Administrative Arrangements Orders changes

In December 2007, Administrative Arrangements Orders were announced that created a new Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) to replace the former Department of Families, Community Services and Indigenous Affairs (FaCSIA).

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Executive summary

Background

Income management was a key measure introduced as part of the Northern Territory Emergency Response (NTER) announced in June 2007, designed to protect children and make communities safer.

Income management works by holding back 50 per cent of certain income support and family payments to ensure they are spent on priority items such as food, housing, clothing and utilities. Income managed funds cannot be spent on excluded items such as alcohol, cigarettes, pornography or gambling.

Income management was rolled out in stages to 73 prescribed communities and town camps (77 including outstations) across the Northern Territory from September 2007. Implementation of income management was completed in October 2008.

Centrelink administrative data on income managed clients provided useful background information for the evaluation:

- 15,125 Centrelink clients were subject to income management at 31 March 2009.
- The most common payment types of income managed clients were Newstart Allowance (38.0 per cent), Disability Support Pension (19.0 per cent), Parenting Payment Partnered (13.7 per cent) and Parenting Payment Single (11.2 per cent).
- Six in 10 (60.0 per cent) income managed clients were female.

About the evaluation

The Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) had primary responsibility for this income management evaluation. The department developed the evaluation approach and methodology, and managed the data collection process.

The two main data sources for the evaluation were a client survey that collected quantitative data and focus groups of key stakeholders that collected qualitative data.

- The client survey involved face-to-face interviews with 76 income management clients in four locations.
- The stakeholder focus groups involved 167 stakeholders (including community representatives from the same four locations, and community sector and government employees from a wider range of locations).

FaHCSIA engaged two different consultants in mid-2009 to collect the data for these two main data sources.

This evaluation report also draws on other FaHCSIA research studies that include some information about income management effectiveness:

- a telephone survey of 66 community store operators (out of a total of 84 licensed stores) — conducted in-house
- an earlier survey of 49 Government Business Managers (GBMs), working in 71 of the prescribed communities — conducted by a consultant
- an earlier qualitative report on community consultations, in four other remote communities — conducted by a consultant.
The Australian Institute of Health and Welfare (AIHW) was engaged to compile the information from these sources and write the evaluation report. The report is structured around key evaluation questions exploring how well the income management program was implemented and administered, and whether it was achieving its objectives.

Some limitations

Evidence hierarchies are used to rank different research methods according to the validity of their findings, based on the risk of error or bias in their results. The strongest evidence for evaluations comes from randomised control studies, followed by natural experiments and before-and-after studies.

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

The approach taken by the AIHW in writing the evaluation report was to triangulate the findings of different studies by looking for common issues and themes, and to draw these together around the key evaluation questions. Even though this approach resulted in evidence that had more strength and validity than the results of a single study, the overall evidence about the effectiveness of income management was still not strong.

There was a limited amount of quantitative data on which to base the evaluation findings, which in part reflects the difficulties involved in collecting this type of data from remote Indigenous communities across the Northern Territory.

The absence of a comparison group meant that the evaluation depended on the perceptions and views of various stakeholders (clients, community members, store owners, community sector employees, Centrelink staff and GBMs) about whether there had been changes due to income management.

The evaluation findings would have greater strength if the views of these stakeholders were supplemented by empirical indicators that showed evidence of the changes they reported.

In addition, there were some data quality issues with the research conducted for the evaluation. The 2009 client interviews, for example, included only a relatively small number of clients (76) from four locations, who were not randomly selected for interview.

Also, the stakeholder focus group report did not attribute many findings to particular stakeholders. It was therefore often difficult to identify whose views were being reported, or whether they applied to the majority of stakeholders in the focus groups.

The evaluation findings

Community views of income management

The client survey, the stakeholder focus groups and the community consultations gathered information on community views of income management. The data showed mixed views:

- Around two-thirds of client survey respondents (65.6 per cent or 42) had a positive view of income management, while one-third (32.8 per cent or 21) had a negative view.

- The stakeholder focus groups reported that community views about income management were initially tied up with the NTER, which many people felt was imposed on them without consultation.
The focus groups also found that people had become more positive about income management as they started to see the practical benefits.

Stakeholders from the community, the community sector and peak bodies reported that there was still resentment about income management in communities, and that many people viewed it as discriminatory and unfair.

**Impact on child and community wellbeing**

On the question of whether income management had improved child and community wellbeing, there were relevant data from the client interviews and the stakeholder focus groups.

The data showed that there had been improvements in child wellbeing since the introduction of income management:

- In the client interviews, more than half of the parents interviewed reported their children were eating more (62.5 per cent or 30), weighed more (57.4 per cent or 27) and were healthier (52.1 per cent or 25).
- Stakeholders in the focus groups also reported that children appeared to be healthier.

There was also evidence from these two sources that there had been improvements in community wellbeing since the introduction of income management, but some of these changes may also be related to other NTER measures:

- More than half of clients reported that there was less gambling (63.3 per cent or 31), less drinking and alcohol abuse (60.9 per cent or 28) and less ‘humbugging’ (harassment for money) (52.1 per cent or 25).
- The focus groups produced qualitative findings that income management had impacted positively on community wellbeing, with a reduction in humbugging, domestic violence, addictive behaviours and gambling.

**Expenditure patterns and money management skills**

On the question of whether income management had resulted in changes to people's expenditure patterns or improved their money management skills, relevant data came from the client survey, the stakeholder focus groups and the store operators' survey.

The data suggested that income management had resulted in some changes in people’s expenditure patterns, with more individual/family income being spent on priority items, mainly food:

- Three-quarters of clients interviewed (75.3 per cent or 55) reported spending more on food, with half (50.0 per cent or 37) buying more fruit and vegetables.
- More than two-thirds of store operators (68.2 per cent or 45) reported an increase in sales of fruit and vegetables and healthy food.

There was some evidence that less individual/family income was being spent on excluded items, but this was not consistent across all studies:

- The majority of store operators who answered the question (73.3 per cent or 22) reported that cigarette sales were unchanged.
- More than half of the clients surveyed (55.7 per cent or 39) reported spending less on cigarettes.
- Almost two-thirds of clients (64.6 per cent or 42) reported spending less on gambling.
- Most clients (51 out of 67 survey respondents) said the question on alcohol did not apply to them, but all to whom the question did apply (23.9 per cent or 16) said they were spending less on alcohol.
Income management was reported to have improved money management skills in some families:

- Just over half of the clients interviewed reported that the payment of rent (55.4 per cent or 41) or other bills (52.8 per cent or 38) had been easier since they had been on income management.
- One-third of clients (32.9 per cent or 24) reported purchasing big or expensive items.
- Nearly four in 10 clients (38.7 per cent or 29) reported saving money.

**Implementation and administrative issues**

On the question about how well income management had been implemented, data came from the 2008 community consultations, the 2009 client interviews and the 2009 stakeholder focus groups.

A number of implementation issues were associated with the initial income management scheme, but administration improved over time:

- Early implementation issues identified in the 2008 community consultations included confusion about how the system worked and a lack of flexibility and choice for clients in using income managed funds.
- The introduction of the BasicsCard from September 2008 was seen by clients and other stakeholders as a significant improvement over the previous system with focus groups reporting that the card was more versatile and portable (it could be used in a wide range of stores and in different locations).
- The stakeholder focus groups conducted in mid-2009 also found that the purpose and operation of income management was fairly well understood.

Only a small proportion of clients appeared to be accessing money management services that were provided to complement income management:

- The client interviews found that less than one in five respondents (18.9 per cent or 14) reported seeking assistance with managing their money, with less than one in 10 (seven) receiving advice from Centrelink.
1 Background

1.1 Northern Territory Emergency Response

The Northern Territory Emergency Response (NTER) was announced by the former government on 21 June 2007 in response to the *Little children are sacred* report, which brought national attention to the issue of child abuse in Northern Territory Indigenous communities. The NTER was a set of measures designed to protect children and make communities safer, and to build a better future for people living in Indigenous communities and town camps. It comprised the following seven key measures (with a larger number of submeasures):

- welfare reform and employment (five submeasures)
- promoting law and order (seven submeasures)
- enhancing education (five submeasures)
- supporting families (four submeasures)
- improving child and family health (three submeasures)
- housing and land reform (five submeasures)
- coordination (seven submeasures).

The measures were implemented progressively in 73 Indigenous communities and town camps (77 including outstations) across the Northern Territory. A number of Australian Government agencies were involved in implementing and administering the measures. It was estimated that the NTER measures directly affected 45,654 Aboriginal men, women, and children—more than 70 per cent of the estimated Aboriginal population (64,500 in 2006) in the Northern Territory (NTER Review Board 2008).

The current Australian Government, installed in December 2007, committed to continuing with the implementation of the NTER, subject to the outcomes of an independent and comprehensive review. The review was initiated in June 2008 and the subsequent *Northern Territory Emergency Response: report of the NTER Review Board* was released in October 2008 (NTER Review Board 2008). On 21 May 2009, the Government released its formal response to the review and the paper *Future directions for the Northern Territory Emergency Response: a discussion paper* (Commonwealth of Australia 2009). This paper formed the basis of the consultations on the future of the NTER that the Australian Government conducted in 2009. These consultations and the resulting policy changes are discussed in more detail later in this section.

1.2 Income management in the Northern Territory

The welfare reform and employment measure of the NTER was aimed at increasing participation in education and training, and ensuring welfare payments were better spent. It comprises the following five submeasures:

- income management and community stores
- increased participation activities for people on income support
- Community Development Employment Program (CDEP) transition to jobs and employment services
- active school participation
- community employment brokers.
FaHCSIA is responsible for income management, a key component of the NTER. Income management works by holding back a specified amount of welfare and family payments so this money can be spent on priority needs. In the Northern Territory the amount of money withheld for income management is:

- 50 per cent of most income support and family assistance payments
- 100 per cent of most advances, lump-sum payments and the Baby Bonus.

The main income support payments subject to income management are Newstart Allowance, Parenting Payment, Disability Support Pension, Age Pension and Youth Allowance (Appendix D).

Priority items on which income managed funds can be spent include food, clothing, rent, utilities (electricity, gas, rates and so on) and transport. If a client’s priority needs have been met, they can spend the remaining income managed funds for other persons. Income managed funds, however, cannot be spent on excluded items such as alcohol, tobacco, pornography or gambling services.

The aims of income management are to:

- ensure that part of certain welfare payments are directed to meet the priority needs of the person, their partner, their children and other dependents
- reduce the amount of cash available in communities in which substance abuse, gambling and other anti-social behaviours are problems that can lead to child abuse and community dysfunction
- provide better financial security to women and elderly community members who are vulnerable to humbugging (harassment for money)
- promote socially responsible behaviour, particularly in relation to the care of children.

**Implementation of income management**

Income management was introduced within a very short timeframe after the NTER was announced (see Table 1 for the timeline). This meant there was very limited time for forward planning, and that the administrative infrastructure required for implementing the program had to be developed and put in place in under two months.

As income management involved fairly major changes to people’s daily affairs, a staged roll-out strategy was developed (FaHCSIA 2008). This involved clusters of three or four major communities and associated outstations commencing income management at the same time, and was adopted to allow time for certain pre-conditions to be met in each community.

In the weeks leading up to the introduction of income management in a community, there was a period of community engagement, which commenced for the first cluster in August 2007 (FaHCSIA 2008). This involved teams of Centrelink staff going into communities to conduct interviews with individuals, families or household groups and discuss household expenses and needs. The NTER Operations Centre coordinated this engagement to ensure the following pre-conditions were in place:

- sufficient opportunity was provided for people to meet with Centrelink staff to discuss their priority needs and establish payment deductions
- Government Business Manager (GBM) support was in place
- community store(s) were licensed and signed up to a Centrelink income management contract, or store cards were made available to people living in towns
- other local third party organisations were contracted, for example, for making deductions for the School Nutrition Program, rent and fuel
- there was a police presence in the community or region to ensure stability.
Once the necessary pre-conditions were met, the Minister for Families, Housing, Community Services and Indigenous Affairs made a determination to commence income management in a community. Ministerial determinations were initially made for 12 months and the Minister had the authority to extend income management beyond the 12 months or to cease it at an earlier date.

### Table 1: Timeline for income management in the Northern Territory

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<tr>
<th>Year</th>
<th>Event</th>
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<td>2007</td>
<td>15 June</td>
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<td>21 June</td>
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<td>2008</td>
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<td>27 October</td>
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<td>15 December</td>
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<tr>
<td>2009</td>
<td>21 May</td>
</tr>
<tr>
<td>Early June</td>
<td>Government commences consultations on the future directions of NTER</td>
</tr>
</tbody>
</table>

Income management was commenced in September 2007 in four communities south of Alice Springs, and then in both the southern and northern parts of the Northern Territory. The initial roll-out schedule was modified once it became apparent that the original timelines were too ambitious and more time was needed to allow clients to meet with Centrelink. There was also feedback from the initial stages that the information provided about income management was confusing. Improvements were made to the process to allow a longer time for community engagement and for Centrelink to establish arrangements for clients in each community.

If a community did not meet all the pre-conditions of income management, then the roll-out was delayed. An important pre-condition was that Centrelink had met with a certain proportion of clients to discuss their income management allocations. After some delays in the process, the roll-out of income management was completed at the end of October 2008 (Appendix A has the dates that income management commenced in each community).

**The initial income management system**

Under income management, clients receive half of their income support or family assistance payment in the usual way (either paid into a bank account or by cheque), while the other half is held in an income management account until it is allocated to pay for priority needs. In the consultation phase, Centrelink staff attempted to
meet with all clients who were to be income managed, to help them work out their priority needs and establish regular deductions for food, clothing, housing utilities and the School Nutrition Program. Income managed funds were then directed to the appropriate place by Centrelink.

Income managed funds could be allocated to any of the following:

- a specific local trader
- a store card, which works like a voucher for a specified retail outlet (for example, for Coles or Woolworths)
- as direct deductions to pay for utilities, rent or other expenses.

Funds not allocated were held in an individual's income managed account, to be saved or used at a later date.

In a remote community, for example, most people directed a proportion of their income managed funds to the local community store, where it was held until the person was ready to buy food and other essential items. People from remote communities often also chose to keep part of their funds in their income management account until they visited town, when they picked up a store card from the Centrelink office to do a bulk shop at a larger retailer offering a wider range of goods, for example, Coles or Woolworths (FaHCSIA 2008).

When people wanted to change their allocations or organise new allocations, they had to contact Centrelink. When travelling outside their communities, for example, clients had to contact Centrelink to have their funds directed to a store in another location.

**Store cards**

One mechanism for delivering income managed funds is a store card that can be used in specified retail outlets such as Coles and Woolworths. Store cards, which work like vouchers, can only be issued during Centrelink business hours. They suit those living near metropolitan areas in town camps or those visiting town. The cards do not allow clients to purchase excluded items.

**The BasicsCard**

Another mechanism for using income managed funds is the BasicsCard, a PIN protected card that allows clients to purchase priority goods and services at a range of approved merchants using existing EFTPOS infrastructure. It was introduced across the Northern Territory in late 2008 to provide greater flexibility in the income management system, and to increase choice about where clients spent their income managed funds.

The BasicsCard is intended for everyday purchases such as food, clothing and household items. An agreed amount of income managed funds is credited to the card, which can be spent on priority items at a wide range of different merchants in different locations. Centrelink issues the card and provides support to individuals who need assistance in learning how to use it. Replacement cards are available through Centrelink if required. On 1 July 2009 the Government introduced free phone numbers through which clients could check their BasicsCard balances.

The BasicsCard has limits on both the amount that can be spent daily and the amount that can be placed on the card. The BasicsCard daily spend limit is set at $800, though it was increased for a short period of time when the Government made additional lump-sum payments to Centrelink clients. The card limit (the amount of money that can be stored on the card by a client) was initially set at $1,500, but this was increased to $3,000 in April 2009.

The BasicsCard is not compulsory but most income management clients have been issued with one. An increasing number of retail outlets in the Northern Territory have been approved for use of the BasicsCard, including stores that sell larger, higher cost items.
Exemptions and review rights

Every person present in a prescribed community, and in receipt of a relevant payment at any time from the start of income management, was subject to the income management program unless granted an exemption. Exemptions could be given either by the Minister for Families, Housing, Community Services and Indigenous Affairs or on advice from Centrelink primarily to the following types of clients:

- students living away from home or those whose payments are received by a third party
- persons temporarily present in the community
- persons who have moved permanently or indefinitely away from the community
- persons who were in the community to assist with the NTER
- persons who have little connection to the community.

Centrelink may exempt clients for other reasons if they see fit. Clients may also be excluded because they have a payment nominee who is a public trustee or not subject to income management.

The original legislation for income management suspended most rights for the review of decisions made by Centrelink or the Minister. This meant that clients did not have rights of appeal regarding income management decisions, including applications for exemption.

New legislation that came into effect from 24 June 2009, however, reinstated rights of review for individuals under income management. Clients can now appeal through the Social Security Administrative Appeals Tribunal and the Administrative Appeals Tribunal.

Licensing of stores

The licensing of community stores was a complementary component of income management in the Northern Territory, designed to improve the way stores operated and the quality of food they provided. The licensing of at least one store in a community was a necessary pre-condition of income management. Intensive technical support from Centrelink income management officers was provided to assist with the store licensing arrangements during the period when income management was introduced.

Licences were issued when stores demonstrated a capacity to participate in the requirements of income management. This included having a reasonable quality, quantity and range of groceries and consumer items available, including healthy food and drinks, promoting their availability, and having sound financial structures and retail and governance practices in place.

At the same time as the licensing of stores, the book-up system was eliminated. The book-up system had allowed clients to purchase goods on credit, with the amount owed totalled by the store owner. While this system was useful for some clients, it created a number of problems, such as clients being tied to one store, the creation of long-term debt that was never repaid, some traders keeping poor transaction records and not disclosing the amount charged to clients, and disagreements over the use of book-up by family and friends.

Where a store did not meet licensing requirements it could be issued with an interim licence, licensed with additional conditions or given more time to meet the requirements. As a last resort, the Government could compulsorily acquire the store and install an operator who could meet the required standards.

Stores were generally licensed for six months, or a shorter period where issuing an interim licence was more appropriate. The way stores operate is regularly monitored by FaHCSIA staff and through feedback from regulatory agencies and GBMs. The operations of a store are formally reviewed around the time its licence expires.
Where there was no store in a community, or where stores were of a very low standard or where stores could not be licensed for other reasons, the Government assisted with the implementation of bush order deliveries to ensure the reliable supply of affordable, good quality food. Food security in a community was a pre-condition for income management to be implemented.

By 31 May 2009, a total of 84 community stores had been licensed under the NTER arrangements.

**Money management services**

Money management services were not part of the initial income management system in the Northern Territory, but were introduced during 2007–08 as part of the NTER. Service providers were engaged to conduct money management workshops in 40 communities in which income management had not yet commenced. Workshops were conducted before income management was introduced, and again after it had started.

Money management workshops were tailored to the communities and provided basic budgeting support. Where necessary, people were referred to crisis support, including emergency relief and financial counselling. Participation in the workshops was voluntary and open to all members of the community. There were difficulties in delivering services to some communities due to tight timeframes and difficulties in engaging people to provide the services.

In addition to these short-term services, ongoing money management services were funded across the Northern Territory from 2008. Service providers were contracted to deliver financial literacy community education, basic budgeting support and referrals to financial counsellors and emergency relief services.

These services were intended to ensure that income management was a step towards improved money management skills, and did not lead to people becoming dependent on the assistance Centrelink was offering through income management (FaHCSIA 2008). In 2008, four established MoneyBusiness services in the Northern Territory provided a longer-term service response across a limited geographic area. In early 2009, seven new money management service providers were funded to support the NTER. Services are currently available in 111 locations.

**The continuation of income management**

The NTER Review Board was an independent body appointed by the Minister for Families, Housing, Community Services and Indigenous Affairs, the Hon Jenny Macklin MP, to conduct a comprehensive and independent review of the NTER measures. The Board presented its report and recommendations to the Minister on 13 October 2008.

The Board made a number of overarching recommendations on the NTER. These related to the need:

- to address the unacceptably high level of disadvantage and social dislocation experienced by Indigenous Australians living in remote communities in the Northern Territory
- for government to rebuild the relationship with Indigenous people based on genuine consultation, engagement and partnership
- for government actions affecting Indigenous communities to respect Australia’s rights and obligations and conform with the *Racial Discrimination Act 1975*.

In relation to income management, the Review Board found its benefits were increasingly being experienced, but that its compulsory blanket imposition continued to be resisted. The Board recommended that income management be continued on a voluntary basis for community members who choose to have some income quarantined. It also recommended that compulsory income management be applied only on the basis of child protection, school enrolment and other relevant behavioural triggers (NTER Review Board 2008).

The Australian Government released its interim response to the review in October 2008 and announced it would continue with compulsory income management for a further 12 months, before transitioning to a
long-term development phase. The processes needed to continue income management are being implemented in a staged approach in prescribed communities and town camps. These include consulting with the community, extending store licences and notifying each income managed client that income management will continue.

The Australian Government and Northern Territory Government formally responded to the report of NTER Review Board in May 2009. The Australian Government released *Future directions for the Northern Territory Emergency Response: a discussion paper* as the basis for consultation on the future of the NTER measures. The discussion paper set out a number of proposals for how the measures should be continued and community views on these were being sought when the evaluation report was being completed.

In the response, the Australian Government accepted the overarching recommendations of the NTER Review Board and committed to introducing legislation into the Parliament in October 2009, to remove the provisions that excluded the operation of the *Racial Discrimination Act 1975*. The Government noted that, where necessary, it would change the NTER measures to conform to the *Racial Discrimination Act 1975*. This can be achieved either through making any measures non-discriminatory or ensuring that they are ‘special measures’ that help people of a particular race to enjoy their human rights equally with others.

The Government’s view on income management outlined in the discussion paper was that it should be continued because it was helping children, making families more financially secure and improving community safety by diverting money away from alcohol and gambling. The discussion paper included two options for the future of income management:

- no change to current arrangements
- a new arrangement where individuals may apply for an exemption from income management based on individual assessment.

In June 2009 the Australian Government began consulting with Indigenous communities about the future of the NTER to:

- explain the Government's current position on the NTER, and in particular its position on the specific measures covered in the Future directions discussion paper
- provide participants with an opportunity to explore and discuss each measure in detail
- enable participants to provide feedback on the Government's position, on what is working well and on changes people are seeking.

