

**EVIDENCE-FREE POLICY MAKING? THE CASE OF INCOME MANAGEMENT**

**Eva Cox and Terry Priest, May 2012**

The Journal of Indigenous Policy Issue 12 (JIP 12) titled ‘Evidence-Free Policy making? The Case of Income Management’ was published and distributed in September 2011. The issue covered the Federal Government’s reported effectiveness of their income management (IM) program in the Northern Territory (NT) as part of the Northern Territory Emergency Response policy (the Intervention), and also looked at some related data from the Cape York and Western Australian (WA) programs.

JIP 12 assessed the validity of the relevant data then available and whether these studies, both official and independent, provided any serious evidence for the effectiveness of the IM programs mentioned above. The Government funded research studies, often quoted by the Department of Family, Housing, Community Services and Indigenous Affairs (FaHCSIA), failed to deliver proof of the effectiveness of IM programs. They showed at best, that some interviewees in affected groups reported that some things had improved, but the studies failed to validate these opinions with any independent data that confirmed their assertions, either as part of the study or via related official statistics. The problem of validity was exacerbated by most of these studies having research samples too small to be significant.

These findings cast serious doubt on the legitimacy of claims by the Government that their research data showed that IM was successful enough to expand. The extensions are already in place in the NT with the Government now working on implementing a version of the program to five new sites in other states.<sup>1</sup> These so-called pilot programs are due to start operating in July 2012, despite the lack of evidence that the WA model is effective. There is also considerable local concern about the program’s possible detrimental effects on wider disadvantaged communities.<sup>2</sup>

This addendum and JIP 12 are accessible online<sup>3</sup> and have been written to stimulate debate on what constitutes good Indigenous policy making and to identify some flaws in what the Government claims to be evidence based policy.

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<sup>1</sup> Australian Government

<http://www.fahcsia.gov.au/sa/families/progserv/welfarereform/Pages/default.aspx>

<sup>2</sup> See article for further information re pilot Income Management programs. Amy McQuire, ‘Bankstown wary of ‘Stronger Futures’, *Tracker*, Parramatta, NSW, 12 April 2012.

<sup>3</sup> Jumbunna Research Unit, Journal of Indigenous Policy, Issue 12, ‘Evidence-Free Policy Making? The Case of Income Management (September 2011).  
<http://www.jumbunna.uts.edu.au/researchareas/newmedia/JIP12online2011.pdf>

Despite, or maybe because of the widespread criticism of the quality of evidence being used to justify extending IM and other programs, Minister Macklin has released further Government funded research since the publication of JIP 12. These new studies claim to offer more proof of the benefits of these and other extended programs for the Intervention, now branded 'Stronger Futures'.

The two main new surveys, one conducted by FaHCSIA with service providers online and the other a commissioned study of people living in some of the targeted communities was conducted by a consortium of researchers. These two reports were provided separately but a third report included their findings with other official statistics in the latest, maybe last, FaHCSIA NTER evaluation report.

We have also included a critique of the Government commissioned report by O'Brien Rich<sup>4</sup>, which looks at the FaHCSIA run consultation processes for the Stronger Futures legislation. It has been included as its design methods and commissioning raise serious issues about research methods acceptable to FaHCSIA and the Minister. Similarly, we include an examination of the validity of the data used to justify extending the Improving School Enrolment and Attendance through Welfare Reform Measure (SEAM) program.<sup>5</sup>

We note here another publication that was released as this addendum was being completed. This Background Note was prepared by the well-respected Australian Parliamentary Library that prepares balanced briefings for backbench politicians. Published on 1 May, 'Is income management working?'<sup>6</sup> looks carefully at the evidence and finds similar methodological problems. In its conclusion the authors state:

This Background note has highlighted the absence of adequate data related to the effectiveness or otherwise of income management... Such evaluations as have been attempted should be treated with caution due to a range of methodological problems such as the lack the lack of comparison group or baseline date; the limited amount of quantitative data; the strong reliance on qualitative measures; questions over the independence of some evaluations; and problems with other design aspects of various reviews.<sup>7</sup>

The above conclusions from a neutral reliable source reinforce our concern that massive policy changes are being imposed despite the lack of evidence that they work.

