



**A response to the
Social Security and Other Legislation Amendment
(Welfare Reform and Reinstatement of Racial Discrimination Act)
Bill 2009**

Why the proposed bill should be delayed

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for

Jumbunna Indigenous House of Learning

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'There are no mysteries why some things work in the bush and others do not. A sad fact of life is that not all communities are going to be 'saved', but what is clear is that community control is fundamental to any changes that will take place for better outcomes for the people, not one size fits all'

Quote from Elliot Submission into the NTER Review

TABLE OF CONTENTS

Section 1 – Why we need to act now

1.1	Why the income management bills should be delayed	1
1.2	Summary of findings	2
1.3	Recommendations	4

Section 2 – The Report

2.1	Summary of the government's proposed changes to income management	4
2.2	The basis for decisions – government identified sources and other relevant reports	5
2.3	Government statistics that are relevant evidence on the question of what works that should have been quoted and considered	11
2.4	Other reports and responses that cast doubt on the government proposals	12
2.5	Summary of reports	15

Section 3 – Submissions and Hearings

3.1	Who supported income management and their main arguments	15
3.2	Who opposed income management and their main arguments	16

Appendix one	– List of submissions and their views for and against	18
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Appendix two	– Summary of current and proposed schemes and trials in WA and Qld	23
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Section 1 – Why we need to act now

1.1 Why the income management (IM) bills should be delayed

The following document argues against the passing of bills¹ currently in front of the Senate, that will ultimately produce the biggest change in Australia's Welfare System – the introduction of a national scheme of universal locality based compulsory income management. These bills should not be passed in their present form because there is neither adequate evidence for their efficacy nor has the potential detrimental consequences been explored and seriously considered.

The legislation for the reinstatement of the Racial Discrimination Act (RDA) which has overwhelming support, including Jumbunna, should be separated out and passed as soon as possible, both because of its negative effect on Aboriginal people's dignity, and to comply with the government's stated commitment to do so.

The IM legislation, if passed now, could be used without any further evaluations which is inconsistent with recommendations to provide more data in the Senate Community Affairs Legislation Committee (the Committee) report March 2010² (Senate /Majority Report). This Majority report recommendation by the ALP members on the Committee acknowledges the lack of adequate evidence that IM achieves its intended outcomes. However, as there is no sunset clause or other constraint in the proposed legislation, the public is being asked to accept the good will of future governments. We do not consider this reasonable, given the Opposition still intends to toughen current measures if in government.

This paper examines both the evidence for and against IM in its present compulsory form and highlights the risks inherent in such legislation. We acknowledge that there are many people, both in the prescribed communities and elsewhere, who do believe the program itself is providing benefits and therefore want to retain IM in its present form. The government should work with them on ways of meeting their needs that recognise their right to have IM in their own communities without giving a widespread power to impose it on other areas which this legislation does. This is despite the lack of credible evidence of benefits, as well as inadequately reported signs of potential long term damage and wider harms which should be considered more thoroughly as indicators of serious problems in deciding to either continue or extend the program.

The genesis for this paper has been the failure of the government to take notice of widespread concerns expressed by a range of groups and emerging evidence against the benefits of the program. The appendix one assessment of submissions to the Committee shows the majority of the 95 submissions received oppose the extension of IM and these represent most members of the welfare lobby, Aboriginal organisations, individuals, women's organisations, legal services, religious groups, international groups, human rights agencies, medical groups, unions and others.

Many of the submissions point out the types of problems that are being experienced directly on the ground. These included the lack of pathways 'up an out' of IM, no definitive evidence that IM has resulted in better nutrition, no improved financial capacity and IM costs reducing investment in social services. Many submissions offer lengthy

¹ Introduced to Parliament on 25 November 2009 www.aph.gov.au/Library/pubs/bd/2009-10/10bd094.pdf

² www.aph.gov.au/senate/committee/clac_ctte/soc_sec_welfare_reform_racial_discrim_09/report/index.htm

recommendations for the consideration of the Committee, all of which have been largely ignored.

Other concerns in these submissions ranged from human rights violations, lack of quantitative data, lack of meaningful engagement, implementation issues, and associated costs. The Senate Report notes that that '*many submitters and witnesses were critical of the evidence base*' used to support the extension of IM across the Northern Territory and Australia but despite this, the government members suggested no amendments and supported the bills being passed as is.

The legislation has been supported by the ALP Senators on the Committee and now the Coalition has agreed to vote for it. They initially dissented from the Majority report because they saw the changes as too weak³ but now see it as the basis for a wider system of reform, regardless of any future evaluations. The Greens put in a dissenting report which recognised the evidence presented of the lack of benefits and have called on the Government to abandon IM.⁴

Therefore, we have consolidated and summarised most of the publicly available material and, using a combination of research and policy experience, have assessed the value of the data used by the government to support their program redesign. We also looked at data that has been largely ignored or inappropriately discounted that refutes the government's claims. We note that much of the latter data is the government's own!

In summary, there is little hard evidence that IM in itself has achieved any of the government's own stated aims, let alone created greater self reliance, better health outcomes, better education and the sense of empowerment and control that is increasingly documented as essential to better health and wellbeing. In fact it may be doing the reverse.

1.2 Summary of findings

The minimum evidence that would be required to support the proposed changes would need to show that **compulsory** income management has delivered a range of clear benefits to justify its maintenance and extension to wider populations. We must reinforce that this bill, in its much wider application, is not just a program for the NT, with a strong Indigenous focus, but a major change to the welfare payment system throughout Australia.

The removal of control over half one's payments because the State assumes you cannot manage your money adequately is a huge shift in Australia's welfare policies. This treats certain categories of welfare recipients as guilty of incompetence without any other trigger being applied, except that they are of working age and do not have a job or serious disability. Sole parents, who are not even expected to look for work till their child turns six, are also included, as will be those whose unemployment may be the result of prejudice against their lesser disabilities. These groups are often targeted in populist attacks and have little political pull, unlike age and other pensioners who interestingly are not included in the new IM proposal.

³ The Australian 16 March 2010 *Tony Abbott backs ALP welfare management bill*

⁴ rachel-siewert.greensmps.org.au/content/media-release/australian-greens-call-government-abandon-income-management

There is no evidence that reducing a person's control over a benefit actually addresses problems or improves behaviour. There needed to be some serious statistical proof of changes to people's behaviour under this current regime to justify IM's extension, for example:

- Have people's drinking or gambling habits, particularly over the long term been reduced?
- Has health/nutrition outcomes in relation to the control of what people can buy at particular stores improved?
- Is there greater self reliance as stated as one of the longer term goals in the program logic?

