

Time for a comprehensive Anti-Poverty Plan for SA

The South Australian Council of Social Service (SACOSS) has called on the State Government to create a comprehensive Anti-Poverty Plan to address the chronic issues confronting people on the lowest incomes.

In a letter sent last week to all South Australian State MPs, SACOSS has outlined its continuing concerns over the cutting of 44 financial counselling positions from Families SA's Anti-Poverty Services, made by Treasurer Foley in his last Budget.

SACOSS Executive Director Ross Womersley said, "These drastic cuts to Financial Counselling are just one amongst a series of measures announced in that Budget that all directly undermine programs and services that are valuable *because they intervene early*. This intervention prevents social problems escalating to becoming chronic and entrenched problems in our community."

Womersley said, "Cost of living pressures on all families are absolutely intense—especially for those on the lowest incomes. Recent new figures from the Australian Bureau of Statistics paint a bleak picture of financial stress right across this State, and highlight the critical need for more financial counselling and assistance services, and for a real plan to eradicate poverty from our community". [see ABS data below]

"Every night of the week hundreds of individuals and families in metropolitan Adelaide and across rural South Australia are supported with food and shelter because otherwise they would be going without. Recent reports from Anglicare, UnitingCare Wesley, and the Salvation Army all confirm that these community services are overstretched and increasingly unable to cope".

"Solutions to any of these situations will not be straightforward. What we do know is that when a financial crisis hits your family you simply can't wait between 4 - 6 weeks to get help. You need help right then and there."

Womersley said, "We can't afford to waste time. We need an immediate renewed investment in financial counselling and assistance services for people across our State. But even more importantly, we also need a new approach to ensure more South Australians don't end up marginalised and struggling with the impact of poverty."

"We need a plan that strengthens the very heart and fabric of our local communities. We need a plan that gives communities a real voice and serious roles in helping to sort through and solve these issues."

"SACOSS calls on the government to commit to urgently developing a comprehensive Anti-Poverty policy framework so financially vulnerable and disadvantaged South Australians can get the help they need, when they need it."

SACOSS will host a thinktank Cost of Living Summit on 19 October 2011.

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

ABS Household Expenditure Survey 2009-10

The 2009-10 Household Expenditure Survey released recently by the ABS includes data on financial stress indicators for the first time. The figures show that in South Australia:

- 3.9% or 25,500 households, sought help from community and welfare organisations
- 14.4% of households had at least one instance of not being able to pay electricity, gas or telephone bills on time
- Of low income households (households whose incomes are in the second and third lowest decile groups):
 - Over 60% had at least one indicator of financial stress, with half of these having four or more separate instances of financial stress
 - 14% could not afford to have family or friends over for a meal once a month
 - 42.3% could not afford a holiday for at least one week a year
 - About a quarter said they could only afford second hand clothes most of the time.

In a key indicator, the survey showed that 16.9% of all South Australians would be unable to raise \$2,000 in a week for something important. This is up from the 14.5% of South Australians recorded in the ABS' 2006 General Social Survey and shows that the financial vulnerability is felt beyond just the lowest income households.

Table 30: Financial Stress Indicators, by equivalised disposable income quintile, South Australia

		All households	Second and third deciles
ESTIMATE			
Number of indicators of financial stress – experienced in last 12 months			
None	%	52.0	38.0
One	%	14.3	14.1
Two	%	8.1	7.5
Three	%	6.5	8.3
Four or more	%	19.1	32.1
Total	%	100.0	100.0
Indicator of financial stress – experienced in last 12 months			
Unable to raise \$2000 in a week for something important	%	16.9	23.9
Spent more money than received	%	15.6	18.3
Could not pay electricity, gas or telephone bills on time	%	14.4	17.6
Could not pay car registration or insurance on time	%	5.6	8.4
Pawned or sold something	%	3.2	4.5
Went without meals	%	3.5	6.6
Unable to heat home	%	2.3	3.9
Sought assistance from welfare/community organisations	%	3.9	6.9
Sought financial help from friends or family	%	8.1	9.5
Could not afford holiday for at least one week a year	%	28.2	42.3
Could not afford a night out once a fortnight	%	20.8	37.3
Could not afford friends or family over for a meal once a month	%	8.4	14.4
Could not afford a special meal once a week	%	15.0	26.0

Could only afford second hand clothes most of the time	%	12.3	27.0
Could not afford leisure or hobby activities	%	12.1	23.3
Estimated number of households	000	654.7	154.6