



“It’s not enough”: why more is needed to lift people out of poverty

SEPTEMBER 2023

**“WE’RE DROWNING AND BEING
THROWN A RUBBER DUCK.”**

- Freya, who receives JobSeeker Payment



**RAISE
THE RATE
FOR GOOD**

Introduction

Trigger warning: this report refers to suicide.

Australia's working-age income support payments are completely inadequate to cover the cost of essentials such as housing, food and energy. In April 2023, the Government appointed independent Economic Inclusion Advisory Committee found that people receiving these payments face the highest levels of financial distress in Australia.¹

In the May 2023 Budget, the Federal Government announced payments will increase by \$20 a week – a figure well below that called for by ACOSS, lived experience advocates, the Economic Inclusion Advisory Committee and many others. This increase, along with routine CPI indexation, will take effect on 20 September, increasing the daily rate of JobSeeker from \$50 to \$54 a day (increasing by \$28 a week). In the same Budget, the Federal Government also delivered a 15% increase to Commonwealth Rent Assistance, the first real increase in more than 30 years. However, neither measure is sufficient to prevent the widespread distress experienced due to woefully inadequate payments alongside rising prices and rent.

Over four weeks from 13 July 2023, 270 people receiving working-age income support payments responded to an ACOSS survey, helping us to understand their experiences of deprivation and how they will be impacted by the 20 September increase. This was the third time that ACOSS conducted such research, having previously surveyed people receiving working-age payments in 2022 and February 2023. The previous reports showed people's living situations worsening between 2022 and 2023, despite their incomes being lifted in line with CPI.²

The most recent survey results show continuing high levels of deprivation that will not be substantially alleviated by the 20 September increase. People reported regularly rationing meals, going without heating and cooling, forgoing essential medication and medical care, and experiencing social isolation.

Previous surveys have indicated that people needed much greater increases than \$20 per week, even before cost-of-living pressures started to bite. This was again confirmed by people responding to this survey:

"Relying on income support is a depressing experience. It makes you depressed, anxious and gives panic attacks. It adversely affects your overall physical health and confidence. You feel less of a person, you feel like you don't belong, like are an outcast."

– Paull, SA

"Every bit helps, but my expenses are spiralling upwards far more than \$20 a week. My rates alone have gone up \$47 a week. Petrol is ridiculous. We can't use less electricity and gas."

– Melissa*, VIC

"I feel depressed. Interest rate increases hurt people who are not causing inflation. The \$20 a week increase is appreciated but out of touch with our reality."

– Tessa, VIC

1 Interim Economic Inclusion Advisory Committee 2023–24 Report to Government, Available from: https://www.dss.gov.au/sites/default/files/documents/06_2023/eiac_report_8.06.23_0.pdf

2 "It's hell": how inadequate income support is causing harm, Australian Council of Social Service (ACOSS), March 2023. Available from: https://www.acoss.org.au/wp-content/uploads/2023/03/ACOSS-cost-of-living-report2-March-2023_web_FINAL.pdf

With government and RBA predictions of growing unemployment, perhaps to as much as 4.5 per cent by 2024, more people will need income support. That represents a further 150,000 people that will be forced to rely on income support payments just to get by.

ACOSS urges the Government to raise the rate to at least \$76 in line with the pension so that everyone can afford the basics. This rate will also increase in September with routine indexation. The pension indexation takes into account wages as well as CPI, and has not yet been announced.

We extend our sincere thanks to those who shared their experience and expertise of living on income support, which was instrumental in informing this report.

The Australian Council of Social Service (ACOSS) is based on the lands of the Gadigal people of the Eora Nation. The work for this report was undertaken by people based on the many nations across this continent.

The team acknowledges that sovereignty has never been ceded. It always was and always will be, Aboriginal land.

