

4 October 2019

Committee Secretary
Senate Legal and Constitutional Affairs Committee
PO Box 6100
Parliament House
Canberra ACT 2600

By email: legcon.sen@aph.gov.au

Dear Committee Secretary,

NSSRN submission to the inquiry into the adequacy of Newstart and related payments

1. The National Social Security Rights Network (NSSRN) is the peak community organisation in the area of income support law, policy and administration. Our members are community legal centres across the country that provide free and independent legal assistance to people experiencing issues with their social security and family assistance payments. The NSSRN draws on this front line experience in developing this submission and policy positions.
2. We have long advocated for an immediate raise to Newstart. We note that while there are many economic and social policy reasons to raise Newstart, this submission focuses on what we determine to be the primary focus of this inquiry: the adequacy of Newstart payments¹ and the effect this has on various vulnerable groups of people. We provide recognition to those groups who would have previously received various pension payments in recognition of their inability to work but are now forced to struggle to survive on Newstart and comply with mutual obligation requirements, including single parents, the elderly, and those living with disabilities.
3. All of the included case studies are from our member community legal centres' clients to illustrate examples of the issues people face when struggling to live on Newstart. In such cases, names and certain identifying information have been changed to protect the identities of our clients.
4. In summary, **we recommend:**
 - a. **An immediate raise Newstart by at least \$75;**
 - b. **An increase to Rent Assistance payments by 30%;**

¹ While we refer mainly to the Newstart payment, much of the evidence we present applies equally to Youth Allowance and other allowances whose rates are tied to Newstart. These allowance payments include Austudy, Abstudy, Sickness Allowance, Special Benefit, Widow Allowance and Crisis Payment.

- c. That Newstart be indexed twice per year to wage levels and the consumer price index;
- d. the Family Tax Benefit should be increased for single parents with older children;
- e. Single parents on Newstart should receive the same minimum \$75 increase as single people without children;
- f. The Committee reject any notion of tying an increase to Newstart to the cashless debit card or income quarantining.

The inadequacy of Newstart

- 5. Newstart is the main payment received by almost half of all people who get some form of income support.² It is a vital safety net for any of us who are going through a tough time in our lives. Whether through loss of employment, relationship breakdown, illness, or any number of other instances, we can all find ourselves in need of support. Newstart is supposed to be there to make sure we have enough to get by, and to get back on our feet, when times are tough.
- 6. As our case studies below will demonstrate, it is impossible to live on the current rate of Newstart. In the 25 years since its last real increase, Newstart has drifted well below the poverty line as the cost of living has dramatically increased. After housing costs, households whose main income is Newstart are \$124 a week below the poverty line.³ This very committee declared the rate of Newstart to be below the poverty line as early as 2014,⁴ and we note that the current Minister herself has admitted that it won't be easy to live on Newstart.⁵
- 7. The maximum rate of Newstart for a single adult is just \$278 per week - less than \$40 a day. It's less than half the minimum wage after tax and more than \$180 less than the pension. It is also the equal-lowest unemployment payment amongst the 33 OECD countries.⁶
- 8. Substantive research by academics at UNSW calculated a conservative minimum healthy budget for a single adult without children to be \$434 per week - which was \$96 more than the single rate of Newstart, Rent Assistance, and the Energy Supplement combined in July 2016.⁷

² *Bridging Our Divide: Inequality in Australia*, Community Affairs References Committee, The Senate, December 2014.

³ 'Newstart and other Government Allowances: Incomes, Financial Stress and Poverty' (2019), ANU Centre for Social Research and Methods.

⁴ *Bridging Our Divide: Inequality in Australia*, Community Affairs References Committee, The Senate, December 2014.

⁵ 'Social services minister won't say whether Newstart is enough to live on', SBS News, 1 September 2019.

⁶ *OECD Benefits and wages data base (2017)*. This calculation was done in relation to the after-tax pay of a single adult production worker, and included any housing benefits. The other OECD country with the lowest rate is Greece.

