

My name is [REDACTED] a constituent of [REDACTED] I have grave concerns about the likely impact of the Cashless Debit Card that the Social Services Legislation Amendment Bill 2017 would extend, because I see it as a step toward totalitarianism and the loss of our financial freedom.

Contrary to Government propaganda, the Cashless Welfare card is not as user friendly as it purports to be. There are several reasons why it is a bad idea for local and regional communities with high unemployment and underemployment cohorts and for town small business owners. The mainstream media is telling stories which seem to suit the agenda of big business but fails to address the stories of small business owners who are being affected by this card and have closed shop or massively losing money.

The card is produced by INDUE and to use it the business owner needs to enter into a business agreement with INDUE to lease a cashless card Eftpos machine.

The cost of small business is climbing, particularly in relation to utilities. There is no way for small business owners to quantify how much of their takings is supplied by welfare recipients so making a feasibility assessment of whether or not to invest in an INDUE leased Eftpos machine is impossible. If they do invest there is no guarantee that card holders will keep using their business.

The cards are geared towards big business such as Coles and Woolies. Unsurprisingly these are the very same businesses that co-own the Eftpos business so they stand to take the lions share of Government money under this card. Eftpos is a company which makes money from transactions and card production, it is wholly owned by its 18 Members so all profits from cashless welfare transactions will go to these companies:

- [Adyen](#)
- [Australia and New Zealand Banking Group Limited](#)
- [Australian Settlements Limited](#)
- [Bank of Queensland Limited](#)
- [Bendigo and Adelaide Bank Limited](#)
- [Citigroup Pty Limited](#)
- [Commonwealth Bank of Australia](#)
- [Coles Group Limited](#)
- [Cuscal Limited](#)
- [First Data Network Australia Limited](#)

- Indue Limited
- ING DIRECT
- National Australia Bank Limited
- PayPal Australia
- Suncorp Bank
- Tyro Payments
- Westpac Banking Corporation
- Woolworths Limited

Among the many draw backs of the card include:

1. The app designed for people to check their account on their smart phone. In areas with poor internet reception this is a useless utility and means that keeping track of funds is all the more difficult.
2. The INDUE card is very different from a bankcard. It operates as a credit card in the sense that the funds are not the property of the recipient, so a recipient has no claim to interest accrued on funds over time. In the case of a person becoming ill and spending a period of time in hospital (for mental health patients this can amount to regular periods of many months) this becomes a significant revenue stream for the company INDUE who have ownership of accrued interest. In other words INDUE gets to keep your small change, the stuff that goes in the jar above the fridge that comes in handy to pay the winter electricity bill with.
3. The low amount of cash that can be accessed through compulsory income management is not enough to participate in alternate markets such as farmers markets, trash and treasures and many charity shops which deal exclusively in cash transactions. In regional and rural areas eggs, mulch and fresh vegetables can often be purchased from road side sales points dealing only in cash, these healthy options for people on low incomes will be impossible to access with the Cashless Card.
4. The little-economy becomes impossible under income management i.e.: how do you pay the babysitter, the man up the road who fixes your car, the boy who mows your law? How do you support your children to participate in school fetes and local excursions that require lunch money, pocket money? How do you

teach your kids how to handle cash?

5. Residents in Ceduna, SA, one of the trial sites for the Cashless Welfare card have reported their mortgage payments have become more expensive due to added transaction fees. People cannot contribute to share house costs.
6. There are reports that people on income management are buying food and then reselling it at lower prices to get access to cash so they can cover small costs like getting around town using alternate transport systems (throwing in some cash to help with petrol for a friend who gives them a lift etc.) and providing pocket money for their kids, which effectively makes them even poorer.
7. Compulsory income management stigmatises people and separates them from mainstream society even further, disallowing social mobility and scapegoating poverty.
8. Cheap shopping alternatives such as Aldi are excluded from participating in the scheme because there is no separation between their liquor store and their main store, thus preventing cheap goods being obtainable to poorer people.
9. AUWU have information that organised crime gangs are already strategising how they can recruit from the pool of unemployed on income management who need access to cash to achieve criminal goals.
10. Other problems that present with cashless welfare in a society where the welfare payments don't lift people over the poverty line is that mainstream shopping is just too expensive, flexible rental arrangements will be impossible to handle, share housing and split bills will be impossible to manage, emergency situations requiring cash will be impossible to manage. People will not be able to "chip in" or help each other financially from fortnight to fortnight.
11. INDUE are not a bank and will not provide any of the privacy and security measures that banks provide. Our data will be open to organisations who collect data to profile and target consumers. The Government cannot guarantee our privacy because INDUE are not a Government organisation
12. A transaction fee will be imposed on every transaction.

This card is a huge leap toward totalitarianism, we must ask ourselves, is this where we want to go? The use of this card in regional areas and imposed on the most vulnerable people in our society under the guise of helping them is a trick. Eventually it will be rolled out to all welfare recipients and then we have lost our financial freedom. I am 55 years of age with a disability, so rely on welfare as I do voluntary work to keep me

contributing to society. If the card was imposed on me, I would see the cashless card as punishment, I do not drink alcohol, smoke, take illicit drugs or have a gambling habit. I travel once a year to a remote place camping, how would the card impact being able to do this? It scares me to visualise a future where managing my finances are out of my control and losing the freedom to shop where I want.

The only people I can see benefiting from this card are big business, banking interests and the governments that pander to their interests.