



Ngaanyatjarra Pitjantjatjara Yankunytjatjara Council (Aboriginal Corporation)

Position Statement on Income Management (IM)

Date: May 2012

General Principles

NPY Women's Council supports income management (IM) as an initiative to increase financial security and reduce financial abuse, humbug and violence overall. Members also see the benefit of helping people through IM who have problems with substance addictions to ensure a portion of their income is spent on basic necessities.

Importantly members see IM as a tool to help people to budget their money, and to ensure that there is enough money for basic household items between pay days.

NPYWC accepts that Government payment to individuals is conditional. One condition for example is an expectation that Centrelink benefits to parents are spent on food and clothing for kids. So if it is shown that a person is not spending the kids' money in the proper way, and it continues to happen over a reasonable period of time, NPYWC understands and accepts that Government will become more involved in the lives of such families to ensure that the kids are not missing out.

Members acknowledge that a lot of women already access the provision of Centrepay to budget their payments eg. to pay bills and save up for special occasions such as Christmas holidays, so in this sense people have already started voluntarily seeking support to manage their income.

Employment

Ultimately, access to jobs is a priority for people living in remote communities to increase their financial security. NPY Women's Council urges Government and others to continue working to create jobs locally so that employment opportunities are available to all people.

People on Wages

Anangu and Yarnangu on salaries need support as well. If workers' incomes disappear quickly because of humbug or financial abuse, it can create a disincentive for people to continue working.

A Model of Income Management

When IM was first rolled out in the Northern Territory, compulsory IM was applied. At the time NPY Women's Council accepted and supported the reasoning of this approach to address issues such as humbug and to limit government benefits being used to purchase goods such as alcohol.

Since 2007 Directors have considered the application of IM and agreed that it makes sense to apply IM as one component in an overall package that aims to improve the health and wellbeing of families in our region.

When to apply income management (IM) to Centrelink Payments

- Overall, NPYWC members would prefer that the roll-out of IM be done on a voluntary basis so that individuals 'opt-in'.
- However, if there are serious concerns that are verified about child protection, or risk to vulnerable people such as the aged or disabled, then the majority of members agree that IM should be applied immediately. Members are concerned about children who miss out on food and clothing and agree that children need to be protected and supported.
- Given Anangu and Yarnangu live as an extended family unit (not nuclear families), members support an approach that gives families an option of referring another family member to IM, but with agreed family and or community support. If a person is struggling to manage their income because he or she is spending the majority of it on alcohol, cigarettes, gambling and or gunja, and they are relying on other family members to buy them food, clothes, fuel, phone cards etc, it is reasonable for that person to develop skills/knowledge to reduce financial dependence on other family members through compulsory IM. Members agree that with this component, relevant family members should be invited to confirm information before IM is applied to ensure a person is not unnecessarily or incorrectly penalised.
- There is little support at this time from NPYWC members for the introduction of IM as a means to improving school attendance. NPYWC has a view that reasons for low attendance are complex and that a sustainable solution requires broader strategies.