⁷ Saunders, P & Bedford M (2017), *New Minimum Income for Healthy Living Budget Standards for Low-Paid and Unemployed Australians*. Social Policy Research Centre, UNSW Sydney.

9. This budget demonstrates the minimum cost of the essentials of life, calculated by using the minimum costs of food, housing, transportation, clothing, health care, and other essentials required to live a healthy life.⁸
10. When the gap between what is needed to live and the rate of Newstart is so large, it is clear that no amount of personal budgeting will help. People on Newstart will have to sacrifice other essential items just to pay for their food and rent.
11. This is even before emergencies and unexpected costs are factored in, because at \$40 per day Newstart doesn't allow people to put money aside into savings to meet any unexpected costs. This means people are at increased risk of severe debt and poverty when emergencies happen.
12. In this context we are alarmed by legislative attempts to increase the waiting period for Newstart payments to 26-weeks for people with modest savings of \$18,000.⁹ Such a proposal is wholly counterproductive, and will only serve to increase the vulnerability of people by driving them into poverty before they can access income support.
13. The case study of Anne illustrates how unexpected costs can solidify cycles of poverty for those living on Newstart.

Anne's Newstart payment was automatically suspended because she was sick and unable to attend a work appointment. She called up her job agency immediately, but they refused to lift her suspension or accept her medical certificate for non-attendance. Anne desperately needed to have her suspension lifted as it was the end of the pay fortnight and she had no money for food or other essentials, so she decided to go to her job agency's office to sort it out. However, Anne's budget was so tight that she didn't have any money to top up her opal card, but she was desperate so decided to catch the train anyway. She was caught at Liverpool station and fined over \$400.

Upon arrival, the job agency initially refused to see her and told her to come back the next day. Anne knew that if she left she risked getting another fine and she wouldn't be able to buy any food till her payments were resumed. With the help of one of our lawyers she ended up getting an appointment that afternoon, and the suspension was lifted. However the money did not clear in time to add credit to her opal card and she received a further \$200 fine on the way home.

Anne now has a \$600 debt, with no savings to draw from, and says she'll have to cut back from 2 meals a day to just 1 meal a day for the next few months in order to pay it off.

⁸ The budgets were conservative. All grocery prices were based on the cheapest of the major stores, most of the budgets did not include a car, people only had their hair cut once a quarter, and housing costs were based on the lowest quartile of rents in the three cities where most people live: Sydney, Melbourne and Brisbane.

⁹ 'Mean-spirited penny pinching': Government revives plan to extend wait for Newstart', Sydney Morning Herald, 21 September 2019.

14. Unfortunately cases like Anne's are all too common. People living on Newstart face a variety of risks due to the inadequacy of the payment. For the purposes of this submission, we have chosen to highlight just a few of these risks below.

Housing stress and homelessness

15. More and more people are being squeezed out of their homes because Newstart hasn't kept up with the price of rentals.
16. Since the last real raise to Newstart, the median cost of private rentals has increased 166% from \$139 to \$370 per week, with the median rent in the capital cities being even higher at \$465.¹⁰ A study this year found only 2 properties listed for rental across Australia to be affordable for single people on Newstart.¹¹ None of them were in the capital cities, making it harder for people searching for paid work to live in the capital cities where most of the jobs are. This was the case for Bart:

Bart is in his 50s and hasn't had a full-time job in over three years due to injuring his back from decades spent as a labourer. His Newstart payments weren't enough for him to rent a room in Sydney, so he moved to the South Coast of NSW where he currently lives in a tent within a caravan park - which is all he can afford after other necessary expenses.

Bart is looking for work but there aren't many jobs in the area and his bad back means he can't do any labouring.

