

17 April 2026

Department of Justice
Office of the Secretary
haveyoursay@justice.tas.gov.au

To Whom It May Concern

Re: Monetary Penalties Enforcement Amendment Bill 2026

The Tasmanian Council of Social Service (TasCOSS) is the peak body for the community services industry in Tasmania and a leading advocate for Tasmanians living on low incomes. Together, we advocate to challenge and change the systems, behaviours and attitudes that create poverty, inequality and exclusion, to ensure all Tasmanians have the same opportunity to live a good life.

TasCOSS appreciates the invitation to consider the draft *Monetary Penalties Enforcement Amendment Bill 2026* (the Bill) and opportunity to comment on a number of proposed amendments. The Bill contains the welcome removal of publication of debtor details as an enforcement mechanism, but also raises concerns with other amendments that will have a disproportionate impact on Tasmanians living on low incomes, experiencing vulnerability or disadvantage.

Publication of Enforcement Debtor

TasCOSS supports repealing Section 65 of the Principal Act that removes the publishing of an enforcement debtors name and other details of their monetary penalty.

Significant Change in Employment

It is not clear what is meant by “significant change in employment” in proposed amendment 90A, whether this refers to change of employer, job role, hours worked, income or other change that is required to be reported.

Redirection Orders

TasCOSS is concerned that there are insufficient safeguards contained in the amendments to redirection orders in section 98A, that permits redirection from a person’s bank account, that may result in harmful consequences for Tasmanians on low incomes. Redirection from a person’s bank account with a low balance will affect their ability to pay for essentials such as food, housing, energy, healthcare, telecommunications and other living needs.

Reducing a debtor’s ability to pay for these essentials can also impact their ability to work, earn an income or communicate with the Monetary Penalties Enforcement Service in relation to their debt. For example, if a debtor can’t pay for transport to their employment, or afford their digital communication services.

Regards for Financial Circumstances

TasCOSS welcomes new Section 99A to be inserted, but consider the safeguard it provides is eroded by the accompanying section 99B to be inserted.

The requirement for the Director to consider evidence relevant to the debtor's ability to satisfy the debt, necessary living expenses, and other liabilities before issuing a redirection of money owing order under section 84(2)(b) is welcome because it acknowledges and makes provision to consider a debtor's capacity to pay.

However, the effectiveness of this safeguard is limited because it applies to a specific redirection order and not every enforcement determination. It also relies on evidence "before the Director," which may disadvantage people who cannot easily provide necessary paperwork, evidence or advocate for themselves.

The Bill allows an ADI to deduct money from a debtor's account after being served with a redirection order, and it allows money in an account to be treated as a debt owed to the account holder that can be redirected even if ordinary withdrawal conditions are not met. The ADI can also choose which account to deduct from unless the order specifies one.

TasCOSS does not support the insertion of section 99B without appropriate safeguards. This amendment allows the redirection of money from a person's bank account, in addition to the existing power to redirect money from a person's salary.

This section must set out an appropriate hardship test such as setting a minimum limit that must be held in an authorised deposit-taking institution (ADI) to prevent poverty impacts as a consequence.

From a TasCOSS perspective, this is one of the most serious impacts. For low-income households, money in the bank is rarely "surplus". It is often set aside for rent, power, medications, transport, groceries or other essentials. Without a protected minimum balance or an explicit hardship carve-out for essential funds, the amendment risks sending people into extreme hardship.

Electronic Service of Documents

The Bill establishes a mechanism for the electronic provision and service of documents. While acknowledging the efficiencies in the administration of the Act that this is intended to deliver, consent to receiving electronic communication and notices must not be deemed, it must be explicitly given as a preferred method of communication.

TasCOSS is concerned that digitally excluded Tasmanians will be disadvantaged. One-in-five Tasmanians are digitally excluded, meaning they experience one or more of a number of barriers to getting online or navigating the digital world. These Tasmanians are at increased risk of missing important enforcement notices and information by assuming they can engage electronically.

TasCOSS recommends that traditional, plain-language, written communication methods are the default document service method and electronic services are opt-in.

Reciprocal Interstate Fine Enforcement

New Part 9A introduces a reciprocal enforcement scheme allowing enforcement agencies in participating jurisdictions to pursue penalties. This amendment is intended to allow for recovery of a broader range of monetary penalties and establish a framework for repayment, including enforcement costs.

While TasCOSS cautiously accepts the principle of reciprocal enforcement, we seek assurances that all safeguards outlined in this submission, including communication processes and hardship considerations,

are applied to the pursuit of interstate enforcement, especially where additional enforcement costs may be applied that exacerbates existing disadvantage.

Graduated Approach to Collection

TasCOSS supports a graduated enforcement system and would like to see that principle extended to the setting of fines in accordance with income or ability to pay.

Tasmanians on lower incomes are disproportionately disadvantaged by monetary penalties set at flat rates, and the Tasmanian Government should consider adopting a concessional fines system where fines are based on income.

While it is welcome that arrangements will remain for enforcement debtors seeking payment plans to have their income and expenses considered to assess their capacity to pay, and for debtor's whose only source of income is welfare benefits to small payments approved, these safeguards could be improved. These considerations could go further by requiring the Director to take account of potential hardship or vulnerability before major enforcement action is taken.

This would ensure a broader range of factors than just income and expenses to be taken into consideration in determining someone's ability to pay, factors such as age, disability, literacy, cognition, mental health, and the person's practical ability to respond to official communications.

Summary

The approach to the monetary penalties enforcement system assumes all debtors have equal capacity to understand their debts, responsibilities and ability to pay. However, a large proportion of Tasmanians are living on low incomes, experience vulnerability or disadvantage.

Aspects of the Bill are regressive and likely to impose disproportionate impacts on these Tasmanians unless stronger safeguards are included. In particular, the draft Bill appears to prioritise recoverability of debt over protection from hardship. That is most likely to harm Tasmanians on low incomes or experiencing vulnerability or disadvantage, because they have the least savings, less discretionary income and the least capacity to comply with complex enforcement processes.

TasCOSS makes the following recommendations to improve the Bill and make it fairer:

- Section 65 of the Principal Act is repealed.
- A meaning of "significant change in employment" is inserted into the Act.
- A minimum balance for essential living funds (housing, food, utilities, medication, transport) is protected before any ADI redirection order is made.
- A new safeguard of a broader mandatory hardship and vulnerability test is applied prior to all enforcement action taken.
- Electronic service is opt-in by explicit consent and traditional, plain-language, written communication methods are the default document service method.
- Strong safeguards apply to interstate enforcement arrangements.
- A concessional fines system, where fines are based on income, is introduced and penalty fines for breaches of the Act are not applied where hardship or vulnerability is present.

Yours faithfully

A handwritten signature in black ink, appearing to read "Adrienne Picone". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Adrienne Picone
Chief Executive Officer