

27 September 2017

Committee Secretary
Senate Standing Committees on Community Affairs
PO Box 6100
Parliament House
Canberra ACT 2600

By email to: community.affairs.sen@aph.gov.au

Dear Committee members

Re: Social Services Legislation Amendment (Cashless Debit Card) Bill 2017

The Royal Australian and New Zealand College of Psychiatrists (RANZCP) is pleased to provide a written submission to the Senate Standing Committees on Community Affairs' (the Committees) inquiry into the Social Services Legislation Amendment (Cashless Debit Card) Bill 2017 (the Bill) which allows the Australian government to expand its cashless debit card trials. These trials aim to reduce harms associated with gambling, and alcohol and drug use, by restricting welfare payments to debit cards which cannot be used to withdraw cash or buy alcohol or gambling products.

The RANZCP welcomes opportunities to work with the Commonwealth Government on matters of shared concern including the need to address problem gambling and substance use disorder. The RANZCP is the principal organisation representing the medical speciality of psychiatry in Australia and New Zealand and is responsible for training, educating and representing psychiatrists on policy issues. The RANZCP has almost 6000 members including more than 4000 qualified psychiatrists, many of whom have specific interest and expertise relevant to this inquiry. The RANZCP is guided on policy matters by a range of expert committees, including the Faculty of Addiction Psychiatry and the Aboriginal and Torres Strait Islander Mental Health Committee, which are made up of esteemed psychiatrists and consumer, community and career representatives.

Substance use is an issue of grave concern with 40% of Australians either smoking daily, drinking alcohol in risky quantities or using illicit drugs over a 12-month period (AIHW, 2013). We commend the Government for recognising the need to address this critical issue and avow our support of evidence-based strategies to assist welfare recipients with substance use issues on their journeys towards recovery and employment. However, we are concerned that the proposed reforms do not represent an evidence-based approach to this important issue.

More than 50 years of psychological research shows that positive reinforcement strategies are more effective than punitive strategies in bringing about behavioural change. Furthermore, many people with substance use issues may require holistic support to deal with complex, multi-faceted concerns which may involve their physical and mental health, housing, unemployment, family violence and intergenerational trauma and deprivation.

The RANZCP is concerned that the trials are not set up in a way that is likely to provide the kind of holistic care which is required for many individuals. This is because preventing people from purchasing alcohol or gambling products does not address the underlying causes of addiction. In fact, the trials may even risk doing further damage by contributing to entrenched feelings of disempowerment and hopelessness felt by many people with concurrent addiction and unemployment issues. If the underlying causes of these problems are not addressed, people with addiction issues may resort to increasingly negative coping mechanisms, including crime and family violence, in response to increasingly punitive approaches.

The RANZCP is concerned that the *Cashless Debit Card Trial Evaluation: Final Evaluation Report* (Orima, 2017) may be overstating the benefits of the trial. While the shortcomings of this report have been noted by others (Hunt, 2017), the RANZCP would like to provide some further information which we have received from reports from our own members in areas where the trials are already underway, documenting:

- increased vulnerability of individuals, especially community elders, to financial abuse from people seeking funds to purchase alcohol or gambling products
- heightened feelings of disempowerment and injustice among people subject to the trials who do not have addiction issues
- reinforced beliefs in the continuation of oppressive government practices associated with settlements whereby Aboriginal and Torres Strait Islander people have access to basic goods restricted in the name of their welfare
- difficulties for individuals 'visiting country' without access to cash.

As the peak body representing psychiatrists in Australia, the RANZCP notes evidence which suggests that self-determination and supportive societal structures can be a protective factor against negative mental health outcomes (Silove, 2013). The RANZCP would therefore urge the government to consider the broader impacts of this policy on the health of Aboriginal and Torres Strait Islander communities.

For these reasons, the RANZCP urges the government to reconsider expanding the trials at this point in time. The RANZCP suggests that the Bill should not be passed without broader community consultation to ensure the full effects of the trial, including on Aboriginal and Torres Strait Islander communities, are properly understood.

The RANZCP also notes that addiction services are currently extremely stretched with long waiting lists for people who are voluntarily seeking support. There are also many regions of Australia, including particular remote areas, which are simply out-of-reach of any addiction specialists. In the RANZCP's view, the addiction sector requires significant expansion to accommodate the large number of Australians in need of treatment.

The RANZCP would urge the government to ensure that any programs which aim to protect communities from problems associated with gambling and substance use include appropriate increases in funding for addiction specialists and services. While the RANZCP commends the government for doing so in areas subject to current trials, we believe that these increases should come to a region *before* the introduction of any trial to ensure that people with addiction issues who become unable to purchase alcohol or gambling products are immediately able to access treatment. For many individuals, opportunities to begin the recovery process may only occur in brief window periods and so it is absolutely essential that they have access to addiction services at the right time.

It is also essential that addiction services provided to Aboriginal and Torres Strait Islander communities be culturally appropriate and responsive. The RANZCP is concerned at reports that this has not been the case in communities where trials are underway. More information about the RANZCP's view with regard to the provision of culturally appropriate services to Aboriginal and Torres Strait Islander communities can be found on the [RANZCP website](#), particularly [Ethical Guideline 11: Principles and Guidelines for Aboriginal and Torres Strait Islander Mental Health](#).

If you would like to discuss any of the issues raised in the submission, please contact Rosie Forster, Executive Manager, Practice, Policy and Partnerships via rosie.forster@ranzcp.org or by phone on (03) 9601 4943.

Yours sincerely



Dr Kym Jenkins
President

Ref: 0856o

References

Australian Institute of Health and Welfare (2013) *National Drug Strategy Household Survey detailed report*. Canberra: AIHW.

Hunt J (2017) *The Cashless Debit Card Trial evaluation: A Short Review*. Canberra: Centre for Aboriginal Economic Policy Research, Australian National University.

Orima Research (2017) *Cashless Debit Card Trial Evaluation: Final Evaluation Report*. Available at: www.dss.gov.au/sites/default/files/documents/08_2017/cashless_debit_card_trial_evaluation_-_final_evaluation_report.pdf (accessed 22 September 2017).

Silove D (2013) The ADAPT model: a conceptual framework for mental health and psychosocial programming in post conflict settings. *Intervention: Journal of Mental Health and Psychosocial Support in Conflict Areas* 11(3): 237–48.