



Economic and Social Council

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Committee on Economic, Social and Cultural Rights

Concluding observations on the fifth periodic report of Australia

Addendum


Information received from Australia on follow-up to the concluding observations*

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* The present document is being issued without formal editing.

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Response to concluding observation 16 (b)

1. Australia is committed to working with Indigenous leaders and communities to support Indigenous ownership, enable true partnerships with Government, and recognize the diversity of cultures and circumstances of Indigenous Australians. Australia is advancing its engagement and partnership with Aboriginal and Torres Strait Islander people to support, protect and realize their rights through policies and programmes such as Native Title, the Indigenous Procurement Program, the Indigenous Business Sector Strategy and Empowered Communities.

2. The Australian Government and the Governments of Australia's States and Territories are investing significant effort in refreshing the Closing the Gap agenda, including increased collaboration and accountability and building a stronger evidence base to measure success and improve policies and programmes. Consultations with Indigenous people on the refresh and Closing the Gap targets took place throughout 2018 and the outcomes of these consultations were considered by the Council of Australian Governments (COAG) on 12 December 2018 [Note: COAG is the peak intergovernmental forum in Australia. Its members are the Prime Minister of Australia, the Premiers and Chief Ministers of Australia's eight States and Territories and the President of the Australian Local Government Association. COAG usually meets twice a year to manage matters of national significance or matters that need coordinated action by all Australian Governments]. COAG recognizes that in order to effect real change, governments must work collaboratively and in genuine, formal partnership with Aboriginal and Torres Strait Islander peoples – as they are the essential agents of change. This formal partnership must be based on mutual respect between parties and an acceptance that direct engagement and negotiation is the preferred pathway to productive and effective agreements. Aboriginal and Torres Strait Islander peoples must play an integral part in the making of the decisions that affect their lives – this is critical to closing the gap.

3. At its December 2018 meeting, COAG agreed to draft targets for further consultation to ensure they align with Aboriginal and Torres Strait Islander peoples' and communities' priorities and ambitions as a basis for developing action plans. COAG will ensure that the design and implementation of the next phase of Closing the Gap is a true partnership. Governments and Aboriginal and Torres Strait Islander people will share ownership of and responsibility for a jointly agreed framework and targets and ongoing monitoring of the Closing the Gap agenda. The refreshed Closing the Gap agenda recognizes and builds on the strength and resilience of Aboriginal and Torres Strait Islander peoples and communities.

Response to concluding observation 18 (b)

4. The Australian Government notes Concluding Observation 18 (b).

5. The Australian Government cooperates with our regional partners to resolve the shared challenge of people smuggling and irregular migration. Regional processing, among other policies, has reduced illegal maritime travel to our region and prevented people from risking their lives at sea.

6. Persons under regional processing arrangements have their protection claims assessed by the Governments of Papua New Guinea and Nauru under their domestic laws. They have access to claims assistance to help support the lodgement of their claims and any subsequent reviews. The Australian Government continues to assist the Governments of Papua New Guinea and Nauru to secure durable migration outcomes for people under regional processing arrangements.

Response to concluding observation 32 (c)

Income Management

7. The Australian Government is considering the best way to support people, families and communities in places where high levels of welfare dependence coexist with high levels of community harm.

8. Income Management was first introduced in the Northern Territory (NT) in 2007 and since then, has been expanded to various locations across Australia, including at the request of State governments and communities. Income Management applies to particularly disadvantaged cohorts, including the long-term unemployed, disengaged youth, people assessed by a social worker as vulnerable to financial crisis and people referred by State-level child protection authorities or the registrar of the NT Banned Drinker Register. People can also volunteer for Income Management in locations where it is operating.

9. While there are more positive results associated with people who volunteer, as they have made a choice to change their behaviour and receive assistance, positive findings have been found for people who have been referred for Income Management by a social worker or a child protection officer.

