

Submission to Senate Standing Committee on Community Affairs:

Inquiry into Social Services Legislation
Amendment (Welfare Reform) Bill 2017

About WANADA

The Western Australian Network of Alcohol and other Drug Agencies (WANADA) is the peak body for the alcohol and other drug education, prevention, treatment and support sector in Western Australia. WANADA is an independent, membership-driven not-for-profit association.

Alcohol and other drugs are a health and social issue that impacts the whole community. The alcohol and other drug sector provides specialist services to meet the diverse needs of people in Western Australia. WANADA aspires to drive across sector solutions that focus on a whole of community approach to addressing health and wellbeing issues associated with the use of alcohol and other drugs.

WANADA is driven by the passion and hard work of its member agencies, which include community alcohol and other drug counselling; therapeutic communities; residential rehabilitation; intoxication management and harm reduction services; peer based; prevention; and community development services.

WANADA is the independent voice on alcohol and other drug sector issues throughout WA.

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List of Recommendations

WANADA and our member agencies believe the implementation of mandatory drug testing in trial areas as a condition of receiving income support is a coercive and punitive measure. There is no evidence that this approach will achieve lower rates of income support, increased income support compliance or decreased community harms related to drug use. In addition the proposed amendment will result in further demands on an already underfunded alcohol and other drug treatment and support services sector. The amendment will actively run counter to the Australian Government's direction under the new National Drug Strategy 2017-2026 and do little to address the structural factors that contribute to unemployment. In this context we propose that the Senate Committee advise against proceeding with the Social Services Legislation Amendment (Welfare Reform) Bill 2017.

If the Welfare Reform Bill is to be implemented, WANADA recommends that:

- 1. The Welfare Reform Bill and associated instruments and documentation are amended and/or designed to take into account both the complexity of alcohol and other drug dependence, and the existing evidence base. This should include:**
 - the removal of measures that could be perceived as punitive,
 - the inclusion of procedural flexibility to account for how people engage with and access services, and
 - provisions that support increased client case management.
- 2. The Welfare Reform Bill is accompanied by sufficient funding to ensure Western Australian specialist alcohol and other drug treatment services are able to meet any increased demand as a result of these proposed changes.**
- 3. The Welfare Reform Bill is amended, and supplementary documentation designed, to avoid procedural or legislative measures that could be considered to reinforce stigmatising or discriminatory behaviour.**
- 4. The Welfare Reform Bill is accompanied by funding for a community awareness campaign designed to reduce stigmatising and discriminatory behaviours and practices directed towards those with alcohol and other drug use issues.**
- 5. The Welfare Reform Bill be subject to a public monitoring, reporting and evaluation framework.**
- 6. The Welfare Reform Bill is amended to include a requirement for the legislation to be reviewed two years from Royal Assent, to ascertain the effectiveness of the introduced measures.**
- 7. The potential implementation of the Welfare Reform Bill is supported by a comprehensive co-production process with the alcohol and other drug service sector and consumers.**
- 8. The Welfare Reform Bill, and associated instruments and documentation are amended to more accurately reflect the nature of the drug testing, noting that it is not a fully random testing trial, but rather targeted at a specific cohort of people who are identified as having risk factors associated with drug use. This**

recommendation must be implemented alongside Recommendation 9, to avoid potential unintended consequences of identifying risk factors.

9. The Welfare Reform Bill's drug testing measures are not implemented until external research bodies with subject matter expertise in alcohol and other drugs, are engaged to assess the efficacy of both the testing trial and the analytics identifying risk factors.
10. The Welfare Reform Bill's provision to contract a medical professional is amended to prescribe the role as an alcohol and other drug treatment specialist with at least three years' experience in assessing those with a severe alcohol and other drug dependency and complex co-occurring issues.
11. The Welfare Reform Bill's provision that makes a treatment activity a compulsory requirement to complete is removed and replaced with a provision that enables voluntary engagement with treatment and support services.
12. The Welfare Reform Bill and supporting documentation is amended to ensure the assessment and treatment of people within the trial sites addresses all of their individual circumstances – not just those attributable to drug use.
13. All alcohol and other drug-related reforms within the Welfare Reform Bill are attached to funding that ensures services are adequately supported to meet any increased demand as a result of the proposed measures.
14. All forms of alcohol and other drug treatment and support services are classified as eligible activities, including harm reduction services.
15. The Welfare Reform Bill and associated instruments are amended to state that:
 - alcohol and other drug treatment and support services meet 100 per cent of a person's activity requirements
 - the activity testing of welfare recipients in the trial locations fully takes into account the range of additional activities undertaken within a treatment service that support a person to actively participate in the community and the workforce.
16. Schedule 12, Part 1 (8) provisions pertaining to payment cancellations and waiting periods is removed, as these clauses will increase the risk of harm to individuals presenting with alcohol and other drug use and related complex issues.
17. Schedule 12, Part 1 (11) of the Social Services Legislation Amendment (Welfare Reform) Bill 2017 is removed, and all testing costs borne by the Government. These provisions should be replaced by procedures that support, incentivise and motivate a person to choose to access alcohol and other drug services.
18. Schedule 12, Part 1 (24, 123UFAA(1B)) of the Welfare Reform Bill is removed. WANADA recommends the Secretary is not given discretion to extend income management beyond the 24 month trial period.
19. The consideration or progression of the Welfare Reform Bill is delayed until the details of related alcohol and other drug welfare reform measures are made public. In particular, information regarding what treatment and support services are considered a legitimate activity is required.

