

Review no.2 of the Social Security (Administration) Legislation Amendment (Income Management and Enhanced Income Management) Instrument 2026

Submission to the Community Affairs Legislation
Committee

3 September 2026

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**Australian
Human Rights
Commission**
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Acknowledgement of Country

The Australian Human Rights Commission acknowledges the Traditional Custodians of Country throughout Australia, and recognise their continuing connection to land, waters and culture. We pay our respects to their Elders – past and present.

About the Australian Human Rights Commission

Our vision for Australia is one where everyone can live free and equal in dignity and rights as part of a strong, healthy democratic society.

We have 4 core functions under our legislation:

- Access to justice: We help people to resolve complaints of discrimination and human rights breaches through our complaint handling services.
- Fairer laws, policies and practices: We review existing and proposed laws, policies and practices and provide expert advice on how they can better protect people's human rights. We help organisations to protect human rights in their work. We publish reports on human rights problems and how to fix them.
- Education and understanding: We promote understanding, acceptance and public discussion of human rights. We deliver workplace and community human rights education and training.
- Compliance: We are the regulator for the positive duty requiring employers and others to address workplace sexual harassment, sex discrimination, sexist conduct and related victimisation.

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1 Introduction

1. The Australian Human Rights Commission (the Commission) welcomes the opportunity to provide this submission to the Community Affairs Legislation Committee's review of the Social Security (Administration) Legislation Amendment (Income Management and Enhanced Income Management) Instrument 2026 (the Instrument) for the purposes of Part 3B or Part 3AA of the *Social Security (Administration) Act 1999*.
2. The Commission notes that this disallowable Instrument was made on 24 June 2026 and tabled in Parliament on 29 June 2026. Parliament can disallow the Instrument within 15 sitting days of tabling, which falls on 14 September 2026.¹ The Instrument is currently active and allows for the continuation of the Government's compulsory income management schemes. It removes the self-repeal provisions, meaning the compulsory income management schemes will continue for another 10 years under section 50 of the [Legislation Act 2003](#) (Cth).
3. This submission sets out the Commission's substantive human rights concerns with compulsory income management schemes. In this submission we draw on previous submissions that the Commission has made to earlier inquiries into compulsory income management schemes and other relevant Commission publications such as Social Justice Reports.² We encourage the Committee to consider those more comprehensive analyses when assessing the human rights impact of compulsory income management schemes. Most recently, those concerns were set out in the [Commission's 2024 submission to the Parliamentary Joint Committee on Human Rights Inquiry into Compulsory Income Management](#).

Recommendation

Recommendation

The Commission recommends that the Instrument be disallowed unless the Government is able to provide satisfactory information to show that the human rights concerns raised have been addressed.

2 Human rights concerns

The Commission considers that the compulsory income management schemes, which require this proposed Instrument for their continuation, restrict rights to:

- social security
- privacy
- equality and non-discrimination

Over many years, these restrictions on rights have not been demonstrated to be necessary, proportionate and the least restrictive measures possible to achieve the policy aims.

The rights to social security, privacy and equality and non-discrimination

4. The Commission remains of the view that the way compulsory income management schemes operate in practice contravenes people's rights to social security, privacy and equality and non-discrimination.
5. Compulsory income management schemes engage the right to social security, protected under Article 9 of the International Covenant on Economic Social and Cultural Rights (ICESCR). The right to social security is of central importance in guaranteeing human dignity for all people. Income support is a fundamental part of social security and should be accessed without discrimination and with the recognition that different people have differing needs.
6. The Commission has previously drawn attention to the evidence that compulsory income management schemes fail to respect an individual's right to social security payments, and their right to determine how to spend their money to meet their individual needs without an intrusion of the State into this decision-making.
7. Compulsory income management schemes also engage the right to privacy, protected under Article 17 of the International Covenant on Civil and Political Rights (ICCPR), including through the involvement of digital surveillance by both government and private companies that administer compulsory income management.³
8. Concerns regarding necessity, effectiveness and proportionality should particularly be considered in light of the disproportionate impact of compulsory income management regimes on Aboriginal and Torres Strait Islander people and women, especially Aboriginal and Torres Strait Islander women, other negatively racialised women and women with disability. This disproportionate impact engages the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), the Convention on the Elimination of all Forms of

Racial Discrimination (CERD) and the Convention on the Rights of People with Disability (CRPD). All three of those conventions require ratifying States to eliminate discrimination and take positive steps to ensure substantive equality, not just formal equality, before the law.

