

From: jennifer cameron
To: [Community Affairs Committee \(SEN\)](#)
Subject: Fwd: Our community is still waiting for answers [SEC=UNCLASSIFIED]
Date: Friday, 3 November 2017 10:33:25 AM
Attachments:

Here is the email received from the DSS to one of our “say no to the cashless welfare card” crew Sharon Feerick in response to our questions asked back in July.

Regards
Jennifer Cameron

From: [REDACTED]
Date: 3 November 2017 at 9:45:10 am AEDT
To: [REDACTED]
Subject: Fwd: Our community is still waiting for answers [SEC=UNCLASSIFIED]

Email from the DSS as requested. I'm also attaching the original list of questions that was given to Keith Pitt on the 19th of July, which the DSS representatives who were present at the meeting also received. There were 61 questions, but they have only responded to 27 of these questions, with at least several of the responses being quite evasive or not answering the question fully. You can also see that the email from the DSS was sent only the morning before the Canberra Public Hearing!!

Regards,
Sharon

----- Forwarded message -----

From: **Cashless Debit Card** <CashlessDebitCard@dss.gov.au>
Date: Wed, Nov 1, 2017 at 10:21 AM
Subject: Our community is still waiting for answers [SEC=UNCLASSIFIED]
To: [REDACTED]

Hello Sharon

I do apologise for the delay in responding to your questions about the cashless debit card.

Please find below responses on behalf of the Department of Social Services.

1. Is the Cashless debit Card accepted by all business?

- The Cashless Debit Card (CDC) works at any business that has EFTPOS and does not primarily sell alcohol or gambling products, including overseas. The card also allows for many flexible payment options for paying bills and online shopping at over 1,800 online retailers.

2. Is there any guarantee if the card is introduced that pensioners will not be placed on the CDC?

- The CDC has never been applied to age pensioners in any CDC site, and will never be applied. This applies to the Bundaberg and Hervey Bay region as well.

3. Is there a transaction fee on all/ any transaction involving the cashless debit card?

- The CDC is a fee-free account for participants. An Authorised Deposit-Taking Institution, will be responsible for providing accounts and debit cards. This institution and the Department of Social Services (DSS) will work with you to ensure all your recurring payments are set up appropriately on the CDC. This includes transitioning existing recurring payment arrangements from other accounts to avoid possible overdrawn account fees.
- Your CDC account will also include online balance checking, transaction history access and the ability to set daily limits and SMS alerts for account deposits, balance checks and low balance.

4. Can I use direct debit to pay my bills? If not, how do I pay them?

- You can use your CDC to pay bills via direct debit, as well as online transfers, BPAY and recurring deductions. This includes payments such as rent, mortgages, loan repayments and school fees. If you pay bills with cash, you can call the DSS CDC Hotline, where staff will assist you with arranging payments.

5. Most local children's sporting groups and clubs do not have EFTPOS facilities in Bundaberg. How do we pay for registration, uniforms, tuckshop and fundraising etc.?

- Recognising that we do not live in a cashless society, you will still have access to 20 per cent of your payment that can be withdrawn as cash. Additionally, you can freely transfer money between restricted

accounts (e.g. one CDC participant can transfer money to another), which can be done quickly and simply online via the Indue app. You can also freely transfer up to \$200 per month to non-restricted accounts should you need extra cash.

- You will also have the support of the CDC hotline if you would like assistance with things such as purchasing second hand goods or any unforeseen circumstances where you need to access additional cash.

6. What happens if you lose your card?

- If you lose your card, you will be issued with a replacement card free of charge.

7. What happens to any acquired balance on the cashless debit card if the card holder gains employment?

- You will be exited from the program if you come off your payment, such as through employment. Any remaining funds in your CDC account can be transferred to a bank account you nominate, although you may also keep your CDC account if you wish.

8. How can parents/carers transfer money to others in times of emergency (e.g. parent's transfer's money to child for car repairs, transport, fares)?

- You will still have access to 20 per cent of your payment that can be withdrawn as cash. Additionally, you can freely transfer money between restricted accounts almost instantaneously via the Indue app. You can also freely transfer up to \$200 per month to non-restricted accounts should you need extra cash.
- You will also have the support of the CDC hotline if you would like assistance with things such as purchasing second hand goods or any unforeseen circumstances where you need to access additional cash.
- It should also be noted that people on carer payments will not be required to be on the CDC.

9. If one of the aims of the cards introduction is to feed starving children, how is the card going to achieve this goal?