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<sup>4</sup> O'Brien Rich Research Group: *Stronger Futures Quantitative Analysis Report* (September 2011) [http://www.fahcsia.gov.au/sa/indigenous/pubs/nter\\_reports/Pages/obr\\_sept11.aspx](http://www.fahcsia.gov.au/sa/indigenous/pubs/nter_reports/Pages/obr_sept11.aspx)

<sup>5</sup> Australian Government <http://www.fahcsia.gov.au/sa/families/progserv/welfarereform/Pages/ImprovingSchoolEnrolmentAttendance.aspx>

<sup>6</sup> Luke Buckmaster and Carol EY *Is Income management working?* Parliamentary Library , 1 May 2012 [http://www.aph.gov.au/About\\_Parliament/Parliamentary\\_Departments/Parliamentary\\_Library/pubs/BN/2011-2012/IncomeManagement](http://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/BN/2011-2012/IncomeManagement)

<sup>7</sup> Ibid 24.

## What is evidence?

The research for this addendum and JIP 12 suggest that the Government has failed to make use of any systematic data collection or longitudinal research studies to determine whether these programs have delivered any desired benefits to the individuals and communities involved. Essential criteria for evidence for justifying, extending or maintaining policies and programs have measurable objectives and can demonstrate if these are being met. This basic review of program benefits is particularly important when the programs involved are controversial and are likely to affect the dignity and rights of individuals.

Setting out measures of program outcomes is not necessarily easy, but is particularly important in Indigenous policies because there have been, and continue to be, so many examples of policy failures. The Government has acknowledged that the Intervention, originally established by the current Opposition, lacked clarity of aims, let alone compliance with appropriate consultation processes and with what is known about good policy making in this area. It was the classic example of bad policy-making, too often seen in this portfolio, which shouts ‘look as though you are doing something: the tougher, the better it plays in the media!’ However, the current Government has repeated many of the same errors despite their claims of a new commitment to evidence based policy making.

Both the Productivity Commission<sup>8</sup> and the Australian Institute of Health and Welfare,<sup>9</sup> respected research institutes, stress their work in Indigenous areas has identified the necessary processes for policies that work. Very briefly and not limited to these are, serious consultation, community involvement and engagement in processes, respect for language and culture and long term funding and resources where effectiveness is likely.

It is unclear why the government has failed to listen to this advice as part of the process of evaluating the Intervention. Apart from ill conceived processes, analysed in a Jumbunna report launched in March 2012 titled *Listening but not Hearing*<sup>10</sup>, the setting of measurable goals and expected outcomes should have been essential considerations before many Intervention measures were to be further extended. At a minimum, Government reports should include some data to show if programs, some which have run for up to four years, have caused no harm and done some measurable good. There were no such data sets included in earlier research, nor in the research that emerged post JIP 12. One can only assume they do not exist.

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<sup>8</sup> SCRGSP (Steering Committee for the Review of Government Service Provision) 2011, *Overcoming Indigenous Disadvantage: Key Indicators 2011*, Productivity Commission, Canberra.

<sup>9</sup> Closing the Gap Clearing House (AIHW, AIFS) 2011, *What works to overcome Indigenous disadvantage: key learnings and gaps in the evidence*, (Produced for Closing the Gap Clearinghouse, Canberra, Australian Institute of Health and Welfare, Melbourne, Australian Institute of Family Studies) 2.

<sup>10</sup> Hon Alistair Nicholson, Nicole Watson, Alison Vivian, Craig Longman, Terry Priest, Jason De Santolo, Paddy Gibson, Larissa Behrendt and Eva Cox, *Listening but not Hearing*, (Jumbunna Indigenous House of Learning, University of Technology, Sydney).

<http://www.jumbunna.uts.edu.au/researchareas/listeningbutnotheating.html>

This is odd as one of the presumably easier programs to measure should be IM. There are records of Centrelink payments, bank accounts and other financial details on the BasicsCards that could be used to assess savings and purchasing patterns, but none of these have been used to evaluate the program. It will be interesting to see the results of an Australian National Audit Office (ANAO) audit currently underway to assess the effectiveness of Centrelink's administration of income management services which is due to be tabled later this year.

There are also a range of statistics that are collected on school attendance, student attainment, crime, health and child welfare that could offer some evidence of possible changes in wellbeing and safety, but these are never emphasised in any official publications because we can assume that they fail to show evidence of improvements since the nemesis of these policies in 2007.

There can also be some methodological problems. Respondents to surveys, particularly long ones, often tend to agree with what they think the interviewers want to hear (gratuitous concurrence). So it is very important to validate such responses with external independent data. The research we have covered in JIP 12 and in this addendum, are limited to opinions of respondents with no independent verification offered.

