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Official Committee Hansard

SENATE

COMMUNITY AFFAIRS REFERENCES COMMITTEE

Adequacy of Newstart and other income support payments

WEDNESDAY, 6 NOVEMBER 2019

PERTH

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SENATE

COMMUNITY AFFAIRS REFERENCES COMMITTEE

Wednesday, 6 November 2019

Members in attendance: Senators Askew, Lines, Pratt, Siewert.

Terms of Reference for the Inquiry:

To inquire into and report on:

The adequacy of Newstart and related payments and alternative mechanisms to determine the level of income support payments in Australia, with specific reference to:

- a. consideration of what constitutes an acceptable standard of living in Australia, including the cost of safe and secure housing;
- b. the labour market, unemployment and under-employment in Australia, including the structural causes of longterm unemployment and long term reliance on Newstart;
- c. the changing nature of work and insecure work in Australia;
- d. the appropriateness of current arrangements for supporting those experiencing insecure employment, inconsistent employment and precarious hours in the workforce;
- e. the current approach to setting income support payments in Australia;
- f. the impact of the current approach to setting income support payments on older unemployed workers, families, single parents, people with disability, jobseekers, students, First Nations peoples, people from culturally and linguistically diverse backgrounds, people living in regional and remote areas, and any others affected by the process;
- g. the impact of geography, age and other characteristics on the number of people receiving payments, long term unemployment and poverty;
- h. the adequacy of income support payments in Australia and whether they allow people to maintain an acceptable standard of living in line with community expectations and fulfil job search activities (where relevant) and secure employment and training;
- i. the economic cost of long-term unemployment, underemployment, poverty, inequality and inadequate income support payments;
- j. the economic benefits—including job creation, locally and nationally—of increasing and improving income support payments and supports, and decreasing poverty and inequality;
- k. the relationship between income support payment levels, minimum wages and wage stagnation in Australia and other comparable economies;
- l. the interactions with other payments and services, including the loss of any increased payments through higher rents and costs;
- m. the cost and fiscal sustainability of any changes;
- n. the relative merits of alternative investments in health, education, housing and other programs to improve outcomes;
- o. other countries' approaches to setting income support payments, minimum wages and awards;
- p. other bodies that set payments, minimum wages and awards in Australia;
- q. the role of independent and expert decision-making in setting payments; and
- r. any other related matters.

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TWOMEY, Mr Chris, Leader, Policy and Research, Western Australian Council of Social Service

Committee met at 09:15

CHAIR (Senator Siewert): I declare open this hearing of the Senate Community Affairs References Committee inquiry into the adequacy of Newstart and related payments, and alternative mechanisms to determine the level of income support payments in Australia. Such a classy title! A longwinded one.

We acknowledge the traditional owners of the land on which we meet today, the Whadjuk Noongar people, and we pay our respects to elders past, present and emerging.

These are public proceedings, and a Hansard transcript is being made. The hearing is also being broadcast via the internet. These are formal proceedings of the Senate, and the hearings must be conducted in an orderly and respectful manner, therefore I would like to remind everyone that they are not permitted to disrupt or interfere with the committee's proceedings or witnesses at any point during the hearings. I remind all witnesses that in giving evidence to the committee they are protected by parliamentary privilege. It is unlawful for anyone to threaten or disadvantage a witness on account of evidence given to a committee, and such action may be treated as a contempt by the Senate. It's also a contempt to give false or misleading evidence.

We prefer all our evidence to be given in public, although the committee may determine or agree to a request to have evidence heard in private session. If a witness objects to answering a question, the witness should state the ground upon which the objection is taken and the committee will determine whether it will insist on an answer, having regard to the ground which is claimed. If the committee determines to insist on an answer, the witness may request that the answer be given in camera—that's in private. Such a request may also be made at any time. If there are witnesses who have not already let us know that they want to appear in camera, please let the secretariat know so that we can make those arrangements.

We understand that all witnesses appearing today have been provided with information regarding parliamentary privilege and the protection of witnesses. Additional copies of this information can be obtained from our secretariat. I should point out that Senator Askew, our deputy chair, is with us via the wonders of the telecommunications system.

I now welcome representatives from the Western Australian Council of Social Service and the Financial Counsellors Association of Western Australia. Thank you for appearing. Before we go any further I will declare that I am married to one of the witnesses, Mr Twomey. Senator Lines, did you have something to declare?

Senator LINES: I just want to put on the record that I'm a member of WACOSS.

CHAIR: As am I. Now that we have all the administration out of the way I'll ask if you want to add anything about the capacity in which you appear and then whoever wants to make an opening statement and we'll ask some questions.

Mr Hughes: I'm the project manager for 100 Families WA, which is a project on research into entrenched disadvantage, and I work for WACOSS.

Mr Twomey: I'll keep my introductory comments brief so that we'll have plenty of time for questions. I'd like to start by saying, 'Kaya, ngala kaaditj Noongar Whadjuk moort, keyen kaadak nidja boodja,' acknowledging the Whadjuk people of the Noongar nation as the custodians of the land on which we meet.

Basically, in response to the terms of reference, it's the opinion of the WA Council of Social Service that the current rate of Newstart is inadequate—and similarly for related payments—and that there really needs to be an independent mechanism to set the rate of Newstart and related payments that takes into account median wages and the cost of living. We're particularly concerned that the inadequacy of Newstart results in poverty for well over half of those that are in receipt of it. We see high rates of financial stress and impacts on mental health. It particularly impacts on people's work readiness and their ability to be flexible and resilient and to respond to workforce opportunities. There's also strong evidence that living in poverty contributes to higher rates of chronic health problems in the longer term.

Our concern when it comes to Newstart and the wider social security system is that it's no longer fit for purpose. The system as it was designed hasn't kept up with the changing nature of work. It hasn't kept up with the increasingly insecure work, uncertain hours and precarious employment. There's a great concern that, for a group of people who are churning in and out of income support payments, this system unfairly penalises them each time

they come in and out—there's an additional risk of a mismatch between the reporting periods for Centrelink and the reporting periods for their employment, and we've seen that create a whole pile of problems for people. We're also particularly concerned that the system has increasingly focused on conditionality and compliance and that it hasn't focused on how you build the resilience, flexibility and work readiness of people who are reliant on income support.

There are over 87,000 people in WA who receive Newstart and 22,500 receiving youth allowance. As I mentioned earlier, 54.6 percent of people who are reliant on Newstart are living below the poverty line in Western Australia. We're particularly concerned about the linkage between Newstart and increasing rates of child poverty. Over one in four single-parent households are now living in poverty, and one in seven are experiencing severe poverty. When it comes to the children living in single-parent households, one in three of those are living in poverty. This is of huge concern to us, because we know the impacts that that has lifelong on childhood development and health and resilience into later life. We provide some evidence in our submission that shows the dramatic increase in child poverty rates, which have come about particularly as a result of the Welfare to Work measures.

The other thing that I wanted to highlight is some of the research we've included from the Bankwest Curtin Economics Centre—where I also work—that focuses on the lived experience of young people who have grown up in poverty and what has happened to them once they've become independent. It shows that they have a much higher risk of being unemployed, even five to seven years after they have moved on and become independent, and they're much more likely to be living in poverty. I draw your attention to that.

One of our particular concerns has been that now, with the changing nature of work, nearly one in three young people are unemployed or underemployed. Only half of 25-year-olds are now in full-time work. This has been a dramatic change over the past decade or two. Our concern is, again, that Newstart, the social security system and youth allowance haven't kept up with this. We really need to be doing more to prepare young people for the changing nature of work, but we also need to be doing more to make sure that there are good jobs for young people and that their work rights are properly protected.

I won't go into the detail but will just point out that in our submission we talk particularly about rates of housing stress and some of the research you'll hear about later in the day from the Anglicare rental affordability snapshot, which basically shows that if you are a single person living on Newstart there is nowhere you can afford to live in Western Australia. Similarly, if you're a single young person on youth allowance living by yourself or seeking share housing you will not find somewhere that is affordable for you—'affordable' being defined as 30 per cent of your income going to paying the rent. I would also point to what we've highlighted in our submission and also in the supplementary stuff that we sent through to you—the 100 Families report on the experience of people living on Newstart, which I'll talk about, and the Food Relief Framework and some of the groundbreaking research that's been done by the team at Curtin, looking at mapping food stress across Western Australia.

In closing, there are two more things I want to mention. One is the issues around the financial case for raising Newstart and the stimulus that raising Newstart would have in Western Australia. Deloitte Access Economics produced a report that suggested that simply lifting the rate of Newstart by \$75 per week—which is what we've called for in our submission, in line with WACOSS and other bodies—would inject an initial \$773 million in the first year alone into the WA economy. This is important because we know that every dollar that someone on a low income earns goes straight into essential goods and services—goes straight into the local economy. We've also highlighted that some of the areas that would benefit most from this are Stirling, Wanneroo, Swan, Gosnells and the premier's suburb of Rockingham, which is why we've also recently heard the premier of WA coming out and supporting an increase in the rate of Newstart.

Finally, I want to draw your attention to our recommendations. As I mentioned earlier, we've recommended increasing the single rate of Newstart by an absolute minimum of \$75 per week. We've also recommended indexing payments twice a year to movements in the standard ABS measures of wage levels, increasing Commonwealth rent assistance by 30 per cent or \$20 per week for a single person, increasing family tax benefits for single parents—which is of particular concern—and, in addition to that, restoring the indexation of family tax benefits. The other thing we've recommended is that there should be established by legislation an independent social security commission to provide advice to parliament on setting the rate of social security payments and that there's a great opportunity there for more research to be done and supported into understanding the impacts of living in poverty and the lived experiences, which Alex will talk about in a minute.

Finally, we recommend that social security payments should be cash entitlements. We don't think conditionality is helpful. And then we recommend looking at reforming the social security system to make it more fit for the nature of work these days, particularly looking at some of the initiatives overseas that see real-time

reporting of wages data so that people aren't caught in between their obligations to report to Centrelink and discrepancies reported by their employers, which sometimes gets them into trouble. In talking about that I also refer you to the report of the Welfare Expert Advisory Group in New Zealand, which reflected on some of the principles of a more up-to-date and flexible social security system. I'll hand over to Alex to talk about 100 Families.

Senator LINES: Chair, since we are running short on time, I'm wondering whether we can move to questions. I've got a significant number of questions, which I'd like to ask, rather than put on notice.

CHAIR: Mr Hughes, could you describe the 100 families project, which I understand is a fairly significant project. Could you keep it short? Ms Jowle, I will then invite you to make a short opening statement.

Mr Hughes: So 100 Families WA is an action research project with 10 partners, UWA being two schools and then seven community service organisations and WACOSS as the lead organisation. I'm going to share the relevant findings with you now. Although there are 400 families involved in this project, the sub sample is of 164, of which 147 are on Newstart, 10 are on Austudy and seven are on youth allowance. In terms of the experiences and the situations of these families, 18 per cent reported permanent disability and are not being supported by the disability pension. One diagnosis of mental health conditions was experienced by 76 per cent and two mental health conditions were experienced by 64 per cent, and 44.5 per cent reported back problems. There are other health issues you can see from the report, like arthritis at 28 per cent and blindness at 9.1 per cent, which is 15 times higher than the Australian average.

These families experience significant barriers, such as 39.6 don't have access to internet; 51.2 per cent don't have a motor car—compared to 1.9 per cent of the general population—and 85 per cent don't have access to at least \$500 in savings. This is on top of many other barriers that they would experience. It's on top of the illnesses, childcare responsibilities, a lack of accessible transport and a lack of support in finding suitable employment. This essentially, in real terms, means for something like Newstart, which is activity tested—meaning that they have to do so many things to get their payment—family members are contending with chronic diseases and mental health conditions, barriers that amplify their condition, and all whilst trying to meet the needs of Newstart and find a job or study. Essentially, within that group of 164, of the last 12 months 19 of them had paid or unpaid work. But when asked if suitable work was offered to them, 50 per cent said they would take it immediately and start work. The other 50 per cent were essentially experiencing the issues that we've talked about—the barriers et cetera.

Currently 7.9 per cent are working and are receiving a wage. Of that, two-thirds said that they would like more work. When asked the open ended question of what would make the biggest difference in their life—most of the questions are quantitative and closed—they said, 'To get a job.' They could have said anything. Some of them said, 'To win the lottery.' But one in five said that they want a job; they want to work.

I'll just end with a quote. I know you're meeting with a few people with lived experience of Newstart later. Two of them are team members of the community advisory group which sits on this project. At the moment, this is the quantitative part of the project. We're also undergoing a qualitative part, which is a yearlong, in-depth interview of 100 of those 400 families. From that, we're looking at the contexts of what works, what doesn't work and what could be done, to understand what could be changed within the system.

To one of those open ended questions that was asked, an answer was posed in terms of their situation. They said: 'I'm a single parent and I do not have family support, so it is difficult for me to find hours that will work with my childcare responsibilities, particularly because after school care is so expensive.' Like I said, the solutions will be coming from the people, I'm sure. One suggestion was, 'The job service providers should be going to employers saying, "We have these people with these skills" and providing incentives for businesses to keep those people employed.'

Ms Jowle: Given the brevity of time, I'll be very quick. I was going to give a bit of an overview about what financial counselling is, but I'll assume that you know and that you understand the framework for which financial counselling operates in WA. But what I can tell you is that between 26 and 36 per cent of people seeking financial counselling rely on Newstart as their only source of income, so essentially a third of our clients. From July to December 2018, in WA 6,347 people came to see a financial counsellor, which is a trend upward of about 14 per cent on the previous year. We know that there's a large unmet demand in WA for financial counselling, with 17,533 people being turned away because there simply wasn't an appointment available for them within a reasonable time frame. So financial counsellors see a lot of people living on Newstart.

Despite the rate not going up for 25 years, what has gone up is, for example, energy prices. We know that energy in WA has gone up by about 117 per cent in the last 10 years, and many people who are on low fixed incomes are paying the most for power. They're not in a position to be able to provide for energy-saving devices.

They're not able to put solar on their roof. These are things that they can't afford, and they're often renting as well. They're often home all day, so therefore they're higher users of power. So they tend to be the people who, for whatever reason, have to pay higher energy prices. Just by way of an indication of how things are going in WA, 15 per cent of Synergy customers are currently considered to be in financial hardship, and they're on 'promise to pay' payment arrangements with Synergy. Synergy report that this is the largest volume of people who are approaching them in hardship they've ever had. We know that transport costs have gone up in recent years, particularly petrol, vehicle registrations, repairs and the cost of public transport. Groceries have gone up. Health, recreation and discretionary spending, therefore, get left, and many people go without. We know many, many people go without basic health care simply to make ends meet.

I know Chris and Alex have spoken a lot about what's gone on, but I want to just give one issue that we're seeing constantly in the financial counselling centre, and that's people using payday lending in order to survive and basically lurching from one crisis to the next, using debt to pay debt. These lenders prey specifically on very vulnerable people. They have astronomical fees, charges and interest rates, and we're seeing many more people trapped in a poverty cycle that they can never get out of. So I think the people who are benefiting most from low incomes on Newstart are payday lenders, buy-now pay-later schemes and consumer leases.

I just want to read one case study, and then I'll leave it at that. A financial counsellor in Albany recently saw a male client who was single and privately renting. He was a nonsmoker. He had no debt, but he had prescription needs, and at the end of a fortnight he had \$1.82 left for groceries after following a traditional budgeting plan. This type of hardship results in a constant juggling game where traditional budgeting methods become irrelevant and it comes down to survival. Would you like me to stop?

CHAIR: Yes, sorry.

Ms Jowle: Obviously, we can give lots of those cases. I am more than happy to answer questions.

CHAIR: Thank you.

Senator LINES: Mr Twomey, in your opening statement you talked about the economic impacts, and I'm just wondering if there's anything else that you wanted to expand on, particularly in relation to the economic impacts this would have on the WA economy. I know you covered that, but I'm just wondering if there's anything more in-depth that you wanted to add.

Mr Twomey: Certainly it's worth looking at that Deloitte Access Economics report. We've provided the reference to that. I think the second point to make is that the single fact of the inadequacy of Commonwealth social security payments actually means that there's a large amount of cross-subsidy that states are providing to make up for the fact that people reliant on Newstart and other payments simply can't afford to live. So a lot of what we see happening around housing stress, utility hardship, food stress and all of these things that are then being cross-subsidised by state governments is a result of those things being inadequate. Similarly, if you look at the *WA Food Relief Framework report*, it shows that there is hundreds of millions of dollars being spent through charitable donations. A good deal of work and coordination and tens of thousands of volunteer hours are going into simply being able to feed people who do not have enough money to buy food.

When it comes to the economic impact, there is the cross-subsidy. It also becomes a drag on our economy in a number of ways. One way, as I have mentioned, is that stimulus impact. Another way of looking at that is that if the Newstart payment had stayed adequate—above the poverty line—as a percentage of the median wage, we would have expected that money to be going into the WA economy over the last decade or more. Certainly an economic drag has occurred because of that.

I would also reiterate that the 'cost of living' research we have done and the *Price Is Right* report we did jointly with Bankwest Curtin Economics Centre show very clearly that people on the lowest incomes are having to cut back on essential spending around health care, entertainment and transport—all those sorts of things. That is a drag on the economy. Conversely, any increase in their income is going to have an immediate impact on local economies.

Senator LINES: The point you have made about cross-subsidy is well made. Is any research being done that would look at how the dollar might stretch further for those agencies that are cross-subsidising Newstart recipients at the moment? Is there any evidence or research around that? It would probably be hard to do.

Mr Twomey: I guess there is a pile of research that kind of goes to that point, but no-one is looking specifically at the amount of cross-subsidy or what difference that would make. The point is that if there is a \$780 million hole per year in the WA economy and a lot of people living in poverty on income support payments charitable donations and the work of organisations would go that much further. One of the biggest problems and concerns is the effective drag and collapse we have seen around social housing systems. One of the biggest

drivers has been the between the adequacy of rent that can be paid by people on low incomes who are living in that housing. The ability of the state government to maintain and further invest in public and social housing has been degraded over the last two or three decades just because of that increasing gap in affordability.

Senator LINES: Are there enough jobs in WA for every person who is unemployed?

Mr Twomey: No, there aren't. As far as I know, there are at least eight or nine people applying for every single job that is there. In particular, there is a mismatch when it comes to skills.

Senator LINES: Would every person who is on welfare in Western Australia be able to get work immediately?

Mr Twomey: No.

Senator LINES: How are people supposed to get jobs that aren't there?

Mr Twomey: That's a good question!

Ms Jowle: Anglicare's *Jobs Availability Snapshot* showed that, particularly at the low skilled end of labour, there are five people looking for one job. So it is a five to one ratio in the low skilled area.

Senator LINES: This is Western Australian data?

Mr Hughes: I think it was seven to one—entry level jobs.

Senator LINES: WACOSS and financial counsellors have stated that the current rate of Newstart is not substantial enough and you have claimed that an increase of \$75 a week is needed. Is it enough for people who are looking for work?

Ms Jowle: No, because there is an added cost to looking for work. Transport, for example, is incredibly expensive. Most people on a low fixed income either don't have a vehicle or have a very run-down vehicle, which is often unroadworthy, so they are taking a risk every time they go out in their car. Petrol prices keep fluctuating—going up. And there is also the cost of adequate clothing. One of the things that welfare does is erode your self-confidence. So it is very difficult for them to feel like they can sell themselves. The evidence is very clear that the longer you are out of work the harder it is to obtain employment.

Senator LINES: So those are the things which you're saying prevent people from getting out and looking for work?

Ms Jowle: Partly, yes. And, if you're a woman aged over 50, you're at higher risk. If you're a young person without skills, you're at much higher risk. If you come from an Aboriginal or Torres Strait Islander background, if English isn't your first language, if you have mental health issues—they're the sorts of things that impact on your ability to look for employment.

