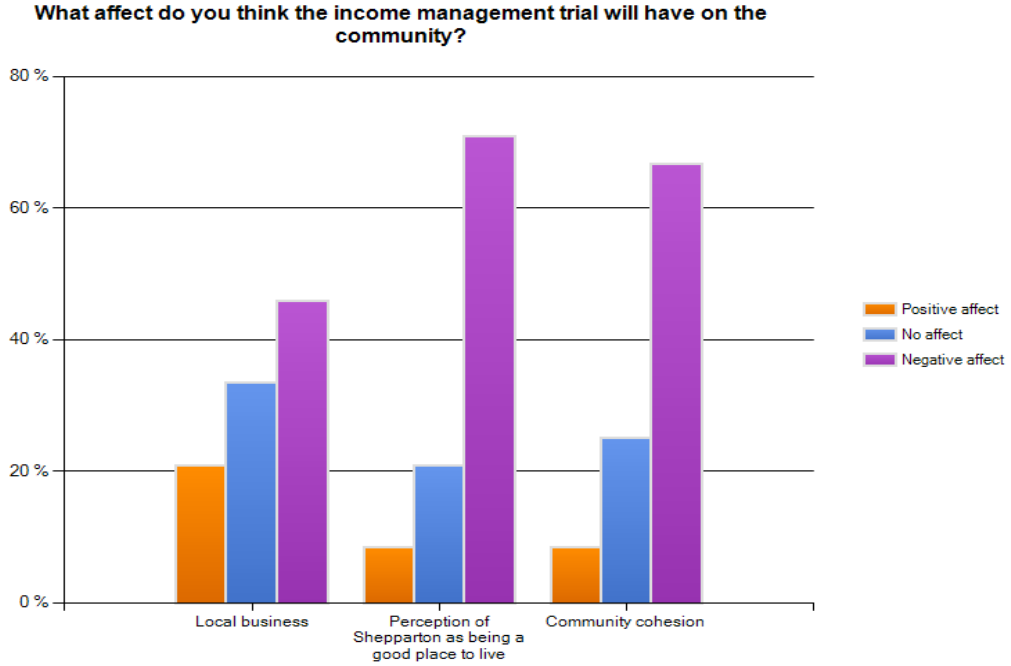


5. When asked to consider the level of consultation between the government and the community a large majority of participants deemed that there had been an inadequate level of consultation. Of the 20% of participants who chose the 'other' option, most commented that they were 'unsure' or were not informed enough to respond to the question.

