

# **Additional Comments from Labor Senators**

## **Introduction**

1.1 Labor Senators are concerned that the proposed debit card trial and related Bill is not sufficiently comprehensive to meet its stated aims – to tackle alcohol, drug and gambling abuse and the harm it causes in particular communities.

1.2 Labor Senators are also concerned that there was not sufficient evidence provided about how the Bill will operate and notes that many of the details are yet to be worked through.

1.3 Labor Senators also heard there was a level of confusion about what had been agreed for the proposed trial and shares concern that the consultations on the trial have been unsatisfactory to date.

1.4 Labor Senators are aware that Assistant Minister Tudge has provided some additional information relating to the trial in Ceduna, outside of the Senate Inquiry process and in response to a letter from the Hon Jenny Macklin MP, Labor Spokesperson for Families and the Hon Shayne Neumann MP, Labor Spokesperson for Indigenous Affairs about many of the concerns shared by Labor Senators and submissions to the Inquiry.

1.5 However, as this additional information was provided by Assistant Minister Tudge on the afternoon of 11 October 2015, after public submissions had closed, this information could not be examined as part of the Inquiry process.

1.6 Labor Senators agree that the situation in relation to alcohol abuse and harm in the proposed trial locations is serious and there is a desperate need for action to support long term change. However, Labor Senators reject Assistant Minister Tudge's characterisation that Labor is turning their back on what community leaders are saying or that we are placing the trial at risk by asking additional questions about the trial. This is scaremongering and is avoiding fulsome scrutiny of the legislation.

1.7 To rush proper consideration of the legislation and its implications is irresponsible and could potentially undermine the long term outcomes sought. Labor Senators are committed to supporting community leaders respond to the harm caused in their communities through fulsome consideration of the legislation and its implications, and this will ultimately support a better long term outcome for people living in the proposed trial communities.

## **Issues**

1.8 Labor Senators note that tackling drug, alcohol and gambling abuse is complex and requires a long term, multifaceted response.

1.9 Several submissions noted the importance of a comprehensive package of support to accompany the debit card as part of any effort to meaningfully respond to the harm caused by alcohol abuse.<sup>1</sup>

1.10 Labor Senators note the Yalata Community Incorporation submission to the Senate Inquiry states that:

It is the strong view of Yalata and other Aboriginal leaders that the cashless debit card by itself will not address the problems caused by alcohol. The success of the trial will be determined by the other support measures that are implemented at the same time.<sup>2</sup>

1.11 The submission from Empowering Communities also includes the importance of additional community support:

The card alone will not solve the underlying factors which lead to drug, alcohol and gambling abuse, or the harm they cause.<sup>3</sup>

1.12 Labor Senators note the Memorandum of Understanding with Ceduna and the surrounding areas includes a reference to the development of a community support package, including with the South Australian Government.

1.13 Labor Senators noted that whilst there is a Memorandum of Understanding with Ceduna on the commencement of the debit card trial, other people who will likely be affected by the trial are yet to be fully consulted and are aware of the implications of the debit card.

1.14 Labor Senators are further concerned that many of the details about how the debit card will operate are yet to be finalised or sufficiently worked through, including how funds are managed, by which financial institution, privacy considerations and compliance monitoring.

1.15 Submissions from Financial Counselling Australia and Consumer Action Law Centre and the National Welfare Rights Network reference many of the details and issues that are yet to be worked through and made public.<sup>4</sup>

1.16 Labor Senators offer in principle support for a community panel model. However, it was noted that there is insufficient information from the Government about the role and responsibilities of such a panel. Labor Senators also noted that there was a lack of shared understanding about how a community panel could operate and when it might commence.

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1 See: National Welfare Rights Network (NWRN), *Submission 17*, p. 11; Cape York Partnership (CYP), *Submission 25*, pp 11–12; Australian Council of Social Service (ACOSS), *Submission 27*, pp 3–4; North Australia Aboriginal Justice Agency (NAAJA), *Submission 29*, p. 4.