Mr Twomey: Can I add to that?

Senator LINES: Yes, certainly.

Mr Twomey: I think the other issue and the problem is around the conditionality of the job search requirements, so the fact that for every one of those entry-level positions that are being advertised you'll get hundreds or thousands of applications, which then becomes a burden on those businesses as well. The fact that people are forced to apply for a large number of jobs that they're not really likely to get actually causes trouble on both sides. There's no real gain that's coming from that. If we had a system that was more focused on simply providing the support to people to identify the right jobs and assisting them to apply for the jobs that they're qualified for and likely to get, that would reduce a huge amount of administrative burden for the people seeking jobs, for employers looking for employees and for the system that's sitting in between. That's one of the biggest mismatches that does no-one any good, and, as Bev says, that then erodes people's confidence. It forces them to do a lot of charging around and a lot of work. That can be particularly difficult if you can't afford to have the phone on at home, if you've got to go and use the public library and so on.

Ms Jowle: The other thing I want to add is that the reality for lots of people is that work at the moment is largely casualised and part-time, so it's economically often not worthwhile for people to pick up a few hours here and there. Even in our own sector, the care sector, most of the work, for example in aged and disability care, is casualised, it's part-time and, as Chris pointed out, the onerous reporting requirements from Centrelink often mean that they're very disincentivised from picking up any employment.

Mr Hughes: If I add to that as well, the experiences of the families that we're hearing—and the analysis is still underway—are that it's disheartening and demotivating when they report 24 per cent of them lack the support they need to find employment. So when, like I said, 45 per cent have back problems and, when they've been sent

to construction work, that's just not suitable. It's that jumping through hoops they need to do to get that payment, but it gets nobody anywhere.

Senator LINES: Ms Jowle, you said a third of your clients, or the clients of financial counsellors, are on Newstart. What do counsellors advise people on Newstart to do in order to get by?

Ms Jowle: It's incredibly difficult because they simply don't have enough income. I think we need to be really mindful that some of these people are the best budgeters in the world. They know where every dollar goes; they have too. So it's almost laughable to say that our job as financial counsellors is to teach them how to budget, because they're often budgeting very well but they simply don't have enough income. So part of the role of financial counselling is to try and look at ways that they can reduce, for example, their energy use, or perhaps that they could try and have a small savings plan so they don't have to rely on payday lending should something like their fridge break down. We know everyone has financial emergencies. I think the role of financial counselling for lots of those people is really just trying to make ends meet and manage and try not to use those predatory products.

It is interesting to note that while 40 per cent completely rely on Newstart a large percentage of clients are the working poor as well. They're earning a little bit of money and maybe being supplemented with Newstart, so it's largely people on low fixed incomes that seek financial counselling.

Senator LINES: Is it a fair assumption to say that the case is that Newstart is too low for people to manage?

Ms Jowle: Absolutely. Unequivocally. No-one could live on Newstart and live what I would say is a life of dignity and respect.

Mr Hughes: It's a full-time job trying to get your needs met. One of the attachments that Chris, I believe, sent to you was a case study of a family that we used in the release of this report three weeks ago. Her experiences on Newstart were pretty standard except that she did have a car. But she couldn't afford to pay the rego that month so she sold the car for \$250, and, at the end of that month, she was left, I think, with \$14. That was still to get all the food et cetera that she required—pretty standard. So trying to find work on top of all those stresses of finding food—

Senator LINES: When your basic needs are not being met.

Mr Hughes: Yes, an impossible task.

Ms Jowle: Particularly if you're a parent. I think if you're a single parent it's even more disheartening, because your child often can be traumatised from the relationship breakdown and you want to be there for your child. But, as soon as that child turns six, you're on Newstart and you're expected to meet the quite punitive conditions in order to stay on it. The ParentsNext program is showing us examples of people who are being breached simply because—we know of a case of a woman being breached because she didn't attend a library session with her child. She was at the doctor's with the child and she provided evidence of that. Centrelink said, 'Yes, we were wrong, but we can't see you for a month.' So she had a month with no income. That's just unacceptable.

CHAIR: Could you provide us with evidence about that case? I realise it applies to ParentsNext, but this inquiry is looking at other income support payments as well. If you could provide that information, that would be appreciated.

Ms Jowle: Yes.

Senator LINES: Just going in a slightly different direction, Ms Jowle, what impact will the government's plan to double the liquid assets waiting period to six months for people claiming Newstart have?

Ms Jowle: Sorry, I'm not sure what you mean. The double?

Senator LINES: The liquid assets waiting period—they want to double it, to six months. What will that do?

Mr Twomey: I can comment on that.

Senator LINES: You can answer that, Mr Twomey?

Mr Twomey: We see this as a big concern in that this is a further disincentive for people who are working and bouncing in and out of income support payments, and it's something that dramatically erodes their resilience. Everywhere else, we're trying to encourage people to save more and use that as a financial buffer, and people's work earnings are something that helps them to manage that transition onto Newstart and helps them to find a job.

There has been this argument about whether or not Newstart is a transitional or a long-term payment. While there is this selective evidence that says that in any one year a large number of people who go onto Newstart go off Newstart again, the vast majority of people stay on it for a year or more. The average is more like seven years. One of the things that this reflects is that those who bounce in and out actually have more resilience and more

capacity to work. The longer that they spend on inadequate payments, the more that becomes a barrier to them finding work, so it's clearly having that detrimental impact.

Senator LINES: So, given your statement just then, would doubling that waiting period to six months pull the rug out from under people's feet? Would it contribute more to the cycle of poverty—

Mr Twomey: Yes, absolutely. The expectation is that, then, people would have no financial resources whatsoever and that would put them in circumstances where at the end of that period they would have to be living in poverty. You would expect people would, during those six months, have had some sort of financial or life crisis or an unexpected bill that has required them to eat into that, so you're basically putting them in the position where there are increasingly vulnerable, and, as Bev was saying, increasingly at risk of building up debt, getting payday loans and so on.

Senator LINES: Ms Jowle, are financial counsellors regularly referring people to Foodbank?

Ms Jowle: Yes, constantly.

Senator LINES: This is Newstart recipients?

Ms Jowle: Yes, anyone on a low fixed income. Even the working poor are using food banks. It's not explicitly for people on Centrelink income.

Senator LINES: No.

Ms Jowle: Yes, by far the majority of referrals to Foodbank and food relief services, emergency relief services et cetera would be made by financial counsellors.

Senator LINES: Are financial counsellors seeing Newstart recipients skipping medication and skipping doctors appointments?

Ms Jowle: Absolutely, because, even in surgeries that bulk-bill, there is still a cost, often, for specialist appointments. One of the big areas that we're really concerned about is people not treating chronic diseases—not getting medications for diabetes, not getting medication for potential heart or cholesterol problems.

Senator LINES: And why is that?

Ms Jowle: Just because of the cost of medication. Even on a subsidy, it's often a discretionary spend, particularly when you're weighing that up against eating, putting your power on or feeding your children. Really, a \$5 medication is something where you think, 'I'll worry about that later.' Of course, that has a longer term impact on the health system.

Senator LINES: Yes. Are you finding that with your 100 Families, Mr Hughes?

Mr Hughes: It's exactly the same stuff. Yes, they have choices if the money can't stretch to everything. Often it's heating or eating. Well, it's not a choice. This is for the wider cohort, not necessarily the Newstart, but for the wider 400. Many of them experience food insecurity and will feed their children before themselves. They might only eat once a day to make sure their children eat three times a day. Going without medication is common because it's either that or food.

Ms Jowle: They don't have health insurance, or any insurances. That's the other thing. They can't afford insurance on their car or their contents or their health. That impacts as well.

Mr Twomey:

On that point, can I refer you to both our cost of living reports and the Bankwest Curtin Economics Centre report *The price is right*. That shows systematically that households with financial stress measures and also particularly vulnerable households like single-parent households have dramatically cut back on their health expenditure over the last decade. People simply don't have enough to meet their living costs, particularly rising housing costs. They're cutting back on health expenditure, and that's having worse long-term health outcomes and costing us all more as a community.

Ms Jowle: Dental care is another huge one.

Senator LINES: There would be no way—

Ms Jowle: No. They just can't.

Senator LINES: What are the current waitlists for dental care in WA at the moment?

Ms Jowle: I don't know what they would be.

CHAIR: That's a good question. We'll try and get that.

Mr Hughes: I don't have that, but 52 per cent reported that they could not afford dental care when required.

CHAIR: Of your 400 families.

Mr Hughes: Of the 164 on Newstart.

Senator ASKEW: I want to thank everyone for coming along and providing evidence and their submissions. There are quite a range of allowances available to support people who are looking for work. Mr Twomey, in your final recommendation you're talking about reforming the social security system to ensure support is available. Can you give some ideas or policy suggestions on how we would go about doing that to make access easier, perhaps reflecting the changing nature of work?

Mr Twomey: Certainly. To clarify, you are asking about our recommendation around reforming the wider social security system to make sure that people are better supported to be able to find work?

Senator ASKEW: That's right.

Mr Twomey: There are a number of things. The discussion we had previously around the liquid asset test was a good one, in terms of people's capacity and resilience to be able to do so. So too was the thing around job search support actually targeting people's skills and work that they're actually capable of and likely to get and supporting them to do that. One of the other things that we think is critical is to make sure that that kind of support is targeted to what's most relevant and helpful for people, depending on where they are, their particular stage of life and what they're at. One of the concerns that we've had with the welfare-to-work measures is pushing requirements around single parents, forcing them to get work at times when they really need to be providing more care and support making sure that their children are okay.

We've seen that dramatic rise in child poverty. It's interesting to look at the reforms in New Zealand, where they've deliberately focused more on saying that with parents we need to be doing more to make sure that they're supported and focused on their ability to meet their family obligations. Similarly, the changes that we've seen to childcare subsidies create a disincentive for single parents and working parents because of the gap between when you're able to find work and when you're able to get child care. In an ideal system parents who are looking for work, particularly single parents, would already have access to that child care when they needed it. The problem is that by the time that they've applied for work and found work, then it takes two or three weeks to actually get their children into care, they've then lost their job or they've used up all the resources that they have. So there are a pile of those things that would make a big difference.

Senator PRATT: This is somewhat a supplementary question to what Senator Askew has just asked. The government's been talking up just a few hours work as a win in our unemployment statistics. But as you've highlighted, coming in and out of casualised work while on these payments can actually be some something of a trap for people, in terms of being able to create a sustainable household income for themselves. Have you got some examples of how people are cycling, putting in a lot of effort to compete with other people to get a few hours of unskilled casualised work, but it's not actually going to save them from the long-term poverty trap that they're in?

Mr Twomey: One of our big concerns is that with the changing nature of work, with increased casualisation, the growth of the gig economy, we've seen that there are opportunities for people that can be quite difficult under the current system. If we look at a lot of the other advanced OECD economies, European economies, they've moved to systems where they've got real-time employer reporting of wages and income data. That obligation isn't put onto the people who are seeking work. They've got simple data matching so that they don't have the risk that we see with some of the robodebt approaches and so on, where you've got a difference between your Centrelink reporting period versus the income that you receive at a different point in time, and that puts you at risk.

With the information and systems that we have now, there is no reason why we need to be chasing people up the way that we chase them around reporting and introducing all of the penalties around that. We could simply be looking over a three- or six-month period and matching things up at the end of that and adjusting things simply like that. That's one of the big concerns. The other thing is that that's one of the things that's then most misleading in the statistics around the way we report employment and the way we report rates of people on Newstart, saying that Newstart is a short-term transitional payment. Actually what we've got is a small group of people who are bouncing in and out quite a bit. They contribute to those statistics that the Treasurer then says—

Senator PRATT: They're short-term, but actually they've bounced in and out because of highly casualised employment.

Mr Twomey: Yes.

Senator PRATT: How do we ask the right questions of government to get those statistics right?

Mr Twomey: The long-term stats are there. It's just that the government's not choosing to refer to them.

Senator PRATT: But long-term stats would still somewhat mask people who'd returned to the payment.

CHAIR: Yes. We've got the long-term stats. The average is 156 weeks, I think. Then there is the group who are on longer than two years and five years. But you're right—the figures mask who's bouncing in and out.

Senator PRATT: And what kind of income they would have had in the time that they bounced in and out, in terms of also looking at how adequate that income was, assuming that in many cases it might have been for some of those people a low income.

Mr Hughes: We'll have access to that information going forward. We just don't have it yet. Like I said earlier, of the 164, in the last twelve months only 19 had employment in that period. Currently, as of the survey that was taken, 7.9 per cent are receiving a wage, but two-thirds of that 7.9 per cent said they want more work. It's underemployment. They're still in entrenched disadvantage. So in terms of a mechanism to get people into the workforce, it's not working.

Senator PRATT: In terms of the inadequacy of payments, which is clearly manifest, and employment service providers who are supposed to be supporting people releasing resources to help people find work, in your experience are those employment service providers releasing payments for the kind of things that they should that would help people find work?

Ms Jowle: It has been our experience that most of those job providers select those people who are more likely to find employment and provide much more intensive support to them, because they get a win from that. They get incentivised for finding people employment. People with long-term unemployment with maybe other significant issues tend to get left to their own devices and often don't get the sort of supports that they would need.

Senator PRATT: But they would still be forced to be compliant, exacerbating that kind of cycle for them.

Ms Jowle: Yes.

Senator PRATT: So, for example, if a long-term jobseeker has more disadvantages, their difficulty getting transport to get to their appointments is going to be exacerbated.

Ms Jowle: Yes. Often they have significant mental health issues. They're often depressed. They're often dealing with some very difficult self-esteem issues because they have been unemployed for some time. They need more than just being job ready. They often need psychosocial support.

Mr Hughes: Seventy-six per cent experience at least one mental health issue. In terms of the support, 24 per cent reported the lack of support from job service agencies, but they still need to be compliant with the detail.

CHAIR: Thank you for your time today. I've got one question for you to take on notice please, for both of your organisations. Could you give us any experience you've had in terms of people being able to access the job fund for paying for things like clothing and transport? If you could take that on notice, that'd be appreciated. Ms Jowle, you obviously had your case example, which we had to cut short. Could you table or provide any further information on those case examples? That would be much appreciated.

Ms Jowle: Absolutely.

CHAIR: Thank you for your time today.

HARTWIG, Ms Angela, CEO, Women's Council for Domestic & Family Violence Services (WA)

[10:27]

CHAIR: Welcome. Thank you for coming. I invite you to make an opening statement and then we'll ask you a whole lot of questions.

Ms Hartwig: We're the peak body for women's refuges and domestic violence services in WA. We have a statewide network made up of around 60 services, which include refuges, outreach services, counselling services. That amounts to around 60 member services throughout the metropolitan, rural and remote regions of, which we know very vast here, so we have some specific regional and remote issues that women face. I'll read through a couple of recommendations that we want to speak to. Obviously, we recommend that the Australian government increases the Newstart payment and other related payments by at least \$75 a week. We recommend that the government apply an intersectional gendered lens to this review of Newstart and its role in an unacceptable standard of living. We recommend that the Australian government ensure mandatory training and ongoing professional development on the nature and dynamics of domestic and family violence to all relevant workers within the Department of Social Services, the Department of Human Services, Centrelink and Medicare. We recommend that the government exempt women on temporary visas and women seeking asylum who have experienced domestic violence from meeting residency requirements for the purpose of full access to Centrelink and Medicare while their visa is being processed. We recommend that the government ensure that victims and survivors of domestic violence are not disempowered or put at further risk, through applying a gender intersectionality and family lens to social security policy. Lastly, we recommend that the Australian government extends the exemptions for mutual obligation requirements to single principal carers to include women affected by domestic and family violence, granting the same payment levels that are available for single-parenting, foster-caring, non-parent relevant caring under a court order, home schooling, distance education and large family provisions.

I have prepared a document that I can forward to you, but that's the essence.

CHAIR: Thank you.

Ms Hartwig: That's the recommendations. Then there are, of course, the issues around why we need to look at it through a gendered lens. Obviously, women are at greater risk of exploitation, violence and abuse. There's also the fact that poverty of women in Australia is greater than that of their male counterparts. Women are likely to head households with children. They do more unpaid domestic work. Mothers spend eight hours and 33 minutes a week looking after children under 15; compare that to fathers, who do three hours and 55 minutes. We have a national gender pay gap of 14 per cent, but in WA it's 21.8 per cent. That means that women earn far less than their male counterparts.

Women face difficulties when it comes to opportunities for flexible workplace arrangements, especially in senior roles. Having longer periods of time out of the workforce impacts on their career progression and opportunities. We have a gender pay gap that results in a superannuation gap. Women retire with less superannuation benefits than men. The medium super balance for women from 55 to 64 is \$80,000, compared to \$150,000 for men. This represents a 47 per cent gap. So it's significant. As a result, women are more likely to experience poverty in their retirement years and be far more reliant on the age pension.

As domestic and family violence is the biggest driver of homelessness, women can be at greater risk than their male counterparts of being homeless as a result of domestic and family violence. It costs around \$18,000 for a victim or a survivor to leave a violent partner.

CHAIR: If you could table that document, it would be much appreciated. Senator Askew, do you have any questions?

Senator ASKEW: I just have a brief one—just a clarification. Thank you, Ms Hartwig. Could you expand a little bit—you mentioned professional development and I missed some of it. Could you go back to that one in relation to domestic and family violence services. Was that for frontline services or for social service staff? Could you clarify that for me?

Ms Hartwig: Yes. Frontline services—women's refuges—and I've got a few comments from a couple of the refuges around this. Women's refuges report on how difficult it is to make ends meet on Newstart. Women often end up having to stay longer in crisis accommodation, and their options around trying to access safe and affordable housing is limited. Whilst they need to be able to heal, often they're forced into substandard housing or forced to share with others, which is not often ideal for them or for the people they might be sharing with, due to safety issues. Refuges spend a whole lot of their limited resources supporting women who are on Newstart because they don't have the means to pay for medical care, legal services, housing costs and day-to-day living

costs. Often women choose to go to moneylenders and then they're forced into repaying very high debts. So, in terms of trying to make a fresh start, I'm not sure who came up with the name Newstart but I think they need to go back to the drawing board because it's absolutely the furthest thing from the truth that there ever was.

A woman was linked up with a job network, she was an Aboriginal and Torres Strait Islander woman, they set her up in some accommodation in Perth, but then got her sent to a job that was miles away—absolutely miles away—and it was a very casual uncertain position. Women in particular are vulnerable to casualised work. They can't rely on an average weekly income that can actually give them some dignity and reach their full potential. So Newstart needs to be increased. It's a crime against humanity that it hasn't been increased, and in a First World country like Australia it's absolutely abominable that we're here actually having to try and build a case around this.

Senator ASKEW: Thank you. I think I've got the message there. The professional development aspect is actually related to the service providers—the frontline people that you talked about. I just wanted to clarify exactly where you were looking for that development. That's fine. Thank you, Chair.

CHAIR: Thank you. Senator Lines.

Senator LINES: Ms Hartwig, do you think there are enough jobs for all women on Newstart to get appropriate employment?

Ms Hartwig: No, there's not.

Senator LINES: Do you think that there are jobs that are available that are well match to location, skills and family or caring responsibilities for women on Newstart?

Ms Hartwig: No, there's not.

Senator LINES: And you're very definite about that.

Ms Hartwig: Absolutely.

Senator LINES: Is that your experience?

Ms Hartwig: That's the experience. That's what we are hearing from refugees on the ground. It's almost setting people up to fail. There is no real thought or planning around whether something will actually work. It's not a case of: 'This could work. We'll support you for it to work.' It's a case of: 'This is your option. Take it or leave it. You've got three hours employment here.' It takes you an hour to get there. You've got to travel 30 kays to get there and it's not easy to get there with public transport. So it's not set up to really provide a lot of success.

