



Australian Government



Cashless Debit Card Trial - Ceduna

The cashless debit card will look and operate like a normal bank debit card. The card will be able to be used on anything except alcohol and gambling products.

The Australian Government is looking at the best ways to support people, families and communities where there are high levels of community harm related to alcohol, gambling and drug use, and where a lot of people in the community are on welfare payments.

Communities were invited to express interest in participating in the trial, and the local leaders in the Ceduna region expressed interest and support for the trial. On 5 August, leaders signed a Memorandum of Understanding with the Australian Government to trial the card in Ceduna. A 12-month trial will commence from early 2016.

The Government has been working closely with local leaders in Ceduna over the last few months to shape the parameters of the trial.

Community level change

The cashless debit card is a way to support people, families and communities where high levels of welfare dependence co-exist with high levels of community harm due to alcohol and drug abuse. The debit card is a way of confirming whether limiting the proportion of welfare payments which can be spent on harmful goods will reduce social harm at a community level. If people already spend their money responsibly, the trial will have very little impact on them.

Who will participate?

The trial will apply to anyone living in Ceduna receiving an income support payment from Centrelink (e.g. Newstart, Disability Support Pension, Parenting Payment, Carers Payment etc). People receiving the Age Pension will not be automatically included, but will be able to volunteer for the trial if they wish. People with private incomes will also be able to volunteer.

The trial will not change the amount of payment a person receives – only the way in which they receive it.

- 80% of a participant's fortnightly payments will be paid onto the cashless debit card.
- 20% will be paid into their regular bank account.

Key Points

The trial will not reduce a person's welfare payment. People will continue to receive a proportion of their payment as usual and a proportion into a cashless account.

People will be able to spend the cashless amount on anything they choose, except for on alcohol, drugs and gambling.

The card will be delivered by a commercial provider, like a standard debit card, who will provide support services like in a regular banking environment.

Participants will be supported

The debit card provider will provide services like balance checking, transaction history, replacing lost or stolen cards, and will provide, at no cost to customers:

- A Customer Contact Centre for day to day customer support;
- Interactive Voice Response for balance enquiries, a web based mobile application and SMS alerts to keep participants informed; and
- Community Education Workshops to overcome language barriers.

A Local Leadership Panel may also be established, with the ability to increase the percentage of discretionary cash available to individuals who are adhering to a set of established community expectations.

Services will stay the same

Participants will still be able to participate in Centrepay and the Rent Deduction Scheme available via Centrelink. People who are already on Income Management will be transitioned to the new cashless debit card when the trial commences.