### **The new reports**

The numbers of respondents in the more recently released surveys outlined below had much larger samples but continued to display other methodological problems. The following comments are based on the original reports and the way that the government has used the results in its evaluations.

### **1. Community safety: results from the service provider survey in the Northern Territory<sup>11</sup> - October 2011**

This report was based on an online survey conducted by FaHCSIA and records the opinions of 699 service providers with 86.3 per cent from government supplied or funded services, who not too surprisingly generally agreed with the benefits of the Intervention, however with some caveats. Only 8.8 per cent of respondents were Indigenous, so you can assume that most are not locals who have moved into jobs set up under Intervention funding. The report summarised the study as follows:

Service providers were invited to participate through a horizontal and vertical approach to service providers networks throughout the NT across a range of sectors, including health, police, education, child protection, social security, local government, and Government Business Managers (GBMs). Over 1,000 people were directly invited to participate in the online survey from 5th April to 20th May 2011.

A total of 699 service providers participated in the survey. Of these:

- 59.3 per cent were female (with more women in towns)
- 8.8 per cent self-identified as of Aboriginal or Torres Strait Islander background

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<sup>11</sup>Judy Putt, Sally Middleton, Jessica Yamaguchi and Kirsten Turner, *Community Safety: Results from the service provider survey in the Northern Territory*, (Department of Families, Housing, Community Services and Indigenous Affairs, October 2011).

[http://www.fahcsia.gov.au/sa/indigenous/pubs/nter\\_reports/Pages/community\\_safety.aspx](http://www.fahcsia.gov.au/sa/indigenous/pubs/nter_reports/Pages/community_safety.aspx)

- 56.9 per cent had lived in the NT for more than five years
- 86.3 per cent worked for government organisations.<sup>12</sup>

It is often these responses by service providers that were collected in the survey that are later quoted as ‘proof’ of the value of the Intervention, even though their safety and wellbeing was not the purpose or target for the Intervention services. The following finding about community safety has been often quoted.

**Community safety:** the most common response was that the community had become a little more or a lot more safe (41.4%), 28.1 per cent said it was the same, and 17 per cent said it was little or a lot less safe.<sup>13</sup>

Community safety directly affects the survey participants through their work and as local residents. The research sought to contribute to a better understanding of whether people feel less or more safe as a result of measures introduced in recent years, and indicate what participants believe makes a difference.<sup>14</sup>

Despite it being somewhat positive that 41.4 per cent saw their community as ‘a little more or a lot more safe’, there were still 45 per cent seeing it as the same or worse! The bigger communities were more likely to be seen as less safe, which is interesting as smaller communities are often seen officially as less viable.

When asked in an open question about the most effective service or program that had increased community safety, most comments indicated that policing, closely followed by night patrols, were the most effective. Not surprisingly, recreation/youth activities, alcohol restrictions, safe houses and the church were also mentioned by several remote community respondents.

Night patrols, additional policing and safe houses were viewed as having improved safety by at least half of the respondents in remote communities.<sup>15</sup>

Interestingly, these services should be available as part of local funding, not just because there is an emergency program, raising issues about the prior lack of what should be ‘standard essential services’.

### **What wasn’t picked up!**

The government response to this survey was that the findings confirmed they were doing the right thing. Interestingly, the same respondents offered implied and actual criticisms of how the process of engagement was inadequate. However, these comments were not apparently considered important.

Another key message that came through in remote community responses was to increase community involvement in appropriate decision making and to build community capacity and leadership. Suggestions to facilitate this included engaging community leaders and establishing working groups such as community safety action

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<sup>12</sup> Ibid 7.

<sup>13</sup> Ibid 8.

<sup>14</sup> Ibid 16.

<sup>15</sup> Ibid 10.

groups, men's and women's groups and having clan leaders developing the safety agenda.<sup>16</sup>

## **2. The Community Safety and Wellbeing Research Study (CSWRS)<sup>17</sup> - September 2011**

This study covered 1 411 residents in 17 remote NT Indigenous communities and was an interesting attempt by the consultants to both adapt survey methodologies and engage local people. Of all the survey data, this presents as a reasonably credible record of local views but again, does not include any credible measures of actual benefits. There are also questions on how valid the results are. The questionnaires were reportedly long and were administered by some locally selected people. However, it is not clear how the small local samples were chosen and therefore whether the sample was representative or whether dissident voices were excluded.

