

Report on the evaluation of income management in the Northern Territory

**Australian Institute of Health and Welfare
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Executive summary

Background

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

Income management works by holding back 50% of certain income support and family payments to ensure that 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 across the Northern Territory from September 2007. The implementation of income management was completed in October 2008.

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

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

About the evaluation

The Department of Family, Housing, Community Services and Indigenous Affairs (FaHCSIA) had primary responsibility for the 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 studies.

The evaluation report also drew on other FaHCSIA research studies that had some information about the effectiveness of income management. These were:

- a telephone survey of 66 community store operators (out of a total of 84 licensed stores) that was conducted in-house
- an earlier survey of 49 Government Business Managers (GBMs), working in 71 of the prescribed communities, that was conducted by a consultant
- an earlier qualitative report on community consultations, in four other remote communities, that was conducted by a consultant.

The Australian Institute of Health and Welfare (AIHW) was engaged to compile the information from these various sources and to write the evaluation report. This was

structured around key evaluation questions about how well the program was implemented and administered, and whether there was evidence that income management 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 studies used in the income management evaluation (point-in-time descriptive surveys and qualitative research) would all sit towards the bottom of an evidence hierarchy. A major problem for the evaluation was the lack of a comparison group, or baseline data, to measure what would have happened in the absence of income management.

The approach taken by the AIHW in writing the evaluation report was to triangulate the findings of a number of different studies by looking for common issues and themes, and to draw these together around the key evaluation questions. While 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 in isolation from other NTER measures was difficult to assess..

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 was dependent 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 these views were supplemented by empirical indicators that showed evidence of the changes reported by the various stakeholders.

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 4 locations, who were not randomly selected for interview.

The stakeholder focus group report did not attribute many of the findings to particular stakeholders. It was therefore often difficult to identify whose views were 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 included information on community views of income management. The data showed that there were mixed views about income management:

- Around two-thirds of clients interviewed (65.6% or 42) had a positive view of income management, while one-third (32.8% or 21) had a negative view.
- The stakeholder focus groups reported that community views about income management were initially tied up with 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 were starting to see the practical benefits.
- But 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 parents interviewed reported that their children were eating more (62.5% or 30), weighed more (57.4% or 27) and were healthier (52.1% 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% or 30), less drinking/alcohol abuse (60.9% or 28) and less 'humbugging' (harassment for money) (52.1% 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 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% or 55) reported spending more on food, with half (50.0% or 37) buying more fruit and vegetables.
- Over two-thirds of store operators (45 or 68.2%) reported an increase of 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 the studies:

- The majority of store operators who answered the question (73.3% or 22) reported that cigarette sales were unchanged.
- But over half of clients surveyed (55.7% or 39) reported spending less on cigarettes.
- Sixty-five per cent of clients (42) reported spending less on gambling.
- Most clients (51 out of 67) said that the question on alcohol was not applicable to them, but all of those to whom the question was applicable (23.9% 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 clients interviewed reported that the payment of rent (55.4% or 41) or other bills (52.8% or 38) had been easier since they had been on income management.
- One-third of clients (32.9% or 24 clients) reported purchasing big or expensive items and nearly four in ten clients (38.7% or 29) reported saving money.

Implementation and administrative issues

On the question on how well income management had been implemented, data came from the 2008 Community consultation report, the client interviews and the stakeholder focus groups.

There were a number of implementation issues associated with the initial income management regime, but administration of the scheme 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 – the focus groups reported that the card was seen as more versatile and more portable as it could be used in wide range of stores 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 clients (18.9% or 14) reported seeking assistance with managing their money, with less than one in ten (7) receiving advice from Centrelink.

1 Background

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. The NTER comprised the following seven key measures (with a larger number of sub-measures):

- welfare reform and employment (with 5 sub-measures)
- promoting law and order (7 sub-measures)
- enhancing education (5 sub-measures)
- supporting families (4 sub-measures)
- improving child and family health (3 sub-measures)
- housing and land reform (5 sub-measures)
- coordination (7 sub-measures).

The measures were implemented progressively in 73 Indigenous communities and town camps across the Northern Territory. A number of Australian Government agencies were involved in the implementation and administration of the measures. It was estimated that the NTER measures directly affected 45,500 Aboriginal men, women, and children – over 70% of the estimated Aboriginal population (64,500 in 2006) in the Northern Territory (NTER Review Board 2008).

The current Australian Government, which was 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 *Report of the Northern Territory Review Board* was released in October 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*. This paper forms the basis of the consultations on the future of the NTER which the Government is currently conducting. These consultations are discussed in more detail later in this section.

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 sub-measures:

- 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.

The Department of Family, Housing, Community Services and Indigenous Affairs (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 that this money can be spent on priority needs. In the Northern Territory the amount of money that is withheld for income management is:

- half (50%) of most income support and family assistance payments
- all (100%) of most advances and 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 4).

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 then spend 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 in communities where 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 1.1 for the income management timeline). This meant that there was very limited time for forward planning, and that the administrative infrastructure required to implement 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 strategy was developed to roll out income management in a staged way (FaHCSIA 2008). The staged approach 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 first be met in each community.

In the weeks leading up to the commencement 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
- GBM support was in place
- community store(s) were licensed and signed up to a Centrelink income management contract, or store cards were 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 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 1.1 Timeline for income management in the Northern Territory

2007	
15 June	<i>Little Children are Sacred</i> report released
21 June	Northern Territory Emergency Response announced
14 July	Welfare reform program announced
17 July	Legislation passed and assented (introduced 7 July 2007)—lifted remote area exemptions, abolished CDEP and allowed for the introduction of income management
21 July	Cut-off date for residential eligibility for income management
20 August	Community engagement prior to income management commenced
15 September	Pornography restrictions in place Alcohol restrictions in place
17 September	Roll-out of income management commenced
10 December	Moratorium on phasing out CDEP
2008	
30 April	Announcement on CDEP reforms
6 June	NTER Review Board announced
27 October	Roll-out of income management completed
1 July	CDEP restored as interim measure in communities were removed
8 September	BasicsCard roll-out commenced
13 October	Report of the NTER Review Board released
23 October	Government released interim response to the NTER Review; income management extended for at least 12 months
15 December	BasicsCard roll-out completed
2009	
21 May	Australian Government releases <i>Future Directions for the Northern Territory Emergency Response</i> and final response to the NTER Review
Early June	Government commences consultations on the future directions of NTER

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 for 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 (see Appendix 1 for the dates that income management commenced in each community).

The initial income management system

Under income management, clients receive half 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, in order to help them to work out their priority needs and to 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
- to 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.

Any funds that were not allocated were held in an individual's income managed account, where money could 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 purchase 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-Myer and Woolworths. Store cards, which work like vouchers, can only be issued during Centrelink business hours. They are suitable for people either living near metropolitan areas in town camps or for people 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 in order to provide greater flexibility in the income management system, and to increase client choice about where they spent their income managed funds.

The BasicsCard is intended to be used for everyday purchases such as food, clothing and household items. An agreed amount of income managed funds is credited to the card and this 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 a free 1800 phone number through which clients can 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 or on advice from Centrelink primarily to the following 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. It may also exclude clients 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 were able to demonstrate a capacity to participate in the requirements of income management. This capacity was demonstrated by having a reasonable quality, quantity and range of groceries and consumer items, including healthy food and drinks, which were available and promoted at the store, and by having sound financial structures and retail and governance practices.

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 up 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 license, 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 a period of six months, or for a shorter time where issuing an interim licence was more appropriate. The way stores are operating 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 for other reasons could not be licensed, 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 where income management had not commenced. Workshops were conducted prior to the introduction of income management, and again after it had commenced.

Money management workshops were tailored to the communities and provided basic budgeting support, and where necessary referred people 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 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 referral 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 that Centrelink was offering through income management (FaHCSIA 2008).

In 2008 there were four established Money Business services in the Northern Territory that 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, with services currently available in 111 locations.

The continuation of income management

The NTER Review Board was an independent body appointed by the Minister to conduct a comprehensive and independent review of the NTER measures. The Board presented its report and recommendations to Minister Macklin 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 Aboriginal Australians living in remote communities in the Northern Territory; the need for government to rebuild their relationship with Aboriginal people based on genuine consultation, engagement and partnership; and the need for government actions affecting Aboriginal communities to respect Australia's rights and obligations and conform with the *Racial Discrimination Act 1975* (RDA).

In relation to income management, the Review Board found that 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 of their income quarantined. It also recommended that compulsory income management should only be applied 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 that it would continue with compulsory income management for a further 12 months, before transitioning to a long-term development phase. The processes needed for the continuation of income management are currently being implemented in a staged way across the prescribed communities and town camps. These include community consultation, extension of store licenses and notifying each income managed client of the continuation of income management.

The Australian and Northern Territory Governments 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 sets out a number of proposals for how the measures should be continued and community views are being sought on these.

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 RDA. The Government noted that, where necessary, it would change the NTER measures to conform with the RDA. 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 the program 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. The purpose of these consultations is 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 of the specific measures in detail
- enable participants to provide feedback on the Government's position, on what is working well and on any changes people are seeking.

The consultations are being 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 (CDU 2008). There was evidence of both positive outcomes and no impact of income management on the various behaviours that 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 that there were greater school enrolments, better child and maternal health and evidence of 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 (TANF) 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 TANF had positive benefits for social security administrators by reducing case load and had some positive effects on employment rates, but that the impact of TANF on family incomes and the lived experience of poverty was less clear.

The literature review outlined some 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 incomes, 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 3) 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.

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 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 of the measures are broadly directed at protecting children, improving their wellbeing and making communities safer. Many of the measures have very 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:

- 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 which 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 which 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 7 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. In order to address these questions, the AIHW compiled evidence from a variety of 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 can be found in *Section 3*.

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?
 - Has there been an improvement in food security and food choices?
- Was less individual/family income being spent on excluded items and/or harmful behaviours?
- Has people's capacity to manage money improved?
- Has 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.

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, that 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% of the total population in the Northern Territory that is subject to income management.

These locations are also shown on the map provided in Appendix 2 and are described in more detail below:

- 1) Tennant Creek is the fifth largest town in the Northern Territory with a population of 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, 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.
- 2) Ngukurr is a community situated 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 7 homeland centres (outstations) which 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.
- 3) Gapuwiyak is a community located in North East Arnhem Land. It has a population of 950 people, with 296 on income management at the end of March 2009.
- 4) Aputula (Finke) is a remote community south of Alice Springs, near the South Australia and Northern Territory border. 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. There are 250 people who live in the community, with 69 on income management at the end of March 2009.

2009 Stakeholder focus groups

The company ORIMA Research (2009) was engaged 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 5 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 to guide the discussion in each of the focus groups, to ensure the groups addressed the issues of interest. Additional feedback was obtained through in-depth interviews with individual stakeholders and via 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 interview process 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 5). Respondents found the interview process very long and many did not answer all questions.

