

Distribution Date: 20 November 2017

## **14.1 Notice of Motion – Cashless Debit Card (File No. 13/01/0021)**

<b>Author</b>	Community Safety Advisor
<b>Authorising Officer</b>	Chief Executive Officer
<b>Disclosure of Interest</b>	The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

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### **COUNCILLOR ARIF NOTICE OF MOTION**

**That with respect to the Cashless Debit Card, Council:**

- 1. Adopts a position of not supporting the introduction of the Cashless Debit Card in our town.**
- 2. Ensure to all delegations, media releases, and meetings that this position is made clear to all.**

***SIMPLE MAJORITY VOTE REQUIRED***

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### **PURPOSE**

*\*Disclaimer – this item is being presented as a result of a Notice of Motion by an Elected Member. Officers do not have a position for or against this matter. Some information was provided by the requesting Elected Member and the remainder was obtained from current available information.*

On November 1, 2017 Town of Port Hedland received a Notice of Motion from Councilor Arif regarding the Cashless Debit Card.

The Community Safety Advisor has researched information relevant to the Cashless Debit Card (CDC) to inform Elected Members on the relevance and its possible impact on the Port Hedland area.

### **DETAIL**

The Cashless Debit Card was developed by the Commonwealth Government to support people, families and communities in locations where high levels of welfare dependence co-exist with high levels of social harm underpinned by alcohol, drug use and gambling. The Commonwealth Government believes that the CDC might help disadvantaged communities decrease the level of consumption of drugs, alcohol and gambling with impacts on the health and wellbeing of communities, families and children.

The Cashless Debit Card is a welfare reform program where recipients of Centrelink Newstart, Disability Support Pension, Parenting Payment and Carers Payments have 20% of their payment paid into their regular bank account and 80% paid into a card that cannot be used to buy alcohol, gambling products or withdraw cash. These percentages can be changed by a local community panel to a maximum 50% paid into their regular bank account and 50% paid into the CDC. It is to be noted that only those who are of working age and receive income support payments would be affected by the CDC. Wage earners, Age Pensioners and Veteran's Affairs Pensioners are not included in a trial unless they volunteer for the CDC.

The first two trial sites identified were in Ceduna, South Australia (March 15, 2016) and Kununurra and Wyndham (East Kimberly), Western Australian (April 26, 2016). These trial sites had 2,141 participants with a large majority being Aboriginal or Torres Strait Islander people.

Two further current Welfare Reform initiatives currently in place have also been identified, the Northern Territory Intervention (officially named Northern Territory Emergency Response) and Queensland, Cape York Partnership (CYP). Both initiatives address welfare dependency (in particular a Cashless Debit Card initiative) and the wider social impacts it has on the community. The CYP is an Indigenous organisation that leads a comprehensive reform agenda on government interventions and policy affecting Aboriginal and Torres Strait Islanders.

The Cape York Welfare Reform (CYWR) aims to reverse the deterioration of social and economic conditions in Cape York Indigenous communities over recent decades. It is founded on the premise that this deterioration has been brought about by passive welfare dependence and the erosion of individual responsibility as the unintended effects of well-meaning but misguided government welfare policies and service delivery. (*Cape York Welfare Reform Evaluation 2012*)

Evidence of significant outputs to date: Compulsory quarantining of a portion of a person's welfare payments for use on essentials like food, clothing, rent, electricity and child rearing expenses, were implemented. By December 2011, 25% of the population aged 17 and over had been placed on income management in the four communities at some point in the preceding 3½ years, for an average duration of 16.8 months. 93% were compulsory and 7% were voluntary orders. In each trial site, breaches of behavioral obligations fell by 10 percent in the quarter following being placed on income management. The challenge will be to consolidate the gains to date by providing genuine economic opportunities for individuals and families to continue the journey from welfare dependence to prosperous and fulfilling lifestyles. (*Cape York Welfare Reform Evaluation 2012*)

The Northern Territory Intervention was initiated by the Howard government in June 2007. It was a response to child sexual abuse, but aimed to do more than deal with direct or immediate causes. The intervention measures were initiated in "prescribed areas" over 70% of Aboriginal people in the Northern Territory live in prescribed areas. There were a wide range of measures including welfare reform in relations to income management, i.e., quarantining part of welfare payments to specific purposes. (*Northern Territory Emergency Response: One Year On, 2008*)

In October 2011 there were 16 393 people in the Northern Territory who were subject to income management. The majority were on Compulsory Income Management (11,960), whilst a substantial number were on Voluntary Income Management (4,190). Overall, 91 per cent of those subject to income management are Indigenous. The equivalent figure for the Northern Territory non- Indigenous population is 18 per cent. The evaluation report found over one quarter of participants reported alcohol, gambling and drugs as a mild issue with one third of participants reporting one or more of these being an issue. For people on compulsory measures, 6 per cent of the non-Indigenous population and 32 per cent of the Indigenous population reported that they had at least one of these problems in their families. (*Evaluating New Income Management in Northern Territory: First Evaluation Report, Australian National University, 2012*)

A submission by the Human Rights Commission (HRC) on the 29 September 2017 to the Senate Standing Committees on Community Affairs provided feedback on the Senate inquiry into Social Services Legislation Amendment (Cashless Debit Card) Bill 2017. The bill proposes to extend the trial site by enabling the expansion of the cashless debit card to further locations.

The submission outlined concerns on human rights specifically around right to social security, the right to a private life and the right to equality and non-discrimination. The Commission is concerned about the effects of these income management measures in relation to Aboriginal and Torres Strait Islander peoples, whom have previously identified to be a group that are disproportionately impacted by such measures. The Commission concluded that income management measures which are imposed and not community-driven lack efficacy. The Commission recommended a less intrusive measure aimed at changing behaviour rather than limiting access to and use of income will be more effective. Furthermore endorsing investment of support services in these communities with effective engagement with such services. (Human Rights Commission, 2017)

Department of Social Services could not confirm Port Hedland's ranking in the trial site list but confirmed that our region has been voiced to the Minister. The Department of Social Services has outlined that a decision to appoint a trial site is made by the Minister if a strong collective response is received by the community, either by an elected member or member of public. Furthermore the criteria for an approved trial site provides the Department with a strong evidential base, outlining data from local service providers on the impacts social issues have on local resources and community safety with community support and advocacy. This can result in the Minister approving an in depth community consultation with individual and groups directly affected by the Cashless Debit Card initiative, facilitated by the Commonwealth government with support from Local Government and community.

As the concept of income management and cashless debit cards is new in the public policy sphere, there is limited evidence strongly for or against its implementation, let alone relevant to the Town of Port Hedland. The following locally relevant argumenta have been collated by officers to assist in decision making on this motion.

#### *Arguments in support of the notice of motion*

As this program has not been adopted or trialed in the Pilbara, all evaluation data presented is in relation to the current trial sites or Ceduna and the East Kimberly. Port Hedland differs from these regions and it is important to note that the information available has been collected over a short period of time for small population. It is unknown if these findings can be extrapolated to the Port Hedland community. The evaluation report also does not include crime statistics.

Many trial participants experienced complications and limitation using the CDC but the evaluation report claims that these have lessened over time. The full 303 page independent evaluation document can be found on the Department of Social Services website. The executive summary is attached.

A significant amount of conjecture has been raised around whether the improved performance indicators in the evaluation are in response to the CDC or the significant investments in wrap around services that have been delivered in support of its implementation. The establishment of both the Northern Territory Intervention and Cape York Partnership provided a platform for increased funding for support services to engage in intervention and therapeutic work primarily focusing on welfare reform services for a collective outcome.

Human rights concerns as previously outlined would be relevant to any roll out of the Cashless Debit Card in Port Hedland.

Furthermore the following Hedland community groups who have released a statement against the Cashless Debit Card:

The Yule River on-country bush meeting (20-21 September 2017)

Resolved that "The Yule River strongly oppose the cashless welfare card". This statement can be found through the following link [https://youtu.be/34u2\\_u0t6B8](https://youtu.be/34u2_u0t6B8).

Yamatji Marlpa Aboriginal Corporation (YMAC)

Released a statement that the YMAC Boards of Directors do not support the expansion of the CDC on 17 August 2017 (attached).

Bloodwood Tree Association Inc.