The evidence is not there, in fact there is more counter evidence becoming available, including further details on the Menzies School of Health Studies on the *Impact of income management on store sales in the Northern Territory* (see page 14). The response to this study by the government has been very disturbing as illustrated by a Crikey piece on 17 May written by the researchers:

We are the co-authors of a study published today in the Medical Journal of Australia, which shows that the federal government's income management policy is not making an impact on tobacco and health food sales in remote community shops in the NT. Smoking and poor diet are responsible for much of the health gap between indigenous and other Australians. We are concerned that indigenous affairs minister Jenny Macklin has responded to our study by highlighting the results of the government's evaluation. She has told journalists that the government intends to press ahead with plans to roll out income management more broadly, and has appeared to dismiss our findings.

Jon Altman, a respected ANU academic in a comment on the above piece in the same issue stated:

I have carefully read the Brimblecombe et al. piece in MJA 'Impact of income management on store sales in the Northern Territory' and find it the most comprehensive and scholarly quantitative research available to date on the food and tobacco expenditure impacts of income quarantining before and after the Intervention. As Brimblecombe and Thomas point out in Crikey today it is quite inappropriate to compare this research undertaken by academic experts at arms-length from government from research undertaken by federal bureaucrats or their paid consultants; and to compare rigorous quantitative research that addresses a specific question of sales before and after income quarantining with qualitative research that asks general questions about expenditures on broad categories of goods in government-licenced stores post Intervention only

Altman continues further to cogently summarise the problems we have outlined above:

The Australian government is clearly embarrassed by these research findings for three reasons. First, \$82.8 million have just been committed in the 2010/11 Budget to create a new scheme for income management, an investment in a process to regulate the behaviour of welfare recipients in the NT. All up \$410.5 million will be committed in six years to what might prove an entirely unproductive expenditure. Second, legislation is about to be tabled in the federal parliament predicated on an assumption that income management is good for Indigenous (and other) subjects in the NT, something this research seriously questions.

Third, the Rudd government has remained firmly wedded to this intervention measure since its election in November 2007; saying sorry for others 'historical' errors is clearly politically easier than saying sorry for your own 'path dependent' acquiescence and possible mistakes.

Therefore we recommend that all efforts be made to stop the current moves to extend the program or maintain the status quo. The more detailed analysis in the balance of the report shows the details

1.3 Recommendations

1. That the present legislation now in front of the Senate be withdrawn or, at least **not** passed in the Budget session, to allow for more consultation and discussion of better alternatives.
2. That disability, migrant and other groups dealing with the socially disadvantaged are consulted on the possible effects of extending coercive IM on their welfare recipients.
3. That the government prepare an options paper that involves the reinstatement of the RDA without links to the non racial extension of IM.
4. That this paper include developed IM options that address the needs and requirements of particular communities and categories of income recipients without requiring broad based non triggered compulsory applications in designated communities.

Section 2 – The Report

2.1 Summary of the government's proposed changes to income management

On 25 November 2009 the government announced it was introducing a new, non-discriminatory model of IM which would replace the model now operating in prescribed areas of the Northern Territory (NT). This is part of a set of bills including the reinstatement of the RDA which is currently in the Senate.

The bills were referred to a Senate Community Affairs Committee which reported on 9 March.⁵ The proposed changes that concern us are (see more detail at appendix two):

- IM will be extended to apply on a non-racial basis to recipients on certain welfare payments (Newstart, Youth Allowance and Sole Parent Payment) with people on Age, Disability or Carer payments no longer covered
- these recipients will be targeted if they live in 'a declared income managed area' deemed by Minister to be at risk
- all those recipients living in such areas will have access to 50 per cent of their funds managed and will have lump sum/bonuses quarantined at 100 per cent
- they will be able to apply for exemption if they can prove they are acting 'socially responsibly'
- the Minister has power to declare that a specified state, territory or smaller area is to be included and has stated it will apply initially to all of the NT from July 2010
- the NT experience will be evaluated in 2011 to provide the evidence for extending the program to other parts of Australia if successful, **but this is not legislated**
- other non-universally compulsory IM trials underway in WA and Cape York will continue to be evaluated (details of these are at appendix two).

⁵ http://www.aph.gov.au/senate/committee/clac_ctte/soc_sec_welfare_reform_racial_discrim_09/index.htm

Exemption criteria are tied to school attendance, progress and responsible parenting for those with children. For those without children it will be tied to engagement through work or study. The exemptions are subject to development through legislative instrument. There will continue to be the power to impose IM on those referred by Child Protection agencies or deemed vulnerable. It is not clear how Centrelink will consider exemption requests or what types of information will be required to be produced by recipients.

The government has estimated the NT trial will cover 20 000 people rather than the 17 000 currently managed. The cost to government will be *approximately \$350 million over the next four years...estimated at about \$80 per week per recipient*. It should be noted that welfare quarantining system currently costs the government approximately \$7 000 per person to administer payments sometimes just above \$10 000.⁶ Many of the submissions pointed out that this money could be better spent elsewhere on programs that provided direct outcomes for vulnerable people.

2.2 The basis for decisions – government identified sources and other relevant reports

In developing their policy position FaHCSIA have listed the following reports as being influential and providing the evidence needed to support their proposal:⁷

- NTER Redesign Consultation Report (November 2009)
- NTER Taskforce Final Report to Government (June 2008)
- Government Business Manager Survey (July 2008)
- Central Land Council Submission to the NTER Review (submission no. 37) (July 2008)
- Elliott Community submission to the NTER Review (submission no. 207) (2008)
- Final Stores Post-licensing Review Report – 66 Stores (June 2009)
- Community Feedback on the Northern Territory Emergency Response (NTER) prepared by the Cultural and Indigenous Research Centre Australia (CIRCA) (September 2008), and
- Australian Institute of Health and Welfare (AIHW) Report on the evaluation of income management in the Northern Territory (August 2009)⁸

We have provided a synopsis of these reports below which document both the absence of any baseline data when the NTER commenced, and the limits to data collected during its operation. Lack of data and systematic evaluations indicate the government's inability to ensure that these measures were monitored effectively from the beginning, and explain the patchy data used which does not demonstrate that IM is working. The following synopsis places these reports in order of their publication dates to illustrate the sequence of information available to the government. We have also added to the list other relevant documents that were also available over this timeline that were not included in the government's own list. Many of these included data which refuted the government's claims.

⁶ Federal Budget 2009-2010

⁷ The Senate *Community Affairs Legislation Committee* March 2010

www.apf.gov.au/Senate/committee/clac_ctte/soc_sec_welfare_reform_racial_discrim_09/report/c03.htm#c03f1 Note: the reports the government listed can be found on FaHCSIA's website

⁸ FaHCSIA had primary responsibility for the evaluation approach, methodology and management of the data collection process with AIHW engaged to compile the evaluation report.