Many of the respondents were positive about aspects of the Intervention, in particular the increased services, such as policing. Interestingly, they expressed positive perceptions on improved school attendance, despite independent evidence of static numbers or even reduced attendance in the many communities covered. This result throws doubt on the accuracy of either perceptions or responses to the survey. The summary of the report is quite upbeat illustrating mostly the positive views of respondents.

Survey responses showed consistent agreement that the key positive changes perceived to have taken place over the last three years are in schools (83.3%), Centrelink (80.6%), clinics (78.3%), police (76.3%) and stores (76.2%). Services that have contributed to an improvement in safety at the community level are Night Patrols (74.8%) and more activities for young people (65.4%). In addition to the survey responses, the participative voting process identified that the most highly regarded change over the last three years was the increase in police presence. In addition, the Basics Card, improved housing and the school nutrition programs were voted into the list of the top five changes across the sample. (These issues were not covered by the survey tool). Improvement in opportunities for employment and training were also identified as a significant positive change. These data provide strong evidence that survey participants identify improvements to service delivery as being the most important changes that have taken place over the last three years. A very strong finding was that some of the positive changes, particularly those around community functioning and safety, were much less marked in larger communities.<sup>18</sup>

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<sup>16</sup> Ibid 32.

<sup>17</sup> Gillian Shaw and Peter d'Abbs, *Community Safety and Wellbeing Research Study*, Bowchung Consulting Pty Ltd, (September 2011).  
[http://www.fahcsia.gov.au/sa/indigenous/pubs/nter\\_reports/Pages/community\\_safety\\_wellbeing.aspx](http://www.fahcsia.gov.au/sa/indigenous/pubs/nter_reports/Pages/community_safety_wellbeing.aspx)

<sup>18</sup> Ibid 5.

Further on however some changes that can be seen as quite significant to those affected communities are reported:

Strong negative changes that have taken place over the last three years are perceived to be the loss of control at the community level and resulting disempowerment of local leaders, and the increase in marijuana use.<sup>19</sup>

However again, the report has no independent data from the communities confirming the positive views on improvements were actually accurate reports.

### **3. Northern Territory Emergency Response Evaluation Report 2011<sup>20</sup> - November 2011**

This report assesses outcomes from both the initial phase of the Intervention and the redesign reflected in the Closing the Gap in the Northern Territory National Partnership Agreement with the first page of its introduction including the following caveat:

While the report does have a strong focus on data, it is important to understand that there are only around 45,000 Indigenous Australians resident in the NTER communities. It can be difficult at times to observe trends in some outcome data for what is a relatively small population over a four-year period. It is also important to understand that the NTER is a very complex policy response that has many elements. **It is not always possible to identify the additional impact of individual measures because so many changes, both NTER and other measures, were introduced at a similar time (our bold).**<sup>21</sup>

This in itself is an extraordinary admission, not in research/data terms but in the context of the decisions being taken in both IM and other Stronger Futures initiatives. The new SEAM initiatives on school attendance are being introduced despite again there being no evidence that they work, and without a clear mandate from the ‘consultations’. The extension of IM to five new “disadvantaged” sites is also problematic considering the lack of evidence that it works and is expensive, with ACOSS estimating that it will cost \$96.9M over four years year or around \$120 per week administration per person<sup>22</sup>.

The use of the data from the surveys is quite problematic because later data show there is little or no improvement evident in statistics from most of the areas the respondents claim are getting better.

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<sup>19</sup> Ibid 5.

<sup>20</sup> Department of Family Housing, Communities and Indigenous Affairs, *Northern Territory Emergency Response Evaluation Report*, (November 2011).  
[http://www.fahcsia.gov.au/sa/indigenous/pubs/nter\\_reports/Pages/nter\\_evaluation\\_rpt\\_2011.aspx](http://www.fahcsia.gov.au/sa/indigenous/pubs/nter_reports/Pages/nter_evaluation_rpt_2011.aspx)

<sup>21</sup> Ibid iii.

<sup>22</sup> [Canberra cuts losses on its failed forums | The Australian](http://www.theaustralian.com.au/...on.../story-fn59niix-1226273230222) www.theaustralian.com.au/...on.../story-fn59niix-1226273230222

This difference could be the result of the way local people were selected for the sample, or maybe a general reaction to frequent contact with people from outside the community and the propensity of some interviewees ‘telling them what they want to hear’.

The volume of visits to communities during the NTER was high: analysis of the Visiting Officer Notification system shows that 45,000 personnel visitations were made during the period from August 2007 to August 2011.<sup>62</sup> The NTER Review Board found that communities struggle with the number of visits.

