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SENATE
COMMUNITY AFFAIRS REFERENCES COMMITTEE
Monday, 28 July 2003

Members: Senator Hutchins (Chair), Senator Knowles (Deputy Chair), Senators Humphries, Lees, McLucas and Moore

Substitute members: Senator Murray for Senator Lees

Participating members: Senators Abetz, Bishop, Carr, Chapman, Coonan, Crossin, Denman, Eggleston, Chris Evans, Faulkner, Ferguson, Ferris, Forshaw, Harradine, Harris, Lightfoot, Ludwig, Mason, McGauran, Murphy, Nettle, Payne, Tierney, Watson and Webber

Senators in attendance: Senators Denman, Greig, Hutchins, Knowles, Lees and Moore

Terms of reference for the inquiry:
To inquire into and report on:
1. a) the extent, nature and financial cost of
   i) poverty and inequality in Australia
   ii) poverty amongst working Australians
   iii) child poverty in Australia; and
   iv) poverty in Australian communities and regions;
   b) the social and economic impact of changes in the distribution of work, the level of remuneration from work and the impact of underemployment and unemployment;
   c) the effectiveness of income-support payments in protecting individuals and households from poverty; and
   d) the effectiveness of other programs and supports in reducing cost pressures on individual and household budgets, and building their capacity to be financially self-sufficient
2. That in undertaking its inquiry, the committee also examine:
   a) the impact of changing industrial conditions on the availability, quality and reward for work; and
   b) current efforts and new ideas, in both Australia and other countries, to identify and address poverty amongst working and non-working individuals and households.
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Committee met at 9.01 a.m.

JOHNSTON, Ms Helen, Director, Combat Poverty Agency, Ireland

CHAIR—I declare open this public hearing and welcome everybody who is present today. The Community Affairs References Committee is continuing its inquiry into poverty and financial hardship. I welcome Ms Johnston from the Combat Poverty Agency, Ireland. I now invite you to make a presentation, which can take the form of a statement summarising your views or highlighting any issues you would like to emphasise to the committee.

Ms Johnston—Thank you very much for the opportunity to come here and talk to you this morning about what is happening in Ireland. I understand that I have an hour.

CHAIR—We have until 10 o’clock. We would like an opportunity to ask you some questions, of course.

Ms Johnston—I propose to give a presentation of up to half an hour and then allow half an hour for questions and answers.

CHAIR—that is fine.

Ms Johnston—I just wanted to get agreement on that before I started. I am going to give a PowerPoint presentation as well. The Combat Poverty Agency in Ireland is a state agency set up under law in 1986. Our role is to advise the government on poverty issues in Ireland.

We have been given four functions under the act: (1) to provide policy advice to the government on issues pertaining to poverty; (2) to undertake research to inform that policy advice; (3) to undertake project innovation—in other words, to pilot things in the field or to evaluate initiatives that are ongoing and to support the community and voluntary sector, to evaluate those initiatives and to use that information to inform policy; (4) to provide public education and information—that is, providing information to the public and working through the schools to produce materials as well. That is where I am coming from.

A PowerPoint presentation was then given—

Ms Johnston—I am going to start by giving a short economic and social background to the situation in Ireland so that you can understand the context in which we have developed a National Anti-Poverty Strategy. I then want to look at poverty levels and trends: what has been happening over the last number of years with poverty in Ireland. I will then talk about how we have developed the National Anti-Poverty Strategy there and some of the key elements of it; then look at the European context, which is now very important because Ireland is a part of Europe and there is a wider initiative going on at the European level; and then look at some successful interventions that I think have contributed to the success of poverty reduction in Ireland, and at some of the lessons, because we do not have the perfect solution either. We have a plan in place, which has strengths and weaknesses, and I want to look at some of those strengths and weaknesses. If people want me to move on more quickly or to delay and explain things, I am happy to do that.
First of all, I will give you a bit of economic context and background. Ireland is a small, mainly export based, economy; you are probably familiar enough with that. We experienced a period of substantial economic growth—called the Celtic Tiger—during the late 1990s. The annual growth rate in the year 2000 of GDP reached 11½ per cent, which I think is extraordinarily high, and was the highest in the world in that year. That was the peak; it has reduced somewhat since then. There has been a phenomenal level of economic growth and it has obviously allowed us to do things that we might not otherwise have been able to do.

Why were we able to develop our economy to build that level of economic growth? There are four main reasons given for that in the literature. Firstly, we have a highly educated and well-skilled work force. For years we have been training people and they have been emigrating from Ireland, but we are now able to retain those skills in Ireland. There are a lot of very well educated young people. Secondly, we have been able to attract foreign investment, particularly in the high-tech, high-skilled sector, and multinationals through tax incentives and so on. That investment has been coming in and we have the labour force there to draw on that.

