



CASHLESS DEBIT CARD EXTENSION LEGISLATION

This submission has been prepared on behalf of the Board of Directors of The Arnhem Land Progress Aboriginal Corporation and in consultation with ALPA's directors, staff, & cultural leadership from the Yolŋu communities in which we deliver services.

Liam Flanagan
General Manager of Community Services

Who We Are

The Arnhem Land Progress Aboriginal Corporation was formed in 1972 as a collective of seven community controlled stores, ALPA's initial member communities were Ajurumu, Gapuwiya, Galiwin'ku, Milingimbi, Minjilang, Ramingining and Yirrkala. ALPA borrowed almost \$1m to upgrade plant and equipment, and the early successful operation of the stores enabled the loan to be repaid within three years. Since that time ALPA has been financially independent, owned by our Yolŋu members and governed by a Yolŋu Board of Directors.

In the 1970s ALPA began to realise the importance of training and development for its staff, and with support from the Queensland Retail Training Institute began a program of in-house training. The Training School at Galiwin'ku was built to support this. During this period we also started our Benevolent Programs, using the modest surplus funds generated from store operations to benefit the community. Financial assistance for ceremonies, education, medical escorts and community events could be obtained through these programs which have now been expanded to involve capital investment in business partnerships and business support for independent social enterprise development.

ALPA became a Registered Training Organisation in 1992 and is committed to staff training. Over 1500 of our remote Indigenous staff have completed apprenticeships or qualifications through ALPA, this dedication to quality training outcomes saw ALPA recognised as the NT Large Employer of the Year at the NT Training Awards in both 2015 and 2016 and placing in the top three at the subsequent National Awards in the same category in both years.

Since 2002, the organisation has expanded through its Australian Retail Consultancy arm, running stores on behalf of, and in partnership with, other Indigenous community organisations. This model has given those communities access to ALPA's systems and processes, training, nutrition program and group purchasing. This partnership approach allows these communities to maintain ownership and control of their business but with the expertise and support of an experienced Indigenous partner.

In 2013 the Board of Directors made the decision that it was time for ALPA to diversify from retail and work with the Government and industry partners to increase the economic opportunities for our Yolŋu members. We commenced by taking on the RJCP region encompassing our member communities of Ramingining and Milingimbi. Our board quickly recognised the ability to support positive change in our communities through these programs and over the last five years our community services footprint has grown to four CDP regions, five RSAS teams, a self-funded Youth Development program, business incubators and becoming a registered NDIS provider.

By 2014 we had saturated the existing local labour markets so started working in partnership with local families and traditional land owners to develop new enterprises, create further employment pathways and to strengthen the economies of our communities. To date this has seen the creation of four new Indigenous owned businesses delivering services across a variety of sectors including construction, landscaping, furniture manufacturing, automotive repair, Homelands services, hospitality, tourism, agriculture and cleaning.

In 2019 ALPA operates in 25 communities across a 1.2 million square kilometre footprint, ALPA has over 1200 employees, 80% of whom are local Indigenous people, and ALPA returns over \$29 million per year to our member communities in the form of wages for local Indigenous staff, community governed benevolent programs and community infrastructure.

Cashless Debit Card

ALPA strongly oppose the Bill to expand compulsory income management in the NT through a new Indue card and compulsory Income Management in all forms.

Compulsory income management was imposed on our member communities in 2007 as part of the NT Intervention. When it was forced upon our members they were subject to the discriminatory and false assumption that they were all alcoholics, family violence offenders and problem gamblers.

The evaluation of Income Management in the Northern Territory completed in 2014 demonstrated that there had been “no evidence of changes in aggregate outcomes” in child health, school attendance, alcohol and tobacco use, alcohol-related harm, and imprisonment that could be “plausibly be linked to income management” and that “there is no evidence to indicate that income management has any effects at the community level, nor that income management, in itself, facilitates long-term behavioural change”.