The Bloodwood Tree Boards position is that they do not support the Federal Government Welfare Card (white card) introduction. An email from Bloodwood Trees CEO Kelly Howlett is attached.

These opinions above are external to the Town of Port Hedland and we do not have information on how they were undertaken and any background to the information.

#### *Arguments in support of the CDC*

The most recent independent evaluation of the CDC in the trial sites have shown improvements in reducing alcohol consumption, illegal drug use, gambling and the ability to save more money. These improvements have increased over the evaluation period.

The evaluation report also showed that the CDC made 4% of participants experience shame or negative stigma and that 32% of CDC participants felt the CDC made their lives worse. These percentages have decreased over the evaluation period.

The Town of Port Hedland developed the Alcohol Management Survey in 2017 this survey was distributed online and in limited hard copy. The detailed report on this survey are attached. In summary the survey was completed by 327 people and asked questions regarding a number of alcohol management strategies, including the CDC. The survey showed that;

- 327 of 346 respondents agrees or strongly agrees that the Port Hedland community needs to look at ways to alcohol-related violence, criminal activity and anti-social behavior in the town.
-

- 306 of 346 agreed or strongly agreed that they would support the introduction of a cashless healthy welfare card system.
- 322 of 346 did not currently receive social security payments other than the aged pension or veterans affairs entitlements.

However, there was not clear representation of people who would be affected by the CDC.

### **LEVEL OF SIGNIFICANCE**

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of low significance, as the town of Port Hedland is not the ultimate decision maker on this issue.

### **CONSULTATION**

#### *Internal*

Internal consultation has been undertaken with the Executive Leadership Team.

#### *External Agencies*

Mayor Camilo Blanco- *Acting in his role as Mayor (and not representing the Town of Port Hedland Council) has met with representatives of Federal Government, Munderoo and media promoting the implementation of the CDC in Port Hedland.*

The author verbally spoke with WA State Manager-Department of Social Services on 15 and 16 November 2017.

#### *Community*

Nil. The position statements of a number of local groups have been collated for Elected Members' information.

### **LEGISLATION AND POLICY CONSIDERATIONS**

Nil

### **FINANCIAL AND RESOURCES IMPLICATIONS**

Nil

### **STRATEGIC AND SUSTAINABILITY IMPLICATIONS**

There is no correlation between this motion and any section of the Council's Strategic Community Plan 2014-2024.

#### *Social*

As current evaluations from the current trial sites have indicated that the CDC would have a positive impact on the welfare of individuals and the community it may be seen that not providing support for the CDC would exclude a tool that could have positive social benefits to those in the community receiving specific welfare benefits.

**RISK MANAGEMENT CONSIDERATIONS**

As per the risk matrix contained in policy 1/022 'Risk Management', the level of risk is considered to be Medium (9). This is due to a possible reputational risk.

**OPTIONS**

*Option 1 - Adopt Motion*

*Option 2 – Reject Motion*

That with respect to the Cashless Debit Card, Council:

1. Adopts an official position in support and lobbies the Federal Government for its implementation in the Town of Port Hedland.
2. Consults with the community about how best to advocate for the Town to become a trial site.

*Option 3*

That with respect to the Cashless Debit Card, Council:

1. Does not adopt an official position.
2. Ceases to make public statements for or against the Cashless Debit Card issue.
3. Continues to monitor trial sites and current research and engages with the community prior to taking an official position.

**CONCLUSION**

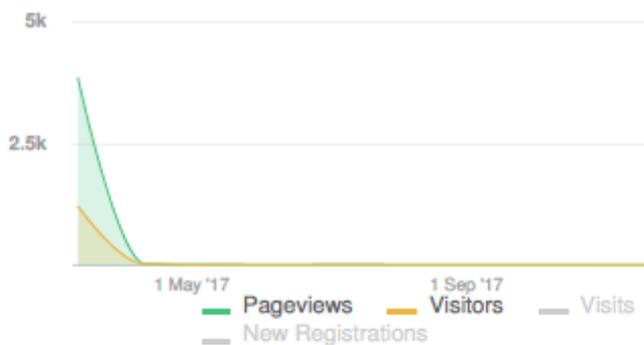
While there is some qualitative and quantitative information from current trial sites there is been no Town of Port Hedland community consultation and engagement to be able to give a complete informed determination of whether declining to support the CDC program would provide a positive or negative social impact on the Port Hedland community.

**ATTACHMENTS**

1. The Town of Port Hedland Alcohol Management Survey 2017
2. Executive Summary: Cashless Debit Card Trial Evaluation 2017
3. Yamatji Marlpa Aboriginal Corporation (YMAC) Statement
4. Bloodwood Tree Association Inc. email
5. Notice of Motion from Councillor Arif



### Visitors Summary



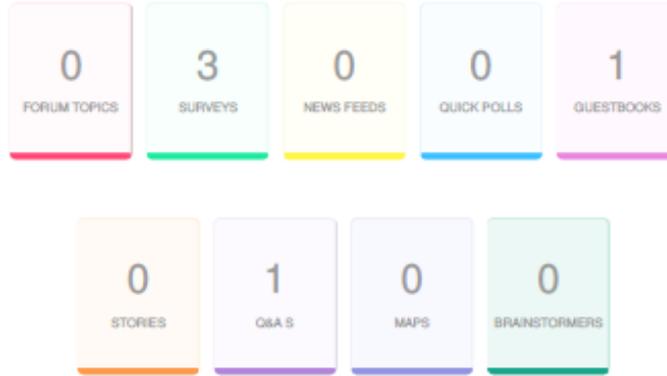
### Highlights

TOTAL VISITS	MAX VISITORS PER DAY	
1.3 k	548	
NEW REGISTRATIONS		
303		
ENGAGED VISITORS	INFORMED VISITORS	AWARE VISITORS
335	932	1.2 k

<b>Aware Participants</b>	<b>1,168</b>	<b>Engaged</b>	<b>335</b>		
<b>Aware Actions Performed</b>	<b>Participants</b>	<b>Engaged Actions Performed</b>	<b>Registered</b>	<b>Unverified</b>	<b>Anonymous</b>
Visited a Project or Tool Page	1,168				
<b>Informed Participants</b>	<b>932</b>	Contributed on Forums	0	0	0
<b>Informed Actions Performed</b>	<b>Participants</b>	Participated in Surveys	335	0	0
Viewed a video	0	Contributed to Newsfeeds	0	0	0
Viewed a photo	0	Participated in Quick Polls	0	0	0
Downloaded a document	0	Posted on Guestbooks	0	0	0
Visited the Key Dates page	0	Contributed to Stories	0	0	0
Visited an FAQ list Page	0	Asked Questions	0	0	0
Visited Instagram Page	0	Placed Pins on Maps	0	0	0
Visited Multiple Project Pages	613	Contributed to Brainstormers	0	0	0
Contributed to a tool (engaged)	335				

Your Say Port Hedland : Summary Report for 25 November 2015 to 12 November 2017

**ENGAGEMENT TOOLS SUMMARY**



Tool Type	Engagement Tool Name	Tool Status	Visitors	Contributors		
				Registered	Unverified	Anonymous
Qanda	Q&A	Draft	0	0	0	0
Survey Tool	Alcohol Management Survey	Archived	919	327	0	0
Survey Tool	DRAFT = Liquor Restrictions Survey- (DRAFT)	Archived	49	8	0	0
Survey Tool	Liquor Restrictions Survey	Draft	0	0	0	0

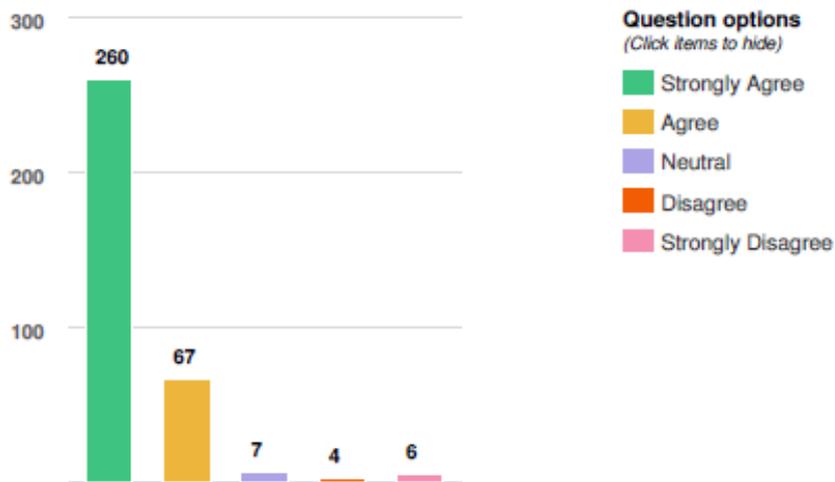
## ENGAGEMENT TOOL: SURVEY TOOL

### Alcohol Management Survey

VISITORS <b>919</b>	CONTRIBUTORS <b>327</b>	CONTRIBUTIONS <b>346</b>
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The Port Hedland Community needs to look at ways to address the problem of alcohol-related violence, criminal activity and anti-social behaviour in our town