17. Many people sacrifice other basics like food and medication just to pay their rent, and, when they're unable to, many are forced into homelessness. It is no coincidence that the rate of people on Newstart accessing homelessness services has risen by 75% over six years, while non-recipients seeking such services has only grown by 28% over that time.¹² The case of Michaelia illustrates this point:

Michaelia is 59 years old and facing eviction from her Canberra home. She has been solely dependent on Newstart since her husband left her 6 months ago, and it's not enough to cover the rent of her small home.

For a while she managed by not paying her utility bills, but she is now in significant rental arrears and faces homelessness due to limited affordable housing options for people her age.

18. Homelessness can put people's lives on a downward spiral of hardship from which they never recover.

¹⁰ 'Clear connection between homelessness and inadequate Newstart payments, says Homelessness Australia', Homelessness Australia, August 2019.

¹¹ Anglicare Australia (2019) *Rental Affordability Snapshot*.

¹² Homelessness Australia (2019) 'Clear connection between homelessness and inadequate Newstart payments, says Homelessness Australia' Media Release, 29 August 2019

Negative Health Outcomes

19. Being forced to live on the current rate of Newstart can have devastating consequences for people's health. Those on Newstart are six times more likely to face poor health outcomes and suffer increased prevalence of diseases across multiple categories, are twice as likely to be hospitalised, and have a higher rate of mental illness.¹³
20. Being unable to afford healthy food, adequate medications, a healthy living environment, and the mental impacts of financial distress are all leading factors. This is what happened to Christian:

Christian is in his early 60s and has been struggling to live with diabetes on Newstart for 2 years. He regularly splits his diabetes tablets in half to make them last longer, as he can't afford to buy them every few weeks. His doctor tells him he has to take the full dose or he risks having serious complications, but Christian is afraid that if he spends that much money he won't have enough left over to buy his weekly groceries.

He knows he should listen to his doctor but doesn't see the point in taking medication if he's not going to have anything to eat.

21. Many health experts have called for an increase to Newstart, including the Australian Medical Association.¹⁴ Professor Alex Collie, who studied the health outcomes for those on Newstart, claimed that an increase to the rate of Newstart could have a positive impact on health outcomes by allowing people to access essentials like food and safe housing.

Domestic Violence

22. For people trying to escape domestic and family violence, adequate income support payments are critical. Financial challenges are a key reason why survivors stay in abusive relationships, with many abusers controlling the financial resources within the relationship.¹⁵
23. People whose sole income is Centrelink payments often have no savings and no way to leave a violent home and set up a new one.¹⁶ The low rate of Newstart makes it very difficult for people to save enough money to cover a housing bond, rental payments, furniture and other associated costs of leaving. The low rate can also cause social isolation that means survivors don't have the necessary support networks to rely on to help them leave abusive relationships.

¹³ 'The Health of Disability Support Pension and Newstart Allowance Recipients' (2019), Monash University.

¹⁴ 'Jobless suffer significant stress: doctors', Canberra Times, 24 July 2019.

¹⁵ 'Domestic violence, social security, and the couple rule' (2019) ANROWS.

¹⁶ 'How well does Australia's social security system support victims of family and domestic violence?' (2019), The National Social Security Rights Network.

24. Even if they are able to leave, as discussed, maintaining a home on Newstart is nearly impossible and this causes many to return to abusive relationships.¹⁷
25. These concerns are exacerbated by the fact that the 'couples rule' means that survivors receive a lower level of payment while they are in an abusive relationship, even further limiting their ability to save up enough money. This is despite the fact that survivors will often not have access to their partner's income or assets or, in other words, they will not enjoy the benefits of a joint income. In this context reports that Centrelink are using evidence of domestic violence as proof of the relationship in order to reduce a person's payments is particularly alarming.¹⁸
26. The lower rate of Newstart means that when a person escaping violence while receiving Newstart successfully claims Crisis Payment, they will receive a lower amount than someone escaping violence who receives a pension. However, the costs involved in leaving and establishing a safe home during a domestic violence crisis are the same in both cases. The person on Newstart is just in a worse financial position.
27. Newstart should be helping people affected by violence get to safety and start rebuilding their lives, not serving to trap them in abusive environments.

