



# The Salvation Army

## Australia

### THE SALVATION ARMY AUSTRALIA SUBMISSION TO SENATE INQUIRY:

*The adequacy of the allowance payment system for jobseekers and others, the appropriateness of the allowance payment system as a support into work and the impact of the changing nature of the labour market.*

August 2012

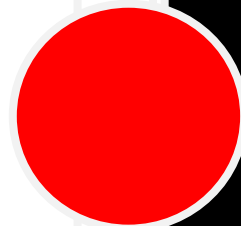
**For more information, please contact:**

The Salvation Army  
Australia Southern Territory  
Territorial Social Programme Department  
99 Railway Road, Blackburn VIC 3130

Phone: 03 8878 4500  
[www.salvationarmy.org.au](http://www.salvationarmy.org.au)

The Salvation Army  
Australia Eastern Territory  
Mission and Resource Team - Social  
140 Elizabeth Street, Sydney NSW 2000

Phone: 02 9266 9536  
[www.salvos.org.au](http://www.salvos.org.au)



# THE SALVATION ARMY AUSTRALIA SUBMISSION TO SENATE INQUIRY:

The adequacy of the allowance payment system for jobseekers and others, the appropriateness of the allowance payment system as a support into work and the impact of the changing nature of the labour market.

## Contents

<b>1. Introduction</b> .....	1
<b>1.1 About The Salvation Army</b> .....	1
<b>2. Background</b> .....	3
<b>2.1 Impact of low income support payment.</b> .....	4
<b>2.2 Appropriateness of the allowance payment system as a support into work.</b> 6	
<b>2.3 Summary</b> .....	8
<b>3. Recommendations</b> .....	9
<b>4. Case Studies</b> .....	10

## 1. INTRODUCTION

The Salvation Army welcomes the opportunity to make submission on the adequacy of the allowance payment system and the appropriateness of the allowance payment system as a support into work.

The Salvation Army is one of Australia’s largest providers of social services and programs for the most marginalised and socially excluded individuals. This submission is informed by these experiences and The Salvation Army’s collective knowledge and expertise about the causes, impacts and possible solutions to disadvantage.

### 1.1 About The Salvation Army

The Salvation Army is one of the largest national providers of welfare services. Operating for over 130 years in Australia, The Salvation Army has a significant history working with and advocating for the rights and needs of disadvantaged people in our community. Consistent with the organisation’s values of human dignity, justice, hope, compassion and community, The Salvation Army is committed to the promotion of social justice and protection of the rights of disadvantaged and vulnerable people.

The Salvation Army Australia, with an annual operating budget of approximately \$600 million, provides over 1,000 social programs and activities, through a network of social support services, community centres and churches across the country.

In the past 12 months, The Salvation Army Australia provided over one million occasions of service to people in need. This included more than 200,000 people provided with emergency relief, over 140,000 meals, over 3,000 women supported through family and domestic violence services, and over 1,000 crisis and 6,000 non-crisis accommodation beds every night of the year.

Key services provided by The Salvation Army Australia network include:

- Material aid and emergency relief.
- Financial counselling and assistance.
- Personal counselling and support.
- Drug and alcohol support and treatment services.
- Family and domestic violence support and accommodation services.
- Out of home care.
- Accommodation and homelessness services.
- Disability services.
- Emergency disaster responses.
- Education, training and employment support services.
- Migrant and refugee services.
- Aged care services.

In April 2012, The Salvation Army Australia released its inaugural Economic and Social Impact Survey (ESI Survey)<sup>1</sup>. The main premise of the survey was to gain insight into the economic and social impact of cost of living pressures of people seeking emergency relief through The Salvation Army services. The majority of respondents (81%) were in receipt of a government income support payment, of which 22 per cent were on Newstart allowance and 12 percent on parenting payments. Of the 1,731 individuals surveyed:

- 48% of respondents had children,
- 36% were single parents with dependent children,
- 12% were couples with dependent children, and
- 95% of adults reported multiple indicators of deprivation<sup>2</sup> (i.e. more than three indicators simultaneously), 91% of whom reported deprivation across more than 5 indicators simultaneously indicating severe levels of deprivation.

