

PART C: EXPANDING THE PROGRAM

The Government has its legislation in place and Australia has seen a major shift in welfare policies for all. Income management is now de-racialised and in force in the whole of the NT in its new form. The WA scheme has just been funded for a further 12 months to June 2012, Cape York continues and in the May 2011 budget the Federal Government announced the further five income management sites to start in June 2012 which include Shepparton, Bankstown and Logan.⁷⁹

There is no doubt that the Howard Government used the original ‘emergency’ status of the program and its targeting of 73 Aboriginal communities as a shield for moving towards policies it had long sought to impose. This was evident from then-Minister Tony Abbott’s current enthusiastic support for the extension, and from the fact that the two Coalition members on the Committee only dissented from the ALP members by stating that there were too many exemptions for aged and disability pensioners. The use of Aboriginal communities as both guinea pigs and stalking horses meant that the rest of Australia, including the welfare sector, were less likely to make a fuss than if other groups had been targeted.

The Northern Territory rollout

The NT has become the first non-rationally based area to be targeted. A statement by the NT Council of Social Services in April 2011 summarised some recent data on income management:

Income Management in the NT - 28.3.11 Pre ACOSS Conference

As at: 17 June 2010 there were approximately 15,500 people were subject to the compulsorily income managed across 73 prescribed communities, many outstations and numerous town camps.

A new, non-discriminatory model of income management was introduced on 1 July 2010. Initial rollout of new IM Regime began: Barkly Region (9.8.10); Alice Springs (30.8.10); Top End (4.10.10)

As of 31/12/10 there were 16,350 people on Income Management in the NT (sometimes referred to [‘participating in’ income management]) Centrelink refer to people being eligible for IM. Customers don’t see themselves as eligible for IM, but see that they are put on IM.

As of 8 March 2011 at a FaHCSIA stakeholders forum (Alice Springs, NT) the following statistics were made available. Approximately 14,000 people have been transitioned onto the new IM model, 7877 people who were previously subject to Income Management have exited. Of the 7877 who exited compulsory IM under the NTER, 4653 or 59% of people had chosen to continue on IM under the voluntary

⁷⁹ Kate Ellis MP, ‘New approaches to address disadvantage in targeted communities’(Press Release, 10 May 2010).

measure. 122 new people have commenced on VIM, who were not previously on IM = total 4775.

1754 people had been granted an exemption from the new model of IM on the following grounds:

- Category 1 - 842 people were granted an exemption under the 'parenting' category;
- Category 2 - 29 people were granted an exemption under the 'paid employment' category;
- Category 3 - 869 people were granted an exemption under the 'paid employment' Category 1; and
- Category 4 - 8 people were granted an exemption on the grounds they had commenced an F/T apprenticeship.⁸⁰

A media report of a Senate Estimates Committee hearing said that just under 25 per cent of the exemptions granted were to Aboriginal people.⁸¹ However, there are no figures on how many people have sought an exemption but been refused.

The above data raise questions on whether the 69 per cent who have 'chosen' to stay on the payments have really chosen to stay, and why only 25 per cent of exemptions were Aboriginal applicants when an estimated 94 per cent of income management recipients are Aboriginal.

An article by Paddy Gibson, a researcher at Jumbunna, published on *Crikey*, describes an example of process that casts further serious doubts as to whether the recipients who stayed on income management were given real choices.

Business as usual under Labor's 'new' income management

The new system of income management designed by the federal Labor government has been progressively rolling out across the Northern Territory since the start of August. The new system is allegedly "non-discriminatory", applying to all welfare recipients across the NT and potentially Australia. It is also supposed to soften the grip of income management on "prescribed" NT Aboriginal communities. On paper, people on aged and disability pensions are now exempt.

Implementation of these reforms, however, has just meant one more round of racist, humiliating interaction with government bureaucracy for communities suffering under the intervention. Centrelink is doing all it can to keep Aboriginal people on the system.

Last Friday, September 17, I went into Centrelink with some elderly women from Ilparpa town camp on the southern fringe of Alice Springs. These women have long complained about the BasicsCard making it harder for them to access their pension and deeply resent their lives being taken over by the NT intervention.

