



To: Senate Standing Committee on Community Affairs

Social Services Legislation Amendment (Cashless Debit Card Trial Expansion) Bill 2018

Submitted by Uniting Communities

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1. Background to Uniting Communities

Thank you for the opportunity to make a submission on the important issue of the *Social Services Legislation Amendment (Cashless Debit Card Trial Expansion) Bill 2018* and its proposed provisions to extend and expand the application of the Cashless Debit Card.

Uniting Communities works with South Australians across metropolitan, regional and remote South Australia through more than 90 community service programs. The organisation is made up of a team of more than 1,500 staff and volunteers who support and engage with more than 20,000 South Australians each year.

With specific reference to the social challenges that the trial of the Cashless Debit Card is purportedly addressing, Uniting Communities has a sustained track-record of supporting communities and families who are dealing with challenges associated alcohol and other drugs, gambling, domestic and family violence, child protection, and homelessness, amongst others.

As part of its remit, Uniting Communities monitors government commitments to Anangu communities and advocates for the timely and appropriate delivery of infrastructure, services and programs and policy frameworks, to improve the lives of people living in these remote communities, including those who fall within the scope of the Cashless Debit Card Trial in Ceduna and the Far West Coast communities of South Australia.

2. Introduction and focus of this submission

The focus of this submission is on the legislative provisions of the *Social Services Legislation Amendment (Cashless Debit Card Trial Expansion) Bill 2018* which further amends the *Social Security (Administration) Act 1999* in order to:

- expand the Cashless Debit Card arrangements to a further trial site – the Bundaberg and Hervey Bay area – to run until 30 June 2020;
- specify the class of trial participants for the area and increase the total number of trial participants overall to 15,000 – noting that the profile and scope of those deemed to be participants in this new trial site has been changed and, under the proposed provisions, would include people who receive the Newstart allowance, youth allowance or parenting payment and who are under 36 years of age. Unlike the existing Trial sites, the new scope does not include those on the Disability Support Pension;
- provide for an exception from the restrictive trade practices provisions of the *Competition and Consumer Act 2010* for merchants that implement product-level blocking systems to identify that a Cashless Debit Card is being used for payment and, if any restricted products are being purchased, decline the transaction; and
- limit the use of the restricted portion of a payment to prevent the portion being used to obtain cash-like products which could be used to obtain alcohol or gambling.

In considering the potential effects of the current Bill, this submission provides comment on the following aspects, which demonstrate why the expansion of the Cashless Debit Card to an additional trial site and the provisions of the amending Bill should not be supported:

- The lack of genuine consultation with both prospective communities and people on the Card and a demonstrated disregard for their views;
- The lack of a reliable evidence base that demonstrates the efficacy of the Cashless Debit Card in the existing trial sites, in order to justify an expansion of the Card to additional trial sites;
- The cost of administering the Card and the negligible social return on investment;
- The range of rights that are currently being flouted by the existing Trial and which will be further disregarded by the expansion of the Trial;
- The lack of digital justice and increased exclusion arising from the automation of the management and administration of the Cashless Debit Card.

Uniting Communities has previously made a submission to the Senate Standing Committee on Community Affairs, in response to the *Social Services Legislation Amendment (Cashless Debit Card) Bill 2017*. The concerns raised in this earlier submission still stand and, in the main, are not repeated in this current submission. For ease of reference, our earlier submission can be accessed [here](#) at Submission Number 169.¹

3. Commentary

3.1 Lack of genuine consultation with those on the Card and prospective sites

The Federal Minister for Social Services is advocating for an expansion of the Cashless Debit Card trial to additional sites in the absence of having adequately consulted or considered the views of the affected communities in either the existing Trial sites or the proposed new locations in Queensland.

The Government insists that it has consulted widely in relation to the expansion to a new Trial site. A media statement from 21 September 2017 released by the Minister for Human Services and Keith Pitt MP, the Federal Member for Hinkler, states that the decision to expand the Card to this new location ‘follows extensive consultations with community leaders over the last few months. Over 110 consultations were conducted, including the holding of public meetings. Keith Pitt, the Member for Hinkler, also conducted a community survey and numerous consultations’.² However, there are numerous accounts of communities in the proposed trial location indicating that they have not been consulted about the design, scope or application of the Card. Key groups from the Bundaberg region have stated that they have been ignored by the Government’s consultation process. For example, representatives from the Gidarjil Development Corporation – one of the largest Aboriginal organisations in Bundaberg – has not been approached about the Card.