1. NTER Taskforce Final Report to Government (June 2008)

This report is by the Taskforce that was established by the former government to assess the affected NT communities views on a range of measures up to June 2008. The work of the taskforce mainly focused on phase 1 on the NTER being, *Stabilisation – the current phase to introduce emergency measures to protect children and make communities safe (year 1)*. This was done through visiting members of communities and engaging with external organisations. The Taskforce reported on the progression of measures at this time stating that IM should be implemented in all communities by late August 2008.

Although the Taskforce were generally supportive of the strategies and roll out, they did express concerns at these early stages about the compulsory nature of the IM scheme and recommended that:

at some point income management should become voluntary, but that vulnerable people may then be pressured by others into leaving income management when their interests may be best served by continuing to have their income managed.

2. Following this in October, the **NTER Review Board, Northern Territory Emergency Response – Report of the NTER Review Board** was released.⁹ Interestingly, this report was not listed, despite the Board being established by the government. The report describes how the effects of discrimination in the intervention were undermining the relationship between Indigenous people and the government, and recommended the immediate reinstatement of RDA protections.

It also recommended that welfare quarantining be provided solely on a voluntary basis and stated that the lack of empirical data was also a major problem for the Board in determining the effectiveness of IM.

3. Government Business Manager Survey (July 2008)

This piece of research, commissioned by FaHCSIA to measure the perceptions of Government Business Managers (GBMs) of how the NTER was working on the ground, was to assist in developing some benchmark data to assess whether conditions were improving. No further report has been released.

This initial research involved an online survey with 49 GBMs and when undertaken IM was in place in 82 per cent of communities, with just over half of the GBMs having worked in a community for over six months.

Although the report paints a positive view generally about IM, some of the data in the report acknowledges the negative effects and quotes:

- just over half reported community attitude to IM as positive, mostly by women and older people, due to the increased allocation of money for food and other essentials
- those that felt it had had a negative or no impact listed the reasons as being too early to tell what effect IM will have and that the Community has mostly managed their finances in the past
- 27 per cent felt that IM had had an impact on reducing criminal activity

⁹ www.nterreview.gov.au/docs/report_nter_review.PDF

- 61 per cent reported no change/increase/don't know in relation to a change in the level of 'humbugging in the community
- one GBM indicated 'grog runs' as an unintended consequence of IM in that people are searching to maximise the amount of alcohol they can buy with the proportion of their funds which is not income managed
- GBMs also noted that, because of IM, there is now less money available for transport, therefore more difficult for people to attend funerals and other special events.

Given that GBMs are government appointed and the survey did not collect third party data, there are questions on the reliability of this type of reporting.

4. Central Land Council Submission to the NTER Review (submission no. 37) (July 2008) (CLC Submission)

The CLC, made up of 90 Aboriginal people representing Aboriginal people in the Central region, made a submission to the NTER Review in 2008. Although they noted some benefits from IM such as a reported increase in household expenditure on food and children, the report makes it clear that it is difficult to assess the effectiveness of IM and expresses disapproval of a blanket approach stating:

There is no solid evidence available that income quarantining has improved and promoted socially responsible behaviour in individuals or meeting the priority needs of families.

CLC considers that blanket income management of welfare recipients is discriminatory and does not promote responsible behaviour.

the 12 month blanket adoption of income management was ill conceived. A longer term plan for welfare reform needs to be developed. The focus on improving welfare expenditure for children and food should remain. This should be further developed through the provision of financial literacy support. There should also be a focus towards reducing costs of basic items (bread, fruit and vegetables, milk should all be comparable to Darwin/Alice Springs prices) at community store level.

And further recommend the 'removal of the blanket welfare quarantining approach and instead adopt triggers, such as school enrolment and attendance and child neglect.

5. Elliott Community submission to the NTER Review (submission no. 207) (2008) (Elliott submission)

The Elliot Community, a remote Aboriginal Community with 90 per cent Aboriginal population expressed deep concern in their submission to the NTER Review that it is difficult to understand why the Government listed this particular submission. The submission addressed what was not working and the unintended consequences as:

- IM has been imposed on Aboriginal people only, and in this community, at least 90% of Centrelink clients manage their money reasonably well
- difficulty arises now for people who are also paying loans, fines and other expenses and has created a huge worry and unnecessary distress because there were no guidelines to take into account the defaults that occurred as a result, and

- there has been a plethora of paperwork that has been generated to ensure that moneys owing are continuing to be directed to the relevant accounts for payment.

6. Community Feedback on the Northern Territory Emergency Response (NTER) prepared by the Cultural and Indigenous Research Centre Australia (CIRCA) (September 2008) (CIRCA Report 1)

The first of two reports completed for FaHCSIA by CIRCA, analyses consultations undertaken in four remote communities and was commissioned by the NTER Review Board. Upfront, the report notes that qualitative research does not provide accurate measures and although the report outlines several perceived positive outcomes there were mixed responses to IM generally and different responses across and within communities and between men and women.

Part of the research explored the notion of voluntary IM and notes that this caused some confusion with some participants who came to the realisation for the first time that IM was only applied to Aboriginal people in the NT demonstrating that prior communication in these remote communities had been poor.

For two of the four communities consulted, voluntary IM was seen as very positive and could provide the choice that people felt had been removed by the NTER.

7. The government's views have been summarised in their own consultation document **Future Directions for Northern Territory Emergency Response: Discussion paper (21 May 2009)** which provided the basis for the consultations on future measures that went on to be undertaken between June – September 2009. The government's own document records a number of criticisms and challenges as:

- criticism that IM is applied to all people in a community, regardless of how well they manage their money and care for their children and families
- criticism that people are only able to do their shopping at certain stores
- concerns that IM in the prescribed area has not help itinerant people.

Again, these criticisms have not appeared to have influenced their own policy decisions in relation to the extension of IM to the wider population.

8. Final Stores Post-licensing Review Report – 66 Stores (June 2009)

This report produced the following month was informed by interviews conducted by officers from FaHCSIA, as with the GBM survey, and was conducted in three rounds between February 2008 and May 2009 with 66 licensed community store operators in total. The report claims that the overall impact of IM has been positive for communities and stores alike though provides no specific data on fresh food sales that the government argues will increase nutrition.

The analysis by FaHCSIA was based on the store owners' *'own observations, perceptions and opinions of the situation within their communities, and is not based on any examination of financial records or direct field reports'* which means there has not been any independent verification of the claims, again by people who have benefited by the IM process and other aspects of the intervention.

