



19 November 2020

Ms Apolline Kohen
Acting Committee Secretary
Senate Standing Committee on Community Affairs
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Ms Kohen,

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

The Queensland Council of Social Service (QCOSS) thanks the Committee for their invitation to provide a submission in relation to the Bill.

QCOSS is Queensland's peak body for the social service sector. Our vision is to achieve equality, opportunity and wellbeing for every person, in every community.

QCOSS is supportive of the extension to the Coronavirus Supplement. However, we do not support the current approach of reducing and phasing out income support supplements. As a signatory to the Raise The Rate For Good campaign, QCOSS recommends:

- That the JobSeeker Payment and the Youth Allowance Payment (including the 'Coronavirus Supplement') be kept permanently in place so that it keeps people out of poverty, with an income of \$500 per week for a single person.
- The ongoing indexation of payments in line with wage movements at least twice per year.
- The establishment of a Social Security Commission to advise the Parliament on the ongoing adequacy of income support payments.

Prior to the COVID-19 pandemic, nearly one in every six Queenslanders lived below the poverty line, unable to cover basic living costs such as rent, fresh food or medicine.¹ Income support payments such as JobSeeker, Youth Allowance, Austudy, Abstudy and the Parenting Payment had not seen a real increase in 26 years, putting a basic standard of living out of reach for thousands of Queenslanders.²

The Coronavirus Supplement has played a critical role in supporting the Queensland community and our economy during the COVID-19 pandemic. Between December 2019 and June 2020, the number of people in Queensland receiving Newstart Allowance, Sickness

¹ ACOSS. (n.d.). *Rate of poverty by state/territory of residence*. Retrieved 17/11/2020 <http://povertyandinequality.acoss.org.au/poverty/rate-of-poverty-by-state-territory-of-residence-of-people/>.
² ACOSS. (2020). *Raise the Rate for Good – FAQ*. Retrieved 17/11/2020 <https://raisetherate.org.au/wp-content/uploads/2020/11/Raise-the-Rate-For-Good-FAQ-Sept-2020.pdf>.

Allowance, JobSeeker Payment and Youth Allowance (other) nearly doubled, increasing by 95 per cent.³ As of September 2020, 352,221 people in Queensland received income support payments boosted by the Coronavirus Supplement.⁴

QCOSS' research on living affordability in Queensland shows that the additional COVID-19 income support improved financial wellbeing of households below the poverty line, who are now able to afford a basic standard of living.⁵ This is supported by findings of a recent ACOSS national survey highlighting that people receiving increased income support were able to achieve better food security and accommodation.⁶

Recent QCOSS research exploring issues impacting the community sector indicated the additional income support during COVID-19 reduced the number of people seeking immediate crisis assistance and allowed community organisations to focus on the core support needs of their service users. This is because people were able to meet several basic needs on their own, such as paying rent, catching up on bills, and saving for household items like fridges and freezers.⁷

With the unemployment rate in Queensland expected to remain as high as 8% in June 2021,⁸ reducing the Coronavirus Supplement to \$150 a fortnight will push thousands of Queenslanders back into poverty.

QCOSS does not support the government's current approach of phasing out temporary income support payments. These payments are critical to provide support to thousands of Queenslanders. Moreover, QCOSS strongly supports permanent increases to income support payments to address the chronic and systemic poverty in the State.

Thank you again for the opportunity to provide our submission to the Committee.

Yours sincerely

Aimee McVeigh
Chief Executive Officer

³ Klapdor, M. (2020). *Impact of COVID-19 on JobSeeker Payment recipient numbers by electorate*. Retrieved 17/11/2020 https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/rp/rp2021/COVID-19JobSeekerRecipientNumbersElectorateUpdate.

⁴ Australian Government. (2020). *JobSeeker Payment and Youth Allowance recipients- monthly profile*. Retrieved 17/11/2020 <https://data.gov.au/data/dataset/jobseeker-payment-and-youth-allowance-recipients-monthly-profile>

⁵ QCOSS. (2020). *Living affordability in Queensland*. Retrieved 17/11/2020 https://www.qcoss.org.au/wp-content/uploads/2020/08/QCOSS_Living_Affordability_in-Queensland_2020.pdf.

⁶ ACOSS. (2020). *I Can Finally Eat Fresh Fruit and Vegetables*. Retrieved 18/11/2020 <https://www.acoss.org.au/wp-content/uploads/2020/06/200624-I-Can-Finally-Eat-Fresh-Fruit-And-Vegetables-Results-Of-The-Coronaviru...pdf>

⁷ *ibid.*

⁸ Queensland Treasury.(2020).*COVID-19 Fiscal and Economic Review*. Retrieved 17/11/2020 <https://s3.treasury.qld.gov.au/files/COVID-19-Fiscal-and-Economic-Review.pdf>. Retrieved on 17 November 2020.