

J.A.S.
BRARY
8 JAN 1974



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HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON

ABORIGINAL AFFAIRS

43526
(18)

TRANSCRIPT OF EVIDENCE

(Taken at Canberra)

MONDAY, 8 OCTOBER 1973

Present

- Mr Cross (Chairman)
Mr Collard Mr Thorburn
Mr Hunt

Adviser

Prof. W.E.H. Stanner

TERMS OF REFERENCE

That a Standing Committee on Aboriginal Affairs be appointed to inquire into and report on matters referred to it by resolution of the House, the Minister for Aboriginal Affairs or by motion of the committee within the following terms :

- (a) to consult with Aboriginal and Island people on policies and programmes for their advancement;
- (b) to examine the present situation of Aboriginal and Island people, recommend policies for improvements; and
- (c) evaluate the effect of policies and programmes on Aboriginal and Island people.

PERSONNEL OF THE COMMITTEE:

Chairman	..	Mr M.D. Cross, M.P.
Members	..	Mr A. Ashley-Brown, M.P.
		Mr R.N. Bonnett, M.P.
		Mr F.W. Collard, M.P.
		Mr J. FitzPatrick, M.P.
		The Hon. R.J.D. Hunt, M.P.
		Mr A.W. Jarman, M.P.
		Mr R.W. Thorburn, M.P.
		The Hon. W.C. Wentworth, M.P.

MR IRWIN PROWSE, Assistant Director-General (Policy),
Department of Social Security, was sworn and examined.

CHAIRMAN - Mr Prowse, we have received your submission. Do you wish to make any statement further to that contained in the submission, or to propose to the Committee any amendments?

Mr Prowse - No. The submission is in very general terms. I do not think I can add anything at this stage. I shall leave it to the Committee.

CHAIRMAN - It is proposed to take your submission as read and to incorporate it in the transcript of evidence. Do you have any objection to this?

Mr Prowse - None at all.

Resolved (on motion by Mr Thorburn, seconded by Mr Hunt):

That the submission be incorporated in the transcript of evidence.

(The document read as follows):

Social Services Benefits for Aborigines

Since February 1960 Aborigines have been able to qualify for the various benefits under the Social Services Act in the same way as other members of the community.

However, certain references to Aborigines remained in the Social Services Act until 1966 when these remaining provisions were repealed.

At present, therefore, all Aborigines qualify for benefits and receive payment in the same way as other pensioners.

Because Aborigines are treated in a similar manner to all other pensioners no separate statistics are available as to the numbers of Aborigines who are in receipt of pensions or benefits under the Act. Applicants for Social Service Benefits are not asked to state their race, because this is not relevant to their eligibility.

Unemployment benefit is an area which presents some difficulties. This benefit is available to persons, including Aborigines, who are capable of, and willing to work, and who are taking reasonable steps to obtain such

work. It has always been difficult for Aborigines on Church Missions and Government Settlements to satisfy these conditions. The main problem arises from the fact that basically unemployment benefit, devised as it is for an industrialised society, is an inappropriate method of providing assistance for people in remote communities, many of whom still enjoy their tribal way of life and customs.

Up to the present unemployment benefit has been payable on Church Missions and Government Settlements only to those Aborigines who customarily work outside the Mission or Settlement or who are willing to work and are actively seeking work outside the community.

This policy has recently been reviewed and it is now proposed that unemployment benefit will be payable to Aborigines in these communities provided that they are capable of and willing to work and no such work is available in the community; in other words, an Aborigine will no longer be required to leave the Settlement or Mission in order to qualify for unemployment benefit.

A copy of the Departmental instructions issued on this matter is attached. It will be noted that regular air charters are proposed whereby officers of the Department of Social Security, the Department of Labour and other relevant Departments will be enabled to maintain more frequent contact with these isolated communities. These charters have not yet got off the ground but it is expected that they will be in operation in the very near future.

Department of Social Security August 1973.

COPY

DEPARTMENT OF SOCIAL SECURITY

Juliana House,
Bowes Street,
Phillip, A.C.T.

Director,
Department of Social Security,
ALL STATES.

Unemployment Benefit - Aborigines
Residing on Government Settlements and
Church Missions

As you are aware, unemployment benefit is not at present granted to Aborigines residing on Church Missions and Government

Settlements unless they normally work outside the mission or settlement or are willing to work outside the mission or settlement and have taken active steps to obtain such work.

2. This policy has now been reviewed and in future unemployment benefit will be payable to Aborigines on missions and settlements provided they are capable of and willing to work and no such work is available on the mission or settlement; in other words, an Aborigine will no longer be required to leave the settlement or mission in order to qualify for unemployment benefit.

3. It is realised that there will be some difficulties in administering the new policy in some of the more remote communities.

4. In an attempt to overcome these difficulties, the Department of Aboriginal Affairs proposes to charter planes about once a month and allow other Commonwealth Departments, e.g. Labour, Social Security, Education and Health, to buy a seat. The Department of Aboriginal Affairs has in mind six charters - one for the top end of the Northern Territory, one for the southern part, one for the north of Western Australia, one to be based on Kalgoorlie, one to be based on Cairns and one for the northern part of South Australia. This last charter will replace the charter now made by the Department of Labour.

5. It will therefore be necessary for you to make an officer available to take part in these visits. You may consider it desirable that a senior officer should go on the first visit in order that he may be acquainted with the local problems. It is envisaged, for example, that our officers will both receive claims and check on current claims for pensions, child endowment, unemployment and sickness benefit. For example, it will be necessary to investigate complaints, which are still being made from time to time, that pension and child endowment moneys are not actually being received in full by the pensioner or endowee concerned.

6. It has also been decided that the lodgement of income statements weekly in these remote localities is impracticable and that they be lodged monthly when they are to be collected and examined during the visits by officers of this Department or the Department of Labour.

7. This office will arrange for the Department of Aboriginal Affairs to be in touch with you concerning the introduction of the charters.

8. It is emphasised that unemployment benefit is not to be granted to any Aborigine who does not want to work - in other words, to receive unemployment benefit, the claimant must be capable of work and must want to work on the mission or settlement or otherwise benefit is not to be granted. The

Department of Aboriginal Affairs has offered full co-operation in this regard.

9. It is appreciated that in the implementation of this new policy some minor difficulties will arise from time to time. However, these should not be insuperable. Upon completion of the first chartered flight, a report should be furnished to this office and thereafter reports need only be made as the need arises.

10. Please acknowledge receipt of this memorandum.

(L.J. DANIELS)
A/g Director-General.

Mr THORBURN - It has been said to me on a couple of occasions that some Aborigines with very large families are able to derive a much greater income benefit from being unemployed than from being employed. Would you agree with this?

Mr Prowse - This is a question of fact, of course. It applies not only to Aborigines but also to white people with large families. The rate is increased by \$5 a week for each child. The basic rate for a married man is \$40.50, plus \$5 for each child. If he has 4 children, he would get \$60.50 a week, and if he has 6 children he would get \$70.50 a week. It goes up by \$5 a week for each child. This applies to anybody on these benefits, whether they are Aboriginal or white. There are, of course, cases in which some white people receive more by way of benefit than they were receiving before they became unemployed.

Mr THORBURN - It would seem it might be in the Department's interest to look at this and suggest some supplementary income for people. After all, the unemployment benefits that men with large families are going to get are not enormous and it would seem that, to encourage them to work, it might be better to give

some incentive to men with large families, to try to get them over this. I would like my wife to say to me: 'Do not go to work; we will get more money if you do not.' I think that would be a wonderful situation.

Mr Prowse - The obvious way to overcome the problem, of course - and here you are getting into an area of Government policy - would be to have a limit on the amount of benefit a person could receive. It could be limited to the amount he was receiving when he was employed, or to minimum wages, or whatever it was. But any limit of that nature would have to apply generally throughout the whole of Australia.

Mr THORBURN - Probably the other way would be to give an incentive to people who did work. They are on small enough salaries, if they have a large family now, to try to survive. Rather than try to deprive a person with a large family of income, it would probably be better to give to somebody who has a large family an incentive to work.

Mr Prowse - There again you are becoming involved in the wage structure, are you not?

Mr HUNT - Have we any statistics to indicate what the average weekly wage of the Aboriginal is, State by State, and for the Northern Territory separately?