- 20. Schedule 13 is amended to provide the Secretary with discretion to still grant an exemption, in circumstances where a person's mental, physical or emotional wellbeing is at risk.**
- 21. Schedule 13 is amended to provide the Secretary with discretion to grant an exemption in circumstances where a person has stated their intention to access assessment, treatment or support services to address an alcohol or other drug issue.**
- 22. As stated in Recommendation 19, the consideration or progression of the Welfare Reform Bill is delayed until the details of related alcohol and other drug welfare reform measures are made public. In particular, information regarding what treatment and support services are considered a legitimate activity is required.**
- 23. Schedule 14 is amended to provide the Secretary with discretionary power to grant a reasonable excuse as a result of alcohol and other drug issues, in instances where:**
 - granting the reasonable excuse will support a person to investigate relevant treatment and support options; or**
 - failing to grant a reasonable excuse will put at risk a person's health or wellbeing.**

Submission Overview

WANADA welcomes the opportunity to provide a submission to the Senate Standing Committee on Community Affairs Inquiry into the Social Services Legislation Amendment (Welfare Reform) Bill 2017 (Welfare Reform Bill).

Alcohol and other drug dependence is a health and social issue requiring a balanced, whole of government response. As with all other health conditions, responding to alcohol and other drug dependence should engage, support and motivate a person to seek treatment.

Since 1985 the Australian Government's National Drug Strategy has been defined by the three pillars of demand, harm and supply reduction. Historically, funding of these policy domains has been disproportionately attached to actions with a supply reduction focus, principally law enforcement.

While law enforcement is a critical part of supply reduction, WANADA has long advocated for an increased focus on measures that reduce the demand for, and harm associated with, alcohol and other drug use. By rebalancing government's efforts, there is significant potential to reduce the health and social impacts of drug use on individuals, families and communities.

WANADA and our member agencies believe the implementation of mandatory drug testing in trial areas as a condition of receiving income support is a coercive and punitive measure. There is no evidence that this approach will achieve lower rates of income support, increased income support compliance or decreased community harms related to drug use. In addition the proposed amendment will result in further demands on an already underfunded alcohol and other drug treatment and support services sector. The amendment will actively run counter to the Australian Government's direction under the new National Drug Strategy 2017-2026 and do little to address the structural factors that contribute to unemployment. In this context we propose that the Senate Committee advise against proceeding with the Social Services Legislation Amendment (Welfare Reform) Bill 2017.

WANADA supports the Government's intent to improve pathways to treatment and support services for people who access government benefits and who are experiencing alcohol and other drug issues. WANADA notes that welfare agencies have been a low source of referrals to alcohol and other drug services. WANADA supports efforts to increase referral rates from these agencies.

If implemented, the Welfare Reform Bill will require substantial determinations, procedures and guidance that are currently being developed by relevant Departments. These documents will substantially determine the efficacy of the Welfare Reform Bill.

Based upon the limited information currently available, WANADA is concerned that the Welfare Reform Bill is not attached to additional dedicated funding for alcohol and other drug treatment and support agencies to meet the projected increased demand for their services.

In addition, WANADA is concerned that the wording of the Welfare Reform Bill in some instances may result in adverse outcomes. These may include disincentivising a person to disclose an alcohol or other drug dependency issue, or further complicating a person's pathway to treatment and support.

WANADA is disappointed that the alcohol and other drug services sector and consumers were not consulted in the development of the Welfare Reform Bill, despite its potential impact on the sector. Had consultation occurred prior to drafting, specific sections of the Bill

could have been framed to better support both those seeking treatment and support, and the organisations that provide those alcohol and other drug services.

