

SACOSS Cost of Living Update No 7

Real costs continue to rise too fast for many South Australians, reveals the South Australian Council of Social Service (SACOSS) in its seventh Cost of Living Update, released today.

[Read the report](#)

SACOSS Executive Director Ross Womersley said, “The cost of essential goods and services—utilities, healthy food, housing and health, for example—are rising incredibly fast. The overall generic Consumer Price Index (CPI) never gives the real picture of those critical day-to-day expenses. Our report pulls those averages apart and shows a truer picture of how much South Australians are being squeezed.”

Womersley said, “Utilities, for example (electricity, water, gas) have risen 33.4% *above* generic CPI in the last 10 years. For some reason fruit prices in South Australia have risen more than the national average, and rents have increased faster than the CPI, as have health costs.”

“We all have to deal with these cost increases, but people on low incomes will always have the toughest time. For example, income support payments such as the Newstart or Youth Allowance are all pegged to CPI, but these figures clearly show how the real and basic costs of living are rising at rates that leave the CPI behind. Therefore the value of any of these income support payments is actually going backwards.”

Table 2: Price Rises relative to generic CPI since 2001

Cost of Living Area	% above generic CPI (All Groups)
Food	13.2
Rent	8.4
Utilities	33.4
Health	22.8
Transport	-7.3

Womersley said, “These price hikes are in a context where just yesterday the Australian Community Sector Survey of welfare and charity organisations revealed a 23% rise in turn away rates since 2008-09. In other words there were 11,944 times that South Australians could not be helped, because charities and welfare organisations are already at breaking point.” (source: Australian Community Sector Survey).

“82% of the requests for assistance from charities in 2009-10 were for information and advice, including financial counselling assistance. We are facing diabolical cuts to financial counselling services in Families SA, at the very same time as demand is rising, and costs of living are impacting severely on those with the lowest incomes.”

Womersley said, “Essential costs and charges are only going to increase, and the strain on South Australians only grow—more and more are living on the edge. The State government must face

the fact that reducing early intervention services—and this is what they are doing—will only cause high social and monetary costs down the track. Equally the Federal government must move urgently to address the continually shrinking value of pensions and allowances—especially for unemployed people trying to survive on a Newstart allowance.”

Download the SACOSS Cost of Living Update No 7 from www.sacoss.org.au/costofliving

Download the Australian Community Sector Survey from www.acoss.org.au

For further comment, contact SACOSS Executive Director Ross Womersley 0418 805 426