(346 responses | 0 skipped)

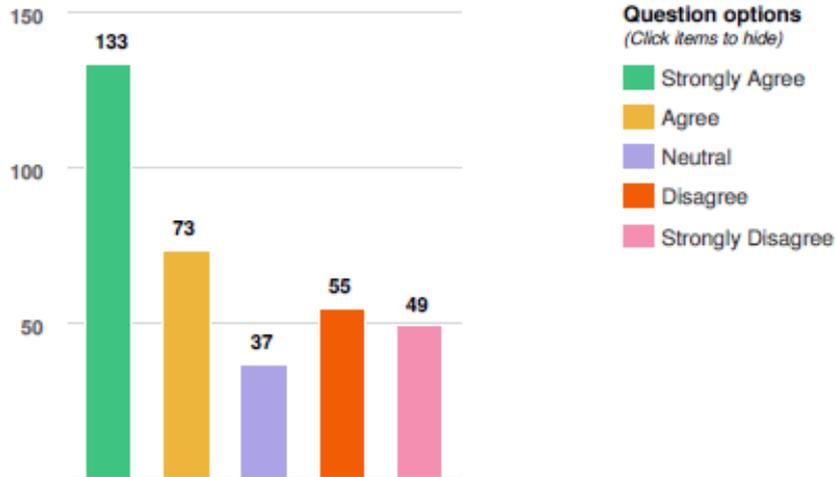


I am in favour of the restriction on the sale of alcohol as outlined above

(346 responses | 0 skipped)

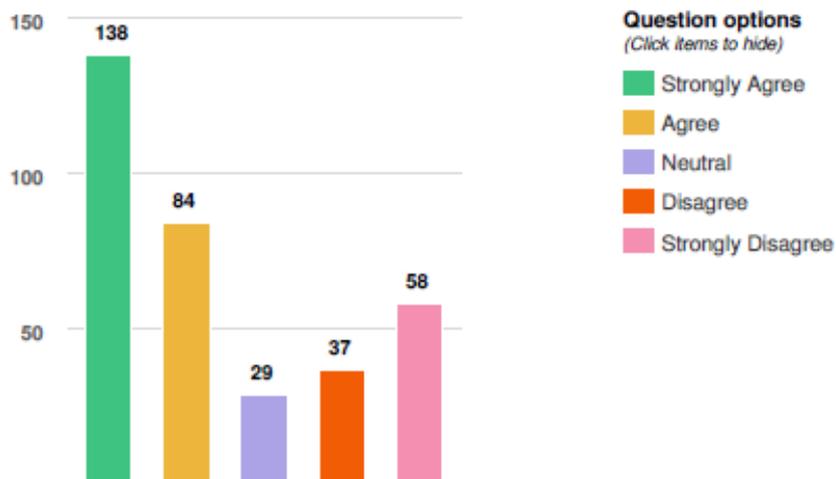
I believe the proposed restrictions on the sale of alcohol as outlined above will excessively limit my ability to purchase alcohol

(346 responses / 0 skipped)



I would support the introduction of a take-away alcohol management system as outlined above in Port Hedland

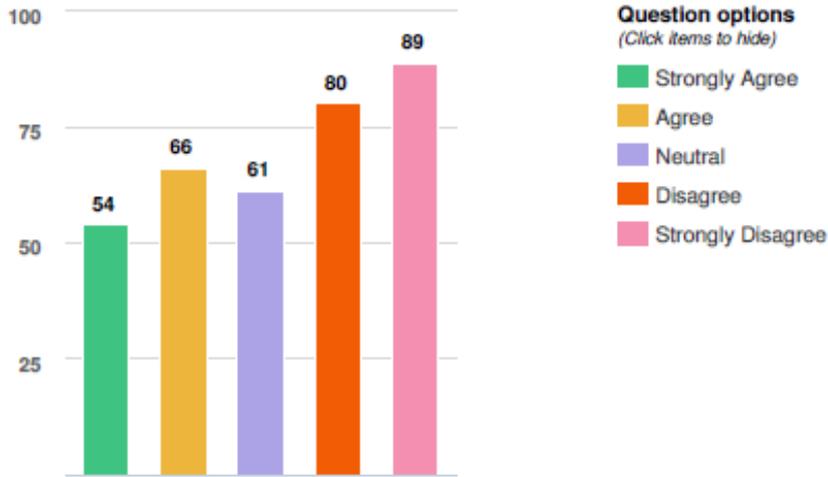
(346 responses / 0 skipped)



Your Say Port Hedland: Summary Report for 25 November 2015 to 12 November 2017

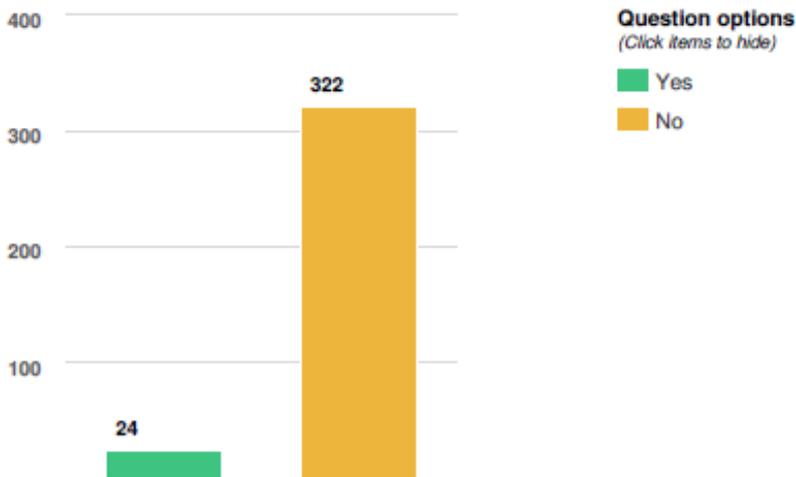
I believe a takeaway alcohol management system will excessively limit my ability to purchase alcohol

(346 responses | 0 skipped)



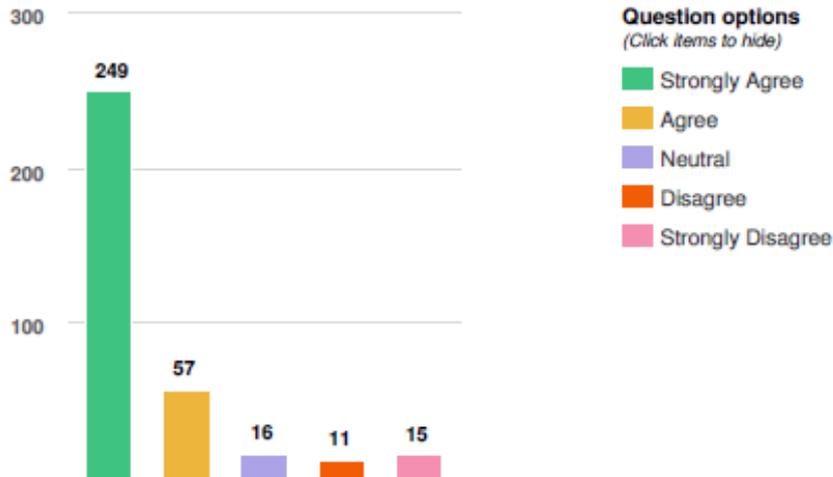
Do you currently receive social security payments other than the aged pension or veterans affairs entitlements?

