

## **MEDIA RELEASE: New Government Report Shows Income Management Is Still Failing**

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Income Management is failing: a new evaluation of Income Management in five locations, including the City of Playford in Adelaide's northern suburbs, shows that Income Management is still not achieving positive results.

There has been no evidence of strengthened money-management skills, better health outcomes, or reduced alcohol and tobacco consumption, according to the Abbott Government's *Place Based Income Management – Process And Short Term Outcomes Evaluation*.

For those forced on Income Management there was no positive change across a range of indicators of well-being. Only the small minority who volunteered for the scheme were likely to derive benefits.

SIMPLa Spokesperson Pas Forgione said, "This report confirms what critics of Income Management have argued for years. For the vast majority of Income Management clients who are forced on the program, the experience can be embarrassing and humiliating, with little to no improvement in quality of life. There is not the only risk of negative impacts, but roughly half of those forced on Income Management felt judged or shame, according to the report."

"Interestingly, the evaluation suggests those who volunteered often were more financially and personally vulnerable than those forced on the scheme. This reflects the fact that in Playford and other sites, most of those forced on Income Management are subject to the scheme simply because of automatic youth triggers, where they are eligible solely because of their age and payment type, not because they are necessarily 'at-risk'."

"In Playford, Income Management is largely operating as a blanket measure, with large numbers of young people having control of their funds restricted, despite no history of mismanaging their payments or personal crisis. Many of these people study and work part-time."

"Most of these individuals are subject to Income Management because they receive the Unreasonable To Live At Home rate of Youth Allowance and are aged 16-21, but this is no justification for these people being deprived of full control over their money."

"This evaluation, like previous studies, highlights that the case for expanding Income Management remains extremely weak. Rather than being extended, it should be scrapped and replaced with a voluntary system, with funds redirected towards community services that build financial and personal capacity rather than punishing those needing extra support."

"For SA Premier Jay Weatherill, this report is another reminder that his endorsement of the recommendations of Andrew Forrest's *Indigenous Employment And Training Review*, which includes expanding Income Management to all working-age Centrelink clients, is misguided, and flies in the face of the research about which programs achieve positive results", Forgione said.