Rights limitations in pursuit of policy aims

9. The Commission recognises that governments are responsible for providing social security and promoting child and family wellbeing and may pursue measures to these ends.
10. Where measures designed to achieve these goals restrict a person's ability to access and manage their own social security payments, it is necessary for the Government to demonstrate that the establishment or continuation of those restrictions are necessary to achieve stated objectives, proportionate in that no less restrictive means are reasonably available, and that they are effective and supported by evidence. Such measures should also be subject to regular review to ensure they continue to meet these requirements for as long as they are in place.
11. The explanatory materials accompanying the proposed amendments to the Instrument do not establish the rationale for the continuation of compulsory income management schemes based on the above criteria. It is therefore difficult to conclude that the continuing limitations on autonomy and personal decision-making imposed by compulsory income management are justified from a human rights perspective.
12. The Commission's concerns with the continuation of compulsory income management include:
 - that compulsory income management has not delivered its intended outcomes in the past
 - that it unfairly targets and negatively impacts First Peoples
 - inconsistency in the Government's approach to income management for various types of income support
 - that there are no permanent exits or exemptions
 - that compulsory income management limiting people's ability to access their welfare payments in cash does not address the reasons for drug and alcohol misuse, poverty, trauma, and lack of education.
13. The Commission is of the view that provisions should be put in place to enable First Peoples communities to implement self-determining, place-based solutions. Compulsory income management schemes in a community should be genuinely consented to by that community and should form only one part of a multi-pronged suite of supports to address community-identified issues. The

frameworks for such rights-limiting measures should include requirements for rigorous evaluation and accountability to community, based on measures that are meaningful to community and are determined by each respective community.

14. Given the lack of evidence around the effectiveness of compulsory income management and the known limitations on human rights that it involves, the Commission encourages the Committee to seek further information from the Government regarding the continuing necessity, effectiveness and proportionality of the Income Management and Enhanced Income Management regimes before formulating its recommendations.
15. Specifically, the Committee may wish to seek further information regarding:
 - the evidence supporting the continued operation of compulsory and involuntary forms of income management
 - whether the schemes continue to achieve their stated objectives
 - whether less restrictive measures have been considered
 - how affected individuals and communities have been consulted regarding continuation of the schemes and
 - what mechanisms are in place to regularly review whether the restrictions remain justified.

Endnotes

¹ Using this [Parliamentary Sittings Calander](https://www.pmc.gov.au/sites/default/files/resource/download/parliamentary-sitting-calendar-2026.pdf) available online:
<https://www.pmc.gov.au/sites/default/files/resource/download/parliamentary-sitting-calendar-2026.pdf>

² See, for example: Aboriginal and Torres Strait Islander Social Justice Commissioner, 'The Northern Territory Emergency Response: A Human Rights Analysis' in *Social Justice Report 2007*; Australian Human Rights Commission, *Draft Guidelines for Ensuring Income Management Measures are Compliant with the Racial Discrimination Act 1975 (Cth)* (2009); Australian Human Rights Commission, *Submission to FaHCSIA on the Exposure Draft of the Policy Outlines for Income Management* (25 June 2010); Australian Human Rights Commission, *The Suspension and Reinstatement of the Racial Discrimination Act and Special Measures in the Northern Territory Emergency Response* (2011); Australian Human Rights Commission, *Northern Territory 'Emergency Response' Intervention: Human Rights Analysis* (2012); Australian Human Rights Commission, *Submission to the Senate Community Affairs Legislation Committee on the Social Security (Administration) Amendment (Continuation of Cashless Welfare) Bill 2020* (23 October 2020); Australian Human Rights Commission, *Submission regarding the repeal of the Cashless Debit Card and related welfare quarantining measures* (2022); Australian Human Rights Commission, *Submission to the Parliamentary Joint Committee on Human Rights Inquiry into Compulsory Income Management* (2024).

³ G Marston, L Humpage, M Peterie, P Mendes, S Bielefeld and Z Staines, *Compulsory income management in Australia and New Zealand: More harm than good?* Bristol University Press (2022).