



## **THE HON PAUL FLETCHER MP**

Minister for Families and Social Services

### **MEDIA RELEASE**

22 January 2019

#### **Shorten plans to scrap Cashless Debit Card would condemn vulnerable Australians to welfare dependence**

Bill Shorten's announcement today that he would scrap the Cashless Debit Card risks sentencing thousands of vulnerable Australians to a life of welfare dependence.

Minister for Families and Social Services, Paul Fletcher, said Shorten's announcement is a part of Labor's broader agenda to wind back mutual obligation.

"It is clear that Labor does not believe in mutual obligation. They don't believe in asking people to have a go to get a go," Mr Fletcher said.

"Two weeks ago, Labor announced a winding back of the obligation for Newstart recipients to apply for jobs.

"Under our Government, mutual obligation and job creation have delivered the lowest proportion of working-age Australians on welfare in 30 years.

"Bill Shorten is more interested in the votes of wealthy, inner city, left-leaning and Greens voters than he is in supporting vulnerable Australians."

The Cashless Debit Card has been successfully operating in Ceduna, East Kimberley and the Western Australian Goldfields since March 2016 with approximately 5400 Australians now on it.

The card operates in areas of entrenched welfare or alcohol dependence. It puts 80 per cent of a welfare recipient's benefits onto an EFTPOS-like card, which can be used to buy necessities but is blocked for alcohol, drugs or gambling products.

It begins to roll out in Hervey Bay-Bundaberg in Queensland late this month.

The Cashless Debit Card works. An independent evaluation of the card in WA and SA found that the Cashless Debit Card was having a "considerable positive impact", including:

- 41 per cent of participants who drank alcohol reported drinking less frequently;

- 48 per cent of participants who used drugs reported using drugs less frequently; and
- 48 per cent of those who gambled before the trial reported gambling less often.

“The Cashless Debit Card is one of the most positive developments we have seen in the welfare field for decades - and it is making a real difference in the lives of thousands of Australians,” Mr Fletcher said.

“Our Liberal National Government believes in improving our social services system - and help Australians in the system to exercise personal responsibility to improve their lives and improve their communities.

“What does Labor really believe?”

**Media contacts:**

Craig Regan 0408 448 527 | [Craig.Regan@dss.gov.au](mailto:Craig.Regan@dss.gov.au)

Brooke Leembruggen 0447 743 835 | [Brooke.Leembruggen@dss.gov.au](mailto:Brooke.Leembruggen@dss.gov.au)