Mr Prowse - I do not know of any figures. Somebody from Aboriginal Affairs might know.

Mr HUNT - Take an unemployed Aboriginal with a family of 4 children. Would you be inclined to think that his average weekly earnings would be less than he would receive in unemployment benefits?

Mr Prowse - He would receive \$60.50 a week in unemployment benefits. Whether he was earning that much is not material to deciding whether he gets benefits or not. But I do not know what the average weekly earnings of Aborigines are. We have no figures.

Mr COLLARD - Do you keep any statistics of the numbers of Aborigines that are in receipt of unemployment benefits?

Mr Prowse - No. This is another question which is currently under consideration. The position is that in 1960, when the last remaining restrictions were removed from Aborigines receiving unemployment benefit and pensions, the then Minister decided that we should remove from all our claim forms the question which said: 'Are you an Aboriginal native of Australia?' That question appeared on all our claim forms because up to that time it was relevant, as Aborigines had certain exclusions. Now that those exclusions have gone we do not have this question on the claim form because it is no longer relevant. Consequently, we do not know how many people are receiving pensions or unemployment benefit who are Aborigines. We just have total statistics and know that some are Aborigines.

Mr COLLARD - Do you see any value in having Aboriginal statistics?

Mr Prowse - The Minister for Aboriginal Affairs wrote to our Minister following a conference with State Ministers and Australian Government Ministers in Adelaide on 1 June - the Social Welfare Conference. The question of statistics for racial groups was raised at that meeting and a resolution was passed that officers should consider ways and means of compiling these statistics to

assist in forward planning and other things. Now Mr Bryant has written to Mr Hayden suggesting that officers of the Department of Aboriginal Affairs and our own Department get together on this. Here again you have got the basic problem of 'How do you find out?' Are you going to ask them? Are you going to put the question back on the claim form that was taken off in 1960, or are you going to have some other question on the claim form relating to racial origin or racial grouping? This is one of the matters which the officers will be asked to consider. There is possibly some objection to putting a direct question back on the claim form, for some people might object to it, particularly as it is no longer relevant to their eligibility.

Mr THORBURN - Is it a fact that very few Aborigines insure themselves in health schemes? That very few Aboriginal families take out health insurance?

Mr Prowse - That is my general impression. Once an Aborigine is granted an unemployment benefit or sickness benefit, he automatically becomes entitled to the subsidised health benefit and I understand a lot of Aborigines do not follow it up. This is partly because they have got to fill in forms to become insured.

CHAIRMAN - Most of the problems that one finds with Aborigines in Brisbane concern unemployment benefit or sickness benefit and I think that Aborigines suffer from certain problems in this area that other Australians do not experience. For example, many people in Queensland, including many Aborigines, are seasonal workers and it may well be that a person has an accident or takes sick after having worked earlier in the year and then had a period in which he has not worked. In the past at times, I have had cases,

and I emphasise that this was some time ago, where Aborigines have been rejected for unemployment benefit on the ground that they had not lost income, because they had received sickness benefit. Is this still the attitude of the Department?

Mr Prowse - The law provides that in order to qualify for sickness benefit you must have first suffered a loss of income. Secondly, you cannot be paid a rate of benefit greater than the amount you have lost. That is the law. We should be administering this with a certain amount of flexibility.

For example if a young boy or girl has just left school and starts a job, or becomes sick: If they have just left school, they must have a potential loss of income, and we take the view that they have a potential loss of income. If they were not sick, they would be able to get a job. So we normally apply this potential loss of income to any person who becomes sick while he is especially been unemployed, ^ if he has normally ^ working, as these seasonal workers would be. So the correct thing to do in these situations would be to accept potential loss of income.

CHAIRMAN - Perth has a pattern of seasonal work if this were brought to the attention of the Department. So, in other words, the problem there would be a communications problem.

Mr Prowse - That is right, yes.

CHAIRMAN - There are a number of other areas. Some of these problems are more properly solved in other ways. Not so much now, but about 3 years ago, at the time of the rural depression, we had large numbers of young Aboriginal men in particular coming into Brisbane. They were living in derelict houses, and when they presented themselves to the Commonwealth Employment Service they were frequently in such a condition, by virtue of hygiene or the clothing that they were wearing - they may have had no shoes, for example - that they failed the work test; and of course this meant that they did not connect up with Social Security. It seems to me that the Department could well look at the question - not only for Aboriginal people but for other people in this area - giving them some benefit which would enable them, in effect, to rehabilitate themselves: To provide themselves perhaps with working clothing or accommodation for a

week, to put themselves into a condition where they might be able to register with the Commonwealth Employment Service. But I take it that you would probably regard that as more properly the function of the Department of Labour.

Mr Prowse - Partly. The work test is administered by the Department of Labour. Since Mr Hayden became our Minister, he has issued instructions that a person is not to be refused unemployment benefit merely because he may be unacceptable to an employer because of his dress or long hair or other aspects of his personal appearance. Furthermore, the work test is now administered in such a way that a person is required to be referred to a position similar to the one he normally has. For example, a shearer must first of all be referred to shearing work. So there has been quite a relaxation in the application of the work test which, by the way, has led to a bit of a backlash the other way too, and this presents a problem. We are in between 2 schools of thought, really. On the one hand we are accused of paying unemployment benefits to lazy layabouts, and on the other hand we are accused of being too restrictive in the application of the work test. It is a matter of finding a happy medium. It is also a question of getting the message right down the line to people actually dealing with the public, and that takes a while too. But Mr Cameron and Mr Hayden are collaborating closely on the application of the work test, and they are watching the position closely. If there are any abuses I am sure they will take steps to rectify them.

CHAIRMAN - What I am concerned about is this: I find that if a person worked prior to going into prison, or going into an institution to treat alcoholism, for example, although the

Department has tended to look at his case sympathetically, there may be discrimination against a person who may for instance have been an alcoholic. For example if a person has spent a period in, say, the Wacol Rehabilitation Centre in Brisbane, the Department has not always looked at that sympathetically. These are very likely to be the problems that Aborigines have, because the level of alcoholism is high.

Mr Prowse - A further instruction has been issued recently too in relation to alcoholics: They are not to be refused benefits merely because they are alcoholics. If it is not possible to provide unemployment benefits for them for various reasons, they are to be considered for special benefits which can be payable to anybody suffering hardship. Also, Mr Hayden has arranged for instructions to be issued providing for the payment of special benefits to men who are in gaol on remand, pending conviction. Until now, they have not been entitled to unemployment benefit; but if they are receiving unemployment benefit and they are picked up and put into gaol, the benefit will continue until such time as they are either convicted or released. Relevant to this also is the report of the Working Party on Homeless Men-----

Mr COLLARD - Could I just get clear what you said just now, about their being convicted or released? You do not mean that if they are convicted it carries on until they are released?

Mr Prowse - Once they are convicted they become prisoners and it stops. While they are in gaol on remand, awaiting conviction or release, we continue the benefits. I was just referring to the Report on Homeless Men which touches on this aspect quite a lot. I do not know what is likely to be the outcome ^{of} the recommendations ^

of that working party which are under consideration by the Government at the moment. They have recommended special measures for homeless men which will include some of the people we have just been talking about, the alcoholics and the people on remand, and so on. That report also recommends that some special arrangement be made for Aborigines. They recommended that special facilities and services need to be established for homeless Aborigines who do not choose to use the general agencies for homeless people. Now I would imagine that the Department of Aboriginal Affairs would be looking at this aspect of the report in conjunction with our Department.

Mr COLLARD - This morning the doctor told us that he agreed that if Aborigines were kept in reasonably regular employment, their health, both physically and mentally, would benefit. Does your Department interest itself in that aspect or would it be the responsibility of the Department of Health or the Department of Labour?

Mr Prowse - It would primarily be that of the Department of Labour. Their function is employment, and the more Aborigines they can find employment for, the fewer will be coming to us. There is one aspect of unemployment benefit which applies to Aborigines. I suppose it applies to some other people too. On the Government settlements and missions in the more remote areas, we pay pensions and child endowment, and they go on forever: Pensions go on till a man dies, and child endowment goes on until the children turn 16, and a lot of Aborigines tend to treat unemployment benefits in the same way as pensions. They do not appreciate that it is a temporary measure to tide them over from one period of employment to another.