As the instruments associated with the Welfare Reform Bill are yet to be drafted, WANADA is not in a position to provide a view regarding whether the Bill will be effective or successful. Were Parliament to pass the Bill, with the amendments proposed within this submission, the efficacy of the measures will be highly dependent upon the Australian Government successfully co-producing both the instruments and trial initiative with the alcohol and other drug service sector and consumers.

Western Australian Context

In Western Australia in 2015-16, 79 publically funded alcohol and other drug treatment agencies provided 24,206 treatment episodes to an estimated 17,847 people. 91 per cent of these people received treatment for their own drug use.¹

Since 2014-15 in Western Australia, amphetamines have overtaken alcohol as the most common principal drug of concern in episodes provided to people for their own drug use (31 per cent of people; 35 per cent of episodes). Alcohol accounted for just under one third of treatment episodes (30 per cent), followed by cannabis (23 per cent), and heroin (6 per cent).²

The harms to the community from alcohol and other drug consumption are well known and alarming:

- New figures from released by St John Ambulance WA and the McCusker Centre for Action of Alcohol and Youth show that in 2016, 5,063 ambulance requests were related to alcohol, resulting in 3,239 people being taken to hospital. This is an increase of 11 per cent from 2014 data.³
- Recent State Government waste water testing results indicate that whilst there has been a three month downward trend, WA still has a projected annual methamphetamine habit of 1.54 tonnes, with an estimated street value of just over \$1.5 billion.⁴

Reducing demand for, and harm from alcohol and other drug use in Western Australia must be a priority. Addressing the issues associated with alcohol and other drug use will require federal, state and territory governments to work together to provide a balanced approach that:

- equally address supply, demand and harm reduction;
- identifies and addresses current policy and system limitations and gaps that result in people being unable to access the treatment and support they need; and

¹ Australian Institute of Health and Welfare, Alcohol and other drug treatment services in Australia: state and territory summaries 2015-16. AIHW, 2017, p.21. (Statistics based on client records with valid SLK).

² AIHW, Alcohol and other drug treatment services in Australia: state and territory summaries 2015-16, p. 22.

³ Curtin University, New figures show 14 ambulances a day called for excess alcohol. Media Release, 22 June 2017, <http://news.curtin.edu.au/media-releases/new-figures-show-14-ambulances-day-called-excess-alcohol/>.

⁴ Western Australian Police, 2016/17 WA Police waste water analysis project results. Media Release, 11 June 2017, <https://www.police.wa.gov.au/Media-Centre/Media-Releases/1513-201617-WA-POLICE-WASTE-WATER-ANALYSIS-PROJECT-RESULTS>.

- effectively supports people to access treatment and support services by removing barriers such as stigma or discrimination.

Western Australia has a professional, specialised and effective alcohol and other drug service sector. The benefits of funding alcohol and other drug services are well established:

- for every \$1 invested in treatment services, more than \$7 is returned to the community through health and social benefits.⁵
- for every \$1 spent on needle and syringe exchange programs, the community saves \$27 in future cost.⁶

Unfortunately, only nine percent of existing Australian Government alcohol and other drug treatment and support funding is allocated to Western Australia for the next four years. This is despite Western Australia having:

- 11 per cent of Australia's population;
- significant population dispersion across regional, rural and remote areas; and
- high rates of alcohol and other drug consumption, including almost double the methamphetamine consumption rate compared to the national average.

An additional \$10.3 million over four years would be required to deliver Western Australia equitable funding on a per capita basis alone.

⁵ Ritter, Alison et al., *New Horizons: The review of alcohol and other drug treatment services in Australia*. National Drug and Alcohol Research Centre, 2014, p. 13

⁶ National Centre in HIV Epidemiology and Clinical Research, *Return on Investment 2: Evaluating the Cost-Effectiveness of Needle and Syringe Programs in Australia 2009*. Australian Government Department of Health and Ageing, 2009 <http://www.health.gov.au/internet/main/publishing.nsf/Content/needle-return-2>, p.8.

Social Services Legislation Amendment (Welfare Reform) Bill 2017

WANADA supports government initiatives that address alcohol and other drug use as a health issue, and assist those people experiencing alcohol and other drug concerns to access specialist treatment and support services.

To maximise the efficacy of government initiatives, WANADA considers the following issues must be addressed in the Welfare Reform Bill and any subsequent instruments of documentation:

- the complex nature of alcohol and other drug use issues;
- the capacity of specialist alcohol and other drug services to meet demand;
- barriers to service access, in particular stigma and discrimination; and
- review and evaluation provisions.

A failure to address the above issues will result in reduced outcomes for individuals affected by the Welfare Reform Bill and increased costs to the taxpayer. It will also decrease the likelihood that the Welfare Reform Bill will achieve its intent to improve a recipient's capacity to find employment or participate in education or training by identifying people with alcohol or drug use issues and assisting them to undertake treatment.

