



# Report Summary

An exploration of the impact of Lutheran Care's Financial Wellbeing programs in central Australia, the drivers of poverty and what can be done?



LUTHERAN  
CARE






Batchelor  
Institute

# An exploration of the impact of Lutheran Care's Financial Wellbeing programs in central Australia, the drivers of poverty and what can be done?

## REPORT SUMMARY

### THE RESEARCH

This independent evaluation aimed to explore:

-  the impact of Lutheran Care's Financial Wellbeing programs in central Australia
-  the situation in central Australia and why people there are experiencing poverty
-  what can be done to address this.



### LUTHERAN CARE'S IMPACT

Lutheran Care delivers Financial Wellbeing services in Alice Springs and 28 remote Aboriginal communities.

Lutheran Care financial counsellors and capability workers provide 1:1 support and group workshops, with support including Financial Literacy Support, Financial Wellbeing, Money management, Emergency Relief (ER), and referrals.

In 22-23, the team delivered 1071 individual services, 104 community engagement meetings, and 1053 ER appointments, giving away around \$30,500 in vouchers.

### INFO GATHERING

Information was gathered through conversational 1:1 interviews with stakeholders, community representatives and Lutheran Care staff, allowing them to use their own words and language. Focus groups were also held, and a comprehensive review of existing data and reports conducted.

The research reflected Lutheran Care's 2022-2023 service delivery period.

### Central Australian challenges

-  failure of systems and staff of organisations such as Centrelink to take into account unique local factors such as:
  - geographical isolation
  - culture
  - language
  - limited or no access to technology or internet/phone coverage.
-  Buy Now, Pay Later and Afterpay schemes
-  Scamming activity such as romance scams
-  Financial literacy
-  Incarceration
-  Scarcity of housing and employment
-  Food insecurity
-  Income Management & enhanced Income Management measures

# Challenges in focus

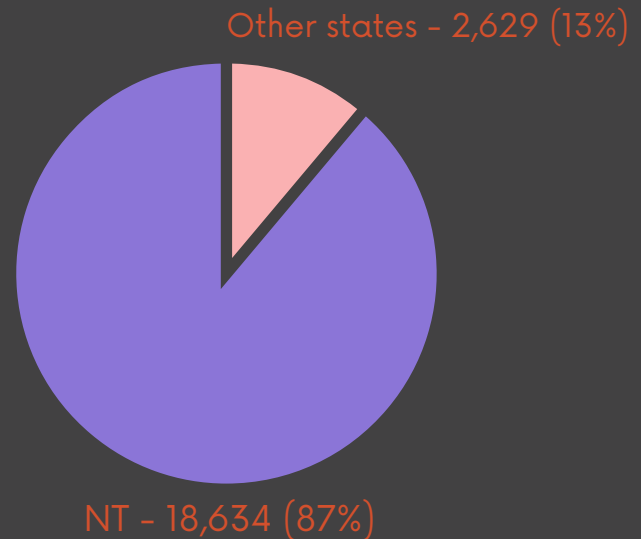
## Income Management & enhanced Income Management

The report found that measures such as Income Management (IM) and enhanced Income Management (eIM), and the associated cards set up to quarantine welfare payments, have failed to achieve their intended objectives such as:

- improved employment outcomes
- improved mental health
- school attendance
- economic activity.

“socio-economic outcomes for Aboriginal people have worsened in the Northern Territory and other places where IM is used, since 2016”

- Biddle and Markham (2023)



### Australians Subject to Income Management

In January 2024, 21,262 Australians were subject to IM, including 18,632, or 87% in the NT. (Parliament of Australia, 2024a)

## Unplugged communities

“In some places the community infrastructure and resources required to provide the most basic level of connectivity to maintain compliance for people on Income Management is completely missing.

Two communities serviced by Lutheran Care’s outreach have no mobile phone service, no office or staff operating Centrelink services, and no working phone connection to Service Australia systems. Several other places have computer systems that are defunct, damaged, or just not maintained.”

## Competing challenges

“The context in central Australia is one in which many people experience financial crises within an inter-related set of circumstances. These circumstances - for example, hunger, homelessness, and safety concerns - may exert a more pressing need to respond. Overcoming poverty is beyond the scope of an individual’s choice-making or capacity to change - even if choice or change were options.”

# Recommendations include



Expand Lutheran Care workforce and number, types and locations of Financial Wellbeing sessions.



Hire and train Aboriginal community-based Lutheran Care staff to deliver services.



Roll Emergency Relief out to remote areas, with support from partners.



Develop more culturally, linguistically and geographically aware workforces particularly in Government service roles.



Ensure affordable fresh fruit and veg are available in remote locations, with support from partners.

The report was co-authored by Jude Lovell, Margeret Friel, Theresa Alice and John Guenther from Batchelor Institute. It was originally published as "Evaluation Report on Lutheran Care's work with the Cashless Debit Card Initiative in Central Australia".

To view the full report, visit [lutherancare.org.au](http://lutherancare.org.au) or email [communications@lutherancare.org.au](mailto:communications@lutherancare.org.au)

