

Social Services Legislation Amendment (Drug Testing Trial) Bill 2018

Submission to Community Affairs Committee

April 2018



About ACOSS

The [Australian Council of Social Service \(ACOSS\)](#) is a national voice in support of people affected by poverty, disadvantage and inequality and the peak body for the community services and civil society sector. Our vision is for a fair, inclusive and sustainable Australia where all individuals and communities have the opportunities and resources they need to participate fully in social and economic life.

Recommendation:

The Committee must oppose this Bill.

Drug testing people who receive unemployment payments represents an extraordinary and alarming departure from the key aim of our social security system, which is to provide a safety net for people in need. This proposal demonises people receiving social security and could lead to poorer health and wellbeing outcomes within the cohort targeted. We are strongly opposed to this Bill.

This Bill would subject 5,000 people to a drug test as a condition of receipt of their unemployment payment. It would apply to people claiming Newstart or Youth Allowance (Other) in three trial sites: Canterbury-Bankstown, NSW, Logan, Queensland and Mandurah, WA. Pensioners and people receiving Parenting Payment and Youth Allowance (student and apprentice) will not be subjected to the policy.

If a person tests positive once for an illicit substance, they would be placed under income management for two years. They would also be tested again 25 working days later. If they test positive on the second occasion, they would be forced to undertake treatment or agree to repeated drug tests. They would also have to pay for the second positive drug test.

Under this Bill, if someone refuses to take a drug test when they claim a payment, their claim would be denied. If they refuse a test, their payment would be cancelled.

ACOSS is unaware of any evidence to show drug testing of income support recipients helps to address addiction or employment outcomes. There is no evidence to show that enforced treatment or drug testing of someone found to have used an illicit substance on as few as two occasions leads to better outcomes for communities. To the contrary, there is evidence

that mandatory drug testing may have adverse effects, both for people who may have an addiction, and for people who do not.

The Australian Government's own Australian National Council on Drugs looked into the evidence around drug testing and strongly opposed drug testing income support recipients. In 2013, it found:

“There is no evidence that drug testing welfare beneficiaries will have any positive effects for those individuals or for society, and some evidence indicating such a practice could have high social and economic costs. In addition, there would be serious ethical and legal problems in implementing such a program in Australia. Drug testing of welfare beneficiaries ought not be considered.”¹

Special Rapporteur on Extreme Poverty and Human Rights, Philip Alston is also deeply opposed to drug testing income support recipients. Mr Alston wrote to the government late last year stating that making drug testing a condition of receipt of income support ‘is neither reasonable nor proportionate’ and that:

“...there is no evidence to prove that drug testing has any positive effects on rehabilitation. To the contrary, the measure is more likely to push affected individuals further into poverty, which will inevitably cause heightened risk of negative behaviour.”²

The extension of income management under this Bill is also punitive and unwarranted. The available evidence shows that income management has not reduced the incidence of drug addiction in the areas it operates.³ Therefore, not only is its expansion unjustified, it is irresponsible of a government concerned about reducing expenditure in the social services portfolio to do so.

Broader social security context

The government has cut the social security budget by around \$12 billion since 2013, including in the area of unemployment payments.

The same people affected by these cuts – including people who have been retrenched and people looking for paid work after spending time caring for a loved one – will have to agree to take a drug test in order to get income support. No other support in our social safety net demands this kind of acquiescence in order to access its benefits.

¹ Australian National Council on Drugs (2013) ‘Drug Testing’ Position Paper http://www.drugsandalcohol.ie/20368/1/ANCD_paper_DrugTesting.pdf p.2

² Philip Alston, Special Rapporteur on extreme poverty and human rights (2017) ‘Mandates of the Special Rapporteur on extreme poverty and human rights’ <http://www.ohchr.org/Documents/Issues/Poverty/OL-AUS-17-10-17.pdf> p. 29

³ J Rob Bray, Matthew Gray, Kelly Hand and Ilan Katz (2014) ‘Evaluating New Income Management in the Northern Territory: Final Evaluation Report’, p. xxi

Cost

No information has been published about the cost of the trial. The only information made public about government funding for this policy is the approximately \$1 million set aside for the evaluation.⁴

Considering that billions have been cut from the social security budget in recent years, it is unacceptable that the cost of a policy that would likely cause harm to income support recipients is not made public. The public and the parliament have a right to know the cost of such a policy.

The Special Rapporteur Philip Alston has criticised the potential cost of the policy, stating:

“Drug testing is believed to cost between \$500 and \$900 per tested individual, which means that significant amounts of taxpayer money (especially when set against the monthly amount of benefits received) are spent to test all beneficiaries in order to weed out the few who may use drugs. Spending a lot of taxpayer money to save a bit of taxpayer money does not appear reasonable.⁵

If the test costs \$500 per person tested, the government would spend \$2.5 million testing 5,000 people once. The government estimates up to 450 people would test positive on the first test. If the trial costs \$2.5 million, the government is spending more than \$5,500 per person who tests positive, who may have used an illicit substance on one occasion. To put this into perspective, Youth Allowance is \$11,500 per year. We cannot see how this kind of expenditure can be justified when hundreds of thousands of income support recipients across the country have had their already inadequate incomes cut.

