

Chapter 2

Key issues

Introduction

2.1 A number of submitters and witnesses expressed their support for the objective of the cashless debit card scheme which would be expanded to more sites by the Social Security Legislation Amendment (Cashless Debit Card) Bill 2017 (bill). In particular, submitters and witnesses noted the potential of the cashless debit card to address excessive alcohol consumption, anti-social behaviour, neglect of children and violence within communities.¹

2.2 While submitters and witnesses recognised and supported the need to reduce the social harm caused by alcohol and gambling, they also raised a number of concerns regarding the expansion of the card to new sites, including:

- the effectiveness of the card at reducing social harm;
- the results of the independent evaluation;
- the extent to which affected communities were adequately consulted;
- the operation and impact of the cashless debit card;
- human rights implications; and
- parliamentary oversight.

Reducing social harm

2.3 In its submission, the Department of Social Services (department) noted that the objective of the cashless debit card scheme is to limit the amount of income support payments available to be spent on alcohol, drugs and gambling, which would lead to a reduction in social harm.²

2.4 The department advised that the Goldfields region and Hinkler electorate had been selected as new cashless debit card sites due to a number of factors including 'community readiness and willingness, high levels of disadvantage and welfare dependence, and high levels of social harm caused by alcohol, drugs and gambling.'³

Goldfields region

2.5 The committee heard that the social harm caused by drugs and alcohol is of particular concern to communities in the Goldfields region. The Mayor of the City of

1 See, for example: The Minderoo Foundation, *Submission 5*; Catholic Social Services Australia, *Submission 9*; PeakCare Queensland, *Submission 32*; Cape York Institute, *Submission 40*; UnitingCare Australia, *Submission 44*; UNICEF Australia, *Submission 51*; Ms Jacinta Nampijinpa Price, *Submission 54*; Wyndham Advisory Group, *Submission 111*.

2 Department of Social Services, *Submission 8*, [p. 1].

3 Department of Social Services, *Submission 8*, [p. 2].

Kalgoorlie-Boulder, Mr John Bowler, told the committee that the level of antisocial behaviour on the streets of Kalgoorlie-Boulder had increased in recent years and led to a number of people leaving the town.⁴ Mr Bowler explained that the majority of inquiries he receives as Mayor relate to people being abused in the street and how this can be addressed.⁵

2.6 Mr Bowler expressed support for the introduction of the cashless debit card in the City of Kalgoorlie-Boulder after visiting Ceduna. Mr Bowler considered that after speaking with locals and the Deputy Mayor of Ceduna, people in Ceduna thought life there had improved dramatically since the introduction of the cashless debit card trial.⁶

2.7 The Shires of Laverton, Coolgardie, Leonora and Menzies expressed similar concerns regarding the social harm caused by alcohol, drugs and gambling in their local communities. Mr Patrick Hill, President of the Shire of Laverton explained that the shire's support for the cashless debit card was as a result of other measures not working:

Everyone in town—the police, the hospital, the school, the Laverton Crisis Centre, the ambulance, the fire brigade, the resident group, the shire—has done everything possible to try and stem this abuse and the effects that alcohol, drugs and gambling have on our towns and the availability of cash. Council has formally adopted and supports the cashless welfare card because we see this as an opportunity to try and do something.⁷

2.8 Mr Malcolm Cullen, President of the Shire of Coolgardie, advised the committee that his shire believes the cashless debit card will address a number of social issues facing the local community:

We believe it will improve the housing and living conditions of the people in the town. We also believe it will reduce the alcohol and drug dependency of a lot of the people that we have. There are people I went to school with who have passed away between the ages of 38 and 40, or less, through alcohol abuse. In most of our towns, we have children who are not being looked after. That is one of the biggest things that I think will improve for our future. What we are looking at is the future of these people. We have people who are not being educated. They are roaming the streets and committing crimes. They are burgling houses to feed themselves and their siblings.⁸

2.9 Councillor Betty Logan of the Shire of Coolgardie also expressed support for the introduction of the cashless debit card, noting her personal experience caring for

4 Mr John Bowler, Mayor, City of Kalgoorlie-Boulder, *Committee Hansard*, 12 October 2017, p. 1.

5 Mr Bowler, *Committee Hansard*, 12 October 2017, p. 1.

6 Mr Bowler, *Committee Hansard*, 12 October 2017, p. 2.

7 Mr Patrick Hill, President, Shire of Laverton, *Committee Hansard*, 12 October 2017, p. 7.

8 Mr Malcolm Cullen, President, Shire of Coolgardie, *Committee Hansard*, 12 October 2017, p. 8.

neglected children in the community who were not cared for by their parents as they were continually affected by alcohol.⁹

2.10 Mr Jim Epis of the Shire of Leonora explained that social harm caused by alcohol and drug abuse has increased in recent years:

In the last three years, it has been devastating to see the escalation of antisocial behaviour between individuals caused by alcohol and drugs. This has often reached crisis levels. Some of the issues include young people taking their own lives, violence within the community and the impact that this has on families, such as young children roaming the streets late at night because they don't have a safe home to go to. Every child deserves a safe place to sleep at night, and this has to happen very quickly.¹⁰

2.11 In contrast, the Shire of Menzies noted that they do not experience the same problems with anti-social behaviour and drug and alcohol addiction in their community. However, the Shire of Menzies expressed support for the introduction of the cashless debit card in the Goldfields region as they are concerned that the social problems in nearby communities will spread to their town and recognised that the card is in the interests of the whole Goldfields region.¹¹

Hinkler electorate

2.12 The department submitted that the intention to implement the cashless debit card in the Hinkler electorate to people 35 and under on certain income support payment will help to determine the effectiveness of a cohort-based approach to implementing the card.¹²

2.13 The department also advised that potential benefits identified included more money being spent on meeting basic living needs, increased savings, increased motivation to find employment, and positive impacts on parenting and wellbeing.¹³

2.14 The Hinkler region has the second highest rate of youth unemployment in Queensland at 23.6 per cent.¹⁴ In addition, the department informed the committee

9 Mrs Betty Logan, Councillor, Shire of Coolgardie, *Committee Hansard*, 12 October 2017, p. 11.

10 Mr James (Jim) Epis, Chief Executive Officer, Shire of Leonora, *Committee Hansard*, 12 October 2017, pp. 8-9.

11 Shire of Menzies, answers to questions on notice, 12 October 2017 (received 31 October 2017) [pp. 3-4].

12 Department of Social Services, *Submission 8*, [p. 3].

13 Ms Barbara Bennett, Deputy Secretary, Families and Communities, Department of Social Services, *Committee Hansard*, 2 November 2017, p. 68. See also: Department of Social Services, *Hinkler – Cashless Debit Card*, <https://www.dss.gov.au/families-and-children/programs-services/welfare-quarantining/cashless-debit-card-overview/hinkler-cashless-debit-card> (accessed 28 November 2017).