A consistent theme highlighted in the report was that a large number of people in the community struggled to meet everyday expenses and financial commitments. The report also suggests that these individuals were experiencing severe levels of deprivation, which further compromises individual and family living standards and inclusion in the Australian community. Of particular concern is the level of disengagement of children from school and social activities due to costs associated with these activities. Over half of adult respondents reported being unable to afford to pay for out-of-school activities for their children (58%) and over one third could not afford for their children to participate in school activities and outings (36%).<sup>3</sup>

---

<sup>1</sup> *The economic and social impact of cost of living pressures on people accessing emergency relief. A national survey.* (2012) The Salvation Army Australia [http://www.salvationarmy.org.au/about-us\\_65047/research-media.html](http://www.salvationarmy.org.au/about-us_65047/research-media.html)

<sup>2</sup> Deprivation is described as a lack of resources that prevent people from accessing goods and activities that are essential, and is measured by using a 26 item list that identifies those who do not have and cannot afford each item. (Saunders, P. Naidoo, Y. and Griffiths, M. (2007) (2007) *Towards New Indicators of Disadvantage: Deprivation and Social Exclusion in Australia.* Social Policy Research Centre, Sydney, NSW.

<sup>3</sup> The Salvation Army Australia. (2012) *The economic and social impact of cost of living pressures on people accessing emergency relief. A national survey.* [http://www.salvationarmy.org.au/about-us\\_65047/research-media.html?s=1962558114](http://www.salvationarmy.org.au/about-us_65047/research-media.html?s=1962558114)

## 2. BACKGROUND

The Salvation Army Australia acknowledges the main aim of the Australian social security system (income support) is to provide adequate support to people in financial need and for individuals between employments. We support the notion that the provision of this system must be provided in an economically responsible and politically sustainable manner, mindful of future demographic and fiscal requirements.

Although the current income security system has significant challenges and complexities (e.g. the number and type of payments, eligibility criteria, various tax concessions and thresholds, participation requirements and penalties), it is the inadequate and inequitable rate of payment support for unemployed people that is of significant concern for The Salvation Army and the people with whom it works on a daily basis. Our research has indicated that the inadequacy and inequity of payment rates increases the level of disadvantage and deprivation experienced by a core component of our client group who are already significantly marginalised.

In summary these concerns are outlined as follows:

- When compared against national and international thresholds and measures of poverty, the allowance rate falls well below the poverty line<sup>4</sup>. Considerations of poverty alone, however, do not include other determinants of disadvantage that impact on and preclude an individual's inclusion in community.
- Payments for unemployed people are considerably lower than pensions for retired people, and are not sufficient to cover the current basic costs of living.
- Based on current allowance rates, an individual receiving the Newstart allowance will receive \$35 per day (\$243 per week = basic payment without supplements) compared to a single pensioner who will receive \$50 per day (\$345.00 per week = basic payment without supplements).
- Pensions are indexed to average wage earnings whilst allowances are indexed to the Consumer Price Index (CPI), which does not increase at the same rate as average earnings. On this basis, it is estimated that allowances will fall to half the value of pensions by 2040<sup>5</sup>.
- Newstart allowance has a more restrictive earning threshold compared to parenting pensions.

The Newstart Allowance, as a base income support payment for unemployed individuals, has not seen an effective rate increase in the past 30 years. It is currently the lowest unemployment payment among OECD member countries. It is acknowledged, however, that an annual supplementary allowance of \$210 per year (equating to \$4.00 per week) for singles on Newstart and Youth allowances and parenting payments, was announced in the 2012-2013 federal budget to commence from March 2013.

Additionally, The Salvation Army's key message statement on the adequacy and equity of income support payments emphasises the following:

---

<sup>4</sup> Melbourne Institute of Applied Economic and Social Research (2011) Poverty lines: Australia June Quarter 2011. Retrieved 22/12/11 at <http://melbourneinstitute.com/downloads/publications/Poverty%20Lines/Poverty%20lines%20Australia%20June%202011.pdf>

<sup>5</sup> ACOSS (2011) Payments and participation reform brief. Provided by Peter Davidson (ACOSS) on 22/12/2011.

