

5 March 2023

Committee Secretary  
Senate Standing Committees on Community Affairs

By online submission

Dear Committee Secretariat

**Re: Inquiry into the provisions of the Social Security (Administration) Amendment (Income Management Reform) Bill 2023**

The Royal Australian and New Zealand College of Psychiatrists (RANZCP) welcomes the opportunity to provide a submission to the Senate Standing Committee on Community Affairs' [Inquiry into the provisions of the Social Security \(Administration\) Amendment \(Income Management Reform\) Bill 2023](#).

The RANZCP is a membership organisation with over 7,900 members, which prepares doctors to be medical specialists in the field of psychiatry, supports and enhances clinical practice, advocates for people affected by mental illness and advises governments on mental health care.

The RANZCP agree with the Department of Social Services' assessment that the Cashless Debit Card (CDC) program has failed to achieve its policy outcomes, and that its abolition is required alongside further reforms to [Income Management \[IM\] programs](#). We support the [Amendment Bill](#) as the commencement of a) transitional arrangements for the CDC program's abolition and b) future IM reform to improve community decision-making.

**A) The abolition of the CDC program**

The RANZCP supports the abolition of the CDC program. Our submissions on the Social Security (Administration) Amendment (Continuation of Cashless Welfare) Bills of [2019](#) and [2020](#) detail the shortcomings of such punitive measures:

- Failure to support people with concurrent addiction, housing employment issues to bring about behavioural change, as opposed to positive reinforcement strategies and the fulfilment of mental, emotional and social needs.[1]
- Entrenchment of feelings of disempowerment, hopelessness, helplessness, and injustice.[2]
- Exacerbation of community grievance and unrest, and the re-traumatisation of Aboriginal and Torres Strait Islander communities (due to disproportionate number of applications). [2-3]

**B) Future reform to the IM programs**

The RANZCP notes that the abolition of the CDC program does not result in the end of welfare quarantining measures, due to the continuation of IM programs established in 2007. Like CDCs, the IM program logic to restrict the purchase of items such as alcohol and gambling products so participants prioritise expenditure on essential expenses such as rent, food and utilities, is inherently flawed. [4-5] The RANZCP therefore recommends that the Government reconsider the Amendment's Schedule 1 'Expanding access to the enhanced IM regime', prior to full consultation on the Government's proposed reforms.

Moving forward, the RANZCP welcomes the Government's commitment to consult with communities about social security measures as an alternative to IM. We reaffirm the need to consult with psychiatrists, addiction medicine specialists and Aboriginal health professionals due to their experience treating people with complex needs relating to addiction, mental health, wellbeing, housing and employment difficulties. With disproportionate levels of poverty among those with a mental health condition, psychiatrists also have a unique expertise on the mental health impacts of social security provision. [5-7]

Social security needs to be understood as part of the health-care system to ensure that people receive responsive support that aids one's recovery and wellbeing. Greater costs are incurred by the responding public mental health system if the social security system seeks to punish those with mental health conditions rather than encourage help seeking.

The RANZCP thus recommends long-term systemic reform to:

- Introduce less adversarial processes to social security claims to avoid discrimination and stigma against people with mental health conditions and substance use disorders.
- Endorse trauma informed practice approaches and healing informed approaches when managing claims of people with a reported mental health condition and/or substance use disorder, with particular consideration given to Aboriginal and Torres Strait Islander Peoples.
- Provide clear, publicly available information to improve access to social security supports for people with a mental health condition and/or substance use disorder.
- Scale up investment in evidence-based and [culturally appropriate](#) public rehabilitation and addiction services to ensure that people with addiction issues can access the help they need, when they need it.
- Fund research to fill gaps in knowledge regarding the lived experience of people with a combination of addiction, mental health and gambling issues.

The RANZCP reiterates our offer of support to the Government to achieve such reform. If you have any queries, please contact Nicola Wright, Executive Manager, Policy, Practice and Research Department via [nicola.wright@ranzcp.org](mailto:nicola.wright@ranzcp.org) or on (03) 9236 9103.

Yours sincerely



Associate Professor Vinay Lakra

**President**

Ref: 3788

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