

Cashless Debit Card Senate Inquiry Submission 18/03/19

Parts read out on 18/03/19 at Adelaide Senate inquiry.

As someone on Newstart, I'd like the Senate Committee to hear my thoughts on the Cashless Welfare card. I'd like to thank the panel for allowing me the opportunity to come and speak today.

On Newstart, I must meticulously plan my budget and spending so my meagre income can last the fortnight. My rent is over half my income and comes out one day after I get paid. I have been in the situation before where I've had to move money from other accounts very quickly to cover my direct debit of rent. I do not get a choice of payment for my rent and this is the method I must use to remain housed.

I sometimes deposit cash I need for other things, allowing me to keep a good rental record and remain relatively debt free. I have been in the position where I've had to withdraw cash from my credit card and deposit it for my direct debit, yet I was able to repay that credit debt quickly within a month as my access to my cash is free and unencumbered. Being able to choose where my money goes allows me to deal with big purchases that can crop up unexpectedly, like tyres for my car, dental work or expensive text books. It is ESSENTIAL for me to have access to my money in cash and be able to make these decisions quickly and independently.

The prospect of ever being put on a cashless card is truly horrifying for me. I pride myself on being able to scrape by-I am not frivolous with money. I have been managing (just) on my income for a long time. To hear that all of a sudden, I would not to be trusted with my own funds would make me furious.

I have constantly heard that the concerns and issues people have had with the cashless welfare card are "minor inconveniences." I can tell you right now, to someone on Centrelink payments it is never a minor thing for your finances to be messed with. Even a day late with transfers, deposits, or being able to withdraw my cash can be the difference between me getting my medication or not getting it, paying my rent or being in danger of being evicted, and being able to eat healthy food as opposed to just toast.

It is not minor to be denied control of your finances. To live in a bubble and say "well most people use a card so it's not a big deal" is to be truly ignorant of the reality of low- income people's lives. It is my human right as a private citizen to have control over my own life.

Being put on the card would make me feel incompetent, depressed and hopeless. I am an adult. To be suddenly treated like a child who can't be trusted with cash is having my rights taken away. I use cash for a number of things that maybe the panel would not have thought of. Last year my communal laundry at my block of units shut down with no warning for two months. I needed cash for the laundromat. If I was on the card I would not have been able to wash my clothes which is a very basic thing. To those who have their own inside laundry

this might not be an issue, but it was a massive one for me. I will add that if I DID have a private laundry and my washing machine broke down, I would look for, and buy, a new one second-hand to save money. This would be impossible on the cashless welfare card. I buy a lot of my clothes second hand at small op shops and garage sales, which is impossible to do without cash. I also use cash to buy fruit and veg at local markets. I need cash to make these sensible choices.

I like to support buskers on the street who are probably doing it tougher than I am with a coin or two. I enjoy being able to buy my friend's child an ice cream cone or small treat, which rarely adds up to the minimum \$5 spend that is needed for EFTPOS at most small shops. I might be old fashioned, but I value my privacy. It is outrageous to me that my data and spending habits could possibly be scrutinised by a company which I did not choose if I was on a cashless card. I am not a criminal. I am a private citizen. Why is there so much pious judgement heaped on me?

I wonder how many politicians would like every purchase scrutinised. How about being told where to spend your lunch allowance? What about what kind of accommodation you should be staying in in Canberra?

Can you imagine being told, because maybe a tiny percentage of MPs abuse the system, that you must now sleep in a tent in a caravan park? Would you not feel outrage? Would you not feel indignity? The vast majority of people on Centrelink payments do the right thing. I cannot understand how this has been allowed.

Becoming hungry, homeless or sick due to a stuff up from Indue is **no small thing**.

I have friends on Centrelink payments who buy their children's uniforms second hand. On the card this is impossible. Having **ALL** direct debits "approved" is truly insulting to responsible competent adults. Being forced to go to a massive company and beg for permission to use your own money is financial abuse. If a man was doing that to me in a relationship, telling me I had to get his permission to spend **ANY** amount of money you would call it domestic violence. As someone who has been exposed to violence I can tell you that my independence and control over my circumstances means **everything** to me. Without it I don't feel like a whole person.

Please reject this card and the expansion of the "trials." Trials must actually end for them to be properly evaluated; these "trials" do not have a baseline of the issues that the card claims to fix and so the methodology used to assess them is faulty. The negatives of this card are overwhelming for people who are forced onto them.

As a final point, I believe it is morally and ethically wrong, and amounts to racketeering, to be forced into using a banking service one did not agree with or choose to use. Centrelink clients are being forced into using a banking product with no financial protections of a normal Australian bank, and being lumped with fees and no right to paper statements. The assumption that all people have internet access reduces information for those who don't have it. This is a violation to freely choose which bank one keeps their money with.