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Senate Community Affairs
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**Submission Regarding the Social Services Legislation
Amendment (Welfare Reform) Bill 2017**

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We welcome the opportunity to make a submission regarding the *Social Services Legislation Amendment (Welfare Reform) Bill 2017* (Cth) currently before the Senate Community Affairs Legislation Committee.

360Edge is Australia's leading specialist alcohol and other drug consultancy, combining decades of academic research and clinical experience to provide effective evidence-based solutions to alcohol and drug related policy and responses.

This submission will address the following aspects of the Bill:

- Schedule 12 – which establishes a two-year drug testing trial for 5,000 new recipients of Newstart Allowance and Youth Allowance.
- Schedule 13 – which removes exemptions from the activity test and participation requirements for social security recipients who are alcohol or drug dependent.
- Schedule 14 – which empowers the Secretary to remove drug and alcohol use as a reasonable excuse available to welfare recipients for failing to meeting participation requirements.

Based on both evidence and ethical grounds, 360Edge has serious concerns about the proposed amendments. In particular it is our position that:



1. The proposed drug testing trial is not supported by any evidence and is unlikely to achieve its intended objective
2. The amendments reflect an over-simplified understanding of the complex relationship between drug use and unemployment
3. The amendments are likely to unethically impact, and discriminate against, drug dependent welfare recipients.

Lack of Evidence Supporting Drug Testing

Drug testing does not represent evidence-based public policy. Despite implementation in many jurisdictions overseas, there have been very few peer-reviewed evaluations of the effectiveness of drug testing welfare recipients.

Drug tests have not proven a viable intervention to impact behaviour change in areas such as the workplace¹ or schools². Therefore, on balance, the evidence suggests it is unlikely to be effective at decreasing rates of illicit drug use amongst welfare recipients.

Without evidence of effectiveness, costs associated with implementing a drug trial in Australia far outweigh the benefits, if there are any.

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Unemployment and Drug Use

The proposed amendments implicitly assume that illicit drug use has a direct role in persistent unemployment.

Although the proportion of unemployed people who use drugs is higher than the proportion of employed people, the vast majority of people who use drugs are employed.

According to the 2013 National Drug Strategy Household Survey, unemployed people are around 1.5 times more likely to have used illicit drugs in the last 12 months when compared to employed people.³ However, the 2013 National Drug Strategy Household Survey also found that unemployed people are more likely to have never used illicit drugs than employed people (See below).

This demonstrates a complex relationship between illicit drug use and unemployment. Fewer unemployed people use drugs, but those that do are more likely to have used in the last 12 months.

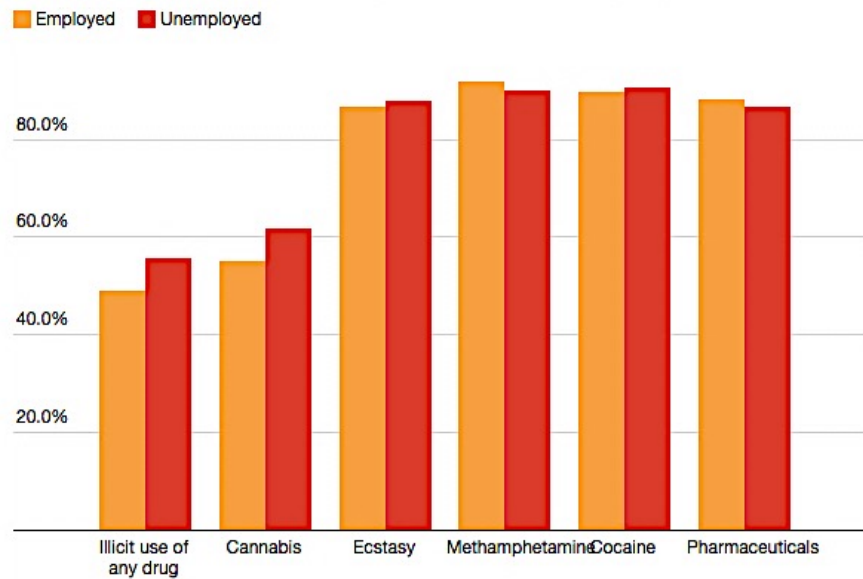
¹Lee N, Roche A, Duraisingam V, Fischer J, Cameron J, Pidd K. 'A systematic review of alcohol interventions among workers in male-dominated industries.' (2014) 11(2) *Journal of Men's Health* 53-63.

²Roche AM, Bywood P, Pidd K, Freeman T, Steenson T 'Drug testing in Australian schools: policy implications and considerations of punitive, deterrence and/or prevention measures.' (2009) 20(6) *Int J Drug Policy*. 521-528.

³AIHW 2013 National Drug Strategy Household Survey



Never used illicit drugs, employed and unemployed people, 2013



Source: AIHW 2013 National Drug Strategy Household Survey

Moreover, the focus of drug testing on illicit drug use does not give a clear indication of problematic patterns of use likely to impact job seekers.

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Very few people who use drugs develop a dependence (sometimes referred to colloquially as 'addiction'). Of the 1.4% of Australians over 14 years that use methamphetamine, around 15% of people who use methamphetamine meet the threshold for dependence⁴; similarly 10% of people who use cannabis⁵, and 6% of people who drink alcohol⁶ are likely to be dependent. Most people who use illicit drugs use less than a handful of times a year.