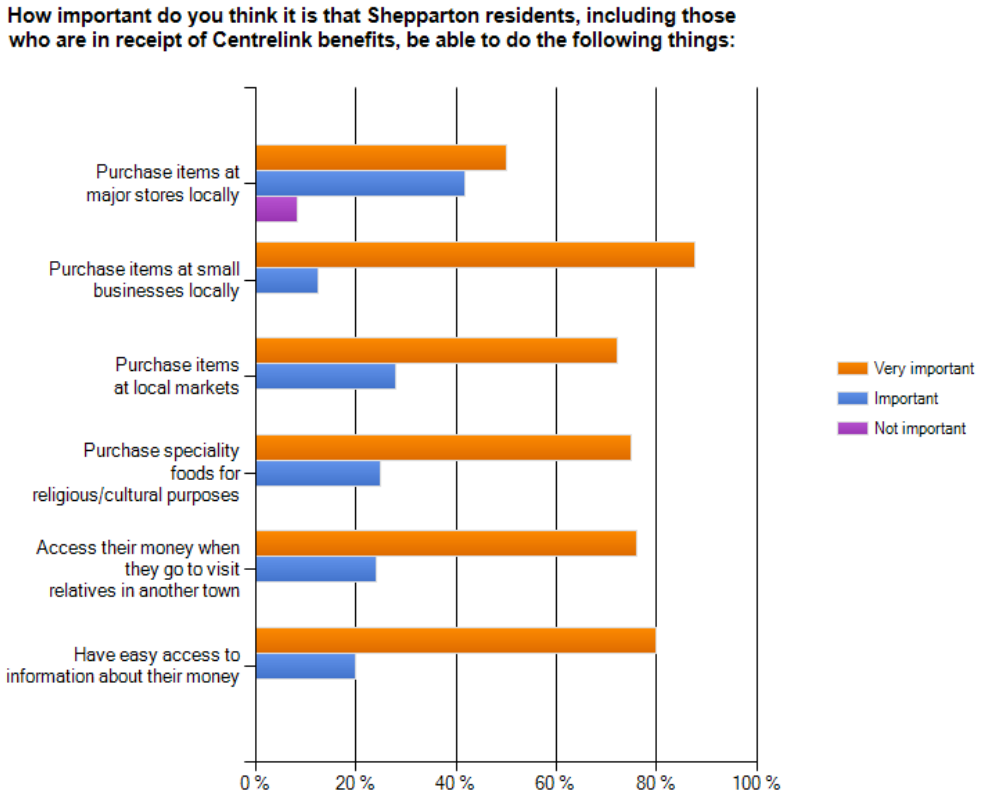


Implications of the rollout of income management at a local level

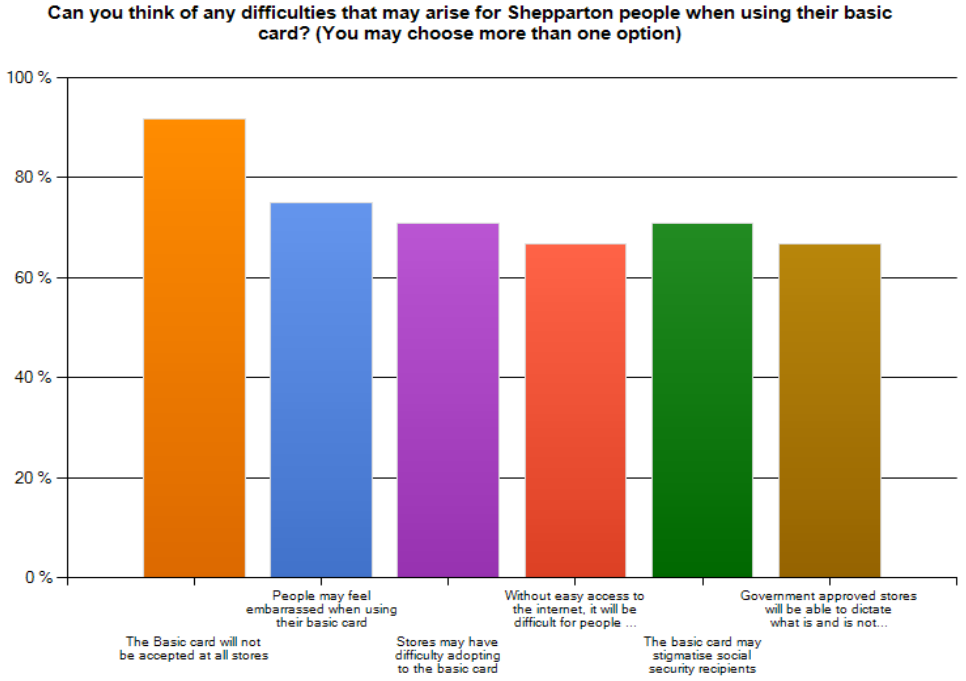
6. A majority of participants thought that income management would have a negative effect on: local business, community cohesion and the perception of Shepparton as being a good place to live. In answering this question participants provided extra comment on the negative affect that this trial may have on the local Aboriginal community and the potential economic loss to small business.



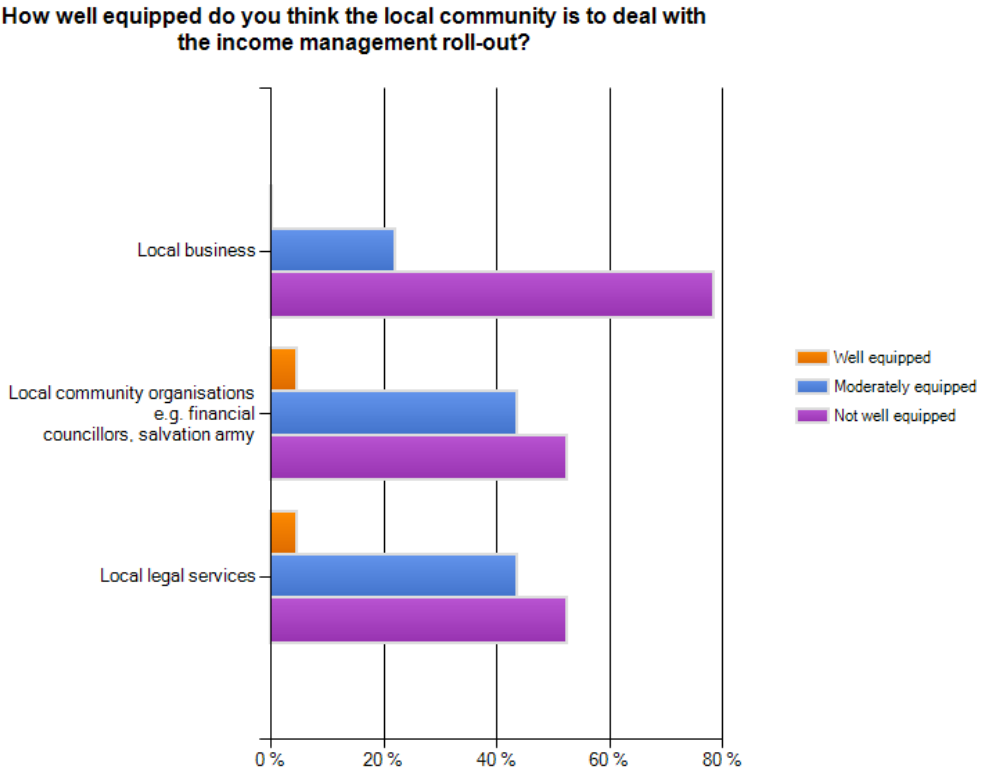
7. A large majority of participants viewed it as being either important or very important that residents of Shepparton have: choices about where they shop; easy access to their money when they travel; and easy access to information about their money.