A total of 76 interviews were completed, with the characteristics of respondents shown in Table 2.1. Over four in ten clients (43% or 33) of the sample were from Gapuwiyak, 22% (17) were from Ngukurr, 21% (16) from Tennant Creek and 13% (10) from Aputula (Finke). Two-thirds (67%) of people in the interview sample were women, while half were aged under 35 years. Around two-thirds (68%) 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 2.1 Characteristics of clients interviewed

	No.	%
Location		
Ngukurr	17	22.4
Gapuwiyak	33	43.4
Aputula (Finke)	10	13.2
Tennant Creek	16	21.1
Sex		
Female	51	67.1
Male	25	32.9
Age group^(a)		
Under 35 years	37	50.7
Over 35 years	36	49.3
Number of children		
0 children	24	31.6
1 child	17	22.4
2 children	10	13.2
3 children	7	9.2
4 children	4	5.3
5+ children	14	18.4
Total	76	100.0

(a) There were 3 clients whose age was not recorded; these were excluded when calculating percentages.

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%) and the total income managed population (49%) were aged under 35 years. There was a slightly higher proportion who were female (67%) compared with the total income managed population (61%).

The interview participants were not spread evenly across the four communities surveyed. Over 4 in 10 (43.4%) 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 prior to 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 Money Business worker, the school principal and the youth programs coordinator
- Nguiu – a large community meeting (75 participants), three smaller groups (total of 44 people) and consultations with shire staff.

2008–09 Stores post licensing monitoring report

As part of the process for monitoring the impact of the licensing of stores and income management, FaHCSIA staff conducted a telephone survey of community store operators at least 12 weeks after the income management was introduced into their community. The interviews were conducted in three rounds from February 2008 to May 2009. The final report 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 for the NTER Review. The aim of the survey was to get GBMs' 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 (2008) was engaged to undertake the survey and the results were reported in July 2008 in the *Survey of Government Business Managers relating to the impact of the Northern Territory Emergency Response: report of findings*.

The research comprised an online survey completed by 49 GBMs working in 71 of the 77 prescribed communities or town camps. The GBMs had been in the communities for varying periods at the time of the survey – 59% of GBMs had been there for six months or more, 34% between 3 and 6 months and 7% for less than 3 months. In most communities (69%) income management was established after the arrival of the GBM, while in 18% of communities 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). There was a section in the submission on income management that contained information on its implementation, issues that had been identified by the department, and key service delivery challenges and responses.

Strengths and weaknesses of the evaluation methodology

Ideal evidence for social policy evaluations

The strength of evidence provided by research studies is dependent on both the methodology used and the quality of the 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 the available evidence, with randomised control studies, or systemic reviews of them, seen as 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 that 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 (75 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. While 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, the overall evidence about the effectiveness of income management in isolation from other NTER measures was difficult to assess.

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 birthweight.

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, ranging from clients and community representatives to 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 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.

Coverage of income management

At June 2008 there were an estimated 45,654 Indigenous persons resident in the NTER prescribed areas that were subject to income management. Around 28,000 of these residents were adults aged 18 years and over (NTER Review Appendix 9). The Australian Bureau of Statistics (ABS) Census data on labour force status show that one-third (33.3%) 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).

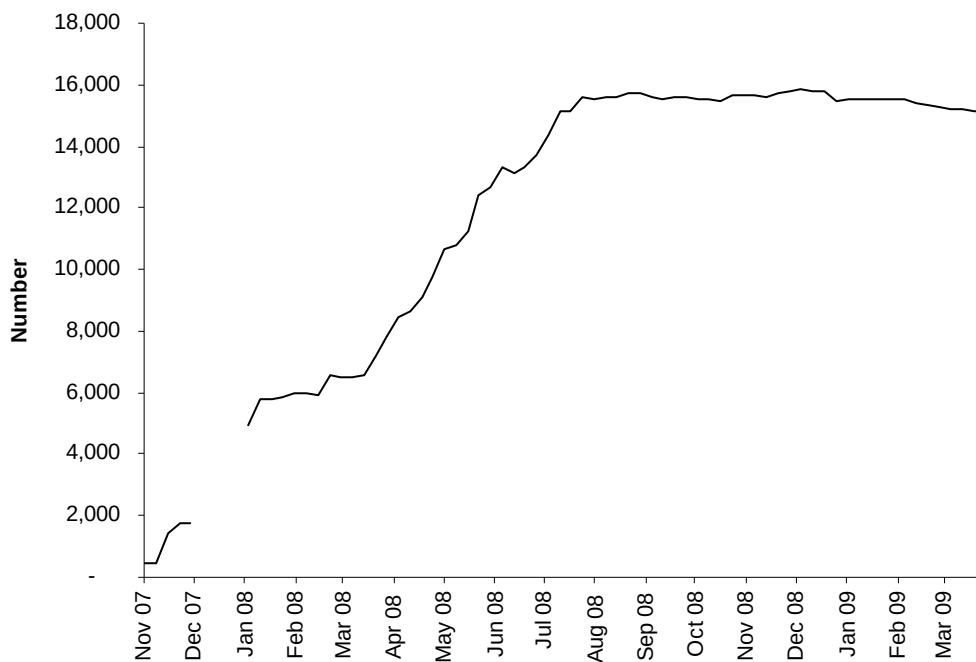
Data from Centrelink indicated that at the end of 2008, there were 19,443 income support recipients living in the NTER prescribed areas, a little over two-thirds of the population aged over 18 years (FaHCSIA 2009b). Therefore just under one-third of the adult population in these areas was not receiving income support payments, a figure that is consistent with the ABS labour force data. Over three-quarters of those on income support payments (77% 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 3.1).

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.



Note: Data were not available for the period from 14 December 2007 to 10 January 2008.

Source: Centrelink administrative data.

Figure 3.1: Number of income managed clients, 9 November 2007 to 31 March 2009

Characteristics of income managed clients

Payment type

The most common payment type received by income managed clients was Newstart Allowance (38.0%), followed by the Disability Support Pension (19.0%), Parenting Payment Partnered (13.7%) and Parenting Payment Single (11.2%) (Table 3.1).

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

The pattern of payments for females was spread more evenly across four payment types. One quarter (25.3%) of income managed females were in receipt of Newstart Allowance, 15.1% were in receipt of Disability Support Pension, 22.7% were in receipt of Parenting Payment Partnered and 18.3% were in receipt of Parenting Payment Single. These four payments accounted for 81.4% of all income managed payments to women.

Table 3.1: Income managed clients by primary payment type and sex, 27 March 2009

	Male		Female		Total	
	No.	%	No.	%	No.	%
Newstart Allowance	3,448	57.0	2,302	25.3	5,750	38.0
Disability Support Pension	1,503	24.8	1,373	15.1	2,876	19.0
Parenting Payment Partnered	14	0.2	2,065	22.7	2,079	13.7
Parenting Payment Single	37	0.6	1,661	18.3	1,698	11.2
Age Pension	386	6.4	681	7.5	1,067	7.0
Youth Allowance	394	6.5	363	4.0	757	5.0
ABSTUDY– Secondary/Tertiary	192	3.2	196	2.2	388	2.6
Carer Payment	50	0.8	251	2.8	301	2.0
Family Tax Benefit only ^(a)	8	0.1	92	1.0	100	0.7
Other	21	0.3	98	1.1	119	0.8
Total	6,053	100.0	9,082	100.0	15,135	100.0

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

Notes

1. Data for 27 March 2009 were used, as complete data for income support (ISP) payments by client for 31 March were unavailable. At 31 March there were 10 fewer clients than at 27 March.
2. Other includes Widow Allowance, ABSTUDY schooling applicant, Wife Pension Age, Partner Allowance, Wife Pension, Disability Support Pension, Carer Allowance, and Sickness Allowance.

Source: Centrelink administrative data.

Sex

At 31 March 2009, there were 9,076 females on income management and 6,049 males. Six in ten (60.0%) income managed clients were female. The high proportion of females may in part be related to more males being on the Community Development Employment Program (CDEP) which 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% (3,788) were male and 36.0% (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.

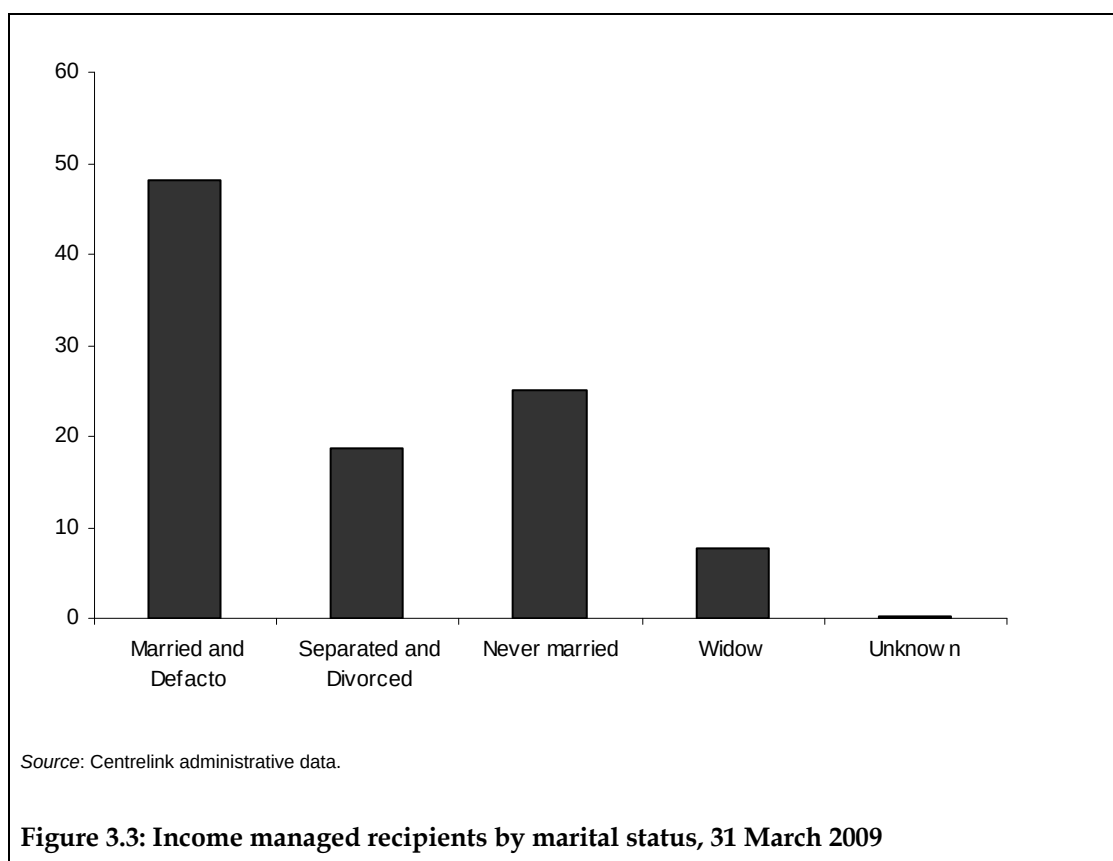
Age

Income managed clients were relatively young. At the end of March 2009, the largest proportion were aged 25–34 years (25.6%), followed by those aged 15–24 years (23.0%) and 35–44 years (22.4%) (Figure 3.2). The relatively young age of clients on income management in part reflects the younger age structure of the Aboriginal and Torres Strait Islander population.