Despite this, some of their claims in the report that undermine the case for more positive perceptions of IM are that:

- the sale of tobacco mostly remains unchanged
- some store operators suggested that humbug has become concentrated around the store, or that humbug for cash has decreased, while humbug for food and cigarettes continues
- in some cases, store operators claim to have seen a perceivable reduction in gambling and to a lesser extent, alcohol use. One operator noted that *'people are still drinking, but they are using their cash to do it, rather than all of their money'*
- the depth of understanding is not clear. One store owner noted that *'They understand the basics of how it works. They don't seem to understand what it is actually trying to achieve'*.

9. Australian Institute of Health and Welfare (AIHW) Report on the evaluation of income management in the Northern Territory (August 2009) (AIHW Report)

The AIHW Report, was technically an independent report prepared by the government's respected human services statistics compiler. They were contracted by FAHCSIA to report on the data collected by others and evaluate the program. AIHW reported some concern about the limitations of the data and the conclusions that could be drawn, as well as the data collection methodology used which was developed by FaHCSIA. The evaluation was based on a range of data, with particular focus on 76 face to face interviews (51 women and 25 men), some client focus groups and stakeholder meetings in four remote locations.

The AIHW Report expressed their own doubt about the quality of the data.¹⁰

The research studies used in the income management evaluation (point-in-time descriptive surveys and qualitative research) would all sit towards the bottom of an evidence hierarchy. A major problem for the evaluation was the lack of a comparison group, or baseline data, to measure what would have happened in the absence of income management.

And in terms of what benefits IM had on the community since it was introduced were that:

- the majority of participants did not feel that there had been any changes in terms of vandalism, violence on the streets, or youth crime
- half of the respondents felt that there were no changes in the level of drug abuse and family violence, while less than half thought that the level of drug abuse (42%) and family violence (37%) had decreased
- youth crime was an area that saw the greatest variation, with half responding that they felt there had been no change since income management, one-quarter reporting there was more youth crime and one-quarter reporting there was less.

¹⁰ Australian Institute of Health and Welfare, Report on the evaluation of income management in the Northern Territory August 2009 p iv

10. FaHCSIA contracted CIRCA, a regular research contractor, as an ‘independent validator’ of the engagement and communication strategy for the NTER Redesign consultations, and as part of this process they observed a number of the consultations which resulted in the **Report on the NTER Redesign Engagement Strategy and Implementation – Final Report (CIRCA) September 2009 (FaHCSIA Report)**

We note here a potential conflict¹¹ in relation to engaging CIRCA to contribute to both the research process and being the evaluator. After reviewing FaHCSIA’s engagement and communication strategy and observing a number of meetings, CIRCA state in their report that:

A few reports did not clearly indicate the extent of negativity towards income management that CIRCA consultants observed in the meeting. Linked to this, in a few reports, the preference for the opt-out option was implied, whereas our interpretation of the feedback from the meetings is that the decision to be on income management should be left up to individuals.

The summary of the income management section identifies the level of opposition to the two income management options included in the discussion paper. However, the summary identifies the voluntary model with triggers for those not managing their money as the preferred model. We believe this over-simplifies the level of discussion and responses to some extent, as many said income management should be stopped, and the trigger model was acceptable as an alternative solution, rather than the preferred solution.

There are many other concerns about the consultation process that the government is basing their redesign on (see *Will they be heard?*) therefore concerning that they have appeared not to have considered these aspects of their evaluator’s own findings or properly undertaken their own assessment.

11. NTER Redesign Consultation Report (November 2009) (FaHCSIA report)

This is FaHCSIA’s own report on the consultations undertaken June - August 2009. The plans released for these meetings showed the public servants running the consultations started by explaining what the government intended to do, including the retention and extension of compulsory income management **before** asking for local views. Options to discuss voluntary IM, versus compulsory were not included. This format no doubt influenced what was said both at public meetings and informal interviews.

This report claims majority support for retaining the current IM model and expanding it and purports to be based on some 500 ‘meetings’. There is no count of mentions or other data in this report to support this, although the report states that IM was the measure that attracted the most discussion across the consultations. While there are only verbatim transcripts of a few of the meetings publicly available, these showed no overwhelming support for compulsory IM. This divergence of content would be statistically highly unlikely. Therefore, while the government claims the consultations showed support for IM continuing, the report itself does not show the evidence basis for the conclusions drawn.

¹¹ Submission 71

The report does illustrate however a diversity of views. The following, extracted from the report, is a summary of the perceived benefits from different participants in different locations, that illustrates why a blanket approach to issues cannot work across a number of different communities with different needs and problems. The findings were:

- women most frequently identified that income management benefited children and there was more food and clothing provided for children
- men also frequently identified these benefits though not as often as women.
- there were some slight differences in the types of comments about benefits made by people in northern and southern communities
- people in southern communities reported on the benefits of more food and clothing for children, and less humbugging slightly more frequently than people in northern communities
- people in northern communities mentioned benefits of improved household budgeting and enabling.

Although the report claims that there was only a minority who thought IM should cease the report states that there were a sizeable number of people who said that IM should be voluntary despite this not being an option in the government consultation paper. This was raised in the sessions when it was asked how *'IM could be improved if it was continued'*. These comments were made more frequently in Tier 2 (community level) than in Tier 1 (stakeholders)¹² discussions, and more frequently in larger than in smaller communities, therefore coming from those that were directly affected.

2.3 Government statistics that are relevant evidence on the question of what works that should have been quoted and considered

12. Closing the Gap in the northern Territory – January 2009 to June 2009 – Whole of Government Monitoring Report – Part two Progress by Measure (progress by Measure Report)

This report was posted quietly on the FaHCSIA's website and is often not referred to by government. It did gain some media attention due to its damning figures on the 'progress' of the intervention such as increased incidences of violence and alcohol and child abuse, however the government came out and defended these claiming they could be attributed to new measures such as increased police presence and reporting of crimes.

The report details a significant amount of negative data that appears to have been ignored in arguments for the bills. We have illustrated a few examples below but believe there needs to be further analysis on this data in relation to IM. Our emphasis has been highlighted in bold.

¹²**Tier 1:** - comprehensive consultations with key interest groups (stakeholders) in each of the prescribed areas. These will be conducted by Government Business Managers (GBMs) and Indigenous Engagement Officers (IEOs). It is targeted at individuals and interest groups e.g. men, women, youth, community based organisations, families, clans, and tribes and is expected to reach up to 10 groups per community, resulting in possibly 700 consultations.