⁸⁰ Northern Territory Council of Social Services, *Income Management in the NT*, (Presented at an ACOSS Conference 28 March 2011).

⁸¹ 'People moving off income management in NT' *Sydney Morning Herald*.
<http://news.smh.com.au/breaking-news-national/people-moving-off-income-management-in-nt-20110224-1b6w5.html> 24 February 2011.

Centrelink has been telling Aboriginal organisations in Alice Springs that 70% of Aboriginal pensioners in Tennant Creek and the Barkly region have "volunteered" to stay on the new income management system. After our experiences on Friday, I'm genuinely amazed that 30% managed to escape.

Over the next four years, \$350 million is being spent on income management in the NT alone. A reasonable slice of this must be being spent on marketing. Alice Springs Centrelink is full of advertisements promising good health, pride and happiness for those on the BasicsCard.

May, who is 76, asked me to come and sit in at her interview with the Centrelink officer. Fluent in several Aboriginal languages, she speaks only broken English. The man behind the counter was friendly.

"How can I help you today, May?" "BasicsCard." "You want to check your balance on your BasicsCard?" "No, the BasicsCard is no good. I want to stop." "Oh, your BasicsCard isn't working. No worries I'll get you a new one."

There are so many problems with BasicsCards not working that Centrelink hands replacements out like lollies. He came back with a shiny new card, gave May a form to sign (which she did) and got her to punch her preferred pin number into the computer.

"OK, that's it today then?" I said, "excuse me, but isn't there a new system operating? Perhaps you could get an interpreter to explain to May what her rights are if she wants to come off the BasicsCard?" "Look I'm just not doing that any more. Only two of the 30 or so people I asked actually came off, because if they stay on they get a bonus." He was referring to a \$250 "incentive" payment that pensioners will get every six months if they decide to sign up for "voluntary income management". The Ilparpa women had heard this payment was being offered to other people and dismissed it as a "bribe". But it's a lot of money for any struggling family.

There was no Warlpiri interpreter available, so May talked straight for herself. "I want cash. BasicsCard is rubbish. I am a non-drinker and I don't gamble, I'm a Christian woman." This began a 15 minute tug of war, with the Centrelink officer pulling out several stops to try and convince May to stay on the card. He turned around his computer to show May the list of "essential items" she could spend her BasicsCard on.

"I get paid wages, but I have to buy clothes and food too. See, it's no different. It's like we're all on income management really." "I want cash," she kept insisting.

"I've worked with communities for 25 years," he was talking to me now. "People come under a lot of pressure to hand their money over to their family." May said: "I can look after my money. I don't give it out. I need cash."

He tried one last angle, "well if you come off the system, we won't be able to pay your rent anymore." Before income management, many Aboriginal people had their rent deducted directly from Centrelink under a voluntary system called Centrepay. Apparently, this is no longer an option.

Asking questions, we found out that you can arrange direct deduction by talking with NT Housing. But Centrelink will not assist to make these arrangements unless you stay on the BasicsCard. Worn down by the argument, the Centrelink staffer did not actually know how to take May off the system. It took three staff crowded around his

computer for another 15 minutes before everything was sorted. One was a supervisor, who asked the Centrelink officer if he was sure May wasn't "vulnerable".

Pensioners assessed by front-line Centrelink staff as being "vulnerable to financial exploitation" can be kept on the new system against their will. Racist assumptions about Aboriginal people being unable to look after their money continue to underpin income management. Two other Iparpa pensioners were not as lucky as May with their negotiations and are still on the card.⁸²

The article goes on to describe other people's similar experiences, suggesting that the 'choice' to remain on income management may not be the sign of satisfaction that Centrelink and FaHCSIA like to claim.

Evidence emerging post legislation from other income management programs

Further evidence, after the passing of the legislation, has also cast doubt on the effectiveness of income management schemes. Since income management was extended there have been new evaluations and reports on the other two 'pilot' schemes, in Western Australia and Cape York (Queensland). Each report has been greeted by the Minister as additional evidence of the effectiveness of income management programs. However, closer examination of the reports reveals that they do not contain evidence to substantiate the Minister's claims.

