



Submission to the Senate Community
Affairs Legislation Committee on the
Social Services Legislation Amendment
(Welfare Reform) Bill 2017

UnitingCare Australia
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UnitingCare Australia is the national body for social services in the Uniting Church in Australia, supporting service delivery and advocacy for children, young people, families, people with disabilities, and older people

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Introduction

UnitingCare Australia takes this opportunity to comment on provisions of the Social Services Legislation Amendment (Welfare Reform) Bill 2017.

We welcome the schedules of the Bill focussed on streamlining components of the welfare system to reduce complexity and improve accessibility for people seeking vital supports.

We highlight our significant concern, however, regarding Schedules 12, 13, 14 and 15 of the Bill which, we believe, are punitive measures that impose unnecessarily harsh penalties upon an already highly vulnerable proportion of the population. It is our view that the proposed measures are neither likely to result in positive behavioural change, nor economic efficiencies, as anticipated by Government.

UnitingCare Australia is the national office representing the community services of the Uniting Church in Australia. Our services operate nationally across more than 1,300 sites in metropolitan, rural and remote Australia, delivering services to people across the life course.

The views reflected in this submission regarding Schedules 12-14 specifically, are informed by the expertise from services within the Uniting Church's community services network focused on AOD treatment and prevention. In seeking to serve those most vulnerable, these services support people affected by problematic drug use and drug dependence, from birth through to old age. This provides the opportunity to see the impact, not only on the people themselves, but on their broader family and in particular their children.

UnitingCare Australia's overarching position regarding Schedules 12, 13 and 14 is that problematic substance use and dependency should be treated as a serious health issue. As with any other health issue, the response required is a compassionate and evidence-informed one with input from the health and medical specialities. As observed in the recently released *National Drug Strategy 2017-2026*¹, we concur that "alcohol, tobacco and other drug problems are also associated with social and health determinants such as discrimination, unemployment, homelessness, poverty and family breakdown." We subsequently reject the proposition that drug and alcohol dependence can be regarded solely as a 'lifestyle choice' or a compliance issue for social security payments and oppose measures in the Bill that impose punitive sanctions upon those identified as substance dependent.

In contrast, we support the need for greater focus on building and expanding supports available to people with drug dependencies and other 'at-risk' circumstances that will enable effective treatment, positive behavioural change and long term financial savings. We commend to the Committee the recommendations forwarded in both the *National Ice Taskforce Final Report* and the *National Drug Strategy 2017-2026* that promote the need for strengthening support services that help people overcome problematic drug and alcohol use and dependence.

Regarding Schedule 15, we similarly raise concerns regarding the punitive nature of the measures proposed and the introduction of penalties for jobseekers that are unlikely, in our view, to effect the positive behavioural change and cost reduction that is anticipated.

¹ Commonwealth Department of Health. 2017. *National Drug Strategy 2017-2026*. Available at: [http://www.health.gov.au/internet/main/publishing.nsf/Content/55E4796388E9EDE5CA25808F00035035/\\$File/National-Drug-Strategy-2017-2026.pdf](http://www.health.gov.au/internet/main/publishing.nsf/Content/55E4796388E9EDE5CA25808F00035035/$File/National-Drug-Strategy-2017-2026.pdf)

UnitingCare Australia's position is that investment is better targeted at prevention and early intervention strategies that are evidence-based and will deliver more positive and sustainable results for people seeking treatment and support. Such measures will also deliver a stronger return on the investment of Government resources.

Our specific views on Schedules 12, 13, 14 and 15 of the Bill are detailed further below.

Schedule 12 – Establishment of a drug testing trial

UnitingCare Australia does not support Schedule 12 of the Bill concerning the establishment of a drug testing trial.