Also related to that, since the late 1980s we have had social partnership in place, which is an agreement involving government, businesses, the trade unions and farmers and, more recently, the community and voluntary sector. They have sat down and agreed on what needs to happen to make the economy more competitive and to promote employment and build social inclusion. That is a partnership with all those parties involved. Finally, because we are a member of the European Union and we were a relatively poor member country in European terms, we have been able to attract European funding. That has helped us to build the social and economic infrastructure required to promote our economy. That is just a bit of the background.

As to the outcomes, we have been able to increase our employment, particularly female employment, by 4.7 per cent per year since 1993. We had a very low level of female employment and that is increasing now to the European average. That has led to substantial falls in unemployment, from 15.9 per cent in 1993 right down to 4.3 per cent in the year 2000. It has increased recently again. It is up to five per cent at the moment, but is still relatively low in world terms. Significantly, we have been able to reduce long-term unemployment, which is a key driver of poverty, to 1.6 per cent. That has made a big difference.

Since the year 2000 we have experienced an economic slowdown, so we have peaked in terms of our economic growth. The slowdown mainly has been the result of the global recession—being a small, open economy, that has impacted on us—September 11, and some domestic factors. We are losing a little competitiveness, but we are trying to put in place initiatives to address that. Our inflation rate, which was very low—around two to three per cent—has now increased to five per cent, which is a concern, but we are currently trying to address that. It is starting a downward trend again.

I will very briefly look at the social context to give you a backdrop to the kinds of social systems we have in place and some of the issues we are trying to address. We have three main payment types of income support: social insurance, which is where people who are in work pay contributions and then, if they are out of work they are able to draw on that social insurance payment; social assistance, which is for people who do not have or have not made contributions, and that is a means-tested payment; and, finally, a universal payment, which is child benefit. All the children in the country get the child benefit payment.
In relation to education, traditionally we have had high attainment levels. We have a very competitive education system, but, as a result, we also have high drop-out rates and early school leaving. There are the two extremes. We are trying to address the high drop-out level. On the health front, we have a health system delivered throughout the country through health boards. Thirty per cent of the population are entitled to free medical care, which is means tested, and they are provided with medical cards. Forty-seven per cent, or nearly half of the population, have private health insurance which they take out themselves. Essentially, we are operating a two-tier system and there are reforms in place to try and address some of those issues at the moment.

As to housing and accommodation, we have traditionally had very high levels of home ownership—up to 82 per cent—which means that our social housing has been a residual kind of housing provided by the local authorities and by the private rental sector, but because of our growing economy and our growing population there has been an increased demand for housing, which has put up the price. This means that people who would have been able to afford to buy a house no longer can, resulting in an increasing pressure on our social housing area.

I now turn to poverty trends. In Ireland we have two measures of poverty. The first one is consistent poverty. I do not want to spend too long getting technical, but I want to outline the two measures. Consistent poverty is when a person has less than 70 per cent of median income and does not have basic items such as a hot meal in the day, a warm coat and two pairs of shoes, cannot afford to heat their house and cannot pay their everyday bills without going into debt. The key components are about income and not being able to have the necessities that other people might expect you to have in today’s society. Those are called the deprivation indicators—income and deprivation.

Let us look at the trends from 1994 to 2001. This is where we started tracking this information because it was the first time we had longitudinal information, bearing in mind that the National Anti-Poverty Strategy came into being in 1997, and I will talk a bit more about that in a moment. In 1994, right across the population—all in the blue bars—consistent poverty was 14.5 per cent and, up to the year 2001, it dropped to 5.2 per cent, so we have seen a substantial decline in consistent poverty.

I want now to highlight children. Child poverty, and addressing child poverty, is a particularly important issue for the future. We have traditionally had very high levels of child poverty in Ireland—from European comparisons. In 1994 the level of child poverty was 24 per cent and that had substantially fallen by 2001 to six per cent. It is still too high in our view, but we have made substantial inroads in addressing child poverty.

The second measure is income poverty. You are probably more familiar with this measure. Income poverty is when a person has an income less than 60 per cent of median income; so income alone is the measure used. Again, it is in the same time period from 1994 to 2001. This has been showing an increase, so the trend is going the other way and I will explain that in a moment. From just above 15 per cent in 1994 it went up to 22 per cent in 2001. It has shown a slight decline for children, but by and large it is staying the same from 24 per cent to 23 per cent over the same time period.