8. When asked to consider any problems that may arise for local residents when using a basic card, participants most often cited concerns that the basic card will not be accepted at all stores and that people may feel embarrassed when using the basic card. More specific concerns were raised by participants in relation to basic card holders being required to travel longer distances to shop in government approved stores, potential discrimination by store owners, and the fact that government approved stores may raise prices due to the anti-competitive nature of the scheme.

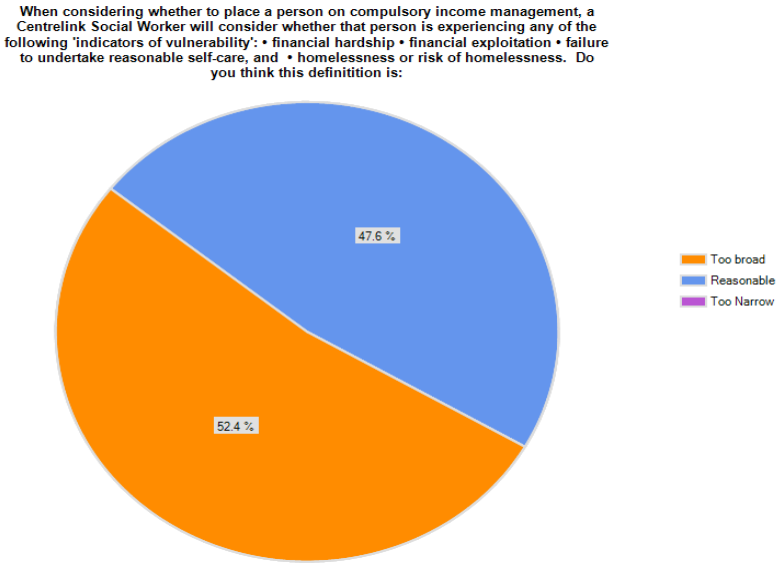


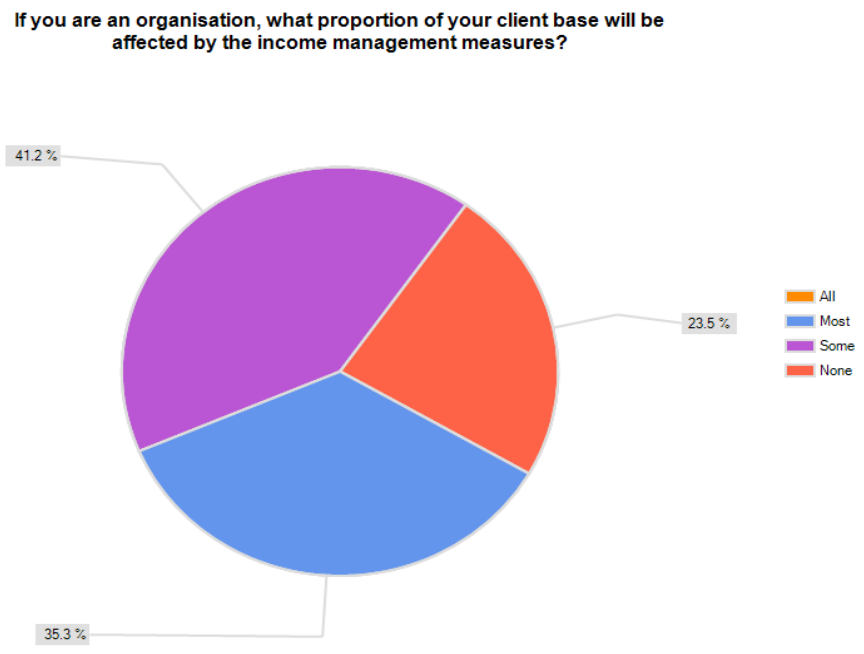
9. Most participants thought that local business; community organisations and local legal services were not well equipped to deal with the rollout of income management in Shepparton. Several participants expressed views that local community and legal services are already under resourced and that the imposition of income management will exacerbate the strain on these services.