14 Department of Social Services, *Hinkler – Cashless Debit Card*, <https://www.dss.gov.au/families-and-children/programs-services/welfare-quarantining/cashless-debit-card-overview/hinkler-cashless-debit-card> (accessed 28 November 2017).

that of those 35 and under in the Hinkler electorate, half of Newstart recipients have spent over three years on income support, half of parenting payment recipients have spent over five years on income support and approximately one-quarter of those aged between 30 and 35 years old have spent over 10 years on income support.¹⁵

2.15 The department's advice on the cashless debit card also noted that community organisations have advised that their services are increasingly being used by young families and raised concerns that money intended to support children is being spent on alcohol, drugs and gambling.¹⁶

East Kimberley and Ceduna

2.16 During the committee's inquiry into the Social Security Legislation Amendment (Debit Card Trial) Bill 2015 (debit card trial bill), the committee heard that alcohol, drug and gambling related harm was a significant problem in the East Kimberley and Ceduna.¹⁷

2.17 The Far West Community Heads Group, representing Indigenous communities in the Ceduna region, expressed particular support for the cashless debit card trial, commenting that 'past, measures to reduce alcohol fuelled violence and chronic alcohol misuse – contributing to the premature deaths of our people – have been tried and tested and failed.'¹⁸

2.18 The District Council of Ceduna submitted that the trial will be 'a life saving measure which will have positive health benefits, significantly improve the quality of life for many and help to put an end to premature and tragic deaths.'¹⁹

2.19 Similarly, the Wunan Foundation submitted that Indigenous people in the East Kimberley are among the most disadvantaged in Australia and experience high rates of family violence, child abuse and neglect, suicide, alcohol fuelled violence, increasing rates of Foetal Alcohol Spectrum Disorder and large number of children spending night on the street than returning to unsafe homes.²⁰

15 Mr Tristan Reed, Branch Manager, Welfare, Quarantining and Gambling, Department of Social Services, *Committee Hansard*, 2 November 2017, p. 77.

16 Department of Social Services, *Hinkler – Cashless Debit Card*, <https://www.dss.gov.au/families-and-children/programs-services/welfare-quarantining/cashless-debit-card-overview/hinkler-cashless-debit-card> (accessed 28 November 2017).

17 Community Affairs Legislation Committee, *Social Security Legislation Amendment (Debit Card Trial) Bill 2015*, 12 October 2015, pp. 6-9.

18 Mr Michael Haynes, Chief Executive Officer, Ceduna Aboriginal Corporation, *Committee Hansard*, 11 September 2015, p. 31.

19 Inquiry into the Social Security Legislation Amendment (Debit Card Trial) Bill 2015, District Council of Ceduna, *Submission 1*, p. 4.

20 Inquiry into the Social Security Legislation Amendment (Debit Card Trial) Bill 2015, Wunan Foundation, *Submission 10*, pp. 1-2.

2.20 Mr Desmond Hill from Kununurra in the East Kimberley told the committee that since the introduction of the cashless debit card, he has seen the difference it has made to his community:

I've actually seen more kids go to school with uniforms. I've had grandparents say that they're happy the cards are there because now their children have food in the fridge, the kids are clothed and they're all going to school. We're living with the changes, albeit it took 18 months to see the changes happening. They are actually happening.²¹

2.21 Councillor Allan Suter, Mayor of the District Council of Ceduna, informed the committee that the cashless debit card trial has been the most effective initiative to address excessive use of alcohol, drugs and gambling products in Ceduna and that it has resulted in significant improvements for families, particularly for children.²²

Effectiveness of the cashless debit card

2.22 The Government commissioned ORIMA Research to undertake an independent evaluation of the cashless debit card trial in Ceduna and the East Kimberley. The evaluation was reported in 3 stages: Initial Conditions Report, Wave 1 Interim Evaluation Report (interim evaluation) and Wave 2 Final Evaluation Report (final evaluation).

2.23 The department noted in its submission that the final evaluation report on the cashless debit card trial found that the card had been effective in reducing alcohol consumption and gambling in both trial sites and that there had been a subsequent reduction in violence and harm related to alcohol consumption, illegal drug use and gambling.²³

2.24 However, some submitters questioned whether the reduction in social harm could be entirely attributed to the cashless debit card scheme. Carers' Australia submitted that other measures and programs to reduce alcohol and drug use were introduced in the trial sites including the Take Away Management System in the East Kimberley and new outreach support services in Ceduna which may have contributed to a reduction in drug and alcohol use.²⁴

2.25 The final evaluation report indicated that alcohol was identified by the communities of Ceduna and the East Kimberley as a leading cause of violent behaviours:

Community leaders and stakeholders across both Trial sites at the Initial Conditions stage felt that alcohol was the primary contributor to violent behaviours. Drug use and gambling were also identified as contributing

21 Mr Desmond Hill, *Committee Hansard*, 2 November 2017, p. 44.

22 Councillor Allan Suter, Mayor, District Council of Ceduna, *Committee Hansard*, 2 November 2017, p. 25.

23 Department of Social Services, *Submission 8*, [p. 2].

24 Carers' Australia, *Submission 29*, p. 3. See also: Dr Janet Hunt, *Submission 47*, Attachment 1, p. 6.

factors. Stakeholders and community leaders noted that intoxication tended to lead to anger and negative behaviours. Alcohol consumption, illegal drug use and gambling also led to increased financial pressures, resulting in arguments and disputes.²⁵

2.26 The final evaluation noted that the first few months of the cashless debit card trial were associated with a reduction in alcohol consumption, illegal drug use and gambling. Information collected approximately nine months later indicated that these reductions had been sustained and broadened in the communities with a larger proportion of trial participants reporting a reduction in alcohol consumption, illegal drug use and gambling.²⁶

2.27 The department noted that, in particular the evaluation found:

- of those who drank alcohol before the trial started, towards the end of the trial 41 per cent of participants surveyed say they are drinking alcohol less often (up from 25 per cent at the Wave 1, which was conducted around six months into the trial);
- of those surveyed who said they had drunk six or more drinks at once before the trial started, 37 per cent reported that they did this less often (up from 25 per cent at Wave 1);
- of those surveyed who said they were using illegal drugs before the trial started, 48 per cent reported using these less since the Cashless Debit Card's introduction (up from 24 per cent at Wave 1);
- of those surveyed who said they gambled before the trial started, 48 per cent reported gambling less (up from 32 per cent at Wave 1); and
- of those parents surveyed, 40 per cent reported being able to better care for their children since being on the Cashless Debit Card, and 39 per cent reported being more involved in their children's homework and school.²⁷

2.28 The final evaluation report stated that the administrative data available in relation to the level of crime in the trial sites did not show that there had been a reduction in crime since the cashless debit card trial commenced.²⁸ However, the administrative data considered during the final evaluation only captured the period between February 2015 and April 2017 in the East Kimberley and between July 2015 and March 2017 in Ceduna.²⁹