The consultations were conducted through a four-tiered process involving consultation within each of the communities, community workshops, regional workshops and consultation with key Indigenous organisations across the Northern Territory.

**Outcomes sought from income management**

**Literature review**

A literature review of income management programs was undertaken by Charles Darwin University as part of a qualitative report commissioned by FaHCSIA. The review found and assessed the evaluations of six different types of income management programs (Charles Darwin University 2008). There was evidence of both positive outcomes and no impact of income management on the various behaviours the programs were directed at changing. For example:

- A program in Mexico redirected universal payments to women, subject to them attending a health clinic and their children maintaining school enrolment. The evaluation found greater school enrolments, better child and maternal health, and greater empowerment of women as financial decision makers. There was less evidence of improvement in school outcomes or post-school employment opportunities.
In the Temporary Assistance to Needy Families programs in the United States, access to payments for low-income families was dependent on child enrolment in school and adults actively seeking employment. Various evaluations found that these programs had positive benefits for social security administrators by reducing case load and had some positive effects on employment rates, but that their impact on family incomes and the lived experience of poverty was less clear.

The literature review outlined conceptual arguments about why changing income management practices through external intervention may not lead to the desired behavioural change. These included households or family units typically having multiple sources of income, and therefore some flexibility to maintain existing expenditure patterns while meeting the requirement of programs. The research found that families were prepared to sacrifice income, particularly if it comes in the form of vouchers or other subsidies.

The reviewers reported that the capacity for programs to achieve change was determined by the financial practice competencies of subjects in relation to cash flow management, credit management, saving and investment. They noted that income management programs could assist in building competency, but that competency was more a function of what individuals could learn from family and friends.

**Outcomes from the program logic**

The program logic developed for income management in the Northern Territory (Appendix C) outlined the expected changes or outcomes that income management was designed to achieve. The main short to medium-term outcomes were:

- more money spent on priority needs
- improved food security and food choices
- reduction in spending on excluded items/harmful behaviours
- improved money management
- reduction in humbugging (harassment for money).

Longer-term outcomes were:

- improved wellbeing of children and family members
- greater self-reliance and economic, social and community engagement
- stronger families and more resilient communities.

### 1.3 Background to the evaluation

Some resources were set aside for the evaluation of income management when the program was established in 2007. The evaluation was summative and its purpose was to examine the evidence and assess the overall effectiveness of income management in achieving its objectives.

FaHCSIA developed the approach and methodology for the evaluation and managed the data collection process. Consultants were employed to collect the data. The role of the AIHW was to write the evaluation report based on the data collected, information from existing data sources, and background information on clients and their funds sourced from the Centrelink administrative data.

**Context for the evaluation**

Income management is just one of a large number of measures introduced as part of the NTER. All measures are broadly directed at protecting children, improving their wellbeing and making communities safer.
Many have similar objectives to those of income management—to promote socially responsible behaviour, particularly in relation to the care of children; to ensure that children’s priority needs are met; and to reduce expenditure on anti-social behaviours.

The main NTER measures with overlapping objectives to those of income management are:

- the school nutrition program—which provides breakfast and lunch to children in schools in prescribed communities
- child health checks—voluntary health checks and follow-up treatment aimed at improving children’s health and physical, psychological and social functioning
- children’s services and family support—additional funding for playgroups, early childhood programs such as preschools, parenting programs, new and upgraded crèches
- alcohol, drugs and pornography restrictions—legislation covering the prescribed areas that banned the sale, possession, transportation and consumption of alcohol, as well as the possession and supply of pornographic material.

A major challenge for the evaluation was to separate the impact of income management from these other measures introduced as part of the NTER. In some cases it was difficult to attribute the outcomes achieved to one particular measure, especially for the higher-level outcomes that were common to a number of NTER initiatives.
2 Evaluation approach and methodology

Income management in the Northern Territory had been in place for between seven and 20 months at the time of the evaluation. The evaluation was therefore summative in that it focused on the effectiveness of income management in achieving its objectives. The evaluation report is structured around a number of questions, based on the objectives of the program and the expected outcomes from the program logic. To address these questions, the AIHW compiled evidence from various data sources. The report also considered the implementation and administration of income management as this can impact on outcomes, and addressed other issues that arose from the research.

Detailed administrative data from Centrelink on income managed clients were used to provide background information for the evaluation. Analyses of these data are in Section 3.

2.1 Key evaluation questions

The key questions about income management that the evaluation report addressed were:

- How well was income management implemented and administered?
- Was more individual/family income being spent on priority needs?
- Had there been an improvement in food security and food choices?
- Was less individual/family income being spent on excluded items and/or harmful behaviours?
- Had the capacity of people to manage money improved?
- Had the wellbeing of children, families and communities improved?
- What other issues were identified by the evaluation?

The remainder of this section outlines the data sources and methodology used to answer these questions.

2.2 Data sources and methodology

FaHCSIA developed and managed the two main data collection processes for the evaluation—the client interviews and the stakeholder focus groups. The evaluation also drew on other FaHCSIA studies that provided information about the effectiveness of income management.

Data collected for the evaluation

The main data collected for the evaluation came from client interviews conducted in four different locations across the Northern Territory and from stakeholder focus groups, also held primarily in these four locations. This research was designed and managed by FaHCSIA, but was undertaken by two different consultants. There was also an earlier qualitative study, commissioned by FaHCSIA, which collected information on money management practices before the introduction of income management.
Locations
The four locations were selected by FaHCSIA for the focus groups and client interviews to represent a range of communities (in relation to size, location and composition) subject to income management in the Northern Territory. There were approximately 850 people subject to income management in these four locations, representing some 6 per cent of the total population in the Northern Territory that is subject to income management.

These locations are also shown on the map in Appendix B and described in more detail below:

- Tennant Creek is the fifth largest town in the Northern Territory. The town's population is 3,185 people, of which 1,176 are Indigenous. It is located approximately 1,000 kilometres south of Darwin. The town is well serviced with infrastructure and has a range of different shops and community facilities. The Tennant Creek town camps are subject to income management. The population of these town camps was estimated to be 540 people, with 179 income managed clients at the end of March 2009. Tennant Creek was the only one of the four locations that had money management services in place at the time of the evaluation.

- Ngukurr is a community in South East Arnhem Land. The community population is around 1,200 people, with 306 on income management at the end of March 2009. There are around seven homeland centres (outstations) that are serviced by the Yugul Mangi Community Council. There are seven language groups represented in the Ngukurr community, and 21 clans. Essential infrastructure in the community is reasonable, with power, water and sewerage available.

- Gapuwiyak is a community located in North East Arnhem Land. The community population is 950 people, with 296 on income management at the end of August 2009.

- Aputula (Finke) is a remote community south of Alice Springs, near the South Australia and Northern Territory border. The community population is 250 people, with 69 on income management at the end of March 2009. The community is also known as Finke, which is the European name for the township. The people are Pitjantjatjara, Yankunytjatjara, Luritja and Lower Southern Arrernte people.

2009 stakeholder focus groups
The company ORIMA Research was engaged in 2009 by FaHCSIA to conduct the stakeholder focus groups. The methodology for this research was qualitative in nature. A total of 11 focus groups comprising 167 people were conducted between 20 and 30 April 2009. The focus groups included the following stakeholders:

- community leaders/members (five focus groups with a total of 117 people)
- representatives of community sector peak bodies (one focus group with five people)
- representatives of community sector service delivery agencies and financial counsellors/money management providers (three focus groups with a total of 27 people)
- Centrelink caseworkers and GBMs (two focus groups with a total of 18 people).

Eight of the focus groups were held in the four communities/town camps outlined above, with two held in Darwin (Centrelink case workers and GBMs; community sector peak bodies) and one in Alice Springs (Centrelink case workers and GBMs). A series of interview guides were developed by FaHCSIA for the focus groups, to ensure the groups addressed the issues of interest. Additional feedback was obtained through in-depth interviews with individual stakeholders and through a self-completion feedback form designed by the consultant.

2009 client interviews
The company Cultural and Indigenous Research Centre Australia (CIRCA) was contracted to conduct the client interviews. These took place in the same sites chosen for the focus groups. The aim of the interviews was to collect quantitative data for the evaluation from people who had been subject to income management.
The methodology used was face-to-face interviews with clients on income management in the four locations. People in each community were invited to participate in the interviews by community brokers, and in some cases interpreters. In Gapuwiyak, which produced the largest number of participants, an announcement about the research was made over a public speaker. The GBMs also assisted in recruiting participants by letting people know about the interviews and inviting people to participate.

The questionnaires used for the interviews were designed by FaHCSIA and were fairly lengthy. The interviews took 45 minutes to one hour to complete (Appendix E). Respondents found the interview process very long and many did not answer all the questions.

A total of 76 interviews were completed, with the characteristics of respondents shown in Table 2. More than four in 10 clients (43 per cent or 33) of the sample were from Gapuwiyak, 22 per cent (17) were from Ngukurr, 21 per cent (16) from Tennant Creek and 13 per cent (10) from Aputula (Finke). Two-thirds (67 per cent) of people in the interview sample were women, while half were aged under 35 years. Around two-thirds (68 per cent) of people in the sample had children. The average number of people living in a participant’s house was 9.7, made up of an average of 5.8 adults and 4.3 children.

<table>
<thead>
<tr>
<th>Location</th>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ngukurr</td>
<td>17</td>
<td>22.4</td>
</tr>
<tr>
<td>Gapuwiyak</td>
<td>33</td>
<td>43.4</td>
</tr>
<tr>
<td>Aputula (Finke)</td>
<td>10</td>
<td>13.2</td>
</tr>
<tr>
<td>Tennant Creek</td>
<td>16</td>
<td>21.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>76</td>
<td>100.0</td>
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<table>
<thead>
<tr>
<th>Sex</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>51</td>
<td>67.1</td>
</tr>
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<td>32.9</td>
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<table>
<thead>
<tr>
<th>Age group(a)</th>
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<th>%</th>
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</thead>
<tbody>
<tr>
<td>Under 35 years</td>
<td>37</td>
<td>50.7</td>
</tr>
<tr>
<td>Over 35 years</td>
<td>36</td>
<td>49.3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number of children</th>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>24</td>
<td>31.6</td>
</tr>
<tr>
<td>1</td>
<td>17</td>
<td>22.4</td>
</tr>
<tr>
<td>2</td>
<td>10</td>
<td>13.2</td>
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<tr>
<td>3</td>
<td>7</td>
<td>9.2</td>
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<tr>
<td>4</td>
<td>4</td>
<td>5.3</td>
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<tr>
<td>5+</td>
<td>14</td>
<td>18.4</td>
</tr>
</tbody>
</table>

(a) Age was not recorded for three clients. These were excluded when calculating percentages.
Note: Due to rounding, subtotals may not add to 100 per cent.
Source: CIRCA 2009.

The age groups of the interview participants were similar to those of the total income managed population in the Northern Territory. Around half of both the interview participants (51 per cent) and the total income managed population (49 per cent) were aged under 35 years. A slightly higher proportion were female (67 per cent) compared to the total income managed population (61 per cent).

The interview participants were not spread evenly across the four communities surveyed. More than four in 10 (43 per cent) were located in one community (Gapuwiyak). The consultants for the client interviews noted...
that in Ngukurr many people were away from the community when they were interviewing, and the clients interviewed may therefore not represent the views of the whole community.

2008 qualitative study of income management practices in Northern Territory Indigenous communities
This study used a qualitative case study approach to collect information on money management practices before the introduction of income management. The study was commissioned by FaHCSIA and conducted by the School of Social Policy Research, Charles Darwin University. The research was conducted in four remote communities in the Northern Territory—two in the Top End, one in Katherine and one in Central Australia.

The methodology involved family interviews and interviews with key informants including GBMs, council members, health workers, Centrelink officers and other government employees. The qualitative data collected included information on sources of income, patterns of expenditure and financial management practices. The research also included a literature review of income management programs.

Other information sources

2008 community feedback on the Northern Territory Emergency Response
In 2008 FaHCSIA commissioned CIRCA to conduct consultations in four remote Indigenous communities (Ali Curung, Hermannsburg, Nguiu and Galiwin’ku) for the NTER Review (CIRCA 2008). The focus of these consultations was community safety and income management. The consultations obtained feedback on:

- what was working
- what was not working
- what were the unintended consequences
- how the measure should be taken forward.

A qualitative methodology was developed by CIRCA and local Indigenous research partners, with the approach varying in each location. The methodology used in the four communities was:

- Ali Curung—interviews with small family groups with a total of 14 meetings held with 25 people
- Galiwin’ku—seven group discussions involving 103 people
- Hermannsburg—community meetings with one larger group (20 people), three smaller groups (total of 12 people), and consultations with shire staff, staff from community-based stores, the MoneyBusiness worker, the school principal and the youth programs coordinator
- Nguiu—a large community meeting (75 participants), three smaller group meetings (total of 44 people) and consultations with shire staff.

2008–09 stores post-licensing monitoring report
Monitoring the impact of the licensing of stores and income management included FaHCSIA staff conducting a telephone survey of community store operators at least 12 weeks after income management was introduced into their community. The interviews were conducted in three rounds from February 2008 to May 2009. The final report (FaHCSIA 2009a) includes data from 66 store operators (out of a total of 84 licensed stores) on questions relating to the impact of both store licensing and income management on stores and community residents.

2008 Government Business Managers survey
The survey of GBMs was commissioned by FaHCSIA. The aim was to get GBM perceptions and views on how well the NTER measures were working on the ground. The survey asked some questions about food availability
and income management. The company TNS Social Research was engaged in 2008 to undertake the survey and the results were reported on in July of that year in the *Survey of Government Business Managers relating to the impact of the Northern Territory Emergency Response: report of findings* (Northern Territory Emergency Response Review Board Social Research 2008).

The research comprised an online survey completed by 49 GBMs working in 71 of the 77 prescribed communities, outstations or town camps. The GBMs had been in the communities for varying periods at the time of the survey—59 per cent had been there for six months or more, 34 per cent between three and six months and 7 per cent for less than three months. In most communities (69 per cent) income management was established after the arrival of the GBM, while in 18 per cent it had not yet been established.

*Departmental documents*

The evaluation used various internal FaHCSIA documents to obtain background information. These included income management policy documents and policy guides, as well as documents on the evaluation approach and methodology.

The 2008 FaHCSIA submission to the NTER Review Board was a primary source of information and background material (FaHCSIA 2008). The section in the submission on income management contained information on its implementation, issues that had been identified by the department, and key service delivery challenges and responses.

### 2.3 Strengths and weaknesses of the evaluation methodology

*Ideal evidence for social policy evaluations*

The strength of evidence provided by research studies depends on the methodology used and the quality of a particular study. Evidence hierarchies have been developed to assist researchers to rank different research methods according to the validity of their findings, based on the risk of error or bias in their results. They help researchers to quickly assess the strength of available evidence. Randomised control studies, or systemic reviews of them, are considered the gold standard because they provide the strongest evidence of the effectiveness of an intervention. Their use is common in the medical field, but this approach is also increasingly being used in the social sciences.

In 2009, for example, Leigh (2009) proposed a hierarchy of evidence that could be used by social policy makers in Australia. In relation to research methods, Leigh ranked randomised control studies at the top of the hierarchy, followed by natural experiments and then before-and-after studies. Leigh noted that underlying such a classification was the credibility of the counterfactual—what would have occurred in the absence of the intervention. In an ideal study, the group who received the intervention would be randomly selected and compared with a control group who did not receive the intervention.

Where randomised control studies are not possible, natural experiments are the next best type of study. These compare the outcomes of an intervention group with a similar population that is not affected by the intervention.

Ranking below natural experiments in the evidence hierarchy are before-and-after studies, where the outcomes of the intervention group are compared before and after the intervention. This approach assumes that the intervention has caused any observed changes, rather than any other factors. It relies on the availability of good baseline data on the variables of interest. In the case of income management, such variables would be expenditure patterns, people’s money management skills, and measures of the wellbeing of children, families and communities.
Type of evidence available for the income management evaluation

The research methods used in the income management studies (point-in-time descriptive studies and qualitative research) would all sit towards the bottom of Leigh’s evidence hierarchy. A major problem for the evaluation was the lack of a comparison group to measure what would have happened in the absence of income management. There was, for example, no baseline data on the situation before income management (in part reflecting the fact that the measure was introduced as an emergency response within a very short time frame).

The lack of a control group meant it was difficult to determine what changes had been due to income management, or to quantify the extent of any change that had occurred. It also meant that it was difficult to separate the effects of income management from the effects of the other measures introduced as part of the NTER.

The evaluation report drew on a number of research studies that provided some evidence on the effectiveness of income management. There were two qualitative research studies—the 2009 stakeholder focus groups and the 2008 community feedback report; and three quantitative research studies—the 2009 client survey (76 clients), the 2008–09 stores post-licensing monitoring report (66 store operators) and the 2008 GBMs survey (49 GBMs).

The approach taken by the AIHW in writing the evaluation report was to triangulate the findings of the various studies by looking for common issues and themes, and to draw these together around the key evaluation questions. The use of a number of studies, conducted at different times and using different methodologies, resulted in evidence that had considerably more strength and validity than the results of a single study.

However, the overall evidence about the effectiveness of income management was not strong. As well as the absence of a control group, there was a limited amount of quantitative data on which to base the evaluation findings, which in part reflects the difficulties involved in collecting this type of data from remote Indigenous communities across the Northern Territory. The qualitative data had to be used carefully, as they may have been subject to bias in both the collection and the reporting process.

The evaluation was dependent on the perceptions and views of various stakeholders (clients, store owners, GBMs, community groups, Centrelink staff) about whether there had been changes due to income management. While these can be important sources of information for an evaluation, they are most useful in formative evaluations that focus on processes and outputs, rather than in summative evaluations like this one that seek to measure outcomes.

The evaluation findings would have had greater strength if they were supplemented by empirical indicators that showed evidence of the changes reported by the various stakeholders. Examples of such indicators include the proportion of households meeting rent or utilities payments, households seeking emergency payments, or child health measures such as the proportion of babies with low birth weight.

Data quality issues

2009 client interviews

The 2009 client interviews were a key data source for the evaluation but there were some quality issues with the survey. First, the four areas selected for the interviews were not necessarily representative of all prescribed areas in the Northern Territory. Second, the overall sample size was small (76 participants) compared with the 15,125 clients who were being income managed. Third, the clients who were interviewed were not randomly selected but included clients who were approached by the consultants on the day they were in the community, and who agreed to participate. In one community, a large number of community members were away on the day of the interviews and the participants may therefore not have been representative.
The client survey found that views of income management varied significantly by location, with the majority of participants in two locations having a positive view of income management, and the majority in the other two locations having a negative view. It was not possible to assess whether this reflected the differing views across communities, or arose from bias or other flaws in the survey.

2009 stakeholder focus groups

The report on the stakeholder focus groups prepared by the consultant was also an important source of information for the evaluation report. The focus groups included a wide range of stakeholders, including clients, community representatives, Centrelink workers and GBMs. In many cases, however, the focus group report did not attribute comments or views to particular stakeholders. In some cases, therefore, the evaluation report could not identify whose views were being reported, or whether they applied to the majority of stakeholders in the focus groups.
3 Background information on income managed clients and their funds

Administrative data on numbers and characteristics of income management clients and their funds came primarily from Centrelink, and provided useful contextual information for the evaluation.

3.1 Coverage of income management

At June 2008 an estimated 45,654 Indigenous persons who resided in NTER prescribed areas were subject to income management. Around 28,000 of these were adults aged 18 years and over (NTER Review Board 2008, Appendix 9). The Australian Bureau of Statistics (ABS) census data on labour force status show that one-third (33.3 per cent) of the adult Indigenous population in the Northern Territory were employed (CDEP and non-CDEP) and therefore potentially not eligible for income support payments or income management (ABS 2007).

Data from Centrelink indicated that at the end of 2008, there were 19,443 income support recipients living in the NTER prescribed areas, a little over two-thirds of the population aged over 18 years (FaHCSIA 2009b). Therefore just under one-third of the adult population in these areas was not receiving income support payments, a figure that is consistent with ABS labour force data. More than three-quarters of those on income support payments (77 per cent or some 15,000 clients) were being income managed. There are various reasons why people on income support payments may be exempt from income management, such as living in a nursing home; having a nominee who deals with Centrelink who is not subject to income management; temporarily living in the prescribed community; or having little connection to the community.

Number of income managed clients

Income management was progressively rolled out to the communities in the Northern Territory prescribed areas between August 2007 and July 2008. The number of income managed clients increased steadily from the end of 2007 until August 2008, when numbers stabilised between 15,100 to 15,500 clients (Figure 1).

Overall, during the period between the introduction of income management in September 2007 until 31 March 2009, 21,763 people were income managed at some point.

The most recent data provided for the evaluation indicate that there were 15,125 clients subject to income management at 31 March 2009.
3.2 Characteristics of income managed clients

Payment type
The most common payment type received by income managed clients was Newstart Allowance (38.0 per cent), followed by the Disability Support Pension (19.0 per cent), Parenting Payment Partnered (13.7 per cent) and Parenting Payment Single (11.2 per cent) (Table 3).

More than four in five men on income management (81.8 per cent) at the end of March were receiving either Newstart Allowance or Disability Support Pension. More than half (57.0 per cent) of income managed men were receiving Newstart Allowance and one-quarter (24.8 per cent) Disability Support Pension.