Reviewing who in the community may be income managed

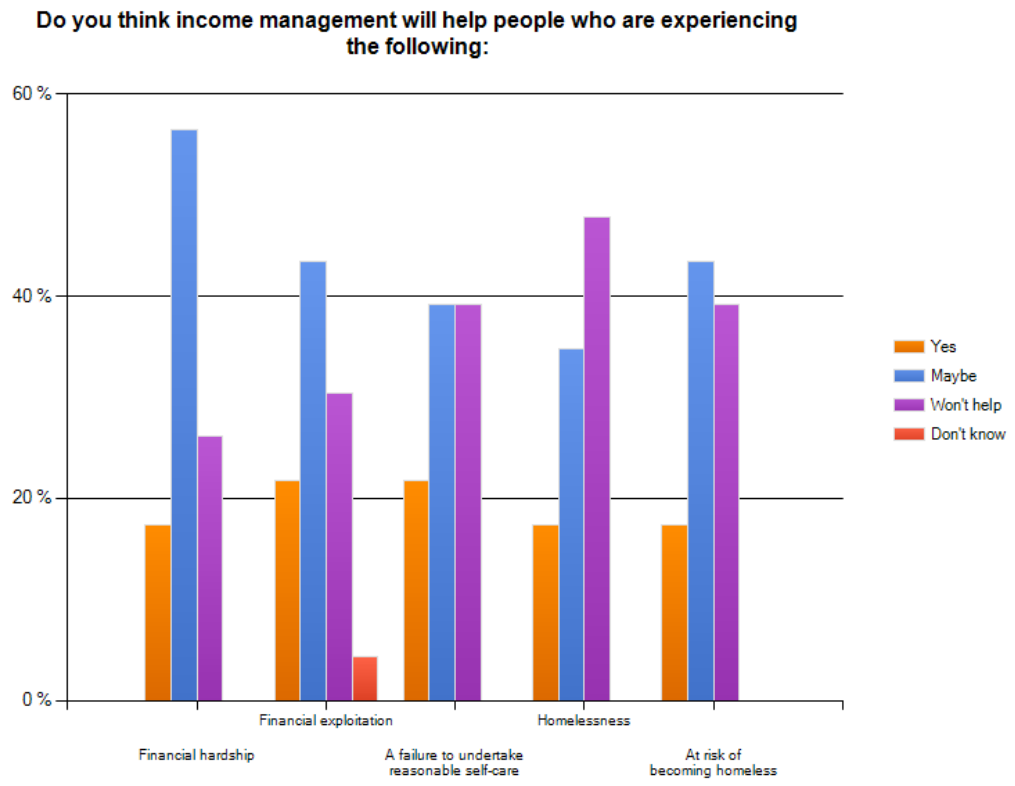
10. A small majority of participants viewed the 'indicators of vulnerability' as being too broad with the remainder deeming the definition to be reasonable. Of the participants who were employees of organisations, most estimated that income management would affect 'some' of their clients.



