

23 April 2024

Anne Hollonds
National Children's Commissioner
Australian Human Rights Commission
anne.hollonds@humanrights.gov.au

Dear Commissioner

Thank you for the opportunity to provide comment on ways to improve child wellbeing and reduce children's involvement in crime, including through prevention and early intervention.

Economic Justice Australia (EJA) is the peak organisation for community legal centres providing specialist advice to people on their social security issues and rights. Our members across Australia have provided people with free and independent information, advice, education and representation in the area of social security for over 30 years.

Our vision is a fair social security system which is responsive and robust; keeping people without adequate income clothed, housed and fed, while providing stability to retain engagement in the community and enable planning for the future. The social security safety net should also serve its vital function as a circuit breaker in times of crisis.

Currently, Australia's social security system does not fulfill these core functions, and EJA believes that fundamental structural issues affecting access to social security and family assistance entitlements significantly contribute to children's involvement in crime. Central to that, is the lack of a human rights framework underpinning social security and family assistance legislation - particularly the lack of specific reference to the wellbeing of children.

While the social security system endeavours to provide support to children and young people, through Parenting Payment, Carer Payment, Family Tax Benefit, Child Care Subsidy, Youth Allowance, ABSTUDY and other smaller supplementary payments, the approach is piecemeal. Payment rates are low, and arduous claim and reporting systems focussed on compliance restrict access. The shift from face-to-face to digital and phone services is resulting in delays, with staff shortages further undermining access to administrative review and procedural fairness - issues central to the findings of the Robodebt Royal Commission.

EJA is increasingly concerned that current elements of the social security system flout the *UN Convention on the Rights of the Child*, both in terms of policies aiming to support carers of children and young people, and income support policies directly targeting young people.

EJA calls for a mechanism to entrench the rights of children as a key principle underpinning social security law through amendment to section 8 of *the Social Security (Administration) Act 1999*. Section 8 includes important principles for social security administration which would be strengthened by direct reference to Australia's international human rights obligations -

particularly the rights of children. This would provide a legislative requirement against which social security policy could be developed, assessed and measured.

The current social security framework impacts young people in three key ways, all of which contribute to social alienation and disengagement – processes associated with youth crime.

Firstly, payments to parents and guardians directly impact children, who are often collateral damage to the lack of financial security that surrounds them. Many children have parents who are separated, with fluctuating care arrangements resulting in unpredictable Centrelink payments, undermining parents' financial stability. Some parents and guardians struggle to fulfil their mutual obligations for maintaining income support eligibility, which can result in payment suspension or financial penalties. EJA members observe that where children are being cared for under informal arrangements, it is often without social security or family assistance support. Overall, payment rates are too low, noting ACOSS estimates that 750,000 Australian children live in poverty, undermining their education, access to healthcare, and social inclusion.

Secondly, many young people are unable to access an adequate base level of income support once they are no longer supported by parents or guardians. The age of independence (22 years) needs to be decreased and the complexity around claiming 'independence' and 'unreasonable to live at home' amended. Some vulnerable young people find it too hard to access social security support and give up, placing them at risk of homelessness and/or criminal activity. Many young people feel stuck with limited options as their families cannot afford to support them to move away from home for post-secondary study, particularly to cities where rents are astronomical. The rate of Youth Allowance must be increased to match the current cost of living.

Lastly, long processing times are having a significant impact on children and young people. Our members are becoming increasingly aware of young people dropping out of tertiary education because, despite being eligible, their Youth Allowance or ABSTUDY claim has not been processed. Community agencies report that some are pushed towards criminal activities. For example, TAFE staff recently contacted EJA describing the 'extreme psychological distress and hardship' caused by recent ABSTUDY processing delays:

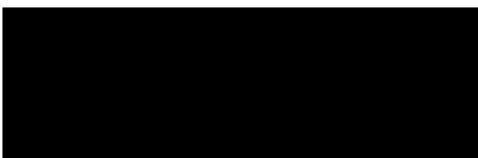
I have full-time students who have now completed the whole of Term 1 in their course, and their ABSTUDY application is still in process. Many have relocated to [capital city] to undertake the course, and as such are paying for daily living expenses such as travel, food and accommodation. They are struggling to make ends meet, borrowing money from friends and family, and being forced to access food vouchers from community organisations. One person who has served his time in a correctional centre and is now pursuing a new life and a new career development journey, is terrified that he will resort to "my old bad habits" due to not having any money.

EJA is also concerned that recent changes in respect of the Enhanced Income Management program have served to reinforce compulsory income management as a component of the

social security policy framework. Importantly here, Compulsory Income Management is automatically applied to young people being released from detention or prison because they're regarded as a 'vulnerable young person'. This completely removes a person's right to a private life, personal autonomy and self-determination. It can also have the effect of trapping young people in abusive family situations because they are unable to access money to leave without committing further offences. EJA remains opposed to compulsory income management in any form, and will continue to advocate for the program to transition to a purely voluntary scheme.

The social security system should provide financial stability, underpinning secure housing and social inclusion, with young people encouraged and actively supported to complete schooling, pursue further study, and gain meaningful employment. Its effective administration has the potential to support child wellbeing and engage young people in socially productive ways, preventing engagement in criminal activities. We seek your support in our advocacy as we work towards a stronger social security system.

Yours sincerely



Kate Allingham
Chief Executive Officer