25 ORIMA Research, *Cashless Debit Card Trial Evaluation: Final Evaluation Report*, August 2017, p. 65.

26 ORIMA Research, *Cashless Debit Card Trial Evaluation: Final Evaluation Report*, August 2017, p. 43.

27 Department of Social Services, *Submission 8*, [p. 2].

28 ORIMA Research, *Cashless Debit Card Trial Evaluation: Final Evaluation Report*, August 2017, p. 61.

29 ORIMA Research, *Cashless Debit Card Trial Evaluation: Final Evaluation Report*, August 2017, pp. 289, 299.

2.29 Superintendent Allan Adams of the Western Australia Police Force, Kimberley District Office, informed the committee that while there had been some reports that crime had increased in the East Kimberley during the trial period, Western Australia Police Force data showed that between May and August 2017, property related crime had significantly decreased compared to the same period last year.³⁰ For example, in the community of Kununurra, between May and August 2016 there were 35 dwelling burglaries compared to 24 in 2017, and there were 135 thefts between May and August 2016 compared to 60 during the same period in 2017.³¹

2.30 Superintendent Adams noted that reports that domestic violence incidents had increased could be attributed to a change in the response standards by the Western Australian Police Force and that the increase in reported domestic violence incidents had occurred across the Kimberley region and not only in Kununurra where the trial occurred, and therefore could not be linked to the introduction cashless debit card.³²

2.31 The Ceduna trial site saw a similar decrease in property related crime during the trial period. Offences against property decreased from 496 in 2015-16 to 368 in the 2016-17 financial year.³³

2.32 The department submitted that the measures proposed by the bill will enable the cashless debit card to continue to operate in the current trial sites beyond 30 June 2018 and expand to new locations. The department noted that considering the ongoing community support and positive evaluation findings, if the cashless debit card scheme does not continue it would likely have a detrimental effect on these communities.³⁴

Results of the evaluation

2.33 A number of submitters and witnesses questioned the methodology and characterisation of the results of the final evaluation report prepared by ORIMA Research. In particular, submitters and witnesses drew on analysis prepared by

30 Superintendent Allan Adams, District Superintendent, Kimberley Police District, Western Australia Police Force, *Committee Hansard*, 12 October 2017, p. 57. See also: Ms Michelle Nelson-Cox, Chairperson, Aboriginal Health Council of Western Australia, *Committee Hansard*, 12 October 2017, pp. 22, 26; Mr William (Bill) McKenzie, Executive Member, Kalgoorlie-Boulder Chamber of Commerce and Industry Inc. *Committee Hansard*, 12 October 2017, p. 40.

31 Superintendent Allan Adams, Western Australia Police Force, answers to questions on notice, 12 October 2017 (received 1 November 2017), p. 4.

32 Superintendent Allan Adams, Western Australia Police Force, answers to questions on notice, 12 October 2017 (received 1 November 2017), p. 3.

33 Councillor Allan Suter, Mayor, District Council of Ceduna, answers to questions on notice, 2 November 2017 (received 3 November 2017), p. 1.

34 Department of Social Services, *Submission 8*, [p. 3].

Dr Janet Hunt from the Centre for Aboriginal and Economic Policy Research at the Australian National University.³⁵

2.34 Dr Hunt expressed reservations about the data collected by ORIMA Research in the initial conditions report which was not collected until after the trial had commenced and included interviews with just 37 stakeholders who were mainly regional leaders and service providers.³⁶ Dr Hunt submitted that ORIMA Research should have conducted a baseline survey of participants in Ceduna and the East Kimberley prior to commencement of the trial.³⁷

2.35 In regard to the interim evaluation, Dr Hunt noted that the evaluation relied on subjective perceptions of participants without adequate triangulation with other sources and that it was difficult to assess the level of change without adequate baseline data.³⁸

2.36 In addition, Professor Eva Cox from the Jumbunna Institute for Indigenous Education and Research at University of Technology Sydney, raised concerns about the design of the questionnaire which was used to collect data from participants for the final evaluation:

My criticism is wider than those in the report, as it includes the user questionnaire design, its length, the order of questions, the language and shape of some questions, and importantly, the probable contamination of responses. Preliminary information, read from the tablet used to record answers, includes promises of a gift card, \$30 or \$50 on completion. Paying respondents affects relationships with interviewer and answers. The next step is asking for respondents' ID. This is to avoid duplication, but, as this is an official government survey, the reassurance of confidentiality may not be believed and affect responses. Given Indigenous anxieties about authority, and welfare, they are likely to give acceptable answers. It is also not clear if the interviews were private or in the presence of others, which may also affect answers. The above effects on the data collected are likely to be serious and undermine the legitimacy of responses.³⁹

2.37 Dr Hunt also expressed concern that the data from both trial sites was weighted equally in both the interim and final evaluation reports, noting that this

35 See, for example: MG Corporation, *Submission 6*, pp. 3-4; Australian Council of Social Service (ACOSS), *Submission 39*, pp. 5-6; National Congress of Australia's First Peoples, *Submission 42*, pp. 6-7; Dr Elise Klein, *Submission 48*, pp. 4-7; Kimberley Land Council, *Submission 71*, [pp. 3-4].

36 Dr Janet Hunt, *Submission 47*, [p. 3].

37 Dr Janet Hunt, *Submission 47*, [p. 2]. Dr Hunt noted that ORIMA Research may not have been contracted to undertake a baseline data survey.

38 Dr Janet Hunt, *Submission 47*, Attachment 1, p. 2.

39 Professor Eva Cox, *Submission 49*, p. 7. See also: Eva Cox, 'Much of the data used to justify the welfare card is flawed', *The Guardian*, 7 September 2017, <https://www.theguardian.com/commentisfree/2017/sep/07/much-of-the-data-used-to-justify-the-welfare-card-is-flawed> (accessed 28 November 2017).

favoured the findings from Ceduna, despite the East Kimberley having a far greater number of participants.⁴⁰

2.38 The department informed the committee that ORIMA Research had recognised in its reports the limitations of some of the data sources and provided caveats where necessary.⁴¹ The final evaluation report noted that the data may be subject to recall error and response bias but that interviewers were trained to minimise its impact:

When reporting on their own behaviours, survey respondents may be prone to social desirability effects and hence respond in a socially acceptable way. In order to minimise this source of error, interviewers were trained to remain impartial and free from judgement when conducting interviews and respondents were also provided with full confidentiality of responses.⁴²

2.39 Furthermore, the department advised that the surveys were conducted by ORIMA Research's Indigenous Fieldforce which includes trained Indigenous interviewers who were supported by experienced researchers interviewers and local Indigenous people, to ensure that that the data collection was conducted in a culturally appropriate and sensitive manner.⁴³

2.40 When introducing the bill, the Minister for Human Services noted that the evaluation undertaken by ORIMA Research had concluded that 'the trial has been effective in reducing alcohol consumption, illegal drug use and gambling – establishing a clear proof-of-concept.'⁴⁴

Community consultation

2.41 A number of submitters and witnesses expressed concern about the level of community consultation regarding the extension of the cashless debit card in the current trial sites of the East Kimberley and Ceduna and the proposed roll out of the card in the Goldfields region and the Hinkler electorate.⁴⁵

40 Dr Janet Hunt, *Submission 47*, [p. 5].

41 Dr Tim Reddel, Group Manager, Policy Office, Department of Social Services, *Committee Hansard*, 2 November 2017, p. 69.