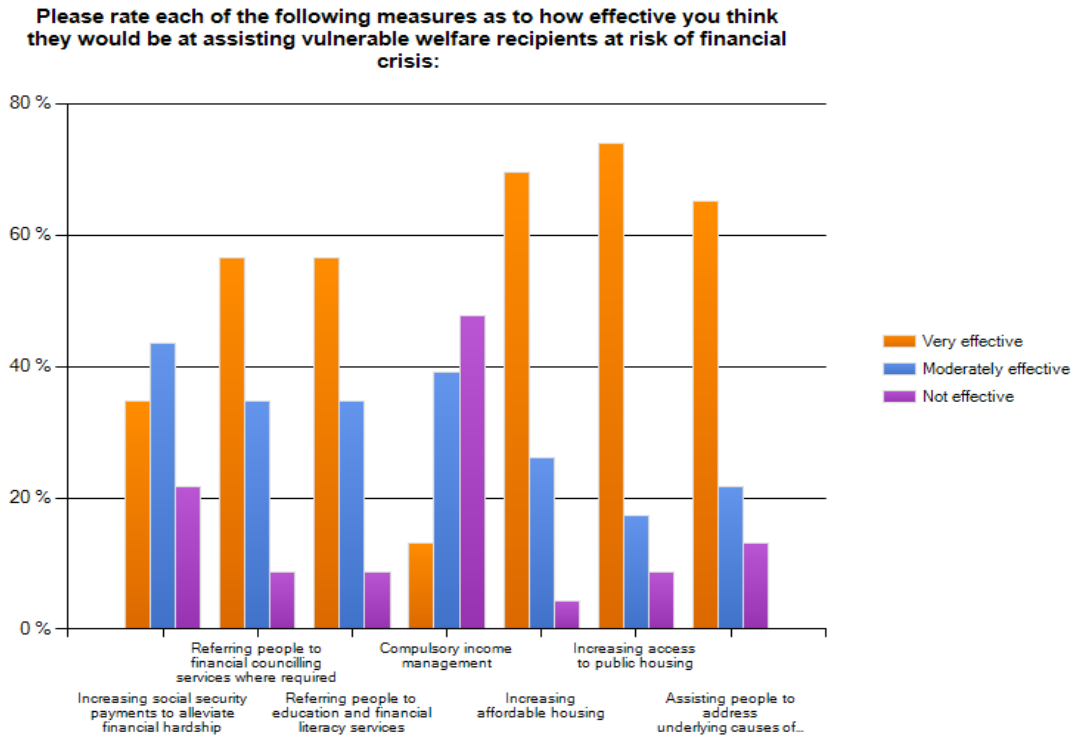


Community views on the effectiveness of income management

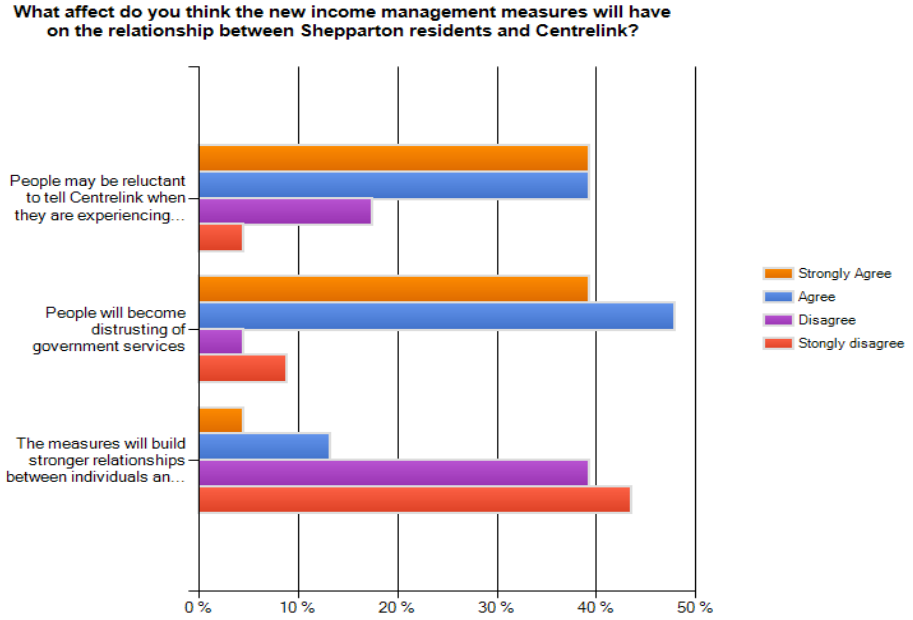
11. Overall, participants thought that income management might assist people who are experiencing financial hardship, financial exploitation and/or a risk of homelessness. A majority thought that income management would not help people experiencing homelessness. Around 40% of participants thought that income management would not help those failing to undertake reasonable self-care while the same number thought that it may help in this situation.