If you need support:

- **Lifeline** Call 13 11 14 for 24/7 Crisis Support
- Get help by SMS message www.lifeline.org.au/crisis-text
- Get help by online chat www.lifeline.org.au/crisis-chat
- **National Debt Helpline:** For free advice from financial counsellors on managing debt, call 1800 007 007 or visit <https://ndh.org.au>
- **Legal help with Centrelink:** If you are having problems with a Centrelink payment, there are specialist community legal centres that provide free advice on issues like appealing a Centrelink decision, Centrelink debts, difficulties applying for Disability Support Pension, Compensation Preclusion Periods and more: www.ejaustralia.org.au/legal-help-centrelink

Respondents

ACOSS invited people receiving JobSeeker payments, Youth Allowance, Parenting Payment, Austudy, Abstudy or Special Benefit to respond to an online survey. Of the 270 people who completed the survey, most received JobSeeker Payment (85 per cent).

FIGURE 1. RESPONDENTS BY PAYMENT TYPE

Payment type	# of respondents	% of respondents
JobSeeker Payment	231	86%
Parenting Payment Single	6	2%
Austudy	13	5%
Youth Allowance	6	2%
Parenting Payment Partnered	9	3%
Other	5	2%
Total	270	

Key findings

→ The rate of income support is not enough to cover rent, leaving many risking homelessness.

Almost half of all respondents (49 per cent) are privately renting. Of this group:

- More than 70 per cent reported experiencing at least one rent increase in the past year – of those, nearly half (48 per cent) are facing increases of more than \$40 per week, with one-third facing increases of more than \$50 a week.
- More than 94 per cent reported rental stress, that is spending more than 30 per cent of their income on rent, with more than half spending 50 per cent or more of their income.

→ People on income support are being forced to ration food to cover other essential expenses.

- Almost every respondent (99 per cent) reported seeing an increase in their grocery bill over the past year.
- More than 70 per cent of respondents said they were eating less and rationing meals.
- 64 per cent of respondents said they were cutting back on healthier food, including meat, and fresh fruit and vegetables.

→ Rising energy bills are pushing people on income support into financial hardship.

- Respondents reported cutting back on cooling or heating (73 per cent), use of lights (62 per cent) or taking fewer hot showers (54 per cent) to use less energy.
- 64 per cent of respondents said they went without food or medicine to afford their energy bills.
- Almost half of respondents said they are currently in energy debt (28 per cent) or expect to be in energy debt with their next bill (21 per cent).

→ **The increased cost of petrol is making it difficult for people on income support to get to work or appointments.**

- 72 per cent of respondents said they were using their car less than usual.
- 15 per cent of respondents have stopped using their car altogether.
- Half of all respondents (51 per cent) said they had experienced difficulty attending work or appointments.

→ **The low rate of income support is harmful people's mental health and access to medicine.**

- 88 per cent of respondents reported experiencing social isolation.
- Nearly all respondents (98 per cent) said the increased cost-of-living has affected their mental health.
- 93 per cent of respondents said that rising costs has affected their physical health.
- More than 60 per cent of respondents reported they did not get the medication or medical care they needed due to cost.

Recommendations

→ **The Federal Government must urgently deliver a substantial increase to JobSeeker and related payments.**

Income support rates should be based on need, and protect people from homelessness, hunger, poverty and social isolation. Rates should be equitable, based on actual costs of living, rather than the type of payment a person receives.

ACOSS calls for adequate income support payments that will reduce poverty.

→ **RECOMMENDATIONS**

- Raising the rate of JobSeeker Payment, Youth Allowance, Parenting Payment, Austudy, Abstudy, and Special Benefit to the same rate as pensions, currently at \$76 a day.
- Applying the same indexation to all payments, in line with wages as well as price increases, at least twice per year.
- Increasing Commonwealth Rent Assistance (CRA) to reflect rents paid. The maximum threshold for CRA should be raised by 50 per cent, which would double the payment received.
- A review of the design, eligibility, rate, and indexation settings of CRA to reduce rental stress and better support low-income households with the costs of renting private housing.
- Establishing a \$55 a week disability and illness supplement to meet the additional costs faced by people with disability or chronic illness.
- Establishing a single parent supplement that recognises the costs of single parenthood. This supplement should increase as children get older, given the costs of children increase as they age.

On the brink of homelessness

Australia is facing a housing crisis, with shortages of affordable public, social and private housing. With little chance of securing social or public housing, many people receiving income support payments rely on the private rental market, where they are forced to spend a high percentage of their income on rent. Supplementary Commonwealth Rent Assistance payments to people receiving JobSeeker and related payments are barely putting a dent in their rental stress.