In October 2010 Minister Macklin issued a press release which began:

An independent evaluation has shown the Australian Government's trial of child protection and voluntary income management in Perth and the Kimberley is having a positive impact on the wellbeing of children and families in Western Australia. Since November 2008, the Australian Government, in cooperation with the Western Australian Government, has been trialling compulsory income management in cases of child neglect. Under the trial, the Department of Child Protection can refer people to Centrelink for income management to help ensure that children are being properly cared for.

In addition, people living in the trial areas are able to volunteer for income management to assist them to improve their budgeting and money management skills. The evaluation shows income management is helping to improve the lives of families in Western Australia by ensuring welfare is spent where it is intended - on the essentials of life and in the best interests of children. Sixty-one per cent of child protection income management participants and 67 per cent of voluntary income management participants surveyed thought that income management had made their children's lives better. While on income management participants reported spending more money on fresh food and clothing.⁸³

The evaluation in question was conducted by the consulting firm Orima

⁸² Paddy Gibson, *Business as usual under Labor's 'new' income management* (2010) Crikey.

⁸³ Jenny Macklin, MP 'Income management is improving lives in Western Australia', Press Release 8 October 2010.

http://www.jennymacklin.fahcsia.gov.au/mediareleases/2010/Pages/Income_management_WA_08_oct_2010.aspx at 30 August 2011.

Research,⁸⁴ and our examination of their report showed some serious methodological flaws. The least reliable data in such an evaluation is the responses of the participants, who are under some pressure to retain their benefits. The responses are to pre-coded questions which, given that the participants know the purpose of the survey, may encourage responses geared to interviewer expectations. Respondents were also paid \$50 which may also affect their desire to please the survey sponsor.

Additionally, the number of interviewees was limited (only 149 interviews across three samples and two sites), so standard errors are high (12 per cent +). There were no independent outcome data, because all the statistics offered based on opinions of participants or service deliverers. Nor were any data included from store records, medical examinations, case files or bank accounts.

The so-called focus group stage was apparently highly structured and numbers were too limited to be useful as more than a vague indicator. The results are therefore to be treated as interesting but not reliable enough to serve as proof that the income management program is improving children's lives. Differences in responses from the 'control group' may be sometimes statistically significant but are sufficiently slight to be no more than interesting. As the control group also reports some improvements in money management, questions arise as to what effect may have been due to other interventions such as financial counselling, budgeting and other support which was provided alongside income management.

Interviews with staff involved in delivering the income management program show their firm conviction that the program is working, but this is not reliable because they have a vested interest in claiming that their clients are benefiting. This is where material should have been collected from case records – for example, recorded actual changes in behaviour, financial records and store spending data would be necessary to validate such potentially self-interested claims.

Despite all these methodological biases in favour of FaHCSIA, the results show relatively small improvements and some negatives as well. The best the consultants could seriously claim from this research was that, when asked, most of the compulsory and voluntary participants felt they had gained something from the program; and some (but not all) ex-income management participants, claimed they had retained some extra skills.

Similar doubts are articulated in the independent critique by the Western Australia Council of Social Service (WACOSS) of the methods of data

⁸⁴ Orima Research, *Evaluation of the Child Protection Scheme of Income Management and Voluntary Income Management Measures in Western Australia*, (2010). http://www.fahcsia.gov.au/sa/families/pubs/cpsim_vim_wa/Documents/evaluation_of_IM_trials_WA.pdf at 30 August 2011.

collection on the Western Australia program. This program is important to the process of evaluating what works, because the recently announced extensions of income management to five extra sites in Victoria, NSW, Queensland and South Australia was said to be based on the success of the WA model. However, the analysis by WACOSS raises serious doubts about whether the program is having a beneficial effect on participants. These essentially support our comments above in most areas:

Extracts

This paper discusses each research objective of the evaluation and ORIMA Research's findings in relation to the objectives. It should therefore be read in conjunction with the evaluation report. A number of overarching comments and issues are also raised such as the need for additional analysis of the trials using longitudinal, quantitative data as well as qualitative and anecdotal information (the lack of these data have severely limited the ability to evaluate the long term effects on clients and the community services sector); and that the overarching focus of income management should be to assist in breaking cycles of intergenerational poverty and poor financial management and literacy, by being delivered alongside a range of family and individual support services.