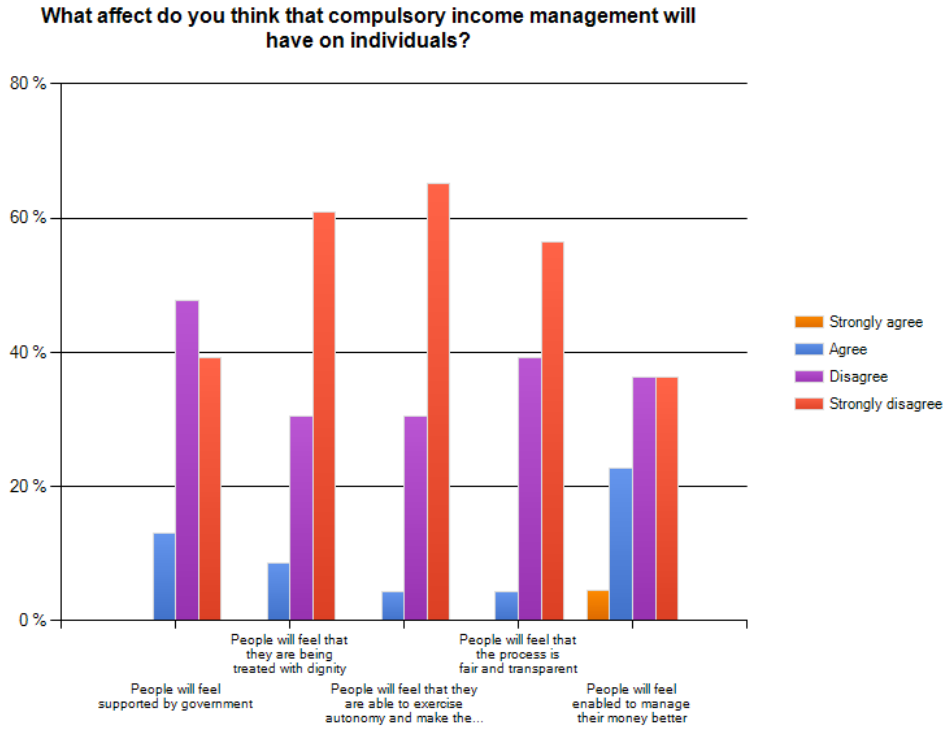
12. Most participants thought that income management would not be effective in assisting vulnerable welfare recipients at risk of financial crisis. Participants consistently identified measures other than income management as being more effective in assisting vulnerable welfare recipients. Participants thought measures such as: financial counselling, financial literacy education, increasing access to affordable and public housing and assisting people to address the underlying causes of crisis would be very effective in assisting vulnerable welfare recipients.



13. In reviewing the effect that income management would have on the relationship between individuals and Centrelink, most participants agreed, or strongly agreed, with the proposition that 'people may be reluctant to tell Centrelink when they are experiencing a crisis'. Similarly, most participants agreed that income management measures may have the effect of making people distrusting of government services. Only a very small number of participants thought that income management measures would build stronger relationships between individuals and government.

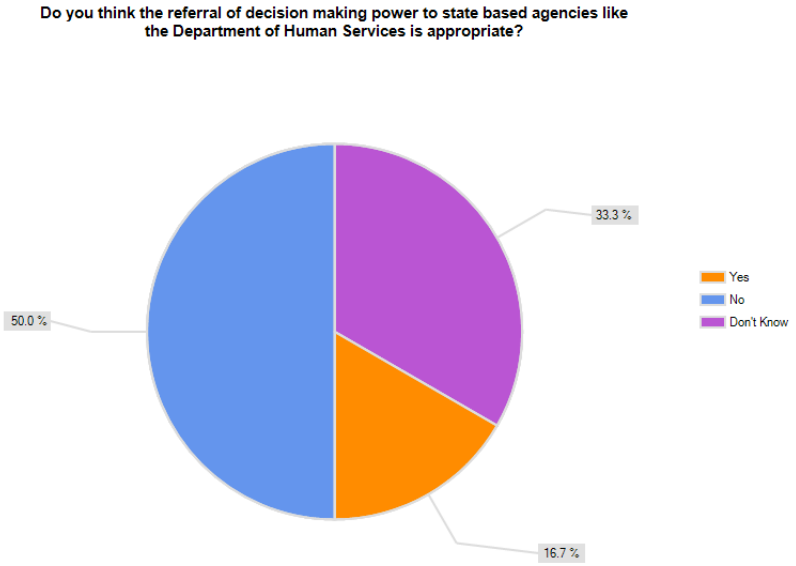


14. When considering the effect that income management will have on individuals, most participants disagreed with propositions that people will feel: supported by government; treated with dignity; that the process is fair and transparent; able to exercise autonomy and make their own choices. Only a very small number of participants thought that income management would make people feel better able to manage their money.