Many communities feel they are over-consulted. Informants interviewed by the Allen Consulting Group identified opportunities for engagement activities with communities to be combined and rationalised, rather than held as separate forums.<sup>23</sup>

There are other sections of the report that noted and even clarified the conflict between survey perceptions and other data. This important discrepancy was again not noted or used in any government policy responses. The following extracts are included as they raise serious issues about the effectiveness of the programs.

#### **Outcomes—law and order**

Community residents believe that the overall result of the NTER law and order measures has been positive: most people believe that there is less trouble, less family fighting and less drinking than three years ago.

Since the start of the NTER, there has been a 56 per cent increase in the rate of alcohol related offences and a 26 per cent increase in non alcohol-related offences. Much of the change in alcohol-related offences has been in traffic offences and illegal alcohol consumption, indicating a greater enforcement of alcohol regulations. Levels of recorded offending have increased the most where a resident police presence was established for the first time. The number of alcohol-related offences dropped markedly in 2010 after peaking in the last six months of 2009. Figures for 2011 indicate a stabilisation in the number of recorded violent incidents.

More convictions for assault were recorded, but with a slightly lesser increase in rates of incarceration for offences committed in NTER communities. Across the Northern Territory as a whole, there was no statistically significant increase in assault-related hospitalisations. Recorded crime statistics are in part a product of police activity and community willingness to report offending and victimisation, as well as actual behaviour. The number of violent offences experienced by people can be much higher than the official data indicate, due to an unwillingness to report offences to police. The large jump in reported offences that coincided with the increase in policing is probably due to increased police activity and public reporting.

This underscores the importance of respectful engagement by police to build trust. Assessments of changes to underlying crime rates will take many years as the additional police activity and trust levels become normalised; however, many people consider that their communities are now safer and that it is now easier to get help from the police.<sup>24</sup>

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<sup>23</sup> Ibid 18.

<sup>24</sup> Ibid 21.



### **Outcomes—supporting families**

The total number of child sexual assault convictions for the NTER communities over four years from 1 July 2007 to 1 July 2011 was 44, compared to a total of 25 convictions in the four years prior to the commencement of the NTER (1 July 2003 to 30 June 2007).

Nationally, most headline statutory child protection indicators have increased over the last decade.<sup>123</sup> Data from the Northern Territory Department of Children and Families show that from 2006–07 to 2010–11 the number of child protection substantiations for Indigenous children in the Northern Territory grew by 136.6 per cent. The vast majority of the increase (81.7%) occurred outside the Greater Darwin area, implying that much of it occurred in the NTER communities.<sup>25</sup>

Part of the increase in numbers will be attributable to population increase. Substantiation had improved over recent years. There was an 84 per cent increase in domestic violence incidents recorded by police in the NTER communities between 2007–08 and 2010–11.<sup>126</sup> This was probably due to increased police presence, coupled with legislative changes that affect the recording and reporting of domestic violence (including 2009 legislation which introduced mandatory reporting of domestic violence).<sup>26</sup>

### **Outcome data (families)**

One of the major problems in evaluating the Supporting Families measures of the NTER is the apparent paucity of quality data at the community level—particularly data relating to child and family wellbeing outcomes. There is a lack of data to compare the current situation in NTER communities with the circumstances in those communities prior to the program initiation.<sup>27</sup>

To enable comparisons between NTER communities and other areas within the Northern Territory, aggregate data are needed for the 73 NTER communities. This is particularly the case for statutory child protection data, but is also true for a number of other administrative data collections that could provide insights into whether there are any changes to the underlying risk factors that are being targeted through the NTER. This could include data on health (for example, child morbidity), housing (levels of overcrowding), and poverty...

Without the development of clear and measurable indicators and the consistent and reliable collection of data to measure those indicators, a comprehensive evaluation of the efficacy of the NTER in relation to supporting families and protecting children is not possible.<sup>28</sup>

### **Education**

There has been no observable improvement in school attendance between 2006, before the NTER was introduced, and 2010, the last full year for which data are available. There appears to have been a decline in attendance rates in 2010 after improvements for 2008 and 2009; data for 2011 are required to determine if that decline may be considered a ‘true’ decline or if it is related to other conditions.

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<sup>25</sup> Ibid 27.

<sup>26</sup> Ibid 28.

<sup>27</sup> Ibid 842-843.

<sup>28</sup> Ibid 290.