The Western Australian Council of Social Service (the Council) has consistently questioned the legitimacy of compulsory income management for a number of reasons, including:

- The curtailment of a client's civil and economic rights;
- The short-term effectiveness of the measure as an intervention particularly when used as an isolated and individualised strategy without other community supports and programs;
- The questionable long term benefits compared to possible negative outcomes and unintended consequences;
- The monetary cost/benefit of implementing and managing such programs;
- The potential negative financial, emotional and social impact on the client, their children and extended family and their broader community;
- The increased demands on community service providers due to income management creating other needs and a lack of resourcing to address those needs;
- The direct racial discrimination of previous targeting of Indigenous communities in the Northern Territory regardless of whether individuals within those communities would be considered in need of income management; and
- The possible indirect race discrimination through the now broader application of the policy beyond Indigenous communities still having a disproportionate negative impact on Indigenous communities

The Council does not, however, oppose the implementation of a voluntary income management program, providing entry into the program is not coercive. Such a program should also be delivered in conjunction with complementary support service programs, not as a standalone initiative.

The Council does acknowledge that the researchers were limited by the short length of time that income management has been trialled thus far, and therefore, the longitudinal nature of well-being indicators and outcomes were most likely beyond

the scope of the commissioned evaluation.⁸⁵

The WACOSS paper also criticised the possible sampling error and other technical aspects of the results which made reliable measures of outcomes difficult and went on to say:

Unintended consequences are a key concern for the Council in regards to income management programs. There is a risk that income management intervention could produce a net worsening of a client's situation. While it has been acknowledged that the program in Western Australia does have some important benefits, these are also associated with strong case management and support services for the families involved. However, the focus on support services may potentially create more demand on associated community services, raising the question of the capacity and resourcing of these services to meet the additional demand.

The Federal Government has implied the report validates the expansion of the Northern Territory income management intervention. The Western Australian Council and the Northern Territory Council of Social Service have previously noted that the narrowly targeted, case-management style program operating in Western Australia bears little resemblance to the blanket roll-out of income management currently underway in the Northern Territory. Anecdotal evidence in the report supports what the Council has argued for some time - limited and carefully targeted voluntary income management applied in conjunction with a range of related support measures works in the short term for some families but not for everyone.

Further research into the short and long term effects and differences between a voluntary and compulsory income management scheme would be helpful for the development of public policy. In particular, research could explore the role that stigma for income management clients plays in take up and compliance; the role of support services and improved, sustainable financial capability when a program is either voluntary or compulsory. Indeed the report's first recommendation is to develop a communications & campaign that positively promotes the benefits of voluntary income management as an active choice. It would also be useful to seek clarity on how the voluntary program compares with the Centrepay scheme and if there are possible improvements to be made in the operation or promotion of either.⁸⁶

Yet the trials continue, and this model of income management is being planned to begin in five extra areas next year. The rationale for the continuation and extension assumes that the benefits are not in question, as is shown in this newspaper article:

Welfare quarantine trial to continue

THE Gillard government will spend an extra \$17.9 million to continue a trial program that quarantines 70 per cent of parents' welfare payments to be spent on necessities such as food, housing, utilities, clothing and medical care in Western Australia.

The government believes the program, which links child protection to welfare

⁸⁵ Western Australia Council of Social Services, *Analysis of the ORIMA Research Evaluation of the Child Protection Scheme of Income Management and Voluntary Income Management Measures in Western Australia* (2011).

⁸⁶ *Ibid.*

quarantining in the Kimberley and the Cannington region of metropolitan Perth, has been a success, and will today announce renewed funding.

