

Australian Labor Party Senators' Dissenting Report

1.1 Labor Party Senators on this Committee disagree with the recommendation of the majority report.

1.2 Labor referred this bill to a Senate Inquiry to ensure that adequate consideration was given to the issues presented by removing the existing limits on the cashless debit card trials, which require the trials end by 30 June 2018, that there be no more than three discrete trial sites and that the trial areas include no more than 10,000 participants.

Consultation

1.3 It has become clear to Labor Senators on the Committee that there has been insufficient consultation with the communities of Bundaberg in Queensland, and in the Goldfields in Western Australia.

1.4 Witnesses at the Kalgoorlie Hearing, in particular expressed serious dissatisfaction with the consultation process that was undertaken prior to the announcement of the Goldfields trial site, describing it as 'very lacklustre.'¹

1.5 Senators at the Hearing heard that the consultation process in the Goldfields was not broad enough, and that participants often felt disempowered by the discussions. In particular, the Committee heard:

I was involved in the initial discussion. However, I felt as though my presence at that meeting was irrelevant due to the fact that I work full time and run my own business. My comment was to actually engage the people of our community, not just Aboriginal but our community as a whole, to inform them of their intentions and what the cashless card is all about.²;

I think there should be more time for a consultation process. We met with [name removed] Minister Tudge's man on the ground. I gave him my thoughts and that, but it fell on deaf ears. They don't listen because they've got their minds made up...there should be more consultation, especially with Aboriginal people so that they can digest the idea of the cashless card. In Leonora, they're not happy with the outcome up there. They weren't really consulted...especially with Aboriginal people so that they can digest the idea of the cashless card. In Leonora, they're not happy with the outcome up there. They weren't really consulted...Every time there is something happening and they want to consult Aboriginal people, they haven't got an Aboriginal person there to explain in simple terms what's going on.³;

1 Mr Brian Champion, Goldfields Aboriginal Reference Group and Kalgoorlie-Boulder Aboriginal Community Residents Group, *Committee Hansard*, 12 October 2017, p. 32.

2 Mr Linden Brownley, *Committee Hansard*, 12 October 2017, p. 32.

3 Mr Dion Meredith, Kalgoorlie-Boulder Aboriginal Community, *Committee Hansard*, 12 October 2017, p. 33.

From what I've seen as a community development officer, there hasn't been that on-ground consultation with the people who will be a part of the rollout of the card.⁴; and

They'd made a decision anyway, and all we were doing was rubber stamping it.⁵

1.6 Witnesses from Bundaberg similarly told the Committee that the consultation process in their region had been difficult to access, and not representative of the community.

1.7 Leanne Donaldson, the then Member for Bundaberg told the Committee that the consultation process 'has been selective and secretive.'⁶

1.8 Key groups from the Bundaberg region felt ignored by the consultation process. Representatives from the Gidarjil Development Corporation explained that 'Gidarjil is probably considered the largest Indigenous organisation in Bundaberg, and there hasn't been any approach from the Federal Minister in regard to this or in fact anything.'⁷

1.9 Representatives from a community advocacy group in Bundaberg explained that 'there has been little to no public consultation. What has taken place has been behind closed doors.'⁸

1.10 The bill, as written, provides no guidance as to how consent has been established in the proposed new trial sites.

1.11 This is a point of serious concern for Labor Senators on the Committee.

Reliability of the Orima Evaluations

1.12 Over the course of the Inquiry, Labor Senators on this Committee heard that the Orima evaluations of the trial in the East Kimberley and in Ceduna are unreliable, and that no empirical judgements about the effectiveness of the trials can be made on the basis of the information collected.

1.13 Dr Janet Hunt of the Australian National University expressed significant and serious concerns about the reliability of the Orima Evaluations.

1.14 Dr Hunt explained that 'My assessment, based on my extensive experience as a social scientist, is that the evaluation reports do not present adequate evidence of the trial leading to successful outcome for participants.'⁹

4 Miss Ada Hanson, Australian Red Cross, *Committee Hansard*, 12 October 2017, p. 33.

5 Mr Trevor Donaldson, Goldfield Land and Sea Council, *Committee Hansard*, 12 October 2017, p. 49.

6 Ms Leanne Donaldson, then Member for Bundaberg, *Committee Hansard*, 2 November 2017, p. 39.

7 Ms Jennifer Mason, Gidarjil Development Corporation, *Committee Hansard*, 2 November 2017, p. 41.

8 Ms Kathryn Wilkes, *Committee Hansard*, 2 November 2017, p. 60.

1.15 Dr Hunt further explained that 'The report's authors did make many important caveats to the findings that they presented and these seem to have been disregarded by the government.'¹⁰