Marital status

Nearly half (48.2%) of income managed clients at 31 March 2009 were married or in a de facto relationship (Figure 3.3). Another quarter (25.1%) of clients had never married, 18.7% were separated or divorced and 7.8% were widowed.

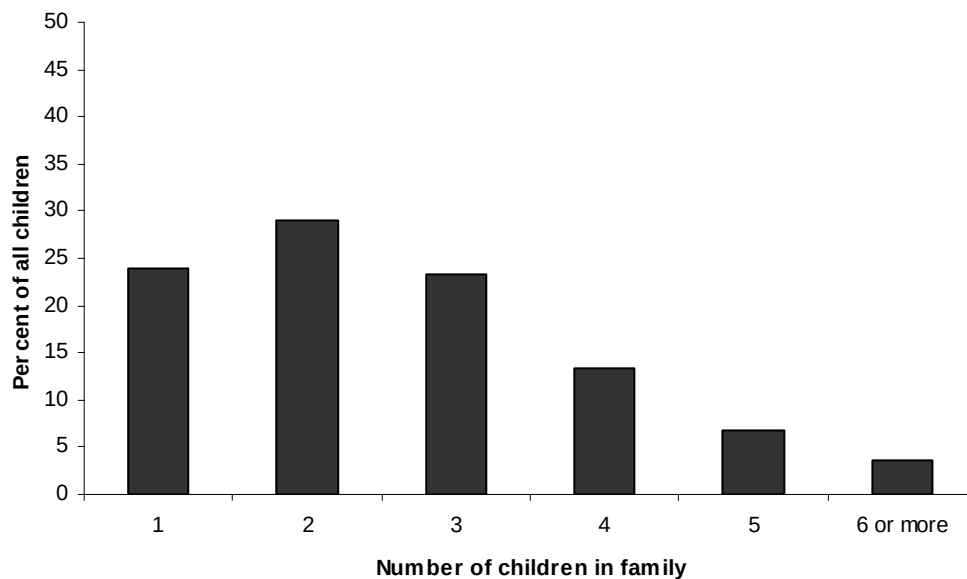


Children

The data on children relate only to those children for whom the Family Tax Benefit (FTB) was being claimed. In order for a parent to be eligible for FTB, the child must be in the claimant's care for a least 35% 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% were in families with one child for whom FTB was claimed, 29.0% were in families with two children and 23.3% were in families with three children (Figure 3.4).

Three-quarters (75.0%) 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% were associated with a person receiving the Newstart Allowance.



Source: Centrelink administrative data.

Figure 3.4: Number of FTB children in family by percentage of all children, 31 March 2009

Of the 15,125 clients being income managed at 31 March 2009, nearly two-thirds (65.0%) had no children for whom they claimed FTB (Table 3.3). A further 16.3% claimed for one child and 9.9% for 2 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% of males had no children for whom they claimed FTB compared with 43.5% of women. Twenty-six per cent of women on income management claimed FTB for one child and 15.9% for two children.

Table 3.2: Income managed clients by number of children for whom FTB was claimed, 31 March 2009

	No.	%
0 children	9,824	65.0
1 child	2,466	16.3
2 children	1,492	9.9
3 children	800	5.3
4 children	345	2.3
5 children	140	0.9
6 or more children	58	0.4
Total number of clients	15,125	100.0

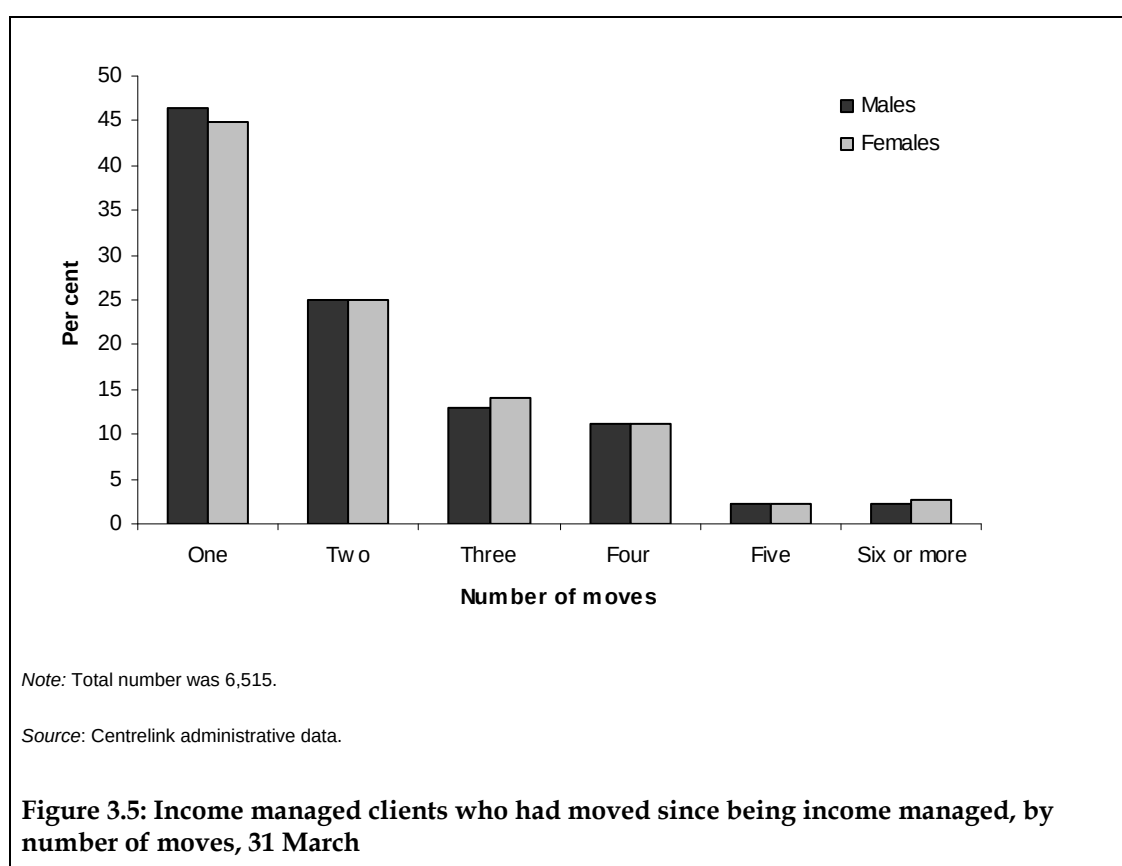
Source: Centrelink administrative data.

Location

At 31 March 2009 nearly 9 in 10 (89%) persons being income managed were located within the prescribed areas. The remaining 10% of income managed clients were found in other areas of the Northern Territory, with 1% located in other states. The 11% 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%) had moved at least once during the time that they had been subject to income management. Of those who had moved, most (45.4%) had only moved once, one-quarter (25.0%) had moved twice, and 29.6% had moved three times or more (Figure 3.5). 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% of their income support funds withheld until they make contact with Centrelink, with the remaining 50% being paid in the normal way (i.e. 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%) at 30 November 2007 to 52 clients (0.3%) at 31 March 2009 (Table 3.3).

Table 3.3: Number and proportion of auto income managed clients, various dates

	Auto clients		Total clients
	No.	%	No.
30 November 2007	386	22.6	1,709
30 April 2008	505	5.2	9,708
31 October 2008	139	0.9	15,675
31 March 2009	52	0.3	15,125

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% (42 clients) had been on auto income management for one month or less. Of the remainder, 9 clients had been on auto income management for more than one month but less than six months, and 1 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 which precluded them from receiving another, requiring one to be cancelled.

Table 3.4: Clients on income management whose payments were changed, by reason for change, September 2007–March 2009

	No.	%
On precluding payment type	826	58.5
Transferred to more appropriate payment type	584	41.3
Other	3	0.2
Total payment transfers	1,413	100.0

Notes

1. 'Client on precluding payment' may include rejected payment claims as well as cancelled payments.
2. 'Other' includes in receipt of ABSTUDY (2 clients) and one of a couple income support transfer (1 client).

Source: Centrelink administrative data

Of the 21,763 clients who were income managed at some point, 1,413 (6.5%) 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 ten (58.5%) had one payment cancelled, or a payment claim rejected,

because they were on another payment type which was incompatible. Four in ten (41.3%) changed to a more appropriate payment type (Table 3.4).

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 (27.0%) clients who had ceased income management at some point and not come back on (Table 3.5). Over three in five clients ceased income management because their payment (54.6%) or their partner's payment ceased (9.4%). Another 233 clients (4.0%) ceased income management because they were no longer a member of a prescribed community.

The remaining 32.0% of clients who ceased income management were coded as 'Customer no longer eligible' which is 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 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 3.5: Clients who had ceased income management and were still off income management at 31 March 2009, by reason for ceasing

Reason for cancellation from income management	No.	%
Cancellations		
Customer trigger payment ceased	3,205	54.6
Customer no longer eligible	1,877	32.0
Partner trigger payment ceased	552	9.4
Client not a member of prescribed community and therefore ineligible ^(a)	233	4.0
Total	5,867	100.0

(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 9.8% of total income managed clients (Table 3.6). Almost three in five (58.2%) 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 3.6: Clients exempted or excluded from income management, by type, at 31 March 2009

Reason for exemption/exclusion	No.	%
Exemption		
Customer moved permanently or indefinitely	378	58.2
Customer temporarily in community	48	7.4
Little connection to community	7	1.1
Other exemptions ^(a)	216	33.3
Total exemptions	649	100.0
Exclusions		
Payment nominee not subject to income management	77	63.1
Client has payment nominee public trustee	45	36.9
Total exclusions	122	100.0

(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.

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%) of 21,763 clients who were income managed over this period. Of the total income managed clients, 24.4% had a payment suspended once, and 8.8% more than once.

The most common reason (18.6%) for suspension was failure to contact Centrelink within 13 weeks after being automatically placed on income management (Table 3.7). 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%), activity tested payments failure to reply to correspondence (15.6%), no activity agreement signed (9.9%), and failure to attend an interview (8.8%).

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% of suspended payments (6,816 payments) had been restored.

The type of suspensions which 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% and 88.7% of suspensions for these reasons were restored). Payments suspended due to the client being in prison were the least likely to be restored (with only 5.0% of suspensions for this reason restored).

There were 3,020 payments that were suspended and had not been restored at 31 March 2009, half (49.8%) of which were due to the client being in prison and were therefore not likely to be restored.

Table 3.7: Suspensions from income support payments by reason for suspension, September 2007–March 2009

	No.	%
Fail to contact after auto IM	1,833	18.6
Customer in prison	1,591	16.2
Fail to reply to correspondence	1,537	15.6
No activity agreement signed	972	9.9
Fail to attend interview	866	8.8
Investigation	656	6.7
Failed to respond to verification request	362	3.7
Did not lodge review form (auto)	337	3.4
Awaiting further contact–CDEP	309	3.1
Other	1,383	14.0
Total	9,846	100.0

Source: Centrelink administrative data.

