



The Hon Alan Tudge MP
Minister for Human Services

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JOINT MEDIA RELEASE

CASHLESS WELFARE CARD FOR BUNDABERG/HERVEY BAY

The Turnbull Government will roll out the Cashless Debit Card in the Bundaberg and Hervey Bay region in Queensland from early next year along with an additional \$1 million for local support services.

The area covered will be defined by the Hinkler electorate boundaries and those aged 35 years and under on unemployment benefits or parenting payments will be in receipt of the card and have 80 percent of their payments placed onto it.

This decision 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.

Bundaberg and Hervey Bay will be the fourth region for the rollout of the card, following the announcement of the Goldfields in Western Australia earlier this month. In each region, the card and associated services are tailored to the specific circumstances.

The Government has chosen this region and the card's parameters to help address key social problems identified during the consultations. In particular, the high youth unemployment and intergenerational welfare dependence and the high use of alcohol, drugs and gambling including among young parents.

The region has the second highest youth unemployment rate in Queensland at 23.6 percent with many now experiencing intergenerational welfare dependence. Of those who are under 30 on welfare today, 90 percent had a parent who was also on welfare during the past 15 years – the majority of whom were on welfare for at least 9 of the last 15 years.

Despite this high welfare dependence, there are often entry level jobs available that are not taken up by locals. Just this week, 387 positions were advertised on the local Jobactive website. Thousands of backpackers work in the region doing entry level positions.

The evaluation of the Cashless card trials showed that the card helped to increase motivation for job seeking in the trial locations (despite the two trial regions having limited job markets). This new region will test to see if the card can assist in breaking the intergenerational welfare that exists. Without any intervention, it is projected that 57 percent of those under 30 on welfare will still be on income support in 10 years' time.