Alcohol and Other Drug Use Issues

Alcohol and drug dependence is a chronic health condition and relapse is likely, as it is for other chronic health conditions such as diabetes. Treatment, therefore is often a long term proposition.

Alcohol and other drug dependence typically co-occurs with a range of other issues, with individuals presenting to alcohol and other drug treatment with complex needs (for example co-occurring mental health; domestic and family violence/relationship; acute and chronic health; child protection; corrections; housing and homelessness issues etc.).

WANADA cautions that the complexity of alcohol and other drug issues must be taken into account in the design and delivery of any initiative in this field. A reductive approach to process development risks systems failure and/or increased harm.

The Welfare Reform Bill and supplementary instruments and documentation must be designed in a manner that recognises the need for a range of support services, and in some cases complex case management expertise. In addition, procedures and conditions of payment must be suitably flexible to account for both the complex nature of alcohol and other drug use issues, and how people commonly access services.

WANADA does not support measures that could be perceived as punitive or those that force a person to access services. Such measures are not applied to any other health issue, as they risk unintended adverse consequences. Alcohol and other drug treatment and support services must not be perceived as a punitive response to alcohol and other drug issues. Rather, there is ample evidence that highlights the important role of choice and motivation in supporting treatment outcomes.

1. WANADA recommends that the Welfare Reform Bill and associated instruments and documentation are amended and/or designed to take into account both the complexity of alcohol and other drug dependence, and the existing evidence base. This should include:

- **the removal of measures that could be perceived as punitive,**
- **the inclusion of procedural flexibility to account for how people engage with and access services, and**
- **provisions that support increased client case management.**

Addressing Specialist Service Demand

Every year across Australia between 200,000 and 500,000 people are unable to access the treatment they seek.⁷

The Welfare Reform Bill, if enacted, will result in a further increase to the demand for specialist alcohol and other drug treatment and support services.

WANADA believes that the role of specialist alcohol and other drug treatment and support services in delivering outcomes must be recognised. This must include adequately funding these services to meet both existing and projected demand.

In particular, when legislative and policy changes result in additional people seeking treatment, these initiatives must be accompanied by a commensurate block of funding to ensure these additional people can access specialist services.

Without commensurate funding, it is possible that people who are accessing treatment voluntarily will be displaced, or people in need of treatment and support will not receive the help they need. This will result in the accrual of additional and avoidable costs to the primary health system due to people presenting with acute episodes or health complications.

2. WANADA recommends that the Welfare Reform Bill is accompanied by sufficient funding to ensure Western Australian specialist alcohol and other drug treatment services are able to meet any increased demand as a result of these proposed changes.

Stigma and Discrimination

Past and current (to 2015) National Drug Strategies have identified the need to address stigma and discrimination. The impact of not addressing stigma and discrimination are wide ranging, and a national approach would be cost efficient.

WANADA considers stigma and discrimination to be one of the most significant barriers to consumers accessing treatment and related services. People with alcohol and other drug use issues typically have complex needs requiring support from a number of health and human services. Stigma, however, discourages a person to disclose their alcohol or drug

⁷Ritter, Alison et al., *New Horizons: The review of alcohol and other drug treatment services in Australia*. National Drug and Alcohol Research Centre, 2014, p. 13

dependence issue. More broadly, stigma discourages access and service retention, and presents a barrier to the achievement of effective sustainable outcomes.

Stigmatising and discriminatory behaviors and practices have the potential to cause increased harm to people, families and communities. Failure to address these barriers to service access and retention will also result in increased (yet avoidable) costs to the primary health system.

3. WANADA recommends that the Welfare Reform Bill is amended, and supplementary documentation designed, to avoid procedural or legislative measures that could be considered to reinforce stigmatising or discriminatory behaviour.

4. WANADA recommends that the Welfare Reform Bill is accompanied by funding for a community awareness campaign designed to reduce stigmatising and discriminatory behaviours and practices directed towards those with alcohol and other drug use issues.

Monitoring and Evaluation

WANADA considers that an effective monitoring, evaluation and reporting framework is fundamental to assessing the performance of strategic initiatives, particularly where such initiatives are pilots, or are designed to address complex community issues. When made public, such frameworks support transparency and accountability.

Noting the polarised and often stigmatising nature of the debate surrounding alcohol and other drug welfare reform, WANADA considers it an imperative that were the Welfare Reform Bill to be passed, all measures are subject to a public monitoring, evaluation and reporting framework.

To assess the efficacy of the Government's proposed initiatives, WANADA also considers it important that the Welfare Reform Bill include provisions for the formal review of the legislation amendments in two years.