(346 responses | 0 skipped)



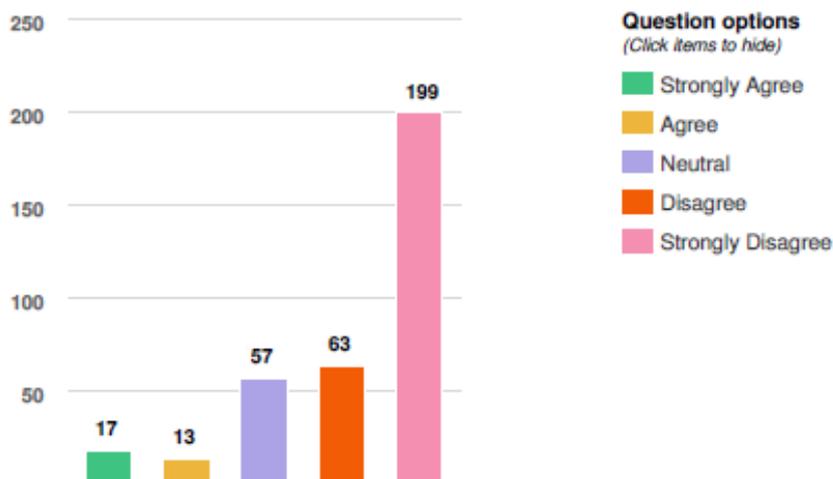
I would support the introduction of a cashless healthy welfare card system as outlined above in Port Hedland as part of a broader approach to reducing alcohol-related harm.

(346 responses / 0 skipped)



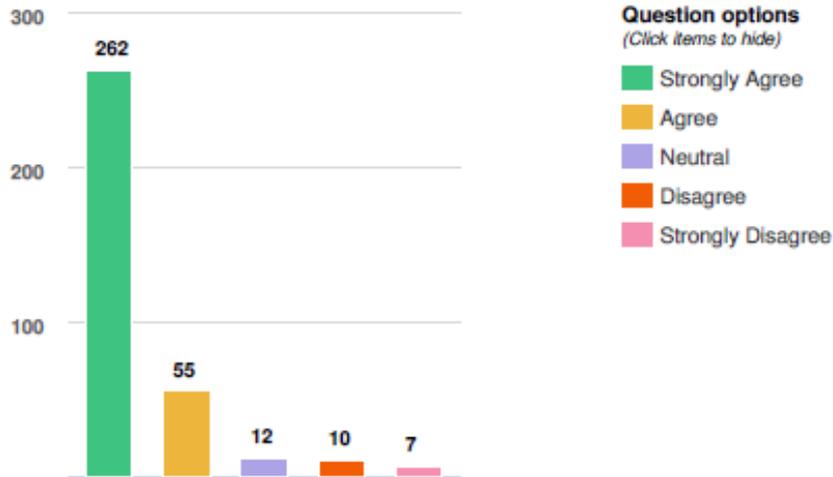
I believe a healthy welfare card will excessively limit my ability to purchase alcohol

(346 responses / 0 skipped)



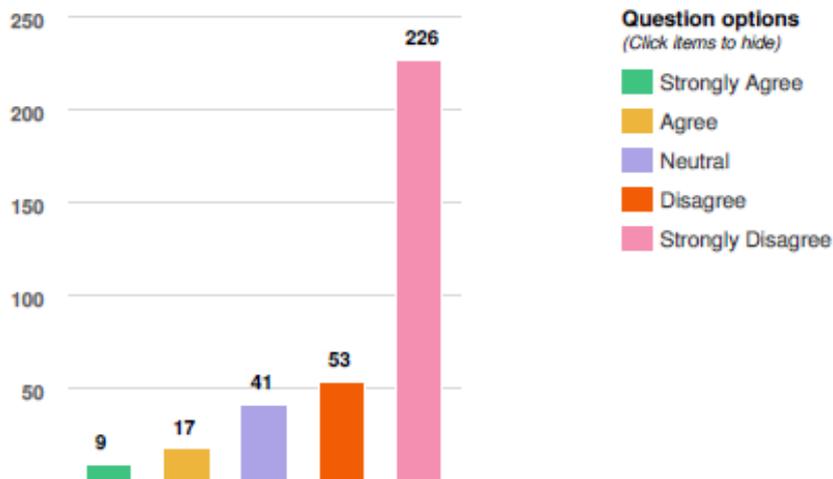
I would support the introduction of court managed alcohol restrictions as outlined above in Port Hedland

(346 responses | 0 skipped)



I believe a court-managed alcohol restrictions will excessively limit my ability to purchase alcohol

(346 responses | 0 skipped)



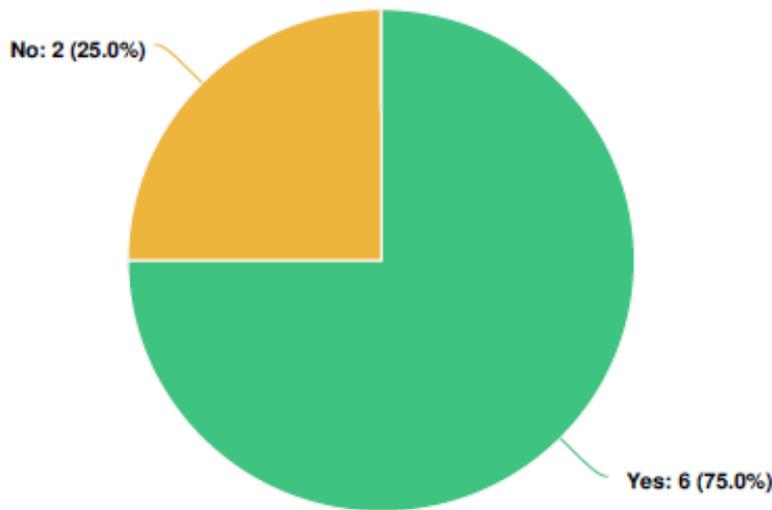
### ENGAGEMENT TOOL: SURVEY TOOL

DRAFT = Liquor Restrictions Survey-(DRAFT)

VISITORS <b>49</b>	CONTRIBUTORS <b>8</b>	CONTRIBUTIONS <b>8</b>
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**In the past 12 months, have you witnessed violence or anti-social behaviour linked to excessive alcohol consumption or drunken behaviour.**

*Optional question (8 responses / 0 skipped)*

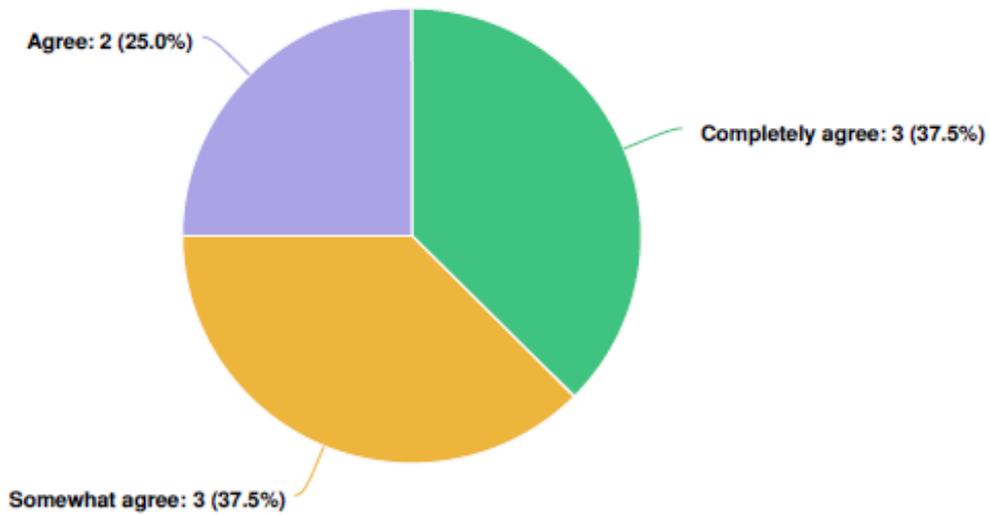


**In the past 12 months have you been personally impacted by violence, criminal activity or anti-social behaviour related to excessive alcohol consumption or drunkenness?**