Schedule 12 states that the trial will “test the effectiveness of decreasing substance abuse through random drug testing, in an effort to improve employment outcomes for trial participants”. Our position is based on substantial existing evidence and research, from both Australia and abroad, indicating that mandatory drug testing policies have routinely proven ineffectual in achieving their aim of deterring drug use and dependency². Underpinning this research is the finding that addiction is a serious and complex health issue, characterised by an individual's propensity to relapse and engage in compulsive behaviours³. Moreover, as observed in the *National Drug Strategy 2017-2026*, “people with mental health conditions use alcohol, tobacco and other drugs for the same reasons as other people, however, they may also use because the immediate effect can provide an escape from symptoms”⁴.

As such, we forward that responses to AOD treatment and prevention must be comprehensive and evidence-based, with a focus on addressing the root causes of the presenting issue. Responses must take into account both social and health determinants of drug use and dependency. We strongly caution that imposition of compulsory drug testing has been proven to have little impact on decreasing drug dependency and incarceration rates, with some studies revealing potential further harms caused by this approach⁵.

Furthermore, UnitingCare Australia highlights that AOD treatment services in Australia are currently overstretched and inadequately resourced to meet demand⁶. That full costs associated with implementing the trial have not yet been disclosed is of great concern, and we reiterate the view that resources would be better expended on reducing the long wait lists that already exist for people seeking access to treatment services for reducing drug dependency. Noting that Schedule 12 of the Bill proposes that welfare recipients who test positively to a drug test may be referred by a medical professional to treatment activities including “rehabilitation, counselling or ongoing drug testing”, we query if any additional resourcing will be made available to support increased use of such services. It is essential that the trials do not impact negatively on existing clients by increasing wait list times and consequently reducing access. Additionally, we believe making people pay for the cost of

²Think Progress 2016. *Drug Testing Welfare Recipients is a Popular New Policy that Costs States Millions. Here are the Results*. Available at: <https://thinkprogress.org/what-7-states-discovered-after-spending-more-than-1-million-drug-testing-welfare-recipients-c346e0b4305d>.

³National Institute on Drug Abuse. 2012. *Understanding Drug Abuse and Addiction*. Available at: https://www.drugabuse.gov/sites/default/files/drugfacts_understanding_addiction_final_0.pdf

⁴Commonwealth Department of Health. 2017. *National Drug Strategy 2017-2026*. Available at: [http://www.health.gov.au/internet/main/publishing.nsf/Content/55E4796388E9EDE5CA25808F00035035/\\$File/National-Drug-Strategy-2017-2026.pdf](http://www.health.gov.au/internet/main/publishing.nsf/Content/55E4796388E9EDE5CA25808F00035035/$File/National-Drug-Strategy-2017-2026.pdf)

⁵Werb et al. 2015. *The Effectiveness of Compulsory Drug Use*. Available at: [http://www.ijdp.org/article/S0955-3959\(15\)00358-8/pdf](http://www.ijdp.org/article/S0955-3959(15)00358-8/pdf)

⁶Drug Policy Modelling Program - National Drug and Alcohol Research Centre. 2014. *New Horizons: The Review of Alcohol and Other Drug Treatment Services in Australia*. Available at: [http://www.health.gov.au/internet/main/publishing.nsf/content/FD5975AFBFD7013CA258082000F5DAB/\\$File/The-Review-of-alcohol-and-other-drug-treatment-services-in-Australia.pdf](http://www.health.gov.au/internet/main/publishing.nsf/content/FD5975AFBFD7013CA258082000F5DAB/$File/The-Review-of-alcohol-and-other-drug-treatment-services-in-Australia.pdf)

subsequent positive tests is unnecessarily punitive and unlikely to support improved outcomes for those directly affected.

We take the opportunity to commend for reconsideration the following recommendations forwarded in the *National Ice Taskforce Final Report*⁷ and encourage the Government to pursue these as an alternative course of action to the introduction of Schedule 12:

- Recommendation 2 - The Commonwealth, state and territory government should provide additional funding to communities to empower them to develop locally-based solutions to ice and other illicit drug issues.
- Recommendation 3 - The Commonwealth, state and territory governments should work together to improve coordination between community-based alcohol and other drug services, and support referral pathways between local health, support, employment and other programmes.
- Recommendation 18 - The Commonwealth, state and territory governments should further invest in alcohol and other drug specialist treatment services. This investment must:
 - target areas of need—this includes consideration of regional and remote areas and Indigenous communities
 - be directed toward evidence-based treatment options and models of care for every stage of a patient journey
 - involve consultation across the Commonwealth, states and territories and the alcohol and other drug sector
 - be subject to a robust cost-benefit evaluation process
 - ensure service linkages with social, educational and vocational long-term supports.

