



POSITION STATEMENT ON THE CASHLESS DEBIT CARD

Date: March 2020

NPY Women's Council (NPYWC) does not support the Federal Government's proposed mandatory roll out of the Cashless Debit Card in the NT, or more broadly throughout Australia. NPYWC believes the scheme will create a lack of empowerment for impoverished people and not address the root cause of poverty and substance misuse.

Recipients of Centrelink income are currently subject to the Basics Card, brought in by the Howard government in 2007 as a part of the NT intervention. The Basics Card quarantines 50 per cent of recipients' income for use at approved stores, compared with the opportunity for 80 per cent on the proposed Cashless Debit Card (CDC).

There is no conclusive research or evidence to suggest that the CDC will address its key objectives of '*alleviating poverty, alcohol abuse or encouraging employment*'. NPYWC believes the introduction of the CDC will negatively impact remote income recipients who are already living well below the poverty line and live in very fragile financial ecosystems.

NPYWC advocates that the causes of poverty and substance misuse in remote communities are urgently addressed in a qualified way; and that the financial cost (\$1.7 million) of transitioning people to the CDC would be better spent in services that support people to achieve this, such as early job creation for school leavers.

The CDC will act to disempower remote community recipients and bring them "back to when our ancestors first walked into the missions and were fed by rations." NPY Women's Council Director, Maime Butler.

Remote communities have not been consulted in relation the CDC roll out and have not been able to provide input to how this will affect their lives where the reality is that no matter what kind of income management is implemented, people are still living well below the poverty line with little access to permanent employment.

A national one size fits all CDC model does not consider remote community income recipients who:

- pay substantially more for store bought goods than anyone else in Australia due to freight costs
- speak English as a second language, finding it nearly impossible to access Centrelink phone support without translators
- operate in a different cultural environment where resources are shared according to family obligations

The CDC will not reduce violence or poverty and may act to exasperate it as more pressure will be placed on community members with cash incomes to share what resources they have.

NPYWC does support voluntary engagement with the scheme.