Negative impacts on job seeking

28. Newstart fails to provide people with sufficient support in enabling them to look for a new job. The low rate of Newstart doesn't cover many of the expenses associated with searching for paid work - such as transport and child care.
29. Many of the previous issues, such a risks of homelessness and poor health outcomes, further negatively impact and compound to prevent people being able to find paid work. The significant amounts of time and mental energy that go into meeting the basic requirements of life mean many find it hard to escape the cycle of poverty. It is hard to find work when you're barely able to keep yourself fed or are unable to afford your full dose of pain medications.
30. This was the experience of Mick:

Mick is a 43 year old man who has been receiving Newstart since he was made redundant four years ago. As a single parent to a 14 year old son, he finds it extremely difficult to cover all of his basic household expenses. This often means Mick runs out of money in the second week of his fortnightly payment period. During this time Mick has no money for public transport, meaning he can't go to job interviews that aren't within walking distance of his home. He also often can't afford to top up the credit on his phone, which makes it hard for him to engage with

¹⁷ 'How well does Australia's social security system support victims of family and domestic violence?' (2019), The National Social Security Rights Network.

¹⁸ 'Domestic violence, social security, and the couple rule' (2019) ANROWS.

employers and job search providers - which sometimes even leads to his Newstart payments being suspended, only increasing his hardship and making it even harder for him to pay for the associated costs of job hunting.

31. All these factors, and many others, do not happen in isolation from each other - rather they compound to create a downward spiral of financial hardship that makes it nearly impossible for people to escape a cycle of entrenched poverty.
32. Our services, like many community services, can't keep up with the ever increasing demand for assistance due to the low payments.
33. Instead of making life harder for people, including older people who are facing age discrimination, younger people trying to get their foot in the door, and single mothers juggling caring responsibilities, we should be supporting them to get through tough times and into suitable employment by raising Newstart.
34. To eliminate this \$96 'gap' between the rate of Newstart and the basic cost of living, **we recommend the Government immediate raise Newstart by at least \$75 and increase Rent Assistance payments by 30%.**¹⁹

The changing reality of Newstart

35. Newstart was originally designed as a short term payment for people going through a temporary period of unemployment. However, the changing nature of the economy has meant that most people receiving Newstart are now experiencing long term unemployment - with 76.5% of those on Newstart having received the payment for over a year, and the average person having been on the payment for three years.²⁰
36. There are simply not enough jobs for those people on Newstart who are able to work, with 19 applicants for every available job in Australia.²¹ This is even before we consider the difficulties people will face in obtaining certain jobs due barriers such as a lack of qualifications, disabilities, age discrimination, caring commitments, and geography. Many of the jobs that do exist are not practically available to those people on Newstart.
37. The special harm here is that as people have come to depend on Newstart payments for longer periods of time, the profile of those receiving the payment has become more socially disadvantaged. As of December 2018, 27% had a disability or illness, 49.5% were over 45 years old, 15% were single parents, 11% were Aboriginal or Torres Strait Islander people, and 20% came from culturally and linguistically diverse backgrounds.²² Many of

¹⁹ We note the UNSW Budget Standards and \$96 'gap' have not been indexed or revised since July 2016. It would be larger if the budget were based on current prices, and thus the proposed \$75 per week increase is the bare minimum increase urgently needed to assist those on Newstart. A more comprehensive analysis of the current day costs of living should be undertaken after this initial raise to the rate.

²⁰ Department of Social Services, *DSS Payment Demographics Data (2018)*; 'Are most people on the Newstart unemployment benefit for a short or long time?', Professor Peter Whiteford, 24 July 2019, *The Conversation*.

²¹ Department of Employment, Skills and Small and Family Business (2019), *2018 survey of employer's recruitment experiences*.