Senator LINES: Do you think the government understands who people on Newstart are?

Ms Hartwig: I don't think they're in touch with reality about what people on Newstart face. They may know who they are but they're not in touch with the reality of what people on Newstart face. The general costs of living have gone up in the last couple of decades. These payments have not matched any of that. So they're not making any real efforts to keep pace with the people who are on these payments.

Senator LINES: Given that you don't think the government really understands them, are there any misconceptions you'd like to set straight about the number of women on Newstart in particular, and perhaps women over 55?

Ms Hartwig: Again it's a situation where it's assumed that older women are perhaps not employable anymore, that they can be offered anything and they'll take it, that they don't want to work robustly perhaps until they're 70 if they choose to. So I think there are a lot of assumptions around the life-cycle of what women's working life looks like. There is the fact that they're more likely to be responsible for aged parents so it is assumed that it's not so important that they're in the workforce. So they're making a lot of assumptions and not really providing good choices and options for older women. For women who are victims of domestic violence Newstart can actually force them back to the perpetrator.

Senator LINES: Why do you say that?

Ms Hartwig: Because often separation can make them financially worse off. They may not have always come from a poverty-line household. And a large percentage of women are worse off when they leave a violent partner. So Newstart isn't so attractive. Women do lose when they choose to separate. There's no doubt about that. They have to run from pillar to post, to at least 30 agencies, often retelling their stories, trying to get other buffers, to help support what they're going through and to try and make a fresh start.

Senator LINES: Thinking about those women leaving domestic violence relationships, is the rate alone a factor, or are there other factors which make it difficult for those women fleeing domestic violence to leave and to get on to Newstart?

Ms Hartwig: I think the crisis payment is another area. They have to demonstrate that they have actually left the partner, and that doesn't always happen.

Senator LINES: They can't demonstrate it or—

Ms Hartwig: They may not choose to leave them straight away, but they may need a payment to help them leave. The cashless card is another example, where they've only got access to 20 per cent of actual cash. Some people might voluntarily think that system works for them—their rent is paid the utilities are paid. But in cases where women need access to cash to be able to get out from a violent partner, that restricts them and limits them. I don't know if I've gone off the question a bit.

Senator LINES: That is fine. Thinking about those women, are there particular areas in Western Australia where you know that women and children are struggling more?

Ms Hartwig: Certainly the women on the temporary visas. Women's refuges support them significantly and as we know their resources are fairly limited. To give you an example, from July 2016 to 30 June 2018, 234 women and 273 children without income were assisted by refuges and shelters. Some of these basic costs were—and this is the 20 refuges that responded—\$37,126 in cash that was provided to all of those women—

Senator LINES: These are women on temporary protection visas?

Ms Hartwig: Who fall outside—

Senator LINES: Which is really important, but today we're really talking about Newstart.

Ms Hartwig: But what we're saying is that they should be allowed to access a special benefit while their residency is being looked at. The refuges also spent \$6,000 on food vouchers, \$58,000 on food parcels and \$17,000 on medical and dental bills. So, refuges are bearing the brunt. If these visa categories were within the Centrelink eligibility then the refuges wouldn't have to pick up these costs.

Senator LINES: Just thinking back to Newstart, though, are women reporting to you that Centrelink processes and access to Centrelink are making it more difficult to get on a payment?

Ms Hartwig: Yes. I think sometimes because of the transient nature of women in refuges too—if they change an address or relocate and they haven't responded to something their payments are cut off and they have to reapply. It's just not made easy for victims in refuges.

Senator LINES: You mentioned the cashless debit card. You mentioned the 20 per cent limit but what else is making it harder for women to escape from family violence?

Ms Hartwig: Other than the cashless debit card?

Senator LINES: No, those people on the cashless debit card.

Ms Hartwig: We are trying to build economic independence. If you have access to only 20 per cent of your income it really limits what you can do and restricts what you can do. It almost entraps those women still in a situation where they may need cash. We can't take for granted that women's refuges will always have vacancies and can support the women, so they have to have money. Even if they're staying with relatives or going to a motel for a few nights until they can get into a refuge, they still need access to some sort of disposable cash. I think this is the downfall of the cashless card as well.

Senator PRATT: What's the bare minimum amount of money a family needs to be able to restart their life—to move house and do all that kind of stuff—if they're fleeing domestic violence?

Ms Hartwig: I think I mentioned it cost \$18,000 to leave a violent partner. That's just on average. It depends on the situation and the number of children, of course, or whether someone has to relocate interstate. Obviously their safety has to be looked at, as to whether they can stay in a metropolitan area. They might have to go to another part of WA or interstate. But, on average, it's around \$18,000 if we're looking at relocation of housing, upgrading security and legal and medical costs.

Senator PRATT: In a situation where you're trying to minimise those costs, assuming you don't need to move interstate and you're looking for a new tenancy and perhaps another family car—

CHAIR: I'm sorry to interrupt, but I notice that photos are being taken. We're not necessarily opposed to that, but there's a process I need to go through to ask our witnesses and double-check with the committee. I'm sorry I've interrupted you, Ms Hartwig. I'd better just double-check that now, given that I've noticed that photos are being taken. Ms Hartwig, are you okay for photos to be taken? They're actually being taken from the back of your head.

Ms Hartwig: Yes, no-one will know. It doesn't matter. I'm here.

CHAIR: I know we are used to it, but that is the process.

Ms Hartwig: I'm happy.

CHAIR: So, you're right. I'm sorry, but it is a formal process I'm required to go through. So, you're fine. Thank you, Ms Hartwig.

Senator PRATT: I can see why \$18,000 would be the figure, but, if we're trying to call for an increase of at least \$75 a week, it still doesn't go very far in that kind of situation. That \$75 a week would act as some kind of buffer to forward plan your basic costs when you're leaving a violent relationship, but how do you assist someone to get their bond together for a new house or go and retrieve their belongings from the original family home—those kinds of things?

Ms Hartwig: If they're in a refuge, that would be done by the refuge service. They would normally always get involved in that process. The refuge support staff would assist women in applying for a bond and getting a police standby, if necessary, to collect their possessions and those of any children.

Senator PRATT: In terms of collecting possessions, that's some social support, but who's paying for the removal truck and those kinds of things, or are you generally expecting, in that situation, that many of the things you need to establish a home will get left behind?

Ms Hartwig: It's a bit of both. Again, sometimes refuges have to delve into their minimal emergency relief funding, or something they have access to, to hire a little vehicle to assist.

Senator PRATT: I guess a good takeaway message for us as a committee is not to assume that people, when they are living on a payment like Newstart, will have any more assets other than that payment to get them started, in terms of rent, food, a bond and furniture. You can never really assume that a family will have any baseline of assets. That payment might be all that they have.

Ms Hartwig: That's correct.

CHAIR: I have a question on notice and a question that, hopefully, will take us through to finish on time. If I understand correctly, in terms of the payment, you'd like us to recommend that there be an additional payment that is much more focused on women in crisis as a result of family and domestic violence?

Ms Hartwig: Yes, and I think—

CHAIR: As well as an increase in Newstart?

Ms Hartwig: Yes. Because I think the social context—which is another intersectionality for women—has to be looked at specifically—not just, 'Here's your Newstart payment.' There's a whole social context around what it means for the woman financially, socially and ethically, in terms of her wellbeing and safety.

CHAIR: Could I ask you to take this one on notice. Job service providers have a job fund that provides for trying to make people work ready either with training or with support such as clothing and transport. Given what you've just said, I'm thinking that women who have left a family in a domestic violence situation would probably need quite a lot of support from the job fund. If you can't tell us immediately, could you take on notice: do some of your members or providers have experience with women being able to access that fund, and what level of support do they receive?

Ms Hartwig: It's fairly minimal, and it's not always crafted in a way that's helpful or useful. It's almost like: 'This is what we're giving you. You have to jump over hurdles or face challenges to get there'—rather than it being the other way around: 'We'll support you as best we can to make sure this is going to work for you. And if not, we'll look at what else can be done.'

CHAIR: If you can provide any further information, that would be very much appreciated. You said earlier that you'd table something. If you can't provide that to our secretariat now, you can send it in an email.

Ms Hartwig: I'll email it.

CHAIR: That would be appreciated. Thank you very much for your time today.

BRUCE-TRUGLIO, Mr Stefaan, Policy and Advocacy Officer, Youth Affairs Council of Western Australia

CLARK, Ms Kelly, Private capacity

ROLFE, Ms Holly, Private capacity

WORTHAM, Mr Ross, Chief Executive Officer, Youth Affairs Council of Western Australia

[10:33]

CHAIR: Welcome. Do you have any comments to make on the capacity in which you appear?

Ms Rolfe: I work at the Youth Affairs Council of WA.

Ms Clark: I am appearing as someone who works alongside the Youth Affairs Council of WA and has lived experience.

CHAIR: I invite whoever is going to make the opening statement to make a short opening statement, and then we will have lots of questions.

Mr Wortham: I'm glad to hear you have questions; that's good. First of all, thank you for inviting us here to speak to the committee. I'd like to start off with an acknowledgement of country. I acknowledge the Whadjuk Noongar people, the traditional caretakers and custodians of this beautiful boodja that we're on here today and pay respects to their elders past and present, and to emerging young leaders in the community. Thank you to the committee for taking time to listen to the views of the Youth Affairs Council and, importantly, to listen to amazing young leaders with lived experience of Newstart and youth allowance. It's our preference that we give them most of the airplay today, but we're here to answer any policy oriented questions.

Just for the record I will give a bit of context, and I know most of you across the table know who we are. YACWA is the peak body representing young people and all those who support young people in Western Australia. There are 500,000 young people in this state alone. We've a 40-year history of working with young people, supporting their voices to be heard and supporting services to be strong and effective in WA. We have more than 500 members across the state, made up of organisations, youth workers, academics and, importantly, young people. Most of you know that we operate as a human rights organisation. With that remit, a significant component of our work is ensuring that young people have a say in matters that affect them. This is a very important matter that directly affects young people, so thank you for listening to the voice of young people.

I'd like to start off by saying that YACWA as an organisation and its members support the efforts of ACOSS. I believe you've heard from WACOSS, the Financial Counsellors Association and all those on the Raise the Rate campaign. We get behind that and stand in solidarity with the asks to help both policy in principle and culture. We know that Newstart and youth allowance are inadequate—woefully inadequate. They don't meet the needs of young people and their families. We know this from modelling the cost of living across states and territories. We know this from the comparison of inflation, the consumer price index and the minimum wage against Newstart. We know this from the many stories, importantly, of young people who live on these payments—stories of hardship, chronic health issues, stress, anxiety, food insecurity, isolation and dependence. We are here today to allow some of those voices. They will speak directly to you as a committee so that you can hear the experiences of the impact of Newstart and youth allowance.

Let me say that we as a community and, importantly, you as representatives of government have an important role to play. We must take steps to ensure that children and young people in this country are not languishing in poverty and are unable to access the living standards and opportunities that they, frankly, have the right to and should be able to enjoy in this very wealthy and prosperous country. We know that a minimum \$75 a week lift, which sounds very meagre, can have a massive impact on people's lives. It is not a very big ask that we as a community are calling for. The question is: why aren't we doing it?

With that, I'd like to hand over to Kelly first to properly introduce herself. Then maybe we can hear from Holly and, if there is time, here from Stefaan as well. Senator Siewert, is that all right?

CHAIR: Yes. We do want to hear your lived experience. If you could keep it fairly short then we will ask some questions to understand some more.

Ms Clark: Absolutely. I also want to acknowledge that we are on Wajuk Boodjar and to pay my respects to the Noongar elders past and present and also to pay respects to the eldership of the Warrimay people from the Port Stephens-Newcastle area, whose ancestors are also my own.

I work in mental health and social services as a direct result of my lived experience receiving services from those sectors. I have been involved in some fantastic co-design, with community collaboration and design principles, alongside YACWA with the action plan to end youth homelessness as well as with some other things. I have experienced myself—and people who I have worked alongside have voiced this to me—the utter stress of living on Centrelink payments that are inadequate, particularly Newstart and youth allowance. People, including me at various times in my life, have had to choose between going to therapy to get better and having food, to choose between going to work and having food, and to choose between having stable housing and having food. They are things you shouldn't have to choose between. I'm fairly confident that I would not meet the criteria for my chronic severe mental illness if I didn't have to scrape by every single week and if I could afford therapy and food and have a stable living. Having \$75 a week would be amazingly helpful towards that.

Ms Rolfe: My name is Holly Rose and I'm 23 years old. I work at the Youth Affairs Council of Western Australia. Up until a month ago I was living in transitional crisis accommodation. I was homeless last year. I got a job at YACWA last year, coordinating the Homelessness Youth Advisory Council. I have a team of nine young people who have experienced homelessness and transitional housing.

I think it's really important to acknowledge that those of us who are trying to do better and be better, and study full-time, like social work or community services—I'm studying social work—have to make a decision whether our mental health goes unaddressed, or we put food on the table, or we study full-time or we go back into that poverty cycle in trying to study again. At the moment, being on Newstart or youth allowance means there is a threshold for how many hours you have to work a week to get your payment, or how many jobs you have to apply for. I currently have two jobs; I'm also working as a disability support worker. I work almost 30 hours a week and I'm still not meeting that threshold to get my payment some weeks. I'm also studying full-time, which is almost 40 hours contact at university.

To make that threshold without my mental health being impacted—it's really insane. That \$75 a week, as a minimum, would help us out tremendously. For me, it's really important to acknowledge that I believe I'm doing well and that I'm doing things that are going to change our future. However, if I'm not doing well—and I have days when I think, 'Today's too hard; it's in the absolutely too-hard basket.'—then how are people who aren't working, or studying or doing what they believe in surviving? Thank you.

CHAIR: I might go to questions, if that's okay? Senator Lines, do you have some questions?

Senator LINES: Yes. Thanks very much for coming along and sharing your experiences with us today. Particularly for Ms Rolfe and Ms Clark: do you think there are enough entry-level jobs in WA to support young people?

Ms Clark: I don't think there are enough stable entry-level jobs. The increasing casualisation of the workforce is not helpful. I don't know if there are enough actual entry-level jobs, and I think it's also important to note that some of us have qualifications that should put us beyond entry-level jobs.

Senator LINES: That's a good point. Ms Rolfe, do you have anything to add?

Ms Rolfe: I definitely believe that for those of us who are qualified to go into jobs that are beyond entry level, we're still so thankful for getting into entry-level jobs. Studying full-time at the moment and being on youth allowance myself, I make \$100 extra a week compared to working at YACWA at a basic, basic entry-level job. My rate of pay is that I'm getting \$100 extra a fortnight. That just blows my mind. To have that \$75 a week extra just would make such a difference.

CHAIR: I have a clarification question there. By working, the youth allowance drops—is that what you meant? So you're actually only making an extra \$100?

Ms Rolfe: Yes. I'm only making an extra \$100 a fortnight at the moment.

CHAIR: A fortnight?

Ms Rolfe: Yes. If I were on Centrelink full-time, compared with working full-time, that added stress of working, as well as all the other pressures—I also lose my healthcare card benefits, so I'm paying \$140 a week for my medicine as compared with paying six dollars per medicine—

CHAIR: Okay, thank you. I just needed to test that out so we understood it—

Ms Rolfe: That's okay.

CHAIR: That's really significant information. Thank you.

Ms Clark: On that: that's \$100 extra a fortnight working only 30 hours a week. That's not—

CHAIR: Yes.

Ms Rolfe: Yes—two contact days.

Ms Clark: Yes. And I don't know many people who can work two days a week and afford housing and food.

Senator LINES: Yes. You both made the point that many young people are qualified beyond entry-level jobs. Given that you've both said that the entry-level jobs aren't there, or that they're not stable jobs, who is missing out?

Ms Clark: On what, Senator?

Senator LINES: Who is missing out by those jobs and opportunities not being there?

Ms Clark: In some ways I want to say all of Australia is missing out on those jobs not being there, because it's really hard to get jobs that you have the skills for and are qualified for if you don't have entry-level stuff on your resume.

Senator LINES: That's an interesting point. So you're saying employers want to see some kind of progression?

Ms Clark: Yes. Holly and I were talking beforehand about how we totally get that you have to work up through the workforce. It's not like we expect to walk into a higher paying job. I'm qualified as a medic or an industrial medic. A lot of employers want seven years on a mine site and not seven years doing medic stuff on a mine site—for example, I could've been a cleaner on a mine site. But I couldn't have done that if I was studying. If I'd finished year 12 I'd only just now be finishing up my studies and seven years experience to then walk into a cert IV qualification job.

Mr Wortham: I'll just add that there are two sides to this. One is we need to have a much broader conversation about the future of employment in this country and the future jobs, and that is an absolute solution to the dependency on welfare. I 100 per cent get your question in relation to that. The other side of that, and the critical element of this, is the support that we're providing young people and unemployed individuals in the times when they're working back towards employment, which is where Newstart and youth allowance radically fail and in fact inhibit—and with many of the stories that we hear from young people the amounts are actually barriers to studying. They're barriers to achieving a career path. So they're not supports, in fact they're inhibitors. We need more jobs and we need more entry-level jobs. We need better pathways, but we also need better opportunities for young people to be supported to follow their career path.

Ms Rolfe: We can't get to those jobs due to not having enough money to travel there or not having the right clothes or lack of confidence. Your mental health is at an all-time low when you don't have enough money and you're choosing between going to university, working or eating food.

Ms Clark: I had enrolled in a diploma of paramedical science for this year, but I can't afford to pay that because it's not covered by whatever the TAFE equivalent of HECS is. It's not covered by that, so I would have to pay out of my Newstart for that.

CHAIR: Access to job fund—

Ms Clark: My job provider tells me that it's not covered.

CHAIR: So you don't get any of the other things that you would need to support you to study?

Ms Clark: No.

Senator LINES: One of the things the government says a lot in relation to Newstart and jobs is, 'The best form of welfare is work.' Do you think that's a reasonable thing to say if there just aren't enough jobs to go around? Ms Clark, you were smiling then.

Ms Clark: The short answer is no. But also I want to unpack it. Welfare is precisely the thing that you get when you don't have a job. So the best form of welfare is good welfare. Having a job is not welfare. I would love stable work that enabled me to also study, that's what I would really love to do. I've been applying for jobs for more than 3½ years. The short answer is I think that it's a cop out.

Ms Rolfe: I felt as though I was very privileged to get a job after being unemployed for such a long time. I was homeless and, honestly, with my mental health I could not work a job. I didn't want to get out of bed in the morning let alone go to work. The money that I was living on for a year just enabled that cycle of poverty, of depression and of anxiety. When I got my job at YACWA I had happy, happy tears because I could get back into the workforce and I was working in an agency that was focused on bettering our future.

Mr Wortham: Stable housing is the other issue, a significant challenge, and we know that no young people can adequately afford housing on Newstart or youth allowance. We know those statistics. It's doubly made more difficult if they're also trying to study and spread the minimum resources they've got available.

Senator LINES: I'm interested in your comments, Ms Rolfe and Ms Clark. You said, Ms Rolfe, that not having a healthcare card increased the cost of pharmaceuticals—medications. So, from both of you, what are the items that you think young people are having to go without?

Ms Rolfe: I think it's the very basics. It is medicine, at the end of the day. That's a huge thing, and I've had to forgo having medicine before, to buy food. Or if the registration is due on my car, I then have to consider: I'm living on Newstart, or on youth allowance, and I cannot afford to have a car; I can't afford to buy new bedsheets for my house; I can't afford to wash my clothes regularly. The things that we're going without are so basic, and now that I'm living above that poverty line, even though I am studying and working, I really appreciate having a car that runs, being able to wash my clothes every day—really basic things.