5. WANADA recommends that the Welfare Reform Bill be subject to a public monitoring, reporting and evaluation framework.

6. WANADA recommends that the Welfare Reform Bill is amended to include a requirement for the legislation to be reviewed two years from Royal Assent, to ascertain the effectiveness of the introduced measures.

Co-Production

WANADA is disappointed that the alcohol and other drug services sector and consumers were not consulted in the development of the Welfare Reform Bill, despite its potential impact on the sector.

Were the Welfare Reform Bill to be passed by both Houses of Parliament, it is essential that the implementation of the legislation is driven by co-production with both the alcohol and other drug service sector and consumers. Effective co-production of the initiatives can result in improved service pathways and consumer outcomes, and inform the development of processes that engage, support and motivate people to access alcohol and other drug treatment and support services.

7. WANADA recommends that the potential implementation of the Welfare Reform Bill is supported by a comprehensive co-production process with the alcohol and other drug service sector and consumers.

Establishment of a Drug Testing Trial – Schedule 12

WANADA notes that this submission is being lodged prior to the Australian Government publically announcing the proposed drug testing trial sites.

Considering Western Australia's wastewater analysis results and historically elevated levels of methamphetamine consumption, WANADA considers it likely that a drug test trial will be conducted in the State.

The analysis and recommendations provided below are made in this context.

Random Testing

The Explanatory Memorandum refers to the drug testing of welfare recipients in the trial sites as being random. WANADA challenges this statement and considers it misleading.

The Department of Social Services' Welfare Reform Fact Sheet states that Job Seekers will be selected for testing within the trial sites on a random basis, "based on a data-driven profiling tool developed for the trial to identify relevant characteristics that indicate a higher risk of substance abuse issues."⁸

WANADA submits that the term "random drug test" is misleading, as the available information to date indicates the testing will be in effect targeted at a specific cohort of people who correlate with the risk factors identified through data analysis.

8. WANADA recommends that the Welfare Reform Bill, and associated instruments and documentation are amended to more accurately reflect the nature of the drug testing, noting that it is not a fully random testing trial, but rather targeted at a specific cohort of people who are identified as having risk factors associated with drug use. This recommendation must be implemented alongside Recommendation 9, to avoid potential unintended consequences of identifying risk factors.

The exact nature and findings of the data analysis of social services client data is yet to be made public. To the extent of WANADA's awareness, however, University institutions that have subject matter expertise regarding alcohol and other drug use, have not been engaged in the analysis to date.

9. WANADA recommends that the Welfare Reform Bill's drug testing measures are not implemented until external research bodies with subject matter expertise in alcohol and other drugs, are engaged to assess the efficacy of both the testing trial and the analytics identifying risk factors.

⁸ Department of Social Services, Welfare Reform Fact Sheet. Australian Government, 2017, p.3.
https://www.dss.gov.au/sites/default/files/documents/05_2017/budget_2017_-_welfare_reform_-_fact_sheet_for_web_0.pdf

Medical Professional

The Welfare Reform Bill states that a person receiving Youth Allowance or Newstart who tests positive to two or more drug tests will undergo “a medical, psychiatric or psychological examination.”⁹ The Explanatory Document states that a “Department of Human Services’ contracted medical professional”¹⁰ will provide the assessment.

WANADA considers it an imperative that suitably qualified individuals are contracted to conduct the assessments. Noting the likely complexity of the cases that will require assessment by the medical professional, WANADA believes that the medical professional should specifically be prescribed to be an alcohol and other drug treatment specialist.

WANADA is concerned that there is a limited number of suitably qualified persons across the State who would be appropriate for the role. This limitation, however, must not be a reason to lessen the requirements or qualifications for the role of alcohol and other drug treatment specialist. Rather, the availability of a suitably qualified alcohol and other drug treatment specialist must be a key criteria in determining the eligibility of proposed trial sites.

10. WANADA recommends that the Welfare Reform Bill’s provision to contract a medical professional is amended to prescribe the role as an alcohol and other drug treatment specialist with at least three years’ experience in assessing those with a severe alcohol and other drug dependency and complex co-occurring issues.

Requirement to Complete Treatment Activities

The current wording of the Welfare Reform Bill and Explanatory Memorandum states that if the medical professional identifies treatment to be of benefit to the individual, they will be required to complete the treatment activities.¹¹

WANADA does not support the drug trial’s proposed mandatory treatment of individuals for alcohol or other drug use. Choice and motivation are both important factors in contributing to effective treatment outcomes. To maximise these outcomes, it is important that the trial is designed in a manner that addresses alcohol and other drug dependency as a health issue, and that supports, engages and motivates a person to voluntarily access treatment and support services.