42 ORIMA Research, *Cashless Debit Card Trial Evaluation: Final Evaluation Report*, August 2017, p. 9.

43 Department of Social Services, answers to questions on notice, 2 November 2017 (received 28 November 2017), [p. 4].

44 The Hon Alan Tudge MP, Minister for Human Services, *House of Representatives Hansard*, 17 August 2017, p. 8838.

45 See, for example: Goldfields Land and Sea Council, *Submission 22*; National Social Security Rights Network, *Submission 25*; Law Council of Australia, *Submission 37*; UNICEF Australia, *Submission 51*; Dr Shelley Bielefeld, *Submission 55*; St Vincent de Paul Society National Council, *Submission 163*.

East Kimberley and Ceduna

2.42 The MG Corporation submitted that while four local leaders in the East Kimberley had taken a public stance in support of the cashless debit card, the trial was implemented without widespread consultation and the proposal to expand and extend the cashless debit card had also occurred without consulting those who are most affected by the card.⁴⁶

2.43 Similarly, the Aboriginal Health Council of Western Australia expressed concern that many people, services and organisations in the East Kimberley first heard about the cashless debit card through the media and not through community consultations.⁴⁷

2.44 The department submitted that the cashless debit card trial was developed in close partnership with Ceduna and East Kimberley community leaders who had a thorough understanding of issues affecting the local community and that the co-design process enabled the cashless debit card to be tailored to address local needs and incorporate local ideas. This included the card's design, the percentage of income support payments quarantined and the wrap around support services needed in the communities.⁴⁸

2.45 This is supported by documents provided to the committee by the Department of Prime Minister and Cabinet at the committee's earlier public hearing on the debit card trial bill which included an extensive list of stakeholders consulted in both the East Kimberley and Ceduna.⁴⁹

2.46 Mayor Allan Suter informed the committee that in Ceduna consultation has occurred with 184 organisations and individuals since the cashless debit card process began.⁵⁰

2.47 The department advised the committee that prior to the announcement of the East Kimberley as a cashless debit card trial site, approximately 110 consultations were held in Wyndham and Kununurra. The consultations consisted of one-on-one meetings and group roundtables with a range of community members including Indigenous leaders, family violence and family support service providers, education providers, health providers, rehabilitation service providers, Western Australian Police, local government, state government agencies and local staff from the Department of Human Services.⁵¹

46 MG Corporation, *Submission 6*, p. 2.

47 Aboriginal Health Council of Western Australia, *Submission 21*, [p. 2]; Attachment 1, p. 3.

48 Department of Social Services, *Submission 8*, [p. 2].

49 Department of Prime Minister and Cabinet, *Consultations in Ceduna and East Kimberley*, tabled 11 September 2015.

50 Councillor Allan Suter, Mayor, District Council of Ceduna, *Committee Hansard*, 2 November 2017, p. 28.

51 Department of Social Services, answers to questions on notice, 2 November 2017 (received 13 November 2017) [p. 14].

2.48 The department made clear that the decision to extend the operation of the cashless debit card in the East Kimberley and Ceduna was also made after consultation with the local communities and in light of the findings of the independent evaluation report.⁵²

Goldfields region and Hinkler electorate

2.49 A number of individual submitters and witnesses expressed concern about the level of community consultation and support in the proposed new sites of the Goldfields region and the Hinkler electorate.⁵³

2.50 Mr Linden Brownley expressed the view that a more thorough and wider consultation process was required in Kalgoorlie-Boulder as a range of people in the community felt as though they were not well informed about the cashless debit card.⁵⁴ Similarly, Mr Champion described the consultation session he attended in the Goldfields as 'lacklustre'.⁵⁵

2.51 Mr Dion Meredith told the committee he believed that there should have been more consultation, particularly with Aboriginal people in the Goldfields region:

There should have been an Aboriginal person on the ground doing the consultation alongside those staff. There was none. Every time there is something happening and they want to consult Aboriginal people, they haven't got an Aboriginal person there to explain in simple terms what's going on, what's going to happen et cetera. There should have been more consultation.⁵⁶

2.52 Miss Sharon Feerick, a resident of Bundaberg in the Hinkler electorate, informed the committee that she attended a departmental information session in Bundaberg on 8 August 2017 where attendees were split into groups and heard conflicting information, commenting that most people left more confused and distressed than they were when they arrived.⁵⁷

2.53 Ms Kathryn Wilkes, a resident of Hervey Bay, attended the information session on 9 August 2017 and raised similar concerns:

52 Ms Barbara Bennett, Deputy Secretary, Families and Communities, Department of Social Services, *Committee Hansard*, 2 November 2017, p. 68.

53 See, for example: Name withheld, *Submission 2*; Name withheld, *Submission 17*; Name withheld, *Submission 70*; Name withheld, *Submission 95*; Name withheld, *Submission 108*.

54 Mr Linden Brownley, *Committee Hansard*, 12 October 2017, p. 29.

55 Mr Brian Champion, Deputy Chairperson, Goldfields Aboriginal Reference Group, Kalgoorlie-Boulder Aboriginal Community Residents' Group, *Committee Hansard*, 12 October 2017, p. 32.

56 Mr Dion Meredith, Member, Kalgoorlie-Boulder Aboriginal Community Residents' Group, *Committee Hansard*, 12 October 2017, p. 33.

