

## **Submission to the Social Security (Administration) Amendment (Continuation of Cashless Welfare) Bill 2020**

The **Fair Go for Pensioners Coalition** welcomes this opportunity to make comments to the Senate Legislation Committee in relation to the above bill. Our submission whilst not exhaustive in detail it is a personal account based on our observations and concerns, this comes after talking to people directly affected by the card along with their advocacy organisations.

### **Who are we?**

The “**Fair Go for Pensioners Coalition**” was established in 2007 and is made up of State based alliances across Australia. The organization grew out of an increasing awareness in the aged community and indeed all those on welfare of the ever-increasing cost of living and the subsequent hardship that this brings

FGFPC aims to improve the living standards of older Australians by increasing their participation in economic and social policies and to ensure that the needs of retirees and pensioners remain a high priority for both Federal and State Governments along with the Union movement and the wider community.

Whilst the composition of the alliance vary across states they bring together three key groups; Retired Unionist, Ethnic and Community Organizations. and has since grown into an alliance of organizations. Whilst the composition of the alliance vary across states they bring together three key groups; Retired Unionists, Ethnic and Community Organizations. and has since grown into an alliance of organizations as listed but not limited to those in the panel below.

Fair Go for Pensioner's works with Federal & State Government's to advocate justice for pensioners, welfare and low- income recipients. Its members include: Australian Pensioners Voice - Combined Pensioners and Superannuants Associations - Federation of Ethnic Communities Councils of Australia - Ethnic Community radio 3ZZZ (Vic), Federation of Greek Elderly Citizens Clubs, Unitarian Peace Memorial Church (East Melbourne.) – Vintage Reds Canberra- Australian Pensioners and Superannuants League (Qld) - Ethnic Communities (Qld) - Australian Manufacturing Workers Union (Retired Members Division) - Maritime Union of Australia (Veteran's) - Electrical Trades Union Honorary Members (QLD) - Rail Tram & Bus Union Retired Member (Qld) - United Voice Retired Members (Qld) - Transport Workers Union retired Members (Qld) - Combined Forestry Mining & Energy Union (Qld) - Retired Miners Collinsville Lodge (Qld)
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The **Cashless Debit Card** is unlike any debit card that Australians are familiar with, in fact nothing like it has ever been forced upon citizens of Australia before, a card which allows corporations to profit from Centrelink clients.

The **Indue** card is forced 3<sup>rd</sup> party income management by a government sponsored company, whose staff are not financial counsellors they are not social workers and they are certainly not drug and alcohol counsellors.

There is no assessment, evaluation or consent asked from the recipient as to their needs or individual circumstances. Inclusion is based only on the fact that a person is on welfare and lives in a certain area, which is both discriminatory, punitive and treats Centrelink clients like criminals.

Once on the card you are excluded from the cash economy and forced to purchase goods that in many cases prove to be more expensive.

Yet Indue have control over 80% of the card holder's income and all this with no redress for the card holder for either mistakes or unreasonable decisions. that result in unnecessary hardship and humiliation.

**Some real-life examples:**

- Rents being paid late or not at all; this has resulted in a black mark on their rental history or even homelessness. There is evidence that many real estate agents will not except renters on the CDC for those very reasons.
- A young mother whose card was declined 5 times in the one day, her Butcher, Woolworths, Coles, Silly Sollies and her Baker. Think of the humiliation and embarrassment, but on contacting Indue on her fifth occasion she was told we will send you another card. Imagine the utter despair and panic that this young Woman must have been feeling, another card would take up to a week. So, we have an Australian citizen with over \$180.00 on her card and \$7.00 in cash and not much food at home having to eke out an existence for herself and her children, this is not social welfare it's cruelty and abuse.

- The disregard and callousness of Indue's guidelines of what you can purchase and what you can't involves a young Mother that tragically lost twins. She received a Bereavement Payment Package which was immediately placed on her Cashless Debit Card. Her request to purchase certain items including an urn for the cremation was denied, conscious cruelty.
- A Kalgoorlie woman denied a special colostomy bag, another a specialized brassiere.
- A purchase of a \$200,00 bed for a woman's son, considered to be too expensive by an Indue employee.

There have been thousands of complaints by recipients of the card being declined leaving them feeling worthless, ashamed, humiliated, and discriminated against. This stigmatization by the Government and by extension society, has led to an unprecedented increase in mental health issues of CDC recipients and their families, and in some instances has cost people their lives.

### **Who are Indue?**

Indue are a financial services corporation, they have no "social welfare wing" and are owned by shareholders. Most from financial institutions who belong to COBA "Customer Owned Banking Association" It is extraordinarily difficult to attain accurate information with regard to stakeholders and the like.

Suffice to say that Indue is less than transparent, one could say secretive, it is important to note that Indue are not bound by legislation to report to the Senate or to even attend Senate estimates they are completely unaccountable.

### **Cost to the taxpayer:**

The current cost of placing one individual onto an Indue Ltd income management card is \$12,000.00, this equates to an administration fee for an individual on a Jobseeker payment of \$815.70 per fortnight of \$230.76 or 23% of that payment. This is rolled gold ideology gone mad and no amount of prevarication can hide that fact.

The program is both impractical and expensive not to mention cruel, why? The only way that any of this plan even begins to make sense is that LNP are attempting to privatise Centrelink by stealth.

**Summary:**

The Indue card is the latest attempt by an LNP Government to punish those on welfare, it started with John Howard in 2007 with the introduction of the Income Management Card, that too an abject failure.

Successive LNP Governments have wasted millions if not billions of dollars chasing their ideological dreams and what for? to punish anyone on welfare

The Cashless Welfare Card is completely unnecessary and punitive it has been and continues to cause untold hardship, as outlined in our submission.

**Dear Senators,** Australia is on the verge of committing the wholesale transfer of its welfare system towards a private company. A company that has no interest in the wellbeing of Australia's welfare recipients

- A company who is, by legislation unaccountable to the Australian Government and its citizens.
- A company that shows open hostility towards any enquiry of their company structure and what are loosely termed its clients.
- A company that is less than transparent in both its business model, its shareholder structure and its dealings with our most vulnerable citizens.

In supporting this bill, the Senate will commit many thousands of Australian citizens to a lifetime of hardship, pain and vilification.

**“Surely we are better than that”**

**FGFPC respectfully asks the Senate that this bill be rejected in its entirety**

Thank you for reading our submission, compiled by Col Davies for the FGFPC 19<sup>th</sup> Oct. 2020