

Parliamentary Secretary to the Prime Minister

The Hon Alan Tudge MP

Doorstop, Ceduna SA, Wednesday, 5 August 2015

Transcript

E&OE

JOURNALIST: Alan Tudge, what does this moment mean?

ALAN TUDGE: I think this is a watershed moment, both for this community as well as for the nation in terms of how we deliver welfare. We've just signed the Memorandum of Understanding with the local leaders here in the Ceduna region. This will mean that Ceduna will be the first trial site of our cashless debit card come early next year. The concept is simple. Instead of providing welfare into a cash account, instead we'll be putting 80 per cent of people's welfare payments into an account which is only accessible through a VISA or EFTPOS debit card. That card will work anywhere, you can purchase anything, but it won't allow the purchasing of alcohol or gambling and because cash is limited, you won't be able to purchase illicit products either. We've worked very closely with the community leadership over the last few months to get to this point. It's been more than consultation, it's been co-design. Consequently, I think that this trial will have a very good chance of having the impact which we hope it will, and that is reducing the significant harm caused by welfare-fuelled alcohol, gambling and drug abuse. I really commend the community leaders for the work that they've done in working with us over the last few months. I'm hoping that come next February, this really will make a difference to this community.

JOURNALIST: The original architect of this scheme had a completely cashless card. Why are you [inaudible] 80 per cent [inaudible]?

ALAN TUDGE: Andrew Forrest recommended that 100 per cent of payments be placed onto the debit card. We don't think that's practical. We're not yet in a cashless economy. There's still some things you do need cash for. It might be the kids tuck shop, it might be the local bus, things like that. In addition, this was what was agreed with the community leaders. We discussed this at length and the community leaders settled on this figure that 80 per cent should be placed on the card and 20 per cent into people's cash accounts.

JOURNALIST: Up to \$150 a week though is quite a lot of money to have in cash. Are you concerned at all about humbugging and whether this is actually going to address that?

ALAN TUDGE: I think it will have a very significant impact on welfare-fuelled alcohol and drug abuse in the future. We are going to closely monitor how the trial progresses and we'll do a full evaluation of it. If this works, as we think it will, then it may well be a model for implementing elsewhere in Australia.

JOURNALIST: What about humbugging?

ALAN TUDGE: The people who are concerned about humbugging might be those aged pensioners who won't be part of the trial on a compulsory basis, but they will have the option to choose to take the card should they want to.

JOURNALIST: You spoke about three trial sites. What is the scope for this? Could this be spread across the nation?

ALAN TUDGE: The intent was never for this to be spread completely across the nation, but should the trial be successful, then we may well implement it in other places which have high welfare-fuelled alcohol and drug abuse.

JOURNALIST: Can we see this implemented in North Adelaide?

ALAN TUDGE: We're taking this one step at a time. We're going to be asking the parliament to authorise a trial. That trial would occur for 12 months, we'll monitor that trial, we'll assess it, we'll evaluate it and then we'll make decisions from there.

JOURNALIST: Is there a risk of tarring everyone on welfare with the same brush in this community including those who are doing the right thing with their money?

ALAN TUDGE: My message to them is if you're a welfare recipient and are doing the right thing then the only impact the card will have upon you is that instead of reaching into your pocket for cash, you'll reach into your pocket for the card and tap and go. You'll be able to use this card absolutely everywhere. You'll be able to purchase anything, it just won't work at the bottle shop or at the gambling houses.

JOURNALIST: How hard did you have to work to get community sign up here to the idea? I know it's been going on in the background for six months.

ALAN TUDGE: We've had a very deep consultation process and Mick and Alan might be able to comment on this as well. We've been very fair dinkum right from the start about how we've engaged, the fact that it will be a co-design process. We've had to give a bit and they've had to give a bit to come to this solution and we've all agreed, as you know today. We'll have to continue to operate and cooperate closely together over the next six months as the trial gets implemented but I think we've got a very good relationship formed and I think that forms the basis of a successful trial.

JOURNALIST: What sacrifices had to be made...