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% of their income managed funds to the BasicsCard for food and other priority items, 30% to the automatic payment of rent, 15% to utilities and 5% 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. Currently, accurate expenditure data are not available.

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%) 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 3.8). Before June 2008, allocations to store cards were categorised by probable type of purchase, so store cards for Coles were included in ‘food’.

Table 3.8: Allocations of income managed funds, September 2007 to 27 March 2009

	Amount (\$)	Per cent
Food	105,989,871	64.2
Housing	14,968,522	9.1
Store cards	10,411,080	6.3
Clothing, footwear	9,794,688	5.9
Household goods	3,416,277	2.1
Manual cheque	4,414,894	2.7
Credit card	4,391,766	2.7
School Nutrition Program	4,222,071	2.6
Travel and transport	2,046,139	1.2
Other stores	1,508,818	0.9
Home care services	1,245,346	0.8
Other	2,726,010	1.7
Total	165,135,483	100.0

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, IM telecommunications and Unknown.

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 were 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 were 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 ten BasicsCard clients had been issued three or less cards, and three in five (60.0%) had been issued only one card. Administrative data also include information on transaction results. Of over one million BasicsCard transactions, 83.0% were successful. The majority of failed transactions (98.2% 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% or \$42.9 million) of the allocations to the BasicsCard was for food. A further 13.8% (\$7.7 million) went to clothing and footwear and 5.0% (\$2.7 million) to household goods (Table 3.9).

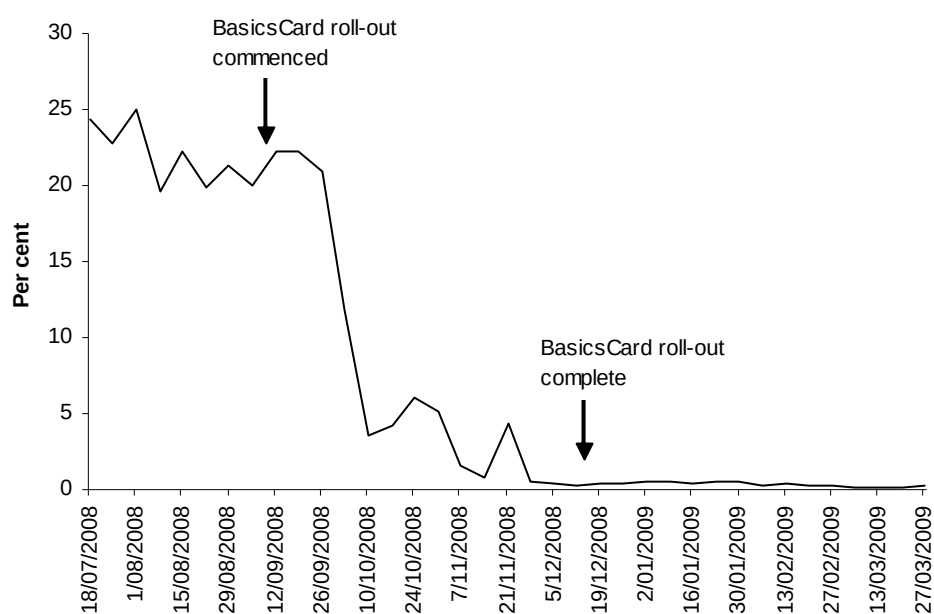
Table 3.9: Allocations to the BasicsCard, September 2008 to 27 March 2009

	Amount (\$)	Per cent
Food	42,865,147	77.2
Clothing, Footwear	7,650,222	13.8
Household Goods	2,749,290	5.0
Travel and Transport	462,149	0.8
Other Stores	1,507,318	2.7
Education Expenses	199,939	0.4
Tools of Trade	41,467	0.1
Medical Expenses	28,608	0.1
Funeral Expenses	7,030	—
Household Repairs	10,588	—
Work Uniforms, Clothing or Footwear	2,875	—
Housing	4,629	—
Total	55,528,860	100.0

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 24.3% and has since declined to under 1% (\$12,280 at 27 March 2009) of all allocations (Figure 3.6).



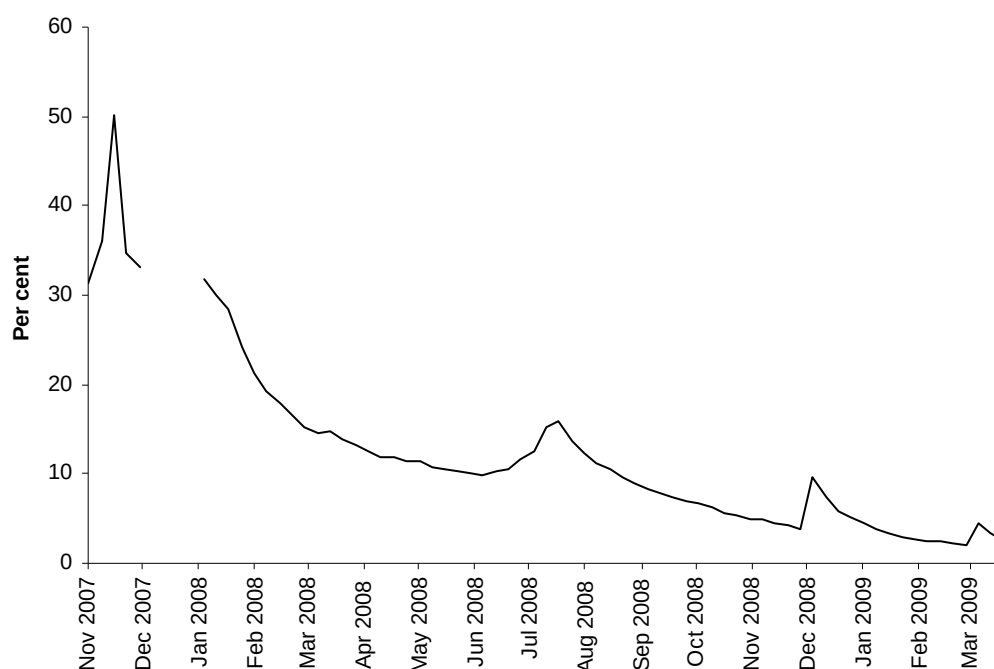
Source: Centrelink administrative data.

Figure 3.6: Percent of weekly allocation made to store cards, 18 July 2008 to 27 March 2009

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% (\$4,041,510) of the total income management funds.

In the early stages of income management there was a relatively high proportion of unallocated funds (with a high point of 50.3% 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 3.7) occurred at the time of the family tax reconciliation payments and economic stimulus payments, when 100% of funds are withheld until the client meets with Centrelink to have them allocated.



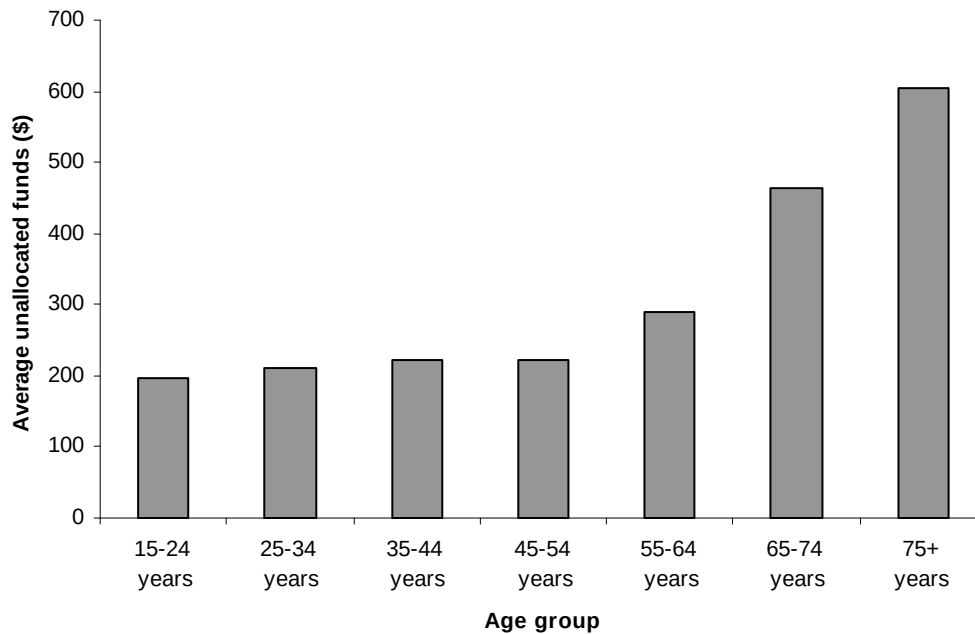
Note: Data are unavailable for the period from 14 December 2007 to 10 January 2008.

Source: Centrelink administrative data.

Figure 3.7: Unallocated funds as proportion of all funds withheld to 27 March 2009

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% of their total income managed funds), while for males the average was \$203 (3.7% of their total funds).



Source: Centrelink administrative data.

Figure 3.8: Average amount of unallocated funds for current income management clients, by age group

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

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 an 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 for 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 then summarised in *Section 5*.

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 current 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, 4 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. There was a perception among several people that they got less money on income management, and some people did not understand how much was 'taken away.'

This confusion and inability to effectively access the system was more commonly observed in people who were also opposed to income management, and appeared to fuel some of their negativity 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 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, or actually getting the money at the right time. The difficulties in travelling and the forward planning required were particularly mentioned, and this issue is discussed in more detail later in this section.

2008 FaHCSIA Submission to the NTER 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 various problems associated with the store cards.

Under the initial system, once the allocations on income managed funds had been established, the client had to contact Centrelink to make any 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 particular 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 on 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 was 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% of their payments held in their income management account.

The data available for the evaluation showed that at 30 November 2007, 23% of clients on income management were being auto income managed. This proportion decreased to 0.3% by March 2009, representing a very small number of clients currently auto income managed.

Auto income managed clients have 50% 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% in November 2007 to 2.4% 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 that 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, 4 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. There were 30 participants (39%) who were not able to explain the purpose of income management. For those who did respond to this question, the range of answers included to 'better management of money', 'so there is money to buy food', 'money to buy items / big items at store', 'because of the intervention / report' and 'to help the community'. The responses given most often were related to having more money to buy food and other essential items. Participants were asked about the dollar amount or percentage of their income that is income managed, in order to ascertain the level of understanding of income management. The responses were mixed, as some participants reported the dollar amount, and others reported a percentage. The results indicated that 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 over 60% or more than half).

2009 Stakeholder focus groups (qualitative data, 4 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
- usage 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:

- the BasicsCard could be used for transportation needs (e.g. fuel, bus tickets, airfares)
- income support recipients could access Centrelink outside 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 – and hence, assumed that their regular income support payments had reduced and 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 whole 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

whole NTER. The new measures were implemented over a short period of time with little consultation with the people affected, which affected some perceptions of the response. There was evidence, however, that over time greater acceptance of income management has developed.

