



UNIVERSITY OF
CANBERRA

Cashless Debit Card Trials

Interview Summary

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ACKNOWLEDGEMENTS

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THIS PROJECT

Leanne Weber, Sara Maher (from University of Canberra, situated on Ngunnawal land) and Robyn Newitt (from Western Sydney University, situated on Tharawal land) conducted a study into income management looking at how these schemes targeted welfare recipients.

The project centred Aboriginal and/or Torres Strait Islander experiences and provided a platform for these voices to be elevated. The interviews conducted as part of this research project were done so with recognition and acknowledgement of the processes that historical white institutions have and continue to have in the way Aboriginal and/or Torres Strait Islander people are portrayed.

This summary provides feedback to participants and other interested parties on the views and experiences reported in the interviews. Apart from organising the statements under broad themes we offer minimal commentary, retaining a focus throughout on the words of the research participants.

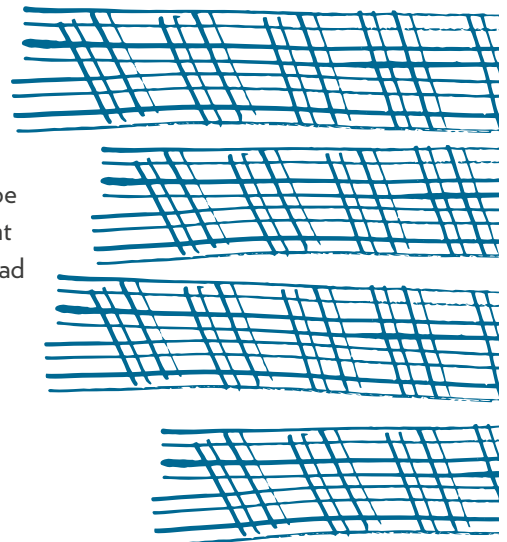
Twelve interviews were conducted between October 2020 and October 2021 with Elders, leaders of community organisations and other bodies - in Queensland, Northern Territory, South Australia, Western Australia, and New South Wales. These people were in areas where trials were operating, or had been proposed, or from peak bodies and organisations who had made submissions about the trials to Senate Inquiries.

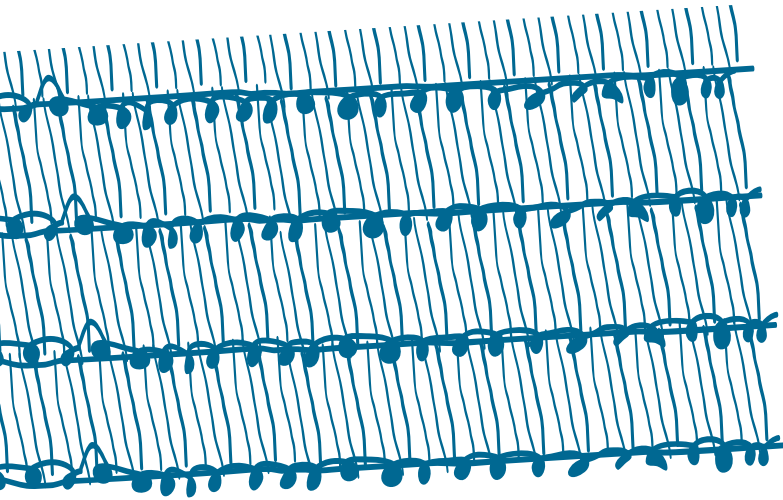


OVERVIEW

Participants were asked about their understanding of how communities came to be chosen for the Cashless Debit Card (CDC) trials, what process communities went through to accept a trial or not, whether they supported the trials or not, if they had changed their view during trials and their thoughts on plans to expand trials and make them permanent.

There were mixed views of the Cashless Debit Card (CDC) trials and the expansion of the trials into the Northern Territory, but a majority did not support either. Those who did support the trials said they had initially agreed because federal government promised to bring services to their area, help unemployed youth and reduce social problems. However, after trials started, the promised services and programs did not eventuate or were not provided as agreed. Many people believed the trials to be stigmatising and controlling – a throw-back to the Protectionist era.





WHO DECIDED WHERE THE TRIALS SHOULD BE HELD?

People we spoke with did not know why their areas had been chosen for a trial. Government officials arrived in some areas to discuss the trial without warning.

We didn't really know that we were being chosen for a trial. It was launched upon us with very little pre conversation, and it was put to me that [our community] would be a good pilot project for a cashless card.

