

EXPLANATORY STATEMENT

Social Security (Administration) (Recognised State or Territory – Northern Territory) Determination 2012

The *Social Security (Administration) (Recognised State or Territory – Northern Territory) Determination 2012* (the **Determination**) is made under section 123TGAB of the *Social Security (Administration) Act 1999* (the **Act**).

Background

The income management regime set up under Part 3B of the Act operates as a tool to support vulnerable individuals. A person subject to the income management regime has an income management account. Amounts are deducted from the person's welfare payments and credited to the person's income management account. Amounts are debited from the person's income management account for the purposes of enabling the Secretary to take action directed towards meeting the priority needs of the person. Income managed funds cannot be used for excluded items, such as alcohol, tobacco, pornography and gambling products.

Part 3B currently includes measures to income manage individuals referred by child protection authorities, long-term recipients of welfare payments, disengaged youth, people assessed as vulnerable and people who voluntarily opt-in to income management.

Subdivision A of Division 2 of Part 3B sets out the various situations in which a person is subject to the income management regime. Section 123UFAA, provides that a person is subject to the income management regime at a particular time (the **test time**) if, among other things, before the test time, an officer or employee of a **recognised State/Territory authority** has given the Secretary a written notice requiring that the person be subject to the income management regime, and, at the test time, the State or Territory is a **recognised State or Territory**. The term 'recognised State or Territory' has the meaning given by section 123TGAB of the Act.

Section 123TGAB provides that the Minister may, by legislative instrument, determine that a specified State or Territory is a recognised State or Territory for the purposes of Part 3B of the Act.

Purpose

The purpose of this instrument is to determine that the Northern Territory is a 'recognised State or Territory' for the purposes of Part 3B of the Act.

The Determination is a legislative instrument and commences on 1 October 2012.

Explanation of the Provisions

Section 1 states the name of the Determination.

Section 2 provides that the Determination commences on 1 October 2012.

Section 3 provides that the Northern Territory is a recognised State or Territory for the purposes of Part 3B of the Act.

Consultation

Consultation on the Determination was undertaken with the Northern Territory Alcohol and Drugs Tribunal and the Commonwealth Department of Human Services, Department of Education, Employment and Workplace Relations and Department of Industry, Innovation, Science, Research and Tertiary Education.

Regulatory Impact Analysis

The Determination is not regulatory in nature, will not impact on business activity and will have no, or minimal, compliance costs or competition impact.

Statement of Compatibility with Human Rights

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

This Legislative Instrument is the *Social Security (Administration) (Recognised State or Territory – Northern Territory) Determination 2012*

This Legislative Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*

Overview of the Legislative Instrument

This legislative instrument is a determination, under section 123TGAB of the *Social Security (Administration) Act 1999* (the Act) that the Northern Territory is a recognised Territory for the purposes of Part 3B of the Act.

Human rights implications

The human rights implications of this legislative instrument have been considered, particularly by reference to the right to social security as contained within Article 9 of the International Covenant on Economic, Social and Cultural Rights. It was concluded that the Legislative Instrument does not place limitations on human rights and will have no impact on an individual's right to social security.

Conclusion

The Legislative Instrument is compatible with human rights because it does not limit or preclude people from gaining or maintaining access to social security.

The Hon Jenny Macklin MP, Minister for Families, Community Services and Indigenous Affairs and Minister for Disability Reform