2008 Community feedback report (qualitative data, 4 communities)

As with the NTER overall, there were mixed responses when income management was discussed, although many participants identified positive outcomes. The main benefit identified was the increase in the amount of money spent on food for community members, especially children. There were several participants who were critical of income management, and this was based on perceptions that it compromised the rights of people in the community, and that it was based on a 'one size fits all' approach. Even those people 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 that Aboriginal people can manage their own money and complained that income management was unfair, and removes the 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 GBM Survey (quantitative data, 49 GBMs covering 71 communities)

The GBM Survey found that there was a positive attitude towards income management in around 52% of the 57 communities in which it had been implemented. 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, 4 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
- the perception that income management was a punitive measure.

It was clear from the research that the concerns over racial discrimination and the NTER 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, 4 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 the findings 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 8 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 8 out of 15 in Tennant Creek) (Table 4.1). The consultants reported that many people were out of Ngukurr on the day of interviews and the interview participants therefore may not be representative of all community members.

Table 4.1: Participants' views on income management, by location

	Ngukurr		Gapuwiyak		Finke		Tennant Creek		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Good	3	23.1	24	92.3	8	80.0	7	46.7	42	65.6
Bad	10	76.9	2	7.7	1	10.0	8	53.3	21	32.8
Undecided	0	0.0	0	0.0	1	10.0	0	0.0	1	1.6
Total	13	100.0	26	100.0	10	100.0	15	100.0	64	100.0

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 inter-state; and because of a general dislike of the restrictions.

The majority (55%) of 66 respondents to the question thought that the amount of money that was income managed was the 'right amount', while one-third (33% or 22) felt that the amount was 'too much'. Only 12% (8 participants) felt that the amount of money that was income managed was 'not enough'.

Current administrative issues

There were a number of administrative issues identified in the more recent data collections, many of which related to the BasicsCard, which is discussed in the next section.

2009 Client interviews (quantitative data, 4 communities, 76 people)

Just over half (55%) of 55 interview participants who responded found the process of starting income management difficult, while 46% found it easy (Table 4.2). There were differences in views across locations, though it is difficult to generalise because the numbers were small.

Table 4.2: Participants who found starting income management easy or difficult, by location, number and per cent

	Ngukurr		Gapuwiyak		Finke		Tennant Creek		Total	
	no.	%	no.	%	no.	%	no.	%	no.	%
Easy	4	30.8	17	81.0	2	33.3	2	13.3	25	45.5
Difficult	9	69.2	4	19.0	4	66.7	13	86.7	30	54.5
Total	13	100.0	21	100.0	6	100.0	15	100.0	55	100.0

Source: CIRCA 2009.

The main way in which the participants reported being told about income management was from Centrelink, and a few reported that they heard from other family and community members. When they were told 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 of the process.

2009 Stakeholder focus groups (qualitative data, 4 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 – i.e. in relation to the BasicsCard process
- support received from Centrelink – i.e. 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% of fortnightly income support payments being income managed. However, feedback about the 100% 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 that 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 a variety of 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, 4 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. The BasicsCard was perceived as being versatile, portable and less cumbersome than its predecessor. The expanding acceptance of 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:

- Account/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 a particular 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 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 (e.g. at supermarkets) also tended to get “caught out at the cash register” when they realised that 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/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 via 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 BasicsCards 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 (e.g. shopping and cooking for the care recipient).

2009 Client interviews (quantitative data, 4 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:

- 95% of participants stated that they know how to check the balance of their BasicsCard while 93% stated that they know how to check their income managed account balance (Table 4.3)
- 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 of office (78% for both)
- the next most common method was to ask Centrelink staff for BasicsCard and for income managed fund balances (19% and 25% 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% weekly and 7% checked 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 4.3: Knowledge about how to check balance on BasicsCard and income management account and method used to check balance

	BasicsCard		IM account	
	no.	%	no.	%
<i>Know how to check balance?</i>				
Yes	70	94.6	69	93.2
No	4	5.4	5	6.8
Total	74	100.0	74	100.0
<i>How do you check balance?</i>				
Call the 13 number	56	77.8	55	77.5
Ask a storeowner	5	6.9	3	4.2
Go to Centrelink	14	19.4	18	25.4
Get a relative to check	3	4.2	3	4.2
Other	1	1.4	1	1.4
Total^(a)	72	100.0	71	100.0

(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%) stated that they check their balance before going shopping, a very large proportion of participants (71%) stated that they had experienced having insufficient funds in their BasicsCard when making purchases. The response to this situation was very mixed:

- The most commonly stated reaction to this situation 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 that they asked family members to pitch in money for the purchases.
- The other minority response was to fund the purchase either from their discretionary funds or to contact Centrelink to transfer money into the BasicsCard account from other sources.

A higher proportion of men (83%) experienced insufficient funds than women (65%).

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.

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% of individual and 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.

In order to measure changes in spending patterns, quantitative data on expenditure before and after the implementation of income management 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 that there had been changes in people's expenditure patterns since the introduction of income management.

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

Nearly half (48%) of the 66 store operators surveyed reported that there had been significant changes in people's shopping habits since the introduction of income management. A further 30% said that 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%) reported an increase in turnover, while 7 (21%) reported a decrease.

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

- 45 (68%) reported an increase in fruit and vegetable sales, while 13 (20%) reported either no change or a decrease (Table 4.4)
- 45 (68%) reported an increase in sales of healthy food in general, while 13 (20%) reported either no change or a decrease
- 31 (47%) reported an increase in clothing sales, while 17 (26%) reported either no change or a decrease.

Table 4.4: Reported effect of income management on types of items purchased, number and per cent of respondents

	Fruit and vegetables		Healthy food in general		Clothing	
	No.	%	No.	%	No.	%
More	45	68.2	45	68.2	31	47.0
Same/ less	13	19.7	13	19.7	17	25.8
No response/ not asked/ not applicable	8	12.1	8	12.1	18	27.3
Total	66	100.0	66	100.0	66	100.0

Source: 2008–09 Stores post licensing survey.

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, 4 communities, 76 people)

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

But when asked about particular items, over half of participants reported spending more on food (75%), clothes (58%) and saving money (57%), while a significant minority reported spending more on accommodation (42%), children's expenses (40%) and white goods (37%) (Table 4.5).

Table 4.5: Whether participants spent more or less on listed items, number and per cent

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

Source: CIRCA 2009.

2009 Stakeholder focus groups (qualitative data, 4 communities, 167 persons)

Most community sector peak organisations and service delivery agencies indicated that they were not fully aware of the patterns of expenditure among income managed clients.

Community leaders/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 (e.g. rent, utilities, School Nutrition Program fees and debt repayment)
- the BasicsCard (i.e. 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 (e.g. 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 the family's 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 that used to seek emergency payments regularly were less likely to do so since income management.

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’ (AusAID 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, 4 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 (e.g. meat, vegetables, fruit and dairy produce)
- a greater “range of healthy food” / stock.

The research also suggested that the improved food storage capability (e.g. 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 did prior to income management, with the main improvement being in the availability, quantity and consumption frequency of food.

Food security in some households with women (e.g. 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, 4 communities, 76 people)

Participants were asked to assess whether there was enough fresh food available in their community. The overwhelming result from 84% 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 that they were buying more fruit and vegetables, 37% stated that they were buying the same amount, while 14% stated that they bought less (Table 4.6). Just over half (57%) of 72 respondents stated that they were eating more fruit and vegetables since income management, 35% stated that their consumption remained the same, while 8% stated that it had fallen.

Table 4.6: Whether participants were buying and eating fruits and vegetables ‘more’, the ‘same’ or ‘less’, number and per cent

	Buying fruit and vegetables		Eating fruit and vegetables	
	No.	%	No.	%
More	37	50.0	41	56.9
Same	27	36.5	25	34.7
Less	10	13.5	6	8.3
Total	74	100.0	72	100.0

Source: CIRCA 2009.

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

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

2008 GBM 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% frozen vegetables were available at least several days a week, and in 83% fresh fruit or vegetables were available at least several days a week (Table 4.7%). 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% of communities. Frozen meat and poultry were available 93% of the time at least several days a week. For 82% 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 4.7: Availability of different types of food in communities, per cent

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

Note: Data reported for 71 communities by 49 GBMs.

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 arrived in the community. Most GBMs said that availability (55%), quality (56%) and/or price (42%) had stayed the same (Table 4.8). In nearly one-third of communities, GBMs considered that the availability (31%) and/or quality (30%) of fruit and vegetables had increased. They also thought that in one-quarter (25%) of communities the price had increased, while in 10% of communities prices were thought to have decreased.

Table 4.8: Availability, quality and price of fruit and vegetables in communities since GBM arrived, per cent

	Availability of fruit and vegetables	Quality of fruit and vegetables	Price of fruit and vegetables
Increased	31	30	25
Stayed the same	55	56	42
Decreased	1	1	10
Fluctuated	10	9	11
Don't know	3	4	11
Total	100	100	100

Note: Data reported for 71 communities by 49 GBMs.

Source: 2008 GBM survey

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

2008 Community feedback report (qualitative data, 4 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.

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 relied 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%) thought that cigarette purchases had remained unchanged since the introduction of income management (Table 4.9). Only 7 (23.3%) believed that sales had decreased and one operator thought that sales had increased.

Table 4.9: Whether cigarette sales have increased or decreased, number and per cent

	Number	Per cent
Increased	1	3.3
Unchanged	22	73.3
Decreased	7	23.3
Total	30	100.0

Source: 2008–09 Stores post licensing monitoring report.

2009 Client interviews (quantitative data, 4 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 was not applicable to them.

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

Cigarettes appeared to be an area of concern for clients, with some saying that 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%) indicated they used their cash to purchase cigarettes.

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

2009 Stakeholder focus groups (qualitative data, 4 communities, 167 persons)

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

- addictive behaviours relating to cigarette, alcohol and drug usage
- 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 GBM 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, 4 communities)

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

One of the negative consequences of income management identified in the consultations was dissatisfaction with items that could be purchased with income managed funds. There were many criticisms of the fact that cigarettes could not be purchased through the food card, with younger people in particular frustrated with this restriction.

4. Has people's capacity 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 on money management skills collected either prior to the implementation of income management or after implementation. Therefore the evaluation relied primarily on stakeholders' perceptions to provide evidence for changes in clients' financial management capability.

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

- around 20% of families had actively and successfully engaged with the broader economy and were exposed to limited stress
- around 30% of families experienced severe stress resulting from having family members with substance abuse and/or gambling problems
- the remaining 50% 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 as to 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 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 from the 2008 Community consultations.

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

2009 Client interviews (quantitative data, 4 communities, 76 people)

Participants were asked whether income management had made a difference in the capacity to pay ongoing rent and bills. Just over half of the participants indicated that the payment of rent (55%) and other bills (53%) has been easier since they have been on income management. A third of the 73 participants (33% or 24) reported purchasing big or expensive items since being income managed.