The pattern of payments for females was spread more evenly across four payment types. One-quarter (25.3 per cent) of income managed females were in receipt of Newstart Allowance, 15.1 per cent were in receipt of Disability Support Pension, 22.7 per cent were in receipt of Parenting Payment Partnered and 18.3 per cent were in receipt of Parenting Payment Single. These four payments accounted for 81.4 per cent of all income managed payments to women.
Table 3: Income managed clients by primary payment type and sex, 27 March 2009

<table>
<thead>
<tr>
<th></th>
<th>Male</th>
<th></th>
<th>Female</th>
<th></th>
<th>Total</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
</tr>
<tr>
<td>Newstart Allowance</td>
<td>3,448</td>
<td>57.0</td>
<td>2,302</td>
<td>25.3</td>
<td>5,750</td>
<td>38.0</td>
</tr>
<tr>
<td>Disability Support Pension</td>
<td>1,503</td>
<td>24.8</td>
<td>1,373</td>
<td>15.1</td>
<td>2,876</td>
<td>19.0</td>
</tr>
<tr>
<td>Parenting Payment Partnered</td>
<td>14</td>
<td>0.2</td>
<td>2,065</td>
<td>22.7</td>
<td>2,079</td>
<td>13.7</td>
</tr>
<tr>
<td>Parenting Payment Single</td>
<td>37</td>
<td>0.6</td>
<td>1,661</td>
<td>18.3</td>
<td>1,698</td>
<td>11.2</td>
</tr>
<tr>
<td>Age Pension</td>
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<td>6.4</td>
<td>681</td>
<td>7.5</td>
<td>1,067</td>
<td>7.0</td>
</tr>
<tr>
<td>Youth Allowance</td>
<td>394</td>
<td>6.5</td>
<td>363</td>
<td>4.0</td>
<td>757</td>
<td>5.0</td>
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<tr>
<td>ABSTUDY—secondary/tertiary</td>
<td>192</td>
<td>3.2</td>
<td>196</td>
<td>2.2</td>
<td>388</td>
<td>2.6</td>
</tr>
<tr>
<td>Carer Payment</td>
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<td>251</td>
<td>2.8</td>
<td>301</td>
<td>2.0</td>
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<tr>
<td>Family Tax Benefit only(a)</td>
<td>8</td>
<td>0.1</td>
<td>92</td>
<td>1.0</td>
<td>100</td>
<td>0.7</td>
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<tr>
<td>Other</td>
<td>21</td>
<td>0.3</td>
<td>98</td>
<td>1.1</td>
<td>119</td>
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</tr>
<tr>
<td>Total</td>
<td>6,053</td>
<td>100.0</td>
<td>9,082</td>
<td>100.0</td>
<td>15,135</td>
<td>100.0</td>
</tr>
</tbody>
</table>

(a) Those in receipt of Family Tax Benefit only were income managed because they had a partner being income managed.

Notes: Data for 27 March 2009 were used, as complete data for income support payments by client for 31 March were unavailable. At 31 March there were 10 fewer clients than at 27 March.
Other includes Widow Allowance, ABSTUDY schooling applicant, Wife Pension (Age), Partner Allowance, Wife Pension, Disability Support Pension, Carer Allowance, and Sickness Allowance.
Due to rounding, percentages may not add to 100 per cent.
Source: Centrelink administrative data.

Sex
At 31 March 2009, there were 9,076 females and 6,049 males on income management. Six in 10 (60.0 per cent) income managed clients were female. The high proportion of females may in part be related to more males being on the CDEP that operates in many communities and is not subject to income management. At the end of March 2009 there were 5,919 CDEP participants in the Northern Territory, of whom 64.0 per cent (3,788) were male and 36.0 per cent (2,131) were female (FaHCSIA 2009, personal communication). The high proportion of female income management clients was also related to the parenting responsibilities of women, as much larger numbers of females than males are receiving parenting payments.

Age
Income managed clients were relatively young. At the end of March 2009, the largest proportion were aged 25 to 34 years (25.6 per cent), followed by those aged 15 to 24 years (23.0 per cent) and 35 to 44 years (22.4 per cent) (Figure 2). The relatively young age of clients on income management in part reflects the younger age structure of the Indigenous population.
Figure 2: Proportion of income managed clients in each age group, 31 March 2009

Marital status

Nearly half (48.2 per cent) of income managed clients at 31 March 2009 were married or in a de facto relationship (Figure 3). Another quarter (25.1 per cent) of clients had never married, 18.7 per cent were separated or divorced and 7.8 per cent were widowed.

Figure 3: Income managed recipients by marital status, 31 March 2009

Source: Centrelink administrative data.
Children

The data on children relate only to those for whom the Family Tax Benefit (FTB) was being claimed. For a parent to be eligible for FTB, the child must be in the claimant’s care for at least 35 per cent of the time. FTB is income tested but the income test does not affect people on income support payments. FTB is also not payable if the dependent child receives a social security pension or benefit, or a payment under a labour market program.

At 31 March 2009 there were 10,300 children for whom FTB was claimed who were associated with a client currently subject to income management. Among these children, 23.9 per cent were in families with one child for whom FTB was claimed, 29.0 per cent were in families with two children and 23.3 per cent were in families with three children.

Three-quarters (75.0 per cent) of children for whom FTB was claimed were associated with an income managed person who was receiving a Parenting Payment, either partnered or single. An additional 10.6 per cent were associated with a person receiving Newstart Allowance.

Of the 15,125 clients being income managed at 31 March 2009, nearly two-thirds (65.0 per cent) had no children for whom they claimed FTB (Table 4). A further 16.3 per cent claimed for one child and 9.9 per cent for two children. A total of 5,301 clients claimed FTB for one or more children.

It is possible for a person on income support to have children but for FTB to be claimed by their spouse. When considered by sex of claimants for example, 97.1 per cent of males had no children for whom they claimed FTB compared with 43.5 per cent of women. Twenty-six per cent of women on income management claimed FTB for one child and 15.9 per cent for two children.

Table 4: Income managed clients by number of children for whom Family Tax Benefit was claimed, 31 March 2009

<table>
<thead>
<tr>
<th>No. of children</th>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>9,824</td>
<td>65.0</td>
</tr>
<tr>
<td>1</td>
<td>2,466</td>
<td>16.3</td>
</tr>
<tr>
<td>2</td>
<td>1,492</td>
<td>9.9</td>
</tr>
<tr>
<td>3</td>
<td>800</td>
<td>5.3</td>
</tr>
<tr>
<td>4</td>
<td>345</td>
<td>2.3</td>
</tr>
<tr>
<td>5</td>
<td>140</td>
<td>0.9</td>
</tr>
<tr>
<td>6 or more</td>
<td>58</td>
<td>0.4</td>
</tr>
<tr>
<td><strong>Total number of clients</strong></td>
<td><strong>15,125</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Note: Due to rounding, percentages may not add to 100 per cent.
Source: Centrelink administrative data.

Location

At 31 March 2009 nearly nine in 10 (89 per cent) persons being income managed were located within the prescribed areas. Ten per cent of income managed clients were found in other areas of the Northern Territory, with 1 per cent located in other states or territories. The 11 per cent of clients subject to income management but living outside the prescribed areas would have temporarily relocated from a prescribed area at some point after September 2007.

Number of moves

Of the 15,125 persons being income managed at 31 March 2009, 6,515 (43.1 per cent) had moved at least once during the time that they had been subject to income management. Of those who had moved, most (45.4 per cent) had only moved once, one-quarter (25.0 per cent) had moved twice, and 29.6 per cent had moved three times or more (Figure 4). There was little difference in the number of moves between males and females.
Income management status

Clients can be on auto income management or manual (standard) income management. Clients on auto income management are those who have been identified as eligible for income management but have not yet contacted Centrelink to arrange how they would like to allocate their income managed funds. Auto clients have 50 per cent of their income support funds withheld until they make contact with Centrelink, with the remaining 50 per cent being paid in the normal way (that is, into a bank account or by cheque). Clients who have gone off income management and then go back on again also re-enter as auto clients until they contact Centrelink.

In the early stages of income management, there were relatively high numbers of clients on auto income management because they had not contacted Centrelink. The number and proportion of auto income managed clients decreased from 386 clients (22.6 per cent) at 30 November 2007 to 52 clients (0.3 per cent) at 31 March 2009 (Table 5).

Table 5: Number and proportion of auto income managed clients, various dates

<table>
<thead>
<tr>
<th>Date</th>
<th>Auto clients</th>
<th></th>
<th>Total clients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>30 November 2007</td>
<td>386</td>
<td>22.6</td>
<td>1,709</td>
</tr>
<tr>
<td>30 April 2008</td>
<td>505</td>
<td>5.2</td>
<td>9,708</td>
</tr>
<tr>
<td>31 October 2008</td>
<td>139</td>
<td>0.9</td>
<td>15,675</td>
</tr>
<tr>
<td>31 March 2009</td>
<td>52</td>
<td>0.3</td>
<td>15,125</td>
</tr>
</tbody>
</table>

Note: The data collection system has been updated periodically since income management implementation to incorporate adjusted information on client status. As a result, the number of auto and manual clients recorded in the database at a point-in-time may fluctuate. The client numbers for November 2007 and April 2008 have not been adjusted and may differ slightly from the true numbers of clients in these time periods.

Source: Centrelink administrative data.
Of the 52 clients on auto income management at 31 March 2009, 80.8 per cent (42 clients) had been on auto income management for one month or less. Of the remainder, nine clients had been on auto income management for more than one month but less than six months, and one client had been auto income managed for more than six months.

**Changes to entitlements**

In some cases, the type of income support payment a client received from Centrelink changed as a result of the implementation of income management. This usually occurred after the meeting with a Centrelink officer to arrange allocation of income managed funds. At this point, a more appropriate payment type for the client might be identified, prompting a payment transfer, or it might be discovered that the client was receiving a payment that precluded them from receiving another, requiring one to be cancelled.

<table>
<thead>
<tr>
<th>Reason for change</th>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>On precluding payment type</td>
<td>826</td>
<td>58.5</td>
</tr>
<tr>
<td>Transferred to more appropriate payment type</td>
<td>584</td>
<td>41.3</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
<td>0.2</td>
</tr>
<tr>
<td><strong>Total payment transfers</strong></td>
<td>1,413</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Notes:  
‘Client on precluding payment’ may include rejected payment claims as well as cancelled payments.  
‘Other’ includes in receipt of ABSTUDY (two clients) and one of a couple income support transfer (one client).

Source: Centrelink administrative data.

Of the 21,763 clients who were income managed at some point, 1,413 (6.5 per cent) were transferred to a different payment type. This included 1,229 clients who were currently on income management at 31 March 2009. Of the 1,413 total clients whose payment type changed, almost six out of 10 (58.5 per cent) had one payment cancelled, or a payment claim rejected, because they were on another payment type which was incompatible. Four in 10 (41.3 per cent) changed to a more appropriate payment type (Table 6).

### 3.3 Clients ceasing income management

In the period since income management was introduced in September 2007 to 31 March 2009, 21,763 people had been income managed at some point. Clients may, however, cease being income managed for various reasons, such as going off income support, being exempted, or being excluded.

At 31 March 2009 there were 5,867 clients (27.0 per cent) who had ceased income management at some point and not come back on (Table 7). More than three in five clients ceased income management because their payment (54.6 per cent) or their partner’s payment had ceased (9.4 per cent). Another 233 clients (4.0 per cent) ceased income management because they were no longer a member of a prescribed community.

The remaining 32.0 per cent of clients who ceased income management were coded as ‘Customer no longer eligible’, a catch-all for those who became ineligible for some other reason. For those ceasing income management before June 2008, ‘Customer no longer eligible’ was the only code available and included payment cancellation, not being a member of community and other reasons. It is now used primarily for clients confirmed to have permanently moved away from income managed areas.
Table 7: Clients who had ceased income management and were still off income management at 31 March 2009, by reason for ceasing

<table>
<thead>
<tr>
<th>Reason for cancellation from income management</th>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cancellations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer trigger payment ceased</td>
<td>3,205</td>
<td>54.6</td>
</tr>
<tr>
<td>Customer no longer eligible</td>
<td>1,877</td>
<td>32.0</td>
</tr>
<tr>
<td>Partner trigger payment ceased</td>
<td>552</td>
<td>9.4</td>
</tr>
<tr>
<td>Client not a member of prescribed community and therefore ineligible(^{(a)})</td>
<td>233</td>
<td>4.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,867</td>
<td>100.0</td>
</tr>
</tbody>
</table>

\(^{(a)}\) This category was used when a client was put on income management in error (for instance, if a person had been visiting the community temporarily at the time of income management switch-on).

Source: Centrelink administrative data.

Exemptions and exclusions

There were 649 clients who had applied for and been granted an exemption from income management at some point, representing 3.0 per cent of clients who had ever been income managed (Table 8). Almost three in five (58.2 per cent) exemptions were due to clients permanently moving away from a prescribed area. Exemptions are reviewed periodically and exempted clients may go back on income management.

There were 122 exclusions from income management, which included 77 clients with a nominee already managing their funds who is not subject to income management, and 45 clients with a nominee managing their payments who is a public trustee.

Table 8: Clients exempted or excluded from income management, by type, at 31 March 2009

<table>
<thead>
<tr>
<th>Reason for exemption/exclusion</th>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exemption</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer moved permanently or indefinitely</td>
<td>378</td>
<td>58.2</td>
</tr>
<tr>
<td>Customer temporarily in community</td>
<td>48</td>
<td>7.4</td>
</tr>
<tr>
<td>Little connection to community</td>
<td>7</td>
<td>1.1</td>
</tr>
<tr>
<td>Other exemptions(^{(a)})</td>
<td>216</td>
<td>33.3</td>
</tr>
<tr>
<td><strong>Total exemptions</strong></td>
<td>649</td>
<td>100.0</td>
</tr>
</tbody>
</table>

\(^{(a)}\) Other exemptions include students with a third party already managing their funds, students away from home, people in residential care, clients in the community to assist with the NTER and exemptions coded as ‘other’.

Source: Centrelink administrative data.

Exclusions

<table>
<thead>
<tr>
<th>Reason for exemption/exclusion</th>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payment nominee not subject to income management</td>
<td>77</td>
<td>63.1</td>
</tr>
<tr>
<td>Client has payment nominee public trustee</td>
<td>45</td>
<td>36.9</td>
</tr>
<tr>
<td><strong>Total exclusions</strong></td>
<td>122</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Centrelink administrative data.

Suspensions

As well as going off income management, clients may have their payments suspended for a period of time. In the period from September 2007 to end of March 2009 there were 9,846 payment suspensions recorded for 7,197 income managed clients. This represents one-third (33.1 per cent) of the 21,763 clients who were income managed.
managed over this period. Of the total income managed clients, 24.4 per cent had a payment suspended once, and 8.8 per cent more than once.

The most common reason (18.6 per cent) for suspension was failure to contact Centrelink within 13 weeks after being automatically placed on income management (Table 9). This applied to clients who failed to contact Centrelink to organise the appropriate allocations for their income managed funds. This was more of an issue in the early stages of the implementation, and has become less common over time. Other common reasons for suspension were client in prison (16.2 per cent), failure to reply to correspondence (15.6 per cent), no activity agreement signed (9.9 per cent), and failure to attend an interview (8.8 per cent).

A suspended payment may be restored or it may ultimately be cancelled. Not all unrestored payments will lead to cancellation if, during the requisite period, action (for instance, contacting a Centrelink office) is taken to reverse the suspension. At 31 March 2009, 69.2 per cent of suspended payments (6,816 payments) had been restored.

The type of suspensions that were most commonly restored were failure to contact Centrelink after being placed on auto income management, failure to reply to correspondence, not signing an activity agreement with Centrelink and failure to attend an interview (between 84.8 per cent and 88.7 per cent of suspensions for these reasons were restored). Payments suspended due to the client being in prison were the least likely to be restored (only 5.0 per cent).

There were 3,020 payments suspended and not restored at 31 March 2009, half (49.8 per cent) of which were due to the client being in prison. These were not likely to be restored.

Table 9: Suspensions from income support payments by reason for suspension, September 2007 to March 2009

<table>
<thead>
<tr>
<th>Reason for Suspension</th>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fail to contact after auto income management</td>
<td>1,833</td>
<td>18.6</td>
</tr>
<tr>
<td>Customer in prison</td>
<td>1,591</td>
<td>16.2</td>
</tr>
<tr>
<td>Fail to reply to correspondence</td>
<td>1,537</td>
<td>15.6</td>
</tr>
<tr>
<td>No activity agreement signed</td>
<td>972</td>
<td>9.9</td>
</tr>
<tr>
<td>Fail to attend interview</td>
<td>866</td>
<td>8.8</td>
</tr>
<tr>
<td>Investigation</td>
<td>656</td>
<td>6.7</td>
</tr>
<tr>
<td>Failed to respond to verification request</td>
<td>362</td>
<td>3.7</td>
</tr>
<tr>
<td>Did not lodge review form (auto)</td>
<td>337</td>
<td>3.4</td>
</tr>
<tr>
<td>Awaiting further contact—CDEP</td>
<td>309</td>
<td>3.1</td>
</tr>
<tr>
<td>Other</td>
<td>1,383</td>
<td>14.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9,846</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: Centrelink administrative data.

3.4 Income managed funds

Allocations

Income managed funds are allocated by clients to priority items of their choosing through consultation with Centrelink staff. For instance, a client may allocate 50 per cent of their income managed funds to the BasicsCard for food and other priority items, 30 per cent to the automatic payment of rent, 15 per cent to utilities and 5 per cent to the School Nutrition Program.
Centrelink collects administrative data on how income managed funds are allocated. The data below include allocations to the BasicsCard, which were categorised according to the item that the funds were initially allocated for. The data do not show how these funds were actually spent. Accurate expenditure data were not available for the evaluation report.

Over the period since income management was introduced (September 2007 to March 2009) a total of $165 million of income managed funds had been allocated by Centrelink. Almost $106 million (64.2 per cent) of allocations were for food. The next highest proportions were for housing (nearly $15 million), store cards ($10.4 million), and clothing and footwear ($9.8 million) (Table 10). Before June 2008, allocations to store cards were categorised by probable type of purchase, so store cards for Coles and Woolworths were included in food.

Table 10: Allocations of income managed funds, 7 September 2007 to 27 March 2009

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount ($)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food</td>
<td>105,989,871</td>
<td>64.2</td>
</tr>
<tr>
<td>Housing</td>
<td>14,968,522</td>
<td>9.1</td>
</tr>
<tr>
<td>Store cards</td>
<td>10,411,080</td>
<td>6.3</td>
</tr>
<tr>
<td>Clothing, footwear</td>
<td>9,794,688</td>
<td>5.9</td>
</tr>
<tr>
<td>Household goods</td>
<td>3,416,277</td>
<td>2.1</td>
</tr>
<tr>
<td>Manual cheque</td>
<td>4,414,894</td>
<td>2.7</td>
</tr>
<tr>
<td>Credit card</td>
<td>4,391,766</td>
<td>2.7</td>
</tr>
<tr>
<td>School Nutrition Program</td>
<td>4,222,071</td>
<td>2.6</td>
</tr>
<tr>
<td>Travel and transport</td>
<td>2,046,139</td>
<td>1.2</td>
</tr>
<tr>
<td>Other stores</td>
<td>1,508,818</td>
<td>0.9</td>
</tr>
<tr>
<td>Home care services</td>
<td>1,245,346</td>
<td>0.8</td>
</tr>
<tr>
<td>Other</td>
<td>2,726,010</td>
<td>1.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>165,135,482</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Note: Other includes customer reimbursements, utilities, education expenses, telephone, household goods, community group loan repayment, Council services, tools of trade, medical expenses, funeral expenses, child care services, household repairs, motor vehicle registration, work uniforms, clothing or footwear, court fines, professional services, insurance services, income management telecommunications and unknown. Due to rounding, percentages may not add to 100 per cent.

Source: Centrelink administrative data.

BasicsCard

Allocations to the BasicsCard can be identified separately to other allocations. As noted above, allocations were classified according to the primary business of the retail outlet: for instance, Woolworths was classified as food even though other priority items can be purchased there. Since the introduction of the BasicsCard, 29,894 cards were issued to income management clients. A small proportion was issued to clients outside of the Northern Territory. By client numbers, this represented 16,200 clients in the Northern Territory who were income managed at some point being issued with a BasicsCard. Of these, 14,183 were current income management clients at 27 March 2009.

Among Northern Territory income managed clients, 13,405 replacement cards had been issued. Nine in 10 BasicsCard clients had been issued three or less cards, and three in five (60.0 per cent) had been issued only one card. Administrative data also include information on transaction results. Of the more than one million BasicsCard transactions, 83.0 per cent were successful. The majority of failed transactions (98.2 per cent or 182,087) were due to insufficient funds in a client’s account.
Over the period since the BasicsCard was introduced (September 2008 to end March 2009), over $55 million dollars had been allocated to the BasicsCard. Over three-quarters (77.2 per cent or $42.9 million) of the allocations to the BasicsCard were for food. A further 13.8 per cent ($7.7 million) went to clothing and footwear and 5.0 per cent ($2.7 million) to household goods (Table 11).

Table 11: Allocations to the BasicsCard, 7 September 2008 to 27 March 2009

<table>
<thead>
<tr>
<th></th>
<th>Amount ($)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food</td>
<td>42,865,147</td>
<td>77.2</td>
</tr>
<tr>
<td>Clothing, footwear</td>
<td>7,650,222</td>
<td>13.8</td>
</tr>
<tr>
<td>Household goods</td>
<td>2,749,290</td>
<td>5.0</td>
</tr>
<tr>
<td>Travel and transport</td>
<td>462,149</td>
<td>0.8</td>
</tr>
<tr>
<td>Other stores</td>
<td>1,507,318</td>
<td>2.7</td>
</tr>
<tr>
<td>Education expenses</td>
<td>199,939</td>
<td>0.4</td>
</tr>
<tr>
<td>Tools of trade</td>
<td>41,467</td>
<td>0.1</td>
</tr>
<tr>
<td>Medical expenses</td>
<td>28,608</td>
<td>0.1</td>
</tr>
<tr>
<td>Funeral expenses</td>
<td>7,030</td>
<td>&lt;0.1</td>
</tr>
<tr>
<td>Household repairs</td>
<td>10,588</td>
<td>&lt;0.1</td>
</tr>
<tr>
<td>Work uniforms, clothing or footwear</td>
<td>2,875</td>
<td>&lt;0.1</td>
</tr>
<tr>
<td>Housing</td>
<td>4,229</td>
<td>&lt;0.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>55,528,860</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Note: Due to rounding, percentages and totals may not add to 100 per cent.
Source: Centrelink administrative data.

Store cards

Allocations to store cards declined dramatically after the introduction of the BasicsCard in September 2008. The proportion of funds allocated to store cards peaked in July 2008 at 25 per cent and has since declined to under 1 per cent ($12,280 at 27 March 2009) of all allocations (Figure 5).
Unallocated funds

Income managed funds that have not been allocated are kept in a person's income managed account. Funds are kept in this account until the client arranges with Centrelink how they should be spent. This money is referred to as 'bucket money' in many of the affected communities. Unallocated funds at 27 March 2009 represented 2.4 per cent ($4,041,510) of the total income management funds.