I will never know because that was unreal, I don't understand why they did it.

One community refused a trial, despite mixed views: some who were of the view that it was worthwhile looking at, to the view, 'don't touch it'. So, very mixed views. Other communities accepted a trial although not everyone agreed to it.

People said they were misled about what the trials would involve and there was a lack of information about the issues the CDC claimed to resolve:

So, to me what they didn't do is – which is what they should have done – and it's not just the cashless welfare card, it's for any intervention really – there was no baseline data. Do you



know what I mean? Like they didn't come in and do a survey or anything like that to find out how much money are people spending on alcohol, gambling and pornography and all of that, which is what the cashless welfare card was touted as stopping.

There was some support for the trials because of conditions in the community:

You know that in communities, it's pretty rife with pot and all that sort of stuff. So that's my concern and it's always been a big concern is how much money actually goes out the door on wastage, you know what I mean?

I supported the card as a local Aboriginal person because at the time we had a spate of self-harm, suicide prevention and suicide. I think we had about 16 over three weeks - incidences. One of the leaders actually wanted to use the card as a catalyst for change which we all did.

But others simply did not want the card in their community: *Everybody that I've spoken to, people that have been around, they all get angry about it, they did not want to go on the trial. They didn't know how much of a thing it was and it was like you've got to go on.*

CONSULTATIONS

Before the start of trials consultations were conducted, organised by government or local agencies and community leadership. Many felt that government-run consultations were poorly organised and advertised and were not really interested in what people had to say. Locally organised consultations had mixed results. Either the majority did not want the trial, or tensions divided a community between those who wanted the trials and those who didn't. Trials went ahead even when consultations showed they were not wanted.

...whilst it was marketed as consultation, it was very much, here is a fact sheet, this is what will happen. This is how it will impact on you in your community. Not so much, here is a two-way conversation in which you can put forth your views or talk about any of the risks that you see with this in your community.

It wasn't their decision to make, we protested. We spoke to the Senate Estimates. All different parts of the community were engaged in asking whether they wanted it or not. And I'm not sure just how we got to be selected here, but I was involved in a few of the meetings around town. And people were very much against it.

And we're talking about in the main Aboriginal folk – I won't say – yeah, shy is probably for want of a better word – they're not going to speak up really in a public meeting, if you know what I mean. Unless you get the real vocal ones who then, when they speak up unfortunately, they can come across quite aggressive. So, the [community X] people, or the people from [community Y] at the back of the room, kept saying they didn't support the trial. But nobody took any notice of it. So, whenever the people recording the community consultations on behalf of council and whoever basically would say that they had all this community support totally ignored the people that were saying that they didn't support the issue, right.

STIGMA

There were strong feelings that the trials were a return to previous eras where governments controlled the lives of Aboriginal people. People said the CDC scheme was a return to mission days of rations and wage theft and the trials were another way to police them.

Well, I was actually horrified, absolutely horrified that the government of this day wanted to control people's personal lives again...that's what happened to my grandfather, great grandfather and my mother, they were under the Act where everything was governed for them. The only thing different now is they're not governed by the Protector of Aboriginal people.

People described the trials as degrading and stigmatising. Elders in an area that rejected a trial said the community felt that it was insulting and really discriminatory. In an area that did have a trial another Elder said: *I think it's very degrading. I think they're putting us down. I think they're – just another way of controlling Aboriginal people. I don't think they respect us enough to be able to control our own lives.*

Elders recognised the trials as not allowing an individual to be responsible for their own finances as had been the case when they were young.



I'm 72 years old and I'm — we've been putting up with crap from the government for a long time. You know, they tell us what to do, how to do it, where to live. How to speak. They're taking all rights away from us and all our traditional ways and culture and language. [When I was young] I had to ask for help and the police, they had all the control of that, my little town. You can go there and ask for help and they'd give you a, sort of a form or something, you'd take it to the grocery shop. And then they'd give you — you go and get your food and they'd say, no smokes, no alcohol, well fair enough. But — yeah, that was very degrading.

But the irony of all of that is we're creating another generation or two of people who are going to be financially ignorant because it's like, oh well, the card determines a significant amount of my choices or if I don't want to be limited by the card's choices then I find ways around it... an unintended consequence of developing these maladaptive behaviours.