*Optional question (8 responses / 0 skipped)*

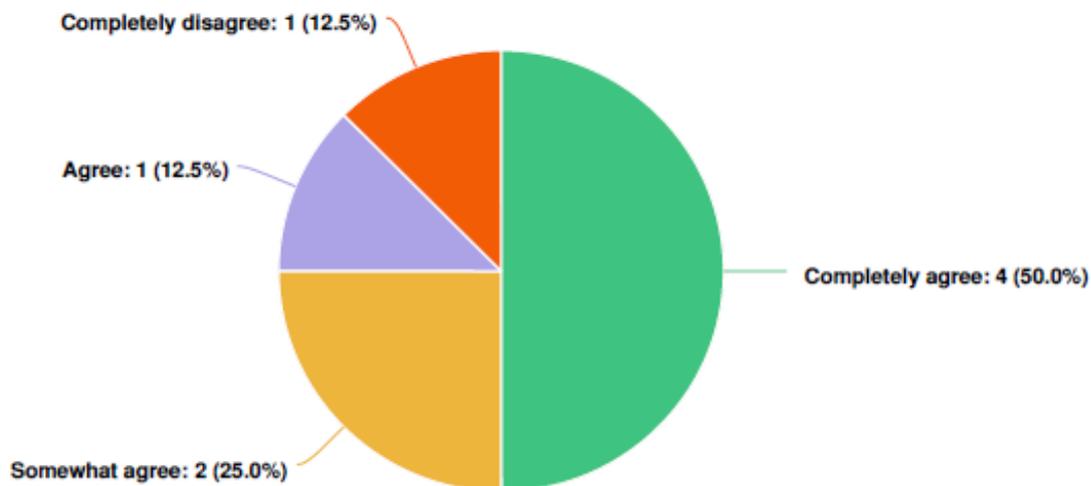
Please provide your response to the following statements: The Port Hedland Community needs to look at ways to address the problem of violence, criminal activity and anti-social behaviour linked to ex...

Optional question (8 responses | 0 skipped)



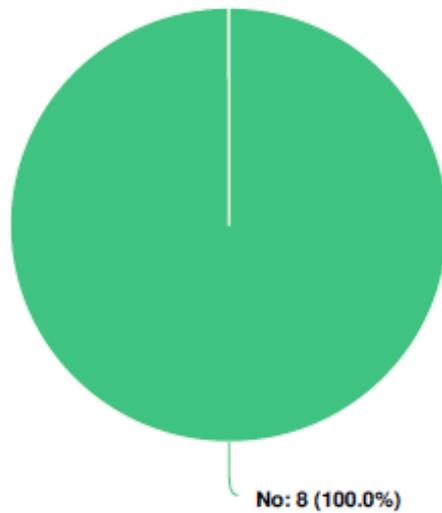
Please respond below to the following statement: I would support the introduction of a take-away alcohol management system as outlined above in Port Hedland:

Optional question (8 responses | 0 skipped)



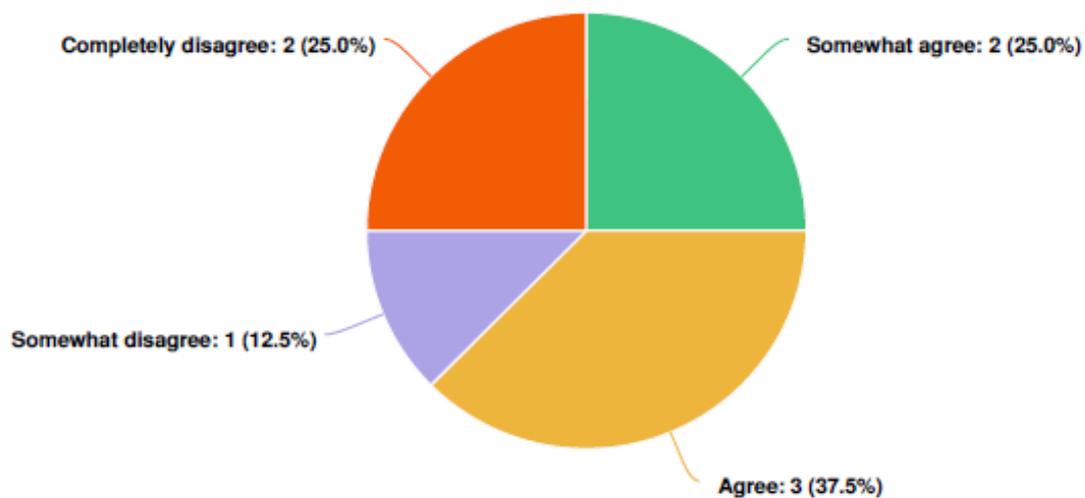
**Are you someone who is currently dependent on social security payments other than the aged pension or veterans affairs entitlements?**

*Optional question (8 responses | 0 skipped)*



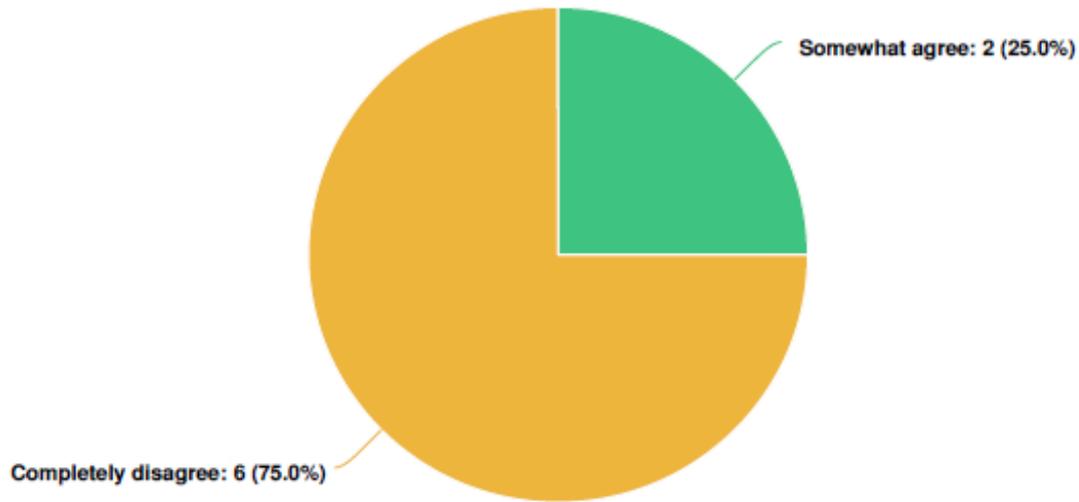
**Please respond below to the following statement: I would support the introduction of a cashless debit card system as outlined above in Port Hedland as part of a broader approach to reducing alcohol-re...**

*Optional question (8 responses | 0 skipped)*



**Based on the information provide above, please respond to the following statement: I am in favour of the restriction on the sale of alcohol as outlined above:**

*Optional question (8 responses | 0 skipped)*



## ATTACHMENT 2 TO ITEM 14.1

*Commercial-in-Confidence*

3

## I. Executive Summary

### Background

With support from the Department of the Prime Minister and Cabinet (PM&C) and the Department of Human Services (DHS), and developed in close consultation with local community leaders, local and state government agencies and other Australian Government agencies, the Department of Social Services (DSS) is conducting a Trial of a Cashless Debit Card (CDC) for income support payments (ISPs) in two remote communities.

The Cashless Debit Card Trial (CDCT) aims to reduce the levels of harm underpinned by alcohol consumption, illicit drug use and gambling by limiting Trial participants' access to cash and by preventing the purchase of alcohol or gambling products (other than lottery tickets). Eighty per cent of CDCT participants' ISPs, as well as other supplementary payments, are directed to a restricted bank account, accessed by the debit card, with the remainder of these payments accessible through a normal (unrestricted) bank account. The percentage of funds accessible in an unrestricted manner (e.g. as cash) may be varied by local community panels, up to a maximum of 50%. Participation in the Trial is mandatory for all working age ISP recipients in the selected Trial sites. Wage earners, Age Pensioners and Veterans' Affairs Pensioners who live in the Trial sites, and people outside of the Trial sites (subject to approval by DSS) can volunteer for the CDCT<sup>1</sup>.

The Trial commenced in Ceduna and Surrounds (South Australia, SA) on 15 March 2016; and in the East Kimberley (EK) region (Western Australia, WA) on 26 April 2016. As at 2 June 2017, there was a total of 2,141 CDCT participants (794 in Ceduna and Surrounds and 1,347 in EK). A large majority of CDCT participants in each Trial site identified as being Indigenous Australians.

