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**Submission: Inquiry into the Social Services and Other Legislation Amendment (Extension of Coronavirus Support) Bill 2020**

Thank you for providing the South Australian Council of Social Service (SACOSS) the opportunity to provide a written submission to the Inquiry into the Social Services and Other Legislation Amendment (Extension of Coronavirus Support) Bill 2020.

SACOSS is the peak body for the non-government health and community services sector in South Australia and advocates for the interests of vulnerable and disadvantaged people in our state.

SACOSS has long been concerned about the inadequacy of social security payment and has supported calls for a permanent and adequate increase to the rate of JobSeeker, Youth Allowance and other income support payments. Specifically, as part of the network of Councils of Social Service across the country, we recognise the work of the Australian Council of Social Service (ACOSS) which has set benchmarks around poverty, minimum costs of living, and the adequacy or otherwise of income support in Australia.

Accordingly, SACOSS supports the ACOSS submission to this inquiry and all the recommendations in it. To the extent that proposals in the Bill facilitate or meet the income benchmarks and proposals in the ACOSS submission, we support the bill. To the extent that provisions in the Bill do not facilitate reaching those goals, we oppose them. Overall though, it is clear that a permanent increase in the base rate of income support payments is required.

There is a mountain of evidence of the inadequacy of JobSeeker (formally Newstart) and other allowances prior to the addition of the Coronavirus Supplement. From a South Australian perspective though, we would like to draw the Committee's attention to the report of our parliament's Select Committee on Poverty in 2018.

SACOSS presented to the Select Committee detailed statistical information on the extent of poverty and the inadequacy of income support payments in alleviating poverty. The Committee also heard from a range of people with experience of trying to live on those payments. The cross-party Select Committee recommended that "the Newstart Allowance is far too low and falls well short of the state-based poverty line" and called on the Federal Government "to make a meaningful increase to the rate of the Newstart Allowance (and other base allowances) as a matter of urgency".

While this bill deals with the Coronavirus Supplement which has increased the level of income supports in recent months and was welcomed by SACOSS, the base rates of payment have not increased in real terms since the SA parliamentary report and those base rates remain the heart of the problem.

The findings of the South Australian Select Committee remain valid and we have attached the Committee's report to this submission as it is rich source of evidence of the impacts of the inadequacy of income support payments. It is therefore, we believe, an essential background to the consideration of current proposed levels of payment.

Beyond this, there is real evidence of the difference that the Coronavirus Supplement has made to the lives of those reliant on income support during the COVID-19 pandemic.

The Coronavirus Supplement has meant that individuals and their families have been better positioned to meet their essential living costs. An analysis of rental affordability by Anglicare Australia found that the initial \$550 per fortnight Coronavirus Supplement increased rental affordability among income support recipients in South Australia from 3.5% to 25%.<sup>1</sup> Research on COVID-19 impacts conducted for the South Australian government by SACOSS also found that the Coronavirus Supplement significantly improved recipients ability to meet essential living costs such as buying food and paying rent and bills.<sup>2</sup> Evidence from our qualitative research included:

*"The coronavirus supplement has made a massive difference, not just to me but so many people on welfare, but unfortunately its temporary so the stress is still there about when that's going to disappear because I remember back in January/February, I was already only just scraping by. I remember the day we all lost our job, I just sat with a friend out back who had also lost his job and we were just sitting there calculating how much we needed to make to cover our costs. I was like I'll only have \$15 after paying all the bills." - Hazel, 34 years, Hospitality*

*"It was tough at the start without having the extra Coronavirus supplement because that didn't come in for a while. I had to borrow money off friends, because I was relying on what, like \$500 a fortnight to pay my rent and to get food and to take care*

*of my car and all my bills. I think that they shouldn't shrink it back down to the \$500 a fortnight."* - Kayla, 19 years, Employed in Sales

*"Because I was able to get the payment through the government, I was able to pay my rent, bills and food and then lived like a mouse but I also had to do dumpster diving. I tried to save as much as I could, which wasn't much, because I didn't know when the support would stop. Just anticipating September, and now we are here."* - Rose, 28 years, Artist