Mr COLLARD - Let us put it this way. As far as you are concerned, the person, irrespective of whether he is an Aborigine or anyone else, who is entitled to unemployment benefits gets unemployment benefits. You do not interest yourself at all-----?

Mr Prowse - Normally, unemployment benefits are reviewed after about six months. The benefits, after all, are temporary, they are not meant to be permanent. When we review them at the end of six months we want to know why the person has not got a job; there must be some special reason. He may be suffering from some disability or something like that, in which case some other benefit might be more appropriate for him probably sickness benefit or possibly even the pension. So the benefit is reviewable in that regard every six months.

Mr COLLARD - I appreciate the policy in this, but Aborigines become unemployed at an earlier age than their counterparts. Has the Department given any thought at all to giving Aborigines pensions at an earlier age? This, I appreciate, could be in the area of policy.

Mr Prowse - It is very difficult to determine the age of an Aborigine, especially when you get up to 65 - some Aborigines are 55 not 65 years of age. But when they get to that stage and they can no longer work, if there is any doubt as to whether they are 65, they could be paid an invalid pension.

Mr COLLARD - I am not talking about doubt about their age; I am saying that an Aborigine, particularly a woman, becomes unemployable at an earlier age than a white person.

Mr Prowse - That is right. We have them examined by the Flying Doctor Service, or a sister at the place examines them. If they are entitled to an invalid pension they are paid an invalid pension at an earlier stage, of course. If an Aborigine is 55 years of age and obviously cannot work any more he would most likely

be accepted as totally incapacitated.

Mr COLLARD - I note in this circular that was sent to the branches of the Department the statement that - In an attempt to overcome these difficulties in administration the Department of Aboriginal Affairs proposes to charter planes about once a month----- and so on. Are you participating in that charter work?

Mr Prowse - Our Department will be. I understand that the Department of Aboriginal Affairs hopes to have this going next month. We will arrange for an officer from our Department in the various State offices to go on these flights.

Mr COLLARD - In respect of Aborigines on missions or settlements where there is no previous record of employment, do the normal conditions of the sickness benefit apply?

Mr Prowse - Yes. If an Aborigine on a settlement or a mission has never worked in his life and he is not the sort of chap you would employ there may be some difficulty in establishing loss of income for sickness benefit. If they do work and they become sick they get the benefit.

Mr HUNT - Of the Aborigines on government settlements and church missions in the Northern Territory, in particular, have we a ratio of those that are employed either under the terms of the employment training scheme or in other ways against those who are unemployed?

Mr Prowse - No. We have been assured that those receiving a training allowance are regarded as being employed, therefore not unemployed and therefore not eligible for unemployment benefits. There are a number of people on the missions who normally work in

the pastoral industry during the mustering season. When the wet season comes there is no work for them, so they go back to the missions during the wet season and they are paid unemployment benefits.

MR PHILLIP MALCOLM MACKENZIE, Assistant Secretary (Policy), Department of Aboriginal Affairs, was sworn and examined.

Mr HUNT - Can you tell me what the employment training scheme rates are now?

Mr Mackenzie - The maximum is about \$43, \$42.50 I think.

Mr HUNT - So it follows that an Aboriginal would be far better off unemployed than he would be under the employment training allowance.

Mr HUNT - If he had four children.

Mr Mackenzie - Yes...depending on the size of his family, yes. If he has a large family he certainly would be.

Mr HUNT - I assume from that answer then that that is the reason why we read in the social service paper:

The main problem arises from the fact that basically unemployment benefit, devised as it is for an industrial society, is an inappropriate method of providing assistance for people in remote communities many of whom still enjoy their tribal way of life and customs.

I see that some conflict could arise. If I was an Aboriginal at Papunya or Maningrida I would very quickly adopt the idea 'To hell with the employment training scheme; I will be unemployed'.

Mr Prowse - The attitude we have adopted for the present is that, if an aboriginal can satisfy the conditions laid down in the Social Services Act for a benefit, he gets it. If for any reason he is unable to satisfy those provisions, he becomes the responsibility with the appropriate State Department, the Northern Territory Administration, or the Department of Aboriginal Affairs now, to look after him. After all, they are responsible for Aboriginal welfare and we are responsible for making social service

payments. So if they meet the conditions laid down, we pay them. If they do not, we say: 'All right, the Department of Aboriginal Affairs or the State department, whoever is responsible for them, ought to provide any welfare assistance they need'. This is a matter which still has to be sorted out. We have not come to any real conclusion on this yet. Some people say: 'No, they ought to get social service benefits'.

Mr HUNT - I wonder if Mr Prowse and Mr Mackenzie could prepare a table for the Committee to show what the unemployment benefit is for families, say, up to seven children as against the going rates of pay for those employed on the missions and government settlements outside the training scheme and also the rates of pay that are available under the employment training scheme for Aborigines, so that we could see the relativity between the sets.

Mr Mackenzie - That presents no difficulty at all. I would just like to add that we are at the moment examining the training allowance scheme on settlements, and its replacement by award wages in one form or another.

CHAIRMAN - Would that be for people whose previous skill or proficiency at their work would merit award wages? What then would happen to people whose degree of skill was lower than that level?

Mr Mackenzie - Firstly, it is not necessarily a question of the skill of the individual, but the type of work that he is employed on which correlates to his skill. Secondly, the question of what happens to people who do not come within the award category is the hard question at the moment. We are currently working on this with Social Security, the Department of Labour, and the Public Service Board and so on, to try to work out a satisfactory arrangement for these people.

CHAIRMAN - The only satisfactory solution to this problem is the creation of job opportunities, is it not? Anything else begs the question.

Mr Mackenzie - That is how it appears to us at the moment.

Mr Prowse - The Department of Labour is working with us on this.

CHAIRMAN - Mr Prowse, I am very happy to hear the statements that you have made as to some of the announcements made by Mr Hayden and the attitudes of your Department. In the past we have not met the situation of an Aboriginal person who may have lived on a settlement on what we call a hand-out situation, and who finds difficulty in making the transition. We had

evidence in Bourke of young men who had gone to Sydney to do training in the building trade, but who could not make a transition from Bourke to Sydney because the environment was so different. In Queensland, young people who have a background of pastoral work or the like, where they can perhaps work seasonal work, go back to a settlement. If they come to Brisbane and are offered work, say, in a motor car factory assembling motor cars, they find the transition very hard to make. They really need a lot more tolerance in making that transition than we would normally allow to non-Aboriginal Australians. Your Department is giving that tolerance to a greater extent, is it not?

Mr Prowse - Yes. If a report from the Department of Labour says: 'This man has been offered work suitable to him, and he refused it', we would not pay. But if they said: 'We are unable to find suitable work for this man which would fit in with his previous history and his previous training' and so on, we would then pay unemployment benefits. It is largely a matter for the employer as well; he has to be tolerant too, and realise that he has got to give the Aborigine perhaps a bit more incentive, a bit more encouragement, than would be required for a normal person who has lived in Brisbane all his life.

Mr HUNT - A letter went out to the Director of Social Security in all States on 28 May. Paragraph 3 says: 'It is realised there will be some difficulties administering the new policy in some of the more remote communities'. Have those difficulties eventuated and if so, what are they?

Mr Prowse - The difficulties are mainly deciding which Aborigines are to be paid unemployment benefits in a situation where you cannot normally employ the work test. What we are going to do is to work test them on the missions and settlements themselves. Up to now we have required Aborigines to be willing and able to leave the mission, to go and look for work outside. But now we will work-test on the mission itself. If there is no work available on the mission suitable to them, they will be able to receive unemployment benefits. There will however be some Aborigines I imagine, I am told there will be, who are not really employable at all. They have not settled down to a pattern of employment; they prefer their hunting and they leave the mission settlements and they go out hunting and they have no perception of time or anything like this. These are people in respect of whom we expect some difficulty as to whether we should pay them unemployment benefit or whether we ought to provide some other means of assistance for them either through the Department of Aboriginal Affairs or some other special payment. As I said earlier, we would regard these people as being the responsibility of the Department of Aboriginal Affairs rather than the responsibility of our Department.