ORIMA Research was commissioned by DSS to independently evaluate the Trial in both locations. This report presents the final findings of the evaluation.

### Responses to Key Evaluation Questions

#### What have been the effects of the CDCT on program participants, their families and the broader community?

##### *Have there been reductions in the consumption of alcohol, illegal drug use, or gambling?*

Wave 1 quantitative survey data and qualitative research findings indicated that the first 6 months of the CDCT was associated with a reduction in all three target behaviours among CDCT participants – alcohol consumption, illegal drug use and gambling. Wave 2 data from these sources (collected around 9 months after Wave 1) indicated that these reductions had been sustained and broadened, with a larger proportion of CDCT participants reporting reduced levels of each behaviour (compared to before being on the Trial). In addition, CDCT participant survey results indicated that the reductions in alcohol consumption and gambling were deepened among CDCT participants, with the average reported frequency of alcohol consumption and gambling declining significantly between Wave 1 and Wave 2. On average across the two Trial sites:

<sup>1</sup> As at 26 May 2017, n=6 Trial participants were recorded as having been voluntary CDCT participants.

- ◆ Among CDCT participants who had been consuming alcohol before being in the Trial, the proportion who reported drinking alcohol less frequently than they did before participating increased significantly from 25% (n=345) at Wave 1 to 41% (n=231) at Wave 2.
- ◆ At Wave 2, when asked about having six or more drinks on one occasion, 37% (n=237) of participants who engaged in such drinking before being in the Trial said they were doing this less often than they did before participating, also demonstrating a significant positive change from the Wave 1 result (25%, n=302).
- ◆ At Wave 2, 38% of participants who reported drinking alcohol stated that they drank alcohol about weekly or more often (n=229) - a substantial reduction from 63% at Wave 1 (n=327).
- ◆ Among CDCT participants who had used illegal drugs before being in the Trial, the proportion reporting that they were doing so less frequently than they did before participating increased significantly from 24% (n=84) at Wave 1 to 48% (n=62) at Wave 2.<sup>2</sup>
- ◆ When asked about whether their gambling behaviour had changed since becoming Trial participants, at Wave 2, 48% of those who gambled before the Trial reported doing this less often (n=109), up from 32% at Wave 1 (n=140).<sup>3</sup>
- ◆ In addition, there was a significant increase between Wave 1 (27%, n=85) and Wave 2 (54%, n=86) in the proportion of participants who reported less frequently spending more than \$50 a day gambling than they did before becoming CDCT participants.

The limited available administrative data was consistent with these findings. In particular, in the 12 months following the introduction of the CDCT (April 2016 to March 2017), electronic gaming (poker) machine revenue in the Ceduna and surrounding Local Government Areas (Streaky Bay, Le Hunte, Elliston, and Lower Eyre Peninsula) was 12% lower than in the previous 12 months (April 2015 to March 2016).

#### *Has there been a reduction in crime, violence and harm related to these behaviours?*

At the time of the Wave 1 data collection, there was only limited evidence to suggest that there was a reduction in crime, violence and harm related to alcohol consumption, illegal drug use and gambling since the Trial commenced. Overall, in Wave 2 there was some additional evidence of positive impacts in these domains. However, it is important to note that, with the exception of drug driving offences and apprehensions under the Public Intoxication Act (PIA) in Ceduna, crime statistics showed no improvement since the commencement of the Trial.

Administrative data other than crime statistics provided some evidence of a reduction in harm in the Trial sites.

- ◆ In Ceduna, lower levels of harm related to alcohol consumption were indicated by decreases in alcohol-related hospital presentations, alcohol-related outpatient counselling by Drug and Alcohol Services South Australia (DASSA) and the number of apprehensions under the Public Intoxication Act.

<sup>2</sup> It should be noted that self-reports of illegal drug use in a survey context are subject to a high risk of social desirability bias and should be interpreted with caution.

<sup>3</sup> The change between Wave 1 and 2 was not statistically significant at the 95% level of confidence (but it was at the 94% level).

- ◆ In Kununurra, lower levels of alcohol-related harm were indicated by decreases in alcohol-related pick-ups by the Miriwoong Community Patrol Service and referrals from this service to the Moongoong Sober Up Shelter.
- ◆ In Wyndham, lower levels of alcohol-related harm were indicated by decreases in pick-ups by the community patrol service.

The qualitative research found considerable observable evidence being cited by many community leaders and stakeholders of a reduction in crime, violence and harmful behaviours over the duration of the CDCT across both Trial sites. Indirect evidence of this impact of the CDCT was also reported by the police and some service providers who noted that the police had a greater capacity to conduct positive community engagement/preventative programs since the CDCT, due to the decreased need to perform reactive policing.

- ◆ Community leaders', stakeholders' and merchants' ratings to a short questionnaire in the qualitative research indicated that, overall, they perceived the problem of violence and crime to have diminished in Ceduna between Wave 1 and Wave 2, from 6.2 to 5.0 out of 10 (7.0 pre-Trial), and to have remained relatively stable in EK, from 6.3 to 6.4 out of 10 (8.0 pre-Trial), based on average ratings on a scale of 0 (not at all) to 10 (extremely severe).

#### *Has there been an increase in perceptions of safety in the Trial locations?*

There was no statistically significant change between Wave 1 data collection (a few months post CDCT implementation) and Wave 2 (9 months later) in CDCT participant and non-participant perceptions of safety (as measured in the quantitative survey).

In the qualitative research, community leaders', stakeholders' and merchants' feedback indicated that, overall, they perceived that community safety had increased in their local community during the CDCT period and between Wave 1 and Wave 2.

- ◆ Community leaders', stakeholders' and merchants' ratings of their community's performance in terms of community safety increased between Wave 1 and Wave 2 – in Ceduna from 5.0 to 6.3 out of 10 (4.6 pre-Trial) and in EK from 5.2 to 5.7 out of 10 (4.2 pre-Trial), based on average ratings on a scale of 0 (very poor) to 10 (very well).
- ◆ At Wave 2, many stakeholders reported that there had been greater use of public facilities (e.g. families having picnics, playing ball, etc.) than pre-CDCT. They also cited noticeable increases in the numbers of families and tourists accessing and using public areas (e.g. parks). Furthermore, merchants and stakeholders reported that returning tourists/visitors had commented on feeling safe and had provided positive feedback on the changes in the community.

#### *Have there been any other positive impacts?*

There was considerable evidence from the quantitative surveys and qualitative research to suggest that there were benefits from the CDCT other than those discussed above at an individual and community level in both Trial sites. Many of these benefits can be grouped under a long-term (by 2 years or more after implementation) planned outcome of the Trial that was included in the Program Logic: **increased community, personal and children's wellbeing**.

For example, the quantitative survey results provided indicative evidence of positive **financial impacts** for participants at an overall level, as a result of the Trial. Since being on the CDCT, just under half (45%) of participants on average across the two sites at Wave 2 reported that they had

been able to save more money than before (n=461). This represents a significant improvement on the Wave 1 result of 31% (n=542). This positive trend was reported in both Ceduna and EK.

The quantitative survey also found some indicative evidence of positive impacts on parenting as a result of the Trial. At Wave 2, on average across the Trial sites:

- ◆ 40% of participants who had caring responsibilities (n=198) reported that they had been better able to care for their children since being in the CDCT Trial; and
- ◆ 39% of such participants (n=197) stated that that they had become more involved with their children's homework and school since before being in the CDCT Trial.

Despite these positive improvements, when asked about the impact of the Trial on their child/children's lives overall, participants on average across the two sites reported mixed perceptions. At Wave 2, 17% of participants who had children reported that they felt their lives were better as a result of the Trial (n=198, consistent with 18% at Wave 1 (n=250)), whilst 24% felt their child/children's lives were worse (consistent with 20% at Wave 1). There was no material difference in results across Trial sites.

- ◆ Among participants who said that the Trial had made their child/children's lives worse, the most prevalent reasons were related to not being able to give children cash (n=20) and not being able to buy goods for their children with cash (n=16).
- ◆ Reasons provided for why the Trial had improved the lives of children were mostly related to being able to meet basic needs better (such as food, clothes, etc. n=26).