This would allow the trial program, which began in 2009, to continue in co-operation with the West Australian government until June 30 next year, Indigenous Affairs Minister Jenny Macklin said yesterday.

"Income management helps families ensure their welfare payments are spent in the best interests of children," she said.

"It ensures that money is available for life essentials, and provides a tool to stabilise people's circumstances and ease immediate financial stress."

Under the trial, which could be extended nationally, the West Australian Department for Child Protection has the power to recommend to Centrelink that income support and family payments be quarantined to ensure welfare is spent in the interests of children. Seventy per cent of parents' welfare payments are set aside to be spent on necessities.

More than 200 people in Western Australia are on child protection income management, with more than 700 people participating voluntarily.

An independent evaluation of the income management scheme in the NT and WA as well as on Cape York will be carried out before the federal government extends the program across the rest of the country.

Income management is part of the Gillard government's commitment to reforming the welfare payments system and supporting people to take responsibility for themselves and their families.⁸⁷

Cape York program

There is no evaluation of the Cape York program but some statistics have been published by FaHCSIA in various reports.⁸⁸ This is a very different program where income management is used as a last resort. The costs of the program are not included in the report, so there is no way to assess cost-benefit. However, this program offers more personal involvement of staff than the NT compulsory universal version. The latter is assumed to cost about \$80 per week per person to administer, so Cape York would presumably cost more, since it is selective and includes financial support staff and child protection liaison for some clients.

The most recent report states it records what is happening in the communities in relation to factors relevant to the Family Relationships Commission

⁸⁷ Patricia Karvelas 'Welfare quarantine trial to continue' *The Australian*, 20 April 2011. <http://www.theaustralian.com.au/national-affairs/welfare-quarantine-trial-to-continue/story-fn59niix-1226041813305> at 30 August 2011.

⁸⁸ See:

<http://www.fahcsia.gov.au/sa/families/progserv/welfarereform/Pages/CapeYorkWelfareReform.aspx> at 30 August 2011.

jurisdiction and other indicators of social function. The findings are limited both by the nature of the data available and by the timing of the Implementation Review early in the reform process. There was little or no discussion on the income management program, except that it had been applied in a few cases of persistent non-school attendance.⁸⁹

The NT Inquiry into the child protection system

Another report to government, similar to the one that triggered the first NTER process, was produced by a Board of Inquiry appointed by the Northern Territory Government to review the child protection system from 2007 to 2010. Although this was not an evaluation of the NTER's effect on child protection, it could have been seen as such, since it covered the child protection situation in the first nearly three years of the Intervention. As it turns out, the Inquiry's report is significant in what it does NOT say about NTER. Despite NTER's original intention having been to address child abuse (particularly sexual abuse), the report makes no mention of NTER or its sub programs. As the report sets out alarming data on the increasing problems of child abuse and neglect in the Territory, the only logical conclusion is that NTER was seen as irrelevant to the protection of children in the last three years. Income management is not mentioned as a currently useful program, nor is it advocated as part of future solution. This omission suggests that income management is not seen as a valuable tool of child protection. Instead, the report emphasises participative work with communities and strengthening programs, as shown in this excerpt:

The Board visited a number of Aboriginal communities around the Territory and heard directly from community members.

The Board drew on the recommendations of other recent Inquiries and Coronial hearings; looked at interstate and overseas child protection models; conducted its own research; and sought additional information as required to inform the Inquiry.

The Board of Inquiry has completed its work and the Report was handed to the Chief Minister on 18 October 2010.

A driving concern for the Inquiry is the significance and sensitivity of matters to do with Aboriginal communities in the Northern Territory. In particular, the Inquiry is mindful of the often very negative public attention focused disproportionately on Aboriginal communities and families in recent times and the critical nature of the contemporary vulnerabilities of Aboriginal children and young people. Simultaneously, the Inquiry is aware of the strength, energy and effort that it could capitalise on in relation to Aboriginal cultural practice principles that have been articulated in national and international publications in recent years.