Mr HUNT - Would the continuation of this policy tend to fracture even further the tribal system of culture of the Aborigines in the main areas.

Mr Prowse - The Aboriginal who has never been used to normal work and handling money, I would imagine would have to receive some form of training and assistance if he wants to reach

this stage. A lot of them have reached it of course. A lot of people receiving unemployment benefit now would never have got it say 10 years ago having more or less settled down into some sort of work pattern. It is very difficult to generalise, about this, you find individual cases.

Mr Mackenzie - I might just say that the influx of new money into a community can have either beneficial or adverse effects on the community, make more money available for what we in our terms say are useful purposes, better food, clothing and so on, or on the other hand for liquor and other similar problems.

CHAIRMAN - Do your offices refer a person who may not meet the eligibility guidelines, to other authorities that might be able to assist them. For example in the Northern Territory would your office refer a person to the Department of Aboriginal Affairs if it were unable to assist him with social service payments.

Mr Prowse - Normally in the Northern Territory on the settlements the claims would come in to us via the Department of Aboriginal Affairs, or formerly the Northern Territory Administration, and if we were not able to pay, the advice to that effect would go back through that source so they would then know that this person had applied for unemployment benefit or sickness benefit whatever it was and it had not been granted and it would then be up to them to decide what assistance they ought to extend to him. The general question of whether paying large amounts to Aboriginals is a good thing or a bad thing, is a matter in which our Department is not directly concerned. But if we, for example, receive a complaint where the man is using his benefits to the

detriment of his wife and children - we do sometimes receive complaints of this nature - that the wife and children have not got sufficient money for their food and clothing because the husband has bought a second-hand car or he has gone down to the hotel or something like that - we can then arrange for a portion of the payment to be made direct to the wife. What we normally do is pay the husband his share and then pay the wife her share plus the amount for the children. We do not get this difficulty with pension cheques which go to the husband and wife individually.

But for employment benefits just one payment goes to the husband and it includes an amount for his wife and children. So we do enter into the welfare field to the extent that we take some of the money away from him and give it to his wife to make sure that the wife and children do not suffer.

CHAIRMAN - In Queensland the Department of Childrens Services pays family assistance to deserted wives and unmarried mothers for the 6 months qualifying period for a widow's pension or a supporting mother's benefit as the case may be. But they do not pay benefits to Aborigines or Torres Strait Islanders who live on reserves. You have told us that the Commonwealth would pay a benefit anywhere. Not all the people on a reserve might qualify, but there is no restriction to paying any Commonwealth benefit to a person on a reserve or settlement if they meet the ordinary guidelines. Is that right?

Mr Prowse - That is right. In the case of a widow or a supporting mother, they still have to wait the 6 months.

CHAIRMAN - Yes, but you pay it anywhere? There are no restrictions.

Mr Prowse - Yes. We pay it anywhere.

Mr COLLARD - Has any thought been given at all to payment of kind - in other words I am talking about employment or pensions - being paid to the store?

Mr Prowse - No.

Mr COLLARD - Even if there was a request from the Aborigines themselves?

Mr Prowse - We do have requests at times of course, for the issuing of food and different things like that but we have

always regarded that as being a State or voluntary agency responsibility. When Mr Wentworth became our Minister, one of the first things he did was to insist that Aborigines received their pensions direct. At that time we were paying the pensions and unemployment benefits to cattle station owners, managers and to missions and settlements on behalf of the Aborigines in a bulk cheque. We had already started the program of gradually getting them over to direct payment so that they each got their own cheque. Mr Wentworth asked us to speed that process up, which we did. For quite a few years now every Aboriginal who is entitled to a payment has been getting a cheque himself, with the exception of when he requests otherwise. Sometimes they say: 'I do not want you to pay the money to me, I want you to pay it to somebody else on my behalf'. If they ask us to do that we will do so and that in fact happens in Torres Strait. Following Mr Wentworth's direction that we pay them all by individual cheque, we transferred the Torres Strait Islanders over to individual cheques, but they subsequently requested that we revert to the previous practice of sending a bulk cheque to the Director of Island Affairs who is on Thursday Island and he then remits the credit by radio to their accounts at the stores in the local islands. Because of the communications and transport problems on the Torres Islands, when they were getting their cheques direct, they complained about delays. Their cheques were taking a long time to get there, particularly in the cyclone season and they were sometimes up to 6 to 8 weeks without their cheques and they did not like that. So they have asked us to go back to the original method of payment whereby we send the bulk cheque to the Director on Thursday Island every

fortnight. He then radios the amount of the cheque to the outlying islands and they get a credit at the store and they make their purchases according to their own desires. But generally, apart from that, the main situation is that they now receive their pensions and cheques direct.

CHAIRMAN - Does that apply to all of the people who live in the Torres Strait Islands? I understand the problem is the fact that the only place that they can buy groceries and the like are through the Islands Industry Board in some of these isolated places. But if a person elected to get a cheque - their own cheque - could they do that?

Mr Prowse - Oh yes. The great majority of them did, so they have got both methods there now.

Mr COLLARD - What about on the missions, do they obtain cheques on the missions too?

Mr Prowse - Yes, direct. The cheques are addressed in their own name care of such and such a mission and they get the cheques themselves.

Mr THORBURN - When we were at Walgett we saw a very successful credit union working which was started originally for the Aboriginal people. It overcame 2 problems. First of all it taught them management of their money problems and secondly it provided a ready source of borrowing for them if, for some reason, some occasion arose when they were short of money between getting some income, whether it was social security or otherwise. Has the Department ever thought of, in co-operation with the States, trying to set up co-operative credit unions in areas where there are Aboriginal populations to try to overcome some of the problems there?

Mr Prowse - To date we have not, no. I do not know whether the Department of Aboriginal Affairs has entered this field; have you?

Mr Mackenzie - No, I do not think so.

CHAIRMAN - Mr Prowse, thank you very much. I am sorry we kept you waiting this morning. We had a most interesting submission from the Department of Health; that is no reflection on your submission. We do thank you for your attendance.

Mr Prowse - We will prepare that statement setting out the rates of training allowance and unemployment benefits.

CHAIRMAN - Thank you very much.

19 JUN 1975

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[ABORIGINAL]

HEALTH AND RELATED
MATTERS IN SOUTH-WEST
OF WESTERN AUSTRALIA

HOUSE OF REPRESENTATIVES STANDING COMMITTEE
ON ABORIGINAL AFFAIRS

TRANSCRIPT OF EVIDENCE

(Taken at Canberra)

WEDNESDAY, 4 JUNE 1975

Present:

Mr Cross (Chairman)

Mr Clayton

Mr Ruddock

Mr Collard

Mr Thorburn

Mr Fisher

Mr Wentworth

Mr Jarman

Special Adviser

Prof. E.H. Stanner

[Handwritten initials]

MR ERNEST PROWSE, Assistant Director-General, Policy, Department of Social Security, Canberra, Australian Capital Territory, was sworn and examined.

Mr WENTWORTH - I wish to bring to your attention the House of Representatives standing order 362 which provides: 'All witnesses examined before the House or any committee thereof are entitled to the protection of the House in respect of anything that may be said by them in their evidence. However, there is no protection for statements made other than directly to the Committee in evidence, or in cases of perjury or criminal proceedings'. Do you wish to make any statement further to that contained in the submission, or propose to the Committee any amendment to your submission?

Mr Prowse - No.

Mr WENTWORTH - It is proposed, therefore, to take your submission as read. Do you have any objection to that?

Mr Prowse - I have no objection.

Resolved (on motion by Mr Thorburn):

That the submission be incorporated in the transcript of evidence.

(The submission read as follows):

Payment of Social Service Pensions
and Benefits to Persons other than
the Recipient

This submission deals with the payment of social service benefits to a person or spouse other than the principal recipient and was requested by the Clerk to the Committee following evidence taken at public hearings in the towns of Moora, Gnowangerup and Collie.

The relevant provisions of the Social Services Act are as follows:

Age and Invalid Pensions

Section 40(1) " A pension shall be paid -

- (a) to the pensioner; or
- (b) on behalf of the pensioner, to such other person as the pensioner appoints in accordance with a form approved by the Director-General."