Around half of survey respondents (49 per cent) live in private rental accommodation. Almost all respondents (94 per cent) who rent privately are in rental stress, meaning they pay more than 30 per cent of their income on rent. Disturbingly, a majority (53 per cent) report paying more than 50 per cent of their income on rent alone.

FIGURE 2. PROPORTION OF INCOME SPENT ON RENT (PRIVATE)

If you are renting privately, what percentage of your income currently goes towards rent?	Per cent of respondents who selected
Less Than 30%	6%
30 – 40%	18%
40 – 50%	23%
Over 50%	53%

People who are paying more than 50 per cent of their income on rent are likely to go without other essentials such as food and medication.

“My half share of the rent is currently \$275. Taken out of my \$321 a week JobSeeker payment means \$46 a week left over for food, petrol, and medication that keeps me out of heart failure.”

– Pam, QLD

In addition, many are facing increased financial distress due to rent increases. ACOSS found

that 73 per cent of respondents have had a rent increase in the past 12 months, with nearly half (48 per cent) facing increases of more than \$40 per week, and one-third facing increases of more than \$50 a week.

SQM data showed that between August 2022 and August 2023, there was a 10 per cent increase in the cost of rentals in the private market.³ Broken down by capital cities, the increase was significantly higher. Rents for units in Sydney rose 24 per cent, 19 per cent in Melbourne, and 21 per cent in Perth.⁴

“I recently moved, due to my unit of 13 years being sold for the second time in a year and a half. Unfortunately, due to the current rental crisis I am now paying \$40 more a week for the same type of apartment. My rent had already gone up twice in two years by \$30 a week. At present, I pay just over half of my JobSeeker payment for rent.”

– Bonnie, SA

The announced 15 per cent increase to Commonwealth Rent Assistance announced in the May Budget will not compensate for the significant gap between income support payments and average rents in the private rental market. While Rent Assistance helps some people, the payment has not kept up with real increases in rents, and 60 per cent of JobSeekers do not receive any payment at all.⁵

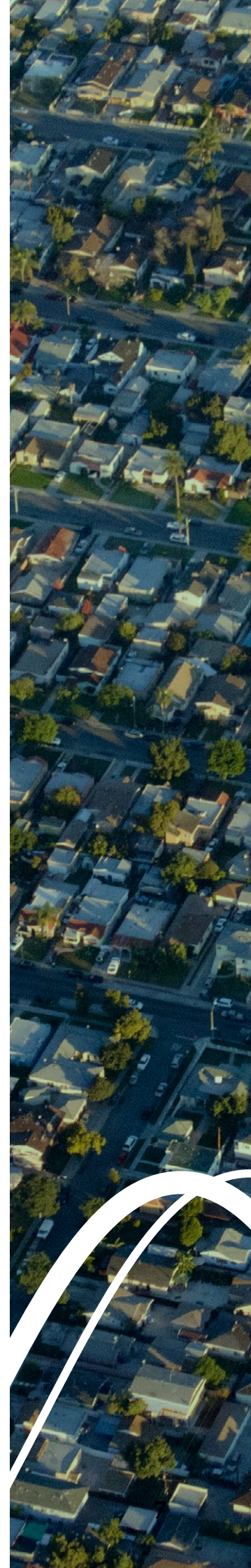
“I’m a 51-year-old widow, staring down the road of homelessness with each lease renewal and rent hike.”

– Ann*, QLD

3 July Sees Steady Vacancy Rate at 1.3%, SQM research, 15 August 2023. Available from: https://sqmresearch.com.au/uploads/15_08_23_National_Vacancy_Rate_July_2023_Final.pdf

4 Ibid.

5 ACOSS submission on *Social Services and Other Legislation Amendment (Strengthening the Safety Net) Bill 2023*, 3 July 2023. Available from: <https://www.acoss.org.au/wp-content/uploads/2021/08/ACOSS-Strengthening-the-Safety-Net-Bill-Inquiry-submission-Jul23-2.0.pdf>



Cutting back on meals

According to the June 2023 CPI data, the price of food has increased 7.5 per cent over 12 months. This is 1.5 per cent higher than the overall 6.0 per cent CPI figures over the same period.⁶ Most people receiving income support spend almost all their income on daily essentials with little-to-no disposable income. The CPI indexed increase is not enough to meet the real cost-of-living increases they experience, and the \$20 increase does not address the gross inadequacy of payments that already existed before prices rose.

