

Response to the Senate Community Affairs Legislation Committee: Social Security (Administration) Amendment (Repeal of the Cashless Debit Card and Other Measures) Bill 2022

10 August 2022

Carers Australia has opposed the introduction of the Cashless Debit Card (CDC) since its introduction was first mooted, both in written submissions and in discussions with the relevant Minister at the time.

In our submission to two Senate Community Affairs Committee inquiries on the CDC in 2015 and 2017, we outlined our key concerns, which included among other things:

- The stigma associated with externally imposed and publicly visible constraints on spending which do not apply to the broader population, including others reliant on income support.
- The flawed evaluation of the trials conducted in East Kimberley and Ceduna in terms of both sampling methodology and the fact that other measures and programs to reduce alcohol and drug use were introduced at the same time in these communities, which muddied the extent to which any positive outcomes could be attributed to the introduction of the CDC.
- Perverse outcomes in cases where the measure could be extended to people on the Carer Payment without any evidence that they were susceptible to alcohol, drug and gambling dependence or that they would benefit in any way as a cohort from restrictions on their spending.
- Complications arising where a person with disability or who is frail aged relies on their carers to purchase essential items, including food and medicines, but the carer does not have formal nominee status which would entitle them to use the care recipient's card.

Many of our concerns were subsequently reflected in an Auditor-General's report released in 2018 on the Implementation and Performance of the Cashless Debit Card Trial.¹ This Report was not only critical of the trial evaluations, which were subsequently used by Government to justify the extension of CDC to other areas, but also identified a number of procedural failures on the part of the Department of Social Services relating to implementation and assessment. A subsequent Auditor-General's Report in 2022 concluded that that the Department of Social Services "has not demonstrated that the CDC program is meeting its intended objectives".²

In addition, a 2020 baseline study in the Electoral Division of Hinkler commissioned by the Department of Social Services and undertaken by the Future of Employment and Skills Centre at the University of Adelaide, found that only 2% of cardholder interviews supported the CDC and it highlighted many of the disruptive and practical problems it had introduced to their lives.³

¹ [anao.gov.au/work/performance-audit/implementation-and-performance-cashless-debit-card-trial](https://www.anao.gov.au/work/performance-audit/implementation-and-performance-cashless-debit-card-trial)

² [anao.gov.au/work/performance-audit/implementation-and-performance-the-cashless-debit-card-trial-follow](https://www.anao.gov.au/work/performance-audit/implementation-and-performance-the-cashless-debit-card-trial-follow)

³ [cdc-baseline-data-collection-qualitative-findings-6-august-2020-pdf.pdf \(dss.gov.au\)](https://www.dss.gov.au/cdc-baseline-data-collection-qualitative-findings-6-august-2020-pdf.pdf) and [02_2021/fac_evaluation-cdc-ceduna-east-kimberley-and-goldfields-quantitative-supplementary-report_012021.pdf](https://www.dss.gov.au/02-2021/fac-evaluation-cdc-ceduna-east-kimberley-and-goldfields-quantitative-supplementary-report_012021.pdf)

We are very relieved that, in line with its election commitment, the Government has introduced the Social Security (Administration) Amendment (Repeal of Cashless Debit Card and Other Measures) Bill 2022 which, if enacted, will move to abolish a program which we regard as ineffective, discriminative in terms of target populations, and which imposes additional burdens and stigma on people struggling to survive on social security payments.

Recommendation: That the Committee supports the passage of the Social Security (Administration) Amendment (Repeal of the Cashless Debit Card and Other Measures) Bill 2022.

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About Carers Australia

Carers Australia is the national peak body representing the diversity of the 2.65 million Australians who provide unpaid care and support to family members and friends with a disability, chronic condition, mental illness or disorder, drug or alcohol problem, terminal illness, or who are frail aged.

In collaboration with our members, the peak carer organisations in each state and territory, we collectively form the National Carer Network and are an established infrastructure that represent the views of carers at the national level.

Our vision is an Australia that values and supports all carers, where all carers should have the same rights, choices, and opportunities as other Australians to enjoy optimum health, social and economic wellbeing and participate in family, social and community life, employment, and education.

This includes carers:

- Who have their own care needs
- Who are in multiple care relationships
- Who have employment and/or education commitments
- Aged under 25 years (young carers)
- Aged over 65 years, including ‘grandparent carers’
- From culturally and linguistically diverse backgrounds
- Who identify as Aboriginal and Torres Strait Islander
- Who identify as lesbian, gay, bisexual, transgender, intersex (LGBTI+)
- Who are living in rural and remote Australia, and
- Who are no longer in a caring role (former carers).

Carers Australia acknowledges Aboriginal and/or Torres Strait Islander peoples and communities as the traditional custodians of the land we work on and pay our respects to Elders past, present and emerging. As an inclusive organisation we celebrate people of all backgrounds, genders, sexualities, cultures, bodies, and abilities.