

10 August 2022

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Dear Committee Secretary,

**Social Security (Administration) Amendment (Repeal of Cashless Debit Card and Other Measures) Bill 2022**

Thank you for the opportunity to provide input to the Repeal of Cashless Debit Card and Other Measures Bill.

Anglicare Australia commends the Government for introducing legislation to repeal this Bill and abolish the Cashless Debit Card, which has harmed those who have been forced onto it without providing any benefit.

The cashless debit card has been found to discriminate against First Nations people, place unreasonable and disproportionate restrictions on people's freedoms, cause stigmatisation and shame, and harm people's ability to develop the skills to manage their own finances.<sup>i</sup> Far from helping people, reviews and independent research have found that the program harms its participants.

Anglicare Australia notes that years of trials and evaluations of compulsory income management have failed to prove that these measures are effective. However, while we support the abolition of the Cashless Debit Card, we are concerned that the repeal of this bill does not apply to the income management program introduced during the Northern Territory Intervention, where three-quarters of people on the Basics Card are First Nations.<sup>ii</sup> Similar to the cashless debit card program, the compulsory nature of the measure, together with the restrictions, disruptions and shame it causes in people's lives, cause real harm to those subject to it.

The new Government committed to ending compulsory income management ahead of the Federal Election, with Minister Linda Burney stating that "our fundamental principle on the basics card and the cashless debit card, it should be on a voluntary basis... If people want to be on those sorts of income management, then that's their decision." Anglicare Australia urges the Committee to recommend acting on this commitment and abolishing all forms of mandatory income management.

Instead of abolishing the Basics Card, the Government is promising only 'consultation.' It is not

yet clear what this consultation will look like. Real and sustained engagement with First Nations peoples should be the starting point. For too long our governments have taken a colonising approach to working with First Nations communities. Instead of less choice and more imposed decisions on their lives, we need to afford people equity and equal rights to have free and informed consent over the policies that affect them.

Consultation must also include meaningful engagement with people living with compulsory income management. People are experts in their own lives, and no conversation with community leaders, organisations or peak bodies will replace their direct lived experience.

In Anglicare Australia's experience, people receiving income support are generally excellent money managers. Living on an income so far below the poverty line their wellbeing depends on it. But people transitioning away from the Cashless Debit Card, or considering using it voluntarily, will still need support, advice and education about their choices.

Demand for financial counselling and support is already high, with three-quarters of services reporting increased demand in 2021.<sup>iii</sup> Additional investment will be needed to ensure people can get the advice and support they need to manage their transition. The estimated \$286 million that will be saved as a result of abolishing the card should now be allocated to evidence-based support, including financial and legal assistance, and community services that address the underlying causes of community disadvantage.

It could also be better spent addressing the causes of financial hardship, including the low rate of JobSeeker and the lack of meaningful employment pathways for people seeking work. Anglicare Australia's research into jobs availability shows that there are simply not enough jobs for those with the greatest challenges to find work. When comparing the number of jobseekers to the number of vacancies, we find that for example, for every entry-level position advertised, there are 27 people competing for each job.<sup>iv</sup> Rather than blaming unemployed people, governments need to work with the community and the unemployed to create more paid work and genuine pathways to employment.

Anglicare Australia looks forward to working with the Parliament towards a fairer and more just Australia. If the Committee would like to discuss anything raised in this submission, please do not hesitate to contact us on [anglicare@anglicare.asn.au](mailto:anglicare@anglicare.asn.au)

Yours sincerely,



Kasy Chambers  
Executive Director

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<sup>i</sup> Centre for Excellence in Child and Family Welfare (2017) [Income Management Discussion Paper](#).

<sup>ii</sup> ABC News (2019) [Australians on Basics Card anxious for welfare support change ahead of federal election](#).

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<sup>iii</sup> Australian Council of Social Service (2021) [Australian Community Sector Survey: Demand Snapshot](#)

<sup>iv</sup> Anglicare Australia (2021) [Jobs Availability Snapshot 2021](#).