11. WANADA recommends that the Welfare Reform Bill’s provision that makes a treatment activity a compulsory requirement to complete is removed and replaced with a provision that enables voluntary engagement with treatment and support services.

WANADA also notes that alcohol and other drug use issues are complex and often co-occur with other issues. WANADA cautions the Australian Government to avoid limiting its focus to

⁹ See Schedule 12, Part 1 (4 & 7), Social Services Legislation Amendment (Welfare Reform) Bill 2017

¹⁰ Social Services Legislation Amendment (Welfare Reform) Bill 2017 Explanatory Memoranda, p.63.

¹¹ See Schedule 12, Part 1 (4 & 7), Social Services Legislation Amendment (Welfare Reform) Bill, 2017.

addressing alcohol and other drug issues. Treatment and support should be provided to people based upon their individual needs, and should address all of their circumstances.

12. WANADA recommends that the Welfare Reform Bill and supporting documentation is amended to ensure the assessment and treatment of people within the trial sites addresses all of their individual circumstances – not just those attributable to drug use.

Waiting Times

WANADA strongly supports the inclusion of the Welfare Reform Bill's clause defining a person waiting to access treatment as meeting their activity requirements.¹² As stated at the start of this submission, demand continues to far outpace the supply of treatment and support services nation-wide. In Western Australia, modelling estimates that alcohol and other drug treatment and support services will have to effectively triple in the near term to meet projected demand.

WANADA considers the current alcohol and other drug service demand-supply gap as avoidable. Were services funded at adequate levels to address community need, wait times would be drastically reduced, and the risk of people referred as part of the trial displacing existing voluntary service consumers would be negated. At the least, WANADA considers funding should be attached to all alcohol and other drug measures within the Welfare Reform Bill to ensure services are adequately funded to meet any increase in demand.

13. WANADA recommends that all alcohol and other drug-related reforms within the Welfare Reform Bill are attached to funding that ensures services are adequately supported to meet any increased demand as a result of the proposed measures.

Activity Testing

WANADA strongly supports the inclusion of alcohol and other drug treatment as an approved activity, as outlined in the Explanatory Memorandum.¹³ WANADA also strongly supports treatment and support counting towards mutual obligation requirements.

To maximise the outcomes for each person accessing treatment and support services as part of the proposed trial, WANADA considers it important that the full range of alcohol and other drug treatment and support service types are included as approved activities. This will better enable people to access services that reflect their individual needs.

WANADA considers it important that if implemented, the proposed trial is congruent with the National Drug Strategy, which seeks to provide a balanced government response across the three pillars of supply, demand and harm reduction. As such, WANADA strongly recommends that harm reduction services are included as approved activities. In addition to improving the health and wellbeing outcomes for those who consume alcohol and other

¹² Social Services Legislation Amendment (Welfare Reform) Bill 2017 Explanatory Memoranda, p.63.

¹³ Social Services Legislation Amendment (Welfare Reform) Bill 2017 Explanatory Memoranda, p.63.

drugs, harm reduction services are extremely cost effective: for example, for every \$1 spent on needle and syringe exchange programs, the community saves \$27 in future cost.¹⁴

14. WANADA recommends that all forms of alcohol and other drug treatment and support services are classified as eligible activities, including harm reduction services.

For treatment to be successfully included as an approved activity, WANADA considers it imperative that the degree to which treatment counts towards activity requirements must be reflective of both the time and effort required to participate in the service.

A failure to appropriately acknowledge both the time and effort required to undertake treatment will result in an unreasonable expectation on a person to complete additional activities. For example, residential rehabilitation is an intense treatment often undertaken for 3-12 months. In this circumstance, having to complete additional activities to satisfy participation requirements would be counter-productive and negatively impact a person's treatment outcomes.

Alcohol and other drug treatment and support services often offer a range of complementary activities that assist people to actively participate in both the community and the workforce. These vary across treatment and support services. WANADA considers it important that any activity testing recognises and accounts for specifically what alcohol and other drug treatment and support service provides, so as to avoid duplicating the activities required to meet a person's participation requirements.

15. WANADA recommends that the Welfare Reform Bill and associated instruments are amended to state that:

- **alcohol and other drug treatment and support services meet 100 per cent of a person's activity requirements**
- **the activity testing of welfare recipients in the trial locations fully takes into account the range of additional activities undertaken within a treatment service that support a person to actively participate in the community and the workforce.**

Increasing the Risk of Harm

WANADA does not support provisions within the Welfare Reform Bill that could be perceived as punitive, or would potentially increase the risk of harm to individuals within the test sites. The test pilots should not, intentionally or unintentionally, result in people becoming further disadvantaged or adopting avoidance behaviour. WANADA submits that health and wellbeing outcomes would be improved if the test pilot's service model encourages motivation and choice for individuals with alcohol and other drug issues. Failure to provide such an environment also decreases the likelihood that a person with an alcohol or other drug use issue will disclose this information to the Department.