Ms Clark: They are things that, when you have stable work, you kind of take for granted, such as when someone says, 'How about we have a lunch meeting at the cafe?' I think: sure—if you're paying for it! I've spent years handwashing my clothes in the shower, trying to kill two birds with one stone. I have recipes for survival dahl and survival damper—stuff with enough protein and nutrients to get me through, because oats, dahl and damper are some of the cheapest things you can buy. But also I have been going without social interaction, because being able to afford to get somewhere, being able to afford to do the social things that your friends do—it impacts on mental health. I had to choose between being homeless and living in abject poverty or doing the therapy that would mean that I no longer met criteria for EUPD or borderline personality disorder. I no longer meet those criteria, because I chose to do full-time therapy for three years. I am now struggling between, do I do the therapy that addresses the anankastic personality disorder that I experience, or do I try to study and work in order to get myself into a more stable position to then maybe be in a better place to address that?

Senator LINES: You both said you've experienced homelessness. Do you have other examples—or personal examples as young people—of being pushed into unsafe positions just to get by? I'm talking about maybe unsafe family environments, or where you were living when you experienced homelessness and that sort of thing.

Ms Rolfe: I was fortunate enough to be studying at Curtin University when I became homeless. My homelessness experience was totally out of my control, and I was living in my car, in the university carpark. Without being at university, I don't know where I would have been.

Senator LINES: That was obviously a very unsafe situation for you to be in as a young woman.

Ms Rolfe: Very much so—and not knowing where I was going to stay night to night, and not asking people for help; I would rather sleep in my car.

Senator LINES: Not asking for help because you were embarrassed?

Ms Rolfe: Very much so—it's shameful. My family up and left, and I had full-time care of my disabled sister, and it was too much to ask anyone for help. My mental health was so impacted that I couldn't work. It was an absolute blessing to get this job at YACWA—to get a job in general, to get off Centrelink, to not be on Newstart anymore.

Senator LINES: Thank you for sharing that personal experience, Ms Rolfe. Ms Clark?

Ms Clark: I didn't realise I was homeless until I'd moved out of homelessness—

Senator LINES: Maybe that was a good thing!

Ms Clark: Yes. I was couch surfing. Even when I was spending nights literally sleeping in churches, I didn't realise. I had the fortune of being part of church communities that trusted me enough to give me the keys or the code, which meant that I just kind of snuck in and slept overnight. It didn't register to me at the time that that was homelessness.

Senator LINES: Did you feel unsafe?

Ms Clark: On the nights when I wasn't able to travel to those churches, yes. Absolutely. I'd been living in a refuge and the situation there became unsafe for me and so I reached out to my mum who was a primary abuser of me in my childhood. I was at a point where it felt safer to reach out to a historical abuser. I stayed there an entire week only because it wasn't safe to leave until she was back at work and it was over the New Year period.

Senator LINES: Because of your situation, you put yourself in that unsafe position, because you had no other alternative.

Ms Clark: Yes. She worked out pretty quickly where I was staying, which was at a friend's parents place, and came over and—not abused, because it was a one off event—verbally assaulted the people who were supporting me, which then put pressure on them. It made them feel like they needed to put pressure on me to leave. When the emergency department at Royal Perth Hospital feels like the safe place to be, there's a problem, right? And that has been my experience more than once.

Senator ASKEW: Thank you very much for coming along today and providing this evidence. It's obvious that you've been through some very difficult times, and I appreciate the fact that you're willing to share that with us. It's good that you've managed to come through it and are now employed. I'm wondering, through your experience and through what's been shared with other young people in the roles that you're doing, what do you see as the key barriers for young people in moving into the workforce. Is it from a lack of education? Are they dropping out of the education system or is it a lack of support through the job service providers? I'd appreciate your thoughts on those things.

Ms Rolfe: I really believe that we are not inhibited by our ambition. We really want to get off Newstart and to work. We are inhibited by our mental health and by the lack of money that we receive. Do you know what, it's really not about the lack of support that we get. I can't explain how beneficial it was to go to a job provider that was specialised in mental illness, or to then receive really specialised care and to have my amount of job seeking activities I had to have cut down. It's really not all negative, but we are very much inhibited by getting a job and getting off Newstart by the really simple things.

Ms Clark: For me affording to go to a job interview was a huge inhibitor—that is, being able to afford to attend an interview, especially when I was living in Rockingham. Rockingham is, if you're driving, 45 minutes away. Where I was in Rockingham was a 45 minute bus ride from the train station, to which it's then a 50 minute train ride up to Perth, if I was lucky enough to score an interview that was in Perth and not in, say, Belmont, which is another 30 minute bus ride away. The time cost as well as, straight up, the money cost of that, even on a concession ticket, was just really difficult. As was, as Holly mentioned, the difficulties of not being sure if I could concentrate for a job interview or write up an appropriate resume or cover letter, because I hadn't really had nutritious food for the past week or enough sleep, because I was so stressed.

Mr Bruce-Truglio: Can I just add one quick point to that in terms of barriers. There are so many ways—you can pick a point—for example, there are not enough jobs or there are not enough services, and you can focus on that as the crux of this issue, but when you come down to the core of it in terms of the barriers, it's that Newstart and some other income support payments are inadequate. As Ross said, there are zero affordable rental properties in WA for individuals on Newstart or youth allowance. A lot of those people will not be able to rely on family support. If you're pouring all of your money into your house, how are you supposed to afford licenses, mental health support or food, as Kelly said? It's not only about getting a job. Getting that job might not be the problem; it's keeping that job. If you're focusing only on being able to survive, you might not have enough money for the bus or to pay your rego. If you focus on just the number of entry-level jobs, it forgets that broader issue that young people might be able to get those jobs but not maintain them, because Newstart is not allowing you to get stable enough to maintain those jobs long term and then therefore set themselves up to actually get off those support payments.

Ms Clark: On that: you're not paid for a fortnight or more after you start, but you're forced to declare what you earned not what you received. That is another real barrier. Job credit on Newstart is capped at a thousand dollars. That's a week of full-time work. That's not a lot. If I get a week of full-time work and declare it and then I'm not paid for a fortnight, I now have no money.

CHAIR: That reporting doesn't line up with what you're earning.

Ms Clark: Because I don't have any money to save. I literally have whatever Centrelink puts in my account each week; I don't have savings. Some people are like, 'Oh, I'm so broke this week, because all of my money is in my savings account.' I don't have a savings account.

CHAIR: Senator Askew, do you have any more questions?

Senator ASKEW: That's all, thank you very much.

CHAIR: Thank you for your time today. It's very much appreciated. If you have things that you have felt uncomfortable mentioning but would like us to know, you are very welcome to provide us with further information on a confidential basis. We are very keen to hear people's lived experience. If there's anything that the council in general thinks that we haven't covered, I'd also invite you to make any additional written comments. We'd very much appreciate and value those as well.

Mr Wortham: Can I just say one closing comment on behalf of the council. We're very lucky to be joined by these two amazing leaders here today. There are thousands of young people that have stories, and every one of them is different. All of them have something in common, and I think we know what that is. What we're trying to do in supporting people to have a successful life is inadequate. The message that I have learned, after four years working at the Youth Affairs Council, is that young people are ambitious. They have dreams, desires and hopes for the future. They aren't lazy. I have not met one lazy person, in the last four years, out of the thousands of

young people we've worked with. Most have grand ambitions to do great things to change this country for the better. What we need to do, as those in power, is allow them to do that. We need to help them and get out of the way. Their requests, through Raise the Rate, ACOSS, WACOSS and other organisations, are sensible. We and our members get behind them a hundred per cent and we sincerely hope that the government listens.

CHAIR: That's an excellent summary. Thank you particularly to you, Ms Clark and Ms Rolfe, for your personal lived experience. It's really important for us to hear that. Congratulations, too, on where you're at.

Proceedings suspended from 11:04 to 11:17

Joe, Private capacity**Kay, Private capacity****Renna, Private capacity**

CHAIR: Thank you for appearing today before the committee. This is an opportunity for us to hear your lived experience. I'll invite you very shortly to make about a three-minute statement. I will tinkle the glass like that and then I'll ask you to wind up and we'll move on to the next person. There'll be a few questions but not many because it's our opportunity to hear about your lived experience.

I'd like to remind everyone in the gallery that these are formal proceedings of the Senate and they need to be conducted in an orderly and respectful manner. So I remind everybody here that you're not permitted to interrupt, disrupt or interfere with the proceedings.

As you start speaking, please say just your first name and tell us what you would like us to understand, and then we'll move on to the next person. Then, if time permits, we'll ask you a few questions at the end. I might start with you, Renna.

Renna: I'm a mother of four girls. I currently have my youngest in my care. She's 11 years old, and I'd like all the senators to understand what it's like to be a mother raising an 11-year-old girl—in particular, in this case—on Newstart. When Charlie turned eight, I lost my parenting payment. Essentially you lose about \$100 a week or \$200 a fortnight. Since I'm giving evidence, I wanted to make sure that I had some proof, so this is my income statement from Centrelink. I sat down the other night to do some sums. What I worked out is that, for the fortnight, Charlie and I get \$901.54, which ends up being \$450 per week. For two people, that's \$64.40 per day or \$32 each per day, which is actually \$8 less than a single person on Newstart. We only pay one lot of rent. I feel very grateful to be in a Homeswest house, which I was allocated after my partner died five years ago and I lost my mind and various other things—pretty much everything. I spent a year and a half in Cyrenian House to regain custody of my child and some will to live. I fought really, really hard to get back on track and get stable. I'm 43 years old.

About 12 months ago the pressure from job networks became quite difficult. They were insisting that I either went back to full-time work or went to full-time study. I managed to scrape around and beg and borrow \$2,000 to get a car. I'm not sure if that was good or bad, because now the expenses of having a car are huge. Fortnightly, after deductions, my daughter and I end up with \$20.60 per day. The deductions are just the rent and the \$50 per fortnight that I put onto my utilities to keep the bills down. With that \$20.60 each per day I have to buy groceries. That's not just food—breakfast, lunch, dinner, snacks, school lunches; it's also toilet roll, toothpaste, cleaning stuff, conditioner, skin care and sanitary products. I then also have to allocate, out of that \$20.60 each, money for medical. My scripts come to about \$100 a month, and I quite often go without my medication. I have for the last two days, so forgive me if I'm a little bit emotional today.

I also have to allocate for school fees, excursions, books, uniforms and lunches. I put school lunches twice, because that seems to be the bane of every day. If I can't afford a school lunch, then I can't send my daughter to school—and she hasn't been for the last two days. So I sit there frightened that the Department for Child Protection will then knock on my door and say that they're taking my child because I can't afford to look after her. I'm sorry.

CHAIR: Please. You don't need to apologise to us.

Renna: I don't often sit down and do this. I run a very tight budget. But, looking at this, I was in tears the other night. I had to ring Alex to support me through that. It's quite emotional. I feel exhausted because, on top of all those things, there is the rego once every three months. I lost my pension card because I had to go onto Abstudy when I started uni five months ago—and I can't believe I'm at uni; I never went to high school. It is going to be about \$200 per month. Parking is \$100 per month. Child care is about \$120 per month.

All of this said, Christmas is coming up and I feel really frightened that I can't afford to buy anything for my children. Since moving over to Abstudy from Newstart a few months ago, I've lost my pension card, so I'm no longer eligible for the rebates that I used to get on my utilities, on my registration, on my licence. Essentially all of my costs have gone up greatly, and yet my eligibility for any rebates has gone down. It's exactly the same amount of money.

CHAIR: Can I ask you to wind up? Sorry. I really hate to interrupt.

Renna: That's all right. I just wanted you to understand that. I could have brought a lot more story to it but I wanted to give evidence in a way that says, 'This is the reality.' I can give you all of this too.

CHAIR: That would be very much appreciated if you've got the time—and I take the very strong point about losing the pension card. That must be having a very significant impact.

Renna: Considering my daughter is 11 and about to go into high school, and I've got four years of university before I get any sort of qualification, I just wonder how the hell I'm going to get through. There's no end in sight.

CHAIR: Thank you very much.

Kay: I want to just highlight, from a lived experience, the adversities and challenges for an underemployed individual living on Newstart allowance. When I needed support in 2014, because my business was struggling financially, I was not eligible for government support due to visa conditions. I was awarded citizenship in 2015. I've been on Newstart allowance from 2015 till now, which is four years and seven months. For the last 14 months I've been experiencing underemployment—not enough pay or hours to get me off Newstart allowance—surviving, worrying about the WA cost of living, financial stresses, poverty stress and compounding mental, physical and emotional distress. I've got used to now eating one meal per day and I have learned to survive on very little. I've not been able to afford holistic health care to treat my brain tumour and other complex trauma related health and dental issues. The public dental system waiting list—I wasn't able to afford regular dental treatment when I needed it, and the two-year public waiting list caused other costly dental complications which could have been prevented if dental was accessible at the local GPs.

I'm currently paying 60 per cent of my income on private rent, which is double what the recommendations are, about rent being 30 per cent of income. I've experienced landlords that discriminate against, bully and stigmatise tenants for being dole-bludgers on Newstart allowance. Some of them have explained that it impacts on their Centrelink payments or other such pension payments. I also experience shame, stigma and embarrassment around this aspect of my current professional life and an erosion of my self-worth from being stuck in cycles of systemic trauma, institutional financial abuse, poverty, hardship and disadvantage. My financial health is poor, and that also has affected my wellbeing. With Newstart allowance, there is no superannuation, so my superannuation is not being added to. I feel frustrated at not being able to fully participate in life with friends and family, attending restaurants or celebrations, and being unable to afford gifts, movies, concerts, holidays, haircuts or treats.

When projects are unfunded, I do a lot of volunteer, pro bono work in the hope of finding suitable, sustainable, well-paid work. But, when reporting fortnightly on myGov, we're not able to report on all pro bono unpaid work or contributions, thus that's not capturing the essence of those of us that are doing so much unpaid, unrecognised and unvalued work. When reporting income each fortnight, it feels like being penalised, because the Newstart allowance decreases. Thus it feels like one is stuck in the pits of poverty. It's really bizarre. I thought that I'd be getting myself out of poverty and finding some paid work, but that has not been the case.

I've experienced vulnerable people being exploited and taken advantage of—again, with no superannuation, no employment rights or benefits. A bit like what Renna mentioned about car repair costs, I've been doing stuff cheaply, trying to get things repaired, and that causes other complications. On infringements and parking tickets, I've experienced criminalisation and having a criminal record, because I wasn't able to pay them off financially. People are left with a 10-year criminal record when they've paid them off by doing community service; however, if you've paid them off financially, you're not left with a criminal record, so there's a real injustice there.

Lastly, being advised to use food banks and soup kitchens—it's good that they exist; however, our family struggled with entrenched domestic family violence and poverty in Scotland when we grew up, relying on food hampers. I refuse to continue these cycles as an adult. I choose to break the cycles, heal and prevent and address inadequacies of Newstart allowance, complex trauma, systemic trauma, toxic stress and systemic poverty issues that are causing and contributing to people, families and communities having so many unmet needs and adverse health issues.

CHAIR: Thank you much for very clearly articulating the issues.

Joe: I wrote to the Senate committee. I have submitted already. I have a copy of it here, but briefly I will go through that and perhaps add something to it. I'm a 61-year-old Australian citizen. I came to Australia some 33 years ago. Pretty quickly I started working. I worked full-time until 2006, when I lost my job due to downsizing. Considering my age, I was pretty much in and out of the market, doing a few things here and there. For a few years, I had a permanent job and then became temporary again until 2014, when in the line of duty I aggravated my pre-existing injury, which I suffered in a car accident. Since then, I have been unemployed, as such.

After the horror stories which I heard here, I consider myself relatively lucky, because I somehow managed to survive on that \$40 a day of Centrelink support. However, it is getting increasingly difficult, because of the medical bills, which are quite a bit. The outlook for the future is not so rosy. The other day, I called the office of a neurosurgeon who I saw previously. The first thing the secretary asked was, 'Do you still have your private

insurance?' I do not. I was forced to drop it because the cost was prohibitive at some \$240 a month. The answer I got was, 'Well, Dr so-and-so'—I will not name him, but it is a general practice in Western Australia. Just about everywhere here, a neurosurgeons will not see you if you do not have private insurance. You are put into the queue for the public hospitals, and there is some three-years waiting time just to get through the first round, and then you get into the system. The waiting then follows. I do not know, really, how that works. Generally speaking, I do not have enough of the essentials to take care of myself in this respect.

From that money I get from Centrelink, the biggest costs that I encounter are the shire rates and water rates. I am lucky enough to own my house. Even with the discount that the Western Australian government provides, about 10 per cent of the payment goes to the state taxes, so to speak—the local government and the water authority, which is state-run here in Western Australia. If you think about it, if someone who earns, let us say, \$50,000 has to pay 10 per cent, which is five grand, for water rates and shire rates, then, well, thanks very much, I think there would be riots over there on the streets. Age pensioners and people with disability or people on Centrelink are in the category where it is disproportional. I did have more things to say, but since time is against us, I will leave it on that note.

CHAIR: Thank you very much. Although you did not get a chance to say everything you wanted to say, you have given us a really clear picture of the issues that you are addressing and the issues that you are dealing with.

Joe: As I said, I am much better off than the others, but it is still not adequate. I do not believe that the old pension is adequate either, because I believe that it is still below the poverty line. The cost of living, especially here in WA, is quite high.

CHAIR: Thank you. Does anybody have just a couple of questions?

Senator PRATT: Yes, I do. Renna, thank you for sharing your and your daughter's story. What do you put in your daughter's lunchbox on such a low income?

Renna: That is pretty tricky, because she is gluten intolerant. I put in sushi. Rice is pretty cheap and seaweed sheets are pretty cheap. A can of tuna generally lasts me four out of five school days. I make her sushi or homemade hummus, because a can of chickpeas is a dollar, and veggie sticks.

Senator PRATT: You are doing an amazing job, but it is very clear that, given the expenses that you have outlined, there is no way that your income matches your outgoings.

Renna: I do not take lunch to uni. I am at uni four days a week and this semester have been doing my bridging course. I also do not eat breakfast; I have a cup of coffee.

Senator PRATT: Clearly you are living day-to-day. Where is the next hit of expenses? You mentioned Christmas. How will you go through those spikes?

Renna: I sit on a number of committees. I like to keep very active in the community and one of my roles is as a consumer on the integrated drug and alcohol services—there is a monthly meeting—so I get about \$140. Of course, over Christmas they don't have that meeting, so that leaves me all of January school holidays without that little bonus, and that \$140 really just puts protein in the freezer. The one thing I did want to say was about my girl. I'm trying to encourage her—she's preteen—to think about what she eats—good nutritional behaviours and looking after herself—but it's really hard when things like a pair of underwear is a luxury item, and she's watching me not eat.

CHAIR: You don't feel like you're setting a good example if you don't eat.

Renna: And poverty compounds. I also have teeth issues, PTSD, complex trauma and medication. My daughter sits there with me and she's the one bearing the brunt of my ups and downs because I have no family on this side of the country.

Senator PRATT: Thank you so much for sharing that today.

Senator LINES: Thanks very much for sharing your stories. Why do you think the government is not listening to the experiences of people living on Newstart or living on an allowance? I mean, we've heard your stories this morning. There's no way we can say, 'There, there, everything's all right,' because it's clearly not. So why do you think the government isn't listening?

Renna: I think somebody has to pay an empathy coach, you know? Need we say more? The amount of rises that I see in the media for the Prime Minister, who's doing a very poor job, I must admit.