Drug testing is likely to impact recreational users whose illicit drug use does not pose a barrier to wilful employment. While illicit drug use is an illegal activity, there are already mechanisms that apply to the whole community to respond to illicit drug use, and additional measures among welfare recipients are merely discriminatory.

In addition, according to Ross Bell, Executive Director of the New Zealand Drug Foundation, the implementation of a drug testing measure for welfare

⁴ McKetin R, Kelly E, McLaren J 'The relationship between crystalline methamphetamine use and methamphetamine dependence' (2006) 85(3) *Drug Alcohol Depend* 198-204.

⁵ Swift, W, Hall, W and Teesson, M 'Cannabis use and dependence among Australian adults: results from the National Survey of Mental Health and Wellbeing' (2001) 96(5) *Addiction* 737-748.

⁶ Degenhardt, L Hall, W, Teesson, M and Lynskey, M 'Alcohol use disorders in Australia: Findings from the National Survey of Mental Health and Well-Being' (2000) *NDARC Technical Report No. 97*



recipients for certain job placements in New Zealand has resulted in so few positive tests (450 out of 95,000 tests), that the Australian scheme does not appear cost effective.⁷ The result would be further stigmatisation of both people on welfare and people who use drugs to no benefit to the individual, community or the government.

Ethical Concerns Regarding Drug Dependent Recipients

Drug testing is also not without significant flaws. One review of drug testing in the United States found that the method was subject to both false positives (positive test results for those that had not used drugs) and false negatives (negative results for those that had used drugs).⁸ This raises serious ethical concerns given the punitive income management consequences of a positive drug test.

Drug dependence is a chronic, relapsing condition. The overall relapse rate for people who are dependent on drugs is around 50% after one year⁹, a similar relapse rate to other chronic conditions such as heart disease and diabetes¹⁰. Even for people making progress in treatment, full abstinence is not always an immediate outcome of treatment¹¹. There are multiple and complex reasons for relapse¹².

Drug dependence is strongly correlated with a range of co-occurring conditions and personal factors, which can impact recovery. These include poor mental health, childhood abuse or trauma as well as poor emotional regulation skills¹³.

Income management will not address the underlying causes of drug dependence, nor its consequences, and may increase stress, stigma and the likelihood of relapse. People who feel stigmatised are more likely not to seek help, further reducing the likelihood of reducing use through these measures¹⁴.

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⁷ Lavoipierre, A 'Federal budget 2017: New Zealand organisations say drug testing for welfare 'not the best use of funds' *ABC News*, published online 13 May 2017 < <http://www.abc.net.au/news/story-streams/federal-budget-2017/2017-05-13/federal-budget-2017-nz-welfare-orgs-warn-drug-test-dole-policy/8523738>>

⁸ Pollack HA, Danziger S, Jayakody R, Seefeldt KS 'Drug testing welfare recipients--false positives, false negatives, unanticipated opportunities.' (2002) 12(1) *Womens Health Issues* 23-31.

⁹ NIDA. "Principles of Drug Addiction Treatment: A Research-Based Guide (Third Edition)." National Institute on Drug Abuse, 1 Dec. 2012

¹⁰ NIDA. "Drugs, Brains, and Behavior: The Science of Addiction." *National Institute on Drug Abuse*, 1 Jul. 2014

¹¹ Lubman, D., Manning, V., Best, D., Berends, L., Mugavin, J., Lloyd, B., Lam, T., Garfield, J., Buykx, P., Matthews, S., Lerner, A., Allsop, S. and Room, R. 'A study of patient pathways in alcohol and other drug treatment.' (2014) Turning Point, Fitzroy.

¹² Lee, N 'Health Check: what makes it so hard to quit drugs?' *The Conversation* 12 Dec 2016 < <https://theconversation.com/health-check-what-makes-it-so-hard-to-quit-drugs-69896>>

¹³ NIDA. "Preventing Drug Use among Children and Adolescents (In Brief)." National Institute on Drug Abuse, 1 Oct. 2003,

¹⁴ Luoma, J.B., Twohig, M.P., et al (2007) An investigation of stigma in individuals receiving treatment for substance abuse 32(7), *Addictive Behaviors*, 1331-1346.



Overall the proposed amendments reflect a narrow, punitive approach to drug dependence that is not in keeping with the latest research into drug treatment and recovery.

There are much more effective means to reduce drug use in the community. For every dollar that is spent on treatment we save \$7 in costs to the community through reduced drug use, reduced harms, reduced crime and reduced health care costs¹⁵.

Given the lack of evidence supporting drug testing of welfare recipients, 360Edge supports the removal of Schedule 12 from the Bill. Moreover, given the ethical concerns regarding drug dependent recipients, 360Edge supports the removal of Schedule 13 and Schedule 14 from the Bill.

Yours sincerely,

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¹⁵ Ritter, A., Chalmers, J & Berends, L (2015) Health expenditure on alcohol and other drug treatment in Australia (2012/2013). *Drug & Alcohol Review*, 34(4). pp. 397-403