



**THE HON PAUL FLETCHER MP**  
Minister for Families and Social Services

**MEDIA RELEASE**

25 March 2019

**Morrison Government extends successful Cashless Debit Card**

The Morrison Government today announced the expansion and extension of the successful cashless debit card, with Income Management participants set to transition onto the card and sweeping technical enhancements made to card functionality.

Minister for Families and Social Services, Paul Fletcher said that from January 2020 the Government will expand the Cashless Debit Card, with nearly 22,500 Income Management participants to transition from the BasicsCard onto the Cashless Debit Card.

Evidence shows that the Cashless Debit Card works, with significant, consistent improvements across communities where the card is operating. The most consistent findings from multiple independent evaluations include reductions in alcohol and drug use, increased motivation to find employment and improved financial management.

“The Cashless Debit Card offers a more streamlined approach to welfare quarantining and benefits to taxpayers, with operational costs of well under \$1,000 per head in the most recent expansion site.” Mr Fletcher said.

“Introduced by the Liberal National Government, the Cashless Debit Card is one of the most positive developments in welfare for decades, making a real difference in the lives of thousands of Australians.

“We have committed \$129 million to these improvements and extensions of the Cashless Debit Card.”

The Government is also committing funding for an additional 12 months across the existing trial sites to 30 June 2021. Bundaberg and Hervey Bay, Ceduna, Goldfields and East Kimberley regions will all receive funding for support services to continue.

“These communities have done the hard work” Minister Fletcher said.

“They have put their hands up for this initiative because they were determined to tackle the scourge of welfare-funded drug, alcohol and gambling abuse in their communities - and their courage has been rewarded”.

“Our Liberal National Government is creating a better welfare system through measures like the Cashless Debit Card - which helps Australians exercise personal responsibility to improve their lives and their communities,” Mr Fletcher said.

“Unlike Labor and the Greens our Liberal National Government is committed to the principle of mutual obligation – and we believe the Cashless Debit Card is an effective way of supporting Australians on welfare to have more control of their lives,” Mr Fletcher said.

“The cashless debit card will also be enhanced to feature improved technology to automatically decline transactions, online or in store, if the purchase includes restricted items such as alcohol or gambling products.

“In direct response to feedback from card participants we are also introducing the ability to accrue interest,” Mr Fletcher said.

The Cashless Debit Card offers a better user experience with the ability to transfer funds between accounts, purchase online and is automatically accepted at almost 1 million eftpos terminals nationally.

For existing participants on the Income Management and BasicsCard program, there will be no change to the operating principles, including the percentage to be quarantined, which will remain at 50 per cent, unless the community requests a higher percentage through consultations.

**ENDS**

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**Background:**

Under the Cashless Debit Card, 80 per cent of a participant’s welfare payment is placed on a Visa debit card that can be used at any merchant that accepts eftpos.

The card operates like a regular banking product, and enables a range of flexible payment options including online transfers, direct debits, BPAY, some online shopping, and recurring deductions.

The only time the card cannot be used is for the purchase of alcohol, gambling products, some gift cards, or to withdraw cash.

Extension and expansion of the Cashless Debit Card is subject to the passage of legislation.