“Income poverty is just one aspect of broader disadvantage that many organisations and charities, such as The Salvation Army, work with on a daily basis. People living in poverty are constantly forced to make critical choices about their daily living circumstances, and miss out on opportunities and activities that most of the community would take for granted.

Social security is recognised as a human right and is outlined in fundamental human rights treaties, namely the *Universal Declaration of Human Rights*, the *International Labour Organisation Convention* and the *International Covenant on Economic, Social and Cultural Rights*. Further, The United Nations defines four essential guarantees which should underpin all social security systems – termed the Social Protection Floor (SPF)<sup>6</sup>. This ‘floor’ seeks to guarantee, at a national level, an adequate income in the form of social transfers (e.g. pensions, unemployment benefits, child benefits, services for the unemployed and working poor), while providing universal access to essential affordable social services in health, water and sanitation, education, food, housing, and other services. The SPF aims to enhance social cohesion and inclusion through addressing the structural causes of poverty and inequality.”

In 2010, Australia’s Future Tax System Final Report<sup>7</sup> (the Henry Tax Review, May 2010) made the following recommendations:

- Income support payments should align with the pension rate (Recommendation 83) and should be indexed to wages (Recommendation 84).
- Income support payments should support and encourage participation in work whilst maintaining adequate levels of assistance (Recommendation 85).

During the Tax Forum that followed in October 2011, the rate of the income support payments was highlighted as one of the principle reasons for increasing hardship and poverty across the marginalised and disadvantaged sectors of the community. The representatives from business and economic sectors were also calling for the adoption of increased payment rates which have been articulated in the Henry Report.

The Salvation Army supports the views expressed at the tax forum, and asserts that the current payment system does not provide recipients with adequate income, as defined by internationally recognised human rights standards, to meet even the most basic of underlying essential guarantees for social support systems.

The Salvation Army believes that significant inequity has developed between Australians receiving different forms of income support allowances, and that this has resulted in unacceptable levels of disadvantage and further entrenched individuals and families in poverty.

## **2.1 Impact of low income support payment.**

For many people, receipt of an income support payment is not a short term experience and as such it does much to entrench income poverty and leads to social and economic disadvantage and exclusion.

---

<sup>6</sup> International Labour Organisation (2011) Social Protection Floor for a Fair and Inclusive Globalisation. Retrieved 17/01/2012 from <http://www.unwomen.org/wp-content/uploads/2011/10/Social-protection-floor-report.pdf>

<sup>7</sup> Australia’s Future Tax System Final Report (2009) Part 1. Chapter 2., retrieved 28/12/2011 from [http://taxreview.treasury.gov.au/content/FinalReport.aspx?doc=html/publications/papers/Final\\_Report\\_Part\\_1/chapter\\_2.htm](http://taxreview.treasury.gov.au/content/FinalReport.aspx?doc=html/publications/papers/Final_Report_Part_1/chapter_2.htm)

The Salvation Army research report, *The economic and social impact of cost of living pressures, (ESI Survey)* provides a very clear picture of the levels of disadvantage, deprivation and poverty experienced by a significant number of people in the community. Overwhelmingly, is characterised as:

- Unemployed (76%),
- In receipt of a government income support payment (81%),
- A single parent (36%) or a lone individual (32%),
- Living in private rental (32%) or public housing (24%), and
- Experiencing severe levels of deprivation (86%).

The report provides clear evidence of the level of deprivation and disadvantage experienced by a significant population group within our communities due to poverty and limited economic and social resources:

- 52% had gone without meals, with 29% of respondents indicating they could not afford a decent meal at least once a day.
- 59% had cut down on the basic necessities, such as clothing and footwear, petrol and travel costs, milk and bread, etc.
- 59% had delayed payment on utility bills and 35% had delayed payment on rent or mortgage payments.
- 33% could not afford to heat at least one room of the house if it was cold.
- Over a quarter did not have a telephone (25%), a washing machine (27%) or furniture in reasonable condition (26%).
- 58% indicated they could not afford to fund an out-of-school leisure or hobby activity for their children.
- 36% could not afford to pay for their children's participation in school outings and activities.
- 42% did not have and could not afford to access training in computer skills.

