



Australian Government

Department of Social Services

Mr Jason Lange
Executive Director
Office of Best Practice Regulation
Department of the Prime Minister and Cabinet
1 National Circuit
BARTON ACT 2600

Email: helpdesk-OBPR@pmc.gov.au

Dear Mr Lange

Regulation Impact Statement – Cashless Welfare – Second Pass Final Assessment

I am writing in relation to the attached Regulation Impact Statement (RIS) prepared for the Cashless Debit Card Ongoing Budget Measure 2020-21.

I am satisfied that the RIS addresses the concerns raised in your letter of 1 October 2020. Specifically, the RIS includes a range of additional Cashless Debit Card program data and early findings from a draft impact evaluation undertaken by the University of Adelaide.

The evidence included in the RIS demonstrates the need for continued Government action. It has been used to further analyse the costs and benefits associated with the recommended approach of supporting income support payment recipients and the broader community through the Cashless Debit Card. This includes analysis of the impact of the Cashless Debit Card, including if the support provided to Cashless Debit Card participants was withdrawn. The RIS also provides further advice on other options that are available to support income support payment recipients, including detail on how these options would be implemented.

The RIS also outlines the significant engagement and consultation that has been undertaken on the Cashless Debit Card.

I wish to clarify that while content based on early findings from the draft impact evaluation has been included, including survey responses from Cashless Debit Card participants, this report is yet to be finalised. As such, final findings are not yet available for reference or publication. Completion of the impact evaluation was delayed due to additional work that was undertaken. Around three times as many qualitative interviews with Cashless Debit Card participants as originally planned were conducted across all three program sites, and 50 per cent more survey responses were received and analysed than the project's original target.

The regulatory savings of the recommended option (Option Two) are \$1.101 million per year.

Accordingly, I am satisfied that the RIS is now consistent with the six principles for Australian Government policy makers as specified in the *Australian Government Guide to Regulatory Impact Analysis*.

I submit the RIS to the Office of Best Practice Regulation for formal final assessment.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Liz Hefren-Webb', written in a cursive style.

Liz Hefren-Webb

Deputy Secretary, Families and Communities Stream

Department of Social Services

6 October 2020