



**MoneyMob Talkabout**

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4 November 2019

Ms Jeanette Radcliffe  
Committee Secretary  
Senate Community Affairs Legislation Committee  
Via email: [Community.Affairs.Sen@aph.gov.au](mailto:Community.Affairs.Sen@aph.gov.au)

Dear Ms Radcliffe,

**Re: MoneyMob Talkabout Submission to the Senate Standing Committee on Community Affairs, Cashless Debit Card Transition Public Hearing on 31/10/19.**

Good evening Senators, we appreciate this opportunity to make a submission to the inquiry.

My name is Carolyn Cartwright, I am the managing director of MoneyMob Talkabout. I hold a Masters Degree in Policy and Human Services, and have been a qualified financial counsellor since 2015.

MoneyMob Talkabout is a not-for-profit organization that is funded to provide a "Money Hub" in the Anangu Pitjantjatjara Yankunytjatjara Lands of northern South Australia. We have been working in this area since late 2011, and I have been with the program since its commencement in this area.

Our Money Hub provides financial counselling, capability, no interest loans and a range of other financial services such as a Centrelink agency. Our staff and board comprises 50% Indigenous representation. Our clients are almost exclusively Indigenous, spread across a large, remote area. By virtue of the mobility of our client group, we also see numerous clients in Alice Springs, where our head office is located.

I appear this evening with my fellow Board Member Ms Sandy Marty. Amongst her many achievements, Sandy spent 6 ½ years managing a family centre for the South Australian government in the APY Lands. The centre provides a range of services to community members including youth, aged and disability services. Sandy has direct experience to bring to this inquiry.

MoneyMob has elected to make this submission for the following reasons:

1. The APY Lands is not currently intended as a site for the rollout of the Cashless Debit Card. However we are conscious of the possibility that a rollout could be proposed at a future date.
2. On the basis of trends we see emerging from our data and experiences in supporting income managed clients, which have relevance to the introduction of the cashless welfare card

We present this information in good faith, and have tried to ensure that it is as accurate as possible within the parameters of our data collection system.

- MoneyMob has had 224 clients over the life of the service who have been on income management.
- At the conclusion of the last financial year, our records suggest that around 99 people remained on income management. Around 32 of these have a disability.
- To date, 54 people who are or have been on income management have had problematic experiences. These include:

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Shop 16 & 17, 63 Todd Mall,  
John Cummings Plaza,  
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**Kanpi – APY Lands office**  
(Opposite the Shop)  
Kanpi Community via Alice  
Springs N.T. 0872  
p: +61 8 8954 7026  
f: + 61 8 8954 6124

**Pukatja – APY Lands office**  
Wellbeing Centre  
Ernabella Community, PMB 193  
via Alice Springs NT 0872  
p: +61 8 8956 7284  
f: +61 8 8954 0139

- 12 instances of the card being stolen or held by another person (often a family member),
  - 13 instances of the card being lost (including one client who lost a card 4 times),
  - three instances where Centrelink would not issue a card, because they were concerned about the person's ability to manage or retain it
  - 16 instances of people not being able to understand or use their Basics Card or navigate the income management process.
  - Two instances of clients who were suspected of purchasing good with their Basics Card, and then selling the goods for cash to purchase alcohol in Alice Springs. Despite being on income management, they reported being hungry for long periods.
- 22 of these clients were older or aged (at least 50 plus) and 19 had a disability – including two who were both aged and disabled.
  - Two of the stated objectives of the Cashless debit card are to **ensure vulnerable people are protected from the abuse of substances, and any associated harm and violence**, as well as giving people **increased ability to meet their basic needs**.
  - Our data suggests that welfare quarantining can cause the opposite to happen. While older people and people with disabilities will not be targeted for the CDC, this is unlikely to stop the targeting of people on higher payments such as the Age and Disability Pension for their resources, having their cards and income management allocations taken and used by others when those people's payments have been expended. This is increasing their vulnerability and diminishing their ability to meet their basic needs.
  - The issue of increased elder abuse was touched on briefly by the University of Adelaide in their CDC baseline data collection research in the Goldfields region. However we are not aware of any systemic focus on measuring the incidence of elder or disability abuse in relationship to income management or the CDC. This raises the possibility that one type of vulnerability could be supplanting another.

Sandy Marty will now present a case study drawn directly from her time working on the APY Lands, which highlights the issues facing vulnerable people.

This case study concerns a 69 year old from the APY Lands. The person speaks Pitjantjatjara, not much English, and has a psychiatric disability. She has two adult daughters and one adult son. She receives the disability support pension.

She has had several Basics Cards which are routinely taken from her. If she does get her Basics Card back, it doesn't have anything left on it. She tries to ring Centrelink, sometimes with the help of the art centre manager, but encounters long wait times and multiple transfers, then can't understand what they want when they answer. It is likely that the art centre manager isn't there because she's given up waiting and is helping someone else. Centrelink sometimes hangs up on her.

This is a snapshot of her financial position.