- The NTER and other Australian Government and Northern Territory Government programs have contributed to a substantial increase in resources allocated to schools serving the NTER communities. There have been increases in infrastructure, such as new classrooms and other facilities, as well as teacher housing; in teacher professional support; in preschool programs; and in support for student wellbeing and nutrition. What is not clear, however, is whether these increases can be attributed to the NTER alone or how much can be attributed to the NTER.
- At this time, it is too early to determine the effects of efforts to improve the quality of teaching on student outcomes, as there has been little opportunity as yet for new teachers to enter the NTER schools, for the effects of professional development to flow through to the classroom or for new teacher housing to influence teacher turnover or the quality of teaching.<sup>29</sup>

These problems are compounded by a lack of quality affordable housing in remote communities.<sup>30</sup>

In 2008, FaHCSIA reported that at least 10 schools in the NTER communities had an average student attendance that exceeded available classroom capacity and that classroom pressures were emerging in other schools. In addition to problems with overcrowding in some schools, a further concern at the inception of the NTER was the capacity of existing infrastructure to cater for anticipated increases in enrolment.

**Table 8.10<sup>31</sup>: Student attendance rate in NTER schools, by level of schooling, 2006 to 2010**

| Level of schooling     | 2006 | 2007 | 2008 | 2009 | 2010 |
|------------------------|------|------|------|------|------|
| Primary (Transition–6) | 64.6 | 65.7 | 63.6 | 64.0 | 60.3 |
| Middle Years (7–9)     | 61.0 | 58.4 | 58.7 | 59.0 | 55.0 |
| Senior Years (10–12)   | 59.4 | 53.8 | 47.8 | 48.4 | 44.7 |

Source: NT DET

The above extracts show that the Government officials at least were aware of the problems that continued and contradictions in some of the survey results. Later, the report attempts to explain the apparent contradictions between their own surveys and official data collections. The question still remains why such findings were not used to ensure that any redesign did not repeat the errors and address the concerns. It raises the question of why, on the basis of both the costs expended and questions of whether the results were beneficial the Government used these data sets to expand dubious programs, leaving the following extracted justifications ringing somewhat hollow!

The total budget for the five years of the NTER and the NTNPA is \$2,127.3 million, of which approximately 78 per cent had been spent at 30 June 2011. The largest single area of expenditure has been under employment and welfare reform (34%), followed by promoting law and order (17%), improving child and family health (14%) and coordination (14%). Eleven per cent of the total budget has been spent on enhancing education, 6 per cent on supporting families, and 5 per cent on housing and land reform.

There are also a range of long-term outcomes that can only be measured subjectively, such as whether families feel safer, whether families are stronger, whether community

<sup>29</sup> Ibid 844.

<sup>30</sup> Ibid 864.

<sup>31</sup> Ibid 844.

norms are positive, whether the relationship between communities and governments is sound, and whether service users and stakeholders are satisfied and believe that there is an appropriate level of community control. Subjective outcomes are measured through a range of surveys and research projects, such as the Community Safety and Wellbeing Research Study. **It is rarely possible to demonstrate that a subjective outcome has been achieved; however, if suitable data capture methods are employed, trends over time can be ascertained (our bold).**<sup>32</sup>

Unfortunately, the initial rapid rollout of the NTER measures precluded much of the planning activity that would have assisted subsequent evaluation of the measures individually and collectively. In particular, the simultaneous rollout of multiple measures without preselected phasings makes it difficult to separate the relative contributions of each component to any overall change.<sup>33</sup>

These concerns and caveats should have been enough to cast doubts on the extension of many of the programs covered, at least until some better results were available. Yet the Stronger Futures legislated ten-year program and some of its related funding do not seem to have taken into account their own data and analysis or possible doubts on outcome measures. The methodologies are often dubious, as is illustrated by a small example below on defining safety to participants:

One of the reasons for the qualitative research component in the CSWRS was to investigate what local community residents understood by and about community safety. To explain what was meant by perceptions of community safety, the CSSPS included the following introduction to the questionnaire:

‘People can feel safe or unsafe in their homes, at work, and being outside in a community. The experience of seeing or hearing about various personal and household crimes such as assault, domestic violence, burglaries and property damage influence perceptions of safety. Certain places and times of the day can also be seen as less safe, with people often being influenced by signs of social disorder and the physical appearance of buildings and open spaces’.<sup>34</sup>

The explanation above is unclear and leading, and more so if it was delivered to people whose first language may not be English, casting further doubt on the design and wording of the research instrument.