The mayors of both local government areas in the proposed trial site – Bundaberg and the Fraser Coast shire – oppose the introduction of the Card. The Mayor of Bundaberg, former Queensland State Minister Jack Dempsey, has indicated that his community has turned against trialling the Cashless Debit Card after finding out about the cost of administering the Card. He is quoted as saying:

*People want jobs, not welfare programs. And that for all the government was spending on cashless welfare, it would be better to invest in economic development programs that would help put people to work. You’ve got to have jobs before welfare. You could nearly give that to employers to get people in to jobs. You are almost penalising people out of poverty.*³

A protest gathering of women in Hervey Bay who currently receive the Disability Support Payment were confronted by armed police outside the meeting where Human Services Minister, Alan Tudge, and Hinkler MP, Keith Pitt, were talking with local businesses.⁴ A number of other protests have also been held. It cannot be claimed that there is unanimous community support for the expansion of the Card into Queensland.⁵

¹ https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Community_Affairs/CashlessDebitCard/Submissions

² <http://pandora.nla.gov.au/pan/65939/20170927-1511/www.mhs.gov.au/media-releases/2017-09-21-cashless-welfare-card-bundaberghervey-bay.html>

³ The Guardian, *Bundaberg mayor turns against high cost of cashless welfare trial*, Ben Smees, 21 May 2018, <https://www.theguardian.com/australia-news/2018/may/21/bundaberg-mayor-turns-against-high-cost-of-cashless-welfare-trial>

⁴ <https://www.news-mail.com.au/news/armed-police-show-up-to-cashless-card-rally/3187131/>

⁵ <https://www.whitsundaycoastguardian.com.au/news/cashless-welfare-not-in-bundaberg-please/3188062/#/0>

3.2 Lack of evidence base

In a bid to justify the expansion of the Card, to be enabled by the *Social Services Legislation Amendment (Cashless Debit Card Trial Expansion) Bill 2018*, the Minister for Human Services insists that a sound evidence-base has been established and is set out in the Government-commissioned ORIMA Research evaluation reports.

However, across the existing Trial sites, there have been widespread critiques, condemnation and concerns expressed by community members and card-holders, as well as by non-government welfare agencies, and academics who have an understanding of what constitutes appropriate and ethical research methodology and data analysis.

An independent analysis of the ORIMA Evaluation Report and research methodology reveals a range of concerns regarding the ways in which data has been collected, analysed, reported and selectively used. In summary, these analyses reflect that the evidence-base that the Government is using to substantiate the expansion and extension of the Card is highly questionable. The Government has not demonstrated that a solid evidence base exists for its claims about the success of the Cashless Debit Card.

By its own admission, the ORIMA final report outlines significant limitations regarding its own data (pp. 25-28), including the following:

- *Administrative data limitations*
The ORIMA report states: *The data available generally serve as imperfect proxy measures for problematic alcohol consumption, illegal drug use, gambling and anti-social and disruptive behaviours* (pp. 25-6). Much of the administrative data relied upon by Government to validate its trials is based on data collected for purposes outside the parameters of the CDC trial evaluation.
- *General Methodological Limitations*
The evaluation did not use a statistically representative random sampling of the population (p. 28), thereby leaving the findings open to considerable distortion.

The evaluation does not include a longitudinal study of respondents from the interim Wave One evaluation through to the Wave Two evaluation, hence no time series comparisons or behaviour changes can be tracked and no trends can be discerned.

- *Response bias, self-reporting and observation bias*
The ORIMA Research report acknowledges the limitations caused by response bias whereby respondents seek to agree or report in ways that they consider would be socially acceptable to those asking the questions (p. 27). ORIMA acknowledges that it is not possible to accurately measure actual behaviours such as changes in alcohol consumption or drug use. For example, respondents were asked during face-to-face surveys whether they were alcoholic or had a drug problem. It is unlikely that respondents would be prepared to answer these questions honestly when asked by a government-contracted interviewee.
- *Misrepresentation of crime statistics, decline in gambling and alcohol/drug consumption*
The ORIMA final evaluation report states that ‘... it is important to note that, with the exception of drug driving offences and apprehensions under the Public Intoxication Act in Ceduna, crime statistics showed no improvement since the commencement of the Trial’.⁶

⁶ Australian Government Department of Social Services, *Cashless Debit Card Trial Evaluation, Final Evaluation Report*, August 2017, page 4.