⁶ Consumer Price Index (CPI), Australia Bureau of Statistics, accessed on 30 August 2023. Available from: <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release>



Unsurprisingly, 99 per cent of respondents have experienced an increase in their grocery bills over the past year. These increases combined with already inadequate payments has resulted in people having to make impossible sacrifices.

People are being forced to ration food to cover the cost of other essential items.

FIGURE 3. MANAGING INCREASES IN FOOD PRICES

How have you managed price increases? (select all options that apply)	Per cent of respondents who selected
Eating less or rationing meals	73%
Cutting back on meat, fresh fruit and vegetables, and other expensive items	64%
Redirecting money from other areas of your budget	53%
Other	30%

Almost all respondents reported cutting back on food or other areas of their budget due to the inadequate level of income support, with the majority of respondents using multiple strategies. Sixty-four per cent of respondents eat less or ration meals, while 74 per cent cut back on meat, fresh fruit and vegetables, and other items.

“I’m anxious all the time about how much my next pay will be and what I will need to cut from my budget that fortnight. If it is time to get medications then there will be a very small grocery shop and no meat or fresh vegies.”

– Kerry, NSW

“At present I try and only eat one meal a day to save on money and drink water, tea, and coffee to try and eliminate any hunger throughout the day.”

– Bonnie, SA

Some respondents highlighted the impact of poor diet on their health and their increasing reliance on Foodbank and similar services. Some reported resorting to buy-now-pay-later debts to pay for grocers.

“I am now needing food relief every week for the first time this year, from the Emergency Relief groceries or frozen foods donated to the Neighbourhood Centre where I volunteer. We now get unsold groceries from our local Woolworths at Beerwah and regular weekly tinned food donations from fresh ‘n’ save and two churches, which us a huge help. I only have one meat meal a week now, the rest of week is a homemade soup.”

– Pam, QLD



Rising energy bill stress, debts and health

People continue to struggle to pay their energy bills, despite many accessing energy concessions. Many are being forced to cut back further on their energy usage, reducing heating and cooling, use of lights, fewer showers and cooking fewer meals.



A third of people said they have already cut back their energy use as much as they can and don't know what else to do. While 64 per cent of respondents said that they sacrifice food and medicine because they cannot afford to pay their energy bills.

FIGURE 4. MANAGING INCREASES IN ENERGY COSTS

How have you been managing the cost of energy bills? (select all options that apply)	Per cent of respondents who selected
Cutting back further on the use of cooling/heating	73%
Cutting back further on the use of lights	62%
I have/have applied for energy concessions or rebates	58%
Taking fewer hot showers	55%
Going to bed early to keep warm or save on light usage	49%
Changing how I cook meals like not using the oven	47%
Not having people over	35%
I have already done all of the above and don't know what to do	32%
Turning off the fridge	4%
I can afford my energy bill and so I have not changed my behaviour	3%
Other (please tell us more)	27%

"We have to go without other things to afford our energy bill. My partner and I have to go to bed early to keep warm and hardly turn the TV on anymore to enjoy free to air programs as we can't afford our power bill."

- Pam, QLD

"The high price of energy affects my mental health and my motivation. Expecting the gas and electricity bills to go up further is stressful."

- Melissa*, VIC

"Our water and electricity bills keep getting higher and higher, now we drink tank water to try and cut down the cost. We also turn our fridge off at night and back on in the morning."