The similarity to conditions for those on the CDC card was clear in terms of the degree of control exercised by government authorities:

She wanted to buy a car. So rang up INDUE, or whoever, to see whether she'd get permission to purchase a vehicle, because she obviously had the money in her account. They gave permission. But what she didn't realise is that she needed to do that every fortnight. She thought that once she'd signed up for the vehicle, and got that approval, well then they would automatically just debit her account to pay for the vehicle. It was only when there was a tow truck to repossess the vehicle that all of a sudden, she clicked.

Others believed government had tried to disguise the racist aspects of the policy by having the trials operate in areas outside the major cities.

If it was operating in Adelaide, I reckon you'd have quite a lot of people who'd be quite concerned and upset about it. But because it's so far away and you get people, they get really moralistic and, to me, racist because it's those people, it's not us. And the interesting thing is when I mentioned this to a couple of Centrelink recipients I said, "Do you realise" — and they were not Aboriginal, right, and they said, "No, they wouldn't do that to us". Well, guess what, they will.

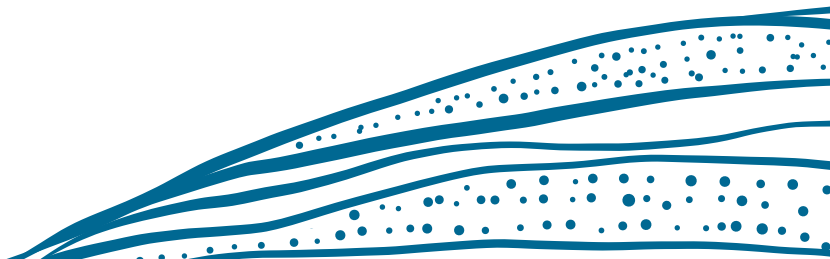
The CDC was described as reinforcing or creating vulnerability by returning to the paternalistic approaches of the past and failing to address real concerns about financial literacy in a culturally appropriate way:

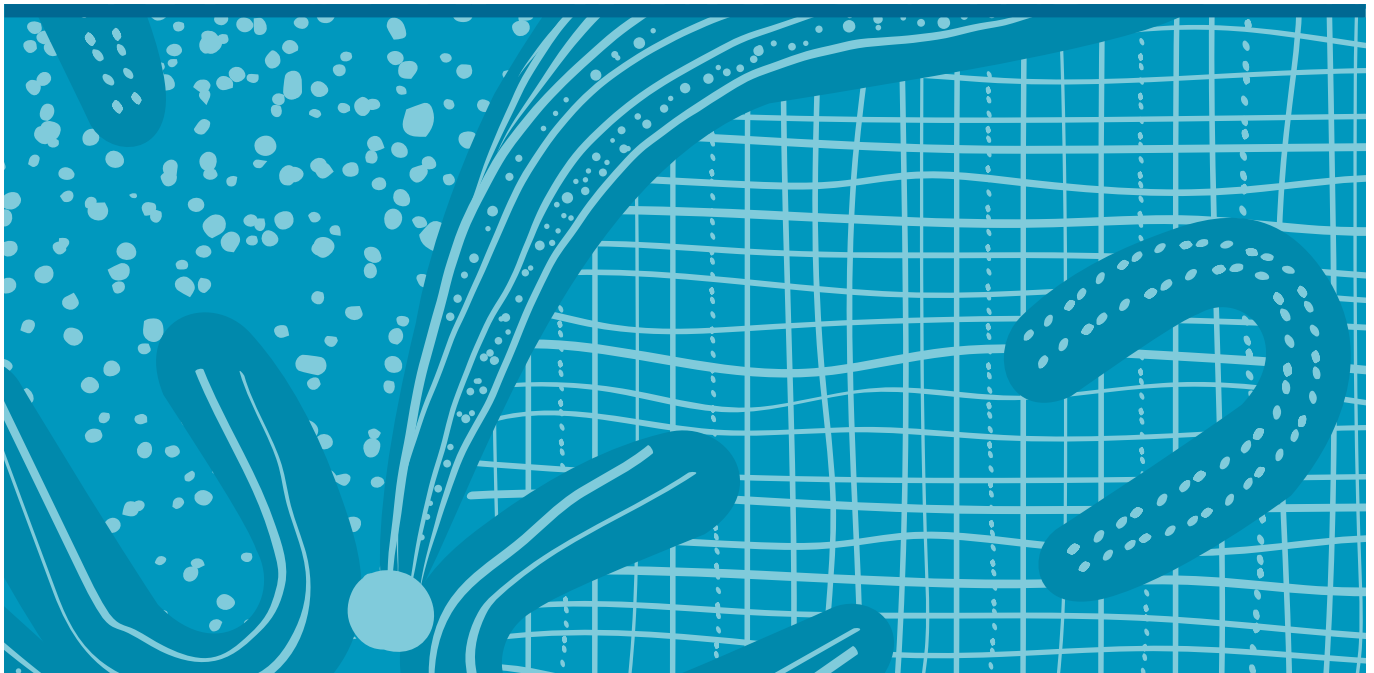
I find it curious that the government wants people to learn about how to be responsible with their finances, but you know, this policy cuts in completely the opposite direction. It's very much back to that, "you're incapable and so, therefore, we're going to just take it out of your hand and tell you how this is going to work". When you think about the fact that people weren't citizens. And then, often, weren't given control of their own money. Were paid in flour and tea and sugar. And you just — you see the conceptual gaps that people have around all of these different financial concepts. And that doesn't — that takes a hell of a long time to break down because it's — we've got to find a way to explain that in people's first language and culture. And there are no previous equivalents for a lot of these concepts, so you've got to find ways to explain them all from scratch, really, and then make them culturally accessible for people. And that doesn't just happen in an instant.