¹⁴ National Centre in HIV Epidemiology and Clinical Research, *Return on Investment 2: Evaluating the Cost-Effectiveness of Needle and Syringe Programs in Australia 2009*. Australian Government Department of Health and Ageing, 2009 <http://www.health.gov.au/internet/main/publishing.nsf/Content/needle-return-2>, p.8.

WANADA does not support the Welfare Reform Bill's provisions that enable a person's payments to be cancelled if they refuse to undergo a drug test.¹⁵ Applying a 28 day waiting period is also not supported.¹⁶ These measures do not incentivise or support a person with a complex health issue to access treatment services. Instead, WANADA considers these provisions may increase the potential for people to fall through the net of support services and be at risk of increased harm.

16. WANADA recommends Schedule 12, Part 1 (8) provisions pertaining to payment cancellations and waiting periods is removed, as these clauses will increase the risk of harm to individuals presenting with alcohol and other drug use and related complex issues.

WANADA does not support the requirement for people to pay for second tests if found to be positive.¹⁷ This provision does not incentivise people to access treatment. WANADA believes that this provision has the potential to increase the risk of harm, as it inadvertently incentivises a person to change their drug use behaviour, such as using drugs that are less detectable by current testing arrangements. WANADA considers this provision should be removed and testing costs borne by the Government, regardless of whether a person requests a second test, or tests positive. WANADA acknowledges that there would be a small cost incurred by the Government if this amendment is made. This cost, however, is easily offset. A model of service that promotes motivation, support and choice will increase the likelihood of a person accessing treatment services. This in turn will result in substantial savings to both the health system and society.

17. WANADA recommends that Schedule 12, Part 1 (11) of the Social Services Legislation Amendment (Welfare Reform) Bill 2017 is removed, and all testing costs borne by the Government. These provisions should be replaced by procedures that support, incentivise and motivate a person to choose to access alcohol and other drug services.

Income Management

WANADA does not support the inclusion of income management in the proposed trial. WANADA considers it more appropriate for the trial to focus upon methods to support and motivate persons with alcohol and other drug use issues to access appropriate treatment and support services. It is not evident that income management measures will contribute to this outcome.

Were the trial to commence with the inclusion of income support, WANADA recommends that the period that a person is able to be placed on income management is amended. The Welfare Reform Bill provides the Secretary with the ability to determine a period of income management in excess of 24 months.¹⁸ WANADA does not support the ability for a person to

¹⁵ Schedule 12, Part 1 (8), Social Services Legislation Amendment (Welfare Reform) Bill 2017

¹⁶ Ibid.

¹⁷ Schedule 12, Part 1 (11), Social Services Legislation Amendment (Welfare Reform) Bill 2017

¹⁸ Schedule 12, Part 1 (24, 123UFAA(1B)), Social Services Legislation Amendment (Welfare Reform) Bill 2017

be placed on income management beyond the duration of the trial period. The efficacy of the trial must first be evaluated prior to any decision to extend the trial duration or location.

18. WANADA recommends that Schedule 12, Part 1 (24, 123UFAA(1B)) of the Welfare Reform Bill is removed. WANADA recommends the Secretary is not given discretion to extend income management beyond the 24 month trial period.

Were the trial to commence with the inclusion of income support, WANADA strongly supports the proposed provision that gives the Secretary the capacity to determine that a person is not subject to the income management regime if it poses a serious risk to the person's mental, physical or emotional wellbeing.¹⁹ WANADA considers the health and wellbeing of any person affected by the trial must be a key consideration for the Australian Government.

¹⁹ Schedule 12, Part 1 (24, 123UFAA(1C)), Social Services Legislation Amendment (Welfare Reform) Bill 2017

Removal of Exemptions for Drug or Alcohol Dependence – Schedule 13

WANADA considers that the efficacy of Schedule 13 will be reliant upon the design of other alcohol and other drug welfare reform measures. In particular, Schedule 13 will be supported by a determination of what alcohol and other drug treatment and support services will be considered a legitimate activity, and the extent to which these activities will contribute towards meeting mutual obligation requirements.

WANADA cautions against the consideration or passage of Schedule 13 in the absence of this information.

19. WANADA recommends that the consideration or progression of the Welfare Reform Bill is delayed until the details of related alcohol and other drug welfare reform measures are made public. In particular, information regarding what treatment and support services are considered a legitimate activity is required.