²² Department of Social Services, *DSS Payment Demographics Data (2018)*

these groups face higher daily costs or increased risk factors due to the structural disadvantages they face within our society.

38. This issue is exacerbated by the growing gap between Newstart and other pension payments, especially at a time when increasing numbers of people are being pushed from the higher pension payments onto the much lower Newstart allowance.
39. The discrepancy is in large part due to the different ways by which the two types of payments are indexed.²³ Newstart is only indexed to movements in the consumer price index, while pensions are indexed to two different consumer price indices and wage movements. This means that those receiving the pension share in the growth of the economy and rises in living standards, while those on Newstart are unable to keep up with rising costs.
40. This helps explain why financial stress has surged among Newstart recipients, increasing from 50% in 2003 to 65% in 2015, despite financial stress across households generally falling by 1.3% over the same period.²⁴
41. In order to prevent people on Newstart from continuing to fall behind community living standards, **we recommend that Newstart be indexed twice per year to wage levels and the consumer price index.**

Impacts on specific groups

42. While the inadequate rate of Newstart makes it difficult for everyone who is dependent on it to live a healthy life, it also disproportionately impacts specific groups in unique ways.
43. For the purposes of this submission, we are focussing groups of people who previously would have had access to pension payments but are currently being forced to live on Newstart: those living with a disability, parents, and the elderly.

People living with disability

44. As of April 2019, 1 in 4 people receiving Newstart were living with a disability.²⁵ One of those people is Merissa:

Merissa was receiving the Disability Support Pension ('DSP') for several years until Centrelink deemed she did not meet new stricter eligibility criteria, and put her on Newstart. Merissa has chronic depression, chronic fatigue, and an autoimmune

²³ This inequity was further exacerbated by the exclusion of allowances from the 2009 \$32.50 per week increase in single pension rates, following the Pension Review.

²⁴ 'Newstart and other Government Allowances: Incomes, Financial Stress and Poverty' (2019), ANU Centre for Social Research and Methods.

²⁵ Department of Social Services, DSS Payment Demographics Data (2018)

disorder, that have all meant she hasn't been able to work for nearly seventeen years.

In order to keep receiving Newstart payments, Merissa is forced to comply with a job plan that has her looking for work of 15 hours or more each week. Merissa knows she cannot work that much, and feels as if they bullying her into work that she is not capable of doing. She is extremely exhausted, depressed, and in constant pain. The whole process is only making her condition worse, and she has found herself struggling physically and psychologically more and more.

45. Changes to the DSP eligibility and assessment criteria over the last two decades has severely restricted access to the pension payment. This has led to a growing cohort of people like Merissa, who are living with a disability, being forced onto Newstart - which was never designed to meet the needs of people living with long term disabilities.
46. The rate of Newstart isn't enough for people with disabilities to meet the higher costs of living associated with their conditions, such as specialist appointments, medication, and aids. Many people are forced to choose between vital medication or care, and paying their electricity bills. That was the exact choice faced by Jamal:

Jamal is a 41 year old man trying to live on Newstart. He has severe mental illness and has been experiencing suicidal thoughts. The income he receives from Newstart isn't enough to meet the costs of his medical expenses, which causes him further distress.

He knows that if he can save enough money to pay for specialist medical reports, he could apply for the DSP again - but saving any money is not a real option. He regularly runs out of money and has to skip meals to get by. Whenever he receives an electricity bill, he has to not buy his medication for that fortnight because he can't afford to pay for both.

47. The extra costs of living with a disability are simply not catered for by Newstart, and the lived reality for many people like Jamal is that not meeting the strict criteria for the DSP does not make these costs any less. People living with a disability on Newstart often have very similar, if not the same, high medical costs associated with managing and treating their conditions. But those on Newstart have to try to meet these costs with roughly \$300 less per fortnight.
48. For people with mental health issues, the low rate of Newstart prevents them for seeking early intervention, prioritising appropriate treatment, and obtaining vital medication. Many are unable to see specialists who do not bulk bill, and are unable to access psychological services for more than the 10 sessions a year that Medicare provides for.