In the early stages of income management there were a relatively high proportion of unallocated funds (with a high point of 50.3 per cent at 23 November 2007), reflecting the higher number of clients on auto income management who had not contacted Centrelink to arrange for their allocations. The proportion of unallocated funds has steadily decreased since then. The three spikes in unallocated funds (Figure 6) occurred at the time of the family tax reconciliation payments and economic stimulus payments, when 100 per cent of funds were withheld until the client meets with Centrelink to have them allocated.
BACKGROUND INFORMATION ON INCOME MANAGED CLIENTS AND THEIR FUNDS

Figure 6: Unallocated funds as proportion of all funds withheld to 27 March 2009

Note: Data are unavailable for the period from 14 December 2007 to 10 January 2008.
Source: Centrelink administrative data.

Characteristics of clients with unallocated funds

The average amount of unallocated funds that current clients had varied by sex, age group and income management status. At 27 March 2009, females had a higher average amount of unallocated funds remaining in their income management account. The average unallocated funds for females was $263 (representing 2.2 per cent of their total income managed funds), while for males the average was $203 (3.7 per cent of their total funds).

Figure 7: Average amount of unallocated funds for current income managed clients, by age group, 27 March 2009

Source: Centrelink administrative data.
Average unallocated funds increased by age group, with clients aged 15 to 24 years leaving an average of $196 unallocated funds (2.4 per cent of their total), compared with an average of $464 (4.5 per cent) for clients aged 65 to 74 years and $605 (6.5 per cent) for clients aged 75 years and over. Among current clients, auto income management clients had an average of $415 unallocated funds (62.6 per cent of their total), compared to $239 for manual clients (2.5 per cent).

The data also showed that clients no longer on income management often had residual unallocated funds in their income management account, ranging from an average of $48 for clients who had been granted an exemption to $78 for clients who had been granted exclusion.
4  Findings on the key evaluation questions

This section provides the relevant evidence from the various studies for the key evaluation questions. Some data sources provided better information in answering certain questions than others. Those that best answer a question are generally presented first. The subheadings include information on the nature and coverage of the data provided by each data source, providing an indication of the reliability of findings from that source. The overall evaluation findings are summarised in Section 5.

4.1  How well was income management implemented and administered?

It is important to assess the implementation and administration of income management as these can have an impact on the outcomes achieved. This section considers the early implementation issues, understanding and acceptance of income management and administrative issues that arose from the research.

Information on early implementation issues was provided by the 2008 community consultations, the 2008 FaHCSIA submission to the NTER Board and the administrative data. Data sources used to provide a more current picture were the 2009 client survey and the 2009 stakeholder focus groups.

Early implementation issues
The early implementation issues identified were confusion among clients about how income management worked, a lack of flexibility for using income managed funds and a high proportion of clients who were auto income managed. These early issues appeared to have been largely addressed by the time the 2009 studies were conducted for the evaluation, through changes such as the introduction of the BasicsCard and improved communication processes.

2008 community feedback report (qualitative data, four communities)
This 2008 study found that across the four communities there was considerable confusion about how the income management system worked, when and where people could get their money and how it was managed by Centrelink. Several people had the perception that they got less money on income management, and some did not understand how much was ‘taken away’.

This confusion and inability to effectively access the system was more commonly observed in people opposed to income management, and appeared to fuel some of their negative attitudes and frustration towards the program. The consultants noted that this was important because income management requires people to have skills in managing money that many do not have, particularly young people. In one community, for example, there were numerous reports of people not understanding the system and being unable to work out how to transfer money, or being unable to understand where the food card money had gone.

Several people were confused about what they could and could not purchase through the voucher system and others mentioned difficulties in getting the allocation sent where they wanted it sent, or getting their money at the right time. Difficulties in travelling and the forward planning required were specifically mentioned, and this issue is discussed in more detail later in this section.
2008 FaHCSIA submission to the Northern Territory Emergency Response Review Board

The FaHCSIA Submission of background material to the Northern Territory Emergency Response Review Board, prepared in May 2008, outlined the key service delivery challenges from the department’s perspective (FaHCSIA 2008). Issues identified include the lack of flexibility and choice for clients in the use of income managed funds and problems associated with the store cards.

Under the initial system, once allocations on income managed funds had been established, the client had to contact Centrelink to make changes to their allocations. People therefore often felt restricted to using only those outlets where they had established deductions in place. The system was manually driven and work-intensive for both the client and Centrelink. It also raised issues for people travelling outside their communities, because they were required to contact Centrelink to organise different income management allocations each time they went to a new location.

In relation to store cards, the submission noted that people’s access to store cards was limited, as Centrelink only issued store cards during business hours and people therefore could not access them after hours or during the weekend. Centrelink office hours were, however, lengthened in some cases to cope with client demand. In addition, some traders who were not part of the store card system were concerned that income management had impacted on their business.

Centrelink administrative data

The administrative data showed that in the early period of income management there were a relatively high proportion of clients who were subject to auto income management because they had not had contact with Centrelink. These clients therefore had 50 per cent of their payments held in their income management account.

The data available for the evaluation showed that at 30 November 2007, 22.6 per cent of clients on income management were being auto income managed. This proportion decreased to 0.3 per cent by March 2009, representing a very small number of clients being auto income managed.

Auto income managed clients have 50 per cent of their payments as unallocated funds. The total amount of unallocated funds across all income management clients is therefore related to the number of auto income managed clients, although clients who have arranged their fund allocations may also choose to keep some money unallocated as a form of savings. The proportion of unallocated funds decreased from 50.3 per cent in November 2007 to 2.4 per cent in March 2009.

Understanding of income management

The more recent studies found that the confusion many clients originally had about income management had reduced over time, and there was a better understanding about how the system worked. There was still, however, a significant proportion of clients who could not explain the purpose of income management.

2008–09 stores post-licensing monitoring report (quantitative data, 66 store operators)

Some store operators noted there was a level of mistrust and misunderstanding surrounding the introduction of income management. In one community it was reported that people believed the Government had taken the money or the store operators were stealing it because of the delay between the Centrelink payment due date and when the money became available in their store account. Other store operators referred to the difficulties involved in explaining the changes, especially to older residents used to having cash in hand. In some communities, store operators noted that the confusion around income management had abated over time. Overall, more than two-thirds of the 66 store operators reported that community members seemed to have a good understanding of income management.
2009 client interviews (quantitative data, four communities, 76 people)
The client interviews conducted in June 2009 found that there was a moderate level of understanding of the Government’s purpose of income management. Thirty participants (39 per cent) were not able to explain the purpose of income management. For those who responded to this question, the range of answers included:

- to better manage money
- so there is money to buy food
- so there is money to buy items/big items at store
- because of the intervention/report
- to help the community.

The responses given most often were related to having more money to buy food and other essential items.

To ascertain the level of understanding of income management, participants were also asked about the dollar amount or percentage of their income that is income managed. The responses were mixed, with some participants reporting the dollar amount, and others a percentage. The results indicated that the vast majority were aware of how much of their money was income managed—there were no ‘don’t know’ responses. Everyone could nominate either an amount or a percentage, and only a few were incorrect when nominating the percentage (six people said more than 60 per cent or more than half).

2009 stakeholder focus groups (qualitative data, four communities, 167 persons)
The stakeholder focus groups, also conducted in mid-2009, found that understanding of income management had improved over time. The research found that the following aspects were generally well understood by research participants:

- reasons for and purpose of income management
- target population
- income managed funds ratios for fortnightly and lump-sum payments
- use of income managed funds was for basic living costs (such as food, bills and clothing)
- income managed funds could not be used to access restricted items (such as alcohol and cigarettes).

Aspects of the usage and operation of income management that participants tended to have limited understanding about included that:

- the BasicsCard could be used for transportation needs (for example, fuel, bus tickets, airfares)
- income support recipients could access Centrelink outside of normal business hours to check their BasicsCard account balance.

In addition, the research indicated that some remote community members did not realise that their payments had been quarantined—they assumed that their regular income support payments had been reduced or that their lump-sum payments had ‘gone missing’. The research also identified a lack of recognition of income management as a tool to develop longer-term financial management skills among many participants, and some uncertainty over the longevity of income management.

Community views of income management
Income management was implemented in the context of the NTER and a range of measures that had significant impacts on people living in prescribed communities. People’s perceptions of income management were therefore tied up with their perceptions about the NTER. The new measures were implemented over a short
period of time with little consultation, which affected some perceptions. There was evidence, however, that there was greater acceptance of income management over time.

**2008 community feedback report (qualitative data, four communities)**

As with the NTER overall, there were mixed responses when income management was discussed with the community, although many participants identified positive outcomes. The main benefit was the increase in the amount of money spent on food for community members, especially children. Several participants critical of income management perceived it compromised the rights of people in the community, and that it was based on a ‘one size fits all’ approach. Even those who objected to income management for themselves, however, could see benefits in it for other people, specifically ‘the ones on the grog’ or gamblers, mothers with small children/large families and grandparents who are carers.

There were differences in views about income management by demographic group, with those caring for others the most positive about it and people who did not drink alcohol, smoke or gamble more positive than those who did. Single men tended to have the least positive view of income management.

The compulsory nature of income management and the lack of personal choice was the main concern for most people who objected to it. Some people felt that the Government did not believe Indigenous people can manage their own money and complained that income management was unfair because it removes freedom of choice and control of money from people, which was seen as a basic human right. This view was more pronounced in town camps where there was greater contact with people whose payments were not being income managed.

**2008 Government Business Manager survey (quantitative data, 49 GBMs covering 71 communities)**

The GBM survey found a positive attitude towards income management in around 52 per cent of the 57 communities in which it had been implemented at the time of the survey. There was either a negative or mixed attitude in the remaining communities.

**2008–09 stores post-licensing monitoring report (quantitative data, 66 store operators)**

While there was considerable variation in the responses from store operators about client feedback, there was also significant positive comment. Operators reported that women in particular were expressing happiness, as there was more money for food and less humbugging. Some store operators reported complaints from community members, mostly male, who were not happy with income management from both a political and financial standpoint.

**2009 stakeholder focus groups (qualitative data, four communities, 167 persons)**

Many stakeholders, particularly community members and community sector service delivery and peak body representatives, reported that perceptions of the effectiveness of income management among the community had been overshadowed by concerns about racial discrimination and the NTER. The targeting of the measure to Indigenous Australians communities was strongly felt to be ‘unfair’ and ‘discriminatory’.

Many participants indicated that their main source of information about NTER during the announcement and early implementation was the mass media. The main reliance upon such a communication channel had contributed to the propagation of misconceptions, fears and ‘worries’ among many people in the affected communities.

In line with lack of understanding about NTER, participants reported that many in the target population were initially confused about income management. The research found that much of the opposition and concern centred on the:

- removal of individual rights or control over their income support payments
- perception that income management was a punitive measure.
It was clear from the research that the concerns over racial discrimination and the NTIER had overshadowed and negatively affected overall perceptions about income management. It was difficult for many participants to separate these broader issues and concerns from the impacts and processes of the income management measure. However, when they began to do so, many participants acknowledged that practical benefits were starting to be realised in communities. Participants reported that many of the positive outcomes from the measure had only clearly emerged after it had been in place for some time.

2009 client interviews (quantitative data, four communities, 76 people)

Interview participants were asked whether they thought income management was a good or bad thing. Two-thirds of the 64 interview participants who responded to this question had a positive view (they said it was a ‘good’ thing), while one-third (21 people) had a negative view (they said it was a ‘bad’ thing). These findings confirmed those from the 2008 community consultations of mixed responses to income management.

The proportion of people with positive views of income management varied across the four locations. In two communities the majority of participants reported that it was ‘good’ (24 out of 26 in Gapuwiyak and eight out of 10 in Aputula (Finke), while in the other two locations the majority of participants reported that it was ‘bad’ (10 out of 13 in Ngukurr and eight out of 15 in Tennant Creek) (Table 12). The consultants reported that many people were out of Ngukurr on the day of the interviews and the interview participants therefore may not be representative of all community members.

Table 12: Participants’ views on income management, by location

<table>
<thead>
<tr>
<th></th>
<th>Ngukurr</th>
<th>Gapuwiyak</th>
<th>Aputula (Finke)</th>
<th>Tennant Creek</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>Good</td>
<td>3</td>
<td>23.1</td>
<td>24</td>
<td>92.3</td>
<td>8</td>
</tr>
<tr>
<td>Bad</td>
<td>10</td>
<td>76.9</td>
<td>2</td>
<td>7.7</td>
<td>1</td>
</tr>
<tr>
<td>Undecided</td>
<td>0</td>
<td>0.0</td>
<td>0</td>
<td>0.0</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>13</td>
<td>100.0</td>
<td>26</td>
<td>100.0</td>
<td>15</td>
</tr>
</tbody>
</table>

Source: CIRCA 2009.

Participants had a variety of responses when asked more specifically what they liked or did not like about income management. The overall feedback was positive and the main reason people liked income management was because people had money to buy food, clothes and other essential items, even if they ran out of ‘cash’. Other responses included: because income management has a positive impact on the community; it helps people to manage their income better; people are able to buy things all week; there is a reduction in humbugging; and because it is good to be able to buy things for children.

The most common reasons people gave for not liking income management were because: they did not have enough money/cash; the lack of control over what money is spent on; a dislike that only some people had to use the BasicsCard and others did not; it was seen as unfair for those who can manage their money; they cannot send money to children interstate; and because of a general dislike of the restrictions.

The majority of respondents to the question (55 per cent or 36) thought that the amount of money that was income managed was the ‘right amount’, while one-third (33 per cent or 22) felt that the amount was ‘too much’. Only 12 per cent (eight participants) felt that the amount of money that was income managed was ‘not enough’.

Administrative issues

A number of administrative issues were identified in the more recent data collections, many of which related to the BasicsCard. These are discussed in the next section.
2009 client interviews (quantitative data, four communities, 76 people)

Just over half (55 per cent) of 55 interview participants who responded found the process of starting income management difficult, while 46 per cent found it easy (Table 13). There were differences in views across locations, though it is difficult to generalise because the number of responses were small.

Table 13: Participants who found starting income management easy or difficult, by location, number and per cent

<table>
<thead>
<tr>
<th>Location</th>
<th>Participants who found starting income management easy</th>
<th>Participants who found starting income management difficult</th>
<th>Total participants who participated in the evaluation process</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ngukurr</td>
<td>4 (30.8%)</td>
<td>9 (69.2%)</td>
<td>13 (100.0%)</td>
</tr>
<tr>
<td>Gapuwiya</td>
<td>17 (81.0%)</td>
<td>4 (19.0%)</td>
<td>21 (100.0%)</td>
</tr>
<tr>
<td>Aputula (Finke)</td>
<td>2 (33.3%)</td>
<td>4 (66.7%)</td>
<td>6 (100.0%)</td>
</tr>
<tr>
<td>Tennant Creek</td>
<td>2 (13.3%)</td>
<td>13 (86.7%)</td>
<td>15 (100.0%)</td>
</tr>
<tr>
<td>Total</td>
<td>25 (45.5%)</td>
<td>30 (54.5%)</td>
<td>55 (100.0%)</td>
</tr>
</tbody>
</table>

Source: CIRCA 2009.

The main way in which participants reported being told about income management was from Centrelink, with a few reporting they had heard about it from other family and community members. When they were informed about the BasicsCard, participants reported: being told what the card was for; that they would be getting half of their payments in cash and half on the card; ‘that they had to be on it’; what things they could use the card to buy and what things they could not buy; that it would help with savings; and not to share the card with others.

There were few responses when participants were asked how the implementation process could have been improved. In general it was thought that the process was ‘ok’, but that there could have been a clearer explanation.

2009 stakeholder focus groups (qualitative data, four communities, 167 persons)

The research identified the following positive aspects of the implementation and operation of income management:

- responsiveness in recognising and addressing some of the problems—that is, in relation to the BasicsCard process
- support received from Centrelink—that is, the intensity and regularity of servicing during the initial stages of implementation
- improved access to government and non-government services (beyond those provided by Centrelink) — especially for those living in remote communities
- appropriateness of the ratio of 50 per cent of fortnightly income support payments being income managed. However, feedback about the 100 per cent ratio of lump-sum income managed funds were mixed—some participants (including most community sector peak and service delivery provider representatives) considered it to be too high, while most community leaders/members, Centrelink case workers and GBMs reported it was appropriate.

The research also identified the following aspects that were considered as being less successful:

- limited ongoing communications and education about income management
- absence of a regular review process to make necessary adjustments and to ensure the process was working well for individuals and their families
- lack of financial management skills development—access to programs/counselling to build financial skills capabilities
- lack of flexibility of income management to respond to individual circumstances—including the ability to temporarily exit from the process when individuals are in crisis situations or medical emergencies
difficulties with the BasicsCard — namely, the scope to improve the accounts'/funds' checking process, the transfer process, flexibility of the card process to better access cheaper goods and the security of the card.

It was also evident from the research that communications and implementation of processes in relation to income management had improved over the life of the measure, with many stakeholders reporting that ‘things started getting better from last year’.

Operation of the BasicsCard
The introduction of the BasicsCard in late 2007 made it much easier for clients to access their income managed funds and spend them at various locations. It significantly reduced clients’ need to contact Centrelink to transfer funds and reduced the need for Centrelink to make manual changes to allocations. The BasicsCard also addressed the concerns of merchants by allowing income managed funds to be spent at a larger number of different types of retail outlets.

Overall the BasicsCard appeared to be operating well, but there were a few areas where processes could be improved.

2009 stakeholder focus groups (qualitative data, four communities, 167 persons)
The research found that the BasicsCard was perceived by community members as being a significant improvement over the previous store voucher/funds transfer process. It was perceived as being versatile, portable and less cumbersome than its predecessor. The expanding acceptance of the BasicsCard across shops/merchants was also found to be a significant improvement. However, the research identified that there was scope for improving the BasicsCard in relation to:

- accounts/funds checking process — most participants identified the lack of a ‘quick’ and ‘on-the-spot’ facility to check how much money was available on the BasicsCard as a source of frustration and annoyance for users. A number of research participants in the communities were unaware of the Centrelink phone voice recognition system that can be used to check funds. Most of these participants indicated that people either visited their local Centrelink office or called the Indigenous or payment-specific call centre telephone line.

- keeping track of funds — this was raised as being an issue for people who shopped and frequented a number of stores/merchants in towns. While it was reported that such individuals may have initially checked their account balance, it was ‘difficult to keep track’ of their available funds as they continued to shop from one store to the next — and they were often ‘caught out’ due to lack of funds on their BasicsCard. Similarly, a number of participants indicated that some people who had made large purchases (for example, at supermarkets) also tended to get ‘caught out at the cash register’ when they realised they were short of funds. This was less of an issue for people who shopped at their single local community store where purchases tended to be smaller in quantity (but more frequent) — the current ‘check before you buy’ approach and the existing relationship with store workers/owners seemed to work better.

- funds transfer process — many participants reported that the transfer of funds into their BasicsCard was ‘difficult to do after normal business hours’. These participants indicated that the lack of access to Centrelink to transfer funds (especially where they had ‘fallen short’ at the checkout-point) over the weekend and after hours made shopping ‘very hard’ and ‘embarrassing’.

- flexibility to access cheaper goods — a few participants from community sector peak and service delivery agencies indicated that the BasicsCard system needed to be ‘more flexible’ to allow people to access cheaper food and clothing through the less formal ways of shopping at farmers’ markets, open markets and garage sales.

- security of the card — a number of participants from community sector agencies, case workers from Centrelink and GBMs were concerned with the lack of security offered through the PIN-based approach of the BasicsCard. Their concerns centred around unauthorised usage, where people other than the owner were using the BasicsCard. However, the research found that the current BasicsCard’s PIN-based approach had a functional
benefit in remote communities and in the extended family environment of Indigenous Australians as it facilitated sharing of resources within a large household as well as helping carers to more easily meet their care obligations (for example, shopping and cooking for the care recipient).

**2009 client interviews (quantitative data, four communities, 76 people)**

Two sets of questions were asked to identify the ease with which participants could check the balances of their BasicsCard as well as their income management balances. The answers to both sets of questions were very similar and suggest that the research participants were comfortable with their capacity to find out how much money they had. The research found that:

- Ninety-five per cent of participants stated that they knew how to check the balance of their BasicsCard while 93 per cent stated that they knew how to check their income managed account balance (Table 14).

- The method most commonly used by participants to check the BasicsCard and their income managed account was to ring the Centrelink 13 number either through their personal mobile phone or from the phone available at the Centrelink counter or office (78 per cent for both).

- The next most common method was to ask Centrelink staff for BasicsCard and for income managed fund balances (19 per cent and 25 per cent respectively).

- Family members and storekeepers were also used but only in a small number of cases.

The frequency of checking was also consistent for the account types, with checking taking place on a fortnightly basis to correspond with the expected Centrelink payment date. Seventy-eight per cent indicated that they checked their BasicsCard on a fortnightly basis (14 per cent weekly and 7 per cent more often). Participants were easily able to identify when their next payment would be and the amount they were expecting to receive in their income management account.

<table>
<thead>
<tr>
<th>Know how to check balance?</th>
<th>BasicsCard</th>
<th></th>
<th>Income management account</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>70</td>
<td>94.6</td>
<td>69</td>
<td>93.2</td>
</tr>
<tr>
<td>No</td>
<td>4</td>
<td>5.4</td>
<td>5</td>
<td>6.8</td>
</tr>
<tr>
<td>Total</td>
<td>74</td>
<td>100.0</td>
<td>74</td>
<td>100.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>How do you check balance?</th>
<th>BasicsCard</th>
<th></th>
<th>Income management account</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Call the 13 number</td>
<td>56</td>
<td>77.8</td>
<td>55</td>
<td>77.5</td>
</tr>
<tr>
<td>Ask a storeowner</td>
<td>5</td>
<td>6.9</td>
<td>3</td>
<td>4.2</td>
</tr>
<tr>
<td>Go to Centrelink</td>
<td>14</td>
<td>19.4</td>
<td>18</td>
<td>25.4</td>
</tr>
<tr>
<td>Get a relative to check</td>
<td>3</td>
<td>4.2</td>
<td>3</td>
<td>4.2</td>
</tr>
<tr>
<td>Other</td>
<td>1</td>
<td>1.4</td>
<td>1</td>
<td>1.4</td>
</tr>
<tr>
<td>Total(a)</td>
<td>72</td>
<td>100.0</td>
<td>71</td>
<td>100.0</td>
</tr>
</tbody>
</table>

(a) The total represents the number of respondents who answered the question. For the question on method of checking the balance, participants could give more than one response.