The importance of the Coronavirus Supplement was similarly noted among South Australian community and social service workers who attributed decreased demand for services from traditional client cohorts to the Coronavirus Supplement. The service workers said that the Coronavirus Supplement has resulted in their clients having less stress and having a greater ability to pay bills and have adequate food.<sup>2</sup> During the course of our research, both Coronavirus Supplement recipients and community service workers raised concerns about the impending hardship when the Coronavirus Supplement ceases and strongly supported the extension of the supplement:

*"For many people receiving the extra funds has allowed them to be able to access much needed basics such as healthy food, transport, pay bills, medications, and purchase essential items like replacing broken/old household appliances washing machines/fridges etc."* – Community Services Worker

*"The supplement has made a huge difference to clients. They can eat regularly and aren't struggling to pay rent/bills as much. They are not scared all of the time."* – Community Services Worker

*"The initiatives in place currently are a major reason that service demand has reduced. Our concern is when these are revoked, that service demand will increase two-fold with an increase in complexity that the organisation is not prepared for or may not handle as quickly."* – Community Services Worker

*"We need to continue current levels of welfare support. If not, we will see an increase in demand which will be difficult to meet, particularly in the mental health field."* – Community Services Worker

This SACOSS research has been presented to the SA government, but not made public. However, the quotes above are representative of the evidence we gathered and the conclusions we drew.

Given all of the above, SACOSS wishes to highlight the importance of the Coronavirus Supplement and does not support a reduction without an increase in the base rate to the levels proposed by ACOSS.

A further issue arose in the course of SACOSS' COVID-19 research which is not necessarily dealt with directly in the bill, but is clearly relevant to the income supports provided through the pandemic and recovery.

Our research highlighted the importance of the scope of income support payments and the serious problems for non-residents who were denied access to those support payments.

Other research has shown that South Australian industries heavily impacted by the economic shutdown are a significant source of employment for temporary migrants in South Australia.<sup>3-5</sup> SAOCSS' research found that the exclusion of temporary migrants from income support measures profoundly impacted their ability to meet their basic cost of living during the pandemic and was a significant driver of increased demand for community and social services.<sup>2</sup>

*“We found that more international students were reaching out to us and even people who were on tourist visas, people who are visitors here, people who are on farming visas, along with those from migrant and refugee backgrounds. The main needs have been around emergency relief, so for example, helping them with the utility bills, with rent, with any other services they needed. Many of them were also asking where they can access mental health services during this time.”* – Community Services Worker.

*“After JobSeeker and JobKeeper Payments were increased we saw a decrease in numbers from the long-term food assistance recipients but we still saw increased numbers of international students, refugees and visa holders seeking assistance.”* – Community Services Worker

Research by the Migrant Workers Justice Initiative similarly found that temporary migrants have been struggling to meet their basic cost of living during the pandemic with 42% of participants fearing homelessness (and 14% having actually experienced homelessness), 28% being unable to pay for food, 18% not able to pay for electricity and 15% being unable to afford to see a doctor.<sup>6</sup>

The exclusion of people without citizenship or permanent residency from income support measures during the pandemic despite having the right to work, study, or seek asylum in Australia is widely regarded among social service workers, health and community organisations and as a fundamental flaw in Coronavirus support policies.

In relation to the terms of this Inquiry, SACOSS is also concerned that this exclusion is also in direct contravene of Article 11 of the International Covenant on Economic, Social and Cultural Rights that the Explanatory Memorandum notes that the Bill engages, which states that everybody has the right to an adequate standard of living.

Given this, **SACOSS strongly recommends that access to income support measures, including the Coronavirus Supplement, be extended to non-residents who have lost income or employment due to the COVID-19 pandemic as soon as possible.**

Finally, SACOSS notes that the COVID-19 pandemic is not yet over, and policymakers must acknowledge that the situation is still active and dynamic. At the time of writing, a cluster of COVID-19 cases are threatening a second wave in South Australia and this has resulted in a state-wide lock down. Subsequently, community stress and anxiety is increasing as people are once again finding themselves with reduced work opportunities leading into Christmas

period. This is not the time to be ceasing the economic support measures which have proven to be extremely important to community health and wellbeing during the pandemic.

Should the Committee have any queries about anything in this submission, or want further information or evidence, please contact me as below.

Yours sincerely



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19 November 2020

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