57 Miss Sharon Feerick, Opening statement from 2 November 2017 Canberra public hearing, received 3 November 2017, p. 2.

We found at the community centre that they did the same thing: they segregated everybody into three different groups. They had a couple of officers from different areas. They virtually told people, "This is how it's going to be when it's rolled out." There was no choice. There were no answers to questions. We were basically just told, "You are going to have to learn to live a different way."⁵⁸

2.54 The Law Council of Australia submitted that the cashless debit card should only be introduced in communities where there is strong community support for the program and on the basis of the free, prior and informed consent of the community.⁵⁹

2.55 In its submission, the department noted that the Government's intention to roll out the cashless debit card in the Goldfields region and Hinkler electorate has been underpinned by extensive consultation in both locations.⁶⁰

2.56 The department advised the committee that in the Goldfields region between May and September 2017, the department consulted with 16 state government departments and agencies, representatives of each of the affected local governments, 27 service providers, eight peak bodies, local businesses, educational institutions and members of the general public. In addition, the department undertook 11 public information sessions across the Goldfields region.⁶¹

2.57 The Shire of Leonora and the Shire of Coolgardie also provided the committee with evidence of public information sessions and consultation with local residents.⁶²

2.58 In relation to the Hinkler electorate, between July and September 2017 the department consulted with three state government departments, local police, representatives of each of the affected local governments, 32 service providers and community groups, and members of the general public. Public information sessions were held in Childers on 20 July 2017, Bundaberg on 8 August 2017 and Hervey Bay on 9 August 2017.⁶³

2.59 The department explained to the committee that attendees at the Bundaberg and Hervey Bay information sessions were broken into groups to offer a more conversational style and ensure that people were able to have their views heard, due to

58 Ms Kathryn Wilkes, Admin, No Cashless Debit Card Hinkler Region; and Admin, Say No Cashless Welfare Debit Card Australia, *Committee Hansard*, 2 November 2017, p. 65.

59 Law Council of Australia, *Submission 37*, p. 7.

60 Department of Social Services, *Submission 8*, [p. 3].

61 Department of Social Services, answers to questions on notice, 2 November 2017 (received 13 November 2017) [pp. 2-8].

62 Shire of Leonora, answers to questions on notice, 12 October 2017 (received 15 November 2017); Shire of Coolgardie, answers to questions on notice, 12 October 2017 (received 24 November 2017).

63 Department of Social Services, answers to questions on notice, 2 November 2017 (received 13 November 2017) [pp. 9-13].

the large number of people who attended.⁶⁴ Mr Tristan Reed presented at the information sessions and advised that the department responded to a range of questions:

We answered questions about how the card operates and we answered questions around some of the issues that were encountered in Ceduna and the East Kimberley. It was definitely a session where people got to ask any questions they wanted. Even after the session, we had one-on-one meetings with people who wanted to ask further questions outside of the group scenario. I can assure you that it was open to anyone who wanted to attend and no-one was turned away.⁶⁵

2.60 Furthermore, the department reassured the committee that a decision regarding the implementation of the cashless debit card in the Hinkler electorate had not been made prior to the information sessions.⁶⁶ The department advised the committee that achieving a high degree of community support is a threshold which must be met before implementing the cashless debit card in a location.⁶⁷

Operation of the cashless debit card

2.61 The cashless debit card operates by directing 80 per cent of a participant's income support payments to a restricted bank account with the remaining 20 per cent of the payments accessible through a normal, unrestricted bank account.⁶⁸ Payments directed to the restricted bank account can only be accessed by a debit card and cannot be used to purchase alcohol or gambling products or withdraw cash.

2.62 Participation in the cashless debit card is mandatory in the East Kimberley and Ceduna for all working age income support recipients who receive a specified trigger payment.⁶⁹

2.63 In the Goldfields region, it is proposed that the cashless debit card will also apply to recipients of working age income support payments.⁷⁰ In the Hinkler

64 Mr Tristan Reed, Branch Manager, Welfare, Quarantining and Gambling, Department of Social Services, *Committee Hansard*, p. 72.

65 Mr Tristan Reed, Branch Manager, Welfare, Quarantining and Gambling, Department of Social Services, *Committee Hansard*, 2 November 2017, p. 72.

66 Mr Tristan Reed, Branch Manager, Welfare, Quarantining and Gambling, Department of Social Services, *Committee Hansard*, 2 November 2017, p. 72.

67 Dr Roslyn Baxter, Group Manager, Families Group, Department of Social Services, *Committee Hansard*, 2 November 2017, p. 72.

68 ORIMA Research, *Cashless Debit Card Trial Evaluation: Final Evaluation Report*, August 2017, p. 3.

69 Department of Social Services, *Cashless Debit Card – Overview*, <https://www.dss.gov.au/families-and-children/programmes-services/welfare-conditionality/cashless-debit-card-overview> (accessed 26 November 2017).

70 Department of Social Services, *Cashless Debit Card – Goldfields*, <https://www.dss.gov.au/families-and-children/programs-services/welfare-quarantining/cashless-debit-card-goldfields> (accessed 26 November 2017).

electorate, the intention is to roll out the cashless debit card to a specific cohort which includes recipients of Newstart, Youth Allowance (job seeker) and parenting payments who are 35 and under.⁷¹

2.64 In contrast to the BasicsCard, which is only accepted at approved merchants, the cashless debit card can be used at any merchant that accepts Visa Debit and has not been blocked as an excluded merchant.⁷² The card provider, Indue, may block merchants whose main business is the sale of excluded goods, for example, hotels/bars and casinos. Mixed merchants who sell excluded and non-excluded goods, and have the ability to prevent the sale of the excluded goods, can enter a merchant agreement with Indue in order to be eligible to accept the cashless debit card.⁷³

Impact on participants

2.65 A number of submitters raised concerns regarding the practical operation of the cashless debit card including how the card is used at mixed merchants, the impact of directing 20 per cent of income support payments for unrestricted use and stigma associated with using the card.⁷⁴

2.66 The St Vincent De Paul Society National Council submitted that entering into agreements with mixed merchants adds administrative complexity to the scheme which will be compounded if the cashless debit card is rolled out to additional locations.⁷⁵

2.67 The Australian Hotels Association Western Australia told the committee that it is essential to identify the mixed merchants which will be patronised in cashless debit card sites. Otherwise, mixed merchants will be unable to process cashless debit card transactions and this will impact on business viability and cause hardship and inconvenience for cashless debit card participants.⁷⁶

2.68 The Minderoo Foundation also commented on the limitations associated with blocking particular merchants and recommended that the government invest in

71 Department of Social Services, *Submission 8*, [p. 3].

72 Don Arthur, *BasicsCard and Cashless Debit Card: What's the difference?*, 23 June 2017, Parliamentary Library, Canberra, https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/FlagPost/2017/June/BasicsCard_and_Cashless_Debit_Card (accessed 26 November 2017).

73 Indue, *Merchants*, <https://indue.com.au/dct/merchants/> (accessed 26 November 2017).

74 See, for example: Australian Hotels Association Western Australia, *Submission 4*; Queensland Advocacy Incorporated, *Submission 36*; UnitingCare Australia, *Submission 44*; Say No To The Cashless Welfare Card Australia - Hinkler Region, *Submission 57*; Name withheld, *Submission 61*; Name withheld, *Submission 70*; Name withheld, *Submission 104*; Name withheld, *Submission 109*; Name withheld, *Submission 112*; Name withheld, *Submission 124*.