These experiences have a dramatic impact on individual and family basic living standards and their capacity for inclusion within the Australian community.

“Income support payments often only cover the bare necessities. So when extra things come in such as car registration or a large utility bill, clients cannot pay them. With the rising costs of such things as groceries, utilities and fuel, our clients cannot keep up. Income support payments do not increase enough to cover the rising costs of living. So if you consider the cost of having to find work, such as accessing the internet, printing resumes, driving to places to drop of applications, or even to post them, buy appropriate clothing for an interview, keep a phone connected to be contacted on, it is very difficult to put all of this extra cost into the weekly budget.”

*Comment by Team Leader, Community Support Service, The Salvation Army Australia.*

A recent and more detailed analysis of the survey data demonstrated that those individuals on the lower paying allowance rates were more likely to experience higher levels of deprivation, be in less secure housing and have a lower standard of basic living. For example, those on Newstart and Youth allowances were more likely than other income support recipients to go without meals and delay payment of rental and utility bills.

Another significant concern to The Salvation Army is that the highest level of deprivation experienced was observed in sole parent families on lower income support payments. The number of single parent families on Newstart is set to increase if the proposed amendment currently before a Senate inquiry is passed<sup>8</sup>. Parents who shift from the single parent payment to the Newstart Allowance and have no current earnings will be the hardest hit. This cohort is the most disadvantaged in terms of education and employment prospects, economic sustainability and living situations. Reducing their income support will do nothing to alleviate their current circumstances, nor will it support transitions to employment. Single parents are already required to participate in job search activities. For those parents already engaged in employment (i.e. approximately one third of single parents are already employed – mostly part-time), the proposed amendment has no additional activity requirements. However, these parents would be required to manage their daily basic spending from a lower income base. The impact of the proposed amendment would be to cut costs rather than provide a positive mechanism to support transitions to work.

“I get by – just and with no room to move. I try to make sure [my daughter] gets what she needs – she doesn’t ask for much but I try to make sure she gets to do some of the stuff her school friends do, but I feel at times that to provide these things that I’m biting off more than I can chew. I am always juggling what gets paid and what can wait. It’s stressful, ’cause I am having to cut corners and re-arrange payments for bills.”

*Client, The Salvation Army Community Support Service*

In addition to the practical impacts of low income support payment, this client group also experiences disadvantages due to low self esteem, mental health issues, lack of foundational skills and employability skills, deterioration of existing skills and poor bridging and bonding relationships.

## **2.2 Appropriateness of the allowance payment system as a support into work.**

“The days when unemployment payments only need to tide people over during a few months of job search are long gone.” (ACOSS, 2012)<sup>9</sup>

The core client group of The Salvation Army are typically characterised as being in long term unemployment with low education attainment and multiple and complex issues and comorbidities. They represent the three out of five of the 660,000 people on Newstart and Youth allowance who have been out of paid work for a year or more<sup>10</sup>. The Salvation Army does not believe that the Newstart or Youth allowance provide any incentive or adequate support for

<sup>8</sup> Senate Committee Inquiry – Social Security Legislation Amendment (Fair Incentives to Work) Bill 2012

<sup>9</sup> ACOSS (2012) *Policy priorities for 2012: jobs and services*. Published in The Drum, 6 February 2012.

<sup>10</sup> ACOSS (2012) *Participation Factsheet – Help to get paid work? \$500 a year is not enough* sourced from <http://acoss.org.au/uploads/ACOSS%20Participation%20factsheet%20April%202012.pdf>



the transition to employment. Rather, the inadequacy of the rate of payments only adds to their level of disadvantage.

“We had a fellow who came to us for assistance to buy clothing to attend an interview as he only had jeans and track suit pants in his wardrobe. He could not afford to buy nice clothes for his interview, and had missed out on two previous jobs because his attire at the interview was not appropriate.”

