



Submission to the Senate Community Affairs Legislation Committee Inquiry into the Social Services Legislation Amendment (Cashless Debit Card Trial Expansion) Bill 2018

The following submission to the Senate Community Affairs Legislation Committee is made by the National Aboriginal Community Controlled Health Organisation (NACCHO). NACCHO is the national peak body representing 143 Aboriginal Community Controlled Health Organisations (ACCHOs) across the country on Aboriginal health and wellbeing issues.

An ACCHO is a primary health care service initiated and operated by the local Aboriginal community to deliver holistic, comprehensive, and culturally appropriate health care to the community which controls it, through a locally elected Board of Governance. They range from large multi-functional services employing several medical practitioners and providing a wide range of services, to small services which rely on Aboriginal Health Workers and/or nurses to provide the bulk of primary care services, often with a preventive, health education focus. The services form a network, but each is autonomous and independent both of one another and of government.

NACCHO and its members are a living embodiment of the aspirations of Aboriginal communities and their struggle for self-determination. In 1997, the Federal Government funded NACCHO to establish a Secretariat in Canberra which greatly increased the capacity of Aboriginal Peoples involved in ACCHOs to participate in national health policy development.

The integrated primary health care model adopted by ACCHOs is in keeping with the philosophy of Aboriginal community control and the holistic view of health. Addressing the ill health of Aboriginal people can only be achieved by local Aboriginal people controlling health care delivery. Local Aboriginal community control in health is essential to the definition of Aboriginal holistic health and allows Aboriginal communities to determine their own affairs, protocols and procedures.

NACCHO understands that the Bill seeks to amend the Social Security (Administration) Act 1999 to: expand the cashless debit card arrangements to a further trial site, the Bundaberg and Hervey Bay area, to run until 30 June 2020; specify the class of trial participants for the area and increase the total number of trial participants overall to 15 000; provide for an exception from the restrictive trade practices provisions of the Competition and Consumer Act 2010 for merchants that implement product level blocking systems to identify that a cashless debit card is being used for payment and, if any restricted products are being purchased, decline the transaction; and limit the use of the restricted portion of a payment to prevent the portion being used to obtain cash-like products which could be used to obtain alcohol or gambling.

NACCHO is strongly opposed to the current cashless debit card trials as well as any proposal to expand. We also note that Aboriginal people are disproportionately affected by the trials and that they are in and proposed for locations where the majority participants are Aboriginal. Whilst it is not the stated intent of the trials, its impact is discriminatory.

To assist the Committee in assessing this submission, it has been structured against the following key issues: available evidence on current trials; cost benefit; evaluation; additional services and support; community control and ownership; and expansion.

Available evidence on current trials

NACCHO notes that the recent evaluation of the Cashless Debit Card Trials, notwithstanding the quality of the evaluation, found that:

- Only 24 per cent of card users reported less alcohol consumption and drug use in their communities, and only 27 per cent of people noting a decrease in gambling.
- The administration of the card has been confusing and the role of the community panel has not been well implemented: the rules of engaging with the panel and their role is not well understood.
- Despite the small community improvements, many people remained unhappy with the welfare restrictions, with about half saying it had made their lives worse, and 46 per cent reporting they had problems with the card.

NACCHO believes that this is not a strong enough evidence base to warrant the expansion of the trials to other sites.

We also note that the majority of trial participants identify as Aboriginal in the evaluation and believe that this amounts to a discriminatory policy in its application.

Cost benefit

NACCHO notes that no cost benefit analysis has been undertaken, however we understand from Senate Estimates that the cost of delivering the Cashless Debit Card program is in excess of \$12,000 per participant at the time the trial had been running for approximately 12 months.

NACCHO is strongly of the view that this funding could be more effectively spent on early intervention and primary health care strategies targeted towards reducing alcohol, drug and gambling related harm.

Notwithstanding our primary view that the trial funding should be redirected, a robust cost benefit analysis should be undertaken prior to any expansion of the trials and this should be made public. The recently released Australian National Audit Office (ANAO) report, *The Implementation and Performance of the Cashless Debit Card Trial*, concludes that *“it is difficult to conclude... whether the card was a lower cost welfare quarantining approach”*.

We also note that the notion that the trials will be more cost efficient the more participants are involved is not the basis of a cost benefit analysis and should not be used as a justification of any expansion.

Evaluation

NACCHO notes that there has been public criticism of the evaluation of the trials to date undertaken by ORIMA Research, including by the Australian National University. In particular, NACCHO notes that the evaluation did not include data from state governments relating to alcohol related crimes and alcohol related hospital admissions. This data is crucial to building a robust evaluation framework and assessing the trial impact for the current and any future sites.

We note that the ANAO Report also found that the *“approach to the monitoring and evaluation of the trial was inadequate”*. The ANAO report further found that there was a lack of robustness in the data collection and the evaluation did not make use of administrative data available to measure the impact of the trial.

The lack of robust evaluation framework and corresponding evidence means it is not possible to conclude that there has been a reduction in alcohol and drug related harm as a result of the trial. This view is also supported by the ANAO Report.

NACCHO also recommends that any evaluation should be considered alongside the effectiveness of other community driven and community controlled initiatives and programs to help tackle alcohol and drug related harm in particular communities.

Additional services and support

NACCHO notes that additional prevention and support services were announced as part of the current trials. We believe these services are critical to supporting communities tackle harm caused by alcohol, drugs and gambling. The cashless debit card has not been effective and should not be considered as a stand alone response to community harm and disadvantage.

We further understand that the proposed services in current sites have been slow to implement and, in many cases, would be insufficient to address community dysfunction. Any expansion of the trials should be coupled with a significant package of early intervention and prevention services.

Community control and ownership

NACCHO knows that some Aboriginal people and communities need additional support to better manage their lives and ensure that income support funds are used more effectively. However, NACCHO is firmly of the view that there are significantly better, more cost efficient, alternative approaches that support improvements in Aboriginal wellbeing and positive decision making.

Aboriginal Community Controlled Health Services would be well placed to develop and implement alternative programs. We firmly believe that addressing the ill health of Aboriginal people, including the impacts of alcohol, drug and gambling related harm, can only be achieved by local Aboriginal people controlling health care delivery. We know that when Aboriginal and Torres Strait Islander people have a genuine say over our lives, the issues that impact on us and can develop our own responses, there is a corresponding improvement in wellbeing. This point is particularly relevant given that the majority of trial participants are Aboriginal.

Proposed expansion

We note that the ANAO Report concludes that aspects of the current trial have informed the proposed wider roll out, but that the current trial was not designed to test the scalability and thus has not been evaluated with this in mind.

NACCHO is opposed to the further roll out and expansion of the cashless debit card trials. We believe there is: insufficient evidence of the current trials' success; a lack of information about the cost of the trials and a cost benefit analysis; insufficient planning and consultations to help inform an expansion; insufficient additional supports and services in current trial sites and that is being funded for the proposed new locations; and that other community driven programs and initiatives should be explored in locations where there is entrenched social harm caused by alcohol, drugs and gambling.

Based on the evidence to date and the findings in the ANAO Report, we believe that the proposed expansion in this Bill is not justified.