WANADA is making the below comments regarding Schedule 13 in the absence of information on associated welfare reform measures, and would welcome the opportunity to provide further analysis once additional information is made available.

Accounting for complexity

Alcohol and other drug use is a complex health issue that typically co-occurs with a range of other issues, with individuals presenting to alcohol and other drug treatment with complex needs (for example co-occurring mental health; domestic and family violence/relationship; acute and chronic health; child protection; corrections; housing and homelessness issues etc.).

WANADA is concerned that the current wording of Schedule 13 does not take into account the complexity or sensitivity of alcohol and other drug issues. The removal of exemptions due to alcohol or other drug use has the potential to increase both the complexity of alcohol and other drug issues and potentially place vulnerable people under unnecessary duress.

WANADA recognises that there is room to improve the pathways from welfare agencies to alcohol and other drug treatment and support services. These pathways, however, must incentivise, motivate and support those considering treatment.

20. WANADA recommends Schedule 13 is amended to provide the Secretary with discretion to still grant an exemption, in circumstances where a person's mental, physical or emotional wellbeing is at risk.

21. WANADA recommends that Schedule 13 is amended to provide the Secretary with discretion to grant an exemption in circumstances where a person has stated their intention to access assessment, treatment or support services to address an alcohol or other drug issue.

Changes to Reasonable Excuses Schedule – Schedule 14

WANADA considers that the efficacy of Schedule 14 will be reliant upon the design of other alcohol and other drug welfare reform measures. In particular, Schedule 14 will need to be supported by a determination of what alcohol and other drug treatment and support services will be considered a legitimate activity, and the extent to which these activities will contribute towards meeting mutual obligation requirements.

WANADA cautions against the consideration or passage of Schedule 14 in the absence of this information.

22. As stated in Recommendation 19, WANADA recommends that the consideration or progression of the Welfare Reform Bill is delayed until the details of related alcohol and other drug welfare reform measures are made public. In particular, information regarding what treatment and support services are considered a legitimate activity is required.

WANADA is making the below comments regarding Schedule 14 in the absence of full information on all associated welfare reform measures, and would welcome the opportunity to provide further analysis once additional information is made available.

Accounting for complexity

To be effective, Schedule 14 must acknowledge the complexity and sensitivity of alcohol and other drug issues, while also incentivising access to treatment and support services where appropriate.

WANADA supports those items within Schedule 14 that recognise both the value of accessing alcohol and other drug treatment and support services, and some of the factors that can influence treatment access and retention. In particular, WANADA supports:

- Participants being given the option of voluntarily undertaking treatment for drug or alcohol use (if appropriate and available) following a relevant participation failure.²⁰
- A failure to participate not being treated as a participation failure if the person has commenced treatment.²¹
- The continued application of existing reasonable excuse provisions following the initial relevant participation failure due to alcohol or drug use where treatment is unavailable or inappropriate, including where the person:
 - is ineligible or unable to participate
 - has already participated in all available treatment
 - has agreed but not yet commenced in treatment; or

²⁰ Schedule 14, Social Services Legislation Amendment (Welfare Reform) Bill Explanatory Memorandum, 2017. P. 85.

²¹ Ibid

- has relapsed since completing treatment and is seeking further treatment.²²

WANADA considers there is a need for further recognition of the sensitivity and complexity of supporting people to access alcohol and other drug treatment and support services. Government actions in this space should be nuanced and balanced. A person should be supported and incentivised to access alcohol and other drug services. A person should not be unduly subjected to measures that could be perceived as punitive and that may increase the risk of harm to that person. Such measures risk further complicating a person's circumstances and inadvertently increasing the barriers to service access.

Noting the complexity and sensitivities associated with supporting people to access alcohol and other drug services, WANADA advises the introduction of sufficient flexibility in the Schedule's provisions to ensure:

- the provision's applicability in a range of complex scenarios
- there is no risk of increased harm or negative impacts on a person's health and emotional wellbeing when applying the Schedule's provisions
- barriers to treatment and support are not inadvertently introduced or exacerbated
- access to alcohol and other drug treatment and support services is optimised and appropriately incentivised.

23. WANADA recommends that Schedule 14 is amended to provide the Secretary with discretionary power to grant a reasonable excuse as a result of alcohol and other drug issues, in instances where:

- **granting the reasonable excuse will support a person to investigate relevant treatment and support options; or**
- **failing to grant a reasonable excuse will put at risk a person's health or wellbeing.**

²² Schedule 14, Social Services Legislation Amendment (Welfare Reform) Bill Explanatory Memorandum, 2017. P. 86.