Source: CIRCA 2009.
Even though most participants (96 per cent) stated they check their balance before going shopping, a large proportion of participants (71 per cent) stated they had experienced having insufficient funds in their BasicsCard when making purchases. The response to this situation was mixed:

- The most commonly stated reaction was to put back some items until the income managed money would cover the purchase—‘I put food back and get what I can afford’, or ‘I buy half and get rid of the rest’.
- Another reaction mentioned frequently was to walk away and not make any purchase.
- A smaller number of participants stated they asked family members to pitch in money for the purchases.
- The other minority response was to fund the purchase from their discretionary funds or to contact Centrelink to transfer money into the BasicsCard account from other sources.

A higher proportion of men (83 per cent) experienced insufficient funds than did women (65 per cent).

While this was a fairly common experience, the consultants reported that there was not a strong sense that these situations caused embarrassment or a high level of concern. Nor were they less likely to occur when balances were being checked prior to shopping.

### 4.2 Was more individual/family income being spent on priority needs?

A key aim of income management was to ensure that money paid by the Government is used in socially responsible ways, particularly in relation to meeting the needs of children. The priority items on which income managed funds can be spent are:

- food and non-alcoholic drinks
- basic personal hygiene items
- basic household items
- clothing and footwear
- power and other utility cards
- fuel and other basic motor vehicle maintenance items
- items required for the purposes of employment.

By definition, under income management arrangements at least 50 per cent of individual/family income must be spent on priority items. The evaluation was looking for evidence that income management had resulted in a greater share of individual or family income being directed to priority needs. Of particular concern was whether there had been an improvement in food security and food choices.

To measure changes in spending patterns, quantitative data on expenditure before and after the income management implementation would be required. There were, however, no quantitative baseline data on expenditure patterns. The evaluation, therefore, had to rely primarily on the perceptions of stakeholders about whether they had changed.

A key source for this information was the 2009 client interviews, which included data on expenditure after income management, but these data were based on a small sample of clients who were not randomly selected. Other information that addressed the question of whether more income was spent on priority needs came from the 2009 stakeholder focus groups (qualitative data), the 2008–09 stores post-licensing monitoring survey and the 2008 GBM survey.
Changes in expenditure patterns

A number of studies reported changes in people's expenditure patterns since income management was introduced.

2008–09 stores post-licensing monitoring report (quantitative data, 66 store operators)

Nearly half (48 per cent) of the 66 store operators surveyed reported significant changes in people's shopping habits since the introduction of income management. A further 30 per cent said there had been a slight change. The main change in shopping habits seen was an increase in store general turnover. Of the 66 stores interviewed, 42 (64 per cent) reported an increase in turnover, while seven (21 per cent) reported a decrease.

Store operators also reported changes in the types of goods purchased, with increased sales of priority items:

- 45 (68 per cent) reported an increase in fruit and vegetable sales, while 13 (20 per cent) reported either no change or a decrease (Table 15)
- 45 (68 per cent) reported an increase in sales of healthy food in general, while 13 (20 per cent) reported either no change or a decrease
- 31 (47 per cent) reported an increase in clothing sales, while 17 (26 per cent) reported either no change or a decrease.

Table 15: Reported effect of income management on types of items purchased, number and per cent of respondents

<table>
<thead>
<tr>
<th></th>
<th>Fruit and vegetables</th>
<th>Healthy food in general</th>
<th>Clothing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>More</td>
<td>45</td>
<td>68.2</td>
<td>45</td>
</tr>
<tr>
<td>Same/less</td>
<td>13</td>
<td>19.7</td>
<td>13</td>
</tr>
<tr>
<td>No response/not asked/not applicable</td>
<td>8</td>
<td>12.1</td>
<td>8</td>
</tr>
<tr>
<td>Total</td>
<td>66</td>
<td>100.0</td>
<td>66</td>
</tr>
</tbody>
</table>

Note: Due to rounding, percentages may not add to 100 per cent.

Several store operators had noticed that people were buying more white goods. Some store operators believed this was due to people using income management to save for large items. Other operators suggested there was no improvement in white goods sales because there was no store credit and a low rate of savings in the community, with all income managed money being spent on food.

2009 client interviews (quantitative data, four communities, 76 people)

When asked a general question about whether their purchasing behaviour had changed since the introduction of income management, under half (43 per cent) of the 76 interview participants said it had, while just over half (57 per cent) said there had been no change. The behaviour changes reported related to the types of things being purchased rather than the amount spent on overall purchases. Men were more likely to report they had changed their purchasing behaviour than women (60 per cent compared to 35 per cent), though it should be noted that only 25 male participants answered this question.

But when asked about particular items, more than half of participants reported spending more on food (75 per cent) and clothes (58 per cent). Others indicated they had saved money (57 per cent), while a significant minority reported spending more on accommodation (42 per cent), children's expenses (40 per cent) and white goods (37 per cent) (Table 16).
### Table 16: Whether participants spent more or less on listed items, number and per cent

<table>
<thead>
<tr>
<th></th>
<th>More</th>
<th></th>
<th>Same</th>
<th></th>
<th>Less</th>
<th></th>
<th>N/A</th>
<th></th>
<th>Total</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
</tr>
<tr>
<td>Alcohol</td>
<td>0</td>
<td>0.0</td>
<td>0</td>
<td>0.0</td>
<td>16</td>
<td>23.9</td>
<td>51</td>
<td>76.1</td>
<td>67</td>
<td>100.0</td>
</tr>
<tr>
<td>Cigarettes/smokes</td>
<td>4</td>
<td>5.7</td>
<td>3</td>
<td>4.3</td>
<td>39</td>
<td>55.7</td>
<td>24</td>
<td>34.3</td>
<td>70</td>
<td>100.0</td>
</tr>
<tr>
<td>Drugs</td>
<td>0</td>
<td>0.0</td>
<td>0</td>
<td>0.0</td>
<td>5</td>
<td>7.8</td>
<td>59</td>
<td>92.2</td>
<td>64</td>
<td>100.0</td>
</tr>
<tr>
<td>Children’s expenses</td>
<td>28</td>
<td>40.0</td>
<td>6</td>
<td>8.6</td>
<td>18</td>
<td>25.7</td>
<td>18</td>
<td>25.7</td>
<td>64</td>
<td>100.0</td>
</tr>
<tr>
<td>Toys</td>
<td>26</td>
<td>38.8</td>
<td>6</td>
<td>9.0</td>
<td>19</td>
<td>28.4</td>
<td>16</td>
<td>23.9</td>
<td>67</td>
<td>100.0</td>
</tr>
<tr>
<td>Entertainment (DVDs, games etc)</td>
<td>25</td>
<td>36.2</td>
<td>7</td>
<td>10.1</td>
<td>25</td>
<td>36.2</td>
<td>12</td>
<td>17.4</td>
<td>69</td>
<td>100.0</td>
</tr>
<tr>
<td>Accommodation/utilities</td>
<td>26</td>
<td>41.9</td>
<td>15</td>
<td>24.2</td>
<td>18</td>
<td>29.0</td>
<td>3</td>
<td>4.8</td>
<td>62</td>
<td>100.0</td>
</tr>
<tr>
<td>Clothes</td>
<td>42</td>
<td>57.5</td>
<td>6</td>
<td>8.2</td>
<td>24</td>
<td>32.9</td>
<td>1</td>
<td>1.4</td>
<td>73</td>
<td>100.0</td>
</tr>
<tr>
<td>Gambling</td>
<td>5</td>
<td>7.7</td>
<td>0</td>
<td>0.0</td>
<td>42</td>
<td>64.6</td>
<td>18</td>
<td>27.7</td>
<td>65</td>
<td>100.0</td>
</tr>
<tr>
<td>Food</td>
<td>55</td>
<td>75.3</td>
<td>6</td>
<td>8.2</td>
<td>12</td>
<td>16.4</td>
<td>0</td>
<td>0.0</td>
<td>73</td>
<td>100.0</td>
</tr>
<tr>
<td>Save money</td>
<td>35</td>
<td>57.4</td>
<td>8</td>
<td>13.1</td>
<td>15</td>
<td>24.6</td>
<td>3</td>
<td>4.9</td>
<td>61</td>
<td>100.0</td>
</tr>
<tr>
<td>White goods</td>
<td>23</td>
<td>36.5</td>
<td>18</td>
<td>28.6</td>
<td>14</td>
<td>22.2</td>
<td>8</td>
<td>12.7</td>
<td>63</td>
<td>100.0</td>
</tr>
<tr>
<td>Cleaning products</td>
<td>25</td>
<td>41.0</td>
<td>18</td>
<td>29.5</td>
<td>10</td>
<td>16.4</td>
<td>8</td>
<td>13.1</td>
<td>61</td>
<td>100.0</td>
</tr>
<tr>
<td>Travel</td>
<td>17</td>
<td>25.8</td>
<td>14</td>
<td>21.2</td>
<td>27</td>
<td>40.9</td>
<td>8</td>
<td>12.1</td>
<td>66</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Note: Due to rounding, percentages may not add to 100 per cent.
Source: CIRCA 2009.

**2009 stakeholder focus groups (qualitative data, four communities, 167 persons)**

Most community sector peak organisations and service delivery agencies indicated they were not fully aware of the patterns of expenditure among income managed clients. Community leaders and members, GBMs and Centrelink case workers provided most of the feedback in relation to patterns of expenditure.

The focus groups found that income managed funds tended to be used for:

- meeting ‘bills’ and regular payment commitments (for example, rent, utilities, School Nutrition Program fees and debt repayment)
- the BasicsCard (mainly for food, clothing, household hardware, blankets, fuel, power cards and toys/entertainment)
- savings (some people tried to leave a small component unallocated to achieve this).

The research indicated that the lump-sum income managed funds were commonly used to purchase ‘big ticket’ items (for example, white goods, furniture and vehicles).

Feedback from research participants indicated that women were primarily responsible for meeting the family’s needs in terms of food, clothing and other basic items. The introduction of income management provided an assurance for some families that there would be sufficient resources dedicated to meeting their basic needs on a regular basis.
Many community leaders/members (particularly women), Centrelink caseworkers, GBMs and on-the-ground service delivery providers reported a reduction in some families ‘going without’ since the introduction of income management. Some Centrelink caseworkers also noted that some families used to seeking emergency payments regularly were less likely to do so.

Some community leaders/members, GBMs and on-the-ground service delivery providers indicated that men who were living in the same household as their wife/partner and children were more likely to contribute towards food and groceries for the family. A number of community sector peak and service delivery representatives, however, believed that income management had discouraged some people (especially some men) from contributing to and taking responsibility for their family unit.

**Food security and food choices**

Food security has been defined as ‘people having physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy lifestyle’ (Australian Agency for International Development 2004). The evaluation considered the impact of income management on food security and found evidence that there was improved access to food. There was also some evidence that food choices had improved with more fresh and healthy food being purchased. These changes were also related to the licensing of stores in the prescribed communities.

*2009 stakeholder focus groups (qualitative data, four communities, 167 persons)*

The focus groups reported that income management was significant in providing a food safety-net which, independently of parental/family behaviours, ensured that many children had access to regular and nutritious meals. Most Centrelink case workers and GBMs—as well as some community leaders (especially women)—felt that income management had played an important role in ensuring that most children had access to food on a regular basis as well as a sufficient amount of food.

Some community leaders, Centrelink case workers, GBMs and service delivery representatives reported that the availability and range of ‘healthy’ food had improved in some communities since the introduction of income management. While some of this improvement was perceived as being partly due to the higher turnover of produce/‘more money going through’ the stores, the main reason was perceived to be the improved requirements/standards of community stores. Specifically, these participants reported that stores now had:

- more fresh food (for example, meat, vegetables, fruit and dairy produce)
- a greater ‘range of healthy food’/stock.

The research also suggested that the improved food storage capability (for example, refrigerators and freezers) among some families was likely to have improved the nutrition value and quality of fresh food.

However, feedback from some research participants suggested that the types of food being consumed had not changed since the introduction of income management. Many community leaders reported that families were cooking the ‘same types of food’ as they had before income management, with the main improvement being in the availability, quantity and consumption frequency of food.

Food security in some households with women (for example, mother, aunt and grandmother) was found to have been ‘evened out’ and secured as a result of income management. The research found that in some households women were taking turns to use their BasicsCard to purchase food and groceries over each fortnight. This contributed to improving the food security of those families by ensuring the likelihood of a consistent supply of food for a longer period. This finding also reflects the fact that income support payments are now made on different paydays.
2009 client interviews (quantitative data, four communities, 76 people)

Participants were asked to assess whether there was enough fresh food available in their community. The overwhelming result from 84 per cent of the 74 respondents was that there was enough fresh food.

When asked whether participants were purchasing and eating more fruit and vegetables since income management, the results indicated a significant change in both behaviours. Half of the 74 respondents stated they were buying more fruit and vegetables, 37 per cent stated they were buying the same amount, and 14 per cent stated they had bought less (Table 17). Just over half (57 per cent) of 72 respondents stated they were eating more fruit and vegetables since income management was introduced, while 35 per cent stated their consumption remained the same and 8 per cent stated it had fallen.

Table 17: Whether participants were buying and eating fruits and vegetables ‘more’, the ‘same’ or ‘less’, number and per cent

<table>
<thead>
<tr>
<th>Buying fruit and vegetables</th>
<th>Eating fruit and vegetables</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
</tr>
<tr>
<td>More</td>
<td>37</td>
</tr>
<tr>
<td>Same</td>
<td>27</td>
</tr>
<tr>
<td>Less</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>74</td>
</tr>
</tbody>
</table>

Note: Due to rounding, percentages may not add to 100 per cent.
Source: CIRCA 2009.

One of the perceived effects of income management on food availability in stores was that food prices had increased. Fifty-nine percent of participants felt this was the case, while 33 per cent felt that prices had remained the same and only 8 per cent felt they had decreased.

Participants were also asked how often they shopped for food. The majority of the 74 participants (61 per cent) shopped on a fortnightly basis in line with the receipt of Centrelink money onto their BasicsCard. A further 18 per cent shopped on a weekly basis and 12 per cent indicated that they shopped for food every day. The majority of food purchases were reported to be stored for ongoing use, with 85 per cent identifying this behaviour.

2008 Government Business Manager survey (quantitative data, 49 GBMs covering 71 communities)

In June 2008, GBMs were asked to report on the availability of certain kinds of items in their communities. Of the 71 communities for which data were reported, GBMs said that in 91 per cent frozen vegetables were available at least several days a week, and in 83 per cent fresh fruit or vegetables were available at least several days a week (Table 18). For one-quarter of communities, GBMs did not know how often fresh meat and poultry were available, but they were available at least several days a week in 37 per cent of communities. Frozen meat and poultry were available 93 per cent of the time at least several days a week. For 82 per cent of communities, baby food and supplies were available at least several days a week. There were, however, no baseline data available to compare these findings.
Table 18: Availability of different types of food in communities, per cent

<table>
<thead>
<tr>
<th></th>
<th>Frozen vegetables</th>
<th>Fresh fruit/vegetables</th>
<th>Frozen meat and poultry</th>
<th>Fresh meat and poultry</th>
<th>Baby foods/formula/supplies</th>
<th>Over-the-counter medication</th>
</tr>
</thead>
<tbody>
<tr>
<td>Always</td>
<td>70</td>
<td>45</td>
<td>68</td>
<td>30</td>
<td>68</td>
<td>41</td>
</tr>
<tr>
<td>Several days a week</td>
<td>21</td>
<td>38</td>
<td>25</td>
<td>7</td>
<td>14</td>
<td>16</td>
</tr>
<tr>
<td>At least one day a week</td>
<td>4</td>
<td>13</td>
<td>6</td>
<td>7</td>
<td>7</td>
<td>3</td>
</tr>
<tr>
<td>Less often</td>
<td>2</td>
<td>3</td>
<td>0</td>
<td>33</td>
<td>0</td>
<td>11</td>
</tr>
<tr>
<td>Don't know</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>25</td>
<td>11</td>
<td>30</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Notes: Data reported for 71 communities by 49 GBMs. Due to rounding, percentages may not add to 100 per cent.
Source: 2008 GBM survey.

GBMs were also asked to comment on variations in the price, quality and availability of fresh fruit and vegetables since they had arrived in the community. Most GBMs said availability (55 per cent), quality (56 per cent) and/or price (42 per cent) had stayed the same (Table 19). In nearly one-third of communities, GBMs considered the availability (31 per cent) and/or quality (30 per cent) of fruit and vegetables had increased. They also thought that in one-quarter (25 per cent) of communities the price had increased, while in 10 per cent of communities prices were thought to have decreased.

Table 19: Availability, quality and price of fruit and vegetables in communities since Government Business Managers had arrived, per cent

<table>
<thead>
<tr>
<th>Availability of fruit and vegetables</th>
<th>Quality of fruit and vegetables</th>
<th>Price of fruit and vegetables</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased</td>
<td>31</td>
<td>30</td>
</tr>
<tr>
<td>Stayed the same</td>
<td>55</td>
<td>56</td>
</tr>
<tr>
<td>Decreased</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Fluctuated</td>
<td>10</td>
<td>9</td>
</tr>
<tr>
<td>Don't know</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Note: Data reported for 71 communities by 49 GBMs. Due to rounding, percentages may not add to 100 per cent.
Source: 2008 GBM survey.

GBMs were also asked whether children in communities had enough food to eat each day. In nearly seven out of 10 (69 per cent) communities children were said to have enough to eat, in 14 per cent not enough and in 17 per cent GBMs did not know.

2008 community feedback report (qualitative data, four communities)

Community members noted that income management had resulted in more food being purchased and a greater capacity for community members to make larger purchases. This was identified consistently across the research and children were seen to be the main beneficiaries. The research suggested that in the past many families did not have access to as much food on the weekends and as a result they were happy with the change.
4.3 Was less individual/family income being spent on excluded items and/or harmful behaviours?

One of the aims of income management was to ensure that part of people's income support payments were used to meet priority needs, and to limit expenditure on excluded items. Income managed funds cannot be spent on the following excluded items:

- cigarettes and other tobacco products
- alcohol
- pornographic material
- gambling products or services.

The evaluation was looking for evidence that income management had reduced people's expenditure on these items.

The other NTER measure with similar aims was the restrictions on alcohol, drugs and pornography covering the prescribed areas. These restrictions banned the sale, possession, transportation and consumption of alcohol, as well as the possession and supply of pornographic material.

As noted earlier, the evaluation required quantitative data on expenditure patterns before and after the introduction of income management to assess outcomes in this area. There was, however, no quantitative baseline data collected and only limited data on expenditure were available from the 2009 client interviews. In the absence of more solid evidence, the evaluation report had to rely on stakeholders' perceptions of change in this area.

Information that addressed this question came from the 2009 client interviews, the 2009 stakeholder focus groups, the 2008–09 stores post-licensing monitoring survey, the 2008 GBM survey and the 2008 community feedback report.

Overall, there was some evidence of less income being spent on excluded items, but this was not found consistently across all the studies.

2008–09 stores post-licensing monitoring report (quantitative data, 66 store operators)

Of the 30 store operators who answered the question on cigarette sales, 22 (73.3 per cent) thought that cigarette purchases had remained unchanged since the introduction of income management (Table 20). Only seven (23.3 per cent) believed that sales had decreased and one thought sales had increased.

Table 20: Whether cigarette sales have increased or decreased, number and per cent

<table>
<thead>
<tr>
<th></th>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased</td>
<td>1</td>
<td>3.3</td>
</tr>
<tr>
<td>Unchanged</td>
<td>22</td>
<td>73.3</td>
</tr>
<tr>
<td>Decreased</td>
<td>7</td>
<td>23.3</td>
</tr>
<tr>
<td>Total</td>
<td>30</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Note: Due to rounding, percentages may not add to 100 per cent.
2009 client interviews (quantitative data, four communities, 76 people)

Participants were asked a series of related questions about whether they were spending less, more or the same amount of money on particular items since the introduction of income management. Participants could also respond that an item did not apply to them.

Among the 65 interview participants who responded to the item on gambling, the majority (65 per cent) reported spending less, 28 per cent said this item did not apply to them, and 8 per cent said they were spending more. Among the 70 interview participants who responded to the item on cigarettes, more than half (56 per cent) reported spending less, 34 per cent said this item did not apply to them, 6 per cent said they were spending more and 4 per cent said they were spending the same amount. A greater proportion of men than women reported they were spending less on gambling (75 per cent compared with 60 per cent) and on cigarettes (68 per cent compared with 50 per cent).

Cigarettes appeared to be an area of concern for clients, with some saying they should be able to use their income managed funds for cigarettes. The client interviews found that for many clients, most of their non-income managed money was being used to buy cigarettes. Of the 56 participants who spent their non-income managed funds as cash, 35 (63 per cent) indicated they used their cash to buy cigarettes.

Alcohol and drugs were two items seen as strongly not applying to the majority of respondents. Of the 67 participants who responded to the item on alcohol, three-quarters (76 per cent or 51) said this item did not apply to them, while the remaining one-quarter (24 per cent or 16) said they were spending less on alcohol. Of the 64 respondents to the item on drugs, 92 per cent (59) said this item did not apply to them, and the remaining 8 per cent (5) said they were spending less on drugs.

2009 stakeholder focus groups (qualitative data, four communities, 167 persons)

The focus groups reported that since the introduction of income management there had been a reduction in available cash and hence money spent on:

- addictive behaviours relating to cigarette, alcohol and drug use
- gambling activities.

A number of research participants, however, indicated that some people had adapted their behaviours to get around income management. For example, a few participants reported that the currency for gambling had changed from cash to food, clothing and the BasicsCard.

2008 Government Business Manager survey (quantitative data, 49 GBMs covering 71 communities)

GBMs reported that since they had been in the community both the amount of gambling and the amount of money being wagered on individual games had decreased. The reduction in gambling was also attributed to Centrelink varying the paydays for welfare payments, rather than paying everyone on the same day.

