



Economic Inclusion Advisory Committee Bill 2023 [Provisions]

November 2023



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Table of Contents

Our Commitment to Inclusion.....	iv
Executive Summary.....	v
Summary of Recommendations	vi
1 Committee Functions	1
<i>Requirement to have regard to lived experience of economic disadvantage</i>	<i>1</i>
<i>Definition of economic disadvantage.....</i>	<i>1</i>
<i>Timing of publication of report.....</i>	<i>2</i>
<i>Direction by Joint Ministers</i>	<i>2</i>
<i>Publishing of EIAC workplan.....</i>	<i>2</i>
<i>Response by Government</i>	<i>3</i>
2 Membership	4
<i>Representation of organisations delivering support.....</i>	<i>4</i>
<i>Representation of lived experience</i>	<i>4</i>
<i>Diversity of the general community and populations experiencing economic exclusion.....</i>	<i>5</i>
<i>Remuneration</i>	<i>6</i>
3 Membership Tenure.....	7
<i>Term of appointment.....</i>	<i>7</i>
<i>Termination of appointment</i>	<i>7</i>
<i>Terms and Conditions.....</i>	<i>8</i>
4 Conclusion.....	9
Appendix A About The Salvation Army	10



Our Commitment to Inclusion

The Salvation Army Australia acknowledges the Traditional Owners of the land on which we meet and work and pay our respect to Elders, past, present and future.

We value and include people of all cultures, languages, abilities, sexual orientations, gender identities, gender expressions and intersex status. We are committed to providing programs that are fully inclusive. We are committed to the safety and wellbeing of people of all ages, particularly children.

Our values are:

- Integrity
- Compassion
- Respect
- Diversity
- Collaboration

Learn more about our commitment to inclusion: <salvationarmy.org.au/about-us>

The Salvation Army is an international movement and our mission is to preach the gospel of Jesus Christ and to meet human needs in his name without discrimination.

More information about The Salvation Army is at **Appendix A**.





Executive Summary

The Salvation Army welcomes the opportunity to provide this submission to the Senate Community Affairs Legislation Committee (the Committee) in relation to Economic Inclusion Advisory Committee Bill 2023 [Provisions] (the Bill).

The Salvation Army provides social services in every state and territory in Australia including emergency relief, homelessness services, family and domestic violence support and financial counselling. Economic inclusion, and addressing poverty in all its forms, is a core component of what we do.

We appreciate and support the entrenching of the Economic Inclusion Advisory Committee (EIAC) in legislation, to provide ongoing, annual, expert advice in advance of the Commonwealth Government budget (the Budget) every year.

In this submission we have provided a range of recommendations that we believe will enhance the EIAC's membership, and the manner in which the Commonwealth Government interacts with the EIAC. Critically, we see that for the EIAC to fulfill its potential there must be sufficient independence and transparency to allow the community to contribute to the work of the EIAC. In particular, we believe the Bill and the operations of the EIAC could be improved by:

- Building on the current commitment to diversity and representation to enhance representation of those experiencing, or at risk of experiencing, economic exclusion;
- Increasing transparency around functions of and expectations on the EIAC;
- Solidifying the effectiveness of the EIAC by requiring a government response to advice provided; and
- Strengthening the independence of advice by clarifying and making transparent conditions around tenure of members.

The Salvation Army has made **12** recommendations for the Committee's consideration. A summary of these recommendations follows on the next page.



Summary of Recommendations

Recommendation 1

1.4 The Salvation Army recommends that section 8(3) be amended to ensure the EIAC has regard for lived experience of economic disadvantage in developing its report.

Recommendation 2

1.7 The Salvation Army recommends that the Committee consider whether a definition of economic disadvantage, encompassing concepts around poverty, be included in the Bill.

Recommendation 3

1.9 The Salvation Army recommends that section 8 be amended to require the Minister to make the EIAC report public no less than two weeks prior to the release of the Commonwealth Government budget.

Recommendation 4

1.11 The Salvation Army recommends that section 8(6) be amended to require written directions from the Joint Ministers to the EIAC be made public.

Recommendation 5

1.14 The Salvation Army recommends that the Bill require the EIAC to publish its workplan on at least an annual basis.

Recommendation 6

1.17 The Salvation Army recommends that the Joint Ministers be required to provide a written response to the EIAC report no less than two weeks before the release of the following Mid-Year Economic and Fiscal Outlook.

Recommendation 7

2.4 The Salvation Army recommends that section 11(2) be amended to require the Minister to ensure that the EIAC includes at least one of each of the following:

- A representative of an organisation that provide services and supports for people with caring responsibilities;
- A representative of an organisation that provide services and supports for Indigenous persons; and
- A representative of an organisation that provide services and supports for people with disability.