- Brock, QLD

Almost half of respondents (49 per cent) reported either currently being in energy debt or expecting to go into energy debt. As of July 2023, most energy retailers applied the regulated Default Market Offer increases⁷ to their market offers, resulting in energy costs increases between 21 to 27 per cent. The Australian Energy Regulator's last retail market quarterly update (January to March 2023) found the number of people in energy hardship debt and the amount of energy hardship debt are increasing.⁸

FIGURE 5. ENERGY BILL DEBT

Do you currently have an energy bill debt?	Per cent of respondents who selected
Yes	28%
No	51%
Not yet but I will because I can't afford the next energy bill	21%

7 Essential Services Commission of Victoria (ESCV), Victorian Default Offer price review 2023-24, ESCV, Victorian Government, 2023, accessed 25 May 2023; Australian Energy Regulator (AER), Default market offer prices 2023-24, AER, Australian Government, 2023, accessed 25 May 2023

8 <https://www.aer.gov.au/retail-markets/performance-reporting/retail-energy-market-performance-update-for-quarter-3-2022-23>

“My most recent bill for 19 days is double the cost and energy used in comparison to my last one for 40-50 days. What the government and the energy companies are doing is shameful. They are more concerned about profits over the poor and vulnerable people who are practically freezing to death.”

– Bonnie, SA

The vast majority of respondents (77 per cent) described their home as being too cold in winter, with 53 per cent saying they were unable to heat it. 57 per cent of those who didn't have a heater said it was because they could not afford it, 34 per cent said it was because they are privately renting and therefore have no choice.

Almost half of respondents (46 per cent) reported the inability to keep their home warm during winter was making them sick.

Those in southern regions reported frustration at the lack of efficient heating options available in their private rentals, citing poor insulation. Some remarked that they have been waiting for repairs from their landlord.

Others in northern, more humid regions, reported an inability to keep their homes cool which affects their sleep. Many stated that they are forgoing heating or cooling because they fear the energy bill.

“My rent has been raised three times in the past three years with no improvements to the property. We have installed insufficient heating at our own cost and have insufficient cooling.”

– Ara, SA

“I'm currently in energy debt due to not being able to pay for my electricity and gas as it costs too much. This has led to a huge bill and almost getting disconnected.”

I live in a rural area that can get to -8 degrees in winter. I can only afford to keep one area of the house heated so the rest of the house becomes like ice cubes, this makes going to bed and getting up quite hard when you feel frozen.”

– Hazel, NSW

“I'm chronically ill and being unable to keep the house warm enough causes joint pain, and temp fluctuations increase my migraines. It makes it harder to do things that help with my depression because it's too cold to be up in the house.”

– Freya, SA



Getting to work and appointments

Many people receiving income support payments rely on their cars to access medical care, attend job interviews, and take their children to school, especially in regional, rural and remote areas. People receiving income support cannot afford rising fuel prices, with more than 70 per cent of respondents reporting they are using their car less.



Between 2021-22 and 2022-23, the nationwide average price for petrol increased by 6.5 per cent. The increase was highest in the Northern Territory (8.5 per cent), followed by Victoria (7.6 per cent).⁹ As of 20 August 2023, the national average price of petrol was a staggering \$2.04 per litre. The average price in Melbourne was \$2.14 per litre, followed by \$2.09 per litre in Sydney.¹⁰

More than half the respondents (52 per cent) said the increased cost of petrol has made it difficult for them to get to work or appointments. Fifteen per cent of respondents have stopped using their car altogether.

FIGURE 6. CHANGES IN CAR USAGE

Given the increased costs of fuel, have you been:	Per cent of respondents who selected
Not using your car at all	16%
Using your car less than normal	72%
Using your car the same amount	12%

"I will have to attend job search appointments soon. It's a 60km round trip. I cannot afford to renew my licence and car registration. If I get a bus there, I will have to stay overnight at a cost of around \$130 and catch a bus back next day."

- Peter, SA

"I don't go anywhere or do anything because I can't afford to, due to the cost of fuel and having no money for non-essentials and because of depression, stress, and exhaustion."