75 St Vincent de Paul Society National Council, *Submission 163*, p. 16.

76 Australian Hotels Association Western Australia, *Submission 4*, p. 4.

technological solutions that allow for item-level blocking to enable specific excluded goods to be blocked at the point of sale.⁷⁷

2.69 The Australian Bankers' Association noted that the banking industry has concerns with the technology and infrastructure limitations of the cashless debit card scheme and the potential for adverse and unintended consequences for participants where restrictions on access to cash could expose them to further financial and social marginalisation and disadvantage.⁷⁸

2.70 A number of individual submitters raised similar concerns that the unrestricted proportion of a participant's income support payments would not be sufficient to meet their needs, noting that it is often cheaper to purchase some goods and services by cash.⁷⁹ For example, farmers markets, trash and treasure markets, alternate food banks and local charity shops often only accept payment by cash.⁸⁰

2.71 The National Congress of Australia's First Peoples noted the experience of users of the BasicsCard in the Northern Territory and submitted that participants in the cashless debit card trial experienced similar problems including:

- inability to pay for second-hand goods;
- inability to purchase goods at markets;
- requirements to pay additional card payment fees or meet a minimum spend limit; and
- stigma and shame from being marked as an income management participant whenever they make a purchase.⁸¹

2.72 Dr Elise Klein of Melbourne University told the committee that through her research in the East Kimberley, she had found that the management of money was difficult for cashless debit card participants:

Specifically, limiting cash has limited peoples' ability to undertake day-to-day activities to help their families' wellbeing and household livelihoods—things like getting second-hand goods; lunch money; paying for transport, which is essential to help people get to their CDP responsibilities; and buying gifts.⁸²

77 The Minderoo Foundation, *Submission 5*, p. 7.

78 Australian Bankers' Association Inc, *Submission 35*, p. 1.

79 See, for example: Name withheld, *Submission 2*; Name withheld, *Submission 16*; Name withheld, *Submission 78*; Name withheld, *Submission 83*; Name withheld, *Submission 94*; Name withheld, *Submission 105*; Name withheld, *Submission 107*, Name withheld, *Submission 125*; Name withheld, *Submission 134*; Name withheld, *Submission 144*.

80 Name withheld, *Submission 102*, [p. 4].

81 National Congress of Australia's First Peoples, *Submission 42*, p. 5.

82 Dr Elise Klein, Lecturer, Development Studies, University of Melbourne, *Committee Hansard*, 2 November 2017, p. 31.

2.73 Other witnesses noted that the amount of income support payments participants receive does not change under the cashless debit card scheme. Mr Ian Trust from Kununurra in the East Kimberley, explained to the committee that in his community 'the only difference is that 20 per cent of it is cash and 80 per cent is on the card. So, in terms of the monetary value of it, it's the same as before.'⁸³

2.74 The department informed the committee that once the cashless debit card was implemented in the trial sites, participants were able to overcome their initial hesitations, particularly around understanding the technology and how the card operated:

... once people begin to use the card, the feedback that we've had from our local partners is that they do appreciate the extra flexibility—the fact that the card can be used anywhere, as long as it's not a gambling or alcohol merchant. People report that they find the card, once they begin to use it, less stigmatising.⁸⁴

2.75 In response to questions asked by a resident of the Hinkler electorate, the department advised that the cashless debit card allows for many flexible payment options. The cashless debit card will work at any business that accepts EFTPOS (and is not an excluded merchant), can be used to pay bills via direct debit or BPAY and can be used for online shopping at over 1800 online retailers. The department also noted that participants can transfer up to \$200 per month to non-restricted bank accounts if extra cash is required.⁸⁵

2.76 Furthermore, the department submitted that the restrictions ensure that income support recipients and their children will have enough money available for life's essentials and that for people who already spend their money responsibly, the cashless debit card will have very little impact.⁸⁶

Support services

2.77 The Royal Australian and New Zealand College of Psychiatrists (RANZCP) submitted that preventing people from purchasing alcohol or gambling products does not address the underlying causes of the addiction.⁸⁷ RANZCP expressed concern that the trial was not set up in a way to provide holistic care to individuals and that people with addiction issues may resort to increasingly negative coping mechanisms.⁸⁸

83 Mr Ian Trust, Executive Director, Wunan Foundation, *Committee Hansard*, 12 October 2017, p. 65.

84 Dr Roslyn Baxter, Group Manager, Families Group, Department of Social Services, *Committee Hansard*, 26 October 2017, p. 97.

85 Correspondence between Miss Sharon Feerick and Department of Social Services, from Miss Jennifer Cameron and Miss Sharon Feerick, received 3 November 2017, [pp. 2-3].

86 Department of Social Services, *Submission 8*, [p. 1].

87 Royal Australian and New Zealand College of Psychiatrists (RANZCP), *Submission 56*, [p. 2].

88 RANZCP, *Submission 56*, [p. 2].

2.78 Ms Michelle Nelson-Cox of the Aboriginal Health Council of Western Australia, expressed concern that there are not sufficient culturally appropriate support services in the Goldfields region:

One of the concerns we do have in this region is that there is a lack of service providers that are culturally appropriate to deliver programs that are going to meet the outcomes and expected targets of our Aboriginal people, and providers are therefore not going to be able to meet the necessary changes that our people need to have in place to take on their social responsibility...⁸⁹

2.79 The Minderoo Foundation also noted the importance of appropriate support services and guidance, in underpinning the cashless debit card's role in reducing social harm.⁹⁰

2.80 The department informed the committee that it has undertaken extensive mapping of support services in both the Goldfields region and the Hinkler electorate to determine the requirements for support services.⁹¹

2.81 In the Goldfields region, the department is undertaking a children-driven community planning process which will consider how to better streamline and coordinate the support services already in place.⁹² There are over 50 federally-funded services in the Goldfields, receiving approximately \$20 million each year in funding, in addition to state and locally funded services. Under the cashless debit card scheme, the Government will invest more than \$1 million over three years to ensure that children and families in the Goldfields have a well-targeted, coordinated, effective system of support services.⁹³

2.82 The department told the committee that in the Hinkler region, consultation regarding support services has indicated the community is interested in financial wellbeing and capability services, in addition to alcohol and drug support services.⁹⁴ As part of the cashless debit card scheme, the Government will provide an extra

89 Ms Michelle Nelson-Cox, Chairperson, Aboriginal Health Council of Western Australia, *Committee Hansard*, 12 October 2017, p. 23.

90 The Minderoo Foundation, *Submission 5*, p. 8.

91 Dr Roslyn Baxter, Group Manager, Families Group, Department of Social Services, *Committee Hansard*, 2 November 2017, p. 75.

92 Dr Roslyn Baxter, Group Manager, Families Group, Department of Social Services, *Committee Hansard*, 2 November 2017, p. 75.

93 Department of Social Services, *Cashless Debit Card – Goldfields*, <https://www.dss.gov.au/families-and-children/programs-services/welfare-quarantining/cashless-debit-card-goldfields> (accessed 28 November 2017).