Section 43 " Where the Director-General is satisfied that, for any reason, it is desirable that payment of the whole or a portion of a pension should be made to a person, institution or authority on behalf of the pensioner, the Director-General may authorise payment accordingly. "

Similar provisions apply in relation to widows' pensions, supporting mother's benefit and also to maternity allowance, child endowment, double orphan's pension and handicapped child's allowance.

Unemployment and sickness benefits are covered by section 123 of the Act, which reads as follows:

- "(1) An unemployment benefit or a sickness benefit (including any supplementary allowance) shall be paid, in such manner as the Director-General determines, to the beneficiary or to such person, institution or authority, on behalf of the beneficiary, as is approved by the Director-General. "

At the outset it should be mentioned that these provisions apply generally and are not directed solely to the Aboriginal people.

In the case of age and invalid pensions, separate cheques are sent to a husband and wife in their own right. The maximum rate is \$60 a fortnight each. However in the case of unemployment and sickness benefits one cheque only is issued to the beneficiary. In the case of a married person the cheque includes his own benefit (\$30 a week) plus a similar amount for his wife and additional benefit of \$7 a week for each child.

Pensions

It will be seen that there are two ways in which a pension may be paid to a person other than the pensioner.

The first is where the pensioner himself makes the application for this to be done and the other is where the Director-General makes such a decision whether with or without the consent of the pensioner.

An example of the former is where a teenage son or daughter has been granted an invalid pension and they apply to have one of their parents made the warrantee or where a husband or wife may be house-bound and will appoint the other spouse as warrantee. Where an application is made under these circumstances the Director-General has to be satisfied that the warrantee appointed is a responsible person.

Where it becomes known that a single pensioner is unable to handle his own money and there is a relative, friend or other suitable person prepared to assist him, the Director-General may apply section 43 of the Act and direct that payment of the pension be paid to that other person or relative on behalf of the pensioner. This may occur where a medical or a social worker's report indicates that it is in the pensioner's own interest to have someone look after his affairs for him.

Unemployment and Sickness Benefits

A direction under section 123 may be applied where evidence is received that an unemployment or sickness beneficiary is mis-spending his benefit to the detriment of his wife and children. In such cases a direction may be given that the additional benefit for a wife and children be paid directly to the wife to ensure that she has sufficient resources to care for herself and children.

It should be emphasised however, that a direction under section 123 cannot be given unless the Department has evidence to justify such action. A benefit is not lightly to be taken away from a person entitled to receive it. The Department can therefore act only on a specific complaint in individual cases so that each case can be considered on its merits. Complaints in specific cases are rare and only occasionally has section 123 been applied.

This is important in the context of the evidence given at Collie by Dr. Turnbull who did not refer to any specific cases. Instead she spoke in general terms and this makes it difficult for the Department to take any action.

It should also be remembered that not all the Aborigines who are said to indulge in excessive drinking to the detriment of their families are receiving a social service pension or benefit - some of them are in receipt of normal wages.

The question of what sort of assistance needs to be given to alcoholics is currently being examined within the Department. It is generally agreed that unemployment benefit is inappropriate and that the payment of a special benefit would be preferable. The difficulty is to decide when or whether a person is or is not an alcoholic and possibly we may have to require a medical certificate on this aspect. However at the request of the Minister instructions have been issued to the effect that pending a review of the position no pension or benefit is to be withheld because of alcoholism.

Mr WENTWORTH - I shall now hand over to the Chairman.

CHAIRMAN - Mr Prowse, on behalf of the House of Representatives Standing Committee on Aboriginal Affairs, I welcome you here today and I thank you for your attendance.

The Committee, as you may know, has before it a reference into Aboriginal health and related matters such as housing, education and the like in the south-west of Western Australia. The Committee has made a particular study of 3 towns in the area - Moora, Gnowangerup and Collie. The Committee inspected these towns and held public hearings during March of this year. Public hearings were also held in Perth. The evidence taken to date highlights some progress as well as some problems. The most overwhelming evidence points to the seriously damaging effect of alcoholism on all facets of an Aboriginal person's life. The Committee observed, and was advised, about the complexity of the problem of alcoholism and its debilitating contributory effects on health, nutrition, the home environment, education and employment. Unemployment benefit payments seem, in some cases, to complicate the lives of Aboriginal families or individuals. It is in this context that the question of social security pensions and benefits has been under discussion by the Committee, both privately and during the public hearings at Collie. There is some evidence to suggest that a steady income is beneficial to the family environment regardless of its source. That is, work-derived income or social security benefits. However, in the case of benefits, some male recipients appear to regard such payments as a kind of pocket-money for

their own use. Obviously, if this behaviour is widespread amongst Aboriginal people, then consideration must be given to alternative arrangements to meet the needs of the families. Today the Committee wishes to discuss further with you the submission from the Department of Social Security prepared for the Committee on this subject. You have indicated that you did not wish to make any statement other than the submission. Perhaps you might care to answer questions. I think it fair to say that this problem that has been drawn to our attention in Western Australia is not confined to Aborigines.

Mr Prowse - That would be true.

CHAIRMAN - Nor is it confined to social security recipients. I think it is a more widespread problem. It was brought up specifically and I take it you have seen the transcript of our evidence?

Mr Prowse - I have.

CHAIRMAN - Aboriginal men in some cases, receiving as they do the single cheque for unemployment benefit for themselves and their families, felt that that was theirs, as it were, whereas the wife and mother received child endowment and that was in effect hers, as it were. I wonder, would you know if there are cases where unemployment benefit is actually split?

Mr Prowse - Yes. Following your request to give further evidence before the Committee, I made inquiries in all States as to the incidence of the split in the payments, and they are very, very rare. In some States there were not more than two or three in the last 12 months. There are no separate records that we can look at straight away. I would say that during the last 12 months there would be no more than a dozen cases throughout Australia where this has been done. The main difficulty is not, from our point of view, so much the split in the payment but getting someone to bring the fact of a specific case to our notice. We have a lot of complaints in general terms without names mentioned, but unless we get a specific complaint which we can investigate we cannot take action. Another problem is that it may not always be desirable to split the payment so that the husband gets his portion and the wife gets her portion, because some of our information is that the wife in some cases is no better than the husband and that she is subject to excessive drinking also. What we would have to do in that case is find some other person, some responsible person in the community, who is prepared to act and look after their affairs for them and take payment of their benefit. This type of person is generally difficult to find. We often find that the person who makes a complaint is not prepared himself to act as warrantee or to act on behalf of the beneficiary or the pensioner and take the responsibility himself. It is difficult to find people who are prepared to do this, particularly in cases where alcoholism is the cause of the trouble in the first place.

It is not so difficult if there are other causes. For example, if a pensioner or beneficiary is ill, or house-bound and cannot get out, it is not so difficult there to find somebody to take the responsibility of looking after their pension for them. So this is our main difficulty: Firstly, a specific complaint must be made to us so that we can investigate it. Then if we do decide that it is desirable that the pension be paid to somebody else on their behalf, there is the difficulty of finding some other person willing to accept that responsibility.

Mr WENTWORTH - I just have one small factual question. On page 4 of your submission you state:

The question of what sort of assistance needs to be given to alcoholics is currently being examined within the Department. It is generally agreed that unemployment benefit is inappropriate and that the payment of a special benefit would be preferable.

Will you tell us the conditions and rates and so on of special benefit? First, I would take it that there is no legal impediment to paying special benefit in any way that the Director-General chooses? Secondly, I would ask what are the rates of special benefit as contrasted with unemployment, the eligibility for fringe benefits and the allowances of wives and children?

Mr Prowse - Generally, the only stipulation on the Director-General in determining a rate of special benefit is that the rate cannot exceed the rate of unemployment benefit. We can pay special benefit at a lower rate but not at a higher rate. The initial benefit which is payable in respect of the wife or child is the same as unemployment benefit. Fringe benefits are generally not available to recipients of unemployment, sickness

or special benefit, apart from the subsidised health benefits which, I understand, will be taken over on 1 July by Medibank. People receiving special benefit automatically are entitled to enrolment in the subsidised health benefits whereby their private medical insurance is paid for by the Government. So far as I am aware, there are no special transport concessions made by the States to unemployment, sickness or special beneficiaries as such. That, then is the general position; the rate cannot exceed the rate of unemployment benefit which, at the moment is \$36 per week for a single man. It may be less, but it cannot exceed that rate.

