

15 March 2019

Committee Chair
House of Representatives Standing Committee on Social Policy and Legal Affairs
Parliament House
CANBERRA ACT 2600

By email: spla.reps@aph.gov.au

Dear Committee Chair

Submission to the Review into the Social Security Commission Bill 2018 (Cth)

The Social Security Commission Bill 2018 (**the Bill**) would establish a Commission to provide independent, evidence-based advice to Government about the minimum levels of social security payments required to ensure that every person in Australia has an income that allows them to live with dignity.¹

We should all have an equal opportunity to live our best lives

Social security is about sharing our national prosperity fairly to make sure that no individual or family is trapped in grinding poverty. It is a fundamental human right.

Successive governments have, however, let some of the most powerless members of our community down. They have done this by implementing policies that have allowed the wealthy to get richer, while refusing to increase social security payments to a level that would allow people going through hard times to take back control of their lives.² Further, Governments have created increasingly rigid and punitive rules that are causing severe financial and emotional stress for families.³ Nowhere is this starker than in remote Aboriginal and Torres Strait Islander communities.

In remote communities, under the Government's racially discriminatory Community Development Program (**CDP**), hunger, mental illness, sleep deprivation, survival crime and family violence have all increased.⁴ CDP has strangled opportunities in remote communities, replacing waged work opportunities with a demeaning 'work for the dole' program under which participants receive a meagre social security payment, plus a small Remote Area Allowance, which in many cases represents barely half the national minimum wage.⁵

Alarming, according to 2016 Census data, poverty in remote communities has grown, as has the gap in poverty rates between urban and remote communities.⁶

¹ Explanatory Memorandum and Statement of Compatibility, Social Security Commission Bill 2018 (Cth).

² See Australian Council of Social Services, *Raise the Rate Briefing Note* (2018).

³ In relation to CDP, see Commonwealth of Australia, *The many pathways of the Community Development Programme – Summary report of community voices and stakeholder perspectives from eight communities* (2018). In relation to ParentsNext, see Luke Henriques-Gomes, 'Welfare program has devastating impact on single parents, inquiry told' (The Guardian, 27 February 2019).

⁴ Commonwealth of Australia, *The many pathways of the Community Development Programme – Summary report of community voices and stakeholder perspectives from eight communities* (2018).

⁵ See Human Rights Law Centre, *Submission: a fair and community-led approach to remote community and economic development* ([Submission](#) to Inquiry to the Senate Standing Committees on Finance and Public Administration, 23 June 2017).

⁶ Francis Markham and Nicholas Biddle, *Income, poverty and inequality* (CAEPR 2016 Census Paper No 2, Centre for Aboriginal Economic Policy Research, Australian National University, 2018).

Endorsement of the submission of Aboriginal Peak Organisations NT (APO NT)

The submission of APO NT to this inquiry expresses growing concern over the inadequacy of social security payments, including Newstart, Youth Allowance and the Remote Area Allowance. APO NT notes that, as a result of “failed and discriminatory government policies of the past, which have failed to address the shortage of decent job opportunities in remote communities, social security is the only form of income available to many people in remote Aboriginal and Torres Strait Islander communities.” CDP appears to have aggravated this situation.

The submission of APO NT is important because it highlights the high costs of living in the Northern Territory, both in urban and remote communities, and the acute and unfair poverty burden shouldered by Aboriginal and Torres Strait Islander people. As APO NT states:

“The growing poverty and income inequality faced by Aboriginal households, particularly those in the Northern Territory, is not a coincidence. It is the result of historically racist decision-making by successive governments, the effects of which are further entrenched by contemporary local, territory and federal governments’ social and economic decision-making...”

The Commonwealth Government has increasingly been applying paternalistic and onerous compliance measures to social security payments, despite there being little to no evidence that these measures- including policies such as Work for the Dole, compulsory drug testing, and welfare quarantining- actually help people to improve their life circumstances or to move out of the welfare system. The reality is that these measures reduce an individual’s ability to exercise autonomy and self-determination which in turn has a negative impact on a person’s health and wellbeing.”

APO NT recommends that the Commission:

- review the compliance measures that are attached to social security payments, as well as the level of the payments themselves, and that this be made an explicit requirement under section 11(2) of the Bill; and
- review the Remote Area Allowance and recommend that it be increased to more adequately compensate for the higher cost of living in remote and very remote areas in Australia.

The Human Rights Law Centre **supports the Bill** and **endorses these recommendations of APO NT**.

We emphasise that raising the rate of payments will not be enough if discriminatory and punitive conditions continue to be imposed on people receiving social security, through programs like CDP and ParentsNext. The Bill should expressly provide, therefore, for the Commission to advise on the human rights compatibility and effectiveness of social security measures to ensure the fair distribution of social security.

Additionally, we note that **there are steps that can, and should, be immediately taken** by the Government to alleviate poverty around Australia, including in remote communities. These include:

- increasing the base rate of a range of single payments, including Newstart Allowance, Widow Allowance, Sickness Allowance, Special Benefit and Crisis Payment, as well as single people receiving Austudy and Abstudy Payments and Youth Allowance;⁷
- abolishing CDP and replacing it with fair Aboriginal-led models, such as the *Fair Work and Strong Communities: Remote Development and Employment Scheme*⁸, consistent with the UN *Declaration on the Rights of Indigenous Peoples*.

Contact

Please contact Adrienne Walters, Senior Lawyer, at adrienne.walters@hrlc.org.au or on 0432 049 383 should you have any questions in relation to this submission.

⁷ ACOSS *Budget Priorities Statement: Federal Budget 2018-19* (2018).

⁸ Aboriginal Peak Organisations NT, *Fair Work and Strong Communities: Proposal for Remote Development and Employment Scheme* (May 2017).

Sincerely,

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