The net result is that the Government’s own report does not indicate it has any serious reliable data on the benefits of the Intervention, except maybe from the services that should have been formerly available, such as additional policing.

### **Income management**

The initial Government evaluation publication focused heavily on IM, but this program was not the primary focus of the later reports as the program was already extended. However, inevitably the topic was raised in the consultations and was covered in this report. The following extracts add little weight to the earlier material and again offer no justification for extending the IM program in its various guises.

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<sup>32</sup> Ibid 74.

<sup>33</sup> Ibid 80.

<sup>34</sup> Ibid 92.

### **Communication issues**

Key complaints raised in relation to inadequate communication include a lack of understanding by participants as to the purpose of the program or why they were on it; the need for a greater use of interpreters by Centrelink when explaining and discussing income management with customers; confusing or inadequate information provided in Centrelink letters; difficulty in understanding income management account statements; and difficulties in accessing balances, transferring funds and changing allocations, and concern that this stemmed from inadequate information about those processes.

### **Unintended consequences**

**The review of the NTER by CIRCA found that overall perceptions of the NTER were often shaped by only a few NTER initiatives, the key one being income management. In this case, a lack of consultation and lack of community control were linked with the compulsory nature of income management (our bold).** The study also found that the main criticisms of income management revolved around its compulsory nature, increased difficulties when travelling, exploitation of older people (as carers or nominees sometimes use income-managed funds for their own purposes), difficulties paying large bills and paying off existing debt from non income-managed funds when 50 per cent of income is quarantined, and confusion due to a lack of communication and education about how income management works. Community members suggested improvements such as greater flexibility in how they could use income managed funds in smaller outlets such as roadhouses when travelling, reduced complexity when allocating funds and accessing money in emergencies, more education, and consideration of existing debt contracts.<sup>35</sup>

## **4. O'Brien Rich Research Group: Stronger Futures Quantitative Analysis Report<sup>36</sup> - September 2011**

The Government's own reporting of their Stronger Futures consultations claimed widespread support for their proposed programs and laws. However, this view is not supported by their own commissioned report that is based on a statistical analysis of the notes taken by FaHCSIA staff at the 499 or so consultations they initiated in the Northern Territory.

These records were given to the research consultancy to be coded, cross-tabulated and analysed by use of a statistical research program under the assumption that the records reflected the content of the discussions. The 'records' were, in fact, just notes taken by FaHCSIA employees which were intended for internal use, presumably to inform government and maybe for feedback to communities. This was not the research data one would glean from a focus group, nor in any way did it equate any formal research record keeping process. There was also no ethics clearance sought to use the content as research data, which raises other serious issues of privacy and the legitimacy of process.

Even so, this report also spells out a series of caveats about the legitimacy of reading the data as a record of what was said rather than what was written down. These doubts

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<sup>35</sup> Ibid 354.

<sup>36</sup> *O'Brien Rich Research Group: Stronger Futures Quantitative Analysis Report* (September 2011) [http://www.fahcsia.gov.au/sa/indigenous/pubs/nter\\_reports/Pages/obr\\_sept11.aspx](http://www.fahcsia.gov.au/sa/indigenous/pubs/nter_reports/Pages/obr_sept11.aspx)

did not affect the government claiming the records of these meetings made clear the support for their legislation and policies:

The data presented in this report should therefore be read as a summary of information recorded during the consultations. It should not be considered to be representative of the opinions of all consulted communities.<sup>37</sup>

This raises the question of why the Government spent \$75 000 to produce it and casts further doubts on the portfolio commitment to good research practice let alone effective use of evidence. The following quotes come from the O'Brien Rich report and look at the questions of reliability of their methods and the data itself.

#### 1.1 Understanding the tables

In a survey, people respond to set questions; in a consultation process people simply provide their point of view. This has important implications for understanding the tables.<sup>38</sup>

And a later comment illustrating other doubts:

The main purpose of this exercise was to quantify the qualitative **information recorded from the Stronger Futures consultations, and to analyse these by a number of demographic and other variables identified by the Department (our bold)**. Two researchers have carefully checked the data, coding frames and the results of analysis. **We believe that the data presented in this report is an accurate representation of the consultation records provided by the department (our bold)**.<sup>39</sup>

The concern is that these assertions (above bold) make it clear that any credibility at all relates to the quality of the recording of views given, which is nowhere validated or even made public! The research consultants make it clear that they can at best state their product as reflecting the documents they received but not whether these are accurate records of what went on. Given the process and the lack of evidence of objectivity by FaHCSIA note takers, these results should be treated with caution.

