

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
SOCIAL SERVICES PORTFOLIO
2015-16 Additional Estimates Hearings

Outcome Number: 2.1 Families and Communities

Question No: SQ16-000267

Topic: Cashless Debit Card

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Senator Rachel Siewert asked:

Is the cashless debit card protected under the Banking Act? Can you get back about the various codes they have signed up to and which apply? And that is not protected under the act?

Answer:

Indue is an Authorised Deposit-taking Institution (ADI). It is regulated by the Australian Prudential Regulatory Authority in the same way as all other ADIs in Australia. Only ADIs are authorised to take deposits from the general public and undertake banking business in accordance with the Banking Act 1959 (Cth).

The account which Indue will be offering to cashless debit card trial participants is a deposit account and therefore the legal and regulatory protections afforded to depositors are the same for all deposit accounts offered by ADIs under the Banking Act (Indue, banks, credit unions and building societies).

As part of the cashless debit card trial, while not a subscriber to ASIC's ePayments Code, Indue has agreed to comply with the ePayments Code in respect of all aspects of the cashless debit card product. To issue the product, Indue is also utilising its Australian Financial Services Licence.