The Government, including the Minister for Social Services and the Prime Minister, has actively ignored and contradicted this ORIMA evaluation finding and continues to insist that levels of crime have reduced as a result of the Cashless Debit Card. The lack of consideration of the evaluation data and the selective use of the available evidence is misleading and provides an unreliable basis on which to expand the Trial to a new location.

Gambling behaviour has been on the decline in SA particularly, with a steady downward trend in gambling revenue since 2006/7 with the highest decrease in 2016/17 in South Australia.⁷ It is therefore not accurate to claim that the CDC trial has been the sole cause of such behaviour change. The Government is attributing any positive changes to the Card itself and ignores other socio-economic variables or changes in policy settings that could impact on people's behaviours.

- *Purported changes domestic/family violence*

Domestic violence was noted as an issue of concern in the First Evaluation Report (p.150) and as warranting further investigation. Addressing domestic violence was also expressly mentioned as part of the CDC 'Theory of Change' in the Final Evaluation Report (p. 129) and, on page 298 and 299, the report indicates that domestic violence incident reports were examined. However, there is no coherent reporting, analysis or commentary on family violence behaviours in the final ORIMA report, neither is there an evidence base to suggest that such behaviours have decreased as a result of the CDC. On the contrary, anecdotal reports indicate that domestic violence has increased because of the lack of available cash. The Hon Linda Burney MP, visited the women's refuge in Kununurra and a number of the women staying there did not have a positive view of the cashless card. These women reported that life was harder with the card, and that there was more violence and more crime as cash had become scarce. This is confirmed by data on domestic assaults released by the Western Australia Police Force, which indicates that in the 12 months to 30 June 2017, there were 508 domestic assaults in Kununurra. For the 12 months previous to that, 1 July 2015 to 30 June 2016, there were 319, thereby indicating an increase.

While problems with methodology, data and findings are acknowledged in the ORIMA report, Government reportage and publicity about the evaluation findings is highly selective and, in many instances, taken out of context. This distortion and cherry-picking, has resulted in Government providing a false, simplistic and an overly positive view of the CDC in order to justify its expansion of the Card to a new trial location in Queensland.

The Australian National Audit Office's report on the *Implementation and Performance of the Cashless Debit Card Trial by the Department of Social Services* (17 July 2018), reiterates a number of the concerns raised above. In summary, the report states that:

The Department's approach to monitoring and evaluation was inadequate. As a consequence, it is difficult to conclude whether there had been a reduction in social harm.

There was a lack of robustness in data collection and the Department's evaluation did not make use of all available administrative data to measure the impact of the trial including any change in social harm ... Social Services did not build evaluation into the CDCT design, nor did they collaborate and coordinate data collection to ensure an adequate baseline to measure the impact of the trial, including any change in social harm (pages 8, 9).

These findings by the ANAO audit indicate that the expansion of the Card to the Bundaberg and Hervey Bay region, based on the ORIMA evaluations, would be questionable and lacking in a sound evidence

⁷ See research by SA Centre for Economic Studies at University of Adelaide <http://www.adelaide.edu.au/news/news94882.html>

base. In terms of the potential for the Card to be rolled out to additional locations, the ANAO Report states that the trial did not test the scalability of the Cashless Card:

Aspects of the proposed wider-roll-out of the CDC were informed by learnings from the trial, but the trial was not designed to test the scalability of the CDC and there was no plan in place to undertake further evaluation. Many findings from the trial were specific to the cohort (predominantly Indigenous) and remote location, and there was no plan in place to continue to evaluate the CDC to test its roll-out in other settings (pages 8, 10).

3.2 Cost of administering the Cashless Debit Card and social return on investment

The Government and Minister for Social Services has provided little or no detail regarding the Federal budget allocation for the expansion and extension of the Cashless Debit Card trials. The financial impact statement and the financial impact over the forward estimates for the implementation of the initial Bill states that ‘funding associated with this Schedule is not for publication as negotiations with potential commercial providers are yet to be finalised’.⁸ The Explanatory Memorandum for the Expansion Bill states that ‘the financial impact of these amendments is not for publication as negotiations with potential commercial providers are yet to be finalised (page 2)’.