Subjective wellbeing was also assessed in the quantitative survey by asking participants about the impact of the Trial on their lives. On average across the two sites, at Wave 2 participants were more likely to indicate that it had made their lives worse than better. However, negative perceptions were less prevalent than at Wave 1. At Wave 2, 32% of participants on average reported that the Trial had made their lives worse (n=462), significantly down from 49% at Wave 1 (n=547). The proportion reporting that the Trial had made their lives better, however, remained consistent - 23% at Wave 2 (n=462) and 22% at Wave 1 (n=547).

- ◆ Ceduna participants (28%, n=228) were significantly more likely than those in EK (18%, n=234) to report a positive impact on their wellbeing.
- ◆ Indigenous CDCT participants were significantly more likely than non-Indigenous participants to indicate that their lives were better under the CDCT: 26% (n=405), compared with 15% among non-Indigenous participants (n=56).

### Have there been any circumvention behaviours that have undermined the effectiveness of the CDCT?

Community leaders, stakeholders and merchants interviewed at Wave 1 indicated that they had heard of various CDCT circumventions having occurred. However, they were unable to comment on how widespread such practices were, and it was not possible to quantify the extent of these reported circumventions. It was expected that neither successful circumventions nor the existence of some sources of income outside of the Trial (such as royalties or emergency assistance payments) could have replaced more than a small proportion of the total value of ISPs quarantined by the CDCT.

Overall, the evaluation found that the range of circumventions reported to be occurring at Wave 1 had somewhat reduced at Wave 2, as measures had been put in place to address some of the

circumventions. In addition, further exploration of some of the perceived circumventions conducted at Wave 2 found little evidence to support that they were occurring to a material extent.

### **Have there been any other unintended adverse consequences?**

Consistent with Wave 1, a few stakeholders in the Wave 2 qualitative research reported that some Trial participants who spent their money appropriately felt as though they were being “penalised” and/or “discriminated” against by being forced to participate. These CDCT participants reportedly felt that there was a stigma and sense of shame associated with having a CDC. However, in the quantitative survey, only 4% of all participants on average across the two sites explicitly raised ‘stigma’ or ‘shame’ associated with the card as an issue at Wave 2 (6% did so at Wave 1). At Wave 2, 6% of participants also mentioned lack of freedom and/or concerns about their rights.

Beyond that, adverse consequences for Trial participants predominantly related to complications/limitations experienced by some when using CDCs, such as being unable to transfer money to children that are away at boarding schools and being unable to make small transactions at fundamentally cash-based settings (e.g. fairs, swimming pools and canteens). At Wave 2, the quantitative survey found that 33% of CDCT participants (on average across the Trial sites, n=458) had experienced such issues. This was a significant decrease from the 46% who reported difficulties at Wave 1 (n=538). It should be noted that, by Wave 2, many of the issues had been rectified for most Trial participants through education and assistance with setting up card processes. In addition, measures had been and/or were in the process of being put in place to enable CDCs to be used in traditionally cash-based settings (e.g. EFTPOS facilities introduced at cash-based fairs).

### **What lessons can be learnt to improve delivery and to inform future policy?**

#### *Where has the Trial worked most and least successfully?*

The evaluation findings indicate that the Trial has had a considerable positive impact in both Trial sites. The evidence suggests that the Trial was a little more successful in Ceduna than in East Kimberley, largely due to more effective implementation. That said, at both sites, there was a large degree of support from stakeholders and community leaders for the CDC to be extended across the country because of the positive changes that had been observed as a result of the Trial, which were considered to be applicable on a broader scale.

#### *To what extent can any changes be attributed to the Trial as opposed to external factors such as alcohol restrictions?*

Apart from alcohol restrictions, the CDCT (including the CDC, the additional funding for services provided under the Trial) and State service reform initiatives, qualitative research with community leaders, local merchants and stakeholders did not identify any other potentially substantial influences on alcohol consumption, illicit drug use or gambling in the Trial sites during the CDCT. An analysis of the relative impact on these behaviours of the CDC compared with that of local drug and alcohol support services, as well as financial and family support services (summarised in the next section) indicated that the impact of State service reforms on these behaviours is likely to have been small. The potential impact of alcohol restrictions is discussed below.

The primary evidence for a reduction in alcohol consumption being a direct result of the CDCT presented in this report flows from quantitative survey self-reports by CDCT participants. There is a strong case that these self-reports were not materially influenced/biased by any behavioural

changes associated with alcohol restrictions. The alcohol restrictions in each site had been in place for a considerable period of time before survey respondents commenced in the CDCT<sup>4</sup> and hence the recalled (pre-participation) level of consumption would have reflected a level of consumption that had been fully adapted to the alcohol restrictions (with the exception of CDCT participants who had moved into the Trial area during or shortly before its commencement).

In this context, it is also important to note that the takeaway alcohol restrictions in each Trial site were not highly restrictive (with the exception of bans on sale to residents of certain Aboriginal communities near Ceduna). For example, throughout the Trial, an individual in the EK has been able to purchase (each day apart from Sunday) 22.5 litres of full-strength beer, 4.5 litres of wine and 1 litre of spirits/fortified wine. Therefore, such restrictions are unlikely to have been a binding constraint on consumption for most CDCT participants.

### *Can the contribution of the debit card be distinguished from that of the additional services in the Trial locations provided via the CDCT support package?*

The CDCT support package included investment in additional drug and alcohol support services, as well as financial and family support services. The quantitative survey of CDCT participants indicated that 19% had used a service from either category during the period of the CDCT. Comparative analysis of the self-reported behavioural changes of surveyed CDCT participants who had used these services, and those who had not, indicated that the CDC had a significant positive effect on targeted behaviour (and associated benefits) that was independent of the effect of the services. It should be noted that the analysis tested the effect of all such services (whether part of the additional funding package or not – including services subject to State service reform initiatives). The analysis was suggestive of an additive positive effect (above that of the CDC) of the services on the small proportion of the CDCT population who had used them. However, this was only a relatively small effect for a small proportion of the total participant population.

## Methodology

Based on information about Trial inputs, outputs and intended outcomes provided by DSS, ORIMA Research developed a formal evaluation framework which specified the scope of the evaluation and the key performance indicators (KPIs) that would lead its assessment of the effectiveness of the CDCT.

Five sources of data were used in the evaluation of the CDCT:

1. Two quantitative, face-to-face surveys of CDCT participants (Wave 1: August-September 2016, with 552 participants) (Wave 2: May-June 2017 with 479 participants).
2. A quantitative, face-to-face survey of family members of CDCT participants (August-September 2016, with 78 family members).
3. Two quantitative, face-to-face surveys of other community members - i.e. not CDCT participants and not family members of participants (Wave 1: August-September 2016, with 110 people) (Wave 2: May-June 2017 with 141 people).
4. Qualitative research interviews and focus groups with community leaders, stakeholders and merchants (April-May 2016, with 37 people) (August-October 2016, with 73 people) (May-June 2017, with 86 people).

<sup>4</sup> In EK, the alcohol restrictions applying during the course of the CDCT had been put into place in 2011 (with strengthened compliance via the Takeaway Alcohol Management System introduced in December 2015). In Ceduna, the alcohol restrictions applying during the course of the CDCT had been put into place in 2012.

5. Administrative data sourced from the CDC provider (Indue Limited), DHS, state government agencies and local service providers.

The quantitative surveys were the primary data sources, with one or more of these surveys specified as a data source/s for all of the outcome KPIs in the evaluation framework. This is reflected in the relative prominence of these data sources in the findings presented in this report.

The surveys at both Wave 1 and 2 were based on a systematic intercept sampling methodology. There was also a longitudinal survey component - 134 CDCT participants who were interviewed in the Wave 1 survey were also interviewed in the Wave 2 survey. All surveys were conducted by ORIMA's Indigenous Fieldforce, consisting of trained Indigenous interviewers supported by other experienced researcher interviewers and some local Indigenous people in support roles. This helped ensure that data collection was conducted in a culturally appropriate and sensitive manner.

Each of the data sources used has its limitations. In particular, the following limitations should be considered in interpreting the findings of the surveys and the qualitative research:

- ◆ As most of the research fieldwork was conducted 6-12 months after the commencement of the CDCT, recall error is likely to be present in the reports of conditions prior to the commencement of the CDCT.
- ◆ When reporting on their own behaviours, survey respondents may be prone to social desirability effects and hence respond in a socially acceptable way. In order to minimise this source of error, interviewers were trained to remain impartial and free from judgement when conducting interviews and respondents were also provided with full confidentiality of responses.