Kay: I think certain government officials, if they don't know what it's like living on what we are living on, they have no real understanding of how tough it is. So if they're given hotel costs of \$200 a day and we're meant to live on that a week, there's a clear disparity.

Senator LINES: What is it you think they don't understand?

Joe: I believe you have raised a very important question. The answer to it is very complex. I think we are facing in the future a situation where they are going to be more and more people unemployed because of the technology, which replaces people, and now the question is: what to do with them? So it's not only that the government is not listening; I think the issue is that something will have to be arranged because more and more is going to be done by machines, machine learning or artificial intelligence. These things seem to be progressing very quickly and catching up with us even though we are not realising it. So one day there will be a reality: hey, you know, we've got so many people here who have been replaced and now what to do with them? I don't have the answer and I don't think it's a simple answer but it's something which obviously needs attention. I do not believe that enough is done in that general direction or respect. That's my view.

Renna: What we need to realise is that it's not what the government is not understanding; it's that we're not understanding that this system is working perfectly—it's not broken. This is how it was designed. If you look at the Constitution, there are no amendments there that talk about protecting the people's rights. It talks all about how the government's going to protect themselves. This is how the system was set up.

Senator LINES: Do you think Australians realise how tough it is on Newstart?

Renna: I think the people living on Newstart understand.

Senator LINES: But people outside of that?

Renna: I think there are some allies. I still don't think that people understand. I don't think anybody understands that the \$8 I just put in the parking metre is going to chip into the \$50 food voucher that I'm getting for being here today.

Senator LINES: Kay, you were shaking your head, no?

Kay: There are those of us who understand what it's like living like this but there are other ones, if they've not had that experience, have a lack of empathy. During anti-poverty week, when we went out marching the last few years there were fellow WA people. It was as if they don't care. That breaks my heart, that fellow humans—

Joe: I don't know. I can't speak for others, but generally I would say that maybe not everybody who hasn't been in the situation would have an understanding. Very often people tend to mind their own business and what goes with that—and it's not happening. How many of them? I don't know.

Renna: That's not to say they don't have compassion, because I believe they do—

Joe: Yes, that's right.

Renna: but the fear of missing out for themselves or upsetting their stability is, I think, greater than anybody's will to show compassion.

CHAIR: Senator Askew, do you have one short question?

Senator ASKEW: No. I'm very conscious of time, so I'm happy to pass. Thank you, everybody, for coming along and providing your evidence today.

CHAIR: Thank you all very much for your time today. It's very much appreciated. If there are other things that our questions have brought up for you and you want to make any additional submissions to us, we'd be very happy to receive them.

Proceedings suspended from 11:41 to 12:00

KNIGHT, Mr Samson, Executive Manager, Housing and Homelessness, Ruah Community Services

STRAPPS, Ms Shayla, Executive Manager, Legal, Ruah Community Services, and Chief Executive Officer, Mental Health Law Centre

CHAIR: I would now like to welcome representatives from Ruah Community Services. Thank you so much for appearing today. Is there anything you would like to add about the capacity in which you appear today?

Ms Strapps: I also hold the joint role of CEO of the Mental Health Law Centre, which is about to become a subsidiary of Ruah Community Services. We're currently co-located, but the legal bits are about to be executed.

CHAIR: I invite you to make a short opening statement, and then we'll ask you questions.

Ms Strapps: As CEO of the Mental Health Law Centre, I understand the legal issues that face our clients—Ruah's clients and also the Mental Health Law Centre's clients—on a day-to-day basis. We often see clients with complex mental health issues that are compounded by their poverty. Those clients, often with generational poverty, don't have the opportunity to call on family resources to assist them with the challenges that they face, or feel that they're just unable to continue to ask for help over and over again. We see clients choosing prison over homelessness, for the roof over their head and the food in their mouth three times a day. Those kinds of choices obviously have a massive flow-on effect to government by way of prison costs.

We also see a big impact on broken families through the care and protection system. So, when children are removed, often provisionally, people will be moved onto Newstart, which is a massive reduction from the parenting payment, and those clients find themselves unable to maintain housing, simply because of the reduction in the funds that they receive. Being unable to maintain housing means that they are often unable to be reunited with their children. So that has a massive impact on the way in which our clients are able to manage. We find that the imperatives of Newstart—that is, that people have to be finding jobs—often just cannot be managed with all of the other things that clients are trying to do, such as undertaking therapy and courses, having drug screening, or often travelling to doctors. It ends up costing them their children, because they're unable to comply with those requirements.

CHAIR: Thank you. Mr Knight, did you want to add anything?

Mr Knight: From a housing and homelessness perspective within Ruah, we see two ends of it. The first end, which you would have heard a bit about, I think, already today, is the affordability of housing on Newstart. I think there is an Anglicare report which talks to the fact that less than one per cent of private rentals are affordable to people on Newstart. So that challenge, for people who have a brief hiccup in their trajectory, is compounded by the challenges of the inadequacy of the Newstart funding. Then, at the other end of the spectrum, at Ruah we deal with chronic homelessness, chronic rough sleeping—people who've been living on the streets for five-plus years. The common stories of people in that cohort start with a hiccup somewhere back down the road. Certainly poverty is a key compounding factor in that, as is the inability to get back into stable housing when you are facing hardship. But I think what we also see from that is the ongoing human and economic cost of being able to alter those trajectories much further up the line. At the worst end of the scale, there are people who are costing the health system tens of thousands of dollars a year, on average, in emergency department presentations and admissions, and compounded mental health challenges. Then also there are very heavy interactions with the justice system, particularly in public order offences, drug related offences and weapon related offences. So the human costs to the individual and the community, and the economic costs, are really quite significant.

CHAIR: Thank you. Senator Askew, do you want to kick off with some questions?

Senator ASKEW: Yes, that would be great. Mr Knight and Ms Strapps, thank you very much for coming in today. There wasn't a submission received, was there? I was just looking to see if we had one.

Mr Knight: No.

Senator ASKEW: That's okay. I thought I might have missed that. No worries. I note that you help people with domestic violence situations and family and domestic violence. In earlier evidence, a witness was talking about the potential for looking at ways of supporting people who are going through domestic violence with some sort of special payment. How would you see something like that being beneficial to your clients?

Mr Knight: In the simplest terms, it is about the housing availability question. While I know there is a real push from the sector to enable, in particular, female victims of domestic violence to stay in their own home if that is possible, and make that safe for them, in many cases people are having to leave their family home and find another one. If they need to do that and they are on a Newstart payment, they are then faced with that issue we talked about before, which is that there are very few, if any, affordable rentals available to them when they are on

that payment. So an extra payment would relieve that burden. And then there are other associated costs—moving schools and all those kinds of things as well.

Senator ASKEW: What barriers do you see for the clients that you are working with in moving from welfare into the workforce? Are there specific things you are coming up against? Obviously there are things like homelessness and so on. But I am keen to see what other supports could be provided that may help people overcome those barriers. Your thoughts?

Ms Strapps: From the perspective of our clients, one thing is the charges in relation to driving unregistered vehicles—for example, people being able to get to work. In WA in particular, there has been an increase in how much it costs to register a vehicle for 12 months. People often need to have a car to get to jobs. So they take the risk of not paying their registration because they simply need to get to work. That sets off another chain of events: they are fined for having an unregistered vehicle and then they are unable to pay their fine. You may be aware that some changes around fines enforcement have been introduced into the WA parliament, which is good news. But it is not only about housing. Housing takes up all of the money, so all the other spending—they just can't afford some of those things. If you can't get to a job, if you can't get to an interview—we'll often have clients who simply don't have enough money to get to where they need to go in order to get those jobs. For care and protection matters in particular, where people have to spend all of their resources on getting to lots of other appointments there is nothing left at the end of the week to give anything over to trying to find work.

Senator ASKEW: What about private versus public housing? What rates of people are you seeing there? What is the percentage difference between people in private rental accommodation as opposed to public housing?

Mr Knight: I don't have those exact figures off the top of my head. We run the 50 Lives 50 Homes program for rough sleepers in Perth. I will have to check and follow it up with the committee afterwards. In that program, I think we have about 20 per cent private rentals and the rest are mixed between community housing provision and public housing provided by the Western Australian government. Private rentals are a real challenge financially. We recently started a trial with the Western Australian government on a service that is providing a private rental subsidy to people; but that has only just got going, so I can't tell you the successes of that right now.

Senator ASKEW: If you could provide on notice that other information, and any further advice in regard to that program as it unfolds, that would be great.

CHAIR: You've taken those questions on notice. Could I ask you to give us a bit of detail on the 50 Lives 50 Homes program. I'm aware of the program and I had an update a while ago, when it first started, but it would be very useful for us to get an update on where it is at, and in particular how many of those people are on either Newstart or another payment.

Senator LINES: They are taking it on notice. Thanks very much for coming along and thanks very much for the work that Ruah does as a frontline service in Perth. Are there enough jobs for all Newstart recipients to get work in Western Australia.

Ms Strapps: I think the issue is not with how many jobs there are; it's the flexibility that sits around the jobs.

Senator LINES: What do you mean by that? Tell us a bit more.

Ms Strapps: For example, there may be full-time jobs but when people are managing a lot of other complex issues—for example, mental health issues or where people might be trying to get their children back—there are immense amounts of other pressures on them to comply with a number of other things. You can't expect people who are going into fairly low-paid, unskilled jobs to be able to negotiate with their employer such things as: I can only be here today from 10 till two and is that okay with you? Whilst I don't know what the figures are the question for us is really around how it is that the people who are going back into the workforce are able to negotiate with their employer to be able to put some measures in place that allow them to comply with everything else they have to comply with, and work. There are a lot of people who want to do that, but those kinds of jobs are difficult to get.

Senator LINES: Also, the lower paid jobs tend to be for specific times—like, someone wants cleaning done at a particular hour or a shift in a nursing home is to cover a particular section of work. It's not as if that work can be done at some other time in the day. That's your assessment as well?

Ms Strapps: Yes, that's right. It's difficult for people in those positions to be able to negotiate to move things around.

Senator LINES: Do you think that the current rate of Newstart is enough for people who are looking for work? Is it an adequate payment?

Ms Strapps: No, it's not an adequate payment.

Senator LINES: How is it preventing people from getting back to work?

Ms Strapps: A large percentage of their money is spent on housing. Spending money on everything else that they then need to spend it on in order to get into work is not easy when you're living in a situation where it's difficult to feed yourself and to feed your family. The idea that you can get up in the morning and go out and be looking for jobs and be well presented and be able to get there in a timely manner is unrealistic. If there were even a small increase, that would allow some spending on some of the additional matters. It would assist. When a client group in particular are often all suffering from very complex mental health issues, that's often their main concern. They're trying to get assistance for those things. They have a lot that they're trying to juggle, so they will always prioritise trying to get to those appointments, to those courses and to those things. For clients who are already having an interaction with the justice system and may have been ordered to attend for various things, that is their priority. They prioritise those things and there's nothing left. There's just nothing left at the end of the week.

Senator LINES: With Ruah clients, is there a typical Newstart recipient, and if there is can you describe that person to us?

Mr Knight: I don't think there would be a typical Newstart recipient. It's interesting that with a lot of the clients that Ruah sees one of the jobs we try to do with them is to get them on to the payments they are entitled to. We would see a lot of people who are receiving Newstart but might well be eligible for, say, a disability pension. So, we try to work with people to get that fixed.

Senator LINES: Is that work that you're funded to do?

Mr Knight: No, not directly.

Senator LINES: But it's work you're forced to do because you see someone who's getting X but should be getting Y.

Mr Knight: Yes. I guess if there was a commonality, it would relate to the stressors question that we've been talking about. Probably the majority of clients Ruah sees have significant stressors going on in multiple domains in their lives, whether that's homelessness or a mental health issue that is or isn't diagnosed, or a domestic violence issue—

Senator LINES: Or an interaction with the justice system.

Mr Knight: Yes. They're facing those stressors, so, looking for work is not at the top of their list. I think that becomes a challenge and maybe relates to the previous question around prioritising and getting yourself in the right headspace to be out looking for work and to have spent the money on the clothes, to have spent the money on the taxi or bus to the interview or whatever it is you need to do. It just falls way down the list, so then going through the hoops that you need to go through to get your next Newstart payment also falls down the list, and that's a challenge for a lot of the clients we see. The clients we see are at the end of the spectrum, I would say.

Senator LINES: So, again, one size doesn't fit all. That's clearly your experience.

Ms Strapps: In relation to whether we are funded to do that kind of work, we do all sorts of work that we're not funded to do, because we can't solve the problem that's in front of us unless we solve all the other things that are sitting around it. That's really part of why the Mental Health Law Centre and Ruah have come together—because our joint clients' problems are so complex that we can't simply focus on one of them. You end up having to make a choice about what small part you're going to focus on. They can't deal with everything that they have to deal with.

Senator LINES: What impact is the rate of Newstart having on child poverty in Western Australia?

Ms Strapps: Perhaps I could jump in there and talk specifically about care and protection. Again, we're taking huge numbers of children away from their families, and often the drivers—the reasons those children are being removed—are because of poverty. It could be because of family and domestic violence or it could be because of mental health issues. We know that children who are taken away from their families don't have good outcomes. We know that once they reach the age when they're able to go back to the family then they do. We don't have enough in place to support those families, and the systems that we've got—for example, when people have to change onto Newstart after they have their children removed—are leading to children being away from their families for much longer periods.

Senator LINES: Because of the impact of the Newstart payment.

Ms Strapps: The reduction—that's right. I wrote down an example that one of my lawyers sent to me. We've got clients who have requirements, for example, that they have to comply with having regular alcohol and drug testing. That could be at a doctor far away from where they live. They have to comply with regular visitation of their children, and often children are placed very far away from where their parents live—sometimes as far as

Albany. The idea that you could pay to go back and forth is just ridiculous. They'll be trying to go along to regular courses. All of those things really mean that if they also want to apply for jobs—it's just not important. The stress that they're going through at that time, when they've had their children taken away from them, is immense. They can't also focus on having to get to a certain number of interviews. That of course impacts on the children, because the children are away from their parents for much longer periods. We're then looking into intergenerational trauma around the idea of the children having been taken away. It goes on and on.

Senator LINES: You mentioned Albany—at least a four-hour car journey, but if you need to use a bus it's about a six-hour journey, one way.

Ms Strapps: Yes. It costs. And where do you stay when you're in Albany?

Senator LINES: Are the current mutual obligation arrangements helping single parents or making it harder for them?

Ms Strapps: I don't think I can talk to that.

Mr Knight: I probably don't have much detail on that but I think it links to the previous point.

Senator LINES: Is it something you can take on notice, or is it not really an area that Ruah is expert on?

Mr Knight: Yes, we can take that on notice actually, because we can go and ask Holly about that.

Senator LINES: You did touch on this before, Ms Strapps, in terms of flexibility. How does the changing nature of work and the trend towards casualisation impact upon the people that you're seeing, particularly where there are no family or peer groups to provide support?

Ms Strapps: I think the impact of the casual workforce is just that there is no certainty. For example, if you call up and say, 'I have to deal with this particular matter today,' it's just as easy as saying, 'Well, that's the end of that.' If we could see some more certainty in the employment market around flexible part time then people would feel more able to do those kinds of jobs. This is perhaps hoping for too much, but I guess it is a matter of employers understanding that it's important for our community to have families that are still together—parents and, in particular, women—and trying to create positions where we understand those needs and the flow-on effects on our workforce of providing that kind of workplace.

Senator PRATT: You've covered a fair range of the kinds of compliance things and commitments that people have to juggle on a low income: drug tests; medical appointments; courts; paying fines; employment service obligations—the number of jobs you're supposed to apply for; Family Court; Centrelink; children's appointments. You've clearly seen it all. It sounds as if it wouldn't be uncommon for someone going through a tough time in life to have to meet almost all of those commitments, and it would seem pretty easy that their commitment to go and see their employment service provider might fall away over a number of weeks, putting them in breach. How often do you see people breached?

Ms Strapps: I can't give you the number off the top of my head. We see clients come to us at the point at which everything is in crisis. We, in particular, won't see them in the lead-up, because they're still trying to manage all of those things. It's really when they've been breached, they've lost their payment and they become homeless that we start to interact with them. I can't answer it accurately.

Mr Knight: One of the challenges in giving more than an anecdotal answer is what we know about their stories. Whilst we're hearing about the crisis now—certainly in something like chronic rough sleeping—and we're dealing with that, when you look at the story you see there's a part in the story four, five or six years ago where they were in a simpler situation, which was compounded by some of the challenges we're talking about now. So to draw the actual data back to that is a challenge, but certainly we hear anecdotally the stories about the challenges: 'Life was going pretty well, and then I lost my job and my relationship broke down. I was on Newstart, I couldn't get a house, and then these things happened.'

Senator PRATT: But it's clear that, therefore, low and inconsistent income becomes a contributing factor to all of the other complexities?

Mr Knight: Yes, absolutely. If there's a relationship to that question on casualisation, at the simpler end—the people who are getting rapidly rehoused in a relatively short crisis period—definitely there's the lack of being able to progress. There are things like being able to buy a house, which is right back to the number of people who can't get mortgages because they're on casualised contracts—those kinds of things which might give them a bit of stability.

Senator PRATT: So in that context—for example, if you can be rapidly rehoused or if you become unemployed but can stay housed in an area where you've got some job prospects—you would see those disconnections for someone just spiral in a way that takes them a long way from where they were six years ago?

Mr Knight: Yes; absolutely.

Ms Strapps: I might give you an example. It's a story, actually, that we put in our annual report this year of a client of ours who had had long-term mental health issues but had been managing them. He had to move out of the home he was in with his mother because his mother had to sell it or something. He couldn't find appropriate accommodation. He became homeless. He started living in a tent in a caravan park. It was in the middle of winter. It was cold; his tent was mouldy. He wasn't then able to get to his appointments for his mental health check-ins and for his medication. He then started being disorderly at the caravan park, so the police were called in several times. He then realised that he really needed some help with his mental health. He attended at a hospital where they sent him away because they didn't have any beds. And then he decided to push over a vending machine in the emergency room so that he would be arrested so he could go to prison. So, that's the—

CHAIR: That's where people end up who are desperate.

Ms Strapps: Yes—because at least when they're in prison they don't have to manage all of the other things that they're having to manage on the outside.

CHAIR: And they're getting fed.

Ms Strapps: Exactly.

CHAIR: I have one question that you may need to take on notice. I have lots, but we'll run out of time! Senator Pratt touched on the issue of people being breached. Of course if you're on a Newstart payment or a working age payment, you've got mutual obligations. What you've both been describing is that your mutual obligations come last because you've got all these other things. For people whose children either are at risk of going into care or are living in care, that's at the top of the list. How are people managing to interact with jobactive and their mutual obligation requirements? I take it, from what you've said, people are finding that difficult.

Mr Knight: Yes. Absolutely, they're finding it difficult. Again I think we would have to go and talk to some of the operational managers to see if we could get some more direct data. But what I would say is that there's a degree to which people have to learn how to play the game, and turn up and say the right things. You can learn how to turn up and say the right things without having to put too much effort into it, because your effort is going elsewhere. So everyone gets to tick their box, and the payment gets made, but the likelihood of that actually having an impact on your jobseeking is pretty low. I think there are a lot of people who learn the system and learn the way to play it to minimise the amount of stress that's associated with the things they've got to get done. And those are the ones who are able to get that done, rather than the ones who just don't turn up.

CHAIR: That actually leads me to another question. If it's not going to require too much work—I know how much work you do, so I'm very reluctant to give you too much homework—can you provide examples of how people are managing or not managing to interact with their mutual obligations? Secondly, the evidence that we've heard elsewhere—both in this inquiry and in another inquiry—indicates that there are a lot of people who are not engaging with the system or are actively disengaging, and they are quite substantial numbers by the sounds of things. Are there examples that you've heard of? And could you ask your people who are providing frontline services whether or not they are aware of that situation and any case examples? That would be very helpful for us.