Recommendation 8

2.10 The Salvation Army recommends that section 11(3) be amended to require the Minister must also:

- Ensure at least one of those members has lived experience of having caring responsibilities;
- Ensure at least one of those members has lived experience of disability; and

- Ensure at least one of those members has lived experience of economic disadvantage.

Recommendation 9

2.15 The Salvation Army recommends that section 11(3) be amended to require the Minister to also have regard to the desirability of the membership of the Committee reflecting the diversity of those experiencing economic hardship and exclusion.

Recommendation 10

3.3 The Salvation Army recommends that members of the EIAC hold office for a period of not less than 12 months, subject to the Terms and Conditions.

Recommendation 11

3.6 The Salvation Army recommends that section 19 be amended to empower the Minister to terminate the appointment of members of the EIAC only on the basis of breach of the Act and of Terms and Conditions set under section 20.

Recommendation 12

3.8 The Salvation Army recommends that section 20 be amended to require the Terms and Conditions for members of the EIAC be determined in writing and published.



1 Committee Functions

- 1.1 The Salvation Army welcomes the wide functions and powers proposed for the EIAC. We appreciate that the primary function of the EIAC will be to provide advice to government, however another critical function in practice will be the role of the EIAC members to provide transparency about economic inclusion – a matter that affects all Australians. We consider that small changes that build on the processes set out in the Bill would significantly enhance the EIAC's ability to deliver its functions.

Requirement to have regard to lived experience of economic disadvantage

- 1.2 The Salvation Army believes that the EIAC has the potential to be a highly effective vehicle for driving economic inclusion in Australia. To do that, it will be critical that the EIAC is closely informed by the lived experience of economic exclusion and the pathway from exclusion to inclusion.
- 1.3 We suggest an amendment to the way the EIAC prepares its report will assist. Specifically, section 8(3) lists a number of factors to which the EIAC must have regard. We suggest that advice from those who have lived experience of economic disadvantage be included as an additional matter to which the EIAC must have regard in developing its report.

Recommendation 1

- 1.4 The Salvation Army recommends that section 8(3) be amended to ensure the EIAC has regard for lived experience of economic disadvantage in developing its report.**

Definition of economic disadvantage

- 1.5 Later in this submission we also propose that the membership structure be built to include lived experience. We appreciate that both suggestions may require a definition of economic disadvantage and that that is not a simple drafting proposition.
- 1.6 The kinds of economic disadvantage observed by The Salvation Army are beyond simply being reliant on an income support payment. The Salvation Army works with people who are required to choose between food and medication, who are unable to maintain employment or education because of transport costs or caring responsibilities, or are homeless or living in unsafe or unsuitable housing situations. It is critical that the voices of people who are experiencing or have experienced this more extreme form of economic disadvantage and poverty are deliberately sought out and included in order to find effective solutions

Recommendation 2

- 1.7 The Salvation Army recommends that the Committee consider whether a definition of economic disadvantage, encompassing concepts around poverty, be included in the Bill.**

Timing of publication of report

- 1.8 Section 8(9) states that the Minister must cause the report to be published on the Department's website, however, it does not provide a timeframe for this function to be fulfilled. Given the report must be provided in sufficient time to inform the Commonwealth Government budget each year, it would be reasonable to require that the report be published in advance of the budget. Requiring that the report be made public at least two weeks before a Commonwealth Government budget is handed down would significantly add to the transparency of the EIAC's operations.

Recommendation 3

- 1.9 The Salvation Army recommends that section 8 be amended to require the Minister to make the EIAC report public no less than two weeks prior to the release of the Commonwealth Government budget.**

Direction by Joint Ministers

- 1.10 Section 8(6) empowers the Joint Ministers to direct the EIAC that a report must include specified matters or that it must only include specified matters. To ensure transparency and avoid confusion about why some matters may or may not be considered in reports, The Salvation Army believes that written directions under section 8(6) must be made public.

Recommendation 4

- 1.11 The Salvation Army recommends that section 8(6) be amended to require written directions from the Joint Ministers to the EIAC be made public.**

Publishing of EIAC workplan

- 1.12 The functions of the EIAC as set out by the Bill are significant, and to fulfil them the EIAC will need to seek external advice. In addition, ministerial directions will shape the workplan for the EIAC each year. To enable people with lived experience or other expertise to best assist the

EIAC, The Salvation Army believes that the EIAC should be required to publish a workplan explaining the consultation and activity it intends to carry out over a period.

- 1.13 It would be most useful if said workplan was on an annual basis with updates to the plan provided within a reasonable period of any ministerial direction being made under section 8(6). Legislating the requirement to publish a workplan, rather than including it in the broader powers of section 9, will provide greater certainty to those who wish to assist the EIAC as well as transparency of how ministerial directions are being incorporated into the development of reports.