2008 community feedback report (qualitative data, four communities)

Participants in two communities said income management had reduced alcohol consumption and the level of gambling in their communities. In one community several participants said income management had reduced both the amount of gambling and the amount of money used for gambling. This view was not identified consistently across the research, however, and the researchers noted that gambling was seen in the communities visited in the afternoons.

One negative consequence of income management identified in the consultations was dissatisfaction with the type of items that could be purchased with income managed funds. Many criticised that cigarettes could not be bought through the food card, with younger people especially frustrated with this restriction.
4.4 Has the capacity of people to manage money improved?

One of the intended medium-term outcomes of income management was improved money management skills for clients, leading to the longer-term outcome of greater self-reliance and economic engagement. The Government has increasingly recognised the need to ensure that income management was a step towards improved money management skills and did not lead to people becoming dependent on the assistance that Centrelink was offering (FaHCSIA 2008). The evaluation was looking for evidence that income management had improved people’s money management skills.

Ideally, an answer to this question would rely on a comparison of baseline and post-implementation quantitative data. There were, however, no quantitative data available on money management skills collected either before or after the implementation of income management. Therefore the evaluation relied primarily on stakeholder perceptions to provide evidence for changes in the financial management capability of clients.

Some qualitative data on money management skills before the introduction of income management were collected from case studies in four Northern Territory communities (Charles Darwin University 2008). The studies estimated that:

- around 20 per cent of families had actively and successfully engaged with the broader economy and were exposed to limited stress
- around 30 per cent of families experienced severe stress resulting from having family members with substance abuse and/or gambling problems
- the remaining 50 per cent of families experienced degrees of financial stress and had adopted coping strategies largely around communal sharing of responsibilities.

The indicators of most concern were an absence of budgeting and saving, difficulties in managing regular bills, a reliance on irregular and often unpredictable income to meet basic needs, substantial income being spent on alcohol, tobacco and marijuana, and real difficulties with realising the benefits of local expenditure in terms of growing local economies. There were, however, no similar data collected post-implementation with which to compare these observations.

The data on money management after the introduction of income management were based on perceptions on whether money management skills had improved and included qualitative data from the 2009 stakeholder focus groups, as well as data from the 2009 client survey. The data from the client interviews may not, however, be representative of all income managed clients due to the small sample size and non-random selection of participants. Only one location (Tennant Creek) included in the focus groups and client interviews had ongoing money management services provided by FaHCSIA. There were also some data on this issue included from the 2008 community consultations.

The data indicated there had been improvements to money management skills for some people after income management was introduced, but that others were managing their money effectively before it was introduced.

2009 client interviews (quantitative data, four communities, 76 people)

Participants were asked whether income management had made a difference in their capacity to pay ongoing rent and bills. Just over half the participants indicated that the payment of rent (55.4 per cent) and other bills (52.8 per cent) has been easier since they have been on income management. One-third of the 73 participants responding (32.9 per cent or 24) reported purchasing big or expensive items since being income managed.

Nearly four in 10 (38.7 per cent) participants reported they had saved money since being on income management (Table 21). A higher proportion of participants with children reported saving money (47.1 per cent) compared to those without children (20.8 per cent).
Table 21: Participants who saved money by whether had children, number and per cent

<table>
<thead>
<tr>
<th></th>
<th>No children</th>
<th></th>
<th>Had children</th>
<th></th>
<th>Total</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
</tr>
<tr>
<td>Saved</td>
<td>5</td>
<td>20.8</td>
<td>24</td>
<td>47.1</td>
<td>29</td>
<td>38.7</td>
</tr>
<tr>
<td>Did not save</td>
<td>19</td>
<td>79.2</td>
<td>27</td>
<td>52.9</td>
<td>46</td>
<td>61.3</td>
</tr>
<tr>
<td>Total</td>
<td>24</td>
<td>100.0</td>
<td>51</td>
<td>100.0</td>
<td>75</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: CIRCA 2009.

A series of interview questions were asked about financial stress. There were some indicators of financial stress (59 per cent indicated they could not raise $200 within two days), but more than half (55 per cent) of participants stated they had not missed out on something or gone without because they did not have enough money. The consultants concluded that participants did not appear to suffer from financial stress and that while they did not have a lot of money, they made do with the money they had, and if they needed more they expected to be supported with small amounts by their families. These findings were different to the 2008 qualitative survey on money management (Charles Darwin University 2008) but because of the different methodologies of the two studies, it is not possible to say whether the differences in the findings could be attributed to the introduction of income management.

Less than one in five of the 74 interview respondents reported seeking assistance with managing their money. More than half who answered the question about who they talked to said they had received advice from Centrelink (seven out of 13) with five others reporting speaking with family or friends. Topics discussed when help was sought included ‘how to budget, save and manage the funds well’, ‘how to check the balance of the account’, and ‘help in setting it up’. Six out of 10 participants who sought assistance reported it was helpful.

Only eight participants reported having asked for emergency relief (money or financial help from a charity or similar organisation) before income management. Two of these participants reported asking for similar help since being on income management, and one reported asking for less than they had previously.

2009 stakeholder focus groups (qualitative data, four communities, 167 persons)

The research found that income management had a significant positive impact on the finances of some families. Specifically, it had:

- increased and regulated the allocation of funds towards food, clothing, bills and other basic living needs
- improved the savings capacity in some families, particularly among women
- facilitated the build-up of household assets through the acquisition of large ticket items such as white goods, appliances and vehicles
- contributed to debt reduction.

However, many research participants were concerned that the opportunity to develop long-term financial planning, budgeting and management skills had not been fully realised in the current income management approach. Some, particularly community leaders/members, Centrelink caseworkers and GBMs, felt that the improved financial status emerging in some families was unlikely to be sustained if compulsory income management was removed.

Participants also suggested that financial management skills development (for instance, through money management and financial counselling programs) were required to improve the longer-term financial capability and wellbeing of families.
FINDINGS ON THE KEY EVALUATION QUESTIONS

2008 community feedback report (qualitative data, four communities)

In three communities, discussions on income management identified the benefits of saving, and the positive impact income management was having on saving, while this was raised less often in one community. Few people used the term ‘savings’, but most talked about it in the context of being able to purchase household goods from the ‘bucket money’ (that is, from funds in their income managed account).

In one community there was usually at least one person in each group who mentioned items that were purchased through ‘bucket money’. This included kitchen appliances, fridges, beds, pillows, sheets, blankets, televisions, washing machines, mattresses and a pool table. In two communities, a small group mentioned this. While significant, the personal experience of greater savings and larger purchases was limited to a small number of community members. The ability to afford these larger items appeared to be a welcome change that most people had little experience of in the past.

Another benefit mentioned less often was the benefit of paying bills directly from the managed funds. Some discussed this in the context of feeling less indebted because the main bills were paid directly, thus limiting the potential for accumulated debt.

On the other hand, one issue raised was the difficulty in paying large bills like car registration, and paying off large debts when much of the income was quarantined. Some individual community members said they were less able to service their existing debt commitments.

Some people also objected to the implication that Indigenous people cannot look after their own money and that they spend it all on alcohol and gambling. For many people income management was seen as an insult.

4.5 Has the wellbeing of children, families and communities improved?

A longer-term aim of income management was to improve the wellbeing of children, families and communities. This was to be achieved by ensuring that a greater share of welfare payments were spent on priority needs, a smaller share on excluded items and by improving financial wellbeing.

This outcome was difficult to measure in the absence of data on the wellbeing of children, families and communities before income management was introduced. The evaluation therefore relied on the perceptions of stakeholders and clients. Some of these data were compromised by collection methodology—for instance, data from the client interviews were based on a small number of clients who were not randomly selected. In addition, most other measures introduced as part of the NTER were aimed at improving wellbeing for children and communities, so it was difficult to attribute the findings reported solely to income management.

The various studies indicated that child and community wellbeing had improved since the introduction of income management, but the effect on family wellbeing was less clear.

Child wellbeing

2009 client interviews (quantitative data, four communities, 76 people)

Participants with children were asked a number of questions to ascertain the perceived impact of income management on the wellbeing of their children. They were first asked if they had noticed changes with their children. Forty-two per cent of the 52 respondents with children had not noticed any changes with their children, 32 per cent had and the remaining 26 per cent were unsure.

Participants were then asked a number of prompted questions about the specific impact of income management on their children. The results indicated that one major change for children was an increase in the
consumption of food, with 63 per cent of parent respondents agreeing that their children were eating more (Table 22). At least half of the sample agreed that their children were healthier (52 per cent), weighed more (57 per cent), had more clothes (50 per cent) and were going to school more regularly (57 per cent). On the other hand, more than half reported no change (52 per cent) or a negative change (10 per cent) in children’s happiness, activity levels (74 per cent) or worry levels (91 per cent).

Table 22: Number and per cent of participants reporting ‘more’, ‘less’ or ‘no change’ in aspects of their children since starting income management

<table>
<thead>
<tr>
<th></th>
<th>More</th>
<th>Same</th>
<th>Less</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. %</td>
<td>No. %</td>
<td>No. %</td>
<td>No. %</td>
</tr>
<tr>
<td>Happier</td>
<td>19 38.0</td>
<td>26 52.0</td>
<td>5 10.0</td>
<td>50 100.0</td>
</tr>
<tr>
<td>Healthier</td>
<td>25 52.1</td>
<td>19 39.6</td>
<td>4 8.3</td>
<td>48 100.0</td>
</tr>
<tr>
<td>Eating</td>
<td>30 62.5</td>
<td>14 29.2</td>
<td>4 8.3</td>
<td>48 100.0</td>
</tr>
<tr>
<td>Weight</td>
<td>27 57.4</td>
<td>19 40.4</td>
<td>1 2.1</td>
<td>47 100.0</td>
</tr>
<tr>
<td>Active</td>
<td>12 26.1</td>
<td>32 69.6</td>
<td>2 4.3</td>
<td>46 100.0</td>
</tr>
<tr>
<td>Clothes</td>
<td>23 50.0</td>
<td>13 28.3</td>
<td>10 21.7</td>
<td>46 100.0</td>
</tr>
<tr>
<td>Worried</td>
<td>4 8.9</td>
<td>36 80.0</td>
<td>5 11.1</td>
<td>45 100.0</td>
</tr>
<tr>
<td>Going to school</td>
<td>26 56.5</td>
<td>17 37.0</td>
<td>3 6.5</td>
<td>46 100.0</td>
</tr>
</tbody>
</table>

Note: Due to rounding, percentages may not add to 100 per cent.

Source: CIRCA 2009.

2009 stakeholder focus groups (qualitative data, four communities, 167 persons)

The focus groups reported that children’s health had improved since the introduction of income management. Many participants agreed they had seen changes in:

- physical health, as evidenced by observations of ‘fatter’, ‘more active’, ‘less sickly’ and ‘healthier looking kids’ because of improved nutrition and a better home environment
- the purchase of household goods (for example, beds, blankets, heaters and airconditioners) likely to contribute to warmer and more comfortable homes/living environments and thereby reducing illness (for example, colds and flu infections)
- emotional health, as evidenced by more children looking and sounding happy
- community health, as evidenced by more males ‘staying’ in their communities and thus providing positive role modelling (for example, teaching cultural practices and taking children hunting).

The research also suggested that children’s education and development opportunities had improved. Many participants indicated they had seen/heard feedback of improvements in children’s performance, functioning and concentration at school. The changes reported were likely to also be related to other NTER measures, such as education and the introduction of the School Nutrition Program and income management in many communities.

The research found that children’s safety appeared to have improved since the introduction of income management. Many participants agreed they had seen changes in personal safety due to:

- less cash for people in communities to access—this was reported to have reduced alcohol consumption and domestic violence
FINDINGS ON THE KEY EVALUATION QUESTIONS

- less cash for children to access restricted items (for example, alcohol), thus limiting self-harm
- reduced exposure to high-risk situations and individuals—some people/parents seen as irresponsible were reported to have left the community and had left their children with their grandparents/family elders.

Other initiatives such as more safety-houses, night patrols and increased police presence in communities were also reported to have improved family and community safety.

Family and community wellbeing

2009 client interviews (quantitative data, four communities, 76 people)

Participants were asked a number of questions to gauge the effect of income management on their own wellbeing. A similar proportion of participants answered they had noticed changes within themselves (34 per cent), they had not noticed changes within themselves (32 per cent), or they were unsure (34 per cent). Where changes were identified, the majority noted changes of a positive nature including that they were happier, more relaxed, were able to buy more food and were able to spend more money on their children and family.

Participants were also asked if they had noticed changes with their family since income management. Most (46 per cent) indicated they were unsure. Slightly more felt there had been no changes (30 per cent) and some (24 per cent) said there had been changes. Those who experienced changes noted mainly positive outcomes including that their family was happier, they had increased access to food and experienced less humbugging. The negative change noted by 40 per cent of participants related to having less money to spend on ‘sorry business’ (funeral and mourning practices).

When asked if there had been changes in the community since income management was introduced, 52 per cent thought there had been, 21 per cent thought there had not been and 27 per cent were unsure. Once again those who felt there had been changes considered them to be mostly positive. The emphasis tended to be on people feeling happier and having more access to food, though some respondents noted that people were purchasing larger items such as furniture, televisions and washing machines.

Participants were asked specific questions about the impact of income management on the community (Table 23). These reported there was less alcohol abuse (61 per cent), less gambling (63 per cent) and less humbugging (52 per cent). In addition, two-thirds (66 per cent) felt there had been an improvement in the welfare of children.
Table 23: Number and per cent of participants reporting 'more', 'less' or 'no change' in aspects of their communities since income management started

<table>
<thead>
<tr>
<th>Aspect</th>
<th>More</th>
<th>Same</th>
<th>Less</th>
<th>N/A</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vandalism and graffiti in the community</td>
<td>3</td>
<td>36</td>
<td>9</td>
<td>0</td>
<td>48</td>
</tr>
<tr>
<td>Violence in the streets</td>
<td>6</td>
<td>26</td>
<td>14</td>
<td>2</td>
<td>48</td>
</tr>
<tr>
<td>Drug abuse</td>
<td>3</td>
<td>24</td>
<td>20</td>
<td>1</td>
<td>48</td>
</tr>
<tr>
<td>Youth crime and young people on the streets at night</td>
<td>11</td>
<td>23</td>
<td>11</td>
<td>0</td>
<td>45</td>
</tr>
<tr>
<td>Family violence</td>
<td>6</td>
<td>23</td>
<td>17</td>
<td>0</td>
<td>46</td>
</tr>
<tr>
<td>Feeling safe</td>
<td>23</td>
<td>23</td>
<td>2</td>
<td>0</td>
<td>48</td>
</tr>
<tr>
<td>Children being looked after</td>
<td>31</td>
<td>10</td>
<td>6</td>
<td>0</td>
<td>47</td>
</tr>
<tr>
<td>Drinking/alcohol abuse</td>
<td>2</td>
<td>15</td>
<td>28</td>
<td>1</td>
<td>46</td>
</tr>
<tr>
<td>Humbugging</td>
<td>4</td>
<td>18</td>
<td>25</td>
<td>1</td>
<td>48</td>
</tr>
<tr>
<td>Gambling</td>
<td>10</td>
<td>8</td>
<td>31</td>
<td>0</td>
<td>49</td>
</tr>
</tbody>
</table>

Note: Due to rounding, percentages may not add to 100 per cent.
Source: CIRCA 2009.

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

2009 stakeholder focus groups (qualitative data, four communities, 167 persons)
The research found that income management has had an indirect positive impact for some families in improving family dynamics, relationships and stability. A number of community leaders/members, GBMs and on-the-ground service delivery providers observed ‘less fights’, disagreements and humbugging in some families—and this was believed to contribute towards building better family relationships and promoting stability in the home environment.

The research found that income management had impacted positively on community wellbeing, with humbugging, domestic violence, addictive behaviours and gambling reported to have declined.

A few community sector peak and service delivery representatives believed income management had encouraged some people to move out of their communities so they could freely access restricted items—thus contributing to family ‘break ups’ and ‘friction’.

A number of research participants also indicated that some people had adapted their behaviours around income management and were ‘abusing the system’. This did not appear to be widespread, however. These participants reported that instead of humbugging for cash, some people were now humbugging for tangible goods (for example, food and clothing) and also for the BasicsCard itself.
Women and elderly community members

2009 stakeholder focus groups (qualitative data, four communities, 167 persons)

It was evident from the research that the benefits delivered by income management for some families had contributed to empowering women. A few research participants indicated that these women had lost ‘their power in the family’ through alcohol and violence—and that income management had helped ‘return the power’ to them. While this was viewed positively by some research participants, a few were concerned that this had resulted in family friction.

2008 community feedback report (qualitative data, four communities)

For some, quarantining funds was seen to result in a decrease in the level of family conflict and demands being made on family members. This echoed the views of several women who indicated that income management had empowered them by removing the accessibility of the income support money they receive.

Several older people felt income management was not appropriate for them, especially where they did not have child care responsibilities, and some were insulted that the initiative targeted senior community members. Older men especially were seen as disadvantaged because they were not free to spend money as they wanted and income management was perceived by this group to be both patronising and dehumanising. As well, there were concerns that older people found it more difficult to fully understand the nature of income management, especially what is allowed and what is not. In some cases it was felt this led to the exploitation of older people by their nominees spending their ‘food money’ for their own purposes.

Other senior participants identified benefits of income management in that they have greater access to food, and less ‘humbugging’ from family members, as sometimes older people are coerced to give their money to younger relatives and then do not have enough left for food for themselves. It was also generally acknowledged that grandparents now had more money for the children in their care, when in the past they had been left without funds to provide food. This segment had mixed views on the relevance and benefits of income management.

2008 Government Business Manager survey (quantitative data, 49 GBMs covering 71 communities)

GBM feedback revealed distinct groups within the communities who had a positive attitude towards income management. The most commonly named groups included women, in particular mothers and grandmothers. Women’s support of income management also related to increased financial contributions by men to essentials: money was going towards rent, food, and electricity, rather than on alcohol and drugs.

Other groups with a positive attitude were older people, traditional owners, non-drinkers, clinic workers, people with disability and people who were victims of humbugging.

4.6 What other issues were identified by the evaluation?

Two other issues emerged in a number of the studies—the impact of income management on the mobility of clients and the sharing of resources.

Impact of income management on mobility

The Indigenous population is known to be relatively mobile and income management was not intended to affect client mobility, either by restricting travel or by encouraging movement out of the prescribed areas. Moving away from a prescribed area does not automatically exempt a client from income management, though clients who move permanently will generally be granted an exemption. The administrative data contains information on whether clients have moved and shows that the income managed population is relatively mobile.
In relation to shorter-term travel, the policy guide says travel expenses are seen as priority needs where they relate to established priority needs such as food, health, education and employment. Income managed funds can also be used for travel where other priority needs have been met.

Before the BasicsCard was introduced at the end of 2008, travel was more difficult for clients as they had to plan ahead if they needed to arrange for their income managed allocation to be sent to a store outside their community. Feedback from the 2009 client interviews indicated that the BasicsCard has made it much easier for clients to access their income managed funds in many areas across the Northern Territory and this appeared to be much less an area of concern in the 2009 studies.

The 2009 stakeholder focus groups found there was some confusion around whether income managed funds could be used for travel.

**Centrelink administrative data**

The data showed that of the 15,125 persons being income managed at the end of March 2009, 6,515 (43.1 per cent) had moved at least once during the time they had been subject to income management. Analyses of administrative data on mobility for people in prescribed communities before the introduction of income management would provide data for comparison. Without this it is not possible to say from these data whether income management has affected mobility patterns.

**2008 community feedback report (qualitative data, four communities)**

The community consultations were undertaken before the BasicsCard was introduced, so many issues reported here have since been addressed. In two communities, most participants noted that a main problem with income management was the difficulty it presented because community members were highly mobile, moving between homelands, other communities and Darwin and Alice Springs. The forward planning required to ensure money was available when they arrived in other locations was seen as very complicated, and several complained about the difficulties in accessing funds in Darwin and in other communities.

People also complained about delays in the Centrelink system, which did not always deliver as promised. While funds could be accessed once participants arrived at their destination, they were critical of the fact that they could not use the money when travelling (for example, at roadhouses or in other communities). In these situations people had to use their cash rather than their ‘shop money’ to buy food and fuel, which was difficult given the already limited amount of cash money available.

**2009 client interviews (quantitative data, four communities, 76 people)**

Participants were asked if income management facilitated the capacity to travel. The response was positive, with 42 per cent indicating that travel was easier, 38 per cent reporting it was the same and 20 per cent saying it was more difficult. The most common response from those who found travel easier was that income management had made the purchase of fuel and air travel easier.

Those who felt travel was harder were more likely to state that some places may not accept the BasicsCard, and that they cannot use the BasicsCard when visiting other states or territories in Australia.

**2009 stakeholder focus groups (qualitative data, four communities, 167 persons)**

The research found that income management has had a positive impact for some people by improving their mobility through vehicles—such as cars and bicycles—bought with lump-sum income managed funds. In contrast, one of the commonly reported negative impacts of income management was the inability to use income managed funds for mobility purposes. Many participants reported that this was an issue for people:

- living in remote communities as they needed to get access to towns/cities—often to facilitate the meeting of their basic needs (for example, food, clothing and medical appointments)
during the conduct of ‘sorry business’—where they and/or family members were required to travel

- who had children studying in boarding schools—where they had to pay to bring their children home for special ceremonies and other family needs that were outside the designated school holiday visits (which were provided for by income management).

Many participants were unaware that income managed funds could be used for meeting some transportation costs. A common suggestion from a number of research participants was to increase the flexibility of the BasicsCard so it could be used to access transport, including taxis.

Sharing of resources

The reduction in cash available to people under income management has impacted on traditional cultural practices of sharing within families and clan groups. This issue was raised in the 2008 community feedback report and the 2009 stakeholder focus groups.

2008 community feedback report (qualitative data, four communities)

Several people mentioned the complex relationship between family responsibilities, money and now income management. Income management was perceived as having a complicated and/or negative impact on traditional cultural practices of sharing money within families and extended clan groups. People felt it was harder to share and pool resources because not everyone received money at the same time, and 50 per cent of income was quarantined, so there was a smaller amount of money to share on non-food expenses. This issue appeared to have put pressure on the community as there was less cash available for larger expenses like travel, sorry business and cars, which are often shared expenses.