Mr Knight: The short answer is that absolutely there are examples of that. Certainly we'd see that a lot in the homeless population. But the actual numbers and the actual examples, we'll have to take on notice.

CHAIR: During estimates the week before last, we heard that 104,000 people have not re-engaged after getting suspensions through the warning zone under jobactive. That scares me silly because we don't know where they've gone. It sounds like we've got a significant issue there. I'm trying to understand it in more detail.

Ms Strapps: That's because there's nowhere to go. They really need a service or some funding to help them to re-engage because the idea of having that battle is too big; they can't do that by themselves. That's why, going back to the question of if we're funded to do that, no, we're not funded to do it, but we have to do it. They can't do it themselves.

Mr Knight: I'd say there are two issues there. One would be people completely disengaged from any form of payment or any form of system. And the other would be people who either haven't attempted or haven't got the paperwork in order to get what they're actually eligible for, which might be significantly more. We'd have a lot of people on Newstart who are eligible for something else. There's not a specific case, but a story that we hear a lot and that I particularly hear around homelessness is this question of choice and people who are choosing to be homeless. Choosing to be homeless is a bit of a proxy for choosing to opt-out of the system, choosing to opt-out of society. The question we ask a lot is: what are your other choices when that's looking like the best choice? What we find with a lot of clients is, in simple terms, they've given up. It's easier to not put themselves through

the stress and the hassle and the pain of going for whatever thing they might need to be searching for, be it a public housing house or the right payment or whatever else. It's just too hard to do, and they're better off not relying on it and not worrying about it, and that's definitely a common theme we see.

CHAIR: Okay. Thank you very much for your time today, and I'm going to cheekily say thank you for the questions you've taken on board and the further information you'll hopefully be able to find for us. It's very much appreciated.

Proceedings suspended from 12:31 to 13:38

GLASSON, Mr Mark, Chief Executive Officer, Anglicare WA

HUNT, Ms Amanda, Chief Executive Officer, UnitingCare West

LOCHORE, Ms Karyn, Manager, Business Development, St Patrick's Community Support Centre

WAINWRIGHT, Mr Samuel, Councillor, Hilton Ward, City of Fremantle

CHAIR: I welcome representatives of the City of Fremantle, St Patrick's Community Support Centre, Anglicare and UnitingCare West. Thank you for coming. Do you have any comments to make on the capacity in which you appear?

Mr Wainwright: I appear on behalf of our mayor, Dr Brad Pettitt.

Ms Lochore: I appear on behalf of our CEO, Michael Piu.

Ms Hunt: I also represent the Uniting Church in the Western Australia Synod.

CHAIR: I invite each of you to make just a short opening statement, because we have lots of questions.

Mr Wainwright: I will try to be reasonably brief. I won't pretend to have any great expertise beyond what I'll say in this opening statement on the question anyway. I begin by thanking you, Senators, for giving the City of Fremantle this opportunity.

The reason I'm here is that in May last year the City of Fremantle passed a resolution calling for an immediate increase to the Newstart allowance. It's quite, and I'll read it to you. At the ordinary meeting of council held on 23 May 2018, the council of the City of Fremantle moved the following resolution:

That council:

1. Recognise that the low rate of Newstart is exacerbating poverty and homelessness.
2. Publicly advocate in writing to the relevant federal government ministers that the Newstart Allowance be increased to allow a dignified standard of living.
3. Send copies of the letter, advocating that the Newstart Allowance be increased to allow a dignified standard of living, to the federal MP for Fremantle and to the senators for Western Australia.

That resolution, while moved by me, essentially came about because of a fair bit of lobbying and an extensive petitioning effort by a local grassroots campaign group called the Anti-Poverty Network, who asked that the City of Fremantle pass a resolution of the sort that I just read to you. At the time we passed it, 12 other local governments had passed similar resolutions across Australia. I can't tell you how many have subsequently done so but I know that a few others have. In debate in the council chamber, while it wasn't a sentiment that we were able to back up with facts and figures, there was a strong sentiment that the failure to increase Newstart in line with CPI or any other meaningful index was forcing other costs onto other sectors of the community, and so that, while in the short term it may be saving the Commonwealth money, it wasn't saving society, other levels of government, non-government organisations and the like at all. I do know that ACOSS—and perhaps some of the other people who are going to speak to you—will refer to the fact that ACOSS commissioned Deloitte to do a cost-benefit analysis that demonstrated that benefits, fairness and prosperity would flow from increasing Newstart and flow to other levels of government more generally.

We think that one of the obvious manifestations of the failure to index Newstart is an increase in homelessness. Obviously this failure to index Newstart has coincided with the housing affordability crisis in this country. One of the most obvious expressions of homeless is homelessness and one of the most obvious expressions of that is rough sleeping. That's where it becomes an issue for local government because, when there is an increase in rough sleeping, there are calls within the community that the local government should do something about it. Local government doesn't necessarily have much in the way of resources or power to do anything about it, but, being the level of government closest to the community, there is that expectation.

To be quite honest and frank with you, it creates a lot of tension and difficulty for a local government because of approaches of how to deal with increasing rough sleeping, which we've all seen anecdotally increase. As I said, other people here might be able to speak to it more than I can. It creates tension in the community. For instance, in a place like Fremantle, which is Perth's second CBD—it's at the end of the railway line; so it's a place where people congregate—the situation creates calls from local businesses to just clean up the streets. It's not their problem, and they're not particularly interested in the causes; they just want it to go away. Other people in the community, including the council, appreciate that neither begging nor being homeless constitutes criminal offences. So it is a serious issue for us in the City of Fremantle.

The WA Department of Communities commissioned report entitled, *Homelessness in Western Australia: A review of the research and statistical evidence*, which I'd really encourage senators to look at. I picked out what I

thought were some of the relevant statistics and findings of that report that impact on us in local government, and I would encourage you to look at it yourselves.

CHAIR: We will do that. I'm fairly positive that homelessness is going to be come up during part of the questions session, so we can expand on that.

Ms Lochore: I know that Amanda and Mark are going to talk about the impact on people. It is an incredibly important part of what we are talking about. St Pat's is fairly well known as a homelessness service provider, but we're actually also a community housing organisation. As a community housing organisation, we house 130 people in lodging accommodation and we set their accommodation charges in line with community housing best practice, which is 25 per cent of income. In our lodging around about 75 per cent of our residents are on Newstart as their primary source of income—

CHAIR: How many was that, sorry?

Ms Lochore: About 75 per cent are on Newstart as their primary source of income. Over the period of time that Newstart hasn't meaningfully increased our costs as a community housing organisation genuinely have increased. It's been 20 or 25 years. One of the things that I wanted to talk about today is that the expectation from both the state and federal government has been that community housing organisations will be part of growing the amount of social housing in our community. We have been cutting our costs because the amount of income that we've have coming in from our residents is not increasing. Without wanting to tell anybody else's stories, I think there are figures available through the ACNC that would say that there are community housing organisations that are running deficits, that's publicly available information. I know from St Pats's perspective that we make a loss on everyone that we house who's on Newstart and we make it work because we cross subsidise through other things. But in that context there is no capacity for growth.

The question could be why would you put money into the hands of Newstart recipients rather than directly investing in social housing or community housing? In an ideal world I think you'd do both. I think that part of the argument for doing it through Newstart is that the majority of your increase is going to go to the people who are Newstart recipients. We, as a service provider, want to see people exercising agency, making their own decisions and prioritising their own goals. But if you put money in the hands of Newstart recipients some of that money will flow through to us as a community housing organisation, which will allow us to grow. We are in such a crisis in terms of the amount of community housing we have in this country.

CHAIR: Thank you.

Mr Glasson: Thank you for the opportunity to speak. Anglicare WA is the leading not-for-profit organisation that helps West Australians in times of need. We play an important role in building strong relationships with families and communities. We provide support counselling and advocacy for people struggling with poverty, domestic violence, homelessness, grief, mental wellness and other forms of crisis or trauma. Our breadth of programs across the state, alongside our partnerships with government and non-government organisations, gives us a deep understanding of entrenched disadvantage and poverty.

We believe everyone has a right to life's basic necessities. Many families in Western Australia are faced with agonising decisions every week about how to cover household expenses. More than 230,000 West Australians—that's nine per cent and that includes 44,000 children—are living in poverty and this is despite 27 years of economic growth. The benefits of that growth have not been shared across our society and thousands of people are being left behind. If you have a discussion with Greg Hebble from Foodbank WA he will tell you that they feed more than 20,000 children every week before school because they go to school hungry.

With specific regard to our poverty alleviation programs, Anglicare WA supports over 5,000 people each year through financial counselling, through financial assistance assessments for the Hardship Utility Grants Scheme and through no- and low -interest loans. In addition, we were part of the 100 Families WA longitudinal baseline survey that includes the experiences of 164 families who are living in entrenched disadvantage and who are receiving Newstart or youth allowance.

It's clear to us that living on Newstart and youth allowance does not allow a human dignity. Through our work, we know that families experiencing financial hardship and poverty often face compounding challenges such as health issues, mounting debt and barriers to employment. Newstart and youth allowance are insufficient even with current supplements. Ensuring that all Australians have access to an adequate safety net respects that we all have value beyond our economic contribution and is an expression of our national values of compassion, fairness and justice. We need a responsive social safety net that respects people's dignity and recognises that they make different transitions through life, one that doesn't penalise people as they move through these transitions,

including moving from education to partial or full employment, into an out of cultural and family responsibilities, into and out of semi retirement, illness, family breakdown, natural disasters and simple loss of employment.

We also believe that the broader system that encapsulates Newstart is one that we need to spend some time thinking about. We need to focus again on our relationships and we need to find, collectively, new forms of organising our work. We need to move from fixing problems to growing good lives, we need to move from containing risk to creating possibility and we need to go from managing need to developing capability. Thank you very much.

CHAIR: Thank you. Ms Hunt?

Ms Hunt: At UnitingCare West, we believe that communities thrive when all people have a life of hope, belonging and purpose. As a community service entity that's auspiced by the Uniting Church in Australia, Synod of Western Australia, UnitingCare West knows—and the evidence that you would have already seen would show—that those living in poverty are barely surviving. It's impossible to thrive when you're facing extreme disadvantage.

The Uniting Church in Australia Assembly and the Synod of Western Australia have long endorsed the principles for a fair and equitable social security system in Australia. We are pleased that the Senate has instigated a process that we hope will increase the Newstart and youth allowance rates so that those who receive them have the resources to live above the poverty line.

You've heard directly from people who are experiencing hardship due to poverty, and, since we were formed for the purpose of strengthening community by supporting those experiencing hardship and vulnerability, we stand with those people on a daily basis. The thousands of people that we support through homelessness, disability, justice, financial counselling or family and violence programs experience great disadvantage. They are forced to live on the margins of our society by discriminatory and harmful labels, and we're here to amplify their voice.

We are also in collaboration with groups such as WACOSS, The Western Australian Alliance to End Homelessness, the Financial Counselling Network and the 100 Families WA project, who are all committed to addressing the debilitating effect that poverty has on the ability of people to lead a good life. So we believe that what constitutes an acceptable standard of living in Australia is the ability to live a good life and to contribute as valued citizens. This is currently impeded by the increasing inequality in Australia, and its consequent cost to society has a devastating impact on our social fabric.

We understand that for people who are living in poverty to lead an equal life of contribution to community there are barriers that can be easily removed by increasing Newstart. Sadly, you would have heard from the many Australians today who know exactly what poverty looks and feels like. You've heard their firsthand experiences of families who spend a majority of their time attempting to negotiate what it takes for them to survive.

As a member of the Financial Counselling Network, we found that one in every four people who are accessing financial counselling services across the metropolitan area are on Newstart. The consistent message is that these people find it extremely hard to meet their basic living costs. People are commonly desperate for a job and just can't find one. Many have been out of work for some time, are older and have limited work experience. There are very few jobs available for people in job support networks. In our experience, people on Newstart are struggling financially and dealing with other compounding challenges and stressors, such as family and domestic violence, mental health, unstable or insecure housing, disability, chronic illness and trauma histories.

We also represent The Western Australian Alliance to End Homelessness. We do know that it makes good sense to ensure that all people are productive and contributing citizens, and that on any given night in Western Australia around 9,000 people can be considered to be homeless. That can be due to a series of small events or by a single event experienced by those in a financially insecure position, such as a lost job, relationship breakdown, car accident or ill health.

We know that 38 per cent of the 24,626 Western Australians receiving support from homelessness services report financial difficulties as the reason why they're seeking homelessness assistance. Our Tranby Centre in East Perth, which supports people experiencing homelessness or at risk of homelessness, is seeing increasing numbers. We are currently funded for 80 individuals a day; we're seeing 280 individuals a day. As a member of the Alliance to End Homelessness, we know that on average it costs us more to leave somebody homeless than to house and support them. This tells us our failure to end homelessness before now is an economic failure as well as a social failure.

We're all concerned about the growing inequality in Western Australia and the increasing divide between the haves and the have nots. The growing body of research shows that inequality damages the social fabric of the

whole society. Many of the people who access our services and are experiencing financial distress described the day-to-day impact of being unable to manage their money due to the fact that there are more costs coming in. We also refer to the Productivity Commission's report on rising inequality, which speaks about the excessive inequality and entrenched disadvantage—how it corrodes social cohesion and hinders economic growth. We've all shared examples, through the groups mentioned previously, of how people with few resources can suffer poor physical and mental health, which directly undermines wellbeing and can impact access to education and employment opportunities, leading to homelessness in our community. We know the things that move people out of poverty are meaningful employment, relationships that bridge social capital and belief in a future story. As a community we are morally obliged to provide for a positive future to help people out of a position of disadvantage. There are many ways that people can help themselves, as my colleague referred to, but when people are on the back foot already this can seem impossible. The cost to our cohesive society is unacceptably high, and the burden of poverty sits with us all.

CHAIR: Thank you. Senator Askew, did you want to kick off?

Senator ASKEW: This is possibly a question for Ms Hunt. Earlier today we heard evidence about the need to reform the social security system to ensure support for easier access to welfare and to support the changing nature of work and things like that. I was just wondering, in your thoughts, what would be the sort of policy changes or support that would need to be introduced to support welfare recipients move into the workforce, specifically targeting easier access and reflecting the changing nature of work?

Ms Hunt: Thank you for your question. We believe that the policy changes that are required will be to increase tenancy support, as my colleague at St. Pat's referred to, and social housing; and to make sure that those who are receiving Newstart are adequately supported by job agencies. We know that people are struggling to access employment because they are struggling to meet the everyday needs; they're already on the back foot due to the catch 22 of not being able to access the supports that they need to find employment.

Senator ASKEW: Would any of the others like to add to that answer?

Ms Lochore: A really practical thing comes up for us at St. Pat's. We quite regularly have people coming into our emergency relief appointments and we help them with a number of things. One of the things that turns up quite a lot is that people need help to get transport to get to their interviews that are associated with Newstart. It's one thing to need help, but a thing that happens a lot is that they're in Fremantle and their appointment is on the other side of the city, in Cannington. There are job service providers in Fremantle. There are job service providers in the next suburb over. For anybody who's unfamiliar with Perth, Cannington is a terrible place to get to on public transport. I can't think of a reason why you would pair someone who needs help to get a job with a job service provider on the other side of the city. I can understand why that might be administratively easy, but in terms of getting a useful outcome for the person, it's wild. It doesn't make any sense.

Senator ASKEW: So it's not a job appointment; it's actually the job service provider?

Ms Lochore: It can be all of it. Basically, all of the administrative things associated with Centrelink and job service providers, or any of the other stuff, can get weird like that.

Senator ASKEW: So there is not an actual affiliation with where they live based on where they've been sent to make appointments to meet?

Ms Lochore: Yes. When somebody is on public transport, it's extended. We can offer them a 24-hour SmartRider, but, to get the 24-hour SmartRider, they have to turn up. Our process is: you line up at 7.30 and you hope that you are one of the 14 people that we can give an appointment to each day so that you can get your 24-hour SmartRider, can get to your appointments and don't get breached. People are incredibly resilient and creative, and working really hard, but everything about the system makes things worse.

Senator ASKEW: That just doesn't seem logical, does it? Did anyone else have any other suggestions on policy changes?

Mr Glasson: I think there are some issues around the way that we tailor the jobactive network to the needs of people. I think that it's widely known and accepted that the majority of young people will get their first job through a relationship or a family connection. We know that the jobactive network makes no regard for that; it just sends you out on the processing line. There is a bigger issue here, though, which I think we need to be mindful of—that is, the actual availability of work. Last month we released the *Jobs availability snapshot*, which talked about the availability of work in Western Australia; it was part of a national research project. For every entry-level job that's available in Western Australia, there are seven people looking for work.

We have a system in Newstart, youth allowance and the jobactive network that is a punitive one, based around individual deficits. We know that the systems aren't in place to deliver the work for those people. What we're

doing is—and I referred earlier to the systemic change that we need—punishing people for something that is so out of their control. It's not about whether a person is keen to get a job or not. If you look at the age breakdown of people who are on Newstart, the perception that's peddled is one of young people who are lazy and would rather go to the beach. In fact, the data doesn't support that. The data says the jobs aren't there and that the people who are looking for them are vastly different to that public perception of them. To answer your question: we need to customise the jobactive network more to the needs of the people who are walking through the door, but we also need to pay equal or more attention to the creation of work that is meaningful and gives people a sense of participation and contribution.

Mr Wainwright: I can add a follow-up point. The report that was commissioned by the Western Australian Department of Communities at the time noted that 1,600 specialist SmartRiders have been issued. With no offence meant to my colleagues here, jobseekers have to negotiate a fairly labyrinth-like patchwork quilt of agencies to get hold of a 24-hour SmartRider to go to job interviews. It just seems extraordinary that the cost and time wasted would not be made up by issuing people with concessional travel, as if they were pensioners. In my own personal work capacity, I know that the Commonwealth is quite actively pushing people who used to qualify for DSP onto Newstart. So there are people with fairly profound disabilities but who don't qualify for the NDIS being pushed onto Newstart and then losing their concessional travel, and, at the same time, being expected to find jobs in a very difficult work environment. The cost-benefit ratio analysis on that cannot stack up.

Senator ASKEW: Thank you. I will leave it at that. I'm conscious of time.

Senator LINES: Mr Glasson, you referred to a recent report on job availability. Are there enough jobs in Western Australia for all Newstart participants?

Mr Glasson: Absolutely not.

Senator LINES: What is your evidence for that, apart from the report?

Mr Glasson: The report is all the evidence we need. It only looks at entry-level jobs—so we are looking at people who are working in retail, administration, clerical and food-service positions. What we do know is that, nationally, there are more than 1.1 million people who are underemployed, so the ability for a person to get an entry-level job is complicated by the lack of jobs but also by the additional competition from people who would normally have a more senior job but are underemployed and seeking additional work. I don't have any other evidence for you, but what I can tell you is that that's an annual survey and it's progressively been getting worse. It's seven to one this year. It was six to one last year. What that is pointing to, I think, is that the structural problem that we have in losing those jobs is actually getting worse.

Senator LINES: Because we're short on time, does anyone have anything different to add?

Ms Hunt: I refer you back to the *100 families* report, which reported that the multiple barriers to people in the project looking for work and being able to start work if a job becomes available include injury—as you referred to—disability, illness, discrimination, lack of transport, lack of training and qualifications and a lack of opportunity for training.

Senator LINES: Just so you're aware, other people have given evidence on the report this morning. Mr Glasson, Ms Hunt or Ms Lochore, do Perth residents in your area have the necessary skills and training to meet labour shortages?

