

My name is [REDACTED], I am 43-years-old. A single mother with a 10-year-old son (who has ADHD/ODD), 7-year-old daughter, my 20-year-old step-daughter living at home and a 23-year-old stepson who is not.

For the past four years we have been dependant on income assistance in a couple of forms after I was diagnosed with severe arthritis in both of my hips. I tried to push on but when I started passing out at work and was contemplating suicide I gave in and sought help.

My condition deteriorated. I waited 2 years for surgery, a further year to get a complete diagnosis and a year to be approved for the Disability Support Pension. I have Ankylosing Spondylarthropathy, Fibromyalgia, severe carpal tunnel in both hand and a long list which cause constant pain.

This was not the plan.

I do not need help with my finances.

Putting modesty aside, I am a wizz at stretching the dollar. It helps that the ten years before my world fell apart, I was working in the finance industry. For the years before that I worked in administration. And before that as a journalist.

I ensure my children and I do not miss out on anything. All my bills are paid. I had no debt bar a mortgage and I structured my pension to create \$4000/year in savings, interest and reward points.

This cannot be achieved through restricting financial flexibility. Quite the opposite. It is only financial flexibility which makes existence possible.

Paying half a bill this month and the other half next month. Prioritizing a sport activity this week and the doctor next week. Putting away the "cents" of your bank balance into a high interest saver account for the day the car dies. Using a rewards credit card for your spending (without using the credit). Mortgage off-set. Second hand sales. Markets. Saving the annual bill amount weekly into a high interest earner. Individual methods can create enough so your child can have Christmas, birthday or dental work.

Not all families are capable of achieving this, however, it's an unsupported assumption that mismanagement is the sole reason families are falling short.

The Cashless Debit Card Trial Evaluation Final Evaluation Report August 2017 by Orima Research (Orima Report) does not establish cause of poverty. Its goals were to evaluate the card. It does however present some interesting results.

While PR spins the decrease in alcohol and gambling the report shows that even though these activities decreased, incidents of families unable to pay bills or afford essentials increased:

The report shows (pg 73) participants:

- \* Ran out of money for school needs - 55% wave 2 up from 40% in wave 1
- \* Ran out of money to pay for essential - 54% wave 2 up from 40% in wave 1
- \* Ran out of money to buy food - 52% wave 2 up from 49% in wave 1
- \* Ran out al money to pay a bill - 35% wave 2 up from 32% in wave 1

Given 128 people had their restricted portion reduced to accommodate obligations (Orima Report pg108 Table 12), and the conspicuous absence of the number removed from the trial, more than half of participants' daily needs were not being met even with the card.

If the report proves the card reduced "undesirable" spending habits, it also proves the spending on alcohol, drugs or gambling was not the primary cause of their financial situation.

I was blessed to be in the position I was before getting sick. Others are not so lucky and their inability to manage has more to do with what they have to work with, rather than what they do.

Removing section 124PF of the Social Security Administration Act which limits the number of locations, participants and end date of the trial.....

To date the trial has taken place in isolated regions. Its questionable results have shown its effect in isolated regions. Translating this to suburban and city is assumption.

It is effectively ending the trial. Giving unfettered ability to place welfare recipients onto the card indefinitely. All the while failing to address the multiple questions which the trials have raised to date.

If the trial is to continue then it stands to reason it should continue as a trial. With focus on its effect in differing environments; long term results and; directly addressing participants concerns.

Most importantly the trials need to shift the focus from opinion, to fact.

The Orima Report, by its own admission, was both narrow in scope and numbers. This alone makes its results limited and unworthy of extrapolation.

The scope of the trial was to determine (pg 112) :

1. what have been the effects of the trial:

- reduction of alcohol, illegal drugs and gambling?
- reduction in crime, violence + harassment?
- increased school attendance, self-reported well-being, reduced financial stress?
- Increased perception of safety?

2. Circumvent behaviour?

3. Adverse consequences?

4. What lessons can be learned throughout the trial?

However, it failed to deliver conclusive findings on these things. The report mentions people felt there was a reduction in alcohol and gambling and it assumes a reduction in drugs. It mentions perceptions about safety but fails to look at school attendance results, reduced financial stress and crime claiming inconclusive data. There's a brief mention that maybe circumvent behaviour happened, lists limited adverse consequences and appears to learn nothing from the trial other than – people said they drank and gambled less.

The biggest failing of the report is that it is a report on people's opinions. By its own admission there was no conclusive data to back up their "feelings" about the trial.

### Administrative limitations (Page 26).

1. It was collected for purposes other than CDCT evaluation.
2. unavailable time series data.
3. Low numbers = high volatility.
4. No comparison site data.
5. Quality of data collected

If the data was unsuitable for the purposes of the trial, if factual numbers were too low and too volatile to be of any value, it stands to reason the findings of the trial are inconclusive.

A person's opinion is not a substitute for factual data.

The Orima Report does include a long list of issues which participants have raised. However, it can be as simple as a failure to consider them in the creation phase of the card and trial itself.

### Consultation

While the Orima Report states there were open consultations it concedes their purpose was not communicated effectively. Many participants felt the consultation process had lacked a strategy to engage with those who did not partake in "official" channels such as council meetings (pg106).

Participant involvement in the card and trial's creation has been limited while anonymous community leaders attended 'closed-door' meetings to outline their wishes. A backward approach.