Nearly four in ten (39%) of participants reported that they had saved money since being on income management (Table 4.10). A higher proportion of participants with children reported saving money (47%) compared to those without children (21%).

Table 4.10: Participants who saved money by whether had children, number and per cent

	No children		Has children		Total	
	no.	%	no.	%	no.	%
Saved	5	20.8	24	47.1	29	38.7
Did not save	19	79.2	27	52.9	46	61.3
Total	24	100.0	51	100.0	75	100.0

Source: CIRCA 2009.

There were a series of interview questions on financial stress. There were some indicators of financial stress (59% indicated that they could not raise \$200 within two days), but over half (55%) of participants stated that 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 that 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 Study on Money Management but because of the very different methodologies of the two studies, it not possible to say whether the differences in the findings were attributable to the introduction of income management.

Less than one in five of the 74 interview respondents reported seeking assistance with managing their money. Over half of those who answered the question about who they talked to said that they received advice from Centrelink (7 out of 13) with 5 others reporting speaking with family or friends. The topics that were 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 that they found it helpful.

Only 8 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, 4 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 savings capacity in some families, particularly among women
- facilitated the build-up of household assets via 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, via money management and financial counselling programs) were required to improve families' longer term financial capability and wellbeing.

2008 Community feedback report (qualitative data, 4 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, there was a small group that 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 as 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 Aboriginal people cannot look after their own money and spend it all on alcohol and gambling. For many people income management was seen as an insult.

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 was therefore relying on the perceptions of stakeholders and clients as to whether wellbeing had improved. 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 for the interviews. 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, 4 communities, 76 people)

A number of questions were asked of participants with children to ascertain the perceived impact of income management on the wellbeing of their children. Firstly, participants were asked if they had noticed any changes with their children. Forty-two percent of the 52 respondents with children had not noticed any changes with their children, 32% had and the remaining 26% 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 of the major changes for children was an increase in the consumption of food with 63% of parent respondents agreeing that their children were eating more (Table 4.11). At least half of the sample agreed that their children were healthier (52%), weighed more (57%), had more clothes (50%) and were going to school more regularly (57%). On the other hand more than half reported that there was no change (52%) or a negative change (10%) in children's happiness, activity levels (74%) or worry levels (91%).

Table 4.11: Number and percent of participants reporting 'more', 'less' or 'no change' in aspects of their children since starting income management

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

Source: CIRCA 2009.

2009 Stakeholder focus groups (qualitative data, 4 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 (e.g. beds, blankets and heaters/air-conditioners) which was likely to contribute to warmer and more comfortable homes/living environments and thereby reducing illness (e.g. 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 (e.g. teaching cultural practices and taking children hunting).

The research also suggested that children's education and development opportunities had improved. Many participants indicated that 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 the education measures and the introduction of the School Nutrition Program in many communities, as well as income management.

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, and this was reported to have reduced alcohol consumption and domestic violence
- Less cash for children to access restricted items (e.g. alcohol), thus limiting self-harm
- Reduced exposure to high-risk situations and individuals as 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, 4 communities, 76 people)

Participants were asked a number of questions that sought to gauge the effect of income management on their own wellbeing. A similar proportion of participants answered that they had noticed changes within themselves (34%), that they had not noticed changes (32%), or that they were not sure (34%). 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.

They were also asked if they had noticed any changes with their family since income management and most (46%) were unsure. Slightly more participants felt that there had been no changes (30%) compared to those who said that there had been changes (24%). Those who felt there had been changes noted mainly positive outcomes including that their family was happier, had increased access to food and there was less humbugging. A negative change noted by 40% of participants was that they had less money to spend on sorry business (funeral and mourning practices).

When asked if there had been any changes in the community since income management, 52% of the sample thought there had been changes, 21% thought there had been no change and 27% were unsure. Once again those who felt there had been changes considered these to be mostly positive. The emphasis tended to be on people feeling happier and having more access to food, though some respondents also noted that people were making more purchases of larger items such as furniture, televisions and washing machines.

Participants were asked a number of specific questions about the impact of income management on the community (Table 4.12). They reported that there was less alcohol abuse (61%), less gambling (63%) and less humbugging (52%). In addition, two-thirds (66%) felt that there had been an improvement in the welfare of children.

Table 4.12: Number and percent of participants reporting ‘more’, ‘less’ or ‘no change’ in aspects of their communities since income management started

	More		Same		Less		N/A		Total	
	no.	%	no.	%	no.	%	no.	%	no.	%
Vandalism and graffiti in the community	3	6.3	36	75.0	9	18.8	0	..	48	100.0
Violence in the streets	6	12.5	26	54.2	14	29.2	2	4.2	48	100.0
Drug abuse	3	6.3	24	50.0	20	41.7	1	2.1	48	100.0
Youth crime and young people on the streets at night	11	24.4	23	51.1	11	24.4	0	..	45	100.0
Family violence	6	13.0	23	50.0	17	37.0	0	..	46	100.0
Feeling safe	23	47.9	23	47.9	2	4.2	0	..	48	100.0
Children being looked after	31	66.0	10	21.3	6	12.8	0	..	47	100.0
Drinking/alcohol abuse	2	4.3	15	32.6	28	60.9	1	2.2	46	100.0
Humbugging	4	8.3	18	37.5	25	52.1	1	2.1	48	100.0
Gambling	10	20.4	8	16.3	31	63.3	0	..	49	100.0

Source: Cultural and Indigenous Research Centre Australia data.

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

2009 Stakeholder focus groups (qualitative data, 4 communities, 167 persons)

The research found that income management has had an indirect positive impact, for some families, in improving their family dynamics, relationships and stability. A number of community leaders/members, GBMs and on-the-ground service delivery providers observed that there were ‘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 reduced.

A few community sector peak and service delivery representatives believed that income management had encouraged some people to move out of their communities so that 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. These participants reported that instead of humbugging for cash, some people were now humbugging for tangible goods (e.g. food and clothing) and the BasicsCard.

Women and elderly community members

2009 Stakeholder focus groups (qualitative data, 4 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 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, 4 communities)

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

Several older people felt that 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 that 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 children in their care, when in the past they had been left without funds to provide food. For this segment there were mixed views on the relevance and benefits of income management.

2008 GBM 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 include women, and 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, disabled people and those people who were victims of humbugging.

6. What other issues were identified by the evaluation?

There were two other issues that 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 the income managed population is relatively mobile.

In relation to shorter term travel, the policy guide says that 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 introduction of the BasicsCard 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 allocations to be sent to a store outside their community. Feedback from 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 that 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%) had moved at least once during the time that 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, 4 communities)

The community consultations were undertaken before the introduction of the BasicsCard, so many of the issues reported here have since been addressed. In two communities, most participants noted that one of the main problems with income management was the difficulty this presented as community members were highly mobile, moving between homelands, other communities and Darwin/Alice Springs. The forward planning required to ensure money was available when people arrived in other locations was seen as very complicated, and several people 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 in towns, participants were critical that it did not allow for money to be used 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, 4 communities, 76 people)

Participants were asked whether income management facilitated the capacity to travel. The response was positive, with 42% indicating that travel was easier, 38% reporting it was the same and 20% 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 give the reason that other places may not accept the BasicsCard, as well as making interstate travel more difficult as there is no provision for the BasicsCard when visiting other states in Australia.

2009 Stakeholder focus groups (qualitative data, 4 communities, 167 persons)

The research found that income management has had a positive impact for some people by improving their mobility through the purchase of vehicles such as cars and bicycles using 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 (e.g. food, clothing and medical appointments)
- People during the conduct of ‘sorry business’ – where they and/or their family were required to travel
- People 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 of the designated school holiday visits (which were provided for).

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 that 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, 4 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 that it was harder to share and pool resources because not everyone received the money at the same time, and 50% of income was quarantined, so there was a smaller volume 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, 4 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 that “less and less people are getting involved” and that “people need more help for sorry business”.

2009 Client interviews (quantitative data, 4 communities, 76 people)

The client interviews collected useful information on the extent of sharing of resources. Over half of the participants (57% or 41) indicated that they share their money. Of the 41 participants who reported sharing their money, just over half (54%) indicated that the main

source of money shared was from the non-income management component of their money. A further 32% (13 people) stated that the money shared was from the income managed funds and a further 15% (6) identified both source of funds.

Where sharing takes places, in nearly all cases, the money is shared with family members. In most of the interviews 'family' was not further defined, but there were a significant number of participants identifying 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 (9) and occasionally (9). 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 questions about the extent of humbugging and noted a consistency of findings between the frequency of humbugging and sharing money. For instance, 55% of participants reported getting regularly humbugged for money. The researchers suggested that this seemed to indicate a lack of real distinction between the two. They thought that 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 whether they expected to get money or food from family members before their next Centrelink payment. Fifty-five percent of all participants indicated that they expect this type of assistance. Women (59%) were more likely to state that they expected assistance than men (48%).

While representing a breach of regulations around the BasicsCard, just over a third of participants (38%) stated that they have shared their BasicsCard with others. Where it is shared the card is given to close family members for the purchase of food for the family and home and is not seen as either improper nor a response to pressure.

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

- women were more likely to state that they share their BasicsCard (41% compared to 32% 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 7 to 20 months since it was introduced across the Northern Territory. Conclusions were drawn based on the consistency of findings across the different studies.

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 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 their allocations. These early issues appeared to have largely been addressed by the time the 2009 stakeholder perception studies were conducted for the evaluation, 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 peoples' 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, noted by clients in the Community feedback report, and store operators in the Stores post licensing monitoring report.

The 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% 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. There was some qualitative evidence from the stakeholder focus groups that people had become more positive about it as they were starting 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 8 out of 10 in Aputula (Finke)); while the majority in the

other two communities viewed it negatively (10 out of 13 in Ngukurr and 8 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 either 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. Prior to the introduction of the BasicsCard, any 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 over 90% 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 1800 phone number on 1 July 2009 through which clients can 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 that there was not a strong sense that these situations caused a high level of concern. The relatively high rate (17%) 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 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 income management made it difficult for people to travel outside 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 were 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 as income management allowed 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 the BasicsCard when visiting other states. 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 the research studies that more individual/family income was being spent on priority needs. The findings from studies involving store operators, clients, and stakeholders indicated that there had been changes in people's expenditure patterns since income management, and that people were buying more and better quality food. Over two-thirds of store operators (45) reported an increase in sales of fruit and vegetables and healthy food. Three-quarters of the clients interviewed (55) said they were spending more on food, with half (37) buying more fruit and vegetables. There was evidence of improved access to food since 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 and white goods.

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

Some studies found that there had been a reduction in the amount spent on gambling. Sixty-five per cent of interview participants (42 people) said they were spending less on gambling and the stakeholder focus groups also reported that less money was spent on gambling. In relation to alcohol and drugs, more than three-quarters of clients interviewed said these items were not applicable to them. All those for whom the items were applicable, however, said they were spending less on alcohol (24% or 16 respondents) and drugs (8% or 5).