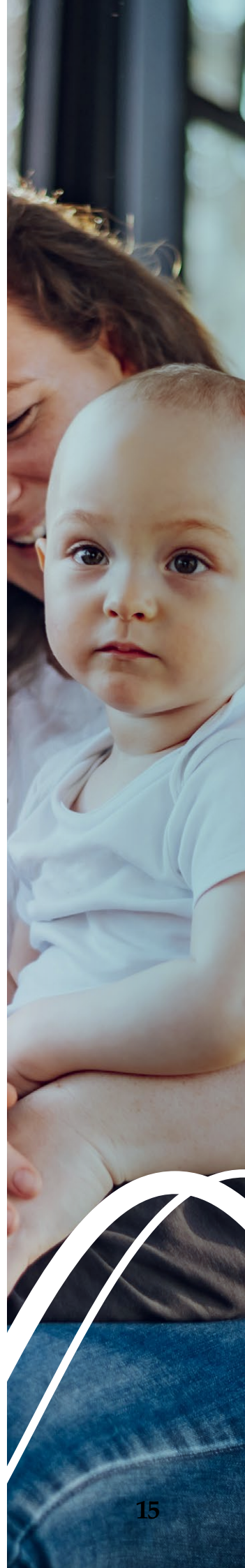
- Bonnie, SA

"The cost of petrol has gone up far more than the inflation rate. Price gouging is common. But I rely on public transport, which is unreliable as buses regularly run late. I have missed medical appointments as a result."

- Paull, SA

9 Australian Institute of Petroleum (AIP) Annual Retail Price Data, released 11 July 2023, available from: <http://www.aip.com.au/index.php/aip-annual-retail-price-data>

10 Australian Institute of Petroleum (AIP) Weekly Petrol Prices Report week ending 20 August 2023, available from: <http://www.aip.com.au/pricing/weekly-petrol-prices-report-week-ending-20-august-2023>



Mental health and social isolation

The majority of respondents (88 per cent) reported experiencing social isolation due to the increased cost-of-living and inadequate income support payments, and nearly all respondents said the increased cost-of-living has affected their mental health.



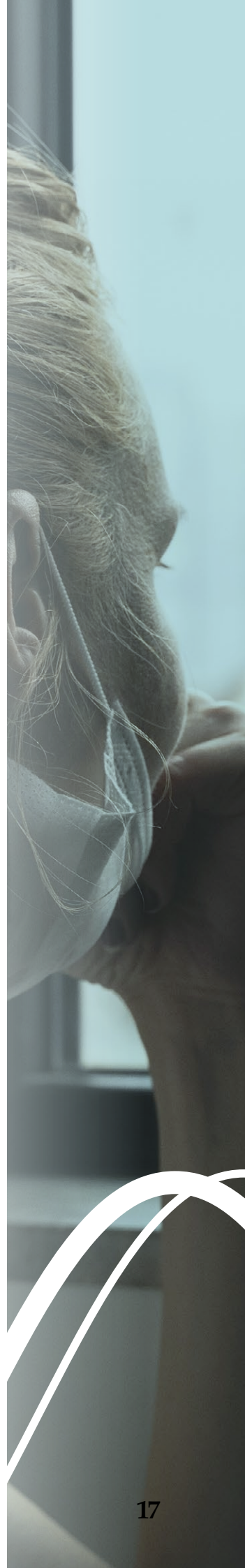


FIGURE 7. MENTAL HEALTH IMPACT

Has the increased cost-of-living impacted your mental health?	Per cent of respondents
A great deal	54%
A lot	19%
A moderate amount	15%
A little	11%
None at all	1%

The link between financial stress and mental health is well documented. Australian Institute of Health and Welfare (AIHW) data shows that, between 2012 and 2016, the likelihood of dying by suicide was higher among people in the lowest income group compared to those in the highest income group¹¹. Furthermore, between 2010 and 2021, suicide rates were highest for people who lived in the lowest socioeconomic areas¹².

A 2022 report commissioned by Beyond Blue found that people experiencing financial challenges are twice as likely to be experiencing mental health conditions as those who are not experiencing financial challenges¹³.

FIGURE 8. EFFECTS OF SOCIAL ISOLATION

Has living on income support led to you experiencing social isolation? If so, how? (select all that apply)	Per cent of respondents
See friends and family less frequently	77%
Not engage in community events as frequently	77%
Avoid social gatherings	84%

In their written responses, people highlighted the impact of constant financial stress on their overall wellbeing.