Recommendation 5

- 1.14 The Salvation Army recommends that the Bill require the EIAC to publish its workplan on at least an annual basis.**

Response by Government

- 1.15 The Bill provides a good level of detail about the reports that the EIAC must provide, however there is no actual requirement for the Government to respond to the report once received. While there would be an expectation that the Commonwealth Government budget papers would be informed by the reports, tracing individual measures to recommendations of the EIAC would be difficult.
- 1.16 To ensure the efficacy and transparency of this advisory body, The Salvation Army strongly recommends that some obligation on the Joint Ministers to respond to the report must be included in the Bill. This requirement to respond should be within a reasonable timeframe and before the following Mid-Year Economic and Fiscal Outlook to ensure that reports are actually helpful and influential in shaping ongoing government policy.

Recommendation 6

- 1.17 The Salvation Army recommends that the Joint Ministers be required to provide a written response to the EIAC report no less than two weeks before the release of the following Mid-Year Economic and Fiscal Outlook.**



2 Membership

- 2.1 The Salvation Army believes that diversity of thought and background is essential in providing robust, well-rounded advice. We welcome the commitment to this principle in the current Bill. In particular we welcome the explicit inclusion of a representative of an organisation which advocates for, or consists of, individuals with lived experience. We believe this commitment could be made significantly more robust by the inclusion of a greater focus on the segments of society currently experiencing, or at risk of experiencing, economic exclusion.

Representation of organisations delivering support

- 2.2 Section 11(2) provides guidance as to the qualifications of the members of the EIAC, including the need for experiences from across the economic, academic, business, community, and trade union sectors.
- 2.3 Section 8(2)(e) provides three cohorts of people who the committee must explicitly advise on: people with caring responsibilities; Indigenous persons; and people with disability. The Salvation Army believes the ability of the EIAC to carry out this function would be significantly enhanced if the composition of the membership explicitly included representation from organisations that provide services and supports to these specific cohorts.

Recommendation 7

- 2.4 The Salvation Army recommends that section 11(2) be amended to require the Minister to ensure that the EIAC includes at least one of each of the following:**

- **A representative of an organisation that provide services and supports for people with caring responsibilities;**
- **A representative of an organisation that provide services and supports for Indigenous persons; and**
- **A representative of an organisation that provide services and supports for people with disability.**

Representation of lived experience

- 2.5 Section 11(3) requires that the Minister ensure that at least one member of the EIAC must be an Indigenous person, and The Salvation Army strongly supports this.
- 2.6 We believe that the effectiveness of the EIAC would be enhanced by requiring that there also be at least one person with a lived experience of having caring responsibilities, and at least one person with a lived experience of disability.



- 2.7 It is important to stress that lived experience is a different qualification to providing supports to a person with lived experience. One person may hold both qualifications, but the two are distinct and are distinctly critical. Ensuring that both qualifications, for the cohorts explicitly called out in the reports, will add to the richness of perspectives which will lead to better advice to Government.
- 2.8 Additionally, The Salvation Army believes that membership must include at least one person with lived experience of economic disadvantage. Being part of one of the named cohorts does not, in and of itself, mean that a person has experience of economic disadvantage. We have discussed the nature of economic disadvantage earlier in this submission.
- 2.9 It is also important to note that lived experience would include people who are no longer experiencing economic disadvantage. Achieving economic inclusion does not in any way invalidate the expertise that comes from having experienced hardship in the past.

Recommendation 8

2.10 The Salvation Army recommends that section 11(3) be amended to require the Minister must also:

- Ensure at least one of those members has lived experience of having caring responsibilities;
- Ensure at least one of those members has lived experience of disability; and
- Ensure at least one of those members has lived experience of economic disadvantage.

Diversity of the general community and populations experiencing economic exclusion

- 2.11 Section 11(3)(b) requires that the Minister have regard to the desirability of the EIAC reflecting the diversity of the general population. The Salvation Army supports this in principle, but we believe the appointment process would be enhanced if the Minister also had regard to the desirability of the EIAC reflecting the diversity of the community that currently experiences, or is at risk of experiencing, economic disadvantage.
- 2.12 There are cohorts of people more likely to seek support from a charity because of economic disadvantage. For example, in 2022-23, 64 per cent of the people who accessed The Salvation Army's Doorways (emergency relief) services identified as women.¹ Around 29 per cent identified as having a disability.²
- 2.13 The major groups we would identify who are not already considered in the membership are:
- Women and people who identify as non-binary;

¹ The Salvation Army. (2023). *Impact Report 2023: So nobody struggles alone*. 31. <https://www.salvationarmy.org.au/about-us/news-and-stories/publications-and-resources/2023-impact-report/>.