49. People living with disabilities also face greater difficulties in finding paid work,²⁶ and are likely to be on income support payments for a longer period of time. Many even struggle to meet the strict work requirements of Newstart due to their disability, but are ineligible for a medical exemption because their condition is permanent. This was the situation that Beryl found herself in:

Beryl was a 32 year old woman living with severe mental and physical disabilities, who was a survivor of domestic violence.

She was struggling to survive and treat her disabilities while on Newstart, and found the job search requirements too much. She was eventually hospitalised, but even this wasn't enough for her to be granted an exemption from her job search requirements, and her payments were suspended.

Our member centre assisted Beryl in successfully appealing this decision to the AAT, but the entire process took over a year to resolve and came at the cost of Beryl's mental health that had significantly worsened during that time.

She is still on Newstart and unable to properly meet the treatment needs of her disabilities.

50. The current arrangement leaves people like Beryl in limbo, unable to access the DSP but unable to meet their basic needs while on Newstart. Many of them face poor health outcomes as a result, worsening their conditions and further entrenching them into cycles of poverty.²⁷

The elderly

51. Elderly people over the age of 55 are the fastest growing cohort of people on Newstart, and now make up 1 in 4 of all people receiving the payment. The increasing age of the Age Pension means this cohort are being forced to survive on Newstart for years before receiving the much higher pension payment.
52. Age discrimination and health concerns mean there are very limited job opportunities for this cohort, but they are still required to undertake excessive amount of job seeking activity like everybody else. This leaves many older people extremely stressed when they find it difficult to comply due to capacity, illness or impairment, as they are completely reliant on Newstart to live.
53. Elderly people also face increased health and medical costs associated with old age, but receive only the basic rate of Newstart that is insufficient to cover these costs. This is acutely felt by those elderly people with disabilities, for whom the combination of barriers

²⁶ Whether it be accessibility needs, discrimination, or limited capacity, people with disabilities are less likely to find full time employment.

²⁷ 'The Health of Disability Support Pension and Newstart Allowance Recipients' (2019), Monash University.

faced by the two cohorts described above make them one of the most disadvantaged groups of people living on Newstart. Jack is one of the people in this cohort:

Jack was an elderly client just short of the Age Pension age, with numerous mental and physical disabilities. He was rejected from the DSP and was struggling to survive on Newstart.

The closest job service provider was very far away, and Jack found himself using a large portion of his Newstart payments on petrol to travel to and from his appointments. This left very little for other essentials like medication or food, which he often had to go without.

The financial stress was severely detrimental to Jack's mental health, and he eventually became suicidal.

Fortunately, Jack soon reached Age Pension age and was quickly moved onto the higher payment. He is now able to afford his medication, food and other essential provisions which have greatly improved his mental health.

54. The reality is that an elderly person's cost of living doesn't suddenly get higher when they reach age pension age. Many people over the age of 55 have the exact same costs, but are forced to try to live off of roughly \$26 a day less on Newstart for many years.

Single Parents

55. The poverty rate for unemployed single parents is 59%, compared to just 38% for all unemployed people.²⁸ Changes to the Parenting Payment have meant that income support for single parents arbitrarily drops by \$89 per week when their youngest child reaches the age of eight, and they are forced onto Newstart.
56. This is despite overwhelming evidence that the costs of raising a young child increases as they get older. This is particularly the case for single parents for whom there are extra costs to raising a child, due to a combination of diseconomies of scale and time constraints.²⁹ This was the experience of Clodagh:

Clodagh is a single parent with three children over the age of eight. They live in a tiny 2 room apartment, where she shares a bedroom with her youngest daughter. The apartment is damaged but the landlord has threatened to evict her if she requests repairs, and Clodagh cannot afford to pay for them herself.

