



Department of Social Services
Rodney Bates
Via email: rodney.bates@dss.gov.au

03 June 2020

Dear Rodney

Reference: Intention to carry forward Emergency Relief COVID-19 funding

The CISVic Consortia welcomed the additional funding from Department of Social Services for the Emergency Relief (ER) program which is to be used to immediately increase support and/or establish alternative delivery mechanisms for business operations impacted by the incidence of coronavirus. We applaud the Federal Government and the Department for their swift action in delivering numerous initiatives aimed at supporting individuals and stimulating the economy, and for the deep, intelligence-gathering engagement with the sector.

CISVic views the COVID-19 situation as a serious health and economic crisis. The stringent and necessary measures put in place to contain the crisis are consequently affecting the economy into a state from which recovery will not be automatic and straightforward.

We are continuing to deliver ER to people in need under a service model that responds to the lockdown and our reduced capacity. Our staff are working behind closed doors, either in the local centres or from home. Services are being delivered by phone and by skeleton staff; our predominantly volunteer workforce disappearing almost overnight.

Overall, the number of people seeking assistance during lockdown has reduced for a number of reasons:

- Reduced capacity to deliver 'normal' service due to lockdown,
- Reduction in demand from 'traditional' service users. JobSeeker (formerly Newstart) recipient's income has effectively doubled, lifting them out of poverty for the first time in decades,
- Clients not aware that services are still operating behind closed doors (an issue that agencies are working to address).

At the same time, agencies are supporting people who have never sought assistance from a welfare agency before. As well as providing material assistance to these people, our staff and volunteers are often spending more time providing them with information and referrals. More time is also being spent with some people whose existing issues have become more complex with the COVID pandemic, for example homeless people.

We have commenced planning a 6-8 week process to safely reopen sites for face-to-face delivery, pending the easing of restrictions and the return of our workforce. Transitioning back to

Community Information & Support Victoria

face-to-face service delivery does require carefully planning and expenditure for additional safety measures including cleaning products, PPE, sneeze screens and office lay-out changes.

This means that we will not return to 'normal service delivery' until the next financial year, which is when we expect the economic crisis to really start to hit individuals and families; when finite stimulus initiatives are wound back, people have burned through personal savings and drawn-down superannuation withdrawals, and increased heating/cooling bills coming in.

It is broadly foreshadowed that the recovery from this major economic crisis will 'burden our society for years to come'¹, The Victorian Government Treasurer Tim Pallas has said the economic recovery will be slow². The Federal Government's initiatives around doubling JobSeeker and introducing JobKeeper has kept many people out of poverty and saved jobs. Any winding back of the JobSeeker and JobKeeper schemes in September or thereabouts is likely to lead to an immediate and devastating increase in financial hardship and unemployment well into the next the 12 months (with the scale of hardship directly related to the magnitude of the wind back).

CISVic is committed to delivering an accessible and equitable ER program which responds to community needs and demand. In this context, rather than rush to unfeasibly expend all FY2020 funding within the next 4 weeks, we believe it is prudent & practical to carry a significant portion of the COVID-19 supplement through to FY2021.

This letter services as 'notice of intention'. We will continue to deliver service to people in financial crisis as capacity and demand requires over coming weeks. Our financial acquittal will provide accurate reporting on our FY2020 expenditure and disclose the value of the surplus to be carried forward.

Please feel free to contact me should you wish to discuss this further (0407 670 1250).

Kind regards



Kate Wheller
Executive Officer

¹ OECD (2020), 'Coronavirus (COVID-19); Joint Actions to Win the War', Published

² Willingham. R 'Coronavirus has hit Victoria's economy hard, leaving tough budget decisions for government', ABC News, 10 May 2020, <https://www.abc.net.au/news/2020-05-10/coronavirus-victorian-economy-hit-government-budget-decisions/12229414> (Accessed: 02 June 2020)