Mr WENTWORTH - But it could be paid on the Director-General's authority to anybody as trustee?

Mr Prowse - It could be paid to another person as trustee.

CHAIRMAN - I noticed in Brisbane that a number of people who were formerly on unemployment benefit have been transferred to special benefit.

Who would initiate that? Does the Commonwealth Employment Service say that a man is unemployable because of his alcoholism and does the Department of Social Security then decide that that man should go on to a special benefit?

Mr Prowse - This would be so in most cases, I would say. We would get advice from the Commonwealth Employment Service that it would be a waste of time to refer the man for employment and also to keep him on their books as a registered unemployed person, because he was in such a state that no employer would employ him. Having been given that information, we would then transfer him to the special benefit. In cases of this kind, quite often the Salvation Army authorities act on our behalf. They receive the benefit and pay it to the beneficiary. They pay him so much each day, so that he does not get it all at once. They endeavour to control the situation in that way. This happens mainly when the beneficiaries are homeless men who are being looked after by the Salvation Army in their hostels and so on. Getting away from the question of alcoholism for the moment, the main class of people who do not receive a pension directly but have it paid to some other person on their behalf are pensioners in nursing homes, convalescent homes and the like, who, mainly for convenience, appoint the matron or superintendent of a home as their warrantee. Payment is then made to the home. The authorities of the home deduct their charges for board and pay the balance to the pensioner. That is done by means of a form, which I will table if you wish, appointing the matron or some other person as warrantee. At the moment in Australia 43,000 pensions are being paid by this means, so it is quite extensively

used. The majority of those 43,000 pensioners would, as I have said, be people in nursing homes, convalescent homes and the like, but quite a number of people living with their own families appoint their mothers, fathers or other members of their families as warrantees, and the pensions are paid to those persons on behalf of the pensioners.

Mr RUDDOCK - Are you familiar with the procedures that the Repatriation Commission uses to deal with the appointment of trustees to manage recipients of Service pensions?

Mr Prowse - No, except that I understand that happens where the pensioner is in a mental hospital.

Mr RUDDOCK - I have struck it in cases where the pensioner is not.

Mr Prowse - I am not familiar with that. I think you had better ask the Repatriation Department.

Mr RUDDOCK - I was not seeking information about it. I was suggesting that the procedures that they adopt, and the checks and balances that they use, might be suitable for application to your system.

Mr Prowse - We will certainly look at that.

Mr FISHER - Amongst some people - this applies to several Aboriginal people in my area as well as to white people - there is a belief that sometimes you are better off being unemployed, particularly if work is not constant. Has your Department been looking at that aspect?

Mr Prowse - We have been aware of this for some years, of course. In cases where there is a large family, the additional benefits for the children bring the total unemployment

benefit cheque up to quite a considerable amount - in some cases higher than the wages which the unemployed man was previously earning.

In addition, while he is on unemployment benefits he does not pay tax and he also has his hospital and medical insurance paid for him. So in many ways they are financially much better off while on benefit than while they are working. On the other hand, there are a great deal of difficulties in trying to impose any wage buffer, which would mean that we would not be able to pay benefit at a rate higher than the wages the beneficiary was earning previously. This presents quite a number of problems. One is that you, in fact, penalise a large family. The fact that a man has a large family and has a large number of children to bring up seems to indicate that he needs more. While our social security and welfare system takes account of the size of families, our wage structure does not. So there is a conflict straight away. But we have considered this matter from time to time and I expect we will have to again consider it in the future. The problem is still there and we have not yet found a suitable solution to it.

Mr THORBURN - Alcoholism probably is the greatest problem facing the Aboriginal people. It is fairly obvious that because of lack of feedback your Department has not been able to attack this problem to any great extent. We have seen a number of cases and have been given evidence of this particular problem of the misappropriation, if you like, of the money paid into the family. Has there been any study on the problem of alcoholism, both in white and black families, to determine whether, in fact, this is not a social problem? It seems to me that even in the depressed white communities the same type of problem presents itself.

Mr Prowse - I am not aware of any specific study that has been done on this. But I understand that the Health Department was looking at the problem of alcoholism in connection with Aboriginal health generally. I am not aware of any particular study that has been made. The Department of Health will no doubt be able to assist the Committee in this matter.

Mr THORBURN - Why do you not get feedback from your field officers in charge of these areas and from the State departmental officers who have very close liaison? Is there a system set up where you seek this information, or do you only accept it if it is begrudgingly given?

Mr Prowse - No. Naturally we do not always have a field officer in every country town. This is one of the difficulties, I suppose.

Mr THORBURN - Let me say this: The Aboriginal Affairs Department does. In Western Australia the Health and Community Welfare Department has officers who would be able to identify each Aboriginal family and tell you, off the top of their heads, everything about them. This is because they know them so well. Do we seek this type of information from them?

Mr Prowse - There is no doubt we do get this feedback from the Department of Aboriginal Affairs. Mainly because the States until now, in most cases, have been responsible for Aboriginal welfare, our liaison with them has not been as good as it has been with our own Australian Government departments, say, in the Northern Territory. Now that the Department of Aboriginal Affairs is assuming responsibility in some of the States, I would expect that that feedback would be better and

more frequent. Our experience has been that the Department of Aboriginal Affairs always has been most willing to provide reports and it does bring to our attention any matters it feels ought to be brought forward. It is difficult to say that a particular family is suffering an alcoholic problem and that something ought to be done about it unless you remove the cause of the problem. This seems to be the main difficulty.

Mr THORBURN - So we seem still to have 2 standards in Australia. I am not speaking about the Australian Government departments now. But in my electorate yesterday a family was evicted from a block of land on which they were renovating their home. They had moved into a well-established tent in the backyard so they would not have to be involved in renovations. The Child and Community Welfare threatened them with prosecution unless they immediately moved the children into a proper home.

Yet you can go into the country towns and find Aboriginal children living in abject poverty and with evidently nobody worrying about them. At Bourke I did not see anybody from the Youth and Community Service going around to the humpies on the reserve and threatening them if they did not move into a proper home with prosecution because they were doing it. They did not have light or beds or anything at all. It just seems that we have 2 standards now. If a white child is affected like this we step in and take action, but if it is a black kid we do not care very much.

Mr WENTWORTH - Are you advocating that they should step in with the Aboriginal child or should not step in with the white one?

Mr THORBURN - What I am advocating is that they might build houses for the Aboriginal child before they start persecuting the white families who are temporarily indisposed in their situation.

CHAIRMAN - Are you asking Mr Prowse to comment?

Mr THORBURN - No, I am just making a comment. It seems that we do have these families. It is not in his Department, it is in the State departments that we seem to have it. Surely after the referendum the Australian Government should be thinking about trying to do something about it.

Mr COLLARD - Is there any move in relation to analysing or carrying out a break down to ascertain the number of Aborigines that are registered as unemployed and also receiving benefits?

Mr Prowse - I am not quite sure of this, but I feel that the Department of Labor and Immigration would be able to give you

fairly accurate figures on the number of Aborigines who are unemployed. I know there is a special section within the Department dealing with Aboriginal employment, but I think it is mainly concerned with training of Aborigines. I understand that the Committee will be hearing evidence from the Department of Labor again and I am pretty sure it would be able to give you some information about the number of registered unemployed who are Aborigines and the districts in which they live.

Perhaps I can add one other point on my general submission. We do receive complaints from time to time that Aborigines are being evicted from their homes because of non-payment of rent or because they are in arrears with their rent and have trouble paying the rent every fortnight. As a result of representations made to the Department in South Australia recently, we are now entering into an arrangement whereby with the permission of the Aboriginal concerned we will pay the benefit or pension to the South Australian Housing Trust, providing we get the written consent of the pensioner, and the Housing Trust will then deduct the rent and pay the balance to the pensioner or beneficiary. In this way the pensioners are assured that their rent will be paid and they will have no future trouble with getting into arrears. This has only recently been introduced, within the last few weeks, and already we are looking at 50 applications from Aborigines to have their pensions paid to the South Australian Housing Trust. About 4 months ago a somewhat similar arrangement was mooted in Western Australia and the Minister agreed to an arrangement whereby the pension would be paid to the Department of Community Welfare, which would then make out

2 cheques. Having received our cheque, it would make out 2 cheques and pay one to the Western Australian Housing Commission and pay the other to the pensioner. For some reason not known to us it has not quite got off the ground in Western Australia as well as it is doing in South Australia, and so we are looking into this. I think this will be a good move in South Australia. I emphasise again that it is only done with the express written permission of the pensioner, and the pensioner is at liberty to withdraw that authority at any time he wishes.