10. The Australian Government also introduced the Cashless Debit Card (CDC) in early 2016, to test whether limiting the amount of welfare payments available to be spent on alcohol, drugs and gambling would lead to a reduction in community-level harm. CDC applies to most people, or a large cohort of people, on working-age welfare payments in order to reduce the cash available to be spent on harmful goods at a community level. People on age or veterans payments can also volunteer for the CDC. The CDC is currently being trialled in three locations: the East Kimberley and Goldfields region in the State of Western Australia and Ceduna in the State of South Australia.

11. As the CDC is aimed at reducing the amount of cash available at a community level, most working-age welfare recipients participate in the programme, not just those experiencing harmful addictions or financial difficulty. By applying the CDC more broadly across a community it reduces the stigma associated with welfare quarantining.

12. The CDC applies to both Indigenous and non-Indigenous welfare recipients in all locations. The Australian Government has also committed to introducing the CDC in the Bundaberg and Hervey Bay area to test the programme in a larger, regional setting, which will see a reduction in the disproportionate impact on Indigenous people.

13. An independent evaluation of the CDC in the first two trial sites showed promising early results including that the card has been effective in reducing welfare-funded social harm for those who reported drinking, taking drugs and gambling before the CDC was introduced.

14. The Australian Government has also committed to a second evaluation of the CDC which will be finalized in the second half of 2019. The evaluation aims to collect further evidence of the ongoing and longer-term impacts of the CDC in current trial sites thereby informing any future extension or design changes to the programme.

15. The Government will only roll out the programme where there is community support for the programme.

Conditionality

16. Welfare conditionality is a key feature of Australia's non-contributory social security system. Conditionality is used in three forms in Australia:

- Sanctions and obligations requiring welfare recipients to fulfil certain requirements (such as obligations to prepare or look for work);
- Restrictions on what welfare payments can be spent on (such as the Cashless Debit Card);
- Positive rewards or incentives that encourage activities regarded as beneficial for the individual, their family or community (such as the Job Commitment Bonus).

17. The majority of welfare conditionality policies in Australia fit within the first category, applying obligations and sanctions to encourage economic participation. The main aim of these policies is to improve self-reliance among working-age welfare recipients. This benefits individuals, their communities and the wider economy.

18. The Australian Government recognizes that conditionality requirements need to align with community expectations. The Government continuously reviews conditionality

requirements to ensure recipients have adequate support to meet their requirements, and that penalties for non-compliance are only used as a last resort.

Adequacy

19. The Government wants a welfare system that:

- Supports the most vulnerable;
- Encourages those capable of work or study to do so;
- Reduces intergenerational welfare dependency; and
- Is sustainable for the future.

20. The Government needs to balance a range of competing priorities when determining the direction of policy. As the welfare budget accounts for a significant proportion of the Australian Government Budget, it needs to be carefully managed.

21. Australia's social security system is a non-contributory system designed to support the basic living standards of all Australians and increase their social and economic participation. It is a means-tested, residence-based system, designed to provide income support to people who, for reasons such as age, unemployment, disability or caring responsibilities, are unable to support themselves. As a non-contributory system, eligibility is not based on past income or contributions, or taxes paid during a person's working life. Income and assets tests apply and are considered the fairest way to ensure that funds are directed to those in the community who need help the most.

22. Working-age allowance payments, such as Newstart Allowance, are designed to provide a safety net for people who require financial assistance, while maintaining incentives for people to join or return to the workforce where they are able.

23. Supporting people to find work is a key priority. Social security payments operate in conjunction with taxation concessions, productivity initiatives, employment services and labour market strategies, as part of an integrated package to support workforce participation objectives.

24. Where recipients have additional costs, such as those associated with renting in the private market and raising children, supplementary payments such as Rent Assistance and Family Tax Benefit are available. Other supplementary benefits that may be payable depending on the recipient's circumstances include Pharmaceutical Allowance, Carer Allowance, Remote Area Allowance, Telephone Allowance and Mobility Allowance. Concession cards enable the cardholder to access reduced pharmaceutical items and medical services, which increase their economic security.

25. Income support payments are regularly indexed to ensure they maintain their purchasing power.