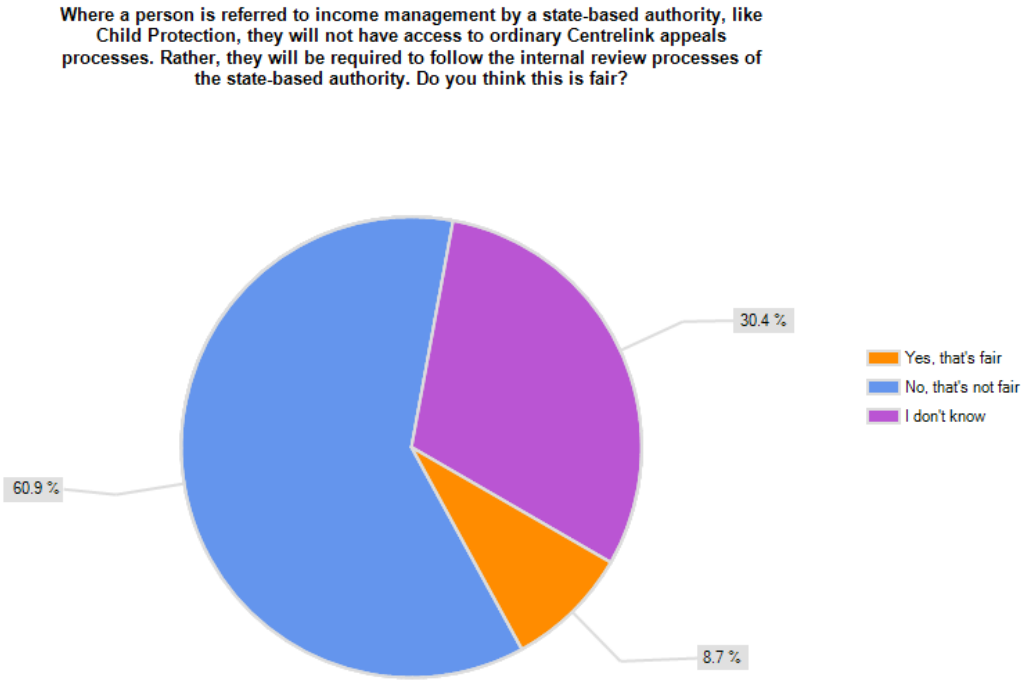


Referral of decision-making powers to state-based agencies

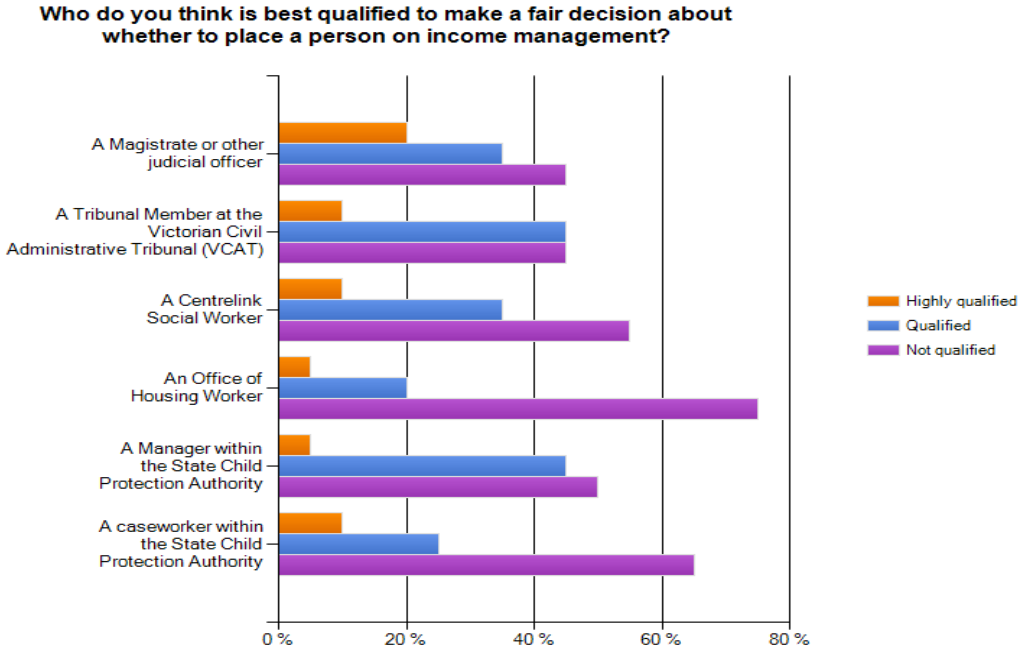
15. Most participants did not think that the referral of decision-making power to state-based agencies was appropriate. Although some participants thought that child protection workers may be well placed to make this type of decision because of their close contact with families, a majority questioned the qualification and expertise of child protection workers to make decisions about Social Security.