Since being forced onto Newstart, Clodagh has struggled to meet the costs of basic essentials for her and her children. She is often forced to rely on emergency aid

²⁸ Poverty in Australia (2018) ACOSS.

²⁹ Saunders, P & Bedford M (2017), New Minimum Income for Healthy Living Budget Standards for Low-Paid and Unemployed Australians. Social Policy Research Centre, UNSW Sydney.

and food vouchers to ensure her kids are properly fed - often going without food herself to make sure her children have enough.

Her children often miss out on social activities because she cannot afford them. Her children feel the social stress of not being able to do the things that the other kids can do. Her eldest daughter is beginning to feel socially isolated, complaining that she can't have friends over because their apartment is so badly damaged.

57. Many parents like Clodagh sacrifice their own living standards to ensure their children do not miss out on essentials, but this can lead to poor health outcomes and affect their ability to find a job in the long run. These negative outcomes are then passed on to their children through loss of opportunities.
58. The assumption behind forcing parents onto Newstart is that once a child is eight, parents are able to return to work. However, many single parents still struggle to find appropriate family-friendly work that would allow them to meet the caring needs of their children. The age of the child does not affect the lack of suitable job opportunities for single parents.
59. In order to ensure that single parents have sufficient income to meet the costs of raising a child, **the Family Tax Benefit should be increased for single parents with older children, and single parents on Newstart should receive the same minimum \$75 increase as single people without children.**

Keep payments as cash payments

60. Any increase in Newstart should not be tied to the use of cashless debit cards or other forms of income management.
61. Research shows that income management has a negative impact on the health and wellbeing of communities. In the Northern Territory it even adversely impacted on the birth weight of children³⁰ and school attendance rates.³¹ We further note that income management schemes in Australia disproportionately target Indigenous communities, with an overwhelming 79% of people on income management being Indigenous.³²
62. There is no reliable evidence that cashless payments are effective in achieving their purpose of reduced incidences of addiction,³³ and the Australian Government has also acknowledged that voluntary income quarantining delivers better results than compulsory quarantining.³⁴ The entire proposal is based on the flawed assumption that people

³⁰ Recent research has shown that that "restricting welfare payments reduced birthweight by over 100 grams and increased the probability of low birthweight by around 30 percent." Mary-Alice Doyle, Stefanie Schurer, Sven Silburn, 'Do Welfare Restrictions Improve Child Health? Estimating the Causal Impact of Income Management in the Northern Territory', (Report No 2017-23, ARC Centre of Excellence for Children and Families over the Life Course), December 2017.

³¹ Isabella Higgins and Bridget Brennan, 'School attendance, birthweight fell during Northern Territory intervention rollout, study finds', ABC News (Online), 8 December 2017 <<http://www.abc.net.au/news/2017-12-08/school-attendance-birthweight-fell-during-nt-intervention-study/9238544>>.

³² Department of Social Services, Income Management and Cashless Debit Card Summary (25 August 2017)

³³ Australian National Audit Office (2018) The Implementation and Performance of the Cashless Debit Card Trial' 17 July 2018.

³⁴ The Australian Government (2018) 'Concluding observations on the fifth periodic report of Australia: Information received from Australia on follow-up to the concluding observations', Committee on Economic, Social and Cultural Rights, 21 December 2018.

receiving income support are doing so because of poor financial management skills and addiction, rather than because of a lack of resources or systems of disadvantage.

63. Individual people are best placed to make decisions about their own budgets, particularly when resources are limited. Cashless payments can even limit a person's ability to access savings by not allowing them to purchase goods at markets or stores without EFTPOS facilities.
64. We consider cashless payments to be stigmatizing, impractical and unproven. **The committee should reject any notion of tying an increase to Newstart to the cashless debit card or income quarantining.**

Contact for this submission

The NSSRN would welcome the opportunity to provide further feedback to the Committee on our submission.

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