Mr Glasson: We are not a job service provider. This would be our experience of what we see coming through our financial inclusion services. I think people would have basic entry-level skills that would need support. What we do see, though, is that people are doing training, through the jobactive network, that isn't of any value to them. People have to jump through hoops to attend courses that effectively don't make a difference to their employment prospects. So my answer to you would be that more customised or bespoke jobactive provision would eliminate that and might actually allow people to get better skills.

Senator LINES: Are there any other views on that?

Ms Hunt: Not that I could give you evidence for.

Senator LINES: In the view of the panel, is the rate of Newstart adequate to cover the basic cost-of-living needs?

Ms Lochore: No. At St Pat's in 2018-19, about 1,600 people met with our emergency relief workers. At more than 94 per cent of those appointments, clients identified financial difficulties as their main reason for seeking assistance, and about 60 per cent identified Newstart as their main income source.

Senator LINES: It's a significant number.

Ms Lochore: It's a very significant number. I think the evidence is that, whether or not people should be able to make it work, the reality is it's not working.

Mr Glasson: People living on Newstart that we see can't meet their basic living costs. I know that the advocacy around Newstart has been focused on an extra \$75 a week. Quite frankly, for the people we see coming through with difficulties with their utilities—electricity and other things—\$75 isn't going to get them out of trouble.

Ms Hunt: May I also refer to the increasing pressures on Western Australian households unrelated to the level of income support allowance. These include low minimum wage, rental affordability and rising electricity, water and public transport costs.

Senator LINES: Do you say they are specific to WA?

Ms Hunt: I wouldn't say they're specific to Western Australia.

Senator LINES: Sorry, I thought you were just giving the issues that people were identifying in WA.

Ms Hunt: Certainly.

Ms Lochore: I can give an interesting comparison in terms of the numbers. The standard community housing rent for somebody who is on Newstart, which is 25 per cent of all eligible income plus maximising CRA, is about \$94 a week. Median rent for a unit in Perth is \$330 a week. There's no way of making those numbers work.

Senator LINES: No. I think we heard that. In your view then, are those high housing costs and the low Newstart rates contributing to homelessness and food insecurity?

Ms Lochore: Yes.

Senator LINES: You're all nodding. That's your experience too, Ms Hunt?

Ms Hunt: Yes.

Senator LINES: So it's the St Pat's experience and your organisation's experience as well?

Ms Hunt: It's most definitely our experience, and also, as mentioned previously, it's compounded by illness, disability, and mental health, drug and alcohol issues.

Mr Glasson: We also do a rental affordability snapshot. We do jobs availability and rental affordability. For the last five years there hasn't been a single property in the Perth metropolitan area for a single person on Newstart that's affordable or appropriate.

Senator LINES: Even with the CRA—

Mr Glasson: No, you won't get close. In the last survey there wasn't a property in Western Australia that would meet that criteria. For a couple on Newstart I think there were about five properties available. The housing is just not there. I think what we're looking at is a bigger housing system failure, in that the levers that have been used for the last 20 or 30 years to provide housing through private investment can't come to the level that's required to meet the capacity of someone on Newstart. We have this gap in the middle that we can't bridge.

Senator LINES: Ms Lochore, your made comments earlier about how, with the housing you are providing, you're having to cross-subsidise your Newstart participants and that, in actual fact, you're not generating enough income to put into new housing. So it's a vicious cycle.

Ms Lochore: Yes. To play forward a scenario, if Newstart doesn't increase, the potential options for community housing providers are to pull back from growth, which is already happening, to pull back from housing people who are on Newstart, which is not what anyone in the community housing sector wants to do, or to push it and push it and push it until somebody falls over. I think the potential for insolvency in the community housing sector is really there. In the first instance that will be a state government problem, but it will become a federal government problem. The best case scenario would be that you get out of an insolvency of a community housing organisation with some very distressed tenants but all of the houses still in the mix. The worst case scenario would be that we lose houses out of a system that doesn't have enough houses to start with.

Senator LINES: Would you say—or are you able to say—that other community housing organisations are experiencing very similar outcomes as St Pat's?

Ms Lochore: I don't have solid data for that. Certainly St Pat's houses a higher rate of people on Newstart than public housing does.

Senator LINES: I'm thinking about other community housing organisations.

Ms Lochore: In terms of other community housing organisations, I think the mix is different. As a lodging accommodation provider, we have a particular focus and a particular cohort.

Senator LINES: We might ask Tenancy WA the same question.

CHAIR: I was just going to say that they're sitting behind you!

Ms Hunt: Could I support Ms Lochore's statement. UnitingCare West provides 300 houses for people who are experiencing mental illness. That's a state funded program. However, what we know is that, in order to maintain people's tenancy, we are not so much cross-subsidising but actually making sure that people access multiple program areas within our organisation and our partner organisations, such as emergency relief, financial counselling and also other supports within the community sector.

Senator LINES: What percentage of your tenants are Newstart recipients?

Ms Hunt: All of them.

Senator LINES: Again, if you wanted to grow the service you wouldn't be able to because you're really providing a static service—one that you can't grow.

Ms Hunt: Certainly not. The ability to provide wraparound supports in services is impeded by the siloed approach within government.

CHAIR: Can you expand on that a bit?

Ms Hunt: Yes, certainly. What we know is that the machinery of government within our state government has been aimed at providing wraparound supports for people, but we also know that the linkage between the Mental Health Commission and other government departments, which would certainly help us ensure that there isn't an increasing chance of people falling into homelessness, is not there.

Senator PRATT: Clearly the need for an increase in Newstart and youth allowance has been mounting for some time. Are you able to reflect on the last decade or so in terms of why we're at such a critical point that the government can no longer ignore it?

Mr Glasson: There's a lack of appropriate indexation. I think that that is one of the key things here. One of the things that Anglicare would be calling for would be an independent body, like the Salaries and Allowances Tribunal, to set this. We need an independent body to set this, because if it's left to the political process it will get buried in debates around lifters and leaners. So I think—

Senator PRATT: So the lack of indexation has been ignored—

Mr Glasson: Yes. I think there's a lack of indexation in Western Australia. The boom and what that did to the housing market has, I think, had any increased impact. People are increasingly spending more money on their housing, and that's absorbing everything else. I think we've also not kept pace with the restructuring of the electricity market, so the cost of utilities and what that's done has driven more and more people—just about everyone we see in the Hardship Utility Grant Scheme assessment centre is on Newstart allowance. The reason those people don't pay their bills is that they just don't have enough money. All these things have been happening for some time, but I think the compounding of them has meant that we're at a point now where \$40 a day is just never going to be close.

Senator PRATT: Is it also compounded by the nature of employment these days, in that there's more insecure work and people are more likely to be coming on and off payments?

Mr Glasson: It is.

Ms Hunt: You would have heard from the families in the 100 Families project who described the fact that they are underemployed as well, and that very point has come up through that research.

Mr Wainwright: If you'd permit me to wear a personal hat rather my council one—my partner has worked for many years as an employment mentor for people with disabilities. The end of the construction phase of the mining boom has meant that there are a whole range of entry level jobs that people who would ordinarily struggle to get work can't get anymore. I know of many cases of her knocking on employers' doors and them saying: 'I've got 100 applicants for this picker-packer job in the warehouse. Why would I bend over backwards to employ the person with a disability?'

Senator PRATT: Mr Glasson, you pointed to the lack of indexation over what is a very substantial period of time. How does that play out in terms of demand for Anglicare's services? The case for indexation and for an increase has been mounting, but what's happened to your services over that time as well?

Ms Lochore: At St Pat's, between 2017-18 and 2018-19, we were able to increase the amount of emergency relief funding that we had available. Over that time our instances of unmet need grew more than 20 per cent—

Senator PRATT: Even though your resources had increased?

Ms Lochore: Yes. Our resources had increased, but we went from having 604 presentations for assistance that went unmet to 751 presentations for assistance that went unmet. St Pat's is an organisation with a group of staff and a significant amount of community support, which means that we do our absolute best to do whatever it takes. But, in that context, we are having to turn away more people over a short period of time.

I think one of the other things that's interesting at St Pat's—and I didn't bring the numbers for you today—is that we are seeing a change in the mix of who is presenting for help. We are seeing more women in particular. We are seeing more families. St Pat's historically has not seen families. We've seen single men and single women. The need and the pain is spreading out into more parts of our community.

Senator LINES: Do any of you have examples of people who have been seriously sick, with cancer or other illnesses, who have lost Newstart because they couldn't comply? Do you have any examples of that?

Ms Hunt: I have a very good example of a person who recently accessed our homelessness service at Tranby. His name is Greg. He's a 52-year-old plumber. He owned his own business and was doing really well until last year, when he suffered a stroke. In the months following, despite rehab, he wasn't able to return to the tools. He had a significant debt owing, including rent and marketing for his business, in an unsecured loan. Finding himself having to access our services, he became increasingly depressed and isolated and was unable to turn up to the appointments as specified by a statement. He desperately wanted to return to the workforce, but the sheer burden of looking for a job while on Newstart made it increasingly difficult, not to mention the fact that he was sleeping out of his car and having to access our service on a daily basis and wait in line for a shower and breakfast so that he could go out and find work.

Senator LINES: Did he lose his benefit over time?

Ms Hunt: He certainly did. We ended up having to advocate for him through services such as Financial Counselling Network. We worked with him to get his full medical reports and letters of support from social workers. We managed to overcome his debts and negotiate that, and he was supported to move into an affordable rental property through our other state funded programs.

Senator LINES: You've described the significant burden and stress upon him in addition to his illness. But obviously that was an intense response required from your service as well.

Ms Hunt: It was. I refer back to the cost in social cohesion. He lost his entire network of professional supports. He lost his entire network of family friends. He was so ashamed of the fact that he was accessing welfare services that he didn't tell anybody that this was his experience. Nobody knew he was living out of his car.

Senator LINES: And that's simply because of factors affecting his health. He was not able to follow the strict rules and therefore all these other consequences came into play.

Ms Hunt: That's exactly right.

Senator LINES: Is that something you see over and over, Mr Glasson and Ms Hunt, or even Ms Lochore?

Mr Glasson: Poverty doesn't travel alone. Most of the people we see have recurring issues. We see a lot of mental health issues. We see general health issues, family breakdown, domestic violence.

Senator LINES: Do you see people not being able to comply?

Mr Glasson: When people are under that sort of pressure, survival is the issue rather than compliance. That then throws them into a bigger mix.

Senator LINES: We were hearing this morning that where there are court issues of course the court issues take precedence over any other requirement to perform or to tick a box.

Mr Glasson: One of the services that we jointly deliver is the hardship utility assessment centre. The referrals out of that service are amazing. People come to us because they can't pay the utility bill, but they end up with financial counselling, referrals to mental health services, housing, even oral care. What we uncover when we engage with those people at a level that respects who they are and values them, we build their trust and we see the real picture behind them. That's two out of three of the clients we see.

Senator LINES: But is it also fair to say that if the rules were a little more flexible some of these people wouldn't end up in your services, because they'd be able to cope around those?

Mr Glasson: Absolutely. It comes back to the point earlier around the number of people with disability that have been unreasonably switched to Newstart. We see a lot of that as well.

CHAIR: On that, is the issue around vulnerabilities? The people you're talking about have significant vulnerabilities. What's your experience about those vulnerabilities being identified as somebody enters the

system? You're finding them when someone is in the system. What is your experience as they come into the system?

Ms Lochore: One of the things that we see at St Pat's is that the system causes some of those vulnerabilities. The rules are incredibly strict and a lot of the time they are just wild. They are strange, bureaucratic rules that people who are already in a situation of crisis are then faced with. They are complex bureaucratic rules. That creates more stress. It creates more crisis. It creates more of a sense of failure. It's incredibly unfair, because it's not their failure. It's a system that is set up to discourage people. Our sense would be that the system is not about encouraging people to access things that they need. It's about discouraging people. There's an underlying sense that people who access income support or help to find work are in some way inappropriate—leaners. What we see is that people enter a system that makes them feel ashamed and stressed. In that context it is very hard to comply with the rules that are set up around them.

Mr Glasson: It's transactional. It's not relationship based.

Mr Wainwright: Just to refer back to the health question that Senator Lines raised: the Department of Communities report that I referenced before estimates that for rough sleepers being admitted to hospital emergency—the ambulance trip to hospital and what have you—the mean cost rises to \$56,498 per person over a 12-month period. Obviously some of those admissions would happen anyway even if the person were safely housed, but it's hard not to imagine that a good portion of that is precisely because they're sleeping rough. The cost is just enormous.

Ms Hunt: I support the comments of my colleagues, in particular referring to the fact that services are siloed. When a person enters a system, not only are they unable to navigate their way through and don't often have the opportunity to build relationships, as Mr Glasson has referred to; they're basically forced to fit within the boundaries of those service parameters. Even though a person may present to us with obvious complex vulnerabilities, we can only provide services that we are funded to do in that area. Hence the need for a no-wrong-door wraparound approach for individuals when we are providing supports for them to be able to navigate the system.

Senator PRATT: I want to finish your question. Mr Glasson and Mr Hunt, I had asked about the impact over time on your own services because of the low rate of Newstart.

Ms Hunt: The increasing demand on our services and the increasing complexity of the vulnerabilities of people who are coming to our services is causing us to adapt in ways that mean that we are having to look at really different approaches in our service delivery. As a mission based organisation—I can't speak for my colleagues, but I know they're also mission based—we are very uncomfortable about turning people away. However the Financial Counselling Network is forced to turn people away because of the limited numbers that we can see because of those service silos.

Mr Glasson: For every person who gets a financial counselling appointment in Western Australia, there's at least one person that misses out. They're the sorts of things that we get. It points to a broader systemic issue for us here. The absence of services and the transactional nature of the way that Newstart is delivered means that we're actually creating a spiral of need, where only people at the very highest end are accessing the services that they need. And you could argue that there are very few of those. We create this spiral where you don't get access to the service you need until quite possibly it's too late. We need the investment earlier on, before people start developing co-occurring issues, before they lose their housing, before their family relationships and their social networks collapse. By operating in a rationed environment that only goes to those most complex needs, we're actually on a treadmill that can only end much worse than where we are now. We need to completely unpick the way that we treat people without employment in terms of the services that we give them and the resources that we give them, so that we actually stop problems before they get worse.

Senator PRATT: And clearly raising the rate of Newstart and youth allowance would be part of that safety net that prevents that spiral.

Mr Glasson: Absolutely.

Ms Hunt: It's a fundamental part of that.

Mr Glasson: What happens is that the easiest money in town is a predatory lender.

Senator PRATT: And the hardest money in town.

Mr Glasson: That's right. It's the easiest to get and when you when you're in crisis and you've got a problem that you don't have—the other side of that is the kids that don't go on school excursions; they don't have the new

school uniform every year; they don't get the equipment that they need to start their school year. We're actually entrenching those young people in disadvantage. Quite frankly, I think we can do better.

CHAIR: I have one last question that goes to the issues that you raised earlier, Ms Lochore, in terms of the expansion of the clients that you are seeing to women and families. Other people have raised the issue of older women in particular. We know the growing cohort of people who are long-term on Newstart, the older cohort of people. Is that what your services are seeing in terms of people that are accessing your services? Are you all seeing that? What do you see as the drivers of that?

Ms Lochore: They are our growingest cohort. Single men are still our largest cohort at St Pat's. At St Pat's we are mostly dealing with people in crisis, so picking apart the exact drivers is tough. But it's absolutely things like women with gaps in their employment history, late in life relationship breakdowns, often associated with family and domestic violence. But it's also an issue that is an issue for all of the cohorts that we work with, which is that the work that is available is casualised and often not particularly well paid. The question of casualised work is one that's come up before, but even our most experienced managers of money struggle to match up the consistency of housing costs, food costs and transport costs against the patchiness of the work that is available to a lot of people. Speaking of book recommendations, two years ago a book came out of the US called *The financial diaries*. I can't give you the authors, but it's a very detailed look at how the working poor in the US manage the inconsistency of income that they experience and how creative people are and the degree to which they access the networks that they have. People are amazing, but it's very hard.

Ms Hunt: The tipping point that was raised at WACOSS's emerging issues forum three years ago by Sue Ash referred to women over 55 who were at risk of experiencing homelessness. Sadly now in our services at UnitingCare West we are seeing this come to play. That tipping point has been reached. I can't give you an exact number, but anecdotally what we're seeing is women turning up at our doorstep at Tranby who have never accessed welfare services, who are over the age of 55, who have been out of employment and previous to that had only worked part time, who have no superannuation, who have had family breakdowns and there is nowhere for them to go. Without adequate housing, and also the fact that it's almost impossible for them to survive on Newstart, for that cohort of women coming to us at that age finding employment is nearly impossible.

CHAIR: Thank you very much for your evidence today. I don't know if anybody took on homework. I'm about to ask Mr Wainwright for some. Could you flick us a link to that report that you're referring to? That would be much appreciated, because it sounds like it's got some useful data in it.

Mr Wainwright: Will do.

CHAIR: Thank you very much for your time today. It's very much appreciated.

DAVIS, Ms Kate, Principal Solicitor, Tenancy WA

NEAL, Ms Jamie Tenant, Tenancy WA

OWEN, Ms Patricia, Tenant, Tenancy WA

[14:35]

CHAIR: Thank you for coming along today. It is very much appreciated. I invite you to make an opening statement. Ms Davis, I presume you will make an opening statement and then, Ms Neal and Ms Owen, you would like to make a statement around your lived experience?

Ms Davis: Yes, please. Firstly, I hope that this statement isn't too long. We haven't prepared a written submission. I've tried to include some of the data from our services but I hope it can assist the committee.

CHAIR: Okay. That would be appreciated. We do want to leave time for asking questions as well.

Ms Davis: Tenancy WA is the specialist community legal centre for tenants in Western Australia. We provide the state-wide telephone advice line and we are the central resource unit for the network of tenant advocates across Western Australia in 15 different centres across the state. The statistics that I'll provide today are from just our service at Tenancy WA. There is a whole range of other tenant advocates who are also providing assistance to people on Newstart. We provide a state-wide telephone advice line, a duty lawyer service at the Perth Magistrates Court, and our Safe as Houses program provides casework to try to prevent homelessness for women and children who've experienced domestic violence. We also undertake education policy work and law reform work.

In the most recent financial year we assisted 3,500 tenants with over 4,300 advices. Of those tenants, 216 were in financial hardship and there were 585 tenants who were on Newstart who sought our assistance in that year, so about 15 per cent of our clients are on Newstart. Given that 30 per cent of West Australians rent, and our services are available for all renters not just low-income renters, it's a pretty high proportion of our clients who are on Newstart who are calling about their housing problems. About 95 per cent of our clients are renting in the private rental market. Only three per cent are in public or community housing, and the other two per cent are boarders and lodgers or caravan park long-stay tenants. Sometimes people assume that most of our clients are in public housing but that's not the case; they're overwhelmingly in private rental.

CHAIR: So the number of Newstart tenants are also in private rental, it is safe to assume from those figures?

Ms Davis: Yes. I don't have those numbers with me but I can get them if that helps.

CHAIR: That would be useful, actually.

Ms Davis: Particularly because of the policy to move parents onto Newstart, we see a growing number of people calling on Newstart with children in their care. Of the 267 tenants who called us who were on Newstart had a total of 429 children in their care in that last financial year. Eighty-nine of those tenants who called us were calling us because they were at risk of homelessness at that point in time. They had 161 children in their care in that financial year at risk of homelessness at that time. A total of 187 of the people who were on Newstart who called us in the last financial year were at risk of homelessness when they were talking with us. So 32 per cent of the people on Newstart who called us, called us when they were at risk of homelessness. Five per cent of them were already homeless.