Comment by Team Leader, Community Services, The Salvation Army (AUS)

Data from The Salvation Army ESI Survey clearly demonstrates that individuals and families on limited income support payments are struggling to meet even the basic essentials. One main concern is that the majority of long term unemployed individuals have low education attainment and lack core employability skills. For example, 42 per cent of the respondents did not have and could not afford to access training in computer skills. Accepting that computer literacy is a standard employability skill, these individuals are significantly disadvantaged.

Comments from income support recipients highlight the importance of essential items such as phones and transportation (including fuel and vehicles) to meet the compulsory activities. Additional costs associated with finding employment, such as postage, paper, internet subscription, printing of resumes and clothes for interview must also be factored in to their already restrictive budget. Individuals and families within this group are therefore required to make strategic, sometimes tough, decisions about their expenditure during times of unemployment. Given that non-compliance can result in reduction and/or cessation of payments, additional financial resources should be made available to all income support recipients to increase access to these essential items.

In addition, the employment services sector is underfunded to meet the long term and complex needs many income support recipients, particularly those in medium and long term unemployment. The very nature of longer periods of unemployment, coupled with severe levels of disadvantage and deprivation, means that their health and social connections are compromised, confidence and self esteem erodes and skills deteriorate. Indeed, for this cohort, training alone will not be sufficient to address their employment capabilities and their deteriorating individual capacities, and thus ineffective in reducing longer term unemployment.

Typically, such individuals require long term intensive case management, vocational and/or basic skills training (including basic literacy and numeracy skills) and paid work experience that provides skills and builds their individual capacities and capabilities. These aspects of support should be tied together through integrated service provision and partnerships between government departments, employment, health and social support services. A key to such integration is clear governance and effective communication between all stakeholders, including service providers and government departments.



## 2.3 Summary

In summary, The Salvation Army has two core concerns:

- The current payment rates of Newstart and Youth allowances are inadequate to cover the most basic costs of living in Australia. As such, these income support payments further entrench individuals and families into income poverty and social exclusion. These situations then create further barriers to employment, particularly for the most disadvantaged job seekers who are in medium to long term unemployment. It is our opinion that continuing low level of income support payments contribute to the exclusion of marginalised people from the workforce rather than supporting them into employment.
- The current employment services system is inadequately funded to support medium to long term unemployed and disadvantaged people to gain the confidence, skills and experience to return to the workforce. The model of employment services does not, in practice, facilitate support for the most disadvantage people to return to work and we believe that specialist employment services should be developed to improve pathways out of disadvantage.

As part of a national campaign ('\$35 a day is not enough'), The Salvation Army Australia joined with ACOSS and other not-for-profit services to express our significant concerns to the federal government of the current rate of allowance payments and the inadequacy of the current employment system to deal with medium and long term unemployment. As such, The Salvation Army supports the ACOSS call for:

- *Increase Allowance payments.*
- *Lock in supports for jobseekers in deeply disadvantaged areas.*

In areas of high and entrenched levels of unemployment, the Government should negotiate with the States and Territories to supplement funding and to encourage partnerships between employment, health, housing and community services to build pathways to employment for those with multiple social disadvantages.

The Salvation Army strongly suggests that any place-based intervention should be undertaken in direct consultation with the local communities, local providers of social support services, employees and employment services. The Salvation Army does not support the imposition of mandated and compulsory services, nor a focus on penalty systems to encourage change. Such systems have been criticised as discounting the values of human dignity, justice, hope and community.

- *Improve employment services for long term unemployed people.*

The Salvation Army supports system reform that provides a more responsive approach to the needs of individual job seekers and employers. This includes increasing the resources of Job Services Australia (JSA) providers to provide holistic training and work experience programs tailored to meet the needs of jobseekers in medium and long-term unemployment. Tailored programs should include a component of positive life and social skills, as well as vocational skills.

- *Expand wage subsidy schemes.*
- *Make VET work for the most disadvantaged jobseekers.*

### 3. RECOMMENDATIONS

The Salvation Army social programme and community support service networks have considerable operational and practice experience and knowledge of working with the most marginalised and disadvantaged people within the Australian community. We would welcome the opportunity to discuss the submission and the recommendations, and to work with the government to find the best solutions to improve the life of these individuals.

