



## Building Australia's Future Workforce

# Place Based Income Management in Logan

In the 2011-12 Budget the Australian Government announced the introduction of a new approach to address disadvantage, as part of the *Building Australia's Future Workforce* package. Within the package, and as part of a suite of place based measures, the Government is providing \$117.5 million over five years to introduce income management and supporting Financial Management Support Services to five new locations from 1 July 2012. Logan is one of the trial locations.

### What is income management?

Income management is a budgeting tool to help people to meet ongoing needs for themselves and their family. Income management works by directing a proportion of certain income support and family assistance payments to ensure that they are spent on priority items such as food, housing, clothing and utilities. Income managed funds cannot be spent on alcohol, tobacco, pornographic material, gambling products, and home-brew kits and concentrate.

### Why Logan?

Logan and the other trial sites were chosen based on a number of factors, including unemployment levels, youth unemployment, skills gaps, the numbers of people receiving welfare payments, and the length of time people have been on income support payments.

### Who will it apply to?

From 1 July 2012, income management will apply to the following groups of people in the Logan Local Government Area:

- people referred for income management by state child protection authorities, where they assess that a child is at risk of neglect,
- people assessed by Centrelink Social Workers as being vulnerable to financial crisis, which could include people referred by state housing authorities because they are at risk of homelessness due to rental arrears, and
- people who volunteer for income management.

### How does income management work?

People who volunteer, or who are referred by a Centrelink Social Worker will have 50 per cent of their income support and family assistance payments income managed to spend on essential items, including food, clothing and housing costs. People referred by state child protection authorities will have up to 70 per cent of their income support and family assistance payments income managed.

Income management does not reduce the total amount of payment an individual receives from Centrelink. It only changes the way in which individuals receive a proportion of their payments. The person receives the balance of their payments in the usual way.

## What support services are available for people on income management?

Support services will include Financial Management Support Services which provide financial counselling and money management skills training, and Communities for Children services which support parents and their children through playgroups, parenting education classes, mentoring and support groups, and early learning programs.

## How does income management work with the School Enrolment and Attendance Measure?

Income management and the School Enrolment and Attendance Measure (SEAM) are both initiatives of the Australia Government. SEAM will continue to be trialled in Logan and operate separately from income management. However, people subject to SEAM can also be income managed.

## For more information

To find out more information about income management visit the Department of Families, Housing, Community Services and Indigenous Affairs website <http://www.fahcsia.gov.au/sa/families/progserv/welfarereform/Pages/default.aspx>

\*Calls from your home phone to Centrelink '13' numbers from anywhere in Australia are charged at a fixed rate. That rate may vary from the price of a local call and may also vary between telephone service providers.

## Disclaimer

The information contained in this publication is intended only as a guide. The information is accurate as at August 2011. If you use this publication after, please check with FaHCSIA that it is correct.