- The CDC Trial Final Evaluation Report found that 40 per cent of respondents with caring responsibilities reported that they were better able to care for their children since being on the card. It also showed the card can change people's attitudes toward drugs and alcohol.
- Parents are eligible for parenting payments only while their children are very young, and a stable domestic environment with limited exposure to risk factors during these formative years is

imperative for positive lifelong outcomes. A parent's attitudes to work, welfare, alcohol and drug consumption contributes to the likelihood of their child finding work, remaining on welfare or abusing alcohol or illegal drugs in the future.

10. If the government knows how many people on benefits are abusing the system with drugs/ alcohol abuse, you must know who they are. Why not target them? Why the blanket-cover?

- An approach that only targets specific individuals would be similar to Income Management (IM), which was initially introduced in 2007. IM is a tool designed to assist particularly vulnerable individual's budget their welfare payments and to help ensure they and their children are getting the basic essentials of life, such as food, housing, electricity and education.
- The CDC is not designed to target specific individuals and is instead being trialled in the Bundaberg and Hervey Bay region due to high rates of youth unemployment and to support families. With a young cohort, the CDC can influence positive behaviour change before welfare dependency becomes entrenched in a person's lifestyle.

11. If your rental payments cannot be paid using Centrepay (landlord's choice), what options do we have to make sure we have our rent paid?

- Centrepay is not your only option for paying rent with the CDC. You can use your CDC to pay rent via online transfers, BPAY, direct debit or recurring deductions. If your landlord only accepts rent paid in cash, the CDC Hotline staff will assist you with arranging payment.

12. How do participants pay for lump sum expenses such as hospital bills, car repairs, household item replacement etc?

- You will still be able to pay lump sum expenses if you are on the CDC. The card can be used for large expenses at any business that accepts EFTPOS. Additionally, you can use your CDC to pay for lump sum expenses via online transfers, BPAY, direct debit or recurring deductions. For lump sum expenses that require cash, you can freely transfer up to \$200 per month to non-restricted accounts.

13. What are my rights to make financial decisions, right to privacy and right to a private life being taken away with the compulsory introduction of the card?

- The CDC operates like a normal, mainstream banking product and does not take away your right to make financial decisions. The only restrictions imposed by the CDC is that you cannot use the card to purchase alcohol, gambling products, or to withdraw cash.

- Privacy issues were considered seriously by government when developing the legislation for the CDC. The legislation does not provide a blanket exemption from privacy laws for government or Indue. It simply allows the sharing of information that is necessary for the CDC to operate. Safeguards are still in place to protect individual privacy. Any information shared between Indue and government will occur within the requirements of the privacy laws.

14. Have you considered the negative impact to the mental wellbeing, dignity and self-worth of people forced to use this card, and the stigma attached to it?

- We understand people's concerns about stigma. In Ceduna, SA and the East Kimberley, WA, the Government worked with communities to design the CDC to avoid and reduce stigma. The CDC is a grey Visa debit card that looks and operates like any other card. The colour of the card was carefully considered, with grey being a discrete colour that would blend in with other cards. Branding on the card is minimal and includes the Visa and EFTPOS logos.

15. Are shops allowed to charge you a surcharge for using your cashless debit card? What if a shop has an EFTPOS minimum?

- The CDC is a fee-free account for participants, although EFTPOS charges applied by merchants may still apply. The Government has no control or influence over charges or EFTPOS minimums imposed by individual businesses. The Government is committed to working in partnership with the community. We will work with the business sector to ensure the program is effective and that participants continue to have the same consumer choices as the wider public (excluding those related to alcohol and gambling products).

16. Some doctors and medical specialists do not bulk bill. Will this card allow for that as well as being able to go to the chemist and fill your scripts? Therefore, will the payment, if refunded by Medicare, be dissolved to your cashless debit card account or standard bank account?

- The CDC can be used just like any regular bankcard. You will still be able to pay medical bills or make purchases at the chemist. Payments refunded by Medicare will be transferred into your CDC account.

17. Do businesses have to apply to accept the card?

- Businesses do not have to apply to accept the card and the card will work at any business that accepts EFTPOS and does not primarily sell alcohol or gambling products.
- Online retailers will need to be approved by DSS, which is a quick and easy process. If you want to buy something from an online retailer

that has not yet been approved, you can contact the DSS Hotline to get the retailer approved within a day. To date, over 1,800 online retailers have been approved, with more being added regularly. [This approval process is not required for physical stores – it is only for online stores.](#)

18. Can you use the cashless debit card to pay fares on local transport and buses?

- You can use the CDC to pay for fares on local transport and buses if they accept EFTPOS.