We note that Recommendation 3 strongly aligns with the aim of the trial of improving employment outcomes for people. We strongly support this Recommendation that governments invest in improving referral pathways between employment programmes and local health and support services.

UnitingCare Australia raises concerns regarding how the drug testing trial will be administered. Schedule 12 proposes that participants will be informed of their involvement in the trial by SMS and no personal consultation or engagement will occur directly with them. We raise significant concerns with this approach given the evidence available indicating that enabling positive behavioural change to reduce or prevent drug dependency is more likely to occur when approaches are rational, empowering and provide autonomy to individuals, as well as a sense of them 'feeling connected'. We cite, for example, the recommendation of the *National Drug Strategy 2017-2026* that "investing in strategies to enhance social engagement [and] re-integration with community, is central to successful interventions that can reduce alcohol and drug demand and related problems, including dependence"⁸.

UnitingCare Australia also questions the ability of testing alone – when not accompanied by a comprehensive health assessment to determine dose, frequency of drug use and other factors – to provide any useful information regarding the extent to which drug use impacts other issues, such as an individual's ability to find employment. Specifically, the need to determine whether drug use has a greater impact on unemployment than other issues, such

⁷ National Ice Taskforce. 2015. *Final Report of the National Ice Taskforce*. Available at:

https://www.pmc.gov.au/sites/default/files/publications/national_ice_taskforce_final_report.pdf

⁸ Commonwealth Department of Health. 2017. *National Drug Strategy 2017-2026*. Available at:

[http://www.health.gov.au/internet/main/publishing.nsf/Content/55E4796388E9EDE5CA25808F00035035/\\$File/National-Drug-Strategy-2017-2026.pdf](http://www.health.gov.au/internet/main/publishing.nsf/Content/55E4796388E9EDE5CA25808F00035035/$File/National-Drug-Strategy-2017-2026.pdf)

as lack of available employment opportunities, is vital given the Bill's purported intention of "improving a recipient's capacity to find employment or participate in education or training".

Other components or anticipated consequences of the drug testing trial that UnitingCare Australia raises concerns around include:

- the propensity for increased stigmatisation of people with substance dependencies resulting from the need to engage in compulsory drug testing and the likelihood that stigmatisation may further impede their effective treatment;
- a lack of detail regarding who will constitute a "Department of Human Services' contracted medical professional" and whether they will be required to have specific qualifications in AOD treatment and prevention – we also note our concern that this is not the health practitioner engaged with the intent of assisting the patient;
- lack of detail around likely impacts of Centrelink capacity constraints – for example if there is a delay in Centrelink rescheduling a missed appointment, we question whether the person be financially penalised;
- the extent to which testing is likely to return false negative and false positive outcomes, even with use of the most accurate technologies, and the costs associated with confirming accurate results;
- the inability of the proposed drug testing to distinguish between occasional drug users and those with problematic or dependent use which would inherently impede the effectiveness of the strategy in positively changing behaviours around drug use. This is on the basis that, as identified in the *National Drug Strategy 2017-2026*, "a range of harms are associated with different types and patterns of drug use" and "the response to these harms requires a multifaceted response"⁹; and
- the problematic reliance on findings from the Ceduna and East Kimberley Income Management trials, which provide an insufficient basis of evidence from which to anticipate effectiveness of the proposed strategy¹⁰.

Finally, UnitingCare Australia observes that very limited consultation appears to have occurred with medical professionals or other experts in the health and welfare sectors to develop the trial proposal. We strongly advocate the need for expertise from these areas to inform the design of any strategies or activities aimed at AOD treatment and prevention. This position is consistent with the *National Drug Strategy 2017-2026*'s focus on building strong and effective partnerships across different jurisdictions to design and implement successful strategies towards AOD treatment and prevention.

