HOUSE OF REPRESENTATIVES

BILLS

Social Services Legislation Amendment (Drug Testing Trial) Bill 2019

Second Reading

SPEECH

Wednesday, 11 September 2019

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES
Mr MORTON (Tangney—Assistant Minister to the Prime Minister and Cabinet) (10:10): I move:

That this bill be now read a second time.

This bill will establish a two-year trial of drug testing for 5,000 new recipients of Newstart allowance and youth allowance (other). This bill demonstrates the government's commitment to breaking down barriers that prevent people from getting a job.

Data shows us that substance abuse is directly impacting the ability of jobseekers to undertake job search or activities to get them into work.

In the 2018-19 financial year, there were 5,247 occasions when a jobseeker attempted to use drug or alcohol dependency as a reason for not meeting their mutual obligation requirements.

In addition, between 1 January 2018 and 31 July 2019, a total of 8,638 jobseekers participated in a drug or alcohol treatment activity as part of their mutual obligation requirements.

The community has a right to expect that taxpayer funded welfare payments are not being used to fund drug and alcohol addiction and that jobseekers do all they can to find a job, including addressing any barriers they have which prevent them from doing so.

The Australian Institute of Health and Welfare's 2016 National Drug Strategy Household Survey showed that those who were unemployed were three times more likely to have recently used drugs such as ice and other amphetamines than those who were employed. For too long, not enough has been done to try to deal with the real connection between drug abuse and unemployment.

The trial established by this bill will assess the use of drug testing as a means of identifying jobseekers with substance abuse issues that may be preventing them from finding a job, and supporting them to address these barriers through interventions such as income management and referral to the appropriate treatment that they require.

The drug-testing trial is complemented by the government's other substance misuse measures, including ensuring that all jobseekers are able to undertake drug and alcohol treatment as an approved activity in their job plan. Since the start of that measure on 1 January 2018, 5,047 stream A and B jobseekers have participated in drug or alcohol treatment activity as part of their job plan.

Together, these measures recognise that supporting jobseekers to address their substance abuse issues through appropriate treatment is a critical first step on the path to employment. This will benefit not just the jobseekers themselves but also their families and the wider community.

The trial will operate in three locations: Canterbury Bankstown in New South Wales, Logan in Queensland and Mandurah in Western Australia.

Trial sites were chosen based on careful consideration of the available evidence and data, including:

- the Australian Criminal Intelligence Commission's National Wastewater Drug Monitoring Program report
- the AIHW's 2013 National Drug Strategy Household Survey, and
- state and territory government crime statistics for drug use and possession.
The government has announced a dedicated treatment fund of up to $10 million to support jobseekers in the drug-testing trial across all three locations, after listening to feedback from the drug and alcohol treatment sector. The treatment fund will provide for additional treatment support in the trial locations where the existing state or Commonwealth services and supports are not sufficient to meet additional demand due to the trial.

This is in addition to the more than $780 million the government has already committed over four years, from July 2018, to reduce the impact of drug and alcohol abuse on individuals, families and communities. This includes funding to support the National Ice Action Strategy to tackle the scourge of ice, especially in regional Australia.

Drug testing will coincide with Services Australia appointments and will be conducted in private by a qualified representative from a contracted third-party drug-testing provider. Depending on what kind of test people have been selected for, the test will either take place at a local Services Australia office or at a nearby facility.

Comprehensive rules will be set out in a legislative instrument to ensure that testing is conducted appropriately and in accordance with the relevant standards.

There will be appropriate consequences for people who deliberately miss an appointment without a reasonable excuse or refuse a drug test in order to avoid a positive result. If a jobseeker refuses to take a drug test, having acknowledged that they may be required to do so as part of their condition of payment, their payment will be cancelled and they will not be able to reapply for a four-week period.

Jobseekers who test positive to a drug test will have their payments placed on income management to limit their ability to use their payments to further fund their harmful drug use.

In this way, 80 per cent of a jobseeker's normal payment will be quarantined to pay bills and purchase goods, and the remaining 20 per cent will be paid into their regular bank account, accessible as cash to pay for discretionary items.

Jobseekers who test positive will also be subject to a second drug test within 25 working days and may also be subject to further subsequent tests.

Jobseekers who test positive to more than one drug test during the trial will be referred to a Services Australia contracted medical professional with experience in drug and alcohol treatment. This is critically important. This is about getting those people who need support services the services that they require. They will assess the jobseeker’s particular circumstances and identify the appropriate treatment and support options.

If the report from the medical professional recommends treatment, the jobseeker will be required to participate in one or more treatment activities to address their substance abuse as part of their Job Plan. This could include activities such as rehabilitation or counselling.

This is not about penalising jobseekers. This is not about penalising those with drug abuse issues. It is about finding new and better ways of supporting those jobseekers with drug abuse issues to overcome the barriers to work.

It is no good that jobseekers with drug abuse issues, as part of their mutual obligation requirements, are required to search for work in a futile attempt when they are dealing with drug and alcohol issues. This is about identifying the people that need the support and connecting them with the support services that are available, and that's why additional funding is part of this trial.

There will be a comprehensive evaluation of the trial to determine which aspects have been successful in addressing welfare recipients’ substance abuse and barriers to employment.

Conclusion

The government considers it critical to do all we can, including testing innovative methods to help vulnerable jobseekers to address their barriers to employment so they can get and keep a job.

Debate adjourned.