Money management skills

Income management appeared to have improved money management in some families. Just over half of client interview participants indicated that payment of rent (41 clients) and other bills (38 clients) had been easier since income management. A third of participants (24) reported spending on big or expensive items and nearly four in ten (29) had saved money since it 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 that they had sought assistance with managing their money, with less than one in ten (7) receiving advice from Centrelink. Stakeholders in the focus groups were concerned that the improved financial status of people would not be sustained unless people 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 client interviews reported that there were changes in the wellbeing of children, mainly related to an increase in the consumption of food. Over half of interview participants reported that 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%) of clients said they had noticed any changes within their family, while 46% were unsure if there had been changes and 30% said that there had been no changes. Just under one-quarter said there had been positive changes and noted that their family was happier, they had increased access to food and there was less humbugging. A negative change noted by a significant minority (24 clients) was that 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 studies, but these were likely to be related to other NTER measures. The majority of interview participants reported that there was less alcohol abuse, less gambling and less humbugging since income management. 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 that 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.

Issues for further consideration

Sharing of resources

An important issue to emerge from the evaluation was the impact of income management on the complex relationship between family responsibilities and the sharing of resources among Aboriginal people.

One of the objectives of income management outlined in FaHCSIA 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. Over half of clients interviewed (55% 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 of the things some participants liked about income management was that it protected them from humbugging and meant that 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 that 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 over half of respondents (41) saying that they shared their money, mainly with family members. Just

over a third reported that they have shared their BasicsCard with others, despite this being a breach of the regulations. They did not see this as either improper or a response to pressure. While it was reported that income management had protected some people from humbugging, a number of the studies (especially the 2008 Community feedback report and the 2009 Stakeholder focus groups) noted that 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 example of income management making sorry business more difficult was given consistently across a number of the 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 a period of 12 months and has now been extended for at least another 12 months. There are currently no means for clients living in the prescribed areas to exit from income management, even where 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 that 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: 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 of the 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 that 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), were overwhelmingly supportive of income management, while the majority of clients from Tennant Creek and Ngukurr were not supportive. It would be useful to explore these differences further to determine what factors were contributing to these positive and negative views.

It would 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 there are particular factors that are contributing 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 that 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 their 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 the various stakeholders. These might include the proportion of households meeting rent or utilities payments, households seeking emergency payments, or child health measures such as proportion of babies with low birthweight.

Stronger evidence would also be provided by a larger client survey where participants are randomly selected for interview to ensure that 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 assist to identify the success factors for income management and allow some of the 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.

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Appendix 1: NT Roll-out and commencement schedule for income management

Table A1.1 Roll-out timeline for income management in the Northern Territory by community cluster

Cluster	Communities	CDEP transitioned	Income management implementation (community engagement)	Income management commencement
Southern roll-out				
Cluster 1	Finke (Apatula), Imanpa, Mutitjulu and Titjikala	Finke: 7 Sept 07 Imanpa: 14 Sept 07 Mutitjulu: no CDEP Titjikala: 28 Sept 07	20 Aug–14 Sep 07	17 Sep 07
Cluster 2	Areyonga, Hermannsburg (Tjuwanpa outstations), Santa Teresa and Wallace Rockhole	9 Nov 07 26 Oct 07	1 Oct–16 Nov 07	19 Nov 07
Cluster 3	Kaltukatjara (Docker River), Kintore, Mt Liebig and Papunya	9 Nov 07	22 Oct–10 Dec 07	11 Dec 07
Cluster 4	Alice Town Camps and Amoonguna (Ingkerreke outstations)	16 Nov 07	29 Oct 07–4 Jan 08	7 Jan 08
Cluster 5(a)	Atitjere and Engawala		4 Feb–20 Mar 08	25 Mar 08
Cluster 5(b)	Bonya (Orrtipa-Thurra), Tara and Wilora		4 Feb–4 Apr 08	7 Apr 08
Cluster 6(a)	Ali Curung, Canteen Creek and Tennant Creek Town Camps		25 Feb–4 Apr 08	7 Apr 08
Cluster 6(b)	Elliott Town Camps*		10 Mar–18 Apr 08	21 Apr 08
Cluster 6(c)	Wutunugurra (Epenarra)*		10 Mar–22 Aug 08	25 Aug 08
Cluster 7	Nyirripi, Willowra and Yuelamu		17 Mar–25 Apr 08	28 Apr 08
Cluster 8	Yuendumu*		28 Apr–25 Jul 08	28 Jul 08
Cluster 9	Alpururulam, Ampilatwatja and Urapuntja Homelands (Eastern North Barkly Outstations*)		14 Apr–23 May 08	26 May 08
Cluster 10	Haasts Bluff	9 Nov 07	12 May–11 Jul 08	14 Jul 08
Cluster 11	Kings Canyon Outstations (and Iwupataka* (Jay Creek))	9 Nov 07	2 July–19 Sep 08	22 Sep 08
Cluster 12	Nturiya*, Pmara Jutunta* and Imangara*		18 Jun–25 Jul 08	28 Jul 08
Cluster 13	Laramba* (and Ukaka*)		8 Sep–24 Oct 08	27 Oct 08

(continued)

Table A1.1 (continued) Roll-out timeline for income management in the Northern Territory by community cluster

Cluster	Communities	CDEP transitioned	Income management implementation (community engagement)	Income management commencement
Northern roll-out				
Cluster 1	Palumpa and Peppimenarti	2 Nov 07	15 Oct–23 Nov 07	26 Nov 07
Cluster 2	Barunga, Binjari, Bulman, Katherine Town Camps, Manyallaluk (Eva Valley) and Weemol	9 Nov 07	22 Oct–11 Dec 07	12 Dec 07
	Beswick			25 Dec 07 (Beswick)
Cluster 3 (a)	Acacia Larrakia and Nauiyu (Daly River)	16 Nov 07	29 Oct–12 Dec 07	13 Dec 07
Cluster 3 (b)	Adelaide River Town Camps, Belyuen and Darwin Town Camps	16 Nov 07	29 Oct 07; recommenced 28 Jan–22 Feb 08	25 Feb 08
Cluster 3 (c)	Wadeye*	2 Nov 07	29 Oct–11 Jan 08	14 Jan 08
Cluster 4	Galiwinku		4 Feb–20 Mar 08	25 Mar 08
	Mapurru Outstations		4 Feb–28 Mar 08	31 Mar 08
Cluster 5	Nguiu		18 Feb–28 Mar 08	31 Mar 08
	Milikapiti and Pirlangimpi		18 Feb–11 Apr 08	14 Apr 08
Cluster 6(a)	Gunbalanya and Jabiru Town Camps		10 Mar–18 Apr 08	21 Apr 08
Cluster 6(b)	Minjilang		10 Mar–24 Apr 08	28 Apr 08
	Warruwi		10 Mar–28 Apr 08	29 Apr 08
Cluster 7	Maningrida		17 Mar–2 May 08	6 May 08
Cluster 8(a)	Daguragu, Kalkarindji and Lajamanu		31 Mar–16 May 08	19 May 08
Cluster 8(b)	Pigeon Hole*		31 Mar–10 Oct 08	13 Oct 08
Cluster 8(c)	Yarralin		31 Mar–1 Jul 08	2 Jul 08
	Amanbidji and Bulla*		31 Mar–24 Oct 08	27 Oct 08
Cluster 9(a)	Milingimbi		7 Apr–23 May 08	26 May 08
Cluster 9(b)	Ramingining		7 Apr–30 May 08	2 Jun 08
Cluster 9(c)	Gapuwiyak		7 Apr–6 Jun 08	10 Jun 08
Cluster 10	Angurugu, Milyakburra and Umbakumba		21 Apr–11 Jul 08	14 Jul 08
Cluster 11	Gunyangara and Yirrkala (Laynhapuy Homelands)		28 Apr–6 Jun 08	10 June 08
Cluster 12(a)	Numbulwar		6 May–1 Jul 08	2 Jul 08

(continued)

Table A1.1 (continued) Roll-out timeline for income management in the Northern Territory by community cluster

Cluster	Communities	CDEP transitioned	Income management implementation (community engagement)	Income management commencement
Northern roll-out				
Cluster 12(b)	Mataranka Town Camp (Mulggan) and Ngukurr		26 May–4 Jul 08	7 Jul 08
Cluster 12(c)	Jilkminggan, Minyerri and Rittarangu		10 Jun–4 Jul 08	7 Jul 08
Cluster 13	Borroloola Town Camps and Robinson River		12 May–20 Jun 08	23 June 08
Cluster 14	Kybrook Farm and Pine Creek Compound Town Camps	9 Nov 07	10 Jun–18 Jul 08	21 Jul 08

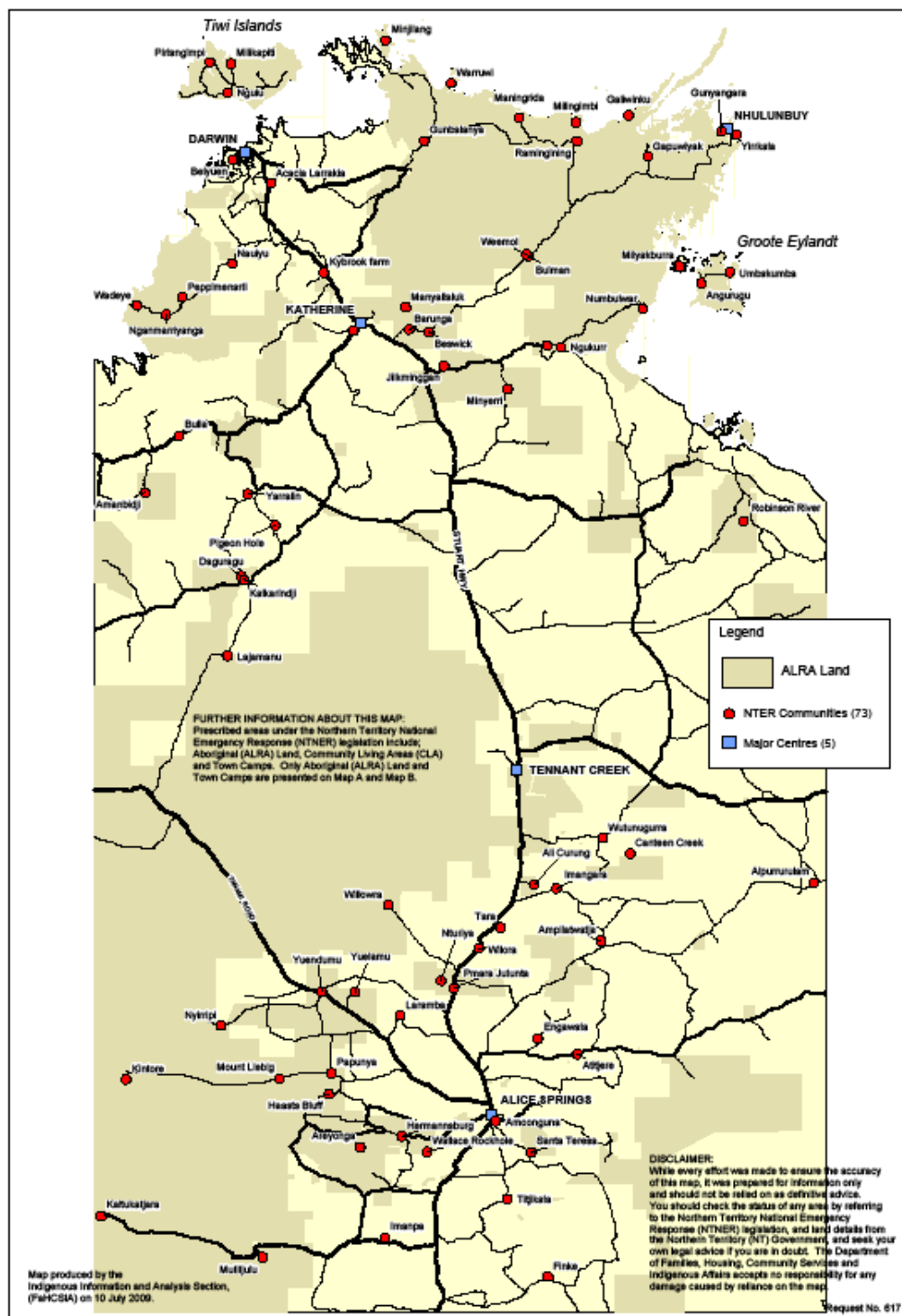
Source: FAHCSIA.