*“I miss my friends. I also feel like I’m missing out on connecting with my community and what everyone else in Melbourne is doing because **poverty enforces social isolation.**”*

– David, VIC

*“The mental exhaustion of the fear of the next bill, the dropped stomach of the latest fee increase notice, **the feeling of futility of paying in advance still amounting to a drop in the bucket where before it was keeping us ahead,** and knowing you have no extra margins to eat into to increase the amount being budgeted. It’s just hopelessness.”*

– Freya, SA

“I have to turn down being invited to things, like going out to lunch or activities because I can’t afford it.”

– Talia, WA

“I avoid going out unless I have no food. I stay at home and try not to use car or go into town. This is not good for my mental health.”

– Peter, SA

11 Longitudinal analysis of income uncertainty - Australian Institute of Health and Welfare (aihw.gov.au). Available from: <https://www.aihw.gov.au/suicide-self-harm-monitoring/data/behaviours-risk-factors/social-factors-suicide/longitudinal-analysis-of-income-uncertainty>

12 Suicide by socioeconomic areas - Australian Institute of Health and Welfare (aihw.gov.au). Available from: <https://www.aihw.gov.au/suicide-self-harm-monitoring/data/behaviours-risk-factors/suicide-by-socioeconomic-areas>

13 Money and mental health: Social research report, Heartward Strategic, August 2022. Available from: https://www.beyondblue.org.au/docs/default-source/about-beyond-blue/20061-money-and-mental-health-research-final-report-220804.pdf?sfvrsn=fd5d30e5_2

Access to medicine and healthcare

Prescribed medications were the one thing respondents tried to prioritise, with many regularly forgoing food in order to pay for medicine. However, some remarked that even essential medication was becoming increasingly more difficult to afford.



The compound effect of decreasing access to bulk-billing GPs¹⁴ and the inadequate level of income support is putting people's health at serious risk.

"So many people need the service of GPs and hospitals, but the waiting time is ridiculously long. I have been waiting for well over a year now to see a public orthopaedic surgeon. You have to wait weeks to see your GP."

– Paull, SA

More than 60 per cent of respondents reported having difficulty affording medication or medical care due to the low rate of income support.

Ninety-three per cent of respondents said that rising costs have affected their physical health. Most respondents described a cycle of stress and anxiety, which in turn significantly affect their physical health in the form of headaches and lost sleep. Many others mentioned not being able to afford to see the GP, preventing them from receiving treatment for health conditions.

FIGURE 9. PHYSICAL HEALTH IMPACT

Has the increased cost-of-living impacted on your physical health?	Per cent of respondents
A great deal	34%
A lot	18%
A moderate amount	27%
A little	14%
None at all	7%

"I can't afford to keep my rental warm enough, so I suffer an increase in asthma episodes, which leaves me with little energy for a while. I make sure I have my asthma medication rather than buying fresh food at times but I have at times reduced my diabetic medication to half so can make the medication last longer."

– Kerry, NSW

"I require several medications, not all of which are subsidised, all of which have become more expensive. I have limited quality of life and next to no functionality without my medications but have to try to ration them or stretch out dosages even though that makes things worse. My health limits my world, and now I can't even afford to go to the things I could manage otherwise."

"It feels like my world just keeps shrinking down to nothing."

– Freya, SA

"Even though I am only on one prescription medication, it causes side effects that requires other over-the-counter medications to counteract them. These are expensive and I can't always afford them, so I have to sometimes deal with the side effects."

– Talia, WA

14 Yearly bulk billing rates plummet, RACGP, 21 August 2023. Available from: <https://www1.racgp.org.au/news/gp-professional/yearly-bulk-billing-rates-plummet#:~:text=Medicare%20Benefits%20Schedule%20findings%20have,of%20Health%20and%20Aged%20Care.>



\$20 is not enough

Overwhelmingly, respondents described how the \$20 a week increase to JobSeeker and related payments, while welcome, would be a drop in the bucket of rising costs.



On 20 September 2023, income support payments like the Age Pension, Disability Support Pension, JobSeeker Payment and Parenting Payment will be indexed. Indexation of these payments is legislated and occurs twice per year in March and September.

