

**MEDIA RELEASE: Coalition Plans To Extend Income Management Ignore The Dismal Track-Record Of The Policy**

Further Information: Pas Forgione, Coordinator, SIMPla (Stop Income Management in Playford), on 0411 587 663.

Reports that the Coalition is planning to fund major expansions of Income Management as part of the 2014 Federal Budget (*The Australian*, October 1st) are deeply alarming.

Despite six years of Income Management operating in the NT, there remains no compelling, solid data that the policy improves the financial-management skills or well-being of welfare recipients.

The Commonwealth Parliamentary Library's 2012 paper on Income Management concluded that there is 'an absence of adequate data relating to the effectiveness or otherwise of Income Management' and that benefits of the policy are 'fragile and uneven'.

The Equality and Rights Alliance's 2011 report into Income Management found 85 percent of surveyed women on income management had not changed what they purchased, 79 percent wanted to leave the scheme, and 74 percent felt discriminated against.

Income Management is not only ineffective but expensive. The report of the Australian National Audit Office into Income Management, released earlier this year, found the scheme costs between \$6600-\$7900 per person, per annum, to administer in the NT. Estimates for the five trial sites vary between \$4000-\$5000.

We fear that Income Management will have unintended consequences for the most at-risk members of our community, like those who are homeless or at-risk of homelessness, and victims of domestic violence, who we fear will avoid accessing emergency services from Centrelink for fearing of being deemed 'vulnerable' and forced onto Income Management.

Income Management should be scrapped, with funds diverted towards positive programs that build the capacities and skills of struggling individuals.

Community services like anti-addiction programs, financial and personal counselling, nutrition education, support programs for young mothers, and other well-designed services are far more likely to empower people and transform their lives over the long-term than the humiliating and punitive Income Management.

If the Coalition wanted to improve the well-being of welfare recipients and their children, it should immediately raise the Newstart Allowance, which is extremely inadequate and has not been raised in real terms since 1994, and restore Parenting Payment to all sole-parents with children under 18.

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