The analysis of administrative data was subject to the following limitations:

- ◆ imperfect alignment between the CDCT evaluation KPIs and the available administrative data
- ◆ unavailability of adequate time series data to perform robust pre-Trial and post-Trial comparisons
- ◆ low numbers of cases (as a result of small population numbers in the Trial sites) which led to considerable volatility over time in the measures and made it difficult to detect trends
- ◆ comparison site data were only available for a limited number of measures
- ◆ recording and collection issues with administrative data sets which reduced their reliability.

## Conclusions

1. The evaluation findings indicate that the CDCT has been effective in reducing alcohol consumption and gambling in both Trial sites and are also suggestive of a reduction in the use of illegal drugs.
2. The evaluation findings show some evidence that there has been a consequential reduction in violence and harm related to alcohol consumption, illegal drug use and gambling.
3. The evaluation findings provide limited evidence of an improvement in perceptions of safety in the Trial locations.
4. The evaluation findings indicate that the Trial has had widespread positive spill-over benefits.
5. The evaluation findings indicate that many Trial participants initially had negative perceptions of the Trial, but that acceptance has increased over time.

*Commercial-in-Confidence*

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6. The evaluation findings indicate that many Trial participants have experienced complications and limitations when using CDCs, but that these issues have been ameliorated over time as a result of greater familiarity, as well as education and assistance provided by DSS, Indue Limited and its Local Partners.

## ATTACHMENT 3 TO ITEM 14.1



Geraldton | Hedland | Perth  
[www.ymac.org.au](http://www.ymac.org.au)

## YMAC Board Does Not Support Cashless Welfare Card

MEDIA RELEASE: 17 August 2017

Yamatji Marlpa Aboriginal Corporation (YMAC) is the Native Title Representative Body for the Traditional Owners of the Pilbara, Midwest, Murchison, and Gascoyne regions of Western Australia (WA). YMAC represents 24 native title claim groups and supports a further eight native title prescribed body corporate (PBC) organisations; and provides legal services to other related entities. In total, YMAC's remit represents one-third of WA's total land mass and includes regional towns from Geraldton to Port Hedland and into the desert.

The YMAC Board of Directors are representatives of Aboriginal native title claim groups, PBCs, corporations and communities across WA. The YMAC Board **does not support** the cashless welfare card being promoted by Andrew Forrest because it unfairly discriminates against Aboriginal people. The Minderoo Foundation video displaying footage of Aboriginal violence is presented out of context; and suggests that this is the expectation that the wider Australian community should have of Aboriginal people. It is an attempt to dismantle Aboriginal culture. The negative imagery is not in any way a fair representation of the way Aboriginal people conduct themselves. The video targets vulnerable people and unfairly exploits them. It perpetuates a racist stereotype that is held within the non-Aboriginal community that these people cannot be trusted to manage their own affairs. This propaganda is damaging to the good work that many are doing to build positive relationships between Aboriginal and non-Aboriginal people. The Minderoo Foundation video demeans people in a shallow attempt at promoting a solution that is known to be ineffective and promotes a wider divide between our citizens. The type of dictatorial approach in addressing Aboriginal issues is an archaic way of dealing with the relationship. In support of Senator Dodson's comments, *regional WA towns are not 'war zones' and the people who live there should be treated with respect. We need community buy-in to develop strategies to deal with the factors that make communities fail. The goal has to be to make them flourish with incentives rather than condemn them and reduce them to dependence and constant surveillance.*

Does Andrew Forrest have the authority of elders to advocate the cashless welfare card? As the peak representative body for over one million square kilometres of Country in the affected regions discussed, YMAC has yet to be consulted, and as Board members who live on Country, with an ear to the ground we have not heard of any widespread consultation taking place.



Geraldton | Hedland | Perth  
[www.ymac.org.au](http://www.ymac.org.au)

Taking into account the trials that have been conducted, there has been no definitive evidence that the cashless card will solve the issues it was intended to on a wider audience. In fact, evidence was presented this week at the inquest into Aboriginal youth suicide in North West WA that the cashless welfare card contributed to the problems of violence and mental health. The YMAC Board welcomes the opportunity for consultation and collaboration with Andrew Forrest, The Minderoo Foundation and the Australian government. Together we can design and implement solutions that are consistent with Aboriginal people's need for self-determination and the right to pursue self-developed solutions.

YMAC CEO Simon Hawkins states "... YMAC and the Australian public needs to see the data from the trial of the program to determine the merits of the cashless card, not just selective evidence from a few individuals. Broader consultation with the Aboriginal communities likely to be impacted by the program is needed to empower Aboriginal people to make informed choices on these matters."

Ms Natalie Parker  
Co-Chair (Pilbara)

A handwritten signature in black ink, appearing to read "N. Parker".

Mr Peter Windie  
Co-Chair (Yamatji)

A handwritten signature in black ink, appearing to read "P. Windie".

Yamatji Marlpa Aboriginal Corporation (YMAC) is the native title representative body for native title claims in the Pilbara, Murchison and Gascoyne areas of Western Australia. The organisation has a representative area of almost one million square kilometres and represents over 20 native title claims, all with their own language, culture and traditions.

YMAC is a not-for-profit organisation run by an Aboriginal Board. It provides a range of services to its members including claim and future-act representation, heritage protection services, community and economic development, and natural resource management.

For interviews please contact Melissa Luciola on 0458 010 483 or at [mlucioli@ymac.org.au](mailto:mlucioli@ymac.org.au)

**ATTACHMENT 4 TO ITEM 14.1****Trina Stoddart**

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**From:** Kelly Howlett <ceo@bloodwoodtree.org.au>  
**Sent:** Thursday, 16 November 2017 3:04 PM  
**To:** Trina Stoddart  
**Subject:** Bloodwood Tree Board **View:** Federal Government welfare card  
**Importance:** High

Dear Trina,

Good afternoon and thank you for your phone call. Please find below the formal Bloodwood Tree Board position on the welfare card.

Just for your information, when the vote was taken on this position it was 4/1 (with Alfred Barker being the only Board member against this view). So the motion still carried and is the formal view of the entire Board.

**Federal Government Welfare Card (white card)****Bloodwood Tree Board Position – does not support the Federal Government Welfare Card (white card) introduction**

1. Bloodwood Tree Association feels it should not be a “one approach” for all. There should be an amount of choice (ability for people to choose to go onto it and alternatively not go onto it).
2. Bloodwood Tree Association feels welfare recipients need more educational opportunities around budgeting, financial obligations, availability of resources such as financial counsellors
3. Bloodwood Tree feels strongly that there should be more support and assistance provided for the wrap around support services to welfare recipients and options such as fortnightly financial planning workshops and services for those that need it, financial counselling and support programs for recipients experiencing extreme financial hardship.

**Background**

The trial commenced in the Kimberley in April 2016. Most people who receive welfare payments and live in Kununurra and Wyndham are taking part in the trial. That is, people who receive payments from Centrelink like Newstart, Disability Support Pension, Parenting Payment and Carers Payment.

- 80 per cent of your fortnightly payment is paid onto the card
- 20 per cent is paid into your regular bank account.
- The cashless debit card looks and operates like any other bank card
- It can be used in stores that have an EFTPOS machine
- The card cannot be used to buy alcohol, gambling products or withdraw cash
- It works online, for shopping and paying bills
- People can still use Centrepay and the Rent Deduction Scheme from Centrelink.

Anything further please do not hesitate to let me know.

Kind Regards,

Kelly Howlett

Kelly Howlett  
Chief Executive Officer  
Bloodwood Tree Association Inc  
Ph 08 9138 3010 mob 0439941431



**BLOODWOOD TREE  
ASSOCIATION Inc.**

*I acknowledge and respect the traditional Indigenous owners of the land on which I work, the first people of this country. I pay my respects to them, their culture, and their Elders past, present and future.*

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**ATTACHMENT 5 TO ITEM 14.1**

I, Cr Julie Arif wish to present this Motion on Notice

Motion

That with respect to the Cashless Welfare Card, Council

- (a) has a position of not supporting the introduction of the Cashless Welfare card in our Town.
- (b) Ensure to all delegations, media releases, meetings , this position is made clear to all.

Signed



Date 1 Nov 2017