Currently, the JobSeeker Payment is \$50 a day, with Youth Allowance even less at \$40 a day.

The current rate is set to increase to \$54 a day on 20 September, when the \$20 a week increase announced in the May Budget will come into effect, as well as the 2.2 per cent routine indexation increase.

When asked how much the additional \$20 a week increase will help them, 50 per cent of respondents said, "not at all" and 41 per cent said it would only help them "a little".

"The \$20 a week is not enough. It's less than my rent increase. The Government increased payments more during lockdown and it made all the difference. So much less stress and less anxiety. Poverty significantly contributes to my anxiety and depression, and I've almost given up life more than once."

– David, VIC

*"I know I should be grateful for any increase at all but really, \$20, it's so insignificant in the scheme of inflationary costs everyone's dealing with right now. As difficult as it's been in the past, you simply can't manage on JobSeeker currently. You can only hope to survive by redistributing money from one expense priority at the forfeiture of another. **That's like a house of cards waiting to collapse.**"*

– Dawne, VIC

*"By the time the \$20 a week goes into effect, my weekly costs will be more than \$20 a week higher than they were when this increase was announced. How exactly does that address anything? It's a joke. **We're drowning and being thrown a rubber duck.**"*

– Freya, SA

"The \$20 a week increase is insulting pittance. I'd like to see any state or federal politician survive on \$46 a week after rent, to pay for food."

– Pam, QLD

*"It's nowhere near enough. We still languish far below the poverty line. My husband works, but still receives some JobSeeker, so even having paid employment doesn't lift us above the poverty line. **It's cruel punishment. Nothing about the experience leaves you feeling supported.**"*

– Marina, TAS

"I am grateful for the \$20 a week increase but it will not go far at all!"

– Sharyn, VIC

"I won't really notice the increase. You cannot buy much for \$20. Half a pair of cheap jeans, a cheap top that might last 3 months, one-fifth of a cheap pair of sneakers or a few grocery items. It is degrading."

– Peter, SA

Conclusion

People have a right to live dignified lives. They should have decent and affordable housing, appropriate health care, eat and pay bills without relying on emergency relief payments or other charity, be able to visit or be visited by friends and family, and feel like they are part of their communities.



Sadly, the results of this survey indicated that people receiving income support are not eating enough, struggling to keep a roof over their head, and do not always get the health care and medication they need.

A few extra dollars a day doesn't begin to scratch the surface when it comes to keeping pace with the surging costs of living.

All the people who completed the survey are living in poverty. This survey did not ask about many other necessities, such as buying clothes or having a usable mobile phone, because so many purchases that most would consider necessities are too far out of reach for people on the low rate of income support. If you can't afford to replace a light globe, what chance for a pair of shoes?

In April 2020, the Federal Government temporarily lifted people out of poverty overnight with the introduction of the Coronavirus Supplement.

JobSeeker rate, Youth Allowance and related payments must be raised permanently so no one in our community is forced to live in poverty.

The inadequate rate of income support is preventing people from meaningfully participating in the economy and will only see more people taking on high-risk debts to make ends meet.

ACOSS calls for adequate income support payments that will reduce poverty.

→ RECOMMENDATIONS

- Raising the rate of JobSeeker Payment, Youth Allowance, parenting payment, Austudy, Abstudy, and Special Benefit to the same rate as pensions, currently at \$76 a day.
- Applying the same indexation to all payments, in line with wages as well as price increases, at least twice per year.
- Increasing Commonwealth Rent Assistance (CRA) to reflect rents paid. The maximum threshold for CRA should be raised by 50 per cent, which would double the payment received.
- A review of the design, eligibility, rate and indexation settings of CRA to reduce rental stress and better support low-income households with the costs of renting private housing.
- Establishing a \$55 a week disability and illness supplement to meet the additional costs faced by people with a disability or chronic illness.
- Establishing a single parent supplement that recognises the costs of single parenthood. This supplement should increase as children get older, given the costs of children increase as they age.

Raising the rate is a sensible, moral, and evidence-based decision that must be made.





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