Tier 2: - a series of public meetings/workshops in each of the prescribed areas (some of the smaller communities may be clustered for this purpose.) These will be delivered by ICC Managers with the aid of interpreters. It is envisaged that there will be at least one workshop per community, resulting in a minimum of 73 consultations.

The following data applies to NTER communities:

- for the period 1 January to 31 March 2009 the total number of **people (men and women) transported by a night patrol service was approximately 39,000**¹³
- the number of **alcohol related incidents increased 29% or almost 900** during 2008-09
- the level of **domestic violence reported to police continues to increase (2,058 incidents)** in 2008-09
- the number of **convictions for assault is significantly higher in 2008–09** than in the previous three years
- **hospital separations** for all injury related categories considered as resulting from assault or interpersonal violence **dropped by 6%** since the introduction of the NTER measures
- the number of **sexual assault lodgements was very similar (57) to pre NTER(52)**
- the number of **convictions for child sexual assaults since the introduction of the NTER measures is 22** there were 15 convictions in the two years prior to the NTER¹⁴
- total number of **confirmed incidences of child abuse rose from 66 in 2006–07 to 227 in 2008–09.**

As mentioned, the report does not provide any reliable data on income management and mostly refers to its own survey of store operators' figures from the report in June 2009.

13. Northern Territory Government Crime Statistics¹⁵

These statistics, although broken down by area are not broken down by sex or Aboriginality/non-Aboriginality though give a snapshot of recorded offences in the NT which show increases/fluctuations in property offences generally and motor vehicle theft as increasing over the 2007-2009 period, and similarly in offences against the person, particularly assault.

2.4 Other reports and responses that cast doubt on the government proposals

The following five publicly available reports provide additional arguments and evidence to the reports above and support the position of the 93 or so submissions that do not support compulsory IM. Three of the reports are based on health research and counter the government's commitment to close the gap on health outcomes.

14. Will they be heard? A response to the NTER Consultations June – August 2009¹⁶ is a critique of the FAHCSIA Report on the consultations and other material. This report has been based on the only publicly available full transcripts of the three Tier 2 (community level) consultations and a few other publicly reported consultations that illustrate that there was no clear support for the maintenance of IM in present forms, and that demands for extending the program to the non-Indigenous was based on mutual sharing of the pain, not the benefits. Minister Macklin has tried to discredit this report as covering only a small number of communities and therefore not being representative.

¹³ Note: This figure is based on information provided by service providers, data collection is problematic and continues to be refined

¹⁴ Police and Justice Data for NTER communities do not include Town Camps

¹⁵ www.nt.gov.au

¹⁶ www.socialpolicyconnections.com.au and often referred to as the Nicholson Report

However, it is statistically highly unlikely that these reports would be substantially different to other similar 'meetings' where access to transcripts has been denied by the government.

The main points made by this report are with the deficiencies in the consultation process and include:

- lack of independence from government on the part of the people undertaking the consultancy
- lack of notice
- the consultations took place on plans and decisions already made by the government
- inadequate explanations of the NTER measures
- failure to explain complex legal concepts, and
- concerns about the government's motives in implementing consultation.

The report summarises how these deficiencies in the consultation process contribute to the government's failure to consult effectively with Indigenous people. Therefore it raises questions on the reliability of the government's claims on the level of support for their intended changes.

15. Northern Territory Emergency Response: Perspectives from Six Communities Central Land Council from February to June 2008 (July 2008)

The research on which this report is based was undertaken by the CLC with the assistance of Aboriginal researchers in six case study communities¹⁷ with 141 residents. The report focuses on the perception of measures in their first year of implementation gauging the awareness, feelings and effects of IM. The findings are mixed as indicated in other research, though the theme of the disadvantages associated with income management in the report are the same across the board:

- less discretionary cash
- restrictions on the use of managed money
- blanket coverage being discriminatory
- problems with accessing managed money
- incompatibility with population mobility
- difficulties for aged and disabled people, and
- cost shifting to Aboriginal people and community staff to deal with the new arrangements.

This report also highlights the issue of gender support versus perception which has been used by Minister Macklin and others to justify that women want in the NT with analysis of survey data suggesting that:

- gender was not a significant factor influencing people's support or opposition to IM arrangements
- 29 per cent of women and 28 percent of men reported that income management should be scrapped.

¹⁷ Note: Kintore was not under IM at the time of the survey

This is significant given the Minister's claims that Aboriginal women are more in favour of IM. Further to this there was little difference between those who thought IM to be 'good' with 30 per cent women and 28 per cent men in support.

16. Impact of income management on store sales in the Northern Territory - Menzies School of Health Research

This is a highly significant study because it is the only longitudinal data and was published¹⁸ in the Medical Journal of Australia on 17 May this year. It concludes that:

Income management independent of the government stimulus payment appears to have had no beneficial effect on tobacco and cigarette sales, soft drink or fruit and vegetable sales

The study, an interrupted time series analysis of sales data in 10 stores in 10 remote communities conducted between 1 October 2006 to 30 September 2009 looked at changes in purchased food, drink and tobacco and dietary outcomes, and was conducted 18 months before IM a 4-6 month period after IM was introduced, a 3 month period coinciding with the government stimulus payment and the remaining IM period, therefore providing the only point of sale data before and after IM. A letter covering the main points had previously been submitted to the Senate Inquiry because the study was undergoing peer review.

The study has received wide media coverage and support from other experts, but was basically devalued by the government which openly disagreed to its key conclusions and the doubts expressed by the researchers about the validity of the government survey of 66 stores.¹⁹ The Menzies researchers claim their findings do not support government's assumptions of improved healthy food and drink purchases tied to IM. The government's response has been only in relation to the increased soft drink purchases, and announced that its bureaucrats would address this problem alone.

17. Health Impact Assessment of the Northern Territory Emergency Response (the Australian Indigenous Doctors Association Report)

The AIDA Report²⁰ is a carefully structured evaluation done by one of the few Indigenous health professional groups. It involved community consultations conducted between July and October 2008 in four communities across the NT, including one on one interviews and focus groups at the community level, interviews with 25 key stakeholders and legislative and expert reviews of the policy. It paints a bleak picture of the negative health impacts that have been felt in some of the communities where they report that psychological harm could exceed any short term physical benefits. The report concludes that there are only a few 'positive' health impacts from IM and that it:

will have significant negative effects on the mental health and social functioning of individuals and communities – including children. These are serious health consequences in their own right and will have serious, harmful impacts on the physical health of young people and adults across the life span.