ALAN TUDGE: You might ask Mick or Alan in relation to the consultation process.

MICK HAYNES: From a community leaders' perspective, we've been in that consultation process with government now for about six months. When the proposal was put to community leaders, we met weekly to talk about all the issues and the potential for change in our community. For far too long, members of our community have been dying. There's alcohol-fuelled violence, domestic violence and people have been misusing their money. The community discussed all these issues and thought we need to change things for the better.

JOURNALIST: It's pretty amazing that you managed to actually get everyone to agree to this. I'm sure no mean feat.

MICK HAYNES: All the consultations were with community heads but also with the local community councils. All those council's endorsed the process. There's ongoing consultations still happening with individuals who may not fully understand the concept of the card. But we hope by the end of the year all our consultations with people that are going to be impacted on will be addressed.

JOURNALIST: So with the Basics Card, those who really want to, can get around this. Do you think there is still a scope for that to happen or do you think this card will address this issue do you think?

MICK HAYNES: There's a bit of a difference between the Basics Card and the Debit Card. The Debit Card is, as Alan said 'tap and go'. People will be able to access some money to go to the football or buy their kids a pie or pastie at the footy, those sorts of things. But the bulk amount of money will be for the main expenses of families and individuals.

JOURNALIST: Do you think this is a turning point for the community?

MICK HAYNES: I think it is, and I'm really hopeful as our other community leaders that this is going to be a turning point for Ceduna, and the community and the individuals out in the remote communities.

JOURNALIST: Ceduna has a lot of I suppose flak over recent years with alcohol abuse here and violence and so on. How bad is it actually here, is it still at crisis point?

MICK HAYNES: I wouldn't say it's at crisis point but I would say it's an ongoing issue and we're looking at ways and means on how we can address this in a respectful way with those people who are very much dependent on alcohol. There are other issues as well like drug use, so we're hoping that with the introduction of the card a lot of those issues will gradually be eliminated. We've still got a lot of work to do so between now and February next year we will continue to meet to discuss all the issues around the introduction of the card.

JOURNALIST: Mr Tudge I also understand there will be some money flowing from this to some programs to help people who have issues with alcohol and gambling.

ALAN TUDGE: Yes, we're very cognisant that to accompany the welfare card there will be the need for some additional services and we will be assessing the capacity of local services here on the ground and not just alcohol counselling but things like financial management and financial counselling support. We'll be working closely with the South Australian Government and the community leaders here to determine what may be required over the coming months.

JOURNALIST: If I can ask you, why have you supported this step?

ALAN SUTER: Well our support from the very beginning was dependent upon the support of the indigenous leaders, without that it would have been a waste of time. We are equally convinced that this will do some really good things to address the problems that are faced by a minority of our people. We're very confident in fact the outcome will improve many lives, particularly the lives of families that have been affected by their carers spending money on alcohol rather than family needs. We see this as a really positive step forward.

JOURNALIST: How bad is it I guess in Ceduna?

ALAN SUTER: For a small group of people it's terribly bad, I shouldn't over exaggerate the problem, for the majority of our citizens it isn't a problem at all and many welfare recipients will not be affected by this change because anyone spending more than 20 per cent of their income on alcohol or gambling clearly needs some help. The vast majority don't need that help and they won't really be affected I don't believe

JOURNALIST: If the card does successfully deal with the problems, what do you see flowing from it? Can you see vast improvements to the town?

ALAN SUTER: I certainly can. I mean we've been making steady progress for many years, there's a series of other programs and steps that have been undertaken, some successful and some not. I think this is the ultimate thing that we can do and it may even turn out that if this is as successful as we think it will be, then some of the other programs can be wound back because they're putting unnecessary restrictions on people.

JOURNALIST: Does that mean Council money in the future will [inaudible]?

ALAN SUTER: We are very keen to spend more money on indigenous issues, we for example would like to start a wildlife park which would be staffed and operated by the indigenous community. So we've got things that we'd like to do but we haven't been able to do because we're too busy spending money addressing the problem of this small minority.

ALAN TUDGE: Thank you so much.

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