Legend

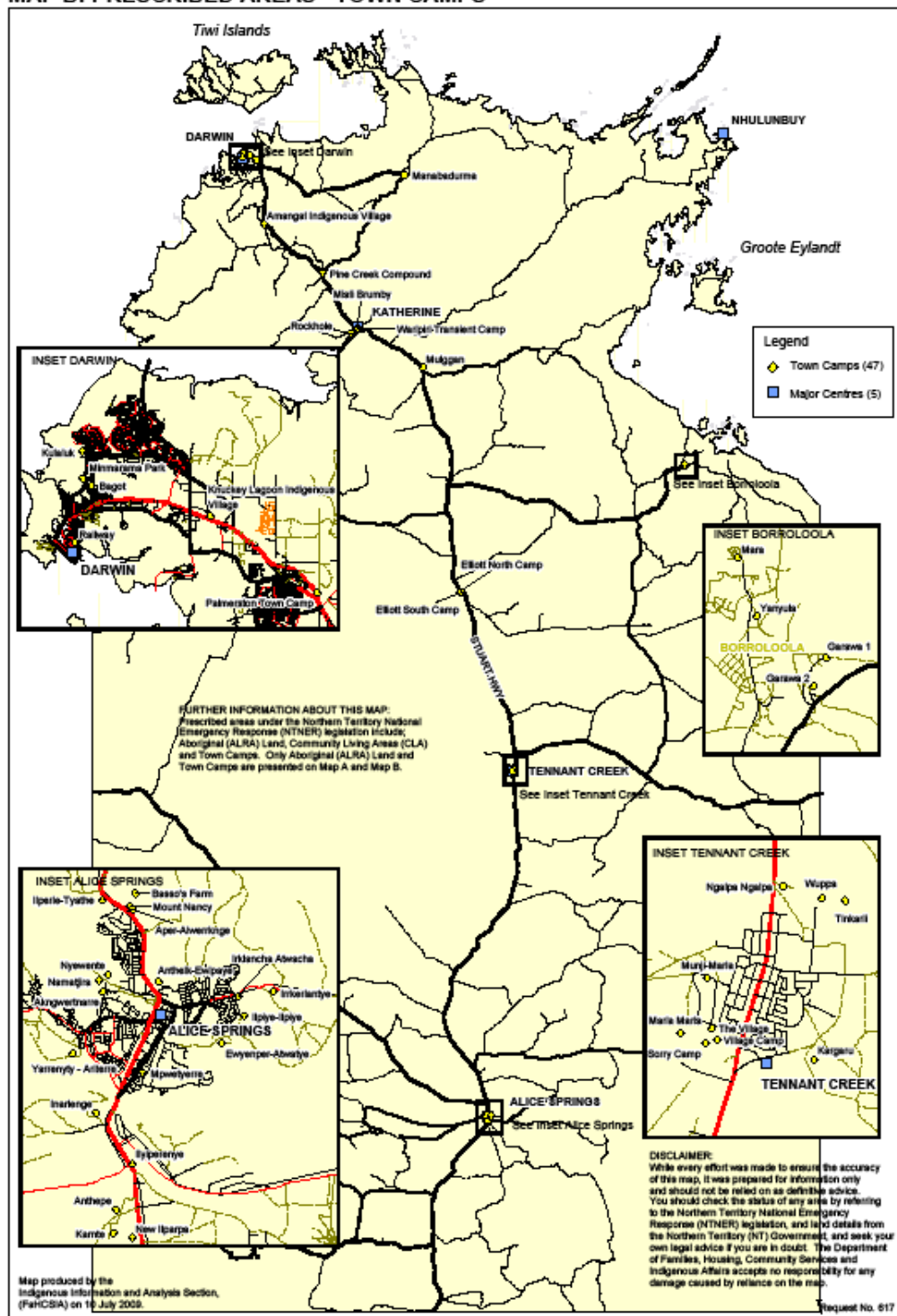
- * Denotes modified, moved to new Cluster.

Appendix 2: Map of communities and town camps affected by the NTER and income management

MAP A: PRESCRIBED AREAS - ABORIGINAL (ALRA) LAND



MAP B: PRESCRIBED AREAS - TOWN CAMPS



Appendix 3: Program logic for income management in the Northern Territory

Objectives	Target groups	Inputs	Outputs/processes	Outcomes/impact			Outcome measures
				Short	Medium	Long	
Promote socially responsible behaviour Ensure that priority needs of families are met Reduce the amount of cash in communities available for excluded items	People receiving income support People living in prescribed communities Indigenous Australians living in the NT	Budget funding Legislation Policy guide Staff, including skills/ knowledge BasicsCard IT systems	Community/stakeholder consultations Communication strategy to customers and service providers Legislative instruments in place Implementation of limited review and appeal mechanisms Correct administrative decisions are made Income managed funds are allocated Continued visits to communities and other contact with IM customers Stores licences and/or signed up to BasicsCard Evaluation reports, including implementation and outcomes	Money spent on priority needs Better food choices Ability to use BasicsCard (stores available, understanding how to operate card, including checking balances) Reduction in spending on excluded items Reduction in humbugging	Improved food choices Improved food security, including increased quantity/quality of healthy foods Ability to plan for expected expenses (eg car registration) Reduction in spending on harmful behaviours Reduction in humbugging	Behavioural change in the way money is distributed and spent among family and community members Contributes to families and children having greater choices and opportunities Contributes to greater self-reliance and economic, social and community engagement for Indigenous Australians Contributes to strong and resilient communities	Identification of best practices for implementation/ delivery Feedback from clients on the benefit of IM How income managed money is spent Changes in quality/quantity/ price of food available in/ to prescribed communities Changes in number/quality of meals eaten, including for children Changes in financial contribution to families/households from men Number and outcomes of complaints and Centrelink reviews Availability and take up of money management programs in community
Assumptions There is a community store or other mechanism to provide food security in each community Internal/external factors Ministerial support							

Appendix 4: 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 (NSA)

- Must be unemployed.
- Aged 21 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 (DSP)

- Aged 16 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 (PPP or PPS)

- Must have qualifying child aged under six if the client is partnered, aged under eight if single.
- Can be paid to only one member of a couple.
- When youngest qualifying child is aged six or over, the person must enter into an Activity Agreement allowing participation in a broad range of activities.

Carer Allowance (CDA)

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:

- aged 16 or over and has a disability which causes a substantial functional impairment, or
- a dependent child aged under 16 with a specified disability or functions below the standard for his or her age level.
- The child and the carer must live together in the same private residence.

Carer Payment (CAR)

Person providing constant care for:

- a person who has a physical, intellectual or psychiatric disability, or
- a child with a profound disability, or
- two or more children with disabilities, or
- 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 (YA)

- Full-time students and Australian Apprentices aged 16–24,
- Unemployed, aged under 21, looking for work or combining part-time study with job search,

- Independent, aged 15 and above the school leaving age in their state who are satisfying or exempt from the activity test.

Age Pension (AP)

- Men aged 65 or over. Women aged 65 years and over if they were born from 1 January 1949. Prior to then the age pension age was 60 for those born before 1 July 1935 and was scaled to 65 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, or
- undertaking a full-time Australian Apprenticeship.

Payments for children

Family Tax Benefit (FTB) Part A

Family Tax Benefit Part A is paid per child. The client must:

- have a dependent child aged under 21, or
- have a dependent full-time student aged 21 to 24, and
- have care for 35 per cent of the time or more.

Family Tax Benefit Part B

Family Tax Benefit Part B gives extra assistance to single parent families and to families with one main income. The client must:

- have a dependent child aged under 16, or
- have a qualifying dependent full-time student up to the age of 18, and
- have care 35% of the time or more.

Appendix 5: Discussion guide for client interviews conducted by CIRCA

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 IM 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?
6. How many people usually live in your house? How many adults? How many children?

Knowledge and attitudes toward IM

7. From your point of view, what do you think is the purpose / point of Income Management?
8. What do you think about IM– Is it a good or bad thing? Why do you say that?
9. What do you like about IM?
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 (e.g. 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? (e.g. More or less than half?)

Implementation process

13. What was the process like when you went on to IM? 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 IM 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 (IM/non-IM) 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 e.g. lunches, snacks, clothes, sport etc
 - (e) toys
 - (f) entertainment (like DVDs, video games, CDs)
 - (g) accommodation / utilities
 - (h) clothes
 - (i) gambling
 - (j) food
 - (k) save money
 - (l) white goods
 - (m) cleaning products
 - (n) travel (i.e. 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? i.e. 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?
 - (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? i.e. 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 to you by 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 IM account?
 - (a) If yes, how do you check the balance? i.e. Got 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 IM 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 IM?
 - (b) Eat more or less or the same amount of fresh food since IM?
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 IM 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 enough money?
56. What things do your kids miss out on because of not 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 IM/choose to stop IM
- (a) Why?
58. Have you ever used Centrepay deductions?
59. If you come off IM, do you think you would set up regular Centrepay deductions?

Well being of children

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

60. Since IM have you noticed any changes (either good or bad) with your children? If yes, what are they?
61. Since IM 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 / weigh less or are the same weight?
 - (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 IM have you noticed any changes (either good or bad?) with yourself? If yes, what are they?
- 65. Since IM would you say you have:
 - (a) Had more time or less or the same amount time for culture? E.g. 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 IM have you noticed any changes (either positive or negative) with your family? If yes, what are they?
- 67. Since IM 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 IM have you noticed any changes (either positive or negative) in your community? If yes, what are they?
- 69. Since IM 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 is 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 IM? e.g. 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 IM?
- 72. What are the bad things that have happened because of IM?
- 73. Is there anything else that you would like to say about IM 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.