Trials were seen as a blanket approach that treats everyone the same, and this created a sense of powerlessness:

How can we stop them? How do we stop them? Our Aboriginal representative is up there in Parliament, none of them stand up. They all, "Yes master, no master," sort of thing. But nobody is — I just can't believe that in this day and age, people can't see that this government is stamping all over the First Nations people of this country, and they're treating us like they treated us when we were nobodies. They were forced into allowing us to vote. Before that we were considered part of the Flora and Fauna Act. We weren't counted, we were counted with the animals.

...it just puts you in a corner and you can't get out. You know? You have to do what the card wants.





EXEMPTIONS

Initially, people on the CDC trials could not come off them for any reason. In one trial site, leaders who conditionally agreed to the trial told government:

We should be able to tell DSS who shouldn't have to go on the card, who can be exempt because we know as many people in town that should not have been put on the card and we know many of those who deserve to be on the card are on it, but not to come in with a blanket approach.

Government ignored this and instead, in some trial sites, introduced a 'community panel' which often included local police. People could then apply to the panel to have their cash amount increased, but there were concerns about the way panels operated:

It's not going to work that way because the police are just knocking everything on the head and we're not telling the people why. So, they didn't have a chance of going away, addressing the problem they were knocked back for; they were just knocked back and there was no follow up.

The panels subsequently received very few applications. In 2019 government agreed to let people apply to Centrelink to be exempt from the trial, if being on the trial would put a person's mental, physical or emotional wellbeing at serious risk; or exit from the trial if the person could demonstrate reasonable and responsible management of their affairs – including financial affairs.

However, people we spoke with said it was very difficult to come off the trial.

I believe once you go on to the CDC it's virtually impossible to get off it. Another person noted: ...not too many have actually been able to go through and get themselves taken off of the cashless welfare card.

It was also pointed out that if someone was granted an exit from the trial then the people they cared for needed to be made exempt, yet there appeared to be little understanding of this by Centrelink, or there was a delay in that happening.

Then in two weeks' time they took my daughter off the Indue because it didn't make sense that I'm not on and she's on, they had to take that altogether then.

FAILURE TO RESOLVE LOCAL PROBLEMS

One person pointed out the hypocrisy of a government that claims the CDC as a means to reduce social harms while overlooking the same harms in other places not subject to the trials:

...they fly in the grog, actually fly the grog into those communities up in the Northern Territory where they're not accessible by road. And up at Palm Island, they boat it in. Nice big boats. So, who is selling the grog to these people, and they would know, the communities, the towns are big enough to know who's selling the sly grog over on the communities. And did they do anything about it? No, they don't, because they don't want to take the business away from the hotels and such. And the gambling, same thing. They're just not addressing it from the other ends and because my favourite hate is the Indue card and what sort of revenue they're getting back from it.

Other people felt that the ability of local organisations to address social harm had been consistently ignored:

Things that we saw that were more beneficial for example, was that we were able to talk the Ambulance Service into providing their paramedics to come to the centre every morning. Maybe if they got to know them and vice versa it might turn out more beneficial. Which it did. As a result of the paramedics coming every day there hasn't been a hospitalisation because of alcohol related issues.