The tables would best be read in conjunction with the qualitative information from the consultation responses, together with Departmental knowledge of the issues from other sources. This data should therefore be considered as one piece of information, which may be triangulated with other data to enable a more robust assessment of responses to the priority issues.<sup>40</sup>

Under the heading of *Data Limitations*, further issues are raised about the validity of their own processes:

It is important to recognise that the information contained in the consultation reports has a number of limitations in relation to this exercise: The unit of analysis is the

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<sup>37</sup> Ibid 2.

<sup>38</sup> Ibid.

<sup>39</sup> Ibid 9.

<sup>40</sup> Ibid 10.

written report for each separate consultation. The responses recorded include community consultations, small and large groups and individual consultations.<sup>41</sup>

### **The use of the O'Brien Rich report for the extension of the SEAM programs in schools**

The following data is on a particular issue the Government promoted as locally supported. The figures show that reported attitudes to school reform do not validate the Government's claims of clear support for the extension of punitive aspects of SEAM. The Government has declared on a number of occasions that there is substantial support for their new education policy which proposes that parents be disciplined financially if their children are not compliant with school attendance requirements.<sup>42</sup>

The Government claims are that the consultation responses show this policy change is what is wanted. However, their own commissioned data analysis of responses at the consultations do not suggest that the support is either clear or overwhelming. The numbers who raise the issue are relatively low and the support reported, even given all the constraints suggested by the compilers, is not high enough to validate the claims often made of local support.

| <b>Table 2.2 Parents by Tier response<sup>43</sup></b>              | <b>Tier1 (372 )</b> | <b>Tier 2 (99)</b> | <b>Total (471)</b> |
|---|---------------------|--------------------|--------------------|
| Parents should take responsibility for getting kids to school       | 80<br>22%           | 46<br>47%          | 126<br>27%         |
| Govt should cut off Centrelink / family payments for non-attendance | 69<br>19%           | 23<br>23%          | 92<br>20%          |
| Parent problems / drink / gunja / gambling cause low attendance     | 49<br>13%           | 32<br>32%          | 81<br>17%          |
| Parents need support / education to understand importance of school | 34<br>9%            | 16<br>16%          | 50<br>11%          |
| Parents should not be fined / have payments cut / kids will suffer  | 22<br>6%            | 11<br>11%          | 33<br>7%           |
| Parents should be fined for non-attendance                          | 12<br>3%            | 2<br>2%            | 14<br>3%           |

The above data shows that some people (27 per cent) do see problems with low school attendance and parental roles but somewhat fewer also support Centrelink payments being cut (20 per cent ). Only 3 per cent support fining parents and 7 per cent oppose it. Problems are seen as substance abuse and lack of understanding of school importance, but not as parent's deliberately keeping children out of school.

<sup>41</sup> Ibid.

<sup>42</sup>

<http://www.fahcsia.gov.au/sa/families/progserv/welfarereform/Pages/ImprovingSchoolEnrolmentAttendance.aspx>

<sup>43</sup> O'Brien Rich Research Group: *Stronger Futures Quantitative Analysis Report* (September 2011) 13.

## Conclusions

The additional reports that have been released post the publication of our previous analysis of the IM program add little credible evidence to the debates on the validity of extending programs under Stronger Futures or other legislation. The Government has ignored the data collated by their own sources and has failed to design surveys that looked at possible negative outcomes. This approach was part of the Equality Rights Alliance survey, titled *Women's Experience of Income Management in the Northern Territory*<sup>44</sup>, which is the largest study of people on income management. Completed in May and June of 2011, more than 180 women with direct experience of IM participated. The survey found that 79 per cent wanted to exit the system, 85 per cent had not changed what they buy and 74 per cent felt discriminated against when they used the BasicsCard.

The most optimistic view one can take on the available data on IM and other programs, is that there are diverse reported opinions in the communities surveyed but there is no supporting hard data on program benefits. Without evidence, for example from the study on shops that purchasing patterns have improved significantly because of IM, it is hard to justify the program. A moratorium on extending the IM program and on all compulsion would be a good starting point for minimising both costs and risks. Similarly, delaying SEAM to see if the data shows some results would be good, as early data did not show improvements in attendance. Why spend money on new programs without evidence that they work and that they do no harm?

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<sup>44</sup> <http://www.jumbunna.uts.edu.au/researchareas/newmedia/abolishincomemanagement.html>