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19 November 2020

Committee Secretary
Senate Standing Committees on Community Affairs
PO Box 6100
Parliament House
Canberra ACT 2600
By email: community.affairs.sen@aph.gov.au

Dear Committee Secretary

Social Services and Other Legislation Amendment (Extension of Coronavirus Support) Bill 2020

On 12 November 2020, the Senate referred the Social Services and Other Legislation Amendment (Extension of Coronavirus Support) Bill 2020 to the Senate Community Affairs Legislation Committee for inquiry and report.

Submissions are sought by **19 November 2020**. The reporting date is **27 November 2020**.

Canberra Community Law (CCL) is a community legal centre providing free legal advice, assistance, and representation to people in the ACT on low incomes for matters relating to tenancy, public housing, social security, and disability discrimination law.

CCL also operates:

- Dhurrawang Aboriginal Human Rights Program which provides services in housing, social security, and race discrimination law to Aboriginal and Torres Strait Islander communities in Canberra through a human rights framework.
- the Socio-Legal Practice Clinic that combines legal assistance with intensive social work support to maximise the prospect of a successful outcome.
- the Street Law outreach program which provides legal advice, assistance, and representation on relevant areas of law to people who are or at risk of experiencing homelessness.
- the Night Time Legal Advice Service (NTLAS) which provides legal advice to any member of the public on most areas of law from 6 to 8pm on Tuesday nights.
- The Disability Discrimination Legal Service (DDLS) provides legal advice and representation on disability discrimination matters.

CCL has expertise in social security, housing, and homelessness and many of our clients are reliant on the Job Seeker payment. We welcome the opportunity to make this submission

Canberra Community Law acknowledges the traditional custodians of the land on which we work in the ACT and surrounding region and pay our respect to the Ngunnawal elders past, present and future for they hold the stories, traditions, and the cultures of their people. We are grateful that we share this land and express our sorrow for the costs of this sharing to Australia's First Peoples. We will continue to acknowledge the legacy of our history and strive in our goals to empower our community through social justice. We hope that our efforts will contribute to a realisation of equity, justice and partnership with traditional custodians of this land.



but raise serious concerns about the extremely short timeframe given for these submissions to be made given the unprecedented health and economic crisis that is affecting our communities.

It is CCL's position that Job Seeker payment (formerly, Newstart Payment) has been far too low for far too long and that the Parliament should take this opportunity to raise the permanent, baseline Job Seeker payment rate to meet at least the Henderson Poverty Line.

Raise the Rate - for good

Even before the COVID-19 pandemic, social security recipients experience the highest rates of poverty in Australia with over half of the (then-called) Newstart Allowance recipients living below the poverty line and the vast majority priced out of the private rental market. In CCL's research report *Homeward Bound – Social Security and Homelessness*¹ we examined the connection between the extremely low rates of social security payments and homelessness. We found that our clients who relied on social security payments were frequently unable to afford private rent. They frequently found themselves in arrears and facing eviction. There is insufficient public housing to meet demand - leaving our clients at risk of homelessness.

This is supported by recent research conducted by Anglicare Australia which found that the additional Coronavirus Supplement was the only thing that made private rentals affordable for social security recipients. The *Social Services and Other Legislation Amendment (Extension of Coronavirus Support) Bill 2020* does not reflect the reality that Australians are facing. Although not presented this way, in effect the Bill represents a cut to the Coronavirus Supplement and is only a temporary measure. It foreshadows a return to the disastrously low \$40 p/day rate of payments which threatens to drive people further into poverty, housing insecurity and homelessness.

As such, it is CCL's position that the Commonwealth Government should withdraw this Bill and legislate to permanently raise the rate of the Job Seeker payment.

Give families certainty

Families living on social security payments are struggling to make ends meet. They have less disposable income than their peers, and they are struggling to pay rent, buy groceries, pay medical bills and make ends meet like everyone else. The *Social Services and Other Legislation Amendment (Extension of Coronavirus Support) Bill 2020* implements a temporary extension of the temporary Coronavirus Supplement from 1 January 2021 to 31 March 2021. This does not allow individuals and families to plan their lives for what is likely to be a lengthy recession.

CCL's clients frequently present at our legal service with not only legal problems but also often mental health challenges and high degrees of stress that have been compounded by

¹ <https://canberracommunitylaw.org.au/sites/default/files/2019/19756%20CCL%20-%20Homeward%20Bound%20Social%20Security%20and%20Homelessness.pdf>

financial hardship that they have experienced. Our *Homeward Bound – Social Security and Homelessness* research found that one in five of the clients who sought legal assistance from CCL during the project period identified as having a disability or a mental health condition. A lack of certainty and security was a consistent theme raised by clients as severely impacting on their health, wellbeing, and ability to make plans for their lives.

We urge the Commonwealth Government to withdraw this Bill and instead give social security recipients some security and stability by permanently raising the rate of the Job Seeker payment.

Not enough jobs

The crisis of unemployment and underemployment has been growing over the last decade. COVID-19 and the associated policy responses have exacerbated this crisis, and there are now even fewer jobs available to those relying on social security payments.

Research conducted by Anglicare Australia² found that there are 106 jobseekers for each entry-level vacancy and 1.6 million people now looking for work. A cut to Job Seeker payments threatens to punish people relying on social security benefits who have no reasonable prospect of obtaining employment.

We take this opportunity to also raise our concerns with the reintroduction of mutual obligations when there are insufficient jobs available to make job seeking obligations meaningful or fruitful. CCL's long-standing experience with clients on social security payments is that mutual obligations are frequently onerous, punitive, and ineffective. They entrench poverty and cause extreme hardship when clients cannot fulfill obligations and have their payments terminated. They are often incompatible with the health and mental health needs of our clients. To reintroduce mutual obligations at a time when many social security recipients will have no reasonable prospect of securing a job treats social security recipients with a lack of respect and dignity by requiring them to engage in unproductive tasks.

Recommendation

In conclusion, CCL supports a permanent increase to the Job Seeker payment to give individuals and families the financial security needed to make ends meet, and live dignified and fulfilled lives. We urge the Government to recognise that an increase to the base rate of the Job Seeker payment is long overdue and has never been more needed.

If you have any questions about this submission, please do not hesitate to contact

Yours faithfully,
CANBERRA COMMUNITY LAW LIMITED

² <https://www.anglicare.asn.au/docs/default-source/default-document-library/2020-jobs-availability-snapshot.pdf?sfvrsn=4>



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