Cashless Debit Card

Aim and Impact

What is the aim of cashless debit card?

The Australian Government is considering the best possible ways to support people, families and communities in places where high levels of welfare dependence co-exist with high levels of social harm.

The cashless debit card is testing whether reducing the amount of cash available in a community will reduce the overall harm caused by welfare fuelled alcohol, gambling and drug misuse.

The cashless debit card has a positive impact on families and communities.

The Government commissioned ORIMA Research to undertake a full, independent evaluation of the Cashless Debit Card trial in the Ceduna region, South Australia and in the East Kimberley region, Western Australia. The final evaluation report was released on 1 September 2017.

The independent evaluation found that the cashless debit card has had a **“considerable positive impact”** in the first two communities in which it operated. It concluded that the Cashless Debit Card trial “has been effective in reducing alcohol consumption and gambling in both sites and [is] also suggestive of a reduction in the use of illegal drugs”. There is also evidence that there has been “a consequential reduction in violence and harm related to alcohol consumption, illegal drug use and gambling”.

**Key findings from the EVALUATION**

* Alcohol – of participants who reported that they do drink alcohol, **41 per cent** of participants reported drinking alcohol less frequently, while **37 per cent** of participants reported binge drinking less frequently
* Gambling – of participants who reported they do gamble, **48 per cent** of participants reported gambling less
* Drug use – of participants who reported using illegal drugs before the program commenced **48 per cent** reported using illegal drugs less often.

The evaluation also found “widespread spill-over benefits” from the card:

* Of the participants surveyed, **40 per cent** said they were better able to look after their children
* **45 per cent** of participants have been better able to save money
* Merchant reports of increased purchases of baby items, food, clothing, shoes, toys and other goods for children
* Considerable observable evidence being cited by many community leaders and stakeholders of a reduction in crime, violence and harmful behaviours over the duration of the program.

**The report is available on the Department of Social Services website.**

**GET THE FACTS**

**The cashless debit card is just like a normal bank card – use the card to:**

* pay rent or mortgage
* pay bills
* pay for medical appointments
* pay electricity bills
* pay car registration
* buy groceries
* check balance and transaction history for free

Did you know?

* Medicare rebates can still go into your usual bank account

**The cashless debit card cannot be used to buy alcohol, gambling products, gift cards or to withdraw cash.**

People on the cashless debit card receive:

* 20 per cent of their welfare payment into their usual bank account
* 80 per cent of their welfare payment onto their cashless debit card
* 100 per cent of lump sum payments from Centrelink (e.g. Family Tax Benefit) are placed onto the cashless debit card

Did you know?

* Centrepay and Rent Deduction Scheme stay the same

