

# **Income management in Western Australia**

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Income management is part of the Australian Government's commitment to reforming the welfare system. It ensures income support and family assistance payments are spent in the best interests of children and families and help ease immediate financial stress.

## **What is income management and how does it work?**

Income management is a budgeting tool that helps people to manage and budget their money better. People on income management direct a percentage of their income support and family assistance payments towards buying priority goods and services, such as food, housing, clothing, education and utilities. Money that is income managed cannot be spent on alcohol, tobacco, pornographic material, and gambling products.

Apart from the Child Protection Measure, a person on income management will have 50 per cent of their income support and family assistance payments managed. People who are on the Child Protection Measure will have 70 per cent of their payments managed. All lump sum and advance payments are income managed at 100 per cent.

Income management does not reduce the total amount of payment a person receives from Centrelink. It only changes the way in which a person receives their payments. The person receives a percentage of their payment as income managed funds for buying priority goods and services and the remainder of their payment is made in the usual way.

People can spend their income managed money by seeking that Centrelink make direct payments to organisations such as stores, landlords, or utility providers, and by using the BasicsCard.

Results from the evaluation of income management in Western Australia (conducted by ORIMA Research in 2010) found that a majority of participants believed income management had made a positive impact on the wellbeing of individuals, children and families.

## **Who does income management apply to in Western Australia?**

Income management applies under the following measures to people living in metropolitan Perth, Peel and the Kimberly region in Western Australia:

### **Child Protection Measure**

The Child Protection Measure applies to people who are:

- referred for income management by a child protection worker.

### **Voluntary Income Management**

People who receive certain income support and family assistance payments can volunteer to participate in income management.

### **What is the Child Protection Measure?**

Income management is an additional tool offered to the Department for Child Protection, Western Australia, to assist in the management of child abuse and neglect. The Australian Government has worked with the Western Australian Government to enable child protection workers to refer people to Centrelink for income management if it would be helpful to that particular person/family.

### **What is Voluntary Income Management?**

People can volunteer for income management to help them manage and budget their money.

People who volunteer for income management will need to talk to Centrelink to see if their payments can be income managed. If a person agrees to volunteer for income management, they must stay on Voluntary Income Management for at least 13 weeks. Voluntary Income Management customers can cease income management at any time after 13 weeks.

A person will also be eligible for a Voluntary Income Management Incentive Payment of \$250 for every 26 continuous weeks they remain on Voluntary Income Management. The Voluntary Income Management Incentive Payment is 100 per cent income managed and is automatically paid into the person's income management account.

### **What is the Matched Savings Payment?**

People on the Child Protection Measure of income management may be eligible for a Matched Savings Payment of up to \$500. To receive a Matched Savings Payment a person must complete an [Approved Money Management Course](#) and maintain a pattern of savings for at least 13 weeks after the commencement of the approved course.

The Matched Savings Payment is 100 per cent income managed. The payment is paid directly into the person's income management account. A person can receive a Matched Savings Payment only once. The Matched Savings Payment is not available to people on Voluntary Income Management, instead they are eligible for the Voluntary Income Management Incentive Payment.

### **Where can I find more information?**

Please contact the Centrelink income management line on 13 25 94\* or visit:  
<http://www.fahcsia.gov.au/sa/families/progserv/welfarereform/Pages/default.aspx>