As a Social Work student I have an interest in social policy reform due to the direct impact it has on the interface in which a social worker operates. I welcome the current review of the welfare system and the opportunity to provide input. The Interim Report highlights important issues which require careful consideration and I will be addressing concerns in relation to payment architecture and income management.

**Payment Architecture**

*Disability Support Pension (DSP)*

The proposal to restrict access to the DSP to only those with permanent incapacity to work, as opposed to partial capacity, will inevitably result in extreme hardship and poverty (O’Halloran, 2014). I encourage the reference group to give careful consideration to the concerns raised by many Mental Health and welfare advocates in relation to moving person’s with a mental illness from DSP to the proposed tiered working age payment. A comprehensive understanding of mental illness, in particular the fluctuating nature of its impact (Barrier Breakers, 2014), is required to inform such measures.

*Payment Inequity*

A poverty and inequality report released by ACOSS in 2013 revealed that 37% of people on social security payments live below the poverty line. I applaud the reference group for highlighting the current gap between DSP and Newstart payments. It is hoped that an outcome of this review would see an increase in newstart payments so that individuals receiving such payments can be provided with the necessary resources to live.

*Women without income and Special Benefit (SB)*

I would like to draw attention to women on temporary visas escaping domestic violence and access to SB payments – an issue which is silent in the interim report. The current eligibility criterion for SB is limited leaving many women without access to any income and the necessary resources to secure their safety. Widening the visa eligibility “would make an enormous difference in terms of facilitating women’s safety and promoting self-reliance” (Barassi-Rubio & Crossing, 2013).

**Income Management**

Much of the available literature on income management (IM) share similar concerns about such a model of welfare provision. These include:

* High administration costs
* Potential to undermine confidence and personal resilience with recipient feedback reporting a loss of dignity, self worth and the stigma attached to the use of the ‘basics card’.
* No concrete evidence based data and limited evaluation of effectiveness or positive effects on the lives of people

(AASW, 2011; Australian Indigenous Doctor’s Association, 2008; Cox, 2014; Dee, 2013; Monash University, 2013 National Welfare Rights Network, 2014)

I recommend that IM be removed from any future welfare reform. Potential IM administration funds could then be diverted to other crucial social support systems that foster individual resilience, well-being and social inclusion.

I do not view any welfare reform as just an increase in payment rates. Any changes to the welfare system cannot be done in isolation to other broader structural challenges and social policy issues such as Housing Affordability, Education Reform, National Plan to Reduce Violence against Women and their Children (2010‐2022) and the rollout of the National Disability Insurance Scheme.

There will likely always be members of the community that cannot participate in the paid workforce for a myriad of reasons, and there will likely never be enough paid employment for all that seek it. I urge the reference group to consider any reform recommendations within the framework of enhancing social and economic wellbeing and inclusion. People can only do the best they can with the resources that they have.

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