In light of the key issues and comments outlined in this submission, The Salvation Army makes the following recommendations:

**Recommendation:**

- 1 The Salvation Army strongly advocates for a minimum increase of \$50 per week in the rate of allowance payment for all unemployed individuals. This would significantly reduce the discrepancy between payment types and would reduce both financial hardship and the level of disadvantage for income support recipients.

**Recommendation**

- 2 The Salvation Army advocates for a government commitment to structural reform of the tax transfer system based on a single base rate payment, as advocated in the Henry Tax Review.
- 3 The Salvation Army advocates that a reformed system should be based on basic cost of living standards, indexed against average wage earnings.
- 4 The Salvation Army supports practical changes to the payment system that eases income thresholds that encourage recipients to seek employment without penalising support payments.

**Recommendation**

- 5 The Salvation Army advocates for the provision of personalized training and work experience programs for the most disadvantaged job seekers, particularly those in medium and long term unemployment. This would include an increase in funding and resources to the employment services system.
- 6 The Salvation Army strongly recommends the expansion of wage subsidy schemes that support 'real' work options that are paid and provide real employment experiences.

## 4. CASE STUDIES

### Case Study 1

36 year old man came into the Doorways Centre recently. He was on Newstart allowance and was travelling from Swan Hill to Bendigo (a two hour drive) to attend a job interview. His car broke down in Kerang (about half way between) and he did not have the money to fix it.

He caught the bus to Bendigo, but had nowhere to stay. He ended up in a local boarding facility at a rate of \$190 per week. There are no cooking facilities and nowhere to store food where others cannot access it.

Unfortunately, there was no one in Kerang who could fix his car and he had to get it towed to Bendigo. He approached The Salvation Army for assistance. His dilemma was that if he could not get his car fixed, he would not get the job because he had no way of getting to work each day – between town centres - due to the irregular bus timetables.

*Comment by Team Leader, Community Services, The Salvation Army*

### Case Study 2

'A' is a 34 year old man with a degree in engineering but is unemployed and has found it difficult to obtain regular and sustainable employment. 'A' acknowledges that he is a recovering alcoholic and has had drug use issues in the past. He receives the Newstart allowance and is currently living in NSW Housing accommodation

'A' has a job interview scheduled but does not have appropriate clothes and has approached The Salvation Army for assistance. He explains that he is unable to keep his clothes in reasonable condition because he has no where to hang or store them.

In addition, he explains that in preparing for this job interview he has spent more money than he had budgeted for and has no food. 'A' explains that he often lives without food and essential groceries to pay his debts.

The Salvation Army provides 'A' with a food and clothing voucher, and a voucher for purchase of a wardrobe. In the past year, The Salvation Army has also assisted 'A' on a regular basis with food vouchers and financial aid for fuel.

'A' provides his fortnightly budget breakdown:

**\$489 (gross) Newstart**  
-\$45 credit card debt repayments  
-\$20 Centrepay repayments  
-\$28 Centrelink overpayments  
-\$239 rent  
-\$80 groceries  
-\$20 electricity  
-\$20 telephone (arrears from old account)  
-\$20 mobile phone credit  
-\$ 15 fares for travel  
**= \$ 487 expenses fortnightly**

### Case Study 3

'W' is a young woman who was residing in a Salvation Army family violence refuge. Whilst in the refuge, 'W' commenced an application to sponsor her two nieces (16 and 17 years of age) to come to Australia on humanitarian grounds. Her nieces had both been orphaned as a result of war in their home country. At the time, the two girls were living at the back of a church: they were homeless and unsupported in a war environment.

While waiting for her nieces' application to be processed, the young woman moved from refuge accommodation to a one bedroom private rental property which costs \$449 a fortnight. The nieces arrived in Australia shortly after.

The young woman, as the primary carer for her two nieces, is now receiving Centrelink payments for herself and the nieces (similar to a single parent payment).