1.16 Overall, based on the data included in the Orima Evaluations, Dr Hunt was of the view that 'The violence doesn't seem to have reduced. We haven't got adequate data to be able to make that claim.'¹¹

1.17 The Committee heard mixed views about the effectiveness of the cashless debit card in the existing trial sites.

1.18 Superintendent Adams of the Kimberley Police District stated that there was 'lots of anecdotal evidence'¹² that the cashless debit card was effective.

1.19 This was in conflict with evidence provided to the Committee from the Aboriginal Health Council Western Australia, who explained that:

Since the introduction of the cashless card in Kununurra there has been an increase in crime, an increase around elder abuse, an increase around soliciting and black market trades happening with service providers that can trade off the card for cash. So it hasn't dealt with the contentious issues that were identified; it has actually caused a major influx around other issues.¹³

1.20 Contrary to this, Superintendent Adams told the Committee that official police figures showed a decrease in a wide variety of crimes, such as burglary, theft and damage.¹⁴

1.21 However, independent research undertaken by Monash University for the Aboriginal Health Council Western Australia did not show these same effects. Ms Nelson-Cox explained:

We also had a review that was undertaken by Monash University, which found the opposite statistics. That provided us with evidence base to say that since the introduction of the cashless card in the East Kimberley we've had very much the opposite statistics provided to us.¹⁵

1.22 It is also unclear whether the cashless debit card has had an effect on domestic violence in the trial sites.

9 Dr Janet Hunt, Australian National University, *Committee Hansard*, 2 November 2017, p. 1.

10 Dr Janet Hunt, Australian National University, *Committee Hansard*, 2 November 2017, p. 1.

11 Dr Janet Hunt, Australian National University, *Committee Hansard*, 2 November 2017, p. 7.

12 Superintendent Allan Adams, Kimberley Police District, *Committee Hansard*, 12 October 2017, p. 57.

13 Ms Michelle Nelson-Cox, Aboriginal Health Council of Western Australia, *Committee Hansard*, 12 October 2017, p. 22.

14 Superintendent Allan Adams, Kimberley Police District, *Committee Hansard*, 12 October 2017, p. 58.

15 Ms Michelle Nelson-Cox, Aboriginal Health Council of Western Australia, *Committee Hansard*, 12 October 2017, p. 26.

1.23 Superintendent Adams told the Committee that, across the entire Kimberley district, there had been 2,600 incidences of domestic violence reported in the financial year to 30 June 2017.¹⁶

1.24 In Kununurra specifically, Superintendent Adams told the Committee that in the 12 months to 30 June 2016, there were 319 domestic assaults in Kununurra, but in the 12 months to 30 June 2017, this figure had increased to 508.¹⁷

1.25 Superintended Adams explained to the Committee that it was 'difficult to assess the card from a violence perspective' as Kimberley Police had also revised their approach to domestic violence in the same period.¹⁸

1.26 The Committee also heard that the lived experience of service providers in the Ceduna trial area were not mirrored by the findings of the Orima Evaluations.

1.27 Representatives of the Ceduna Koonibba Aboriginal Health Corporation told the Committee that 'The actual statistics of the sobering-up unit during the trial period were not very different from the previous year.'¹⁹

1.28 Through the course of the Inquiry, the Committee has heard mixed views of the effectiveness of the trials.

1.29 Labor Senators on the Committee are concerned that the trials in the East Kimberley and in Ceduna have not been going for long enough to properly ascertain whether they have been effective.

1.30 Labor Senators on the Committee are firmly of the view that a more rigorous evaluation of the trials should be carried out.

1.31 Labor Senators on the Committee are unconvinced that the Orima Evaluations alone provide sufficient evidence to justify the introduction of the cashless debit card in any new communities.

Clarity regarding community panels

1.32 Labor Senators on the Committee heard that there is a lack of information in the Ceduna and East Kimberley trial sites about how the proportion of income quarantined can be adjusted.

1.33 Father Brennan, the Chief Executive Officer of Catholic Social Services explained that:

16 Superintendent Allan Adams, Kimberley Police District, Evidence provided to the Senate Committee, Thursday 12 October 2017, Hansard, p. 56.

