

Families Australia
Comments on the Australian Government's welfare payment proposal

This paper outlines the Australian Government's November 2006 welfare payment proposal and provides views by Families Australia, based on consultations with Families Australia Members.

The proposal

On 23 November 2006, the Australian Government Minister for Families, Community Services and Indigenous Affairs, the Hon. Mal Brough MP, announced an Australian Government proposal to introduce provisions to allow for a proportion of welfare payments to be diverted to directly pay for children's needs in certain cases. Minister Brough stated that there are "children that are not being appropriately fed, clothed or housed [and]...the reality is, these children are often in families where drug and alcohol abuse is occurring or where gambling addictions have stripped the family of cash required to support their children" (speech, 23 November 2006).

Comment

Families Australia has consulted its Members about the proposal and received a significant number of responses from national, State and local organisations, as well as individuals. Respondents were predominantly those working in the fields of child protection, family support services, early intervention programs, children's services, social work, and family general medical practice. A summary of those responses is set out on pages 2-4, below.

Families Australia views the proposal against the background of its belief that all Australian children, without exception, need to be protected from harm and provided with the best possible conditions in order to grow, thrive and reach their potential. This is best achieved by adequately resourced, integrated national, community, neighbourhood and family strengthening approaches and services to assist particularly vulnerable families and individuals. Specifically, we consider that:

- Further detailed consideration of the proposal should focus on:
 - the relationship between this and complementary measures designed to build and protect the capacity of vulnerable families to provide for their children and better manage their affairs;
 - the efficacy of the proposed measure to produce the desired outcomes relative to the likely benefits arising from additional support for existing evidence-based policy measures such as in drug, alcohol and gambling programs; and
 - opportunities to expand existing voluntary schemes.
- Should the proposal proceed, it is highly desirable that it be done so in tandem with complementary family and individual support measures in areas such as financial planning. It is suggested that this work be informed by the high level principles, standards and processes which were endorsed at the June 2006 National Child Protection Forum and elaborated in the subsequent government, research and community sector working group deliberations for a National Child Protection

Strategy. Careful consideration should also be given to the range of items to be included and excluded from a direct debit arrangement.

- The parameters of the program should be carefully mapped in terms of issues such as thresholds for entry and exit of the system, privacy, and safeguards to prevent unintended consequences and misuse.

Background

There was a wide measure of agreement amongst Families Australia's respondents that vulnerable families should receive additional help, and that additional ways should be found to address the problems of gambling, substance abuse, and child abuse and neglect. There was also a wide range of views about the merits of the specific proposal as an additional resource to tackle these problems.

Those who favoured the proposal saw the measure as an added way of helping children's interests and needs to be met. One respondent from a national children's service organisation stated, "this is about the Rights of the Child – Australia is a signatory to the Convention and it seems to me this is one way of ensuring children are living in a relatively safe environment". Another national organisation, in referring to the number of substantiated cases of child abuse, stated: "Any initiative which puts the welfare of these children ahead of concerns for the rights of adults who are perpetrators of this abuse and neglect, is to be supported".

One social worker stated, "if the non-mandatory withholding were made mandatory only for families and individuals, assisted and supported by professionally trained case managers and only for the direct debit of rent and other utilities, it would not be too "paternal" and would greatly assist in ensuring some families would be able to stay together". Another respondent stated, "food in a child's stomach today is certainly addressing that child's immediate hunger from not having been fed yesterday or today. By only taking a longer term systemic approach it is not doing anything to address the issue of the starving, neglected or abused child right now."

A variety of viewpoints were, however, expressed on the likely effectiveness of the proposed measure, and several suggestions were advanced. Many respondents pointed out that gambling and substance abuse were complex problems which required multifaceted and integrated solutions, with long and shorter term dimensions, if people were to be assisted through difficult periods. Solutions required careful judgement, taking into account research and learnings from existing programs in the areas of gambling addiction, alcohol and other drug abuse, child welfare and protection, housing, and personal support.

One respondent stated, "there are significant links between poverty, mental health and substance abuse. Currently across the country there are poorly developed mental health services especially for families and very few substance abuse programs that cater for families and do not require mothers to separate from their children for long periods at a

time. Thus, I believe that the Federal Government would be best to look at investing in the health and drug and alcohol service system to really make an impact on these issues.”

The large number of respondents called for substantial additional resources to be applied to existing programs in areas such as counselling, parenting, health and child care, rehabilitation, and training. Several respondents urged governments to implement broadly-based strategies to support families at risk. These might include, for example, new and additional funding for the engagement of family support workers to assist families to address financial management, enhanced access to employment, education and training, enhanced access to services for children such as child care, tutoring and counselling, and increased research and investment in drug and alcohol treatment and rehabilitation programs.

Several respondents raised concerns and questions about the implementation of the proposed measures. Key questions requiring clarity were: Who would be responsible for deciding which families were affected by the measure? What standards would be employed to decide who was included and excluded? What would be the rules concerning graduation out of the new system? How would people be assisted to graduate out of the system? Would other programs be put in place in parallel with the payment measures, such as financial management and planning assistance, targeted drug, alcohol and gambling programs? What reporting measures would government introduce to measure the success of this proposal? Are there available benchmarks, or would government introduce benchmarks to determine what improvements have been achieved through the proposal? What safeguards could be put in place to ensure that food obtained under the measure will not be traded for alcohol or drugs?

Some respondents suggested that the number of items which are paid for by direct debit be limited. One suggested that the intervention should apply only to housing costs; another suggested it apply to utilities and not to food.

Other respondents suggested that the intervention should only be implemented in the context of an overall strategy to support the family and only for a limited period whilst intensive intervention occurred. A General Practitioner suggested that the measure could be implemented in tandem with supports for families in the areas of nutritional guidance as well as financial planning help. It was suggested that the CentrePay system be expanded for parents wanting to manage their money better.

Some respondents expressed concerns that an externally-imposed measure could fuel resentments within families and further reduce self-esteem amongst vulnerable parents; this could operate counter to the long-term wellbeing of families and individuals and the purposes of the proposed measure. A respondent stated, “we know already that those subsisting on welfare benefits often experience depression and other mental illness...By taking control of these matters out of the hands of these individuals, the government would be removing their autonomy and encouraging further dependency on the welfare system. While these measures might ensure that the immediate needs of children are met, if their parents are not supported to develop skills in effective living how can we possibly

hope their children will learn such skills?” Another respondent stated that the proposal “does nothing to address the issues of addiction and social marginalisation so is unlikely to impact on these factors, and has the potential to reinforce the sense of stigma and helplessness of families. It is inconsistent with policy approaches and practice knowledge about effective approaches to working with disadvantaged/troubled families”.

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