



The Hon Amanda Rishworth MP

Minister for Social Services
Member for Kingston

The Hon Linda Burney MP

Minister for Indigenous Australians
Member for Barton

The Hon Bill Shorten MP

Minister for Government Services
Minister for the National Disability Insurance Scheme
Member for Maribyrnong

The Hon Justine Elliot MP

Assistant Minister for Social Services
Member for Richmond

MEDIA RELEASE

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**EMPOWERING COMMUNITIES WITH THE ABOLITION OF THE CASHLESS DEBIT
CARD PROGRAM**

The Albanese Labor Government is delivering a long-term plan to ensure certainty, choice and support to communities moving off the cashless debit card program.

Following extensive consultation in sites across the nation, the Government has today announced a suite of measures that empowers local communities and will assist in abolishing the cashless debit card program and ensure communities are better off.

This will deliver on our election commitment to end a failed program.

The Government will abolish the cashless debit card program and make income management voluntary in Ceduna, East Kimberley, Goldfields and Bundaberg-Hervey Bay.

Under the plan, the Cape York region will retain all of its powers of self-determination and referral for community members to go onto income management under the Family Responsibilities Commission.

CDC participants in the Northern Territory will be subject to the requirements under previous income management legislation.

The plan will see around 17,300 individuals in cashless debit card program sites transition off the CDC and onto the new arrangements, or off the program completely

Participants in Ceduna, East Kimberley, Goldfields and Bundaberg-Hervey Bay will be able to transition from October 4, subject to the passage of legislation.

The plan for the abolition of the cashless debit card program includes:

- an updated income management technology solution with an enhanced card linked to Services Australia
- a continuation of current community support services and addition of new services
- legislative amendments to strengthen and streamline income management and oversight
- delivering \$49.9 million for additional alcohol and other drug treatment services and support in cashless debit card trial sites
- providing \$17 million for community-led and designed initiatives to support economic and employment opportunities in cashless debit card sites
- additional staffing support from Services Australia to support communities through the transition

In the Northern Territory and Cape York and Doomadgee region – as well as volunteers in other sites – the transition to the new enhanced card will be completed early next year.

The changes have been communicated with states and territories, who have all indicated willingness to work with the Commonwealth on the longer-term issues facing these communities.

Updated Technology

Updated technology for people moving to income management will provide access to more merchants and facilitate BPAY and online shopping. Protections such as pin technology and consumer-driven product blocking will also be explored.

Crucially, under the changes all income management will be delivered by Services Australia. Individuals will no longer be required to deal with a private company for customer support functions.

The measures will restore the role of Services Australia in income management and provide enhanced choice.

Legislative changes

Amendments will be introduced to the Parliament on Monday to further affirm the role of the Family Responsibilities Commission in the Cape York region, ensure those on income

management in the Northern Territory have access to the enhanced technology and allow people to volunteer to be on the updated solution.

Changes will be made to bring income management under one piece of legislation. Participants transitioning from CDC will have 50 per cent of their income quarantined and 50 per cent accessible in cash, except in Cape York where the Family Responsibilities Commission determines the appropriate proportion.

Stronger Services

A total of 44 essential support services in communities – such as the community bus in Ceduna for children who cannot access other transport – that were set to have funding expire next year, will continue.

A range of new support services, including those requested by communities during consultation with the Government, will also be developed and funded.

The government will also deliver \$49.9 million for additional alcohol and other drug treatment services and support in the four CDC trial sites in Ceduna, East Kimberley, Goldfields and Bundaberg-Hervey Bay. These services will be co-designed with the local community to ensure the support meets local needs, in another example of the government supporting local decision-making and voices.

Funding will be used to support alcohol and other drug treatment that complements existing services, addresses service delivery gaps, and is consistent with the needs and expectations of the communities - designed to support First Nations and other people living in these locations.

As a critical first step, the Government will work with communities on a localised approach to funding alcohol and other drug treatment services for each location.

Strengthening economic development

A total of \$17 million will be made available to support the creation of economic and employment opportunities in cashless debit card sites following the abolition of the CDC program.

The grant funding will be directed towards community-led and designed initiatives, in line with our principles of self-determination and choice.

Additional staffing support

Additional front of house staff from Services Australia will be provided in cashless debit card program sites over the transition period.

Staff will support community engagement activities, including Indigenous Service Officers and Community Engagement Officers and there will be additional Remote Servicing visits arranged. More Financial Information Service (FIS) Officers will also be available to work with individuals on budgeting issues or more complex financial issues.

Social Workers will be available to work with individuals with more complex issues. Additional specialist staff may be deployed into CDC sites during the transition period if the need arises.

The Department of Social Services will also provide additional social supports as required in response to the need of the individual CDC communities.

Minister for Social Services Amanda Rishworth said the Albanese Labor Government was delivering on its election commitment to abolish the CDC program and had carefully considered measures that would help communities.

“This package will deliver real solutions for those communities who were subject to the cashless debit card trial and provide choice and long-term certainty into the future,” Minister Rishworth said.

“We’ve heard from communities about what they need and these measures deliver on that.”

Minister for Indigenous Australians Linda Burney said the Government has listened to local communities and would continue to consult community-by-community on the future of income management.

“Entrenched disadvantage must be tackled by adequate support that addresses the causes of that underlying disadvantage and build capacity.” Minister Burney said.

Minister for Government Services Bill Shorten said restoring the role of Services Australia would result in those on income management receiving the right support services.

“Services Australia is the Government’s key implementation agency and will work to deliver the policy as laid out under the Government’s plans,” Minister Shorten said.

Assistant Minister for Social Services Justine Elliot said hearing first-hand what communities wanted had informed this package.

“I’ve been out on the ground consulting and the package we have delivered is comprehensive and it is what communities want,” Assistant Minister Elliot said.

The Albanese Labor Government remains committed to making income management voluntary over the long term for those 24,000 people on IM nationally.

We will continue consultation over the next 18-months to ensure communities are supported to decide what the future of IM looks like for them.

This is important work but we have to ensure we are consulting thoroughly and listening to communities.

Information about the changes will be distributed in First Nations languages and dedicated Commonwealth support teams will be deployed to assist with the transition.

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