To date, the Federal Government has not provided an indication of how much it will cost taxpayers to expand the Card to Bundaberg and Hervey Bay. Neither has it indicated how much the Goldfields trial is costing.

The Department of Social Services’ track record regarding costs and financial management does little to reassure the public, as evidenced in the ANAO Report (July 2018), which states that ‘aspects of the procurement process to engage the card provider and evaluator were not robust. The department did not document a value for money assessment for the card provider’s IT build tender or assess all evaluator’s tenders completely and consistently (p. 15)’.

Cost of ORIMA Evaluation

The ANAO Report notes that the procurement of an evaluator and the scoring of tenders submitted to undertake the evaluation reflects ORIMA’s tender price (\$922,592) as just over double the amount of the other two tenders. Social Services subsequently negotiated a reduction in this tendering price.

It is understood that DSS has paid \$1.6 million to ORIMA Research to evaluate the Trial – this amount was more than double the initial amount that had been agreed with ORIMA.

Payments to Indue

In early 2015, DSS undertook an internal desktop review to determine potential card providers for the Trial. Indue was identified as the preferred provider. The ANAO Report highlights a number of irregularities in the contract management of Indue. According to information provided during the Second Reading Debates in the House of Representatives (June 2018), the Federal Government has paid \$7.9 million to Indue, the Cashless Debit Card provider.

Cost of administering the Card

According to the Hon Linda Burney, in her response to the Second Reading of the Bill in the House of Representatives (21 June 2018), the current accrued cost of the Cashless Debit Card trial is approximately \$24 million for the two existing sites to 15 March 2018. This includes an administrative cost of approximately \$10,000 per person on the Card.

⁸ Explanatory Memorandum to the Social Services Legislation Amendment Bill p. 2.

One would assume that if the social return on the Federal Government's investment in the Trial of the Card was as successful as claimed, the Government would be more transparent about the cost and financial impact of the proposed amendments.

3.3 Rights and data justice

Human rights

According to the Expansion Bill's *Explanatory Memorandum*, the Parliamentary Joint Committee on Human Rights conducted a review of the Bill, noting that the Cashless Debit Card engages and limits three human rights – the right to social security, the right to a private life and the right to equality and non-discrimination (*Statement of Compatibility with Human Rights*, page 1).

The Statement of Compatibility derives much of its justification from the flawed findings of the ORIMA Research evaluation of the existing trials and concludes that the amendments are compatible with human rights. It states that, 'the continuation of and expansion of the Cashless Debit Card will advance the protection of human rights by ensuring that income support payments are spent in the best interests of welfare payment recipients and their dependents. To the extent that they may limit human rights, those limitations are reasonable, necessary and proportionate to achieving the objectives of the welfare quarantining measures. The Cashless Debit Card will assist to reduce immediate hardship and deprivation, reduce violence and harm, encourage socially responsible behaviour, and reduce the likelihood that welfare payment recipients will remain on welfare and out of the workforce for extended periods of time (*Statement of Compatibility with Human Rights*, page 11)'.

The Statement of Compatibility, however, fails to include a consideration of a number of other human rights which are being eroded by the imposition of the Cashless Debit Card, more specifically in relation to Aboriginal and Torres Strait Islander peoples subjected to the Card.

The lack of community consultation about the design and implementation of the Card is a breach of the right of Aboriginal peoples to self-determination and flies in the face of Article One of the *International Covenants on Human Rights*, and the *United Nations Declaration of the Rights of Indigenous Peoples*, which require meaningful consultation with and the informed consent of Aboriginal peoples during the development and implementation of policies and laws that affect them. This is evidenced by key groups from the Bundaberg region, such as the Gidarjil Development Corporation, one of the largest Aboriginal organisations in Bundaberg, not having been consulted or approached by the Government about its views on the Card.

Data justice: Automation, technology and digital exclusion

The imposition of the CDC and its associated automated technology and datafication, removes people's rights regarding freedom of choice in relation to their private banking arrangements – the CDC has prescribed that all income recipients are placed on a card managed by an outsourced private company, Indue. People have not been given the choice as to which banking institution they would prefer and the fundamental architecture of income management and the Cashless Card serves to preclude this. The DSS has been prescriptive and has removed freedom of choice, thereby eroding people's rights.