All three members of the family attend school, and they have purchased a computer on a payment plan and have internet connection to assist with their studies. The school is supportive, but they still need to pay for books (second hand) and other equipment, uniforms, shoes and other school expenses. The three young women tend to keep to themselves at school because they cannot afford to meet up friends and join in after school activities.

They have limited social contact apart from the Church group they are involved with. Neither the church nor their school is in easy walking distance to their rental accommodation and so they are reliant on public transport. Fares just to get to school costs \$51 a week, with an additional \$13 a week that allows them to attend their church group which has become their main support and friendship network.

The family have very little clothing, and what they do have they purchase from opportunity shops. All of the furniture in their home came from op-shops or from scrounging the hard rubbish collections.

The family's latest quarterly gas bill was \$55. Even though it is winter, they do not use the heating because they are worried they will not be able to budget for the bill. They have not had an electricity bill yet and tend to be very careful about any electrical use in the house – just in case!

The family constantly monitor their limited budget and often approach community support centres for food assistance. They have no luxuries in terms of extra money for special occasions or added extras. They manage to get by.

#### Case Study 4

'T' is a single mother of three (13, 11, 9 years old) who left her family home due family violence. After leaving the family home in the country where they had lived for many years, 'T' relocated herself and her children to Melbourne. The family found private rental accommodation in the outer Northern suburbs of Melbourne. 'T' has complex emotional and physical health issues, and the children are still recovering from the trauma they experienced as a result of the family violence.

Recently, 'T' was informed by Centrelink that she had to seek employment at a minimum of 24 hours a week. As per her activity requirements, 'T' had an appointment with a local employment service and spoke with a caseworker at that agency. 'T's' allocated caseworker was male, and 'T' requested a female worker who would better understand her background and issues. 'T' felt the worker did not understand the impact of family violence and did not listen to her. This further exacerbated her already fragile emotional health.

'T' has reported that she lives pay-day to pay-day, barely surviving financially or providing adequately for her children. She needs to pay medical bills, the educational costs for three children, as well as the cost of running a car. Unfortunately, her car is currently not operational and she has no idea how she would find the money to get it back on the road. This lack of transport is of considerable concern and stress to 'T'. She finds it difficult to get children to school and then get to the employment service appointments or to her training commitments without the car.

She is also extremely concerned about how she can afford to work 24 hours a week as she has no one to help get the kids to school or pick them up after school. With or without a car, she will be stretched at the end of the day if she cannot get work within the school times. Although she knows there are rebates for afterschool care she wonders how she could be able to afford care for her 9 year old. And there is no childcare available for the two older children.

#### Case Study 5

"B" was a married father of two living in Murrindindi shire. Both he and his wife worked fulltime. As a result of the Black Saturday fires in 2009 he lost his home, all of the family's belongings including cars, recreational vehicles and the family's pet dog. The family moved into a temporary village in the local area where they resided for eight months. During this time his behaviours towards his wife and children changed. His wife eventually left with the children and moved to Melbourne to be with her family.

As a result of his increasing level of distress and his marriage difficulties, "B" was unable to maintain his employment and eventually was sacked. Although diagnosed with PTSD, he was only eligible for Newstart allowance. Given his now limited income, he was unable to afford the rent on the family's unit and "B" moved back to his property into a caravan on loan from DHS and tried to start the re-building process.

Newstart allowance in "B's" particular case was the worst case scenario. Not only did it not provide enough for the basic living essentials like, food, petrol for the car and diesel to run the generator (his only source of power), he also had the additional requirement to continue to search for work in a region that was struggling to recover from the fire. Searching for work outside of Murrindindi was sometimes not possible due to limited funds to fuel his car.

There have been many times between the fire and now that "B" has come to us for a small amount of assistance. Sometimes he only needs food; sometimes he only needs \$50.00 to put fuel in the car so he can drive to the supermarket, 35km away. The inadequacy of the Newstart allowance forced him to ask for help because he was often faced with the decision to either put fuel in the car, and continue to look for work so he did not lose his allowance, or to buy food and diesel for a more decent standard living. Salvation Army staff would often visit 'B' to find out that he had been without power and a working fridge simply because he did not have the funds to buy diesel.