94 Dr Roslyn Baxter, Group Manager, Families Group, Department of Social Services, *Committee Hansard*, 2 November 2017, p. 75.

\$1 million for support services to assist participants with budgeting and financial planning and to help people access drug and alcohol services.⁹⁵

2.83 The government has also agreed to match the first year investment in the East Kimberley and Ceduna, providing another \$2.6 million for support services in the communities for a second year.⁹⁶

Human rights implications

2.84 The statement of compatibility with human rights which accompanies the bill, states that the bill engages the right to social security, the right to a private life and the right to equality and non-discrimination.⁹⁷ As noted in Chapter 1, the Parliamentary Joint Committee on Human Rights (human rights committee) expressed the view that while the cashless debit card trial may pursue a legitimate objective, it also raised concerns as to whether the extension of the scheme is a proportionate limitation on human rights and whether adequate and effective safeguards are in place to ensure that the limitations on human rights are the least restrictive way of achieving the objective.⁹⁸

2.85 A number of submitters and witnesses expressed similar concerns that the measures proposed by the bill are not proportionate to the limitations on participants' human rights.⁹⁹ For example, the Australian Human Rights Commission (AHRC) expressed concern that there is limited evidence to demonstrate that the measures contained in the bill have been effective in the existing trial sites and realised the benefits sufficiently to justify the limitation of any rights.¹⁰⁰

2.86 The National Congress of Australia's First Peoples submitted that the restrictions placed on participants' income support payments cannot be rationally connected or proportional to the stated objective of the bill, noting the evaluations of the BasicsCard and Stronger Future measures have shown that income management policies are not effective.¹⁰¹

95 Department of Social Services, *Hinkler – Cashless Debit Card*, <https://www.dss.gov.au/families-and-children/programs-services/welfare-quarantining/cashless-debit-card-overview/hinkler-cashless-debit-card> (accessed 28 November 2017).

96 Department of Social Services, answers to questions on notice, 2 November 2017 (received 13 November 2017) [p. 18].

97 Statement of compatibility, p. 1.

98 Parliamentary Joint Committee on Human Rights (PJCHR), *Report 9 of 2017*, 5 September 2017, pp. 36-37.

99 See, for example: National Social Security Rights Network, *Submission 25*; Australian Human Rights Commission, *Submission 30*; ME/CFS Organisations, *Submission 33*; Law Council of Australia, *Submission 37*; UNICEF Australia, *Submission 51*; Dr Shelley Bielefeld, *Submission 55*; St Vincent de Paul Society National Council, *Submission 163*.

100 Mr Darren Dick, Director, Policy and Programs, Australian Human Rights Commission, *Committee Hansard*, 2 November 2017, p. 12.

101 National Congress of Australia's First Peoples, *Submission 42*, p. 7.

2.87 Reconciliation Australia stated that the bill is not consistent with past recommendations made by the human rights committee that income management policies should only be implemented where there has been a request from the community and that participants should be individually assessed as not able to appropriately manage their income support payments before being placed on income management.¹⁰²

2.88 Noting the human rights implications of the cashless debit card, a number of submitters recommended that the cashless debit card scheme should be amended to be a voluntary program. The Law Council of Australia submitted that research has indicated that income management schemes which are voluntary and target individuals with high needs are more successful.¹⁰³

2.89 In contrast, the Mayor of Ceduna, Councillor Allan Suter, told the committee that he believes that the compulsory nature of the cashless debit card is essential as the people who need help the most, are the people least likely to volunteer for the card.¹⁰⁴

2.90 In his response to the matters raised by the human rights committee, the Minister for Human Services, The Hon Alan Tudge MP (minister), noted that the cashless debit card is aimed at addressing the impacts of social harm across the community and is therefore most effective when applied to a majority of income support recipients:

While Income Management, the Australian Government's other welfare quarantining program, is targeted towards vulnerable individuals, the Cashless Debit Card is testing whether restricting the amount of cash in a community can reduce the overall social harm caused by welfare-fuelled alcohol, gambling and drug misuse at the individual and community level. The community wide impacts of these harmful goods mean that the Cashless Debit Card program is most effective when a majority of people in a community who receive a welfare payment participate in the program.¹⁰⁵

2.91 The department further explained that a community-wide approach is not uncommon when seeking to address problems and harmful behaviours which affect the community as a whole.¹⁰⁶

102 Reconciliation Australia, *Submission 38*, [pp. 7-8]. See also: PJCHR, [2016 Review of Stronger Future measures](#), 16 March 2016, p. 61.

103 Law Council of Australia, *Submission 37*, p. 11. See also: Aboriginal Health Council of Western Australia, *Submission 21*, [p. 5]; Queensland Advocacy Incorporated, *Submission 36*, p. 3; Reconciliation Australia, *Submission 38*, [p. 8]; ACOSS, *Submission 39*, p. 3; Professor John Altman, *Submission 53*, p. 4.

104 Councillor Allan Suter, Mayor, District Council of Ceduna, *Committee Hansard*, 2 November 2017, p. 25.

105 The Hon Alan Tudge MP, Minister for Human Services, correspondence to PJCHR, [p. 4]. See: PJCHR, [Report 11 of 2017](#), 17 October 2017, Appendix 3 – Correspondence, p. 255.

106 Ms Roslyn Baxter, Group Manager, Families Group, Department of Social Services, *Committee Hansard*, 2 November 2017, p. 71.

2.92 The minister outlined that the right to social security is only limited to the extent of a participant's ability to use a proportion of their payment to purchase harms goods, in an area whether there are demonstrated high levels of community harm and does not detract from the eligibility or amount of a person's social security entitlement.¹⁰⁷

2.93 Similarly, the limitation on the right to a private life and right to self-determination are only limited to the extent of restricting a proportion of a participant's income support payments that can be spent on harmful goods, which is directly related to the objective of the cashless debit card to address high levels of harm in communities.¹⁰⁸

Disproportionate impact on Aboriginal and Torres Strait Islander Peoples

2.94 A number of submitters raised particular concerns that the cashless debit card scheme has a disproportionate impact on Aboriginal and Torres Strait Islander peoples.¹⁰⁹ The AHRC noted that as at September 2016, 75 per cent of trial participants in Ceduna, and 82 per cent in the East Kimberley were Indigenous.¹¹⁰

2.95 The AHRC explained that the cashless debit card scheme has a disproportionate impact on Aboriginal and Torres Strait Islander peoples as the bill targets a section of the population who are receiving income support payments, noting:

...whilst the measures may not directly target Aboriginal and Torres Strait Islander peoples, their practical effect will unduly impact upon them, as government pensions and allowances are a main source of income for approximately 46.9% of this group.¹¹¹

2.96 In his response to the human rights committee, the minister acknowledged that although a significant proportion of participants are Aboriginal and Torres Strait Islander peoples, the cashless debit card scheme is not applied on the basis of race or cultural factors and locations are chosen on the basis of objective criteria.¹¹² The department also noted that the proposed new sites have a much lower proportion of Aboriginal and Torres Strait Islander peoples than the trial locations.¹¹³

107 The Hon Alan Tudge MP, Minister for Human Services, correspondence to PJCHR, [p. 3]. See: PJCHR, *Report 11 of 2017*, 17 October 2017, Appendix 3 – Correspondence, p. 254.