While there are a number of concerns about the lack of responsiveness on the part of Centrelink and the long waiting times, the automation of welfare services has removed the face to face interaction between case workers and income support recipients. A reduction in human contact can result in an increased likelihood of miscommunication and confusion- not everyone is literate or numerate, and technology can be confusing, overwhelming and alienating. It is critical that the cutbacks in Centrelink funding and staffing levels are reversed in order to provide easier access to Centrelink, improve the institution's cultural competence, and support those on income support who are not familiar with technological systems or have limited computer skills.

The introduction of mobile phone apps for checking one's CDC account balance, hailed by DSS as 'digital inclusion', has left many people on the Card feeling inept and overwhelmed because they either do not own smart phones, are not familiar with such technology, do not have the literacy or numeracy skills, and/or do not have sufficient funds to pay for the cost of mobile data and downloads. The so-called technologies of 'digital inclusion' are in fact serving to exclude and alienate a number of people on the Card who have previously been comfortable with managing their own cash in hand.

Being on the Card invariably means that, when using your Indue card for transactions, you are conspicuous and can easily be identified as being 'on welfare'. This makes Cardholders visible to others in public spaces and reduces their privacy and dignity when paying for goods. Such exposure increases people's sense of stigma, shame and embarrassment, more so when the Card doesn't work.

The expansion of the Card to additional locations will see increased encroachment of the automation and privatisation of the welfare system and its payment modalities on the lives of private citizens.

3.4 A better way to achieve objectives

The Federal Government has identified a number of socio-economic challenges in the Bundaberg Hervey Bay region in order to justify the expansion of the Card to this area. Rather than expanding the roll-out of the Card to this new region, the Government's efforts would be better spent on addressing the following issues:

- Levels of unemployment in relation to the limited labour market and lack of job opportunities;
- The provision of appropriate and comprehensive social support services;
- The provision of sustained funding for existing or new service providers that are equipped to provide services that address the core objectives of the Trial, namely alcohol and other drugs, gambling, and domestic violence services; and
- Improving services provided by Centrelink.

Labour Market Conditions in the Bundaberg-Hervey Bay Priority Employment Area

According to CommSec's Chief Economist Craig James in the January 2018 piece '*Unemployment 2017: Winners and losers*', while Australia is experiencing jobs growth with the strongest employment growth recorded in 12.5 years, there are regions of the country still experiencing difficult economic and labour market conditions. These include Queensland's coastal regional centres such as Bundaberg, Maryborough, Gympie, Bundaberg and Hervey Bay, known more broadly as Wide Bay (average 9.0 per cent unemployment rate). These regions, together with Townsville (albeit lower at 8.5 per cent), have elevated jobless rates that are well above the national annual average of 5.6 per cent.

Manufacturing jobs in Wide Bay have declined by 1,306 between 2010 and 2016 according to Regional Development Australia.⁹ According to the ABS' Census of Population and Housing (2011), there have been some structural changes that have occurred across the region over time, and employment in the construction industry has decreased considerably.

A media release by the Queensland Master Builders, dated 9 July 2018,¹⁰ refers to the findings from a research report – *Establishing a Queensland Government Benchmark for Building and Construction Infrastructure Spending*, prepared by Queensland Economic Advocacy Solutions. The Report highlights the reduction in state government spending in public sector building and construction:

In the last seven years, state government spending on public sector building and construction has decreased from \$11 billion to \$6 billion ... The current level of public sector building and construction expenditure is at an historic low, stagnating at 1.8 per cent of Gross State Product ... we've asked the State Government to establish a Public Sector Building and Construction Capital Expenditure Benchmark ... If we were to reach

⁹ Source: <https://www.adviservoice.com.au/2018/01/unemployment-2017-winners-losers/>

¹⁰ <https://www.mbqld.com.au/news-and-publications/media/jobs-and-key-infrastructure-projects-falling-by-the-wayside>

this benchmark, the additional government investment would mean an extra 26,000 Queensland jobs and desperately needed infrastructure - Master Builders Deputy CEO, Paul Bidwell.

The Master Builders' research also confirms that the state government has been underspending its annual capital expenditure budget. Over the past three years, on average only 84 per cent of the state government's allocated budget for public sector building and construction, was actually spent. Had it been spent, it could have created an extra 13,000 jobs for Queenslanders each year. According to *Queensland Economic Advocacy Solutions*¹¹, reaching the capital expenditure benchmark (2.7% of GSP) would result in 1,614 jobs in Wide Bay. Extra jobs created by spending the full current budget allocation would result in an additional 839 jobs in Wide Bay.

