



REF: SUBMISSION TO REVIEW OF THE SOCIAL SECURITY COMMISSION BILL 2018

27 February 2019

Committee Secretary
House of Representatives Standing Committee on Social Policy and Legal Affairs
PO Box 6021
Parliament House
Canberra ACT 2600

To the Committee,

I am the Executive Officer of Community Information & Support Victoria (CISVic), the peak body representing 58 local community information and support services in Victoria. We are also the lead agency in a consortia of 29 local centres delivering DSS funded Emergency Relief under contracts. In the year 2017-2018 we distributed \$1.7 million in emergency relief to community members from 39 sites. Other services provided by our member agencies include: budgeting assistance, financial counselling, legal services, No interest loans, Step-up loans, tax help, youth services, personal counselling, case management, information, and referral.

I am writing to you in relation to the review of the *Social Security Commission Bill 2018*. I understand that the Bill aims to establish an independent Social Security Commission to provide Parliament with advice on acceptable minimum levels for social security payments. I also understand the Commission would conduct reviews of social security payments, including recommendations for increases to payments where needed, and that it would submit its recommendations to the relevant Minister. The government would be required to respond to these recommendations, and reports of the review would be tabled in Parliament and made publicly available.

I certainly support the *Social Security Commission Bill 2018*. The Social Security Commission delineated in the Bill is well overdue. Every day CISVic agencies are inundated with requests for assistance by community members who just do not have enough income to live on, let alone to move themselves out of poverty. Increasingly, we are helping individuals and families who do not traditionally seek financial or material assistance. All too often the available funds of our agencies fall short of community demand.

A case in point is the Newstart allowance. The single rate of Newstart is \$278 per week, which is \$175 per week below the pension. Newstart has not increased in 24 years (in real terms) and more than half of the people on Newstart Allowance live below the poverty line. Every day our paid staff and volunteers witness the struggles of people trying to live on Newstart. They come to our agencies for assistance such as food parcels, food vouchers, material aid, and advocacy in relation to housing and bills. Many are homeless or in precarious housing. An increasing number live out of their cars, (including older women who don't own their home). For those who are unemployed, it is extremely difficult to apply for jobs without a stable base and while living hand-to-mouth.

Those with dependent children who have moved from the Parenting Payment are especially challenged. One lady we recently assisted was socially isolated due to her lack of adequate income. She could not even afford to have a cup of coffee with friends, let alone join in any local

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recreational activities. In trying to meet the needs of her family she had a series of tea cups for allotted expenses in which she would put a dollar when she had one.

It is certainly wrong that those raising children are treated as if their caring work is not of value to society – or worse that it is not seen as ‘work’ at all. We need to provide parents with an adequate income that can cover basic living expenses and provide children with an environment where they can survive and reach their potential. For this reason **the *Social Security Commission Bill 2018* should also include review of all family payments.**

The evidence is that social security payments have fallen to a level where people are unable to survive in many cases, and they lose their dignity and sense of hope in the process. This situation is untenable. Structures and formal processes need to be put in place to check this, as outlined in the *Social Security Commission Bill 2018*. Important features of the Bill which I endorse are as follows:

- A commission that has the resources, responsibility and mandate to guide the parliament on rates of income support that are adequate and meet community standards.
- Requirement for review of each social security payment at least every four years.
- Ability to conduct a social security review in response to a request from an organisation that represents people receiving social security payments, as well as the Minister or House of Parliament.
- Membership of the commission to include a high level of skills and experience relevant to providing advice on social security payments, including social and community organisations. **I would go further and specify that membership from such organisations is compulsory.**
- Requirement that the Government responds to recommendations to increase levels of payments or change rates of indexation, and that the response be tabled in each House of Parliament.
- Requirement that reports of reviews be published and are made accessible to the public.

Overall, I believe that the measures contained in the *Social Security Commission Bill 2018* would go a long way to ensuring that we have a fair society where people are able to cover basic living expenses, find a way out of financial hardship, and where children can have the best chance to flourish and make a contribution.

Thank-you for your attention to the matters raised in this submission. Should you wish to discuss them, please do not hesitate to contact me on 0407 670 125 or at kate@cisvic.org.au.

Yours sincerely,



Kate Wheller
EXECUTIVE OFFICER
Community Information & Support Victoria

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