¹⁸ www.menzies.edu.au and published in the Medical Journal of Australia – Volume 192 Number 10 – 17 May 2010

¹⁹ www.abc.net.au/am/content/2010/s2900988.htm

²⁰ Conducted by the Australian Indigenous Doctors' Association and Centre for Health Equity Training, Research and Evaluation, UNSW, pages 19 and 21

This same report lists some of the negative impacts of IM observed in these community visits:

- stressful, shaming and degrading
- loss of autonomy
- problems with the cost/use of the basics card
- lack of development of sources of income other than benefits
- more difficulties budgeting
- increased pressure from others for money, and
- stigma and shame.

These findings are validated by the expert panel and should not be ignored by any government.

2.5 Summary of reports

If this bill is passed the government will need to take responsibility for the possible long term negative implications that have not been adequately considered. The lack of data to support the government's position needs to be balanced against the consistency of messages on the negative impacts that are coming from the ground and being echoed again and again.

All of the 17 reports above indicate in some way that this program has not been working well, even those reports that the government has indicated as providing justification for the extension. The lack of any substantial data for the extension to commence 1 July this year must be considered, along with the time and effort of all of those people who made submissions, presented at hearings, conducted their own research and evaluations to ensure that this legislation not be passed.

The additional negative responses in the submissions listed below further support the case for not passing the legislation as it is.

Section 3 – Submissions and hearings

The Committee received 95 submissions²¹ and held seven public hearings in February 2010. After broadly reviewing the submissions it is evidently clear that there is very little support for the current system to continue let alone for the proposed changes to go ahead in their current form. A brief summary of the arguments that support and oppose the proposal follows.

3.1 Who supported income management and their main arguments

Available material shows that there is very little support for the proposed changes with only the Ngaanyatjarra Pitjantjatjara Yankunytjatjara Women's Council (NPYWC), and the Northern Territory Government being fully supportive of compulsory IM and its extension.

²¹ A full copy of all submissions and the Senate Report can be found on the Governments website at: http://www.aph.gov.au/senate/committee/clac_ctte/

The Brotherhood of St Laurence indicated some level of support to a major review of income support but did not support the current model for extending IM. They were clear about this difference in their appearance before the Committee.²²

The main arguments supporting compulsory IM were that the benefits were evident in some Central Australian communities and women and children needed the protection against the violence which IM apparently provides. However, no actual evidence was offered to support this position and is at odds with other government data mentioned earlier.

The main group arguing these lines is the NPYWC who claim IM has had benefits. However, there are no figures in their submission to support how many of their clients have benefited from IM, with their submission acknowledging that any improvements were also affected by other intervention initiatives, like improved store functioning. Earlier submissions from the NPYWC women to the NTER Review in 2008 included data, so the absence in this submission is puzzling.

The total clients in the earlier NPYWC data sets show that there were maybe a couple of hundred active clients that would benefit by being income managed. While there may be benefits for others who are not direct clients, these benefits need to be balanced against the possibilities of detriment to others.

If these proposals are to proceed, it will affect not just those women and children in the NPY lands or even the NT, but potentially thousands of others who may be negatively affected.²³

3.2 Who opposed income management and their main arguments

What the government has not taken into account is the level of well informed opposition in submissions and evidence given that oppose the proposed model of IM.

Appendix one clearly illustrates the lack of support for the continuation of IM with only the above two of the 95 submissions being in complete support. Most larger welfare agencies such as St Vincent de Paul, Anglicare and ACOSS are strongly opposed as are some women's organisations such as the Domestic Violence Clearing House and Sole Parent Union, with most others indicating that if the scheme were to continue it should be either voluntary or trigger based.

A summary of the overarching arguments against compulsory IM in the submissions and hearings are as follows but not limited to:

- there being no evidence that such schemes work
- there was no thorough evaluation of this scheme
- most welfare recipients, including in the prescribed communities, do manage their money very responsibly and do not warrant such interference
- the extension of the model has serious implications for vulnerable groups such as those with limited English, literacy and other barriers to understanding the process

²² www.aph.gov.au/hansard/senate/commtee/S12798.pdf

²³ www.terreview.gov.au/subs.htm

- the complexity of suggested applications for exemption will shame and confuse many recipients, and
- the risks outweigh any possible benefits.

The views in many of these submissions are based on knowledge of international comparisons and many organisations' experiences in service delivery on the ground with many submissions pointing out the flaws in the NT scheme as:

- lack of credible evidence and baseline data to support the case for IM being effective
- lack of financial management assistance that could otherwise assist
- restrictions on shopping options ie Coles, Woolworths, Kmart versus smaller stores or cheaper places such as op shops and food co-ops
- major issues with BasicsCard such as inappropriate management of funds, operational/technical problems and theft
- reactions of those affected to breaches of human rights
- reported negative effects such as poverty, diminished self esteem, displacement, family breakdown and general increased strain on communities
- inability to travel or meet unexpected costs because of need to get Centrelink approvals.

Although we could have used many quotes here from the submissions to demonstrate this opposition, a quote from the Nura Gili Indigenous Program from the University of New South Wales sums it up perfectly in that:

Compulsory income management and similar schemes are not just problematic when they overtly or covertly discriminate against particular groups of people. They are poor policy in and of themselves, and have little evidence to support their benefit²⁴.

²⁴ Submission 12

Appendix one – List of submissions and their views for and against

Submissions received	Position on the proposed extension of IM
Oliver, Mr Andrew Individual who believes current IM model is intrusive.	Oppose
Nicholls, Ms Anthea (Individual) Individual who has worked in affected communities and believes IM is racially based.	Oppose
Northern Territory Council of Social Service (NTCOSS) Supports ACOSS position. Concern about the notable lack of hard data to support Government claims.	Oppose
Yearly Meeting Indigenous Concerns Committee (YMICC) of The Religious Society of Friends (Quakers) in Australia Believes the Government should enact the recommendations of the Ampe Akelyernemane Meke Mekarle 'Little Children are Sacred' Report.	Oppose
Las Casas Dominican Centre	Oppose
National Council of Churches in Australia (NATSIEC) State that their own conversations show that affected people feel 'humiliated and embarrassed by IM'.	Oppose
Settlement Council of Australia National peak body for the settlement of refugees. Believe the proposed extension would discriminate against refugees and CALD migrants.	Oppose
Law Institute of Victoria Question whether redesign is compliant with s19(1A) of the Racial Discrimination Act.	Oppose
Community Child Care Extension works against Government's social inclusion agenda.	Oppose
The Religious Society of Friends (Quakers), Regional Victoria	Oppose
Billings, Dr Peter and Cassimatis, Dr Anthony Concerned with lack of satisfactory data. Includes references to proposed laws and consistency with International Convention.	Oppose
Nura Gili Indigenous Programs, University of New South Wales Submission notes that 'compulsory income management and similar schemes are not just problematic when they overtly or covertly discriminate against particular groups of people. They are poor policy in and of themselves, and have little evidence to support their benefit'.	Oppose
Western Australian Council of Social Service (WACOSS) Support ACOSS submission.	Oppose
Pensioners and Superannuants Association Claim evidence is 'flimsy'	Oppose
ANGLICARE Sydney Believes mandatory IM is discriminatory and costly with a voluntary model preferred.	Oppose
St Vincent de Paul Society National Council of Australia Believe it is a turning back of the clock ie 'susso payments' which strip recipients of dignity.	Oppose
Australian Council of Social Service (ACOSS) Believe the policy has been proposed despite weak and conflicting evidence and recommend having non discriminatory policies to help people manage if the needed.	Oppose
Human Rights Law Resource Centre Policies raise serious concerns about human rights obligations.	Oppose
Amnesty International Australia Conflicts with international human rights standards.	Oppose

