

SACOSS disappointed as Compulsory Income Management moves one step closer

SACOSS has described as deeply regrettable today's passing by the federal Senate of legislation allowing for the compulsory management of social services income. The bill was passed with support of both major parties and allows the scheme, first used as part of the Northern Territory Emergency Response intervention, to be extended across Australia.

SACOSS Executive Director, Ross Womersley said, "It is deeply regrettable that the Senate has passed legislation which demeans and inconveniences welfare recipients, most of whom are very good income managers, and stigmatises whole communities as being disadvantaged and needing government intervention."

"The money that will be spent on this highly expensive scheme (\$394m over 4 years) could be much better used toward support programs that would really address people's needs and assist them in overcoming poverty and disadvantage in South Australia."

"We call on all South Australian parliamentarians to oppose any application of Compulsory Income Management to areas in South Australia."

(The Act allows the parliament to reject the Minister's declaration of areas where the scheme will be applied).

The scheme mandates that half the social security income of recipients who live in designated areas will be replaced by a Basics Card that can only be spent only in certain stores and on particularly items – usually those deemed as essentials. However, SACOSS believes that the system would be discriminatory and demeaning for those who happen to live in the wrong place and who will now have half their already inadequate income managed under government auspices.

SACOSS also notes the recent damning report on the NT Intervention from Professor Jon Altman of the Australian National University:

www.crikey.com.au/2010/06/21/nt-intervention-three-years-on-governments-progress-report-is-disturbing

SACOSS has issued a research paper and number of fact sheets identifying the problems with compulsory income management, and the geographical areas where the system may be applied in South Australia.

For further information visit www.sacoss.org.au/income-management

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