2 Yalata Community Incorporation, *Submission 6*, p. 1.

3 Empowering Communities, *Submission 22*, p. 2.

4 See: Financial Counselling Australia and Consumer Action Law Centre. *Submission 14*; NWRN, *Submission 17*.

1.17 Labor Senators are concerned that the debit card trial will apply to all people on a working age payment and notes that many people in receipt of income support payments are responsibly managing their payments and in the interests of their family and children, and that not all people may benefit from the debit card. We are also concerned that there is no mechanism to come off the debit card. We note that several submissions to the Inquiry are similarly concerned. We also note that the Memorandum of Understanding with Ceduna agrees that the debit card will apply broadly. We would however support further consideration as to whether or not people could be able to come off the debit card if they meet certain criteria. Labor Senators believe this could encourage positive change for people who may be on the debit card.

1.18 In Ceduna, and other possible trial communities where the trial may operate, it is not clear how people who are currently on income management will transition to the new debit card and if they will continue to receive any additional supports.

1.19 Labor Senators also do not believe that the case has been made as to why only alcohol and gambling products are prohibited items on the debit card and note that no persuasive evidence was provided as to why cigarettes and pornography should not be included. Cigarettes and pornography, as well as alcohol and gambling products, are excluded items as part of income management and in response to those items contributing to widespread community harm and harm to children.

1.20 Labor Senators note that there was insufficient evidence presented about how the trial will be robustly evaluated. A comprehensive evaluation is needed to ensure communities and governments are able to make informed decisions about the future of the trial.

1.21 Labor Senators note that Assistant Minister Tudge has provided additional information that respond to some of our concerns. However, given the late provision of this information, and it being provided outside of the Senate Inquiry processes, Labor Senators require additional time to properly assess whether the additional information responds sufficiently to the issues outlined.

1.22 Labor Senators are aware that the additional information provided on a possible support package does not include what supports may be provided to other communities who may participate in the trial, including the East Kimberley region. Information on consultations in the East Kimberley region is also not provided. Labor Senators would expect that information on all participating communities is provided prior to further action being taken on the legislation.

1.23 We note that the legislation will enable the card to be introduced in three locations and Labor Senators would want to be assured that proper process had been followed and that additional community supports will be in place for any additional locations as well.

## **Conclusion**

1.24 Labor Senators support strong action to tackle alcohol abuse in communities where it exists.

1.25 However, before Labor will be prepared to support the Bill in the Senate, Labor Senators will need to be sufficiently satisfied that there has been sufficient consultations on the proposed trial; that the arrangements and operation of the new debit card have been finalised and made public; and there is a comprehensive and fully funded support package for trial communities to comprehensively tackle alcohol abuse and drive long term change.

1.26 Labor Senators also reject Assistant Minister Tudge's assertion that Labor does not support the community of Ceduna in its efforts to tackle alcohol abuse. This is completely false and could be seen as a deliberate attempt to avoid proper scrutiny of the proposed trial.

1.27 The Memorandum of Understanding for the trial in Ceduna sets out that the commencement date for the trial is February 2016. There remains adequate time for the Government to properly detail the operation of the debit card, agreement on trial parameters with additional trial communities, and for fulsome scrutiny by the Senate ahead of the legislation being voted on by the end of end of 2015.

### **Recommendation 1**

**1.28 The Bill is not progressed further until:**

- **sufficient consultations have been carried out in all possible trial communities, and a consultation report with proposed trial communities is made public;**
- **a comprehensive package of supports is agreed, funded and made public, developed in consultation with the participating community, state and local governments and service and support providers;**
- **further consideration and consultations occur on whether or not people could be able to come off the debit card if they meet certain criteria;**
- **the details of the operation of the Bill, including possible community involvement in income quarantining decision making, how people will transition from income management, agreement on the financial institution, privacy considerations and compliance monitoring are resolved and made public; and**
- **a fulsome evaluation framework for all possible participating communities is established, in place and made public.**

**Senator Carol Brown**

**Senator Nova Peris OAM**

**Senator Claire Moore**