2009 stakeholder focus groups (qualitative data, four communities, 167 persons)

A number of research participants noted that income management had restricted people’s cultural practices in relation to sharing resources. This was particularly mentioned in context of ‘sorry business’ where people generally contribute and use cash income. Focus group participants said ‘less and less people are getting involved’ and that ‘people need more help for sorry business’.

2009 client interviews (quantitative data, four communities, 76 people)

The client interviews collected useful information on the extent of sharing of resources. More than half of participants (57.3 per cent or 41) indicated they share their money. Of the 41 participants who reported sharing their money, just over half (53.7 per cent) indicated that the main source of money shared was from the non-income management component of their money. A further 31.7 per cent (13 people) stated that the money shared was from the income managed funds and a further 14.6 per cent (6) identified both sources of funds.

Where sharing takes places, in nearly all cases, the money is shared with family members. In most interviews ‘family’ was not further defined, but a number of participants identified closer family members such as children, parents and partners.

The frequency of sharing was mixed, with almost even numbers nominating either every fortnight, in line with the payment dates from Centrelink (10 people), all the time (nine) and occasionally (nine). In terms of the quantum, sharing was seen to usually involve small amounts of money with around two-thirds (22 people) identifying amounts of less than $20.

The researchers also asked about the extent of humbugging and noted a consistency of findings between the frequency of humbugging and sharing money. For instance, 55 per cent of participants reported getting regularly humbugged for money. The researchers suggested that this seemed to indicate a lack of real distinction between humbugging and sharing money. They thought both behaviours were acceptable in family structures and relationships and seen as a normal part of a collective culture or family expectations.
A further indication of sharing behaviour was gained from asking participants if they expected to get money or food from family members before their next Centrelink payment. Fifty-five per cent of all participants indicated they expect this type of assistance. Women (59 per cent) were more likely to state that they expected assistance than men (48 per cent).

While representing a breach of regulations around the BasicsCard, just over one-third of participants (38 per cent) stated they have shared their BasicsCard with others. Where it is shared the card is given to close family members to buy food for the family and this is not seen as either improper or a response to pressure.

When sharing the BasicsCard was assessed against the key demographic variables, some gender and location variations were notable:

- Women were more likely to state that they share their BasicsCard (41 per cent compared to 32 per cent of men).
- Participants from Gapuwiyak were more likely to share than those in the other three communities.
5 Discussion and conclusions

The evaluation report examined the evidence from a number of different research studies to answer the key evaluation questions on the implementation and administration of income management, and the kind of outcomes that were apparent some seven to 20 months since it was introduced across the Northern Territory. Conclusions were drawn based on the consistency of findings across the different studies.

5.1 The evaluation findings

Early implementation issues

Early implementation issues identified in the 2008 community feedback report, the 2008 FaHCSIA submission to the NTER Review Board and the administrative data included: confusion among clients about how the income management system worked, a lack of flexibility for using income managed funds and a high proportion of clients on auto income management because they had not had contact with Centrelink to arrange for their allocations. These early issues appeared to have largely been addressed by the time the 2009 stakeholder perception studies were conducted, through administrative improvements such as the introduction of the BasicsCard and better communication processes.

Understanding and views of income management

Income management was introduced as part of the NTER, and therefore at the same time as a large number of measures that had considerable impact on people living in prescribed communities. Income management was rolled out under a tight timeline, which meant there was limited time for preparation and consultation with people in the areas where it was introduced. Evidence from the 2009 stakeholder focus groups indicated that people’s views of income management were tied up with their views of the emergency response, which many felt had been imposed on them without consultation. Initially there was much confusion about how income management worked and how people could access their money, as noted by clients in the community feedback report, and store operators in the stores post-licensing monitoring report.

This evaluation found that the understanding and acceptance of income management had improved over time, according to store operators, clients and other stakeholders. This appeared to be partly related to improvements to its administration, with many of the early problems addressed as the program developed. The research undertaken among clients and stakeholders for the evaluation in mid-2009 showed that people had a reasonable understanding of the purpose of income management and a fairly good understanding of how the BasicsCard worked. There was still, however, a significant proportion of clients (39 per cent or 30 participants) who could not explain the purpose of income management, suggesting that further communication strategies may be required.

There were mixed views about the benefits of income management. Some qualitative evidence from the stakeholder focus groups indicated that people had become more positive about it as they started to see the practical benefits realised in their communities. The client interviews found that nearly two-thirds (42 people) of those surveyed viewed income management positively.

Client views of income management, however, varied across the four communities. The majority of participants in two communities where interviews took place viewed it positively (24 out of 26 in Gapuwiyak and eight out of 10 in Aputula (Finke)); while the majority in the other two communities viewed it negatively (10 out of 13 in Ngukurr and eight out of 15 in Tennant Creek). These differences may reflect real differences across communities or they may be related to bias in the sample because clients were not randomly selected for interview. It is therefore not possible to say what proportion of income managed clients across the Northern Territory were positive or negative about income management.
The BasicsCard

The introduction of the BasicsCard from September 2008 appeared to address many of the problems clients originally had with income management, as reported in the earlier studies. These included difficulties associated with spending their income managed funds at different shops and in different locations. Before the introduction of the BasicsCard, changes to allocations had to be arranged by contacting Centrelink. The BasicsCard was seen as a significant improvement over the previous system and was regarded as more versatile, more portable and less cumbersome, according to evidence gathered in the stakeholder focus groups.

The client interviews found that more than 90 per cent of participants knew how to check the balances of their BasicsCard and their income managed accounts. The stakeholder focus groups, however, identified the lack of a quick on-the-spot facility to check the BasicsCard balance as a source of frustration and annoyance for clients. The introduction of a free phone number on 1 July 2009 through which clients could check their BasicsCard balances may partly address this problem.

Both stakeholder focus groups and client interviews highlighted the issue of clients having insufficient funds in their BasicsCard when making purchases. The client interviews found this was a relatively common experience, but noted there was not a strong sense that these situations caused a high level of concern. The relatively high rate (17 per cent) of transactions on the BasicsCard that were declined due to insufficient funds, recorded by Centrelink administrative data, supports these findings and suggests a need for more education in financial literacy.

Other problems with the BasicsCard identified in the stakeholder focus groups were the difficulty in transferring funds to the BasicsCard outside of office hours, and that it did not allow clients to access cheaper goods available through less formal means such as farmers’ markets and garage sales.

Impact on mobility

Earlier studies, particularly the 2008 community feedback report, noted that income management made it difficult for people to travel outside of their communities. This was because it required forward planning and contact with Centrelink to arrange changes in the allocation of their income managed funds. As many people in the Northern Territory are highly mobile, this was a significant problem.

The introduction of the BasicsCard made it much easier for clients to access their income managed funds across the Northern Territory and therefore addressed many of the concerns around travel. Many participants in the client interviews noted that it was easier now because income management allowed for the purchase of fuel and air fares. Around one-fifth of clients (15 participants) said that travel was harder now, in particular interstate travel, as there was no provision for using the BasicsCard when visiting other states and territories. The stakeholder focus groups, however, found that stakeholders were not really clear about the types of travel that income managed funds could be used for.

The outcomes from income management

Changes in expenditure patterns

There was consistent evidence from all of the research studies that more individual or family income was being spent on priority needs. The findings from studies involving store operators, clients and stakeholders indicated there had been changes in people’s expenditure patterns since the introduction of income management, and that people were buying more and better quality food. More than two-thirds of store operators (45) reported an increase in sales of fruit, vegetables and healthy food. Three-quarters of clients interviewed (37) buying more fruit and vegetables. There was evidence of improved access to food since the introduction of income management and that food choices had improved with more fresh food and healthy food being purchased. These changes were also related to the licensing of stores in the prescribed communities.
Other changes included spending more on clothes and savings, which was reported by more than half of clients interviewed. A significant minority of clients interviewed reported spending more on accommodation, utilities, children’s expenses or white goods.

There was some evidence that less individual or family income was being spent on excluded items or harmful behaviours, but it was not consistent across all studies. The majority of store operators who answered the question (22 out of 30) reported that cigarette sales were unchanged, but more than half (39) of clients interviewed reported they were spending less on cigarettes.

Some studies found there had been a reduction in the amount spent on gambling. Sixty-five per cent of survey respondents (42 people) said they were spending less on gambling and the stakeholder focus groups also reported that less money was being spent on gambling. In relation to alcohol and drugs, more than three-quarters of clients interviewed said these items did not apply to them. Those for whom the items did apply, however, said they were spending less on alcohol (24 per cent or 16 respondents) and drugs (8 per cent or five respondents).

**Money management skills**

Income management appeared to have improved money management in some families. Just over half of clients interviewed indicated that payment of rent (41 clients) and other bills (38 clients) had been easier since income management. One-third of participants (24) reported spending on big or expensive items and nearly four in 10 (29) had saved money since income management was introduced. The stakeholder focus groups also found that income management had made it easier for many people to pay bills, to purchase large items and to save money.

There appeared to be scope for more money management and financial skills development. Less than one in five interview participants (14) reported they had sought assistance with managing their money, with less than one in 10 (seven) receiving advice from Centrelink. Stakeholders in the focus groups were concerned that the improved financial status of people would not be sustained unless they had more opportunity to develop financial management skills.

**Impact on child, family and community wellbeing**

There was some evidence from client interviews and stakeholder focus groups that child and community wellbeing had improved since the introduction of income management. The impact on families was less clear. It was also difficult to separate the effects of income management on these outcomes from the effects of other NTER measures designed to improve the wellbeing of children, families and communities.

The clients interviewed reported changes in the wellbeing of children, mainly related to an increase in the consumption of food. More than half those interviewed reported their children were healthier (25 clients) and weighed more (27). Stakeholders from the focus groups also reported that children appeared healthier.

In relation to the impact on families, the data from the client interviews showed that only a minority thought there had been changes since income management. Less than one-quarter (24 per cent) of clients said they had noticed changes within their family, while 46 per cent were unsure if there had been changes and 30 per cent said there had not been any changes. Just under one-quarter said there had been positive changes and noted that their family was happier, had increased access to food and experienced less humbugging.

A negative change noted by a significant minority (24 clients) was they had less money to spend on sorry business. The stakeholder focus groups reported more positive changes in families—including less fights, less humbugging and better family relationships.

The benefits of income management to the community were reported more consistently across the studies, but as noted in the report these were also likely to be related to other NTER measures. The majority of interview participants reported there was less alcohol abuse, less gambling and less humbugging since income
management was introduced. The stakeholder focus groups also reported community benefits of reduced humbugging, domestic violence, addictive behaviours and money spent on gambling.

The qualitative studies—the stakeholder focus groups and community feedback report—noted that income management had empowered women, by removing the accessibility of the welfare money they received and ensuring they had money to buy food. There was also some qualitative evidence from the GBM survey of increased financial contributions by men to family essentials such as food.

5.2 Issues for further consideration

Sharing of resources
An important issue that emerged from this evaluation was the impact of income management on the complex relationship between family responsibilities and the sharing of resources among Indigenous people.

One objective of income management outlined in FaHCSIA's policy documents was to provide better financial security to women and elderly community members who are vulnerable to humbugging or harassment for money. Questions about humbugging were therefore included in the evaluation studies. More than half of survey respondents (55 per cent or 41) said they were regularly humbugged for money. There was evidence from the qualitative studies, the 2009 stakeholder focus groups and the 2008 community consultations that one thing some participants liked about income management was that it protected them from humbugging and meant there was money available for food and other priority items.

The consultants for the client interviews noted a consistency of findings between the frequency of humbugging and sharing money. They suggested this seemed to indicate a lack of real distinction between the two. They reported that both behaviours were acceptable in family structures and relationships and a normal part of a collective culture or family expectations.

Data on the extent of sharing was collected in the client interviews with more than half of respondents (41) saying they shared their money, mainly with family members. Just over one-third reported they have shared their BasicsCard with others, despite this being a breach of the regulations. They did not see this as improper or a response to pressure.

While it was reported that income management had protected some people from humbugging, a number of studies (especially the 2008 community feedback report and the 2009 stakeholder focus groups) noted it had a negative impact on traditional cultural practices of sharing money within families and extended clan groups. This was because there was less cash available to contribute to shared expenses. The issue of income management making sorry business more difficult was consistent across a number of studies, including the client interviews.

More research may provide greater insight into these issues and the balance required in protecting people's income while not inhibiting their participation in important cultural practices.

Moving clients off income management
Income management was initially introduced in the Northern Territory for 12 months and at the time of the evaluation report had been extended for at least another 12 months. There is no way clients living in prescribed areas can exit from income management, even if they are managing their finances well.

There was evidence from the evaluation that a proportion of families were managing their finances well before income management was introduced. The 2008 qualitative study on money management, for example, estimated that around one-fifth of families in four communities examined fell into this category. There was qualitative information from the evaluation that indicated many people did not feel income management should apply to them, as they were already providing well for their children. Keeping these families on income management creates considerable resentment and a feeling that they are being punished or discriminated
against. This feeling was evident among community leaders/members and community sector service delivery providers in the 2009 client interviews and focus groups. As one focus group participant noted: ‘income management painted us all with the same brush—should have been targeted at people who were mismanaging their money’.

Income management has, however, helped a significant proportion of families to manage their money and to better meet their priority needs. This emerged from the client interviews and the stakeholder focus groups. The interviews found that more than half of clients said income management had helped them to pay their rent and other bills. With the right kind of support, some families in this category may also be able to go off income management and continue to meet their family’s priority needs. This support could include training in money management or financial resource management. The evaluation found very few participants reported seeking or getting assistance with managing their money.

Exploring community differences

All the research studies found mixed views of income management, both within and across communities. The client interviews, however, highlighted how views of income management differed across locations. The clients interviewed in two communities, Gapuwiyak and Aputula (Finke), overwhelmingly supported income management, while the majority of clients from Tennant Creek and Ngukurr did not. It would be useful to explore these differences further to determine what factors contribute to these positive and negative views.

It would also be useful to obtain more information from communities where income management appears to be working well, and from those where it is not working as well, for comparison. This could help determine if particular factors contribute to the success of the program, and whether these can be applied to those communities where income management is not working as well.

Improving the evidence on income management

The range of different data sources on income management meant the evaluation was able to draw a number of conclusions about its effectiveness, based on the consistency of findings across a number of studies. The strength of research evidence is, however, constrained by the methodology used and the quality of the research. The types of studies used for the evaluation do not rank highly on standard evidence hierarchies and there were some issues with quality. The evidence available for the evaluation was therefore not strong.

The evaluation was very dependent on the views and perceptions of stakeholders about the outcomes of income management. But this type of information is subject to recall bias and is not always reliable. The evaluation findings would have greater strength if they were supplemented by empirical indicators that corroborated the information provided by various stakeholders. These might include the proportion of households meeting rent or utilities payments, households seeking emergency payments, or child health measures such as the proportion of babies with low birth weight.

Stronger evidence would also be provided by a larger client survey where participants are randomly selected for interview to ensure they are representative of all community members. Such a survey could be conducted in a range of communities where income management appears to be more, or less, successful. This could help identify the success factors for income management and allow some findings to be better quantified. If the survey was large enough it would also allow greater disaggregation of data by demographic variables such as age, sex and region.
## Appendix A: Northern Territory roll-out and commencement schedule for income management

### Table A1: Roll-out timeline for income management in the Northern Territory by community cluster

<table>
<thead>
<tr>
<th>Cluster</th>
<th>Communities</th>
<th>CDEP transitioned</th>
<th>Income management implementation (community engagement)</th>
<th>Income management commencement</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Southern roll-out</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cluster 1</td>
<td>Finke (Apatula), Imanpa, Mutitjulu and Titjikala</td>
<td>Finke: 7 Sep 07 Imanpa: 14 Sep 07 Mutitjulu: no CDEP Titjikala: 28 Sep 07</td>
<td>20 Aug–14 Sep 07</td>
<td>17 Sep 07</td>
</tr>
<tr>
<td>Cluster 2</td>
<td>Areyonga, Hermannsburg (Tjuwanpa outstations), Santa Teresa and Wallace Rockhole</td>
<td>9 Nov 07 26 Oct 07</td>
<td>1 Oct–16 Nov 07</td>
<td>19 Nov 07</td>
</tr>
<tr>
<td>Cluster 3</td>
<td>Kaltukatjara (Docker River), Kintore, Mt Liebig and Papunya</td>
<td>9 Nov 07</td>
<td>22 Oct–10 Dec 07</td>
<td>11 Dec 07</td>
</tr>
<tr>
<td>Cluster 4</td>
<td>Alice Town Camps and Amoonguna (Ingkerreke outstations)</td>
<td>16 Nov 07</td>
<td>29 Oct 07–4 Jan 08</td>
<td>7 Jan 08</td>
</tr>
<tr>
<td>Cluster 5(a)</td>
<td>Atitjere and Engawala</td>
<td></td>
<td>4 Feb–20 Mar 08</td>
<td>25 Mar 08</td>
</tr>
<tr>
<td>Cluster 5(b)</td>
<td>Bonya (Orrtipa-Thurra), Tara and Wilora</td>
<td></td>
<td>4 Feb–4 Apr 08</td>
<td>7 Apr 08</td>
</tr>
<tr>
<td>Cluster 6(a)</td>
<td>Ali Curung, Canteen Creek and Tennant Creek Town Camps</td>
<td></td>
<td>25 Feb–4 Apr 08</td>
<td>7 Apr 08</td>
</tr>
<tr>
<td>Cluster 6(b)</td>
<td>Elliott Town Camps*</td>
<td></td>
<td>10 Mar–18 Apr 08</td>
<td>21 Apr 08</td>
</tr>
<tr>
<td>Cluster 6(c)</td>
<td>Wutanugurra (Epenarra)*</td>
<td></td>
<td>10 Mar–22 Aug 08</td>
<td>25 Aug 08</td>
</tr>
<tr>
<td>Cluster 7</td>
<td>Nyirripi, Willowra and Yuelamu</td>
<td></td>
<td>17 Mar–25 Apr 08</td>
<td>28 Apr 08</td>
</tr>
<tr>
<td>Cluster 8</td>
<td>Yuendumu*</td>
<td></td>
<td>28 Apr–25 July 08</td>
<td>28 July 08</td>
</tr>
</tbody>
</table>
Table A1: Roll-out timeline for income management in the Northern Territory by community cluster (continued)

<table>
<thead>
<tr>
<th>Cluster</th>
<th>Communities</th>
<th>CDEP transitioned</th>
<th>Income management implementation (community engagement)</th>
<th>Income management commencement</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Southern roll-out</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Cluster 9</td>
<td>Alpururrulam, Ampilatwatja and Urapuntja Homelands (Eastern North Barkly Outstations*)</td>
<td>9 Nov 07</td>
<td>14 Apr–23 May 08</td>
<td>26 May 08</td>
</tr>
<tr>
<td>Cluster 10</td>
<td>Haasts Bluff</td>
<td>9 Nov 07</td>
<td>12 May–11 July 08</td>
<td>14 July 08</td>
</tr>
<tr>
<td>Cluster 11</td>
<td>Kings Canyon Outstations (and Iwupataka* (Jay Creek))</td>
<td>9 Nov 07</td>
<td>2 July–19 Sep 08</td>
<td>22 Sep 08</td>
</tr>
<tr>
<td>Cluster 12</td>
<td>Nturiya*, Pmara Jutunta* and Imangara*</td>
<td>9 Nov 07</td>
<td>18 June–25 July 08</td>
<td>28 July 08</td>
</tr>
<tr>
<td>Cluster 13</td>
<td>Laramba* (and Ukaka*)</td>
<td>9 Nov 07</td>
<td>8 Sep–24 Oct 08</td>
<td>27 Oct 08</td>
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<tr>
<td><strong>Northern roll-out</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cluster 1</td>
<td>Palumpa and Peppimenarti</td>
<td>2 Nov 07</td>
<td>15 Oct–23 Nov 07</td>
<td>26 Nov 07</td>
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<tr>
<td>Cluster 2</td>
<td>Barunga, Binjari, Bulman, Katherine Town Camps, Manyallaluk (Eva Valley) and Weemol Beswick</td>
<td>9 Nov 07</td>
<td>22 Oct–11 Dec 07</td>
<td>12 Dec 07</td>
</tr>
<tr>
<td>Cluster 3(a)</td>
<td>Acacia Larrakia and Nauiyu (Daly River)</td>
<td>16 Nov 07</td>
<td>29 Oct–12 Dec 07</td>
<td>13 Dec 07</td>
</tr>
<tr>
<td>Cluster 3(b)</td>
<td>Adelaide River Town Camps, Belyuen and Darwin Town Camps</td>
<td>16 Nov 07</td>
<td>29 Oct 07; recommenced 28 Jan–22 Feb 08</td>
<td>25 Feb 08</td>
</tr>
<tr>
<td>Cluster 3(c)</td>
<td>Wadeye*</td>
<td>2 Nov 07</td>
<td>29 Oct–11 Jan 08</td>
<td>14 Jan 08</td>
</tr>
<tr>
<td>Cluster 4</td>
<td>Galiwinku Mapurruru Outstations</td>
<td>2 Nov 07</td>
<td>4 Feb–20 Mar 08</td>
<td>25 Mar 08</td>
</tr>
<tr>
<td>Cluster 5</td>
<td>Nguiu Milikapiti and Pirlangimpi</td>
<td>2 Nov 07</td>
<td>18 Feb–28 Mar 08</td>
<td>31 Mar 08</td>
</tr>
<tr>
<td>Cluster</td>
<td>Communities</td>
<td>CDEP transitioned</td>
<td>Income management implementation (community engagement)</td>
<td>Income management commencement</td>
</tr>
<tr>
<td>----------</td>
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<tr>
<td><strong>Southern roll-out</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cluster 6(a)</td>
<td>Gunbalanya and Jabiru Town Camps</td>
<td>10 Mar–18 Apr 08</td>
<td>21 Apr 08</td>
<td></td>
</tr>
<tr>
<td>Cluster 6(b)</td>
<td>Minjilang, Warruwi</td>
<td>10 Mar–24 Apr 08</td>
<td>28 Apr 08</td>
<td>29 Apr 08</td>
</tr>
<tr>
<td>Cluster 7</td>
<td>Maningrida</td>
<td>17 Mar–2 May 08</td>
<td>6 May 08</td>
<td></td>
</tr>
<tr>
<td>Cluster 8(a)</td>
<td>Daguragu, Kalkarindji and Lajamanu</td>
<td>31 Mar–16 May 08</td>
<td>19 May 08</td>
<td></td>
</tr>
<tr>
<td>Cluster 8(b)</td>
<td>Pigeon Hole*</td>
<td>31 Mar–10 Oct 08</td>
<td>13 Oct 08</td>
<td></td>
</tr>
<tr>
<td>Cluster 8(c)</td>
<td>Yarralin, Amanbidji and Bulla*</td>
<td>31 Mar–1 July 08</td>
<td>2 July 08</td>
<td>27 Oct 08</td>
</tr>
<tr>
<td>Cluster 9(a)</td>
<td>Milingimbi</td>
<td>7 Apr–23 May 08</td>
<td>26 May 08</td>
<td></td>
</tr>
<tr>
<td>Cluster 9(b)</td>
<td>Ramingining</td>
<td>7 Apr–30 May 08</td>
<td>2 June 08</td>
<td></td>
</tr>
<tr>
<td>Cluster 9(c)</td>
<td>Gapuwiyak</td>
<td>7 Apr–6 June 08</td>
<td>10 June 08</td>
<td></td>
</tr>
<tr>
<td>Cluster 10</td>
<td>Angurugu, Milyakburra and Umbakumba</td>
<td>21 Apr–11 July 08</td>
<td>14 July 08</td>
<td></td>
</tr>
<tr>
<td>Cluster 11</td>
<td>Gunyangara and Yirrkala (Laynhapuy Homelands)</td>
<td>28 Apr–6 June 08</td>
<td>10 June 08</td>
<td></td>
</tr>
<tr>
<td>Cluster 12(a)</td>
<td>Numbulwar</td>
<td>6 May–1 July 08</td>
<td>2 July 08</td>
<td></td>
</tr>
<tr>
<td>Cluster 12(b)</td>
<td>Mataranka Town Camp (Mulggan) and Ngukurr</td>
<td>26 May–4 July 08</td>
<td>7 July 08</td>
<td></td>
</tr>
<tr>
<td>Cluster 12(c)</td>
<td>Jilkminggan, Minyerri and Rittarangu</td>
<td>10 June–4 July 08</td>
<td>7 July 08</td>
<td></td>
</tr>
<tr>
<td>Cluster 13</td>
<td>Borroloola Town Camps and Robinson River</td>
<td>12 May–20 June 08</td>
<td>23 June 08</td>
<td></td>
</tr>
<tr>
<td>Cluster 14</td>
<td>Kybrook Farm and Pine Creek Compound Town Camps</td>
<td>9 Nov 07</td>
<td>10 June–18 July 08</td>
<td>21 July 08</td>
</tr>
</tbody>
</table>

**Note:** * Denotes modified, moved to new cluster.  
**Source:** FAHCSIA.
Appendix B: Map of communities and town camps affected by the Northern Territory Emergency Response and income management
Map A: Prescribed areas—Aboriginal (Alra) land

DISCLAIMER:
While every effort was made to ensure the accuracy of this map, it was prepared for information only and should not be relied on as definitive advice. You should check the status of any area by referring to the Northern Territory National Emergency Response (NTNER) legislation, and land details from the Northern Territory (NT) Government, and seek your own legal advice if you are in doubt. The Department of Families, Housing, Community Services and Indigenous Affairs accepts no responsibility for any damage caused by reliance on the map.