They have just got a phone and a torch, and they intercept these youths walking around at night and ask them what they're doing. Try to encourage them to go home. And of course, they know who they are. What has happened over the last 12 months, the crime rate has dropped by 61 per cent. And also, we've got 38 cases less coming before the Magistrate on a monthly basis, and [consider] the savings on that.

People we spoke with also believed there was a failing on government's part to understand the realities of life for people in remote or rural areas - which are very different from cities. For example, when a leader in a remote area was asked about the possibility of the CDC card being run by banks, they replied, *Yeah, where's the banks out here?*

An elder in a rural area said, the card did not work as promised: *we've got shops in town here who don't really bother with the card, they just want cash. That's made it really difficult.*

Yet there were people who hoped the trials would bring about some change:

I think there continues to be this hope amongst people that it will be a mechanism for preventing, certainly the access to alcohol and drugs that some of the older people are worried about. I often sit down with them and say, look, that's not what I've seen. That's not what I've seen happening. People find a way around it. You know, I think they're genuinely — they're looking for some circuit breaker for these really distressing things that happen to their sons and daughters and grandchildren. But I'm not sure that anyone's - and when I say I'm not sure, I'm genuinely not sure. I'm not sure what conversations about the evaluations that have taken place and the evidence of whether it's effective or not.



VALUE OF CDC TRIALS

Overall, there was strong feeling that there was no proof that trials were working. One person stated: *there was no evidence whatsoever.* Another person said:

If the government is going to have a policy like this that is so oppressive on people's free will, choice and control, there should be a burden of proof that lies with government to demonstrate without a shadow of a doubt that this is delivering those policy objectives and is helping people...it's incredibly inconclusive whether this is actually having any impact at all.

Concerns about the trials being expanded to the Northern Territory included costs, lack of evidence and ethics:

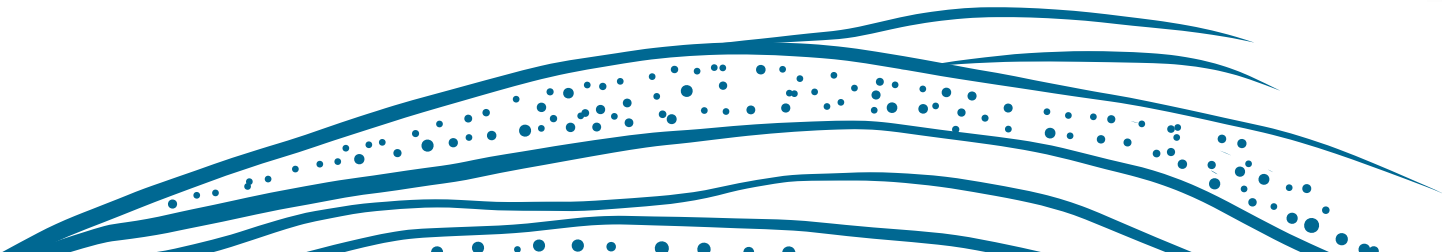
...when you look at the amount of costs that's been associated with running trial sites, the implementation, supporting it and the amount of investment that would go into the roll-out, when the information is inconclusive... there was a level of negligence in just expanding the trial sites.

Not only did people believe there was there no evidence that the trials were being effective in preventing social harms, they, also said they were causing harm:

...the only other thing I would say about the basics card and the cashless debit card is it's open to being exploited because there's some people here with their basics card going, "Oh, someone used my card." There's no ID, it's really hard to monitor.

SUMMARY

The majority of people said the cashless debit card had caused tension, worry and stress for communities involved in the trials. People expressed anger, powerlessness, and frustration about how the trials were set up and the stigma the card caused. Elders described the card as a way to control people and their spending – just as it had been under Protectionist legislation. Overall, the people who spoke with us had little trust in government, they did not feel listened to or felt that government had not provided services they promised when they set up the Cashless Debit Card trials.



FURTHER INFORMATION

A report called *Welfare Quarantining in Australia 2007-2020 – updated 2021* reviewed the history of income management policies and assessed evidence about the operation of the schemes in different locations across Australia. It can be downloaded [here](#).

We hope that this short document will be a useful reference for your communities and organisations and encourage you to circulate it widely.

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