19. Is there an ombudsman to represent people if they have problems with Indue or other contracted card issuer?

- Complaints processes are in place for Cashless Debit Card program participants. Indue is a member of the Credit Ombudsman Services Ltd and complaints can be referred to this independent body for review if required. You can also contact the CDC hotline on 1800 252 604 and DSS staff will respond to any issues with the card as quickly as possible.

20. How do we make purchases of second hand goods online or privately from sellers who only accept cash or direct debit? How do we pay for cheap items (furniture, clothing, food) at garage sales, markets, road side stalls if only 20% of our payment is available in cash?

- You can use your CDC to make payments via direct debit. If the seller does not accept direct debit, you can freely transfer up to \$200 per month to non-restricted accounts should you need extra cash.

- You will also have the support of the CDC hotline if you need to access additional cash to purchase second hand goods.

21. I do not have children, I do not owe anyone money, I do not gamble, drink alcohol or use drugs. Why am I being placed on the Cashless Debit Card and how can you justify doing so?

- The CDC is not a punitive measure and it is not targeted at specific individuals. It is being trialled in the Bundaberg and Hervey Bay region due to high rates of youth unemployment and to support families. With a young cohort, the CDC can influence positive behaviour change before welfare dependency becomes entrenched in a person's lifestyle.

22. Will small businesses be given a free EFTPOS machine as a lot of small businesses are still cash reliant due to how much EFTPOS machines cost to set up and operate?

- Small businesses will not be provided with EFTPOS machines. If you are the owner of a small business that does not currently accept EFTPOS, you may wish to consider less expensive options such as the

Square Point of Sale system, which will work alongside a smartphone or tablet.

- CDC participants will also have other payment options, including using the unrestricted 20 per cent of their payment, transferring up to \$200 cash to a non-restricted account or BPAY.

23. Is it possible for payments to be made to a private trust to ensure I am not put on the cashless debit card?

- If you are on the CDC, you will not be able to have your welfare payments transferred to a separate account, including a private trust.

24. I am planning on leaving Bundaberg. If the trial commences before I leave the trial area, will I still have to participate in the trial and will I still have to receive my payments on the CDC card when I relocate until the end of the trial?

- If you are on the CDC, your card will stay with you if you move out of the site boundary. The card will continue to work in the same way for as long as you remain 35 years or under and on one of the four trigger payments.

25. Does the Cashless Debit Card breach the Australian competition and consumer Act by restricting free trade and creating monopolies?

- There is no breach to the Australian Competition and Consumer Act. The CDC can be used anywhere that has EFTPOS facilities. Furthermore, CDC participants do not receive less welfare payment than other welfare recipients; rather they receive welfare in a different form.

26. Is the trial area based on the electorate boundaries of Hinkler or will it apply to anyone within the 4670 postcode?

- The card will be rolled out across the Federal electorate of Hinkler, which includes Bundaberg, Hervey Bay, Childers and Howard.

27. How do participants pay for travel to medical appointments out of the trial area with the majority of their funds being on the cashless debit card? Can this be accepted in other areas for things such as accommodation, food etc. that must be paid before claiming PTSS?

- The cashless debit card (CDC) works at any business that has EFTPOS and does not primarily sell alcohol or gambling products, including outside the Bundaberg and Hervey Bay region and overseas

More information on the cashless debit card program can be found at:

<https://www.dss.gov.au/families-and-children/programs-services/welfare-quarantining/cashless-debit-card-overview/hinkler-cashless-debit-card>

Regards

The cashless debit card team

From: Sharon Feerick [REDACTED]
Sent: Tuesday, 31 October 2017 12:45 PM
To: [REDACTED]
Subject: Our community is still waiting for answers

Hello [REDACTED]

I am resending this email dated 22/08/17, as I did not receive a reply from you or anyone from the DSS, nor have I received a written response to our questions from Keith Pitt:

I am still waiting for a written reply to the pages of questions from my community about the CDCT which I submitted to Keith Pitt MP at a meeting last month (19th July 2017) which you and another DSS representative attended. During this meeting I was told I would receive written responses to our questions, however this has not happened. I specifically asked for these questions to be responded to by our elected politician, Keith Pitt.

Since that meeting, I have received a request from you for an electronic copy of these questions (in addition to the written copy you had from the 19th July meeting) so that you and your team at the DSS can answer them. At a more recent meeting with you in Bundaberg, on the 8th of August, I was informed by you that written responses would be supplied as soon as possible, most likely within 2 weeks.

