

# ISSUES PAPER

## ADEQUATE INCOME SUPPORT



The current base level of income support payments such as JobSeeker are manifestly inadequate and unfair, and are driving people to rely more on community services and charity to survive. The inadequacy of payments has led to increasing levels of desperation in the people who are showing up at generalist services such as Community Centres and Neighbourhood Centres such that Government's current policies on welfare payments may be regarded as a form of cost-shifting to the charity and not for profit sectors.

Natural disasters such as drought, floods and bushfires, combined with the COVID-19 pandemic crisis in Southern NSW, has deepened levels of disadvantage for many in the region who have lost their homes, employment, and social and economic security. Child poverty rates in Southern NSW are higher than the state average, and overall, women are more likely to experience significant economic disadvantage than men.

### LOCAL SNAPSHOT

Council Area	Percentage of population living in disadvantage (average) <sup>1</sup>
New South Wales State Average	13.3%
Bega Valley Shire	16.4%
Eurobodalla Shire	15.8%
City of Shellharbour	13.9%
City of Shoalhaven	15.3%
Goulburn Mulwaree	13.0%
City of Wollongong	14.9%
Wingecarribee Shire	11.1%

Adequate income support enables individuals to maintain a minimum acceptable standard of living, prevents widespread poverty, and helps to strengthen a weakening economy.<sup>2</sup>

Increases to allowances such as JobSeeker will better support people living with disadvantage to move into the workforce, improving employment outcomes, and reducing overall numbers of income support recipients in the long-term.

People living on insufficient income experience numerous barriers to full social participation such as food insecurity, insecure and/or inadequate housing, reduced safety and wellbeing, and social exclusion.

Additionally, mental health issues are exacerbated by the constant pressure to survive, and this often leads to crises which channel people into the criminal justice system. Thus, the current inadequacy of income support for people who are unemployed contributes directly to extra Government spending in both health and justice systems.



## RECOMMENDATIONS

- Permanent increase to income support payments, such as JobSeeker, of at least \$25 per day to lift people out of poverty
- Index income support and family payments to wage movements
- Increase funding for community service providers and organisations to help facilitate social connections
- Support for low-income households to enable access to, and participation in, online events and activities
- Investment in local, community-led development projects to create opportunities for social participation within regional areas
- Development of a national plan which focuses on reducing inequality to break cycles of intergenerational poverty
- Greater investment in local support services to deliver community development programs