

From:
To:
Subject: Responses to questions on notice
Date: Thursday, 28 March 2019 3:31:35 PM

See my responses to questions on notice.

Q.1 – Community services are critical to supporting people who are experiencing unemployment, family violence and as part of the response to addressing addiction (which also requires a properly resourced health response). Focus should be on ensuring that these services are community-led and adequately resourced as opposed to continuing compulsory income management as a response to these complex issues.

Q.2. – In our experience and the experience of member organisations, there has been limited engagement with people who will be affected by cashless debit. There has been a sense in communities that consultations have been with service providers, businesses and prominent people in the communities as opposed to a thorough consultation with the people who stand to be placed under the card.

Q.3. – If we are to accept the [findings of the Orima report](#), there are very few people who reported regular or ‘problem’ use of alcohol, drugs or gambling. For example, 80% of respondents said they never gambled (A41). 97% said they had never gambled more than what they could afford to lose (which includes people who never gamble) (p. A43). 90% said they had never used an illicit drug (p. A33) and only 18% said they drank alcohol more than once per week (p.A32), with around 81% saying they either never drank or drank less frequently than more than once per week (A32). [Findings from the Cape York trial](#) show that only 7.7% of people receiving targeted payments end up on income management as an option of last resort, showing that there is no value in imposing income management on the vast majority of people receiving the target payments.

Q.4. – The Australian Government has acknowledged that voluntary income management is more effective than compulsory income management (see our submission). The UNSW 2014 evaluation of the Voluntary Income Management in the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands found that voluntary IM had a positive impact stating: “overall the introduction of income management into the APY Lands appears to be positively viewed by the community. There are indications that it may have already made a modest contribution to addressing some of the challenges in these communities” (Katz & Bates, 2014 p.2). This is in stark contrast to the 2014 UNSW evaluation of compulsory income management which found that “The evaluation data does not provide evidence of income management having improved the outcomes that it was intending to have an impact upon.” It continued to say “There is some evidence to show that in some specific circumstances income management may be a successful intervention as part of an individually tailored program in which some individuals can use it as an effective tool; however, there is no evidence to indicate that it has effects at the community level, nor that income management, in itself, facilitates long-term behaviour change” (Bray, Gray, Hand & Katz, 2014 p. xxii).

Our suggestions including community-led approaches to employment, community and support services are based on research and what people in the community want. People in the trial sites have told us that there is a need for more supports for young people, rehabilitation services, mental health services (that are community-based), as well as housing and homelessness services. There is a consistent message from people in communities that these services be community led and run.

We have also heard from people in trial sites that the Community Development Program has had a negative impact and compounded the issues faced under cashless debit because it has exacerbated poverty and financial hardship. The [Fair Work and Strong Communities](#) proposal puts forward a plan to replace CDP with a fair jobs program for remote communities, including local job creation to help people get employment.

Q.5. – The public deserves to see an analysis of the opportunity cost of cashless debit. It is clear that \$34m would go a long way to resourcing the community-led services and programs that communities are calling for as well as support existing programs that are working. As an example, [the hugely successful Maranguka Justice Reinvestment Project](#) in Bourke had operation costs of \$600,000 in 2017 and has just received funding of \$1.8m under the Australian Government's Stronger Places, Stronger People program.

6. Further comment on the Cashless Debit Card Baseline Data Collection in the Goldfields Region: Qualitative Findings

- The Goldfields 'baseline' report seemingly ignores one of the key learnings from the ANAO's '[The Implementation and Performance of the Cashless Debit Card Trial](#)' report, which was "it is important to place a greater emphasis on the capture of baseline data, documenting expected outcomes, capturing lessons learned, impact measurement and enabling feedback mechanisms at regular intervals." The Goldfields 'baseline' report does not capture any data collected prior to the trial commencing, despite the lack of pre-trial data collection being a criticism from the ANAO and respected researchers.
- The lack of a baseline means that no specific target may be met, which was another issue identified by the ANAO.
- DSS agreed with the ANAO's recommendation that 'Social Services should fully utilise all available data to measure performance, review its arrangements for monitoring, evaluation and collaboration between its evaluation and line areas, and build evaluation capability within the department to facilitate the effective review of evaluation methodology and the development of performance indicators.' However, its 'baseline' report for the Goldfields does not include any data, including basic data on the profile of participants in its report, let alone state-based datasets.

7. ACOSS engagement with people in Kununurra and Wyndham

- People who are on the cashless debit card (some by phone)
- Community leaders in Wyndham and Kununurra
- Community services
- Health services
- DSS & PM&C
- WA Police
- CDP provider

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We need to Raise the Rate and make Newstart and Youth Allowance work. Join the campaign here: www.raisetherate.org.au



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