16. A majority of participants found that it was not ‘fair’ to limit the appeal measures available to some income-managed people because they were referred under the state-based referral process. Participants made specific comments on the lack of Federal oversight and the complexity of appeal avenues for people referred to income management by state-based agencies.

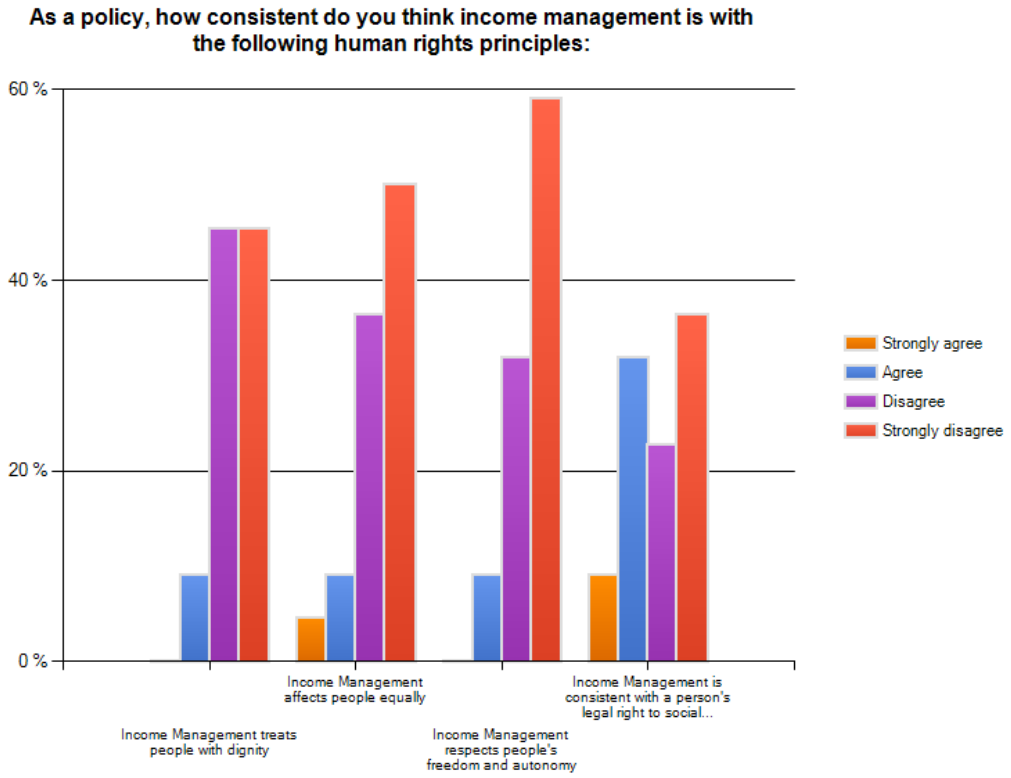


17. There was a broad range of responses to the question of who should make decisions about income management. Overall, most participants viewed Office of Housing workers, Child Protection Managers and Child Protection workers to be unqualified to make these decisions. A majority of participants viewed Magistrates and VCAT tribunal members as being either qualified or highly qualified to make fair decisions about income management.



Human rights implications of income management

18. Overwhelmingly participants' responses indicate a strong concern that income management will infringe on people's human rights. A majority of participants thought that income management measures would not treat people equally or with dignity. Almost 60% of participants strongly disagreed with the proposition that income management will respect people's freedom and autonomy. Similarly, a majority of participants viewed income management as being inconsistent with a person's legal right to social security.



Other responses

In concluding, several participants noted concern about the extension of income management to further locations in Australia, including Shepparton, when there is little evidence that the measure has worked elsewhere.

Conclusion

Participants highlighted a number of serious concerns about the introduction of income management in Shepparton, namely:

- The community has not been adequately consulted or informed about income management.
- The community believes that income management will have a negative social and economic impact on Shepparton and that local business and services are not equipped to deal with the rollout.
- Most people think that income management will not help disadvantaged welfare recipients experiencing financial crisis. Instead the community favours alternate measures that address the underlying causes of crisis.
- The community is concerned that income management will infringe on the human rights of welfare recipients and that it will not better enable people to manage their money.
- The community is concerned about the transparency of the referral of decision-making powers to state-based agencies. Overall the community does not view this referral of powers as being fair or appropriate.