Schedule 13 – Removal of exemptions for drug or alcohol dependence

We note that Schedule 13 of the Bill seeks to remove exemptions from the activity test and participation requirements that currently allow for people who are not able to apply for jobs or undertake training or study due to alcohol or other drug dependencies.

UnitingCare Australia believes that this proposed measure would constitute an unacceptable expansion of conditionality on the social security system. It is our view that the welfare system should provide a basic safety net for people most in need and that presence of chronic and significant health conditions should not lead to punitive responses. We

⁹ Commonwealth Department of Health. 2017. *National Drug Strategy 2017-2026*. Available at: [http://www.health.gov.au/internet/main/publishing.nsf/Content/55E4796388E9EDE5CA25808F00035035/\\$File/National-Drug-Strategy-2017-2026.pdf](http://www.health.gov.au/internet/main/publishing.nsf/Content/55E4796388E9EDE5CA25808F00035035/$File/National-Drug-Strategy-2017-2026.pdf)

¹⁰ UNSW 2014. *Evaluating New Income Management in the Northern Territory: Final Evaluation Report*. Available at: https://www.dss.gov.au/sites/default/files/documents/12_2014/evaluation_of_new_income_management_in_the_northern_territory_full_report.pdf

subsequently oppose the measure on the basis of its propensity to undermine the effectiveness of treatment strategies that an individual may be seeking or undertaking, given the requirement that they must simultaneously commit time, and have capacity, to fulfil their mutual obligation or participation requirements. We particularly highlight the difficulties for individuals to attempt this if they are severely incapacitated by their drug dependency or as a result of treatment they are undergoing (where, for example, they may be hospitalised).

Furthermore, that 'suitable' treatment options could potentially be identified by an employment service provider, as opposed to an AOD treatment and prevention expert, is also of significant concern. We reiterate the need for expertise from medical professionals and other AOD experts to inform the design of any strategies or activities aimed at AOD treatment and prevention, in order that they deliver positive results and minimise harm.

Schedule 14 – Changes to reasonable excuses

Per the comments made above regarding Schedule 13, UnitingCare Australia raises concerns with the proposed changes to reasonable excuses and recommends to the Committee that the Schedule be opposed.

We reiterate the need for a more nuanced understanding of the complexity of drug and alcohol related issues and successful treatment and prevention strategies. We again challenge the assumption that positive behavioural change can be 'forced' by the imposition of punitive measures aimed at deterring drug use. We highlight evidence indicating that existing health issues and disadvantage experienced by people who are substance-dependent are likely to be exacerbated as a result of being denied access to welfare payments¹¹. Moreover, we caution that additional social impacts are likely to be felt, such as an increase in crime associated with the need for individuals to source another stream of income to support their drug dependency¹².

We reiterate the need for further consideration of the costs likely to be incurred by the proposed measures, and the need for evidence-based solutions to be alternatively considered that will enable lasting and positive results.

Schedule 15 – Targeting Compliance Framework

Regarding Schedule 15 of the Bill, UnitingCare Australia notes that the proposed new benefit compliance and penalty system would impose strict sanctions upon access to income support payments, culminating in their potential cancellation for four weeks for "the most non-compliant job seekers".

UnitingCare Australia is supportive of the Schedule's intention to provide more support for vulnerable job seekers in navigating the complexities of the current compliance system. We cannot, however, support implementation of the Schedule on the basis of it seeking to introduce punitive measures that risk imposing significant harm and are not likely to result in the increased workforce participation that is anticipated by Government.

We contest the assumption underpinning Schedule 15 that introduction of a strict compliance mechanism would result in positive behavioural change, greater compliance and better employment outcomes. Rather, we highlight evidence that suggests that "overly punitive

¹¹ Australian Institute of Criminology. 2016. *Methamphetamine Use and Acquisitive Crime: Evidence of a Relationship*. Available at: http://aic.gov.au/media_library/publications/tandi_pdf/tandi516.pdf

¹² Ibid.

sanctions can have the wrong effect on job seeker behaviour” and “rather than promote genuine engagement...can promote grudging compliance, where job seekers end up ‘jumping through the hoops’, technically meeting their mutual obligation requirements without being genuinely motivated to find employment”¹³.

