



AASW

**Australian Association
of Social Workers**

*Submission to the Senate Standing
Committee on Community Affairs*

*Re: Social Security (Administration)
Amendment (Income Management to
Cashless Debit Card Transition) Bill 2019*

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Introduction

Who we are

The Australian Association of Social Workers (AASW) is the professional body representing more than 12,000 social workers throughout Australia.

We set the benchmark for professional education and practice in social work and have a strong voice on matters of social inclusion, social justice, human rights and issues that impact upon the quality of life of all Australians.

The social work profession

The social work profession is committed to pursuing social justice and human rights. Social workers aim to enhance the quality of life of every member of society and empower them to develop their full potential. Principles of social justice, human rights, collective responsibility and respect for diversity are central to the profession, and are underpinned by theories of social work, social sciences, humanities and Indigenous knowledges. Professional social workers consider the relationship between biological, psychological, social, and cultural factors and how they influence a person's health, wellbeing and development. Social workers work with individuals, families, groups and communities. They maintain a dual focus on improving human wellbeing; and identifying and addressing any external issues (known as systemic or structural issues) that detract from wellbeing, such as inequality, injustice and discrimination.

Our submission

The AASW welcomes the opportunity to contribute to the inquiry into the *Social Security (Administration) Amendment (Income Management to Cashless Debit Card Transition) Bill 2019*. In our submission, we reiterate our opposition to the expansion of the Cashless Debit Card.

Social workers practice with a range of people across all life stages and within a range of social and cultural contexts, working with both individuals and communities. Social workers therefore have extensive experience with people whose complex needs are related to key social determinants of health, most prominent being poverty and all the implications this brings. Social work is committed to the human rights of all, improving the wellbeing of all and to achieving an equitable society that means addressing systemic level barriers including access to basic rights and needs. This underpins the key messages in this submission.

Our response argues that:

- Income management has been unsuccessful in achieving its aims, and continuing to expand a questionable program will create further stigma and difficulty for vulnerable people
- Indigenous communities have not been adequately consulted, and are being unfairly targeted in the expansion of the Cashless Debit Card trial

Response

In previous submissions, the AASW expressed opposition to the proposal for a trial of the Cashless Welfare Card and offered to work with government to identify a better approach.¹ That submission described concerns about the principles on which it is based, the negative implications for people's self-esteem, the inadequate evaluation and absence of consultation. These have been repeated in other submissions to each of the subsequent bills which expand and extend the scheme.

The original evaluation on which the expansion and extension is based has been denounced due to its lack of academic rigour by multiple evaluation experts.² Since then, there has only been one study in which a researcher spent time getting to know people who were on the scheme, in sufficient detail to enable her to gain their trust and build a complete picture.³

That report describes:

- A profound sense of shame amongst people forced to use the card and that many people 'bitterly resent' it.
- The processes that people have to follow to change their arrangements represent a breach of privacy and add to their humiliation
- White people are disproportionately successful in gaining exemption or exiting the trial
- That people with addictions to alcohol, other drugs and gambling circumvent the card
- That people perceive it as a continuation of decades of historical oppression.

The AASW opposes the proposal to expand the Cashless Debit Card trial to communities in the Northern Territory and other areas currently covered under the income management scheme. The income management scheme has failed to effect long-term changes in behaviour or outcomes, despite the high cost of the policy. Beyond some limited success with people who have entered into income management arrangements voluntarily, the evidence points to the scheme being unsuccessful in achieving the stated aims of preventing people from spending the money alcohol, gambling and drugs, or getting people to buy healthy and fresh food⁴. Furthermore, progress in encouraging school attendance appears to have stalled.

The Cashless Debit Card also has significant logistical and practical challenges for individuals forced to live without cash in communities in which the cash economy continues to be significant. Difficulties include the inability to make purchases without cash, the requirement to shop at retailers with CDC-specific EFTPOS facilities, inability to pay for children's educational expenses such as excursions or school canteen expenses, and the inability to buy cheaper goods from second-hand retailers or markets. There is also significant stigma associated with the use of the card, particularly in small communities⁵.

In short, it constrains choices, makes life more difficult and sends the message that the most vulnerable in our community cannot be trusted with cash.