17 Superintended Allan Adams, Kimberley Police District, Evidence provided to the Senate Committee, Thursday 12 October 2017, Hansard, p. 58.

18 Superintended Allan Adams, Kimberley Police District, Evidence provided to the Senate Committee, Thursday 12 October 2017, Hansard, p. 57.

19 Denise Karagiannis, Ceduna Koonibba Aboriginal Health Service Aboriginal Corporation, Evidence provided to the Senate Committee, Thursday 12 October 2017, Hansard, p. 22.

There's very little community understanding as to how that process works, and the evidence for that is that very few have been able to transition from 80 per cent to 50 per cent.²⁰

1.34 Labor Senators on the Committee believes that it is important for trial participants that this process be clarified, before any further trial sites are considered.

Wrap-around Services

1.35 The Committee heard that quarantining the income of people misusing alcohol and illicit substances alone will not solve the deep and entrenched social issues prevalent in trial communities.

1.36 Ms Zell Dodd, the Chief Executive Officer of the Ceduna Koonibba Aboriginal Health Service Corporation explained that:

...regarding alcohol and other drug support services which were funded as part of the cashless debit card trial in the Far West Coast region. It is not about the cashless debit card itself; it is about the support services and its consequences, such as little or not investment in social and emotional wellbeing services as part of the trial. Rather than reducing the need for alcohol and other drug support services, the view is that the trial is likely to increase the demand for alcohol and other drug services as well as social and emotional wellbeing services and, in fact, mental health services.²¹

1.37 Ms Dodd explained further that the service as it stands is not able to meet the demand, and that the funding which had initially been provided to the organisation has been 'pulled back.'²²

1.38 'To make a real difference to support the trial and mainly the health outcomes for Aboriginal people living in [the trial] community there needs to be sustainability of service agreements.'²³

1.39 Labor Senators on the Committee are concerned that a lack of certainty for wrap around services in trial communities threatens any positive outcomes which the trials may achieve.

1.40 A clear commitment from the Government is needed on the delivery of wrap around services before any further trials could be considered.

20 Fr Frank Brennan, Catholic Social Services Australia, *Committee Hansard*, 2 November 2017, p. 3.

21 Ms Zell Dodd, Ceduna Koonibba Aboriginal Health Services Corporation, *Committee Hansard*, 12 October 2017, p. 21.

22 Ms Zell Dodd, Ceduna Koonibba Aboriginal Health Services Corporation, *Committee Hansard*, 12 October 2017, p. 22.

23 Ms Zell Dodd, Ceduna Koonibba Aboriginal Health Services Corporation, *Committee Hansard*, 12 October 2017, p. 22.

Costs

1.41 Evidence was provided to the Committee from representatives of the Department of Social Services about the cost of the trial in the East Kimberley and Ceduna.

1.42 The Committee heard that the total cost of the trial in the existing trial sites in the first year was \$17.847 million.²⁴

1.43 The Department of Social Services explained that extending the trial in the East Kimberley and Ceduna for another year cost an additional \$7.726 million.

1.44 Labor Senators on this Committee understand that this represents a combined cost of \$25.573 million.

1.45 The Department of Social Services were unable to provide an estimate of the cost of introducing the cashless debit card in to the Bundaberg and Goldfields regions.

1.46 Labor Senators on the Committee understand that this is due to the information being classified as commercial-in-confidence.²⁵

1.47 Labor Senators on the Committee are concerned that a significant financial commitment is being made for a program where the effects are in doubt.

Recommendation 1

Labor Senators on this Committee recommend that the Senate not pass the Social Services Legislation Amendment (Cashless Debit Card) Bill 2017 in its current form.

Recommendation 2

Labor Senators believe that there is an insufficient basis to establish further trials at this stage and therefore recommend that the bill be amended to:

- i. Create a trial end date of 30 June 2019 for Ceduna and the East Kimberley;**
- ii. Limit the trials to only two existing, discrete trial areas;**
- iii. Oppose the removal of the limit of 10 000 participants;**
- iv. Specify how people in the trial areas who are on the cashless debit card can have the proportion of their income support payments on the card reduced or exist the trial; and**
- v. Guarantee funding for wrap around services.**

24 Ms Roslyn Baxter, Department of Social Services, *Committee Hansard*, 2 November 2017, p. 81.

25 Mr Tristan Reed, Department of Social Services, *Committee Hansard*, 2 November 2017, p. 82.

Senator the Hon Lisa Singh

Senator Murray Watt