Mr COLLARD - With regard to this appointment of warranty by a pensioner, getting back to the Aboriginal marksman, a chappie who cannot sign his own name, what is the situation now? Does the Department carry out a scrutiny at all in relation to these particular people if it receives the warranty form simply with a mark?

Mr Prowse - This would be acceptable provided the person names in the form as a warrantee was a responsible person. That is the main thing.

Mr COLLARD - How do you get a responsible person?

Mr Prowse - It is difficult in some cases, but usually there are civic minded people who are prepared to do this. They are sometimes difficult to find in cases of alcoholism. They may be reluctant to take charge of the affairs of alcoholics because of the extra work which would be involved. But where there is no suggestion of alcoholism, where a pensioner is incapable of handling his money for some reason other than alcoholism, we are, as a rule, able to find somebody who is prepared to be a warrantee - a member of the family, a friend, the local postmaster or somebody like that. Our main concern is that the person to whom we pay a pension on behalf of a pensioner is a responsible person.

Mr COLLARD - Do you still use the bulk payment system?

Mr Prowse - Not so much in the case of Aborigines now, except in the Torres Strait islands. We make bulk payments to some nursing homes and hospitals as a matter of convenience. They ask us to do that, but in each case we have an authority from the pensioner that he agrees with that method.

Mr COLLARD - You would get it on a form such as the one you have produced?

Mr Prowse - Yes.

Mr COLLARD - Obviously the chap would not know what it was all about, anyway. Is any check carried out by the

Department to ensure that a pensioner is getting the full value of his pension where there is bulk payment or where it is done by warrant?

Mr Prowse - It is open to a pensioner to cancel a warrant at any time he likes. Having signed a warrant form, he can cancel it whenever he likes. He can have the pension paid directly again if he feels that he is not getting full value for his money. It could well be that instead of cancelling a warrant completely and paying a pension to a pensioner who could not handle it, we would have another warrantee appointed - somebody in whom the pensioner had more confidence. The main thing is that the pensioner must have some confidence in the person who is appointed as warrantee. The pensioner must be confident that that person will look after his interests.

Mr CLAYTON - What sort of checks do you make to ensure that the pensioner understands that that is the situation and that he is not just being conned by somebody?

Mr Prowse - For a start, the warrantee is informed of his responsibilities. He is told that he is really the agent of the pensioner - that he is responsible for seeing that the pensioner is well looked after and so on. If a pensioner complained, we would certainly look into the matter, but we do not get many complaints. As I have said, most of the 43,000 pensioners who are paid in this way are in nursing homes or the like. The others are living in their own homes and have appointed parents, brothers or sisters as warrantees. There are instances where the Salvation Army acts as warrantee for certain

types of homeless men. We find that the Salvation Army does a pretty good job in this way and does look after the welfare of the pensioners concerned. But, as I have said, the whole basis of this is that the pensioner has confidence in the person who is appointed as warrantee.

Mr THORBURN - When the Committee was at Walgett we were told about a credit union there that was started specifically for Aborigines. However, because of its success, the white community wanted it extended to them, and it is now operating as a community credit scheme. It seemed to me to be an ideal solution for the type of problem that we are facing here. An Aboriginal woman can go in and say that she has no money and no food. They will issue an order on a local store for the amount that she requires. She will pick up the groceries, meat and other things she needs, and later she will pay the money back to the credit union. Is there any provision for these people to operate in that manner - to make a claim on Social Security and to have the debt paid out of the unemployment benefit? Have any steps been taken to set up similar organisations in other country towns?

It seemed to me, having seen Walgett 10 years before, there was a tremendous transition. While it is not everything you desire at present for the Aboriginal people, there certainly has been a fantastic transition. This involves the attitudes of the white people to the black people and the standing of the black people in the community. Have you thought about this at all? It seems to be the ideal system to overcome this problem we are facing.

Mr Prowse - You are mainly concerned with vouchers for food orders rather than cash. Is that the point you are making?

Mr THORBURN - I am not suggesting that at all. I am suggesting that cash could be paid out. The usual procedure with the credit union, so there could not be any misappropriation of the cash and the husband could not stand over the wife to get the cash was an arrangement where the wife could come in twice a week. They would say: 'You go and buy your groceries'. They had an arrangement where the store would ring up and they would draw the amount of money expended and that was debited against that particular person.

CHAIRMAN - Are you asking Mr Prowse whether the social security cheque could be paid to a credit union at the request of the pensioner?

Mr THORBURN - Part of it. It may not be fair that all of the money be paid into a credit union. I suppose the husband has some right to some of the money. I am suggesting that if the wife's outgoings for food might take half or more of each fortnight's cheque, she could make an arrangement with the credit

union to be able to make a claim against the Government to get that paid as a credit to her.

Mr Prowse - A recent provision in the law allows for payment of pensions and benefits to a credit union. More recently, some of the building societies and banks were included. It is not operating yet in respect of banks and building societies, but it has been operating for a little while in respect of credit unions. The credit union has to be an approved organisation, registered under the State law. The general question of paying partly in cash and partly in kind - in effect, food orders - has not been a matter in which the Australian Government has been concerned. This is a matter which traditionally and historically has been attended to by the State welfare departments. I understand that in New South Wales food orders sometimes are issued in emergency situations. This is not a continuing measure. It is reserved for emergency situations.

Mr THORBURN - That is by the use of a community service. In this case an arrangement with a credit union is involved and it has nothing to do with the State government at all.

Mr Prowse - If a pensioner or beneficiary wished to have payments made to a credit union, we would do that. I am not sure whether we would be able to pay half to the credit union and the other half to the pensioner.

Mr THORBURN - If the whole lot was paid to the credit union with the direction that so much should be paid to the husband and so much credited to the wife for her use, the

credit union could then issue cash or a cheque to the husband each time it was due and put the rest aside.

Mr Prowse - If we paid to the credit union, what happened after that would be a matter between the credit union and the pensioner. If the credit union and the pensioner came to some arrangement whereby the pensioner withdrew part of the sum at a time, I do not see why that could not take place.

CHAIRMAN - With these arrangements in South Australia and Western Australia do you pay the whole amount?

Mr Prowse - We pay the whole amount to the Housing Trust in South Australia.

Mr THORBURN - That is on agreement with the pensioner. That is not under a case under Section 123 of the Act, is it? That is a different thing altogether.

Mr Prowse - No. That is by agreement with the pensioner.

Mr THORBURN - Let us deal with Section 123 of the Act. The director decides that he has a case involving a family and a credit union is available for this purpose. You say they pay to the Salvation Army. Why could not they pay to a credit union? If that is the case and the director takes that very stringent action - he obviously does not like interfering with arrangements between a family - why does he not make an order on the credit union or request the credit union to pay so much to the father and so much to be set aside for the wife to determine for the family needs?

Mr Prowse - Strictly speaking, I suppose this could be

done. The director could give a direction that the whole or portion of the amount could be paid to a credit union on behalf of the beneficiary and the balance paid direct to the beneficiary if that is what was wanted.

Mr THORBURN - The credit union could pay it to the beneficiary.

Mr Prowse - We could pay the whole amount to the credit union.

Mr THORBURN - The director may need to stipulate how much is to be paid to the beneficiary and how much to the family.

Mr Prowse - I do not see why some arrangement such as that could not be made in discussion with the pensioner and the credit union.

Mr WENTWORTH - But you are thinking of Section 123?

Mr THORBURN - Yes. Only that.

Mr WENTWORTH - You cannot put the responsibility on the Department to make an arrangement with a credit union where it should pay the money. That would not be lawful. He would have a power to pay a certain amount to the credit union and a certain amount to someone else.

Mr THORBURN - What happens when they pay the Salvation Army?