As evidence by the roll out and impacts of the policy so far, the expansion of the Cashless Debit Card trial will disproportionately affect Aboriginal communities. In addition to removing choice and self-

¹ AASW Submission to the Senate Community Affairs Legislation Committee Re: Social Services Legislation Amendment (Cashless Debit Card Trial Expansion) Bill 2018

² Senate Standing Committee on Community Affairs, Social Security (Administration) Amendment (Income Management and Cashless Welfare) Bill 2019, Dissenting Report by the Australian Greens, https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Community_Affairs/IncomeManagementCashless/Report/section?id=committees%2freportsen%2f024268%2f27346

³ Vincent, E. Lived Experiences of the Cashless Debit Card Trial, Ceduna, South Australia, CAEPR 2019

⁴ https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/BN/2011-2012/IncomeManagementOverview#_Toc328056526

⁵ https://www.acoss.org.au/media_release/unnecessary-demeaning-cashless-debit-card-unfairly-targets-people-just-because-they-cant-find-paid-work/

determination, it potentially affects smaller Indigenous businesses who may not be equipped to accept the card.⁶ In addition, it puts at risk the future of the independent Indigenous credit union, which currently provides banking services to remote Indigenous communities and is a major employer of local Indigenous people in its region.⁷

Expansion of the Cashless Debit Card denies Indigenous autonomy and 'makes a mockery of government rhetoric around Aboriginal-controlled decision making'.⁸ Indigenous communities have criticised the haste of the Bill and the lack of consultation, describing it as 'unwarranted' and likening it to 'the disastrous and ill-advised imposition of the Intervention on our communities without consultation and without our consent'⁹

It is vital that we listen to the voices of Indigenous leaders. As John Patterson, Chief Executive Officer of Aboriginal Medical Services Alliance Northern Territory, and a member of Aboriginal Peak Organisations Northern Territory recently told government:

'The cashless debit card is a new form of disempowerment, continuing the stigmatisation and trauma of Aboriginal people. The fact is that it will continue to entrench our communities within the welfare system, with less choice and more imposed decisions on our lives. We want to be back in control of our lives and to be afforded our rights as Indigenous peoples to have free, prior and informed consent over the policies that affect us.'¹⁰

At its introduction, the Cashless Welfare Card drew tentative support from some Aboriginal and Torres Strait Islander elders. Since then, one of Australia's most respected academics and community leaders, Professor Marcia Langton, has reversed her position on the card's trial, calling it "brutal".¹¹

Conclusion

The goal of income support should be to ensure payments are adequate to meet basic living costs, support employment participation, target assistance according to need and to ensure that the administration of payments respects the dignity of people relying on income support. The Cashless Debit Card does not achieve these aims. It stigmatises and punishes people on the basis of their location and employment status, whilst failing to deliver the promised long-term positive societal outcomes. Further, it significantly disadvantages Indigenous populations and undermines their right to self-determination, autonomy and dignity. The AASW therefore strongly opposes the Social Security (Administration) Amendment (Income Management to Cashless Debit Card Transition) Bill 2019.

Submitted for and on behalf of the Australian Association of Social Workers Ltd

⁶ <https://www.sbs.com.au/nitv/nitv-news/article/2019/09/12/aboriginal-organisations-attack-cashless-welfare-card-intervention>

⁷ <https://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;db=COMMITTEES;id=committees%2Fcommsen%2F6c31fd14-8ce0-46e3-945c-d124ffdf0ea0%2F0002;query=id%3A%22committees%2Fcommsen%2F6c31fd14-8ce0-46e3-945c-d124ffdf0ea0%2F0001%22>

⁸ <https://www.sbs.com.au/nitv/nitv-news/article/2019/09/12/aboriginal-organisations-attack-cashless-welfare-card-intervention>

⁹ <https://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=id%3A%22committees%2Fcommsen%2F6c31fd14-8ce0-46e3-945c-d124ffdf0ea0%2F0001%22;src1=sm1>

¹⁰ *ibid*

¹¹ <https://www.sbs.com.au/nitv/nitv-news/article/2019/09/26/its-brutal-marcia-langton-says-cashless-welfare-cards-are-failure>



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