The cost of the evaluation alone equates to more than \$2,000 being spent on each of these 450 people. The price of placing them under income management would be a similar amount (per year). This is a substantial cost on its own to detect a handful of people receiving unemployment payments who likely do not have a drug addiction and may have used a targeted substance once.

People who fail a subsequent test would have to pay for the cost of the test. This is an appalling proposal. If someone does have a serious addiction, they will be in a very poor position to control their use and will be penalised as a result. In addition, if people ask to be re-tested and fail again, they will also have to pay for that drug test. Charging people for a second failed test would stop people who believed the first test was incorrect from contesting it because they would be worried about covering the cost of a test if they were to fail again. It is unjust to put people on very low incomes in this position.

⁴ Serena Wilson, Deputy Secretary (2018) ‘Letter expanding on evidence provided during the hearing on 1 March 2018 regarding the cost of the evaluation process for the proposed Drug Testing Trial’ Department of Social Services, [https://www.aph.gov.au/~media/Estimates/ca/add1718/addinfo/Additional information - letters of clarification/Additional Estimates - Letter of Correction Redacted.pdf?la=en](https://www.aph.gov.au/~media/Estimates/ca/add1718/addinfo/Additional%20information%20-%20letters%20of%20clarification/Additional%20Estimates%20-%20Letter%20of%20Correction%20Redacted.pdf?la=en)

⁵ Philip Alston, *Ibid.*

A single person receiving Newstart receives just \$278 per week. A single person receiving Youth Allowance receives up to \$222 per week. We do not know how much the test will cost and, therefore, how much people affected will lose. However, any loss of these meagre payments would place people affected in severe financial hardship.

Health impact

ACOSS is not an expert in the health ramifications of this policy. We therefore ask the Committee to carefully consider the views of the health professionals who provide evidence in this inquiry.

However, we wish to draw the Committee's attention to a range of health experts' views on the policy. Many experts have expressed concern that drug testing income support recipients is ineffective and could threaten the health and wellbeing of people affected.

The Australian Medical Association's President Michael Gannon said: "...this policy is mean, unfair, and totally unnecessary, especially when there are so many positive things the Government could be doing in the health and social policy sectors."⁶

The Victorian Alcohol and Drug Association (VAADA) stated "this proposal does not have an evidence base and is likely to engender greater harm to the community".⁷ VAADA also argued that drug testing could compel users to shift to drugs that cannot be detected, which could lead to unknown consequences.⁸

There is a clear message that this proposal would not improve employment outcomes. The Rural Doctors Association of Australia stated that:

"...people who are looking for a job do not generally have any higher incidence of drug use than those in the general population, even if they are receiving government assistance. Those that do have problems will not be helped by measures that feel punitive, such as switching them to a cashless debit card, rather than payments. Tough love is rarely successful in treating substance abuse – particularly when it's from the Government."⁹

⁶ Michael Gannon, Australian Medical Association, (2017), Welfare Drug Testing is Mean and Unfair, via <https://ama.com.au/ausmed/welfare-drug-testing-mean-and-unfair> 12 September 2017

⁷ VAADA (2017) 'Drug testing welfare recipients a false positive' Media Release 10 May http://www.vaada.org.au/wp-content/uploads/2017/05/MS_drug-testing-welfare-recipients_10052017.pdf

⁸ Ibid.

⁹ Rural Doctors Association of Australia (2017) 'Drug testing welfare recipients an unproven policy' Media Release, 12 May, <http://www.rdaa.com.au/sites/default/files/public/Drug%20testing%20welfare%20recipients%20an%20unproven%20policy%20--%20May%202017.pdf>

Associate Professor Nadine Ezard, clinical director of the Alcohol and Drug Service at St Vincent's Hospital, Sydney, said "...we don't think there is any evidence that mandatory drug testing through the welfare system will actually be effective for employment engagement."¹⁰

There is a range of other substantial concerns about this trial, including the accuracy of drug tests, the legality of drug testing income support recipients, privacy concerns, and the risk of people who take medications testing positive. We request that the Committee consult with experts in these areas.

Drug addiction is a health issue. It should not be treated as a social security compliance issue. This measure must be opposed.

¹⁰ ABC (2017) 'Fact check: Is there evidence that mandatory drug testing of welfare recipients can help drug users get off welfare?' 30 Nov <http://www.abc.net.au/news/2017-09-18/fact-check-mandatory-drug-testing-for-welfare-recipients/8948840>