

MEDIA RELEASE

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Cashless Debit Card

The St Vincent de Paul Society National Council has repeated its opposition to the cashless debit card saying the punitive measure deflects attention from the underlying causes of poverty and disadvantage.

CEO Toby oConnor said there is no evidence that the card improves the wellbeing of individuals or communities either by reducing substance abuse, or by increasing employment outcomes.

‘The cashless debit card is a form of compulsory income management which restricts how a person can spend their income support payment,’ Mr oConnor said.

‘Since 2007, the Government has implemented a range of different forms of income management. These have varied in terms of whether they are compulsory or voluntary, the portion of payments that are income managed, and who is targeted.

‘The cashless debit card carries a high risk of unintended and expensive consequences for government and the community, including social exclusion and stigmatisation, increased financial hardship, the erosion of individual autonomy and dignity and an increase in the overall cost of social security provision.

‘Around 15,000 people are now on the cashless debit card. In the 2019-20 Federal Budget, the Government announced plans to further extend and expand the trial to 30 June 2021.

‘This includes the transition of approximately 22,500 Income Management participants in the Northern Territory and Cape York to the card from April 2020 at an estimated cost of \$129 million.

‘The most recent evaluation of the card does not provide sufficient evidence to justify an expansion of the trial.

‘A review of multiple evaluations has found that the most effective income management schemes are voluntary, target people with high need and operate in tandem with a suite of support services,’ Mr oConnor said.

See our briefing on the issue [here](#).

The Society of St Vincent de Paul consists of 60,000 members and volunteers who operate on the ground through over 1,000 Conferences located in individual parishes across Australia.

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