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1 September 2026

Committee Secretary
The Senate Standing Committee On Community Affairs: References Committee
Via email: community.affairs.sen@aph.gov.au

To the Committee Secretary

Re: Social Security (Administration) Legislation Amendment (Income Management and Enhanced Income Management) Instrument 2026 – Review 2

NTCOSS welcomes the opportunity to make a submission regarding the Income Management and Enhanced Income Management Instrument 2026 (the instrument).

NTCOSS is the peak body for the Northern Territory (NT) community and social services sector and advocates for people affected by social and economic disadvantage and inequality. NTCOSS' vision is a fair, inclusive, and sustainable NT.

NTCOSS recognises members and stakeholders across the sector with expertise and experience in matters relating to compulsory income management (CIM). NTCOSS supports submissions to this inquiry by the Central Land Council (CLC), North Australian Aboriginal Justice Agency (NAAJA), Australian Council of Social Service (ACOSS) and Accountable Income Management Network (AIMN).

CIM was introduced in the NT in 2007. Since then there has been a multitude of evaluations, consultations, and research into the effectiveness of CIM.[1] There continues to be no conclusive evidence that CIM decreases substance abuse or gambling, nor improves the welfare of children.[2] The latest inquiry by the Parliamentary Joint Committee on Human Rights (PJCHR) found that CIM does not achieve its primary objective of reducing hardship and deprivation but rather, can increase those negative effects. The PJCHR recommended that the government make income management voluntary.[3]

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[1] NTCOSS, 2025, Compulsory income management in the Northern Territory: Briefing Note. https://ntcoss.org.au/wp-content/uploads/2025/05/NTCOSS-Policy-Briefing-Compulsory-Income-Management-in-the-NT-2025.pdf

[2] The original stated purpose of CIM was to stem the flow of cash that is expended on substance abuse and gambling, and to ensure funds that are provided for the welfare of children are expended appropriately. Explanatory Memorandum, Social Security and Other Legislation (Welfare Payment Reform) Bill 2007, p. 5

[3] Parliamentary Joint Committee on Human Rights (2024) Inquiry into Compulsory Income Management. [p. 17; xiii] Available at: https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Human_Rights/HRIncomeManagement/Report

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NTCOSS has long held the position that CIM is a failed policy that unfairly and disproportionately impacts Aboriginal Territorians. As such, we welcomed the government's commitment to abolish all forms of CIM in the lead up to the 2022 election.[4] However, despite the cashless debit card being removed and the scheme being made voluntary in other locations around the country, more than 30,000 people in the Northern Territory are still on CIM.[5] The Department of Social Services undertook an extensive consultation period in 2023 and 2024, to inform decisions on the future of CIM. The consultation's findings have not been released in full, however it has been reported publicly that "the department has identified that there is a clear message that people want choice on whether to stay on the program or leave".[6] Despite the government's commitment, and overwhelming supporting evidence to make income management voluntary, this year's budget committed another $200 million to CIM over four years – a concerning indication that the government intends to continue this scheme. [7]

Further, the instrument that is the subject of this inquiry removes the automatic repeal date of 1 July 2026 for the legislative instruments that are required to operate CIM. NTCOSS is deeply concerned that this instrument supports the continuation of a scheme that the government committed to abolish.

As such, **NTCOSS opposes the amendments contained in this instrument, and any attempt to rescind the application of self-repeal clauses in the legislation and enable to the scheme to continue unchecked.** If the legislation is to continue pending a process being established to remove CIM, a new set of self-repeal dates no later than 30 September 2027 should be imposed.

NTCOSS makes the following additional recommendations to this inquiry:

1. Abolish all forms of compulsory income management

It is essential that the withdrawal of CIM and transition to voluntary measures is via a considered process. Consistent with Closing the Gap commitments to shared decision

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[4] See for example Catherine King MP, Tanya Plibersek MP, Senator Malarndirri McCarthy, and Marion Scrymgeour (6 May 2022) Media Release, 'Labor's Plan for Central Australia' Available at: https://perma.cc/WZN3-M4MV

[5] Including total participants on Income Management (7,240) and enhanced Income Management (23,517). Australian Government Department of Social Services. (2026). Income Management Data Summary – July 2026. Available at: https://data.gov.au/data/dataset/australian-government-income-management-program

[6] Official Committee Hansard, Parliamentary Joint Committee on Human Rights: Inquiry into Compulsory Income Management. Public, 5 July 2024, Canberra. Hope, Letitia. p.45; See also Department of Social Services' submission (14) Available at https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Human_Rights/HRIncomeManagement

[7] Treasury, 2026, 2026-27 Budget Paper No. 2, p.137

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making on policies and programs that impact Aboriginal People's lives, this process should be established and implemented in partnership with relevant Aboriginal Community Controlled Organisations and the communities who have been impacted by CIM for almost 20 years. This includes significant investment in services that directly support people with issues identified as the target of CIM originally, including addiction services, gambling harm reduction and family support services.

Importantly, the need for this process to be managed well should not delay the government from taking immediate and tangible action to abolish CIM.

2. Lift social security payments

No amount of budgeting or financial management can escape the simple fact that social security payments are inadequate and do not enable people to afford the necessities of life. JobSeeker and Youth Allowance are well below the poverty line, and less than half of the minimum wage. Further, the cost of living in remote areas is significantly higher than urban and regional Australia.[8] The Remote Area Allowance payment was introduced to address the extra costs of living remote; however, it has not increased in more than 25 years and at just $9.10 a week is manifestly inadequate.[9] NTCOSS urges the Federal Government to:

a. **Raise the rate of social security payments to at least $600 a week.**
b. **Substantially and immediately increase the Remote Area Allowance (RAA).**
c. **Conduct a review of RAA payment settings to ensure the payment remains fit for purpose ongoing, including:** a remote area price index to appropriately benchmark the RAA to real costs experienced; appropriate indexing arrangements; and appropriate geographic eligibility.

We thank you for considering our submission. Please contact Mollie Harding, Senior Policy Officer, with any queries relating to this submission at [redacted]

Yours sincerely,

[redacted]

Interim Chief Executive Officer
Northern Territory Council of Social Service

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[8] NTCOSS, 2026, Cost of Living in the Northern Territory: June 2026. Available at: https://ntcoss.org.au/wp-content/uploads/2026/06/COL-June-2026_FINAL.pdf
[9] For further information, see ACOSS' briefing note here: https://www.acoss.org.au/wp-content/uploads/2026/04/Why-the-Remote-Area-Allowance-needs-to-increase.pdf