Drawing on the research outlined above, this submission highlights the contributions which the Federal and State Governments could make to creating more job opportunities, such as those in the public building and construction sector, in response to the high level of unemployment, rather than misdirecting budget allocations to punitive income management policies and administration.

Overall, labour market conditions in the Bundaberg-Hervey Bay Priority Employment Area (PEA) remain subdued with evidence of a lack of job opportunities and persistent disadvantage. Based on a Survey of Employers' Recruitment Experiences of 383 employers undertaken by the Labour Market and Analysis Branch in December 2013, results indicate that recruitment activity has remained subdued since the region was surveyed in 2012. The competition for vacancies was high, and there were considerably more job seekers than job vacancies with an average of 11.0 applicants per vacancy.

While very few vacancies remained unfilled, many employers said that recruitment was 'difficult' at some point in the previous 12 months. Employers most commonly said that they had difficulty attracting job applicants who had the technical skills or the general employability skills required to do the job.

The below average level of high school completion in the region- 59 per cent of 25-34 year olds, compared with 74 per cent in Queensland- suggests that the employment opportunities for many local job seekers may be limited to lower skilled positions.

The need for the development of skills for employment and the below average level of high school completion point to the need for attention and service provision to be directed towards education and training, work-readiness programs, and job creation, rather than to placing people on compulsory income management.

While the Trials target people on income benefit payments, proponents of the Card fail to analyse reasons for unemployment and underemployment, and the consequent number of people on benefit payments. In the existing Trial sites as well as the proposed new site in Queensland, the biggest cause of unemployment is the lack of a labour market and of formal, decent and secure jobs. This is compounded by the fact that Australia's unemployment benefit is one of the lowest in the developed world and the rate of Newstart has not increased in real terms in over 24 years. The impact of the below-poverty-line Newstart allowance on the lives of people living in the current and proposed Trial sites is compounded by the lack of a labour market and the imposition of the Cashless Card.

Rather than the punitive and misdirected model that the Government intends to roll-out to Bundaberg and Hervey Bay, it would be far more effective and constructive if the approach to addressing socio-economic challenges in the region incorporated an economic development focus that offered people pathways to employment.

¹¹ <https://www.mbqld.com.au/news-and-publications/media/jobs-and-key-infrastructure-projects-falling-by-the-wayside>

The provision of comprehensive wrap-around services

Substance misuse and gambling

People who have drug and alcohol problems should be viewed as having health, psycho-social or medical problems and as requiring appropriate support. The imposition of a punitive measure in the form of the Cashless Card does not enable them to access appropriate treatment or services; neither is it likely to result in any changes in their behaviour, as assumed by many proponents of the Card.

According to the 2013 Primary Health Care Atlas, the Wide Bay region in Queensland (which includes Bundaberg and Hervey Bay) ranks top in Australia for the incidence of mood disorders and third for depression prevalence, when compared to 61 health regions across Australia. The Wide Bay also has a high hospitalisation rate for self-harm and injury. It is also ranked second for high or very high psychological distress, which can make it difficult for people to go to work, participate in social activities, or find stable housing.

The sustained work undertaken by Uniting Communities over many years highlights the importance of addressing the underlying needs and conditions of people experiencing alcohol, drug and/or gambling dependence or addictions. Our experience has enabled us to develop a suite of responses that include immediate access to information, support and referral; an appropriate level of intervention; tailored counselling services; crisis intervention where needed; case management; residential rehabilitation when required; referring people to additional services that are appropriate to their needs; and facilitating access to ongoing support and relapse prevention. The approach that Uniting Communities has adopted focuses on treatment options that are designed to assist with the person's physical and mental health, as well as their connections to the community through various activities. In addition, Uniting Communities' counsellors can support clients with issues such as stable housing; legal matters; financial/debt problems; education, volunteering and employment; family issues and relationships; and connecting to other relevant services.

This submission advocates for an approach such as that practiced by Uniting Communities over many years that has been shown to be effective in its provision of a holistic and comprehensive response to supporting people experiencing alcohol, drug and/or gambling dependence or addictions.