Debts owed:

Local second hand store -	\$50/fortnight (she doesn't visit this store)
Telstra -	\$ 50/fortnight for \$500 (doesn't own a phone)
Rent -	\$150/fortnight
Groceries -	\$400/fortnight
Cigarettes -	4 x \$50 = \$200/fortnight (doesn't smoke)
Total left -	\$15 per week (if lucky)

Her keycards are routinely taken and not returned. She tries to keep her PIN number and keycard safe but family humbug her for the number and threaten her with violence. They physically and verbally abuse her if she does not hand these over.

If she sells a painting, the money is given to family to buy a car with the promise to take her away to Port Augusta or Coober Pedy for a holiday. She hasn't been anywhere; once the family get the car they take off to those places and she doesn't see or hear from them again, until that car is broken, has been impounded or crashed and they have run out of money and want more to be able to return home.

One family member is disabled, and she helps them in and out of bed every day and night, gives them Weetbix for breakfast and a cup of tea and not much for dinner, as she doesn't have enough food to feed the family.

No one assists her to pay rent, or with household chores. As well as being elderly and having a psychiatric illness, she has a chronic disease.

A lot of young people humbug family for money, because they don't work. Because they don't work and have been cut off from Centrelink, they ask for money all the time. Some of them want money for gunja or grog and get very angry if they don't get it.

This situation happens to a lot of people who are aged, have disabilities and mental health issues. The quaranting of welfare payments has not stopped this, and there are people who the system is not even able to target because they have disengaged.

The Explanatory Memorandum to Parliament on the Social Security Amendment Bill states that the Cashless Debit Card has and continues to be the subject of extensive consultation. However, consultation in the Northern Territory has been in relation to providing information about the CDC, how it operates and how it differs from income management. Communities do not appear to have had a choice about whether they want the card at all.

The APY Lands forms part of a broader cultural region, the Ngaanyatjarra Pitjantjatjara Yankunytjatjara Lands which covers South Australia, Western Australia and the N.T. The Anangu people of this region frequently traverse state borders and travel between regional centres. In this way, they could find themselves being subjected to the CDC regime – for example if they stay in Alice Springs or Ceduna for an extended length of time. This is despite the fact that in their originating communities no consultation about or agreement to the measure may have occurred.

The NPY Region is an Empowered Communities region. This is a national initiative designed to empower the Indigenous people directly affected to have greater control and influence on the decisions that impact their lives. The process underlying the extension of the CDC seems to run in direct contrast to this empowerment agenda. A number of Anangu from across the region have directly expressed to me that

they do not agree with this measure and do not want the card. If we are genuinely committed to Indigenous empowerment, then consultation should include asking if the CDC is desired at all, and if so by whom, where and how.

MoneyMob acknowledges that there are complex issues affecting communities, that are distressing for individuals and families. They are also distressing for the services that support these populations. However, there is a lack of definitive evidence about the effectiveness of welfare quarantining. To this end, we are also concerned about the proposed amendments to the bill which appear to remove the statutory requirement to undertake independent evaluation of the CDC trials.

The complexity of the issues suggests a range of coordinated and specialist interventions are required. For example, in the APY Lands, there is little in the way of alcohol or other drug rehabilitation services, adult therapeutic/mental health support, family mediation or relationship specialists. It is very hard to achieve coordination between services. The impact, as we have outlined in the case study above, is that welfare quarantining can simply shift the locus of the problem. Given the vast area and distances between communities in the N.T., how will communities and individuals access the range of supports necessary to address the various issues? These will not be addressed by the introduction of the cashless debit card alone. The money being allocated to expand the measure could instead be used to provide a vital injection to community sector services to extend their reach and level of support.

As a financial counsellor, I would also like to speak about the impact of poverty in Indigenous communities in particular. There is a narrative which has become popular in Australia that people on income support are bludgers, druggies and do not manage their money well. Whilst these problems are found in communities – including non-Indigenous communities – MoneyMob's experience in supporting Indigenous people on some of the lowest incomes in the entire country provides an alternative view.

For example, we have in the last 18 months uncovered more than \$420k worth of telecommunications debt alone in the APY Lands – a population of around 2000 adults. There are multiple other sources of debts. Expensive forms of credit such as payday loans, consumer leases and discredited companies like Cigno take large amounts of money from low-income people who have few other options for credit or consumer purchases. The cost of living remote is also comparatively much higher – a recent example I can provide is of having bought a bottle of shampoo in Alice Springs for \$6, and seeing the same bottle in an APY Lands store for more than \$15. It is not uncommon to find people who are repaying fines of \$20,000-\$30,000. The lack of remote employment opportunities is well documented. Poverty actively inhibits good financial management, as well as negatively impacting a whole range of other social determinants of health. The rhetoric around the cashless debit card is pejorative and does not acknowledge the realities of financial exclusion and poverty in remote communities.

MoneyMob's vision is for that Aboriginal people and communities will achieve economic wellbeing and self-determination. The rollout of a universal measure such as the cashless debit card does not provide or guarantee a pathway to future independence for people. It is disempowering for those who have demonstrated an ability to manage their finances. It disproportionately impacts Indigenous people. There is no silver bullet – or card – which will achieve the various objectives which welfare quarantining has for more than a decade now sought to address.

We thank the committee for your time and this opportunity to present to you.