These are incorporated in the procedural work of the Inquiry and formed the foundations for thinking through the requirements for developing a system that cares

⁸⁹ See: http://www.fahcsia.gov.au/sa/indigenous/pubs/evaluation/Pages/review_of_frc.aspx at 30 August 2011.

for and protects children, including the mechanisms for implementation. The Inquiry lists the following important universal premises – most of them with a strong research and value base:

- Every child deserves the opportunity to reach her/his potential, to be safe and to lead a fulfilling life;
- Family and community are pivotal for the care, nurturing, development and protection of children;
- A safe and permanent home for children with family and in community provides the best place for children's growth and development;
- Most parents (men and women) and families care deeply about their children however they cannot do the work of child rearing alone and need community assistance to grow children well;
- Family efforts to care for and nurture their children are profoundly affected by the social and economic environment and health of the place in which they live;
- Some, possibly many, families and communities do not have the wherewithal or the capacity to provide the care that children need: none can do it on their own; and
- Some children cannot remain in the care of their families and if so, the state, on behalf of the people, has a moral duty to provide the best possible alternative care environment for them – one that enables them to stay connected with family and culture.⁹⁰

This summary indicates an implicit critique of the top-down processes of NTER. We assume there was no evidence given of its benefits and the Board tactfully left out any negative comments. Certainly the FaHCSIA program would not meet the criteria listed above. The omission seemed to stir a response from Macklin's office, with a whiff of annoyance detectable in the Minister's announcement that compulsory income management would be extended to cover anyone notified under child protection legislation in the NT.

In a media release on 18 October 2010 Macklin stated:

As part of the current roll out of the new income management scheme in the NT, the Australian Government has introduced child protection income management to improve parental responsibility. Income management ensures that welfare is spent, first and foremost, in the interests of children on food, clothing and housing. NT child protection workers now have the authority to instruct Centrelink to income manage 70 per cent of parents' income support and family payments to ensure welfare is spent in the interests of children.

The Australian Government wants this measure to be used by NT child protection workers in cases of child neglect. To support and encourage this measure, the Australian Government will provide an additional \$25 million over four years for new family support services in remote communities. This funding is dependent on the NT Government's increased use of child protection income management.⁹¹

⁹⁰ M. Bamblett, H. Bath and R. Roseby, Northern Territory Government *Growing them Strong, Together: Promoting the safety and wellbeing of the Northern Territory's children*, Report of the Board of Inquiry into the Child Protection System in the Northern Territory (2010) http://www.childprotectioninquiry.nt.gov.au/report_of_the_board_of_inquiry at 30 August 2011.

⁹¹ Jenny Macklin MP, 'Bath inquiry into the Northern Territory child protection system'

Could this last sentence be seen as a threat to an obviously unappreciative NT government? The NT report certainly implicitly condemns the Intervention's way of doing things by its failure to even suggest the Commonwealth programs were or could be useful.

The proposed income management evaluation

The latest development in the evaluation of income management has been the announcement that the extended NT program, known as the New Income Management (NIM), is to be evaluated. The evaluation framework document, prepared by the Social Policy Research Centre at the University of NSW, sets out the FaHCSIA parameters for the study, which must:

- Be completed by December 2014
- **Provide information on the implementation of the NIM in the Northern Territory by the end of 2011 in order to inform decisions about an expansion of the model beyond the Northern Territory; (our bold)**
- Result in data being collected that can be used to evaluate short, medium and, where possible, longer-term impacts/outcomes of new income management; and
- Include a set of ethics guidelines and an ethical clearance strategy relevant to this evaluation project.⁹²

The proposal is for an evaluation over a long period, for three and a half years between 2011-2014. However, decisions on expanding income management to other jurisdictions will be made on the basis of information gathered by the end of 2011. As the contract for evaluation was awarded in mid-2011, this allows only about six months to gather the evidence that will prove whether or not the program is effective.

The terms of reference suggested that the Government has already decided to extend the geographic scope of income management, beginning in early 2012, as was later shown in the 2011 Budget. This would be consistent with the Prime Minister's stated intention of clamping down on welfare payments and pressuring people into paid – however poorly – work, marking a paradigm shift from welfare rights to conditional welfare.