² Ibid.



- Children and young people; and
- People from culturally and linguistically diverse backgrounds.

2.14 We believe that a requirement for the Minister to have regard to the desirability of the EIAC reflecting the diversity of those experiencing economic hardship and exclusion is a reasonable and helpful requirement.

Recommendation 9

2.15 The Salvation Army recommends that section 11(3) be amended to require the Minister to also have regard to the desirability of the membership of the Committee reflecting the diversity of those experiencing economic hardship and exclusion.

Remuneration

2.16 Section 14(1) prevents the members of the EIAC being remunerated for their service. We understand that this is to prevent the membership being akin to paid consultancy, however we note that this requirement will probably exclude those currently experiencing financial hardship from participating.

2.17 We recognise that these considerations need to be balanced. We also, as previously stated, believe that achieving economic inclusion does not in any way invalidate the expertise that comes from having experienced hardship in the past. The absence of remuneration does however, reinforce the need for other amendments mentioned in this submission to ensure that the people being considered in the reports are actively involved in the developments of the reports.



3 Membership Tenure

- 3.1 The Salvation Army believes there needs to be a balance between the Minister's power to ensure that the EIAC is providing the advice needed with the level of security and independence that would allow members of the EIAC to give frank advice. We believe the balance in the Bill can be improved.

Term of appointment

- 3.2 Section 12 of the Bill states that EIAC members will hold office for the period set out in their instrument of appointment, with a maximum of 3 years. The Salvation Army recommends that it is necessary for a minimum appointment period, perhaps for at least 12 months, to be set in the legislation. There must be some certainty of tenure for members of the EIAC to both develop experience and provide frank advice.

Recommendation 10

- 3.3 The Salvation Army recommends that members of the EIAC hold office for a period of not less than 12 months, subject to the Terms and Conditions.**

Termination of appointment

- 3.4 Section 19 of the Bill provides the Minister the power to terminate EIAC members' appointments at any time. This unchecked discretion is not consistent with creating an environment where the EIAC can provide honest and accurate advice that may run counter to political considerations.
- 3.5 The Salvation Army believes that it would be reasonable to require that termination be limited to breach of the Act or a breach of the terms and conditions that the Minister has the power to set under section 20.

Recommendation 11

- 3.6 The Salvation Army recommends that section 19 be amended to empower the Minister to terminate the appointment of members of the EIAC only on the basis of breach of the Act and of Terms and Conditions set under section 20.**

Terms and Conditions

- 3.7 Section 20 provides the Minister with broad powers to determine any other terms and conditions for members to hold office. We appreciate that these conditions will be necessary to ensure that the Government can have confidence in the advice being received. We argue that the transparency of the EIAC and the process of developing reports would be significantly enhanced if any additional terms and conditions determined by the Minister are required to be articulated in writing and published.

Recommendation 12

- 3.8 The Salvation Army recommends that section 20 be amended to require the Terms and Conditions for members of the EIAC be determined in writing and published.**

4 Conclusion

- 4.1 The Salvation Army thanks the Committee on Community Affairs for the opportunity to provide input on the Economic Inclusion Advisory Committee Bill 2023 [Provisions]. We recommend that, with the above-mentioned amendments, the Bill be passed.
- 4.2 The Salvation Army would welcome the opportunity to discuss the content of this submission should any further information be of assistance. Further information can be sought from government.relations@salvationarmy.org.au.

The Salvation Army Australia Territory

November 2023



Appendix A About The Salvation Army

The Salvation Army is an international Christian movement with a presence in more than 130 countries. Operating in Australia since 1880, The Salvation Army is one of the largest providers of social services and programs for people experiencing hardship, injustice and social exclusion.

The Salvation Army Australia provides more than 1,000 social programs and activities through networks of social support services, community centres and churches across the country.

Programs include:

- Financial counselling, financial literacy and microfinance
- Emergency relief and related services
- Homelessness services
- Youth services
- Family and domestic violence services
- Alcohol, drugs and other addictions
- Chaplaincy
- Emergency and disaster response
- Aged care
- Employment services

As a mission-driven organisation, The Salvation Army seeks to reduce social disadvantage and create a fair and harmonious society through holistic and person-centred approaches that reflect our mission to share the love of Jesus by:

- Caring for people
- Creating faith pathways
- Building healthy communities
- Working for justice

We commit ourselves in prayer and practice to this land of Australia and its people, seeking reconciliation, unity and equity.

Further information about The Salvation Army can be accessed at: <
<https://www.salvationarmy.org.au/>>