108 The Hon Alan Tudge MP, Minister for Human Services, correspondence to PJCHR, [pp. 3-4]. See: PJCHR, *Report 11 of 2017*, 17 October 2017, Appendix 3 – Correspondence, pp. 254-255.

109 See, for example: Australian Human Rights Commission, *Submission 30*, p. 2; Law Council of Australia, *Submission 37*, p. 17; Dr Shelley Bielefeld, *Submission 55*, pp. 17-18; St Vincent de Paul Society National Council, *Submission 163*, pp. 19-20.

110 Australian Human Rights Commission, *Submission 30*, p. 2.

111 Australian Human Rights Commission, *Submission 30*, pp. 2-3.

112 The Hon Alan Tudge MP, Minister for Human Services, correspondence to PJCHR, [p. 3]. See: PJCHR, *Report 11 of 2017*, 17 October 2017, Appendix 3 – Correspondence, p. 254.

113 Department of Social Services, *Submission 8*, [p. 3].

Parliamentary oversight

2.97 The bill provides that the cashless debit card will be implemented in new sites following the introduction of a disallowable legislative instrument.¹¹⁴

2.98 A number of submitters raised concerns that new trial sites will be determined by legislative instrument and that the bill will allow the expansion of the cashless debit card program into new sites without a separate act of Parliament.¹¹⁵

2.99 The Western Australian Council of Social Service submitted that although the legislative instruments are disallowable by Parliament, the level of oversight and consultation will be reduced if the cashless debit card is implemented in new sites without the process of amending existing legislation.¹¹⁶ The Goldfields Land and Sea Council expressed the opinion that the likelihood of Parliament disallowing the legislative instrument was low.¹¹⁷

2.100 The AHRC raised concerns that there was not a requirement for particular safeguards to be included in the legislative instruments, including requirements that the instruments be time bound, limit the number of participants or consult with affected communities.¹¹⁸

2.101 The explanatory memorandum to the bill notes that the proposed amendments do not remove the legislative safeguards protecting how, when and where the cashless debit card can be implemented. Furthermore, the legislative instruments which determine new sites can specify other parameters including sunset dates and participant criteria.¹¹⁹ This provides the opportunity for the Government to co-design these parameters with the communities and tailor the program to suit their needs.¹²⁰

2.102 The department noted that while the current legislation allows for the cashless debit card to be implemented in one further site, it does not allow for the program to operate beyond 30 June 2018 or be rolled out to both the Goldfields region and the Hinkler electorate or any further locations. The department submitted that removing the limitations in the current legislation provides more flexibility for expansion of the program and that the Government's intention to implement the cashless debit card in

114 Explanatory memorandum, p. 2.

115 See, for example: Western Australian Council of Social, *Submission 7*, [p. 3]; ACOSS, *Submission 39*, p. 4; Goldfields Land and Sea Council, *Submission 22*, p. 2; Law Council of Australia, *Submission 37*, p. 19; Professor Eva Cox, *Submission 49*, p. 1.

116 Western Australian Council of Social, *Submission 7*, [p. 3].

117 Goldfields Land and Sea Council, *Submission 22*, p. 2.

118 Mr Graeme Edgerton, Deputy Director, Legal Section, Australian Human Rights Commission, *Committee Hansard*, 2 November 2017, p. 13.

119 Explanatory memorandum, p. 2.

120 The Hon Alan Tudge MP, Minister for Human Services, correspondence to PJCHR, [p. 3]. See: PJCHR, *Report 11 of 2017*, 17 October 2017, Appendix 3 – Correspondence, p. 254.

the two new locations has been prefaced by extensive consultation in both locations.¹²¹

2.103 The department submitted that Parliament will retain the right to consider each proposed cashless debit card site on an individual basis:

Instead of passing legislative amendments, for hypothetical communities and participants, Parliament can accept or reject new sites by considering the impacts and level of community support for the measure on a case by case basis.¹²²

Committee view

2.104 The committee notes the wide-ranging support for the objective of the cashless debit card to reduce the social harms caused by excessive use of alcohol, drugs and gambling. The committee recognises that views differ on whether the cashless debit card has been effective at achieving this objective.

2.105 The committee heard strong concerns from the Goldfields region regarding the devastating impact alcohol, drugs and gambling is having on communities in the region and believes the cashless debit card will go some way to creating an environment in which to address these issues.

2.106 The committee is encouraged by the results of the independent evaluation conducted by ORIMA Research which indicates that the cashless debit card trials in the East Kimberley and Ceduna have resulted in less public drunkenness, less gambling, fewer alcohol related hospital admissions and people engaging with local support services to improve their lives.

2.107 The committee notes the extensive consultation undertaken with the East Kimberley and Ceduna trial sites, as well as the proposed new sites of the Goldfields region and the Hinkler electorate, and that a high level of community support has been fundamental to the introduction of the cashless debit card in these locations.

2.108 The committee recognises that there are concerns regarding the operation of the cashless debit card and its impact on participants. The committee is satisfied that the department's continued consultation will ensure that the proposed new sites are prepared to implement the card and that appropriate support services will be provided to meet each community's needs.

2.109 The committee acknowledges concerns that the bill may limit a participant's human rights. However, the committee is satisfied that the bill only limits those rights to the extent required to realise the objective of the card to reduce the social harm caused by the excessive use of alcohol, drugs and gambling.

2.110 The committee further acknowledges the concern that there is not a requirement for particular safeguards to be included in the legislative instruments nominating new locations. However, the committee notes that the bill does not remove

121 Department of Social Services, *Submission 8*, [p. 3].

122 Department of Social Services, *Submission 8*, [p. 4].

the legislative safeguards protecting how, when and where the cashless debit card can operate.

2.111 The committee notes that disallowable legislative instruments are subject to disallowance by the Parliament within 15 sitting days of their tabling in the House of Representatives and the Senate. Further, the human rights committee and the Senate Standing Committee on Regulations and Ordinances will have the opportunity to review the legislative instruments for compliance with each committee's respective scrutiny principles and report to the Parliament.

2.112 Noting the results of the independent evaluation, the committee is encouraged by the cashless debit card's positive impact in the trial sites and sees significant benefit in the continuation of the cashless debit card in the trial sites and expansion to new locations.

Recommendation 1

2.113 The committee recommends that the bill be passed.

Senator Slade Brockman

Chair