Such a decision would also be in keeping with the government's longstanding practice of moving forward with income management, regardless of the evidence – all the while proclaiming its policies to be evidence-based.

(Press Release 18 October 2010).

http://www.jennymacklin.fahcsia.gov.au/mediareleases/2010/Pages/bath_inquiry_NT_child_protection_system_18oct10.aspx at 30 August 2011.

⁹² Department of Families, Housing, Community Services and Indigenous Affairs, Social Policy Research Centre and Australian Institute of Family Studies, *Evaluation Framework for New Income Management*, (2010).

Unfortunately for the disadvantaged population in the rest of Australia, this expansive evaluation is unlikely to avert any further disadvantage that may eventually be caused by nationally implemented income management, because evidence from the three and a half years evaluation is unlikely to affect or inform this government's actions. The extension appears inevitable despite the serious questions raised about whether income management was effective as part of the Intervention, and whether the administrative cost of income management (around \$100M per annum) could be better spent on other services for this group.

The framework document identifies some of the difficulties involved in evaluating a program like this at such a relatively late stage, which raises questions on the value of the process:

- The difficulties of defining common 'problems' in such diverse groups, particularly as many issues do not relate clearly to their financial management;
- This means it is very difficult to set outputs and outcomes to measure because the common problems may not exist (see below);
- The problems many would manifest in the compulsory category of benefit groups may not relate to personal difficulties in managing financially, but reflect the inadequacy of benefits that may not meet basic costs in urban settings;
- There are indications that criteria for exemptions set income management possibly high standards which will discourage people from applying;
- As most of these groups are also involved in other programs, often as part of the above categorisations, can research tell what changes are causal?
- As some have been on already for three years plus and some only a few weeks, how and when can relative changes be measured?
- What culturally appropriate measures are there to assess possible negative effects of shame and anger at being targeted in this way?⁹³

The document also illustrates the difficulty of finding evidence from any other examples of income management type programs which might be helpful for Australia to consider. A literature review produces scant results, offering little evidence that conditional welfare works as a national policy in developed countries. Of the 13 examples quoted, many are relatively small programs, often temporary and established in very different circumstances. The only national programs cited in developed countries are the US food stamps and Temporary Assistance to Needy Families programs; there is also a short-term private program in New York and another in Canada. The other nine programs cited are all in developing countries: Malawi, India, Bangladesh, Brazil, Columbia, Mexico Honduras, Guatemala and Nicaragua, dealing with very different problems and cultures, let alone economic systems.

These are odd countries for Australia to use as examples. The designs and problems faced (for example high birth rates and malnutrition) are not necessarily related to Australia. Thus, apart from some questionable benefits

⁹³ Ibid.

from the US programs, no developed, comparable welfare states have adopted such massive changes to their welfare systems.

Even the government acknowledges income management data in its latest progress report published in December 2010 but fails to record where data shows the situation is worse.

Monitoring

Much of the data in this Monitoring Report focuses on output measures such as increased police presence. The report also goes beyond this to look at the incidence of reported crime. However, these data are limited because crime may be under-reported and because factors such as increasing the number of police can result in an increase in reported crime. At present, this makes it difficult to determine if the actual incidence of crime remains unchanged or may have fallen.

While policy interventions designed to improve the operation of communities can have a significant immediate effect, this is the exception rather than the rule. It will take a concerted effort over many years to achieve significant lasting change. While it is difficult to report on outcomes in this early stage, some outcome data, such as number of jobs created under the Jobs Package in communities, are included in this report.⁹⁴

This suggests the government is at least aware that it lacks data to prove things are working. The report's few data items suggest that school attendance and literacy have not improved, income management has proved, and unemployment is higher. The NT report makes it clear that children at risk rates are not improving. However, the bravado in government speeches and media releases denies this possibility.