### How can the card address clients' needs when no effort has been made to know what they are?

The trial, 18mths in, still cannot answer simple questions raised by participants or potential participants. As can be seen from the way consideration of holding the trial in Hinkler earlier this year was mishandled.

Participants are told to speak with their community "leaders"; speak with Department of Social Services; Indue; the anonymous community panel and round and round. With, not so much buck passing but double talk; vague generalisations; contradictions and; dismissive comments like "it's a minor adjustment".

There is nothing minor about adjusting a household budget which is running on fumes.

ABC Kimberly News: Minister for Human Services Alan Tudge MP *"The nature of the trial is that we can make adjustments along the way as issues arise. For example, initially there was an issue with Billpay at Australia Post. We were able to fix that, er, um, immediately (?), um, and get on with the job"*

A slap-happy system of "fix it later" is unacceptable when families are on the line and there needs to be a longer trial period with more detailed consultation to resolve such issues BEFORE they arise.

### Banking product options

It has been misleading to refer to the restrictions as 80% card and 20% cash. Many Australians mistakenly believe it's a case of "so what, we bank online anyway". It is 80% restricted to Indue and 20% flexibility.

Before progressing, it is essential to acknowledge the trial's major hurdle – Indue is not a bank. Indue cannot provide the banking products to provide participants with flexibility and returns. It does not provide participants with the security a bank does. It does not provide many of the services necessary to run a household.

“It's just like a normal VISA, you just can't get cash or buy alcohol, drugs or gamble”

No. It is nothing like a normal VISA.

A normal VISA can be attached to other banking products. It can award reward points, be shared among a couple and it can transfer money into other bank accounts. A VISA works on all merchants and doesn't need “approval”. A normal VISA can have a partner card, like American Express, which affords even more reward points. A normal VISA affords deals and returns.

For our household, the reward points are used for house maintenance and Christmas/Birthday gifts. Reward points paid for “non-essentials”: a new letterbox; house paint; a new TV. Bonus points bought my special needs son a new tablet when his broke. It has been a huge way in which we have made life liveable rather than just existing.

Credit card aspects aside, my VISA access card to my regular account earns interest. It provides inter-account transfers and can be a joint account. We can attach an online-only high interest saver. It works online and I can order the groceries I can't physically carry.

To claim it's like a normal VISA is a lie.

A household does not run on VISA alone. Mortgage off-set; high interest earners; online only accounts; inter-account transfers; rewards; discounts and; bonuses are not luxuries. They are essential for a household to manage its finances. Cash is still an important means of negotiation and its loss impacts on flexibility for a great many households who survive by buying second hand, at farmers markets, car boot sales and, heaven forbid, taking the kids out to a local event.

#### Government Spending

A basic household budget runs on a very simple premise – if you don't need it, you don't buy it. Every household which doesn't need income management, doesn't need it. To pay for it, is a waste. A very expensive guess. Money wasted on income managing these households could be better spent on something which actually helps return people to the workforce.

Spending money managing our finances could be applied better to:

#### Reduce wait list for surgery.

Had my condition been what was initially thought, a simple case of hip replacements, I could have returned to work much sooner. Instead I languished on the wait list for two years, on sickness allowance, with a job waiting for me (It was held for a year).

#### Rehabilitation.

Waiting months to see physiotherapists and attend specialists' appointments further delayed any chance of returning to work. I was signed up for a pain management clinic to prepare me for work but with nine months between visits it was an exercise in futility.

Caring for families.

There is a no-man's land between the inability to work and returning to work (or to be assessed disabled) where you and your family wait. In our case, for years. Centrelink has, apparently, no grade of service. An application can take anywhere from a month to a year to process. No one can say how long. Forms are lost; mis-queued; redirected; on hold; transferred. Oddly enough speaking with the IT Department about a disability assessment does nothing to resolve an issue, then again there's no guarantee speaking with Disability Team will either. Instead, families just wait.

Jumping through the hoops necessary was difficult enough, the constant threats were perhaps the most destructive to both my physical and mental state.

We were constantly under attack. Removing childcare, removing financial flexibility and increasing obligations would have killed me. I could say "might have" but I was standing on a train platform thinking about it before these threats. I try not to think where we'd be had they come to pass.

Childcare was fundamental to our existence. I could not care for my children. I couldn't walk and medication made me non-functional. But I wasn't "disabled" and was just waiting for surgery.

Without financial flexibility, we would have lost the house. It's as simple as that. The mortgage was cheaper than local rents and the off-set reduced costs further.

I could not function and any "obligations" would not have been met.

What would have been left for me to do?

I did not and do not need this ongoing anxiety.

The past four years I have felt the sword of Damocles hanging over my head. My world is finely balanced. Our family, like most, relies on a complicated and individual structure. A structure which works for us.

This ongoing threat has taken both a physical and mental toll.

Anxiety causes me heart palpitations, panic attacks, migraines, cluster headaches and severe mood swings. Depression has caused me almost catatonic periods of sleep, indifference, suicidal ideation and distance.

We were not in the firing line of being a trial site. Yet. I can only imagine the mental and physical damage done if we had been. But waiting until we are is too late. There are families, like mine, already being experimented on and it's not good enough.

Generalized and presumptuous intervention can be as devastating to some households as no intervention where it is needed.