Carers Australia May disadvantage many carers already in vulnerable positions. If goes ahead requires safeguards to protect affected people.	Oppose
Office of the Privacy Commissioner Focuses on the protection of an individual's personal information in relation to relevant legislation.	Not stated
Public Interest Law Clearing House (PILCH) Inconsistency between the Bill and the right to Social Security.	Oppose
Australian Indigenous Communications Association (AICA) Draws on the Constitution and related Acts.	Oppose
Reconciliation Australia Recommends that 'income management measures are assessed on a case-by case basis and/or through locally tailored processes that have the support of the community'.	Not stated
Annetts, Mr Joe Individual who believes it will 'undermine future efforts to empower and develop Aboriginal communities'.	Oppose
Merckenschlager, Mr Max Individual against a 'blanket rule' of income management.	Oppose
Egan, Sr Patricia Compilation of opposing statements	Oppose
Aboriginal Catholic Social Services (ACSS) Letter signed by the coordination team.	Oppose
Family Relationship Services Australia (FRSA) IM is a contradiction to the Governments social inclusion agenda.	Oppose
Federation of Community Legal Centres (Vic) Inc (FCLC) The Federation recommends that if the income management provisions of the Bill are retained they must be amended to ensure that the scheme is entirely voluntary.	Oppose
National Association of Prevention of Child Abuse and Neglect (NAPCAN) Support IM but with modifications though oppose the extension to all welfare recipients.	Oppose
Small, Ms Pauline Individual concerned with IM in particular the power given to a Minister under proposed Bill.	Oppose
ANGLICARE Australia Income management as one of a number of tools and voluntary is possible	Oppose
Women's International League for Peace and Freedom (WILPF) International NGO that is concerned that the NT Intervention contravenes 26 of the 45 articles of the United Nations Declaration on the Rights of Indigenous Peoples.	Oppose
Intervention Rollback Action Group (IRAG) A grass roots group made up of Aboriginal and non-Aboriginal volunteers.	Oppose
Paterson, Ms Jane Individual	Oppose
Healy, Dr Joan Individual	Oppose
Chester, Ms Leonie Nampijinpa Individual who lives with and recommends more consultation with the Yappa people.	Oppose
Heysen, Ms Kerry Individual reflecting on personal circumstances.	Oppose
Ryan, Ms Genevieve Individual	Oppose

Edge, Ms Jennifer Individual	Oppose
Lynn, Ms Joan Individual	Oppose
Radman, Ms Patricia Individual	Oppose
Leahy, Dr Micheal Individual	Oppose
van Ruth, Sr Katrina Individual	Oppose
Rich, Ms Bianca Individual who has spent time in Mapuru.	Oppose
White, Ms Pilawuk Individual from Ngangiwumerrri Nation.	Oppose
Madigan, Sr Michele Individual	Oppose
McMahon, Mr John Individual	Oppose
Altman, Professor Jon Individual	Oppose
Michele Harris spokesperson for group of concerned Australians	Oppose
National Association of Community Legal Centres (NACLC) 'Contravenes the Australian Government's international obligation to uphold and protect the rights of social security and non – discrimination'	Oppose
Australian Youth Affairs Coalition (AYAC) Endorses ACOSS's submission.	Oppose
National Council of Single Mothers and their Children Inc Note that 'development of a national policy should not occur, and certainly not be implemented, without consultation with the Australians who would experience the impact'.	Oppose
Tangentyere Council, Central Australian Youth Link-Up Service (CAYLUS) Concern about pension no longer being income managed as many of their clients are damaged by inhalant use and cannot manage their money.	Partial Support
Victorian Council for Civil Liberties Recommend that the scheme should be voluntary.	Oppose
Jumbunna Indigenous House of Learning, University of Technology, Sydney Concerns with consultation and legal issues.	Oppose
ANU National Centre for Indigenous Studies	Oppose
Aboriginal Medical Services Alliance Northern Territory (AMSANT) 'Blanket compulsory income management should only be applied at a community level where there is demonstrated support from the community for the measure'.	Oppose
Australians for Native Title and Reconciliation (ANTaR) 'If income management may have a legitimate role then it would be as one of a suite of options directed at helping individuals and families to address dysfunctional behaviours. Such a model would be based on intensive case management linked to appropriate evidence-based 'triggers' applied via a process that is both transparent and open to administrative appeal'	Oppose
Central Land Council (CLC) One of the recommendations is that any 'future income management regime explicitly provides for community controlled welfare schemes'.	Oppose

The Fred Hollows Foundation Support AMSANT	Oppose
Catholic Social Services Australia Undermines social inclusion and weakens the safety net.	Oppose
Good Shepherd Youth and Family Service 'Good Shepherd Youth and Family Service does not support admission to income management based on a persons place of residence, source of income, category of social security payment or duration of social security payment'	Oppose
Australian Council of Trade Unions (ACTU) Indigenous Committee Concerned about reported negative effects but positive about Pensioners and Veterans not being managed under new scheme.	Oppose
Brotherhood of St Laurence Vital matter is to get the approach to 'welfare conditionality' right.	Oppose
Soul Parents' Union Chief concern is lack of evidence and its impact on already vulnerable parents..	Oppose
North Australian Aboriginal Justice Agency (NAAJA) Support a voluntary model and provide lengthy recommendations.	Oppose
Law Society Northern Territory Support NAAJA submission.	Oppose
Women's Electoral Lobby Australia Chief concern is lack of evidence.	Oppose
Distaff Associates Chief concern is lack of evidence.	Oppose
The Salvation Army Australia Southern Territory Experience with affected people in Alice Springs is that they have struggled to understand the rationale and processes.	Oppose
Regulatory Institutions Network (RegNet) IM discriminatory and does not represent a special measure.	Oppose
Central Australian Aboriginal Legal Aid Service (CAALAS) Recommend that the Government only apply compulsory income management on the basis of child protection, school enrolment and attendance and other relevant behavioural triggers in line with the NTER Review Board recommendation.	Oppose
Northern Territory Legal Aid Commission	Unable to open doc.
Australian Human Rights Commission (AHRC) Concerned that proposed changes do not fully address existing breaches to Human Rights.	Oppose
National Welfare Rights Network Specialists in Social Security Law who have been critical of legislation since it was passed in 2007.	Oppose
Judge, Ms Celia Individual	Oppose
Australian Financial Counselling and Credit Reform Association Do not support mandatory IM.	Oppose
Laynhapuy Homelands Association Very hard to see any benefits from the NTER on the ground.	Oppose
Northern Land Council Submission deals with 5 yr lease laws.	Not stated
Northern Territory Government Support Government's position on IM.	Support