The next stage

The current NTER legislation lapses in June 2012, so the Federal government must decide what its next steps should be. The discussion paper *Stronger Futures in the Northern Territory* released in June 2011, shows that the government has still not learned that 'resetting the relationship' requires genuine joint decision-making, not just limited consultations. The Minister's foreword states:

The views of people living in the Northern Territory will be at the centre of shaping what we do next to tackle the unacceptable level of disadvantage still experienced by too many Aboriginal people in the Northern Territory.

Through our efforts and investments over the past four years, we have made some progress. When I speak with people in remote communities and in towns like Alice

⁹⁴ Department of Families, Housing, Community Services and Indigenous Affairs, *Closing the Gap in the Northern Territory Monitoring Report – July to December 2010* (2010) http://www.fahcsia.gov.au/sa/indigenous/pubs/nter_reports/closing_gap_NT_jul_dec_2010/Pages/default.aspx at 30 August 2011.

Springs, particularly women, they tell me that they and their families feel safer, their children are better fed and clothed and less money is being spent on alcohol and gambling.

But there is still much to be done and we know that governments cannot create stronger futures without community support and individual determination.

I have heard from many people that the way the Northern Territory Emergency Response was introduced by the previous government, without consultation, has caused ongoing anger, fear and distrust among Indigenous people and communities.

I believe that we must work in partnership with Aboriginal people, leaders and communities as we develop directions and policies for our future work in the Northern Territory.

Now is the time for us to examine what has been achieved in the past four years, looking at what has worked well and where income improvements can be made. The government will be talking with Aboriginal people in the Northern Territory over the coming months. I encourage everyone to get involved in these discussions so that we can build stronger futures together.⁹⁵

This new round of ‘talking’ started immediately after the paper was published, with the process again in the hands of government officials. The document raised only certain issues for discussion, omitting income management and other topics that had provoked opposition. The limited nature of this process raised considerable concerns including about timing and lack of interpreters. These were expressed clearly by Malcolm Fraser:

Former Liberal Prime Minister Malcolm Fraser has questioned the "unseemly haste" with which the Gillard government is moving to remodel its intervention into Northern Territory indigenous communities. Mr Fraser has also criticised the government for having failed to account for the consequences of the intervention, triggered in 2007 after the "Little Children are Sacred" report...

Yesterday, Mr Fraser, who visited the territory in February and attacked the intervention as "paternalistic and demeaning", said a 28-page booklet released last week to guide consultations included no detail of the results of the existing intervention.

For example, Mr Fraser said, there were no measures of whether school attendance had increased or details of reductions in child abuse. "How can the government embark on consultations for the years ahead when it is not even prepared to lay out the facts of what has happened over the last four years?" Mr Fraser said. "To talk sensibly about the future, we need a full and proper audit of what has happened over the last four years of a paternal and Canberra-centric process."⁹⁶

⁹⁵ Australian Government *Stronger Futures in the Northern Territory Discussion Paper* (2011) <http://www.indigenous.gov.au/index.php/no-category/stronger-futures-in-the-northern-territory-discussion-paper/>

⁹⁶ Mathew Franklin, ‘Malcolm Fraser slams lack of intervention audit’, *The Australian*, <http://www.theaustralian.com.au/national-affairs/malcolm-fraser-slams-lack-of-intervention-audit/story-fn59niix-1226083067554> 28 June 2011.

There are many other objections, but an Aboriginal voice should have the last word:

Aboriginal elder Djiniyini Gondarra has also written to Ms Macklin, urging the government to remove the words “intervention” and “emergency response” from any future initiative. “The Aboriginal people in the 73 prescribed communities of the NT do not welcome any further consultation with the government until it acknowledges the failures of the current intervention,” Dr Gondarra said. He said it was vital for the government first to establish a “diplomatic and respectful dialogue” with traditional law-makers in the remote communities.⁹⁷

⁹⁷ Milanda Rout ‘Gooda leads call for more time on next step of intervention’, *The Australian*.

<http://www.theaustralian.com.au/national-affairs/gooda-leads-calls-for-more-time-on-next-step-of-intervention/story-fn59niix-1226083770793> 39 June 2011.