



Senator the Hon Anne Ruston  
Minister for Families and Social Services  
Parliament House  
CANBERRA ACT 2600

22 July 2021

Dear Minister,

I am writing on behalf of Anti-Poverty Week to express our concerns about the hardship being felt by over 1.4 million individuals, families and children receiving the lowest social security payments locked down in NSW, Victoria and South Australia. These are individuals and families receiving working age payments including JobSeeker and Parenting Payments which are as low as \$44 (JobSeeker) and \$36 (Youth Allowance) per day. Around 25% of them usually have earnings from part-time work and are likely to have lost this income.<sup>1</sup> We have estimated this total to include:

- NSW: approximately 550,000 total (355,000 adults and 195,000 children);
- VIC: approximately 650,000 total (420,000 adults and 230,000 children); and
- South Australia: approximately 212,000 total (137,000 adults and 75,000 children).

The Coronavirus Supplement was \$550 a fortnight from March to September 2020. It no longer exists, replaced by \$50 per fortnight permanent increase from 1 April 2021, so they are doing this lockdown with \$500 per fortnight less and without access to the new COVID-19 Disaster payment.

Many of these individuals and families are also struggling to pay rent. Commonwealth Rent Assistance hasn't increased in real terms in more than 20 years' and it only covers a quarter or a third of rent paid. People relying on JobSeeker were paying \$230 per week rent in March 2021 and only receiving ~\$66 per week in Commonwealth Rent Assistance (median figures) – that is a \$164 a week gap. For a single parent with two children, the median rent paid in March 2021 was \$305 per week, the median CRA received was ~\$74 per week – a gap of \$231 per week.<sup>2</sup>

Families with children reliant on these low payments will also be struggling with home schooling and online learning – perhaps not even able to afford the internet access; others will not have enough laptops or devices resulting in multiple children having to share a single device. Experience of the extended Victorian lockdown captured by The Smith Family found some students reduced their daily lesson attendance and many students including those with learning

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<sup>1</sup> At 30 April, of those who would have been eligible for CVS nationally, 25% had earnings from employment and likely to have lost that (22% is JobSeeker number, Parenting Payment Single is 30%).

<sup>2</sup> [DSS Demographic Data, March 2021](#).

difficulties and disabilities, struggled because they do not have sufficient individualised learning support. Their recent report found that for families in Australia's most disadvantaged communities were affected by a *"a housing crisis affecting children's ability to learn; some students struggling to reengage in their schooling; the ongoing negative impacts of the digital divide and compounding mental health issues."*<sup>3</sup>

We know that more than one in six Australian children are growing up in poverty and this diminishes their lives both now and in the future.<sup>4</sup>

The extra income provided by your Government to low-income families doing it tough during 2020 really made a difference. It meant they had enough to cover the basics like healthy food, warm clothes in winter and after school activities like sport and music. Importantly it relieved stress on parents and children which compounds hardship.<sup>5</sup>

The full Coronavirus Supplement halved poverty for the poorest families - those headed by single parents. According to ANU research commissioned by the Brotherhood of St Laurence and Social Ventures Australia, poverty rates for these families reduced from 39 to 17% (the loss of all payments is expected to more than double these rates to 41%).<sup>6</sup> Numerous other surveys showed the benefits for individuals and families as well as the boost to the economy with every dollar spent.<sup>7</sup>

We support the call from the Australian Council of Social Service (ACOSS) *"to immediately extend Disaster Payments to lift all incomes up to \$600 per week (especially for those renting). When Federal Parliament returns, we need to fix social security arrangements for lockdowns to deliver an income floor for all. This would ensure everyone can cover the basics, including a roof overhead, to keep everyone safe. This means lifting social security payments above the poverty line: at least \$475 per week (single rate), increasing Rent Assistance by 50%, and additional supplements for people with disability or chronic illness and single parents."*

To treat all of Australia's children fairly, we need to ensure every family has enough money to cover the basics and a secure roof over their head.

Yours sincerely

Toni Wren

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<sup>3</sup> [The Smith Family reports on experience of lockdown and \*Emerging from COVID-19: Insights Snapshot\*](#)

<sup>4</sup> Davidson, P., Bradbury, B., Hill, T. and Wong, M. (2020), [Poverty in Australia 2020: Who is affected?](#) ACOSS/UNSW Poverty and Inequality Partnership Report No. 4, Sydney: ACOSS. See also [Anti-Poverty Week Child Poverty Fast Fact](#), 20/9/20.

<sup>5</sup> See [We must not let a million children fall off the cliff into poverty in September](#), 13/7/21

<sup>6</sup> Ben Phillips and Vivikth Narayanan, [Financial Stress and Social Security Settings in Australia](#), ANU Centre for Social Research and Methods, April 2021

<sup>7</sup> See for example [Household Impacts of COVID-19 Survey November 2020](#) published 14/12/20.