UnitingCare Australia advocates for an alternative approach to addressing unemployment and long-term welfare dependency that seeks to address their root causes. We highlight, for example, that environmental factors presently impact on the ability of job seekers to secure employment, such as lack of available opportunities, as well as tailored supports and strategies to promote workforce retention¹⁴. These issues must be considered alongside the personal capacity of individuals to seek out and secure sustainable work.

Schedule 15 also proposes that job service providers will be tasked with determining when a job seeker receives a ‘strike’, based on their ability to meet the introduced compliance requirements. Centrelink will subsequently act on advice from the job service provider as a trigger to sanction the income recipient. We highlight the propensity for this separation of responsibility to result in a flawed assessment and sanctioning process whereby delays may occur between notifications about the job seeker’s compliance. We caution that individuals may potentially be locked out of accessing vital income supports due to delays in communication across service areas. Further analysis of potential risks associated with this issue is required.

UnitingCare Australia also observes the provision in the Schedule that “there will be no waivers for non-payment or preclusion periods under the new compliance framework”. The punitive nature of this measure is likely to have sustained impacts on job seekers, as well as any dependents they may have. UnitingCare Australia does not believe it is appropriate to introduce measures that may adversely affect children and families of job seekers also reliant upon the income support payments that are received.

Again, we advocate the need for careful analysis and consideration of the likely impact of costs associated with the proposed measure. UnitingCare Australia anticipates that the measure will not return economic efficiencies on the basis that individuals will rather be placed in diminished financial circumstances, requiring greater access to emergency (acute) services and supports that are more costly. Evidence regarding the costs and benefits of the proposed approach are vital in assessing its potential effectiveness.

Conclusion

UnitingCare Australia reiterates the view that investment is better targeted at prevention and early intervention strategies that are likely to deliver more positive and sustainable results for people seeking treatment, as well as deliver a stronger return on the investment of Government resources.

This submission has been informed by expertise across our network of service providers including the Uniting Medically Supervised Injecting Centre (MSIC) and Uniting ReGen. MSIC is the only service of its kind in the Southern Hemisphere which acts to prevent injury and death associated with drug dependency through provision of immediate medical

¹³ Job Australia. 2014. Submission on Social Security Legislation Amendment (Strengthening the Job Seeker Compliance Framework) Bill 2014. Available at: <https://www.ja.com.au/resources/senate-education-and-employment-legislation-committee-inquiry-social-security-legislation->

¹⁴ UnitingCare Australia’s *Women and Employment Demonstration Project*, is an example of an initiative focussed on returning people who have been long-term unemployed into sustainable employment with UnitingCare organisations across Australia. More information is available at: <https://www.wmq.org.au/services/employment-and-training/women-and-employment-demonstration-project>

assistance to drug users and referrals to treatment services¹⁵. Uniting ReGen delivers services to reduce harm associated with problematic alcohol and other drug (AOD) use and promotes health and wellbeing¹⁶.

We commend to the Committee a video resource produced by Uniting in NSW and ACT, featuring representatives of MSIC and Newpin, highlighting the powerful impact of effective prevention and early intervention services that can deliver lasting results that positively impact on people's lives¹⁷.

We thank the Committee for its consideration of the feedback provided and invite the opportunity to comment further on any of the issues raised in this submission.

¹⁵ For more information regarding the Uniting Medically Supervised Injective Centre, visit: <https://uniting.org/who-we-help/for-adults/sydney-medically-supervised-injecting-centre>

¹⁶ For more information regarding Uniting ReGen, visit: <http://www.regen.org.au/>

¹⁷ Available at: <https://www.youtube.com/watch?v=dL8HHXHqmls&feature=youtu.be>