The sooner these questions are answered, the sooner my communities confusion and concerns about the card can be addressed.

Regards,

Sharon Feerick.

- Why are my rights to make financial decisions, right to privacy and right to a private life being taken away with the compulsory introduction of the card?
- Why have you not held a general public meeting for the people to find out more about the card, the implication of its introduction, and to find out if we are in favour of its introduction prior to putting forward the proposal? People cannot make informed decisions based on what little information has been made available to far.
- Are you aware of evidence that shows in card trial areas that people are swapping food or their card for cash, alcohol or tobacco? This is one example of the negative impact this card will have on our community. Suicides will increase through desperation and hopelessness. How can you justify introducing the card if this is going to happen in our region next?
- Is the trial area based on the electorate boundaries of Hinkler or will it apply to anyone within the 4670 postcode?
- Is the cashless debit card accepted by all business?
- Have you considered the negative impact to the mental wellbeing, dignity and self-worth of people forced to use this card, and the stigma attached to it.
- When, where, and who is going to be on the community consultation meetings? What is a steering committee, what has it got to do with the cards introduction?
- If the government knows how many people on benefits are abusing the system with drugs/alcohol abuse, you must know WHO they are. Why not target them? Why the blanket -cover?
- Why would taxpayers support this scheme with up to \$10,000 for each card and yearly running costs, instead of a “cheaper” method of assisting low income earners? Why would taxpayers pay more money to Indue or a private corporation who will most likely take their “profits” out of the country instead of increasing payments to Welfare recipients who will definitely put their money back into their local communities? Instead of giving up to \$10,000 of our taxes to a private company, why not give it to those who need it most?
- If the card is introduced in the Hinkler region, will the Department of Human Services be contacting every participant to assist with the setting up of all necessary changes to payments via the cashless debit card? How much is that going to cost and in what timeframe will this occur?

- I do not have children, I do not owe anyone money, I do not gamble, drink alcohol or use drugs. Why am I being placed on the cashless debit card and how can you justify doing so?
- Is there an ombudsman to represent people if they have problems with Indue (or other contracted card issuer)?
- How do we make purchases of second hand goods online or privately from sellers who only accept cash or direct debit? How do we pay for cheap items (furniture, clothing, food) at garage sales, markets, road side stalls if only 20% of our payment is available in cash?
- It has been stated that the approximate cost for each trial participant is \$10,000, is this correct? If it is, then 9,000 people in the Bundaberg region being participants, the initial cost would be around \$90 million. Are there more appropriately targeted programs and projects this money could be used for (e.g. drug and alcohol education/rehabilitation)?
- Does the cashless card breach the Human Rights Act and how is the government able to change this without public consultation?
- I am aged in my eighties and carer for my husband. I do not know how to use EFTPOS and currently do not have a debit card. I do not know how to use, let alone own a computer and the only thing I do online is laundry. I pay all of my bills using cash or cheque. I do not drink, use drugs or play pokies, but I do like to visit the RSL and other clubs for social group outings. How will I be able to pay for things such as meals and other items? How do I check my balance?

- We are a working family but on a low income with children. We manage and budget well, though very tightly. We receive Family Tax Benefit B and the CDC is going to put added pressure on our budgeting. We are paying off a home loan and transfer money between accounts to meet our commitments, which would not be possible on this card. We don't use drugs and rarely drink, our children never go without so why do we have to go on the cashless debit card?
- Is this welfare discrimination from the government? Is there an avenue for people to fight against it, if so where and how?
- How do participants pay for travel to medical appointments out of the trial area with the majority of their funds being on the cashless debit card? Can this be accepted in other areas for things such as accommodation, food etc. that must be paid before claiming PTSS?
- How do participants pay for lump sum expenses such as hospital bills, car repairs, household item replacement etc.?
- Will it affect people on the NDIS?
- Crimes such as theft, burglary and assaults may rise in Bundaberg with the introduction of the cashless debit card. What contingencies and strategies are being implemented to ensure the safety of residents in our community?
- If your rental payments cannot be paid using Centrepay (landlord's choice), what options do we have to make sure we have our rent paid?
- Does Indue (or other contracted card issuer) come under the Prices Justifications Tribunal for their charges through both parties, business and card holder?
- How many letters with and without surveys did you send to residents of Hinkler about the card? How were they chosen, how many were returned to you, and what were the results of the survey? If no decisions have been made on where the card will be rolled out or who will be placed on the card, how can you claim it has community support? Have you asked those who will be directly affected by the card if they are in support of it, if not why not?
- If one of the aims of the cards introduction is to feed starving children, how is the card going to achieve this goal?
- How do you know that the people abusing the system are young unemployed people?