Financial counselling and support

Noting that most of the financial hardship experienced by people is not a result of their own inability to manage money but rather the inadequacy of the amount of the income support payments, Uniting Communities opposes an approach to addressing financial hardship or a person's inability to manage money that is punitive and that does not offer the potential to develop financial management skills or offer constructive solutions and pathways.

This submission advocates for the availability of financial counselling and support in the event that people require assistance to manage their finances. This would involve an approach that offers services that are free, independent and confidential, by financial counsellors who are non-judgmental, qualified and experienced professionals who can provide information, support and advocacy to people experiencing financial hardship.

Housing

Central to people's wellbeing is secure and stable housing. Housing is a key social determinant of health, education, and employment, amongst other key indicators. It is critical that more attention is paid to the provision of affordable housing. According to the Bureau of Statistics 2011 census, 19,831 people are homeless in Queensland, with a high incidence of homelessness in the Wide Bay region.

The lack of public housing across Australia and in Wide Bay, and the challenges of availability and affordability, compounded by the low amounts of income support payments, means that most people

on income support payments will be unable to access decent and stable housing. The level of income support is insufficient to enable people to access the private rental market.

Rather than punishing people on income support by placing them on the Cashless Card, the Government should be directing its attention to increasing public housing stock and ensuring the availability and affordability of decent housing. In part, levels of homelessness would be decreased if the amount of income support payments was to be increased so that people could afford to pay rent in private properties.

Uniting Communities advocates for housing and homelessness support arrangements that include providing clients with short-term assistance until they can be connected with an appropriate service, crisis accommodation, food and other basic needs, as well as funding for transport. Our organisation's model of support includes providing a coordinated response to homelessness through collaboration with the other specialist homelessness organisations, youth services, domestic violence services and homelessness services.

It is proposed that programs such as those outlined above could go a long way towards providing support to those experiencing homelessness or housing stress, and that such models should be explored by the Minister and Department of Social Services as well as associated Government departments responsible for the provision of housing.

4 Conclusion

Uniting Communities opposes the amendments proposed in the *Social Services Legislation Amendments (Cashless Debit Card Trial Expansion) Bill 2018* because the accumulated evidence indicates that the existing Trials have not achieved the results that have been claimed by Government. Claims of success of the Trials are based on a false assumption that a system of incentives and disincentives, reminiscent of outdated behaviour-modification models, will somehow 'reform' people's behaviours and their understanding of their 'mutual obligations'. This approach does nothing to improve the lives of those with alcohol, gambling or drug problems and only serves to exacerbate their situation. For those without alcohol, gambling or drug problems, the Card only serves to humiliate and make their lives more difficult.

The money spent on the existing Trials and the proposed expansion to include Bundaberg Hervey Bay would be better spent on providing comprehensive and appropriate services to those who need them.

The evidence and reports from communities clearly indicate that the implementation of the Card does not achieve the results that are being claimed by Government and, that instead, it causes distress, shame and hardship.

This evidence is confirmed by the critique outlined in the Australian National Audit Office's report, released on 17 July 2018, which further emphasises the lack of a credible evidence base on which to justify a further expansion of the Card to locations in Queensland. The ANAO Report echoes the critique that has been provided from the Trial's outset by a number of social commentators, community organisations and Cardholders.

In the absence of any rigorous analysis of the impacts of the Card, the Federal Government should not be permitted to impose this compulsory income management system on more Australians across further locations. The rationale for the proposed amendments, as set out in the Expansion Bill, should not be accepted. These proposed amendments require further detailed scrutiny by those who are being asked to consider the provisions of the amending Bill.

Uniting Communities calls for the termination of the imposition of the mandatory Cashless Debit Card and opposes both the extension and the expansion of the trial sites- more so in light of the embarrassing, though unsurprising, findings and recommendations of the recent ANAO Report.

Uniting Communities calls on the Australian Government to:

- end the imposition of the mandatory Cashless Debit Card in the existing and proposed Trial sites and redirect the funding towards measures that are known to make a difference to people experiencing drug, alcohol or gambling problems, based on expert clinical advice regarding approaches to addressing substance use and addictive disorders;
- consider alternative approaches to address the socio-economic challenges in the region, in particular the limited labour market and the potential for job creation, and the lack of available and affordable housing, and;
- engage with all levels of government and service providers to develop a comprehensive and strengths-based strategy for addressing the socio-economic problems being experienced by people on income support; and invest in community-driven solutions so as to develop tailored services that respond to community needs.