Mr Prowse - I imagine the whole of the benefit will be paid to the Salvation Army. We will leave it to the Salvation Army to decide how much and how often they pay bits out to the pensioner. If the Salvation Army says: 'Well, this chap seems all right - we will give him the whole lot in one go', we would accept that.

Mr THORBURN - Surely, where there is alcoholic dependency and drug dependency, this is a very dangerous practice - to let somebody who is unqualified make the decision about whether or not a person is going to receive certain payments? The Australian Government is currently bringing a piece of legislation before the Parliament to deal specifically with drug dependency. An organisation might say: 'Right, you are not going to get any money because you would just spend it on alcohol'. A church group especially, might do that. If he is an acute alcoholic he is likely to break into a house to steal, or into a hotel or into a wine bar or something - he is craving for alcohol. I do not know what the answer is. Maybe we should talk to medical practitioners about it and see what the situation would be. It would seem to me that if an acute alcoholic is told by a church group 'No money for

you', that could cause greater problems.

CHAIRMAN - I have never seen that happen. I represent an inner city electorate and there are lots of people, some of them Aborigines, who have their money paid to warrantees. Warrantees generally arrive at some arrangement with the recipient, find out how much rent he has to pay, perhaps give him the money for rent or perhaps pay it by cheque themselves to the landlord. They then normally divide by agreement the rest of the benefit or pension into amounts paid regularly over the period, perhaps leaving a little margin towards clothing and the like. But in my 13-odd years in the Parliament I have not had a complaint that a religious person who has been a warrantee has held back the money because a person happens to be an alcoholic. It is very much back in the hands of the beneficiary in those cases. If they feel the warrantee is not looking after their affairs properly they very quickly change the person and appoint someone else.

Mr RUDDOCK - Has the Department the capacity, particularly in these outback places, to sit down with Aboriginal people and work out whether such an arrangement, involving warrantees, is desirable? If you have not, what would you estimate it would cost to put on people who would be able to do that type of thing?

Mr Prowse - When you say 'outback' areas, I take it you mean places like Collie or Moora?

Mr RUDDOCK - I am talking generally - all sorts of places where the need might arise. Have you any thoughts as to the sort of program you would have to develop if you are going to

try to put to people who are applicants for social benefits of this nature - to discuss with their families perhaps - whether there is a need for this type of assistance? To inquire discreetly about it and say: Would it be desirable to have a warrantee in this case?

Mr Prowse - Not really. A person applies for a pensioner benefit. We have to accept that name and pay as quickly as we can - that is our primary object.

Mr RUDDOCK - It is just a matter of processing the form; somebody else looks at it in the central office.

Mr Prowse - It might be that 9 out of 10 cases are OK; so we pay them. We could not hold up the 9 good cases for the one case that might require some further investigation. I would say that all we could do is to wait until we receive a specific instance. A case might be drawn to our attention in which some social work - guidance or counselling - may be required with a view to seeing whether the pension ought to be paid to somebody else. Once we have a specific case brought to our notice we can look at it. I think it would be undesirable to hold up our normal payments processes in the expectation that one out of 10 or one out of 20 might be a case that would have to be looked at.

Mr FISHER - Have you any idea how many Aborigines are on a special benefit, due to alcoholism?

Mr Prowse - No.

Mr WENTWORTH - How many special benefits in Australia are current at the moment.

Mr Prowse - I am sorry, I did not bring my annual report with me.

Mr WENTWORTH - It is a very small number, though.

Mr Prowse - Yes.

Prof. Stanner - Twenty-two thousand?

Mr WENTWORTH - No, not special benefits; special benefits are only a few hundred in Australia, are they not?

Mr Prowse - They are in the thousands, but I mean they are very small in relation to unemployment benefits, for example.

Mr WENTWORTH - Yes, but from my memory I think special benefits are only in the hundreds.

CHAIRMAN - I must say that many more people are being paid special benefit now, for a range of reasons, than were being paid a few years ago.

Mr Prowse - Yes. I will let you have the figure.

Mr WENTWORTH - I have it somewhere, but I have not got it handy.

CHAIRMAN - I take it that the Department is very keen that people to whom it pays money by way of pension or benefit should, to the maximum possible extent, determine how that money is spent?

Mr Prowse - That is right.

CHAIRMAN - This discussion which has taken place has some dangerous follow-through, as far as I am concerned.

Mr Prowse - The Government's policy is, and the previous Government's policy was, that wherever possible people should receive their money themselves direct.

CHAIRMAN - So it is only after a searching inquiry that you would intervene under Section 123, for example, and make an order?

Mr Prowse - That is right, it would be only after very searching inquiries.

CHAIRMAN - I notice that your officers take the initiative on this these days, but are your officers requested to look at whether a person is getting value for his benefit or pension? If an officer, from his own experience, considers that a person is not getting value, does the officer take the initiative on that for further inquiry?

Mr Prowse - Yes, if the officer knew from his own personal knowledge, that the beneficiary or pensioner was not getting full value for his money, then the officer will certainly report it, or I would hope he would.

CHAIRMAN - I would like to ask you this question specifically. Dr Turnbull, in Collie, suggested the prohibition of the cashing of pension or unemployment benefits by anybody who sells alcohol, or provides betting facilities, or taxis. Would you care to comment on that suggestion by Dr Turnbull?

Mr Prowse - Where do you start discrimination against Aborigines and where do you stop, and where do you start discrimination in favour, and where do you stop? I think it

could be argued, on the one hand, that it is in the Aborigines' interests that they should not have the facilities to spend the money on alcohol, if alcohol is a problem with them. On the other hand, it could be argued: Why should they be restricted, and white people not restricted? In some States, in years gone by, I used to hear of certain people, white people, having a prohibition order taken out against them because they were alcoholics. I understand that the local police had power to take out a prohibition order which prevented the publican from serving those people. I think that has fallen into disuse in recent years. I am not sure about this. I feel that general questions of the welfare of Aborigines must still remain with the Department of Aboriginal Affairs, which is experienced in these matters. The Department of Social Security is largely a paying Department. We are not expert in the field of Aboriginal welfare, but we are always willing to be guided by advice given to us by the Department of Aboriginal Affairs. And there is still the conflict of how far you restrict Aborigines or how far you let them go - do you give them the same freedom as white people or do you restrict them specifically in what they can do? We, as the Department of Social Security, would not wish to be seen as discriminating in any way against them.

Mr FISHER - Earlier you mentioned that you did not know how many Aboriginal people were receiving special benefits, due to alcoholism. Is there any way of finding out these figures?

Mr Prowse - We have no separate statistics relating to Aborigines in any of our benefits at all. This was a decision made by a previous Minister for Social Security way back in 1960 when the then Government decided to extend eligibility to Aborigines wherever they may be. It was decided then that no separate statistics should be kept, and they have not been kept since then.

There are 2 problems. Originally, when Aborigines were specifically excluded, by the law, from pensions, the definition of 'Aboriginal' was 'anybody who had a preponderance of Aboriginal blood', in other words, a half-caste, or lesser-caste was not an 'Aboriginal' for the purpose of the law, and therefore he was not excluded and in fact Aboriginal half-castes or lesser castes have always been entitled to pensions right from 1909. The definition of 'Aboriginal' now is much wider, therefore any statistics that we did keep would not be accurate. That is one reason. The other reason is that it was felt that with the elimination of all discrimination, of disqualifications for Aborigines, we ought not to distinguish between them and anybody else, so everybody is treated the same. If we say we have a million pensioners, then some of them are Aborigines and some of them are not.

CHAIRMAN - Thank you very much, Mr Prowse. We are always most grateful to you for your co-operation and for your wisdom. I must say that I myself notice, in my own experience,

that officers of your Department increasingly are taking a closer interest in recipients of social service benefits or pensions who have special problems. I do not know to what extent that can be attributed to the new philosophy permeating the Department and the attempt to encourage people to become more socially aware, but it is certainly happening and I think it is one of the most heartening things that is happening in the administration.

Resolved (on motion by Mr Wentworth, seconded by Mr Collard):

That pursuant to the power conferred by section 2(2.) of the Parliamentary Papers Act 1908-1974, this Committee authorises publication of the evidence given before it at the public hearing this day.

Committee adjourned