- What mechanisms are in place to evaluate the role of the card in the current trial areas as there have been no comparable communities which have received just additional services and not the card? How can the cards effectiveness be evaluated without a control group/study. Moreover, how can you claim it has been effective and therefore good for our community? Where is the evidence to support your claim?
- Is there any guarantee if the card is introduced that pensioners will not be placed on the cashless debit card?
- Is this a government move to privatise the welfare system or Centrelink?
- How can parents/carers transfer money to others in times of emergency (eg: parent transfers money to child for car repairs, transport, fares)?
- Can you use the cashless debit card to pay fares on local transport and buses?
- Will participation in the trial area be compulsory? Do I have an option to not participate and if so, will I still be able to receive Centrelink payments? What happens if I leave the trial area?
- Which payments will be placed on the cashless debit card? Will it be the same trigger payment list as the ones used in current trial areas, and why are these specific payments being selected?
- Do businesses have to apply to accept the card?
- Is there a transaction fee on all/any transaction involving the cashless debit card?
- Why cannot participants earn interest on balances held on the cashless debit card account?
- If interest is earned on the funds involved, who is this interest paid to and why?
- What is the Federal opposition's position on this policy on this subject?
- Can I use direct debit to pay my bills? If not, how do I pay them?
- Most local children's sporting groups and clubs do not have EFTPOS facilities in Bundaberg. How do we pay for registration, uniforms, tuckshop and fundraising etc.?

- There has been some confusion as to whether or not ALDI is set up to accept the cashless debit card. The most recent information received from ALDI states that they WILL NOT be accepting the card. This means the grocery bill will almost double for people using the cashless debit card who will be forced to buy less food with the same amount of money from either Coles or Woolworths. Are you aware of this, and what are you going to do about it?
- Is it possible for payments to be made to a private trust to ensure I am not put on the cashless debit card?
- I am planning on leaving Bundaberg. If the trial commences before I leave the trial area, will I still have to participate in the trial and will I still have to receive my payments on the cashless debit card when I relocate until the end of the trial?
- What happens to our finances (cashless card account) if Indue (or other contracted card issuer) goes bankrupt or is hacked?
- The finance for welfare is sourced from money paid by taxpayers. How will the financial structure be audited by the Auditor General?
- Does the cashless debit card breach the Australian competition and consumer Act by restricting free trade and creating monopolies?
- If a person on the cashless debit card applies to the selection panel to have a supplier approved and the supplier is denied, or requests to have the amount quarantined changed and is refused, is there a right to appeal and if so, who to?
- If a person who has a mental disability that will impede the nominal use of the cashless card system (i.e. forgetting pin numbers, account numbers, processes to make payment etc.) how will they be able to operate their own account? (Note-this applies to the ruling on joint access and third-party access)?
- Why are innocent people being targeted for this discriminatory card and what is wrong with addressing the problem of routers and making it voluntary for those who need it instead of compulsory?
- How can our government justify the huge cost to taxpayers that this card is going to cost to implement and run, when independent evidence showing the effectiveness or otherwise of current trials is not available at the time of making the proposal to trial the card in Hinkler?

- All the services that come with the card are already here. Why have they not worked? Has their funding been cut? How is a card so restricted in many ways the answer?
- What happens if you lose your card?
- Are shops allowed to charge you a surcharge for using your cashless debit card? What if a shop has an EFTPOS minimum?
- Will small businesses be given a free EFTPOS machine as a lot of small businesses are still cash reliant due to how much EFTPOS machines cost to set up and operate?
- People with drug problems may turn to alternatives to cope with the changes created by the cashless debit card. Petrol and paint inhalation has become an issue where standard illegal substances are unobtainable. Will hardware stores and petrol stations be restricted if these become a local issue?
- Some doctors and medical specialists do not bulk bill. Will this card allow for that as well as being able to go to the chemist and fill your scripts? Therefore, will the payment, if refunded by Medicare, be dissolved to your cashless debit card account or your standard bank account?
- If there are more people applying for jobs than there are jobs available, which is the case here in Bundaberg, how is the introduction of the card going to reduce unemployment? Why will people under a certain age be targeted for the card? Is that not discriminatory?
- Are Centrelink payments going to be increased to cover the cost of transactions from Indue (or other contracted card issuer)?
- What happens to any acquired balance on the cashless debit card if the card holder gains employment?
- Who are the community leaders that are in support of the cards introduction? And what information was given to them prior to them showing their support?