FURTHER INFORMATION ABOUT THIS MAP:
Prescribed areas under the Northern Territory National Emergency Response (NTNER) legislation include: Aboriginal (ALRA) Land, Community Living Areas (CLA) and Town Camps. Only Aboriginal (ALRA) Land and Town Camps are included on Map A and Map B.

Produced by the Indigenous Data Analysis & Research section (FUNCRA), on 10 July 2009.
Request No. 2003071/1001 Map is for illustrative purposes only.
(C) Commonwealth of Australia, 2009
Map B: Prescribed areas—town camps

Disclaimer:
While every effort was made to ensure the accuracy of this map, it was prepared for information only and should not be relied on as definitive advice. You should check the status of any area by referring to the Northern Territory National Emergency Response (NTNER) legislation, and land details from the Northern Territory (NT) Government, and seek your own legal advice if you are in doubt. The Department of Families, Housing, Community Services and Indigenous Affairs accepts no responsibility for any damage suffered by reliance on the map.

Further information about this map:
PowerPoint data under the Northern Territory National Emergency Response (NTNER) legislation include: Aboriginal (ALRA) Land, Community Living Areas (CLA) and Town Camps. Only Aboriginal (ALRA) Land and Town Camps are presented on Map A and Map B.

Produced by the Indigenous Data Analysis & Research section (PAIDAR), on 10 July 2009
Request No. 2003071001 Map is for illustrative purposes only.
(C) Commonwealth of Australia, 2009

APPENDIX B

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## Appendix C: Program logic for income management in the Northern Territory

<table>
<thead>
<tr>
<th>Outcomes/impact</th>
<th>Outcome measures</th>
<th>Objectives</th>
<th>Target groups</th>
<th>Assumptions</th>
<th>Internal/external factors</th>
<th>Inputs</th>
<th>Outputs/ processes</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short</td>
<td>Money spent on priority needs</td>
<td>Promote socially responsible behaviour</td>
<td>People receiving income support</td>
<td>There is a community store or other mechanism to provide food security in each community</td>
<td>Budget funding and legislation</td>
<td>Budget funding, including skills and knowledge, and/or signed up to BasicsCard and/or Department</td>
<td>Community/ stakeholder consultations</td>
<td>There is a community store or other mechanism to provide food security in each community</td>
</tr>
<tr>
<td>Short</td>
<td>Better food choices</td>
<td>Ensure that priority needs of families are met</td>
<td>People living in prescribed communities</td>
<td>Internal/external support</td>
<td>Staff, including policy guide</td>
<td>Communication strategy to customers and service providers</td>
<td>Legislative instruments in place</td>
<td>There is a community store or other mechanism to provide food security in each community</td>
</tr>
<tr>
<td>Short</td>
<td>Ability to use BasicsCard</td>
<td>Reduce the amount of cash in communities available for excluded items</td>
<td>Indigenous Australians living in the Northern Territory</td>
<td>Ministerial support</td>
<td>Legislative information technology systems</td>
<td>Implementation of limited appeal mechanisms</td>
<td>Implementation of limited appeal mechanisms</td>
<td>There is a community store or other mechanism to provide food security in each community</td>
</tr>
<tr>
<td>Medium</td>
<td>Improved food security, including increased quantity and quality of healthy foods</td>
<td>Reduce the amount of cash in communities available for excluded items</td>
<td>Indigenous Australians living in the Northern Territory</td>
<td>Ministerial support</td>
<td>Legislative information technology systems</td>
<td>Implementation of limited appeal mechanisms</td>
<td>Implementation of limited appeal mechanisms</td>
<td>There is a community store or other mechanism to provide food security in each community</td>
</tr>
<tr>
<td>Medium</td>
<td>Ability to plan for expected expenses (for example, school fees, applications for registration)</td>
<td>Reduction in spending on excluded items</td>
<td>Indigenous Australians living in the Northern Territory</td>
<td>Ministerial support</td>
<td>Legislative information technology systems</td>
<td>Implementation of limited appeal mechanisms</td>
<td>Implementation of limited appeal mechanisms</td>
<td>There is a community store or other mechanism to provide food security in each community</td>
</tr>
<tr>
<td>Medium</td>
<td>Reduced in spending on harmful behaviours</td>
<td>Behavioural change in the way money is distributed and spent among family and community members</td>
<td>Indigenous Australians living in the Northern Territory</td>
<td>Ministerial support</td>
<td>Legislative information technology systems</td>
<td>Implementation of limited appeal mechanisms</td>
<td>Implementation of limited appeal mechanisms</td>
<td>There is a community store or other mechanism to provide food security in each community</td>
</tr>
<tr>
<td>Long</td>
<td>Changes in the quality, quantity and price of food available to Indigenous Australians, contributing to improved household and community self-reliance and economic, social and cultural engagement</td>
<td>Changes in number of people contributing to households from households on income support programs</td>
<td>Indigenous Australians living in the Northern Territory</td>
<td>Ministerial support</td>
<td>Legislative information technology systems</td>
<td>Evaluation reports, including implementation and outcomes</td>
<td>Feedback from clients on the benefit of income management</td>
<td>There is a community store or other mechanism to provide food security in each community</td>
</tr>
</tbody>
</table>
Appendix D: Main income support payments subject to income management

These are intended as broad guides to the nature of each benefit and do not include some qualifications, exemptions and requirements.

**Newstart Allowance**
- must be unemployed
- aged 21 years or over but under age pension age
- must be willing to participate in approved activities and/or JobSearch
- prepared to enter into, comply or vary an existing Activity Agreement to fulfil the activity test.

**Disability Support Pension**
- aged 16 years or over but under age pension age
- must have a physical, intellectual or psychiatric impairment
- inability to work for at least the next two years as a result of impairment.

**Parenting Payment (partnered or single)**
- must have qualifying child aged under 6 years if the client is partnered, or aged under 8 years if the client is single
- can be paid to only one member of a couple
- when the youngest qualifying child is aged 6 years or over, the person must enter into an Activity Agreement requiring participation in a broad range of activities.

**Carer Allowance**
An income supplement paid to someone who provides daily care and attention at home to a person with a disability or medical condition who is either/or:
- aged 16 years or over and has a disability that causes a substantial functional impairment
- a dependent child aged under 16 years with a specified disability or functions below the standard for his/her age level.

The child and the carer must live together in the same private residence.

**Carer Payment**
Person providing constant care for either/or:
- a person who has a physical, intellectual or psychiatric disability
- a child with a profound disability
- two or more children with disabilities
an adult and that adult’s dependent child who needs care permanently or for an extended period.

The carer is not required to live with or adjacent to the person being cared for, but must be providing constant care in a private home of the care receiver.

**Youth Allowance**
- full-time students and Australian apprentices aged 16 to 24 years
- unemployed, aged under 21 years, looking for work or combining part-time study with job search
- independent, aged 15 years and above the school leaving age in their state or territory who are satisfying or exempt from the activity test.

**Age Pension**
- men aged 65 years or over or women aged 65 years and over if they were born on or after 1 January 1949.
  Before this date, the age pension age was 60 years for those born before 1 July 1935 and was scaled to age 65 years for those born on 1 January 1949 and after.

**ABSTUDY**
Applies when the person is:
- of Aboriginal or Torres Strait Islander descent
- studying an approved course at an approved education institution
- undertaking a full-time Australian apprenticeship.

**Payments for children**

**Family Tax Benefit Part A**
Family Tax Benefit Part A is paid per child. The client must have:
- a dependent child aged under 21 years
- a dependent full-time student aged 21 to 24 years
- care for 35 per cent of the time or more.

**Family Tax Benefit Part B**
Family Tax Benefit Part B gives extra assistance to lone-parent families and to families with one main income. The client must have:
- a dependent child aged under 16 years, or
- a qualifying dependent full-time student up to the age of 18 years, and
- care 35 per cent of the time or more.
Appendix E: Discussion guide for client interviews conducted by the Cultural and Indigenous Research Centre Australia

Discussion guide for income managed clients

Hi My name is _______________ and I work for the Cultural and Indigenous Research Centre Australia. Today we are doing some research for the Federal Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA).

The purpose of this research is to find out what people think about income management, so we’ll be asking you a number of questions about what effect this has had on your life. If you do not want to answer a question you don’t have to and you are free to end the interview at any time. All of the answers that you provide to us are confidential, which means that we do not record your name or anything that can be linked to you. The information we collect from you will help FaHCSIA make decisions about how income management services can be improved.

We will also be providing information about the results from this research to communities involved with the research.

We are also doing research about income management in a number of other locations including Perth, Balgo, Finke, Tennant Creek, Kununurra, Ngukurr and Gapuwiyak.

This interview should last between 30 to 90 minutes. Do you have any questions before we start?

Demographics

› record location

› record gender

› confirm that participant’s money is income managed and that this has occurred as part of the NTER—if necessary ask: Does Centrelink income manage your money?

› explain confidentiality and ask permission to obtain Centrelink Client Reference Number
  1. [If necessary ask] Are you Aboriginal or Torres Strait Islander?
  2. How old are you? (Record either age or date of birth)
  3. How many children do you have? How old are your children?
  4. How many children do you care for?
  5. How many children do you care for that are not your own?

Knowledge and attitudes toward income management

7. From your point of view, what do you think is the purpose/point of income management?

8. What do you think about income management—is it a good or bad thing? Why do you say that?

9. What do you like about income management?
10. What don’t you like about it?

11. Do you know how much of your Centrelink payment goes on income management? (Ask for a proportion (for example, half), percentage or amount of money on income management and the total Centrelink amount)

12. Do you think the amount of money that goes on income management is the right amount of money, not enough money or too much money?
   (a) [If not enough/too much] How much should it be? (For example, more or less than half?)

**Implementation process**

13. What was the process like when you went on to income management? Easy or difficult?
   (a) How were you told about it? Who told you? What did they say?
   (b) Were you happy/unhappy with this process?
   (c) Any comments?

14. In your opinion, how could the process have worked better?

**Financial literacy issues**

15. Have you talked to anyone about managing your money? Yes/no
   (a) If yes, who have you talked to? Anyone else?
   (b) What did you talk about? What did they tell you?
   (c) Have you found it useful/helpful?

16. Have you bought any big/expensive items since you have been income managed?
   (a) If yes, what did you buy?
   (b) How did you pay for it? BasicsCard/cash/other

17. Have you saved any money since you have been on income management?

18. Are you saving up for anything at the moment? If yes, what is it?

19. Have you ever asked for emergency relief (money/financial help from a charity or similar organisation) before income management?
   (a) What about since you have been on income management?
   (b) If yes, did you ask for less or more since being income managed?

**Behaviour**

20. Since income management have there been any changes to the things that you buy? If yes, what have these changes been?

21. Do you share your money with anyone else? Which part of your money (income management/non-income management)? Who with? How often? How much?

22. Do you give your kids or family money?
   (a) Do you know what they spend it on?

23. Do you get regularly asked for money? How often does this happen? Who asks? Did you give them money?
   (a) [If yes] What was the impact for you?

24. Do you expect income or food from other family before the next pay?
25. Since you have been on income management, do you think you spend more or less on the following:
   (a) alcohol
   (b) cigarettes/smokes
   (c) drugs
   (d) children's expenses—for example, lunches, snacks, clothes, sport etc
   (e) toys
   (f) entertainment (for example, DVDs, video games, CDs)
   (g) accommodation/utilities
   (h) clothes
   (i) gambling
   (j) food
   (k) save money
   (l) white goods
   (m) cleaning products
   (n) travel (that is, petrol, flights etc)

26. Where do you mostly do your shopping? (precode community store, major town)
   (a) How do you get there? (precode walk, drive, taxi, charter plane, commercial flight)

27. Where else do you shop? (precode community store, major town)
   (a) How do you get there? (precode walk, drive, taxi, charter plane, commercial flight)

28. How often do you shop for food for meals? (precode every day, a few times a week, once a week, once a fortnight, less often)

29. Do you store food at home or eat what you buy on the day you buy it?

30. Do you have a fridge at home?

31. Since you’ve been on income management, has it been easier, harder or the same to pay your rent?

32. Since you’ve been on income management, has it been easier, harder or the same to pay other bills and costs, like your phone and electricity

33. The last time you used your BasicsCard what did you buy? How much did you spend?

34. How much of your BasicsCard or store card money would you say you spend on food? All, most, half, very little?

35. [If response is half or very little ask] What do you spend most of your BasicsCard money on? (pre-code clothes, cleaning products, transport, fuel, mobile phone cards)

36. If relevant, what else do you spend your BasicsCard money on? (pre-code clothes, cleaning products, transport, fuel mobile phone cards)

37. Do you know how to check the balance of your BasicsCard?
   (a) If yes, how do you check the balance? That is, go to Centrelink, call the 13 number, get a relative to check it for you, ask a storeowner to check it for you, something else?
   (b) How often do you check the balance?
   (c) Do you check the balance before you do your shopping?
38. Have you ever tried to purchase stuff on your BasicsCard and have not had enough money to pay for everything?
   (a) If yes, what happened/what did you do?
   (b) Other comments?

39. How do you pay for things when you can’t use your BasicsCard? That is, cash, don’t buy anything, nothing, ask a family member to pay etc.

40. What things do you buy with your income managed money that is not income managed (the money that is paid into your bank/keycard account—not on your BasicsCard and not your kitty money)? (probe fully)

41. What things do you buy with your money that is not income managed?

42. Do you spend all of that money?

43. Do you get asked for this money from other people? If yes, from who? How often does this happen?

44. Have you shared your BasicsCard and PIN with anyone else? Who?
   (a) If yes, why did you share it?

45. Do you know how to check the balance of your income management account?
   (a) If yes, how do you check the balance? That is, go to Centrelink, call the 13 number, get a relative to check it for me, ask a storeowner to check it for me, something else?
   (b) How often do you check the balance?

46. Is there enough fresh food including meat, fruit and vegetables in your community? If no, why not? (only ask remote customers)

47. Since income management have the prices for fruit and vegetables in the community increased, stayed the same or decreased? (only ask remote customers)
   (a) Have the prices for other groceries increased, stayed the same or decreased? (only ask remote customers)

48. Do you:
   (a) Buy more or less or the same amount of fresh food since income management?
   (b) Eat more or less or the same amount of fresh food since income management?

49. Is it easier or harder to travel outside your community now you have the BasicsCard? Or has there been no change?
   (a) Easier. Why?
   (b) Harder. Why?
   (c) No change

Financial stress

50. Since income management have you bought anything you couldn’t afford or regretted buying?

51. If you had a choice, what would you prefer:
   (a) To receive $100 now?
   (b) To wait a month and receive $200?

52. If you needed to get money quickly where would you go or who would you ask?

53. Can you get money from other places if you need it? If so, where?
54. If you had to come up with $200 in two days, would you be able to do it?

55. Have there been times lately when you or your family have had to miss out on something or go without something you needed because of not having enough money?

56. What things do your kids miss out on because of not having enough money?

Future

57. If the government said you could choose whether or not to be on income management, what would you do? Choose to stay on income management/choose to stop income management?
   (a) Why?

58. Have you ever used Centrepay deductions?

59. If you come off income management, do you think you would set up regular Centrepay deductions?

Wellbeing of children
[Only ask participants who have children or care for children]

60. Since income management have you noticed any changes (either good or bad) with your children? If yes, what are they?

61. Since income management have you noticed any of the following changes with your children: Yes/no
   (a) Are they happier/unhappier or the same?
   (b) Are they healthier/unhealthier or the same?
   (c) Are they eating more/less or the same?
   (d) Do they weigh more/less or the same?
   (e) Are they more active/less active or the same?
   (f) Do they have more clothes/less clothes or the same?
   (g) Are they more worried/less worried or the same?
   (h) Are they going to school more/less or the same?

62. Do your children use the school nutrition program?

63. Does Centrelink make deductions from your income managed money to pay for a school nutrition program?

Wellbeing of individuals

64. Since income management have you noticed any changes (either good or bad?) with yourself? If yes, what are they?

65. Since income management would you say you have:
   (a) Had more time or less or the same amount time for culture? For example, hunting, sorry business, art, etc.
   (b) Feel more or less connected to your culture/community? Or has there been no change?
   (c) Able to spend more, less or the same amount of time with your children?
   (d) Been able to work out family problems and disputes more easily, less easily or the same?
   (e) Are you happier/unhappier or the same?
   (f) Are you healthier/unhealthier or the same?
   (g) Have more or less or the same amount of money for alcohol? Or not relevant
   (h) Have more or less or the same amount of money for gambling? Or not relevant
   (i) Have more or less or the same amount of money to spend on your children?
Wellbeing of families
66. Since income management have you noticed any changes (either positive or negative) with your family? If yes, what are they?

67. Since income management would you say you have:
(a) More or less or the same amount of support from your mob/family and friends?
(b) More or less or the same amount of time to pass on traditions and customs to your children?
(c) More or less or the same amount of time to spend on culture and with elders?
(d) More or less or the same amount of time for cultural activities like hunting and fishing?
(e) Been more or less likely to eat traditional foods/bush tucker? Or has this been the same or not relevant?
(f) More or less or the same amount of time for arts and craft, dancing and stories?
(g) Found it easier or harder to participate in sorry business? Or has there been no change?
(h) More or less or the same amount of money to contribute for sorry business?
(i) Been able to work out family problems and disputes more or less easily? Or has there been no change?

Wellbeing of community
68. Since income management have you noticed any changes (either positive or negative) in your community? If yes, what are they?

69. Since income management would you say:
(a) There is more or less or the same amount of vandalism and graffiti in the community?
(b) There is more or less or the same amount of violence in the streets?
(c) There is more or less or the same amount of drug abuse?
(d) There is more or less or the same amount of youth crime and young people on the streets at night?
(e) There is more or less or the same amount of family violence?
(f) Do you feel more or less safe? Or has there been no change?
(g) There are more or less children being looked after? Or has there been no change?
(h) There is more or less drinking/alcohol abuse? Or has there been no change?
(i) There is more or less or the same amount of humbugging?
(j) There is more or less or the same amount of gambling?

70. Is there anything else that has happened as a result of income management? For example, women’s safety improved, more children going to school or going more often, changing to a dry community, more people undertaking education and training?

Conclusion
71. What are the good things that have happened because of income management?

72. What are the bad things that have happened because of income management?

73. Is there anything else that you would like to say about income management that I have not covered?

74. How could we make these interviews better?

Thank you for sharing your story with us today. It is very important to us.
List of shortened forms

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<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>ABS</td>
<td>Australian Bureau of Statistics</td>
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<tr>
<td>AIHW</td>
<td>Australian Institute of Health and Welfare</td>
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<tr>
<td>CDEP</td>
<td>Community Development Employment Program</td>
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<td>CIRCA</td>
<td>Cultural and Indigenous Research Centre Australia</td>
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<td>FaHCSIA</td>
<td>Department of Families, Housing, Community Services and Indigenous Affairs</td>
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<tr>
<td>FTB</td>
<td>Family Tax Benefit</td>
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<td>GBMs</td>
<td>Government Business Managers</td>
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<tr>
<td>NTER</td>
<td>Northern Territory Emergency Response</td>
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Endnotes

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