Law Council of Australia Proposed changes have the potential for indirect discrimination against Aboriginal people in the application of the measure to highly disadvantaged groups.	Oppose
Australian Domestic and Family Violence Clearinghouse Concern about the impact the proposal will have on women experiencing domestic and family violence.	Oppose
Women's Refuge Movement Working Party Concern about the impact the proposal will have on women experiencing domestic and family violence.	Oppose
Oxfam Australia Recommends that the Government look at the Centrepay scheme and its potential to replace the compulsory scheme.	Oppose
Stop the Intervention Collective Sydney (STICS) Submissions notes that 'provides a framework for the government to pretend that racial discrimination is not racial discrimination'.	Oppose
Sydney Centre for International Law, Faculty of Law New regime will still be discriminatory	Not stated
Reconciliation for Western Sydney Accept quarantining on a voluntary basis.	Not stated
Deirdre Finter Experienced first hand and notes IM has contributed to a general feeling of helplessness and depression.	Not stated
Uniting Care Australia Dollars should be focused on programs for families.	Oppose
National Foundation for Australian Women Believe more consideration should be given to voluntary and involuntary schemes but does not rule out.	Not stated
Ngaanyatjarra Pitjantjatjara Yankunytjatjara, Women's Council (Aboriginal Corporation) Believe IM has had a settling effect.	Support
Bennelong & Surrounds Residents for Reconciliation Do not support compulsory IM not its extension.	Oppose
Sabine Kacha Individual does not support compulsory IM not its extension.	Oppose

Appendix two²⁵ - summary of current and proposed schemes and trials in WA and Qld

Current – approx 17 000 clients		Proposed – approx 20 000 clients	
<ul style="list-style-type: none"> introduced in 2007 as part of NTER applies to prescribed communities in the NT covers all recipients including Age, DSP and VA payments 		<ul style="list-style-type: none"> intended to come into force 1 July 2010 in the NT although the RDA will not be reinstated until end 31 December moving existing recipients over slowly repeals existing measure to prescribed areas in NT but over time. Is to be applied initially to all of the NT Minister has power to declare that a specified state, territory or smaller area is 'a declared income managed area' applies to five different categories of people evaluation in NT till the end of 2011 of evidence to provide the basis for extending the program to other parts of Australia if successful however, this timetable is not in the legislation so could be used at any time, anywhere and regardless of evidence. 	
Who it applies	Summary of measures	Who it applies	Summary of measures
Welfare recipients in some 73 prescribed communities in the Northern Territory	<ul style="list-style-type: none"> proportion of recipients payment quarantined only to be spent on essential items – food, clothing, rent and utilities cannot be spent on alcohol, cigarettes, pornography or gambling the BasicsCard has been made available as a tool to assist people in buying essential and everyday items using their income managed funds. The BasicsCard can be used at a range of approved supermarkets and 	<p>Disengaged youth – people aged 15-24 who have been in receipt of Youth or Newstart Allowances, Special Benefit or Parenting Payment for more than 13 weeks in the last 26 weeks.</p> <p>Long term welfare recipients – people aged 25 and over (and younger than pension age) who have been in receipt of Youth or Newstart Allowances, Special Benefit or Parenting Payment for more than 52 weeks in the last 104 weeks</p> <p>Persons assessed as vulnerable – those assessed as being vulnerable to financial</p>	<ul style="list-style-type: none"> 50% of Welfare recipient's regular income and 100% of lump sum payments quarantined only to be spent on essential items – food, clothing, rent and utilities cannot be spent on alcohol, cigarettes or gambling

²⁵ This information has been summarised from Chapter 3 of *The Senate Community Affairs and Legislation Committee Report* dated March 2010 and the FaHCSIA website.

	stores.	crisis, domestic violence or economic abuse. Persons referred to Centrelink by child protection authorities. Voluntary income management	<ul style="list-style-type: none"> incentive payment of \$250 for each 26 week period in which a person voluntarily opts in and matched saving incentives
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WA income management trial Unknown		Cape York welfare reform trial 80 out of 424 case managed clients ²⁶	
<ul style="list-style-type: none"> began in November 2008 in Kununurra and Cannington and Balgo, Halls Creek, Broome and Dampier Peninsula in January 2009 under the auspice of Minister for Child Protection, Communities gives the WA Department of Child Protection the power to recommend to Centrelink that income support and family payments be quarantined intended as one tool in a case management model WA Department for Child Protection provides ongoing case management Centrelink works with families to identify priority needs and direct their income managed funds accordingly 		<ul style="list-style-type: none"> began as four year trial on 1 July 2008 Qld Family Responsibilities model vests in its Commission, constituted of two local community commissioners and a third non-local Commissioner, the power to require Centrelink, by way of a notice, to make a person to be subject to IM operates in a context where initially no-one is subject to IM and where a notice requiring that someone be made subject to IM is seen as and used as a last resort the power to require Centrelink to subject a person to the IM regime is the Commission's only enforceable power. 	
Who it applies	Summary of measures	Who it applies	Summary of measures
<ul style="list-style-type: none"> families identified by the Department for Child Protection as abusing or neglecting their children (or at risk of doing so) 	<ul style="list-style-type: none"> up to 70% of welfare payments and 100% of lump sum payments quarantined to be spent on essential needs have access to financial management services including Australian Government 	<ul style="list-style-type: none"> a minority of welfare recipients as a last resort compliance tool 	

²⁶ as at September 2009 3 Families Responsibilities Commission Quarterly Report No. 5, July – September 2009

	<p>funded financial counsellors</p> <ul style="list-style-type: none"> • cannot be spent on alcohol, cigarettes, pornography or gambling • could be for a minimum of three months to a maximum of 12 months 		
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