The most common issue that people on Newstart called us about was rent arrears. So 25 per cent of the people on Newstart calling us for assistance were calling about rent arrears. This is different to the rest of the cohort. For most of our clients overall, the top problem types are people wanting to break lease, people needing maintenance or people needing assistance to get their bond back. The low rate of Newstart really shows up that what people are calling us about is rent arrears.

The next most common problem that people on Newstart called us about was maintenance, particularly urgent repairs and mold issues, which reflects the poor quality of housing that is available on such low incomes on Newstart. Forty-six per cent of our clients on Newstart disclosed to us that they had a disability, most commonly mental illness or physical disability but also including acquired brain injury, sensory disabilities, learning difficulties, and we expect that that's an underreporting.

CHAIR: So is that 46 per cent of the clients or the Newstart cohort?

Ms Davis: That is just the Newstart cohort.

CHAIR: With the new figures on partial capacity to work, that's actually pretty consistent with the proportion of people past capacity to work on Newstart.

Ms Davis: One of the challenging things about working on our advice line is that all of our lawyers and tenant advocates are now trained in suicide prevention, which includes having the conversation with somebody who is talking about taking their own life. The reason that we've had to bring in this training as compulsory training for all of our staff is that we have several tenants every week talking on our advice line about wanting to take their own lives because of the risk of homelessness. For us, in a year, that's between 100 and 150 people calling talking about taking their own lives because of their housing situation. The connection between suicidal thoughts and the threat of homelessness is very strong. Conversely, the connection between secure housing and recovery to mental wellbeing is also very strong. There's very substantial academic research on these points. AHURI have a report coming out in February next year with an entire conference based on the connection between mental wellbeing and secure housing. But I'm telling you, from our experiences of our telephone advice line for tenants, that connection between the risk of homelessness and suicide is incredibly strong. It's highly distressing for our staff, but obviously the consequences are much more serious for the tenants and their entire family groups who are facing that.

One of the frustratingly common experiences for our duty lawyer service is a pattern. The first time I saw it, I thought it was completely ridiculous but now, six years into this job, we see it time and time and time again. It is where we find a tenant is at the Magistrates Court facing eviction because they've not been able to pay any rent at all. We see it because people starting on Newstart have often lost their employment. It's typically associated with a breakdown of their family circumstances or with serious illness. They can't afford their housing, so they seek to move to a low-cost option. They can't find one that they can actually afford, so they end up in another option that they still can't afford. They're paying perhaps half of their income on rent, they're facing all of these major life changes at once, they have existing debts—often existing automatic payments—and they pile up with a whole series of other debts. Once they've paid bond and the first two weeks of rent, they find they have nothing left at all. It cascades from there and utter despair sets in. Once people have missed only one or two rent payments, they can be at court facing eviction right away. So the experience of being on Newstart, both initially and long-term, is for many people just entirely crushing and it leads directly to homelessness for a concerning large number of our clients.

I wanted to make the point as well that the lowest cost housing is also the highest cost to run. As a general rule, the lowest cost housing is the lowest quality with some of the highest running costs, particularly for heating cooling, cooking and hot water. It's the least likely to have insulation, any curtains or window treatments, the most likely to have draughts, the most likely to have mold, the most likely to have cheap and inefficient utilities, and those utilities are the most expensive to run. Cheap hot water systems are the most expensive to run, cheap ovens are the most expensive to run and so on. It's certainly the least likely to have solar panels or solar hot water. So people on Newstart are caught in a bind in that the housing that has the lowest rent costs as most likely to have the highest running costs.

The strongest theme that comes from our advice line is one of constant housing stress. People can't find affordable housing, so they find that they're paying unaffordable housing costs, which puts huge pressure on their capacity to pay basic nutrition, transport medications and treatment. Any crisis puts their housing payments at risk. They find that they're in short-term and inappropriate housing with the constant worry of where to next and of, 'Will I be homeless when this housing arrangement runs out?'

The housing is often inappropriate. It is unsafe, it is overcrowded, it is unhealthy, it is dangerous and it is overwhelmingly short-term, which means that people who have precarious and low incomes often have to share with a number of other people who also have precarious and low incomes. That compounds the level of risk of any household not being able to make its total rent payments, because it is a whole number of people who are in that situation, effectively concentrating the risk.

In lieu of a written submission, we would like to support the submission that has been made by the Tenants' Union of New South Wales. That is also shared by some of the other tenant unions around the country. I think the key points that were made there were the obvious need to increase Newstart to a level where people can afford secure housing; the need to increase the Commonwealth rent assistance and to link that to the need to be more responsive to the cost of housing; and the desperate need to increase public and social housing, because the private rental market is simply failing to meet the needs of our community. Thank you.

CHAIR: Thank you. Do you have that information in a nice little table?

Ms Davis: Yes, I can provide it.

CHAIR: Could you provide that, because that is extremely useful information for us. Thank you very much. Ms Neal, do you want to speak?

Ms Neal: Yes. Thank you for this opportunity to speak. I grew up down south. I came from a middle-class family. My parents were respected members of the community. My father was the president of the chamber of commerce. I earned As at schools and took part in lots of extracurriculars. I did not have the sort of childhood that most people associate with recipients of Newstart. My parents instilled in me the importance of earning my own income, of working hard and pursuing an education. I have always been ambitious. As a child, I dreamed of graduating university and starting my own company. I wanted to change the world. I never imagined that I would be here, close to 30 and stuck in poverty.

I first went on youth allowance when I was 18, when I moved to Perth to attend university. Halfway through my first year, I became sick with chronic fatigue syndrome. I was bedbound and unable to support myself. I had to drop down to part-time study, and what should have been a three-year degree took me seven years to finish. I have now been on Newstart for these past nine years, and during that time I have had to move house seven times because of the insecurity of my income. These past 11 months have been particularly horrendous.

Last December, I had to unexpectedly leave the house I had been renting due to circumstances out of my control. For the next couple of months, I slept on a car mattress in my sister's spare room. When that was no longer possible, a friend offered me a place to stay at her parents' house, but it was only for a week. I then had to beg an ex-partner to let me stay with him, but his house had mould, his roommate made me feel unsafe and the emotional strain of living with an ex all took its toll on my mental and physical health. I ended up in the emergency room, because I could no longer face living my life.

After that, a kind friend said I could stay with her until I found something more permanent, but because of her own mental health issues I had to leave after only two weeks. I ended up pleading with family members to let me sleep on their couch, because I was so scared that I would have to sleep in my car. My experience of couch surfing was so unstable and so stressful. I was constantly at the mercy of the people I was staying with, and it made me feel like such a burden the entire time I had been searching for a home. I desperately wanted to live on my own, to not have to rely on others, but there were no one-bedroom rentals I could afford. I could not even afford to share with just one other person.

It took a very long time to find two other people who had a similar budget to mine and who required the same things. It was even more impossible to find a three-bedroom house that was in a suitable suburb, with enough space for three adults and that was in our budget. I went to an average of 10 house inspections a week every week for seven months. Because I was on Newstart, my budget was smaller than the others, and I was under constant anxiety that my future roommates would abandon me for another person with more money, because that was what had happened earlier with other roommates. Eventually, we found a house that was big enough and affordable, but upon moving in we discovered that, during the viewing, the owners had pushed furniture up against the walls to hide holes, mould and flooding. It did not meet safety standards and, once again, I was faced with homelessness. I had to stay with my ex again, and the pressure of the situation worsened my depression and health to the point that I was suicidal. Even now that I have a 12-month lease and three lovely roommates, I am constantly worrying about what will happen at the end of the lease. It feels as if my fate is always in the hands of others.

Thirty-nine per cent of my income goes towards renting a small room in a share house, and that doesn't even include utilities. Too often I have had to make the choice between rent and eating dinner, or paying the electricity bill and affording medication. This constant stress is harming my immune system, and not being able to support my nutritional needs is only making me sicker. Had I had adequate income from the beginning, I would have had the ability to move into a one-bedroom apartment at the start of the year when I first lost my home. I would not have had to endure months of instability and hopelessness. I would have been closer to achieving recovery of my health and, on top of that, I would have had the time and energy to find part-time work and maybe even get off welfare payments.

I've been chronically ill for nine years now. My illness is incredibly complex. It fluctuates and it's exacerbated by stress. I burn out very easily and have to carefully manage my activity. I've had many periods of being bed bound over the years, and not being able to rely on my health is a source of great anxiety. There's no allowance in my budget for treatment. I can only afford to see my naturopath three times a year, and I have to put aside five per cent of my income every fortnight to meet the cost of a consultation. Most of my treatment options are alternative and aren't covered by Medicare or health insurance, and even the conventional medicines are out of my budget. I recently found a medicine that improves my energy and immunity, but it's not on the PBS, and I'm devastated that I can't afford to keep taking it. I know that seeing different medical and mental health specialists would be so beneficial, but it's not an option, and the longer I go without treatment the worse my health gets.

But I don't want to stand here and just demand more money, and I don't want to sound like a victim. What I need is Newstart to be higher so that I can recover my health and start work. The current system penalises anyone that works less than full-time hours. I believe that I am able to work up to three hours a week, but the income I would earn from working those hours would mean that my payments would be reduced, thus leaving me earning even less than I would receive on Newstart. I want the threshold to increase so that I am not penalised for working, and I want the amount of hours I am required to undertake as part of my mutual obligations removed so that I do not have the constant stress of being forced to work more than I'm capable of. What I want is to be allowed to work to my capacity of a few hours a week so that I can supplement my Newstart payments so that I can afford treatment and nutritious food so that I can improve my health. I want the support to be able to safely transition off Newstart payments, and I'm certain that I'm not the only one that wants this.

CHAIR: Thank you. It's really important for us to hear people's lived experience and you've presented a really well argued, articulate case.

Ms Owen: I just want to say first up that I'm feeling really quite emotional from listening to the panel before as well. I'm actually in community housing. So I've actually had supported affordable accommodation since 2004, but what came up for me was that year before I got supported affordable accommodation. I am a single parent, and my daughter was 1½ at the time. I had been in precarious housing and in and out of Alma Street, a mental health facility, for three years. I'd had up to seven admissions for up to two weeks at a time in that three-year period. Interestingly, the last admission was in the year before I got affordable accommodation. So as far as the cost that I have been on the system—I think someone said before housing costs more—basically, I'm costing the government less now that I'm in affordable accommodation. I am currently starting my own business. Having affordable accommodation—although having to go through all the struggles of managing my parenting and all those things—I was able to get a degree, and so I worked as a teacher for a little while, but then mental health is as precarious as my income and as my housing can be. So I was up and down with affording. There was the stress of reporting how much I earned to my housing provider as well as to Centrelink and the fear that I was going to be either kicked off benefits or kicked out of housing. The managing of child care while I was at university—was it worth me working? Was it worth my daughter going there? There was the emotional stress, the time management stress, the psychological stress, the parenting stress—I don't know how many different types of stress that you could be under when you're on Newstart allowance.

I found it hard to look at all the things that I couldn't afford, and that made living on Newstart really challenging for over a decade. On budgets and when I got financial counselling, clothes were never in my budget. They were always hand-me-downs. There was never entertainment. For my daughter to do sporting activities, it was either through a benefit or relationships with family. It was a lot of that stuff. I asked her what she went without and she said: shoes and school books. I never bought her brand new school books. She always had the teacher's copy—all of that kind of stuff. Those basic things that a lot of people would take for granted, I missed out on.

What was quite emotional for me to listen to was the wanting to die. I had a daughter, and maybe that prevented that. Maybe I'm not that statistic and I'm here today because I had a daughter. Maybe I'm here today because I had affordable accommodation. I don't know. But what I do know is that, when we're looking at the cost and when we're looking at a person as money—Mr Glasson talked before about that transactional economy—when we're looking at that and not looking at the emotional and psychological stress implications of this system on people in poverty, we're missing a big chunk of it.

Today, I'm starting my own business, but I'm also impacting my community in a positive way. I'm doing a lot of volunteer work. I've got a great relationship with my daughter. None of that would have happened had I not got safe, secure and affordable housing. As much as an insecure income is still an issue, I don't have to pay more than 30 per cent of my income on rent. I don't know how I would get by. I just know that I wouldn't be able to get by if I didn't have that accommodation.

CHAIR: You've expressed your points really well. We get a lot out of what you're expressing around your lived experience. I'm sorry if what you heard triggered you. I understand that.

Ms Owen: I'm okay dealing with my emotional and mental state but I think I wanted that on record because sometimes you just hear these stats and you don't hear the emotional content behind it, and I think that that needs to be there.

CHAIR: I think that's a really well-made point. A lot of what we're hearing can be triggering for people, in all our hearings in fact, because it's actually people's lived experience and it's what we need to hear. We need to hear what that actually does to a person and that is hard for the person who's telling it too. Senator Pratt.

Senator PRATT: Thank you for your very important submission to this committee. Ms Neal, an increase in Newstart would bring a baseline of improvement to your day-to-day life.

Ms Neal: Yes.

Senator PRATT: Do you think that would over time make you less reliant on other health and support services that you might have required—or less time surfing on other people's couches?

Ms Neal: Yes. I think if I had the income to be able to afford vitamins regularly and medication and a physiotherapist, those kinds of services, I could get my health to a stable point and probably even get into recovery, and then hopefully, in the future, I could work full time even, and be solely dependent on myself.

Senator PRATT: In terms of the stress of living in share-housing with people in similar situations, it must be difficult sometimes not to add to each other's stress within the household.

Ms Neal: Yes. All of my roommates are millennials. They all have mental health issues. They all work casual or they're on short-term contracts. I've seen a lot of breakdowns in the kitchen from my roommates. I think it's wonderful to have their support but it does take its toll on my own health to support them.

Senator PRATT: Thank you. What about you, Ms Owen? It has been really important to hear over the course of today how much of a difference stable housing makes to managing the other issues related to having a low income. We also heard evidence about the cost to community housing providers. If you were to see Newstart raised by \$75 a week, 25 per cent of that is likely to be picked up by your community housing provider, in terms of renting increases. How do you see yourself being able to continue to provide for yourself and your child over the long term?

Ms Owen: I don't know how I've done it so far.

Senator PRATT: It is something of a miracle.

Ms Owen: That resilience—yes. When I look back I can sometimes take for granted that I have had affordable accommodation. From that place, I was able to do a degree, so I got some self-esteem. I can actually do relief work. I can work. I wrote down here: 'precarious income, precarious housing, precarious mental health'. They are still factors of—

Senator PRATT: They fit together.

Ms Owen: Yes. Nothing is stable, except my housing. It's a pretty simple answer; more money will help. My experience is that my life got better starting from when I got secure, affordable accommodation.

CHAIR: That reinforces what Ms Davis said about lived experience, in terms of the link between stable housing and mental wellness.

Ms Owen: Yes.

CHAIR: Senator Askew, do you have some questions?

Senator ASKEW: No. I won't have any questions on this one. I just wanted to say thank you for providing the evidence.

CHAIR: Okay. I do have a couple of questions. You can tell me you don't want to answer; that's fine. Or you can take it on notice if you want to provide it in a more confidential manner. What we've heard today from other witnesses relates to people's mutual obligations with their job service providers and the impact for some people. Being well, access to children and a whole lot of other things come before them being able to address their mutual obligations. Some ended up breached and then had to go through the process of reconnecting. How does the Newstart compliance system impact you when you're having to meet those mutual obligations, with all the other things that you've both just articulated?

Ms Neal: It's very stressful. I think I'm quite lucky in that I have access to wi-fi and I can meet some of my obligations online. But having to go in every two weeks takes a toll on my health and my energy. Then I have to apply for all these jobs that I know I'm not well enough to actually perform and I'm really terrified that they will call me in for an interview and then give me the job and I will have to go in. What if I die while I'm performing this job because I'm too unwell?

Ms Owen: My experience is similar. I recalled something interesting as I was listening previously. When you go to Centrelink, they, I think, transfer information to the job network provider to say whether you are A, B or C—whatever level you are—

CHAIR: The stream.

Ms Owen: The stream. I was stream A. That was 20 jobs a week or a fortnight or whatever the requirement was. At that time I was having a down turn in my mental health and I knew that not only could I not do a full-time

job or but I couldn't meet the requirements. I knew that. I'm quite articulate. It doesn't take away the stress of this situation. But I went into my job service provider and said: 'I can't do that. I'm struggling to get out of bed, get dressed, do my motherly duties and all that kind of stuff.' She was able to do something in the system to reduce the requirement for what I needed. I questioned it. I said, 'What about those people who come in to Centrelink?'—because you tell Centrelink what they need to know, because that's where you're going to get your measly \$400 or \$500 a fortnight or whatever it is. You tell them what they need to know, because you know that if you don't you're going to lose your payments.

And then you go to your job network provider. This woman was quite frank and honest with me, and she said, 'There are so many people who come in and I can see from that first appointment that they're not capable of meeting the stream C requirement, yet they're on stream A.' For them to get on the right stream, they have to go back to Centrelink and wait for a psychological assessment from a Centrelink worker—which takes a long time—to be able to get back to say that they can't do that. That stress was quite intense, and I suppose the vicarious stress of all those people who were maybe worse off or not able to articulate for themselves.

Senator PRATT: We've just seen the data on that, but it's great to hear it expressed in that way, because the personal toll on every one of those people in that situation, let alone those who haven't yet been assessed in terms of their job plan being unsuitable for them, is not evident in the statistics, but you've explained it very well.

CHAIR: That in fact takes me to my next question. Ms Owen, you just touched on the issue around people's—they're called 'vulnerabilities' by the system. We found out at estimates the week before last that 44 per cent of the people who get suspensions in the warning zone have job plans that are either in error or inappropriate to meet their needs. The part I'm concerned about, particularly from what you've just said, is that people's 'vulnerabilities'—and I'm using that word because it's the official word that people's potential barriers are listed as—are not identified early enough, and people have to go through the system to fail, in a sense. That's how people feel if they get a suspension, for example, or a demerit point. So, I'm using that word in inverted commas. Is there a way you would recommend that the system could be improved so people don't have to sort of fail before they get identified as having certain barriers or 'vulnerabilities'?

Ms Owen: Initially I would say 'raise the rate'—but I think that's what you're here for!

CHAIR: Yes, I've got that one!

Ms Owen: Awesome! Tick! And fewer boxes to tick, and more flexibility. Obviously the door into welfare is through Centrelink. There is not enough peer support. There's not enough education of those people—the 'no wrong door'. There needs to be peer support, and the lived experience of that person, whatever vulnerability it is—when you're saying 'me too' with your vulnerabilities, the feeling and the shame and the guilt and the fear are all the same, whatever your vulnerability, when you're on the bottom rung of a system that's broken and really way too complex. So, that would be one thing that I would say, about the staffing, and even the flexibility around what a staff member can do. If you go to a job network provider and they pick up, because they've built a relationship with you, that you're not capable of that, their hands are tied, because you've got to go back to Centrelink. It would be like they're trying to do with the End Homelessness Alliance, and there are all these groups that are coming together to work together to bridge the gaps—less bureaucracy, less constraint, so that individuals can be treated as individuals and their needs can be met, because most of the time we know what those needs are. But there are too many doors shutting, so we can't get our needs met.

Ms Neal: I'd also say to get rid of the minimum hours of work you have to do per fortnight. People should be rewarded for being able to find any kind of work at all, and at the moment they're just punished for not meeting the 40 hours a week.

CHAIR: So, improve the threshold.

Ms Neal: Yes.

CHAIR: Thank you so much for your time today. It's really appreciated. The statistics that you provided, Ms Davis, and the insight you've provided, are extremely valuable. And both Ms Neal and Ms Owen: your lived experience and your suggestions for improvement are very much appreciated. Thank you very much.

Committee adjourned at 15:10