The ALPA Board of Directors are disappointed that the Government is moving forward and expanding this oppressive policy when there is no evidence demonstrating that it creates positive change for the people who will be subjected to it. This erosion of people’s choice and control over their own lives destroys any sense of self-agency, it is an attack on their basic rights, the burden of proof should lie with the Government to prove without doubt that this policy works before enforcing it upon our communities.

Alongside the lack of evidence there has been little to no consultation undertaken in the Northern Territory to date. ALPA has been unable to fully consult across our membership footprint in the time allotted to prepare this submission. To consult properly in our region means sitting down with individual families and clans, translating words and concepts between languages and dialects. We were able to undertake this work in Milingimbi, as a response the community asked if we would distribute their feedback on their behalf. This is included via the link below:

https://www.youtube.com/watch?v=UW_im_asDGs

They had asked us to submit as a separate submission from Milingimbi Community however we have not been able to do so through the submission function of the committee’s webpage so instead include it as a part of our submission.

The ALPA Board of Directors are incredibly concerned that, whilst the percentage of income that is restricted and placed on the card will not change immediately, the Bill allows the Minister to change the percentage for everyone on the card. Our understanding of the Bill is that The Minister could change how much of a person’s payment is compulsorily quarantined by ‘notifiable instrument’, meaning that for most people in the NT trial, the Minister could increase the amount restricted up to 100% of their payment.

If any further pressure is put on the cash economies of our region there will be an impact upon both the financial services sector and on Indigenous small business owners trying to transition from welfare to self-employment.

Traditional Credit Union, better known as TCU, are an independent Indigenous bank created to provide essential banking and financial services in remote communities. TCU are a major employer of local Yolngu people in our region and provide face to face banking from physical branches located within the communities. When the intervention came in 2007 and 50% of many peoples money was quarantined on

the card significant pressure was put on the banks viability. If any further cash is removed from TCU to an external provider such as Indue it is not certain whether this unique Indigenous bank which is key to so many people's lives will be able to survive.

Our member communities once had thriving micro economies, ALPA, in a joint initiative with the Commonwealth Government are now running small business incubators in two of our communities as a part of a national trial. These incubators are supporting Yolngu entrepreneurs to transition from welfare to small business ownership, at the same time bringing new products and services to market within their communities. At this stage all of these businesses are cash based, with the majority currently lacking the sophistication or the economic viability to move to an ecommerce platform to accept the Indue card. This new barrier could impact severely on the viability of these businesses, particularly if the Board of Directors fears come to fruition and the amount of money quarantined is increased at a later date. This scenario would further entrench welfare dependency within our communities and limit opportunities for community led economic development.

The ALPA Board of Directors ask the committee to recommend that this legislation is not passed and that instead a transition is made to voluntary income management.

We know this works.

Prior to the intervention ALPA launched FOODcard in our communities. The ALPA FOODcard idea evolved from community consultations at Gapuwiyak in 2004 regarding a Shared Responsibility Agreement to support ALPA's Health & Nutrition Strategy.

Participants explained that for the Health & Nutrition policy to work there needed to be a way to avoid the "humbag" that takes money away from families eating healthy regular meals. The underlying principle of FOODcard was to resolve this issue by creating a voluntary tool which allowed each customer to make their own choice about how much money they wish to allocate to the card.

Extensive community consultation determined what could be purchased, this included most grocery food items and baby requirement in line with ALPA's healthy choice policy. Excluded items include soft drinks, cigarettes, tobacco and toys. Categories are regularly refined and evaluated based on feedback from cardholders, store committees and the ALPA Board of Directors. Since its inception ALPA members have used this tool to voluntarily allocate over \$15 million dollars to healthy choices.

ALPA do not believe that FOODcard will be the solution for everywhere, it was designed by our members in East Arnhem Land for use in our communities at their request.

We do believe that voluntary solutions are the answer and that communities and community organisations are best places to support meaningful and sustainable change. One size fits all interventions from the Government have not delivered positive change despite a decade of oppressing our members and our communities.

It is time for a different approach.