This is a reflection really of what is happening in the economy. During the economic growth of the late 1990s incomes increased right across the population at a very fast rate. Incomes at the
bottom increased substantially, which led to a fall in the levels of deprivation and consistent poverty measures. People were able to purchase things they may not have been able to get before—a pair of shoes, a hot meal in the day and so on—but the incomes further up the population, where people were getting very well paid jobs and so on, increased at a faster rate. The overall income distribution moved up and widened, which meant that the median—the middle—moved up and more people fell below that median. Everybody moved up, but the people at the bottom did not move up as far. As a result we have seen increasing income inequality in Ireland. That is evident in a lot of countries with economic growth and is something we will have to address in the future as our economy slows down; that is, that the gap does not stay wide and we do something to address it.

I will very quickly look at some of the key poverty risk groups. This is probably very familiar to you and you may have heard this from many others so I will not dwell on it. In Ireland the key poverty risk groups are: households where someone is unemployed; where there is someone working in the home—this is mainly women; where there are adults living alone—again mainly women but older women; where someone in the household, particularly the head of household, is ill or disabled; where there are four or more children and, in Ireland, we have seen a decline in large families which means that the level of poverty has been declining, but is still a high risk for those children; and where families are headed by lone parents. Also we have a travelling community in Ireland, which is less than one per cent of the population, but they are very deprived—probably akin to your Aboriginal community here, although it is smaller—and they are of Roma/Gipsy derivation. We have been a very monocultural society, but with the economic boom more people are coming to Ireland so we have an increasing ethnic population and some of them are at high risk of poverty.

I will go on now to look at the National Anti-Poverty Strategy and give you some background. It was conceived at the world summit in 1995, held in Copenhagen in Denmark. All the world leaders were there and there was a commitment given to try to eradicate absolute poverty in the developing world and to substantially reduce relative poverty in the developed world. Our minister, who attended, took his commitment seriously. He came back and started to put in place a National Anti-Poverty Strategy. He set up an interdepartmental policy committee—it was about not only the departments of social, community and family affairs or welfare but also education, employment, health and so on right across the board—and also undertook analysis and consultation in terms of coming up with the strategy. The strategy was launched in 1997, so it took two years to prepare. Some of the features of the strategy were that it contained an agreed definition of poverty. I will go through some of this in a bit more detail in a moment. It contained an analysis of what the key causes or drivers of poverty were and those most at risk. I have just highlighted those at risk and some of the causes were around unemployment, low education and so on.

The strategy set a global target for poverty reduction—Ireland was the first country to do that—which was to halve consistent poverty over a 10-year time period. It looked at certain themes in detail as the drivers of poverty: education, employment, income and disadvantage in concentrations of poverty in urban and rural areas and set targets and policies for those issues. It also set out structures for implementation and how it was going to happen. It was underpinned by equality and participation principles; in other words, there were certain rights and entitlements that people would be able to avail themselves of. It was also set within a 10-year time frame, so things were going to happen between 1997 and 2007.
I will spend a moment looking at the poverty definition that was agreed by the government. It was quite unusual for the government to agree on a definition of poverty. The poverty definition is:

People are living in poverty, if their income and resources (material, cultural and social) are so inadequate as to preclude them from having a standard of living which is regarded as acceptable by Irish society generally. As a result of inadequate income and resources people may be excluded and marginalised from participating in activities which are considered the norm for other people in society.

There are three key points I want to make in relation to this definition: firstly, it is a relative definition—that is, it is relevant to the current society in question as it relates to developed economies; secondly, there are two elements contained in the definition (1) the underlying fundamental is that it is about lack of income and resources; and (2) that it is about participation and inclusion and, as a result of that, you should be able to participate in the society in the same way as everyone else in society; and, thirdly, it is about facilitating and providing people with that opportunity.

One of the key things, as a result of putting the strategy in place, was that we introduced the system of poverty proofing of government policy. Poverty proofing—this is another definition; that is two in a row, which is a bit heavy—is defined as:

The process by which Government Departments, local authorities and State agencies assess policies and programmes at design and review stages in relation to the likely impact that they will have or have had on poverty and on inequalities which are likely to lead to poverty, with a view to poverty reduction.

This was introduced into the civil service initially as a pilot. It was undertaken by civil servants and the guidelines were developed and used. The idea was that anything being done in a government department would have some impact assessment, in relation to its impact on poverty. That was fed up to the cabinet table. All cabinet decisions would have some statement about its impact on poverty, in the same way as it has a statement about its impact on gender and so on. There are a number of these proofings in place and there has been much interest in this now at a European level. It has been reviewed and there have been a couple of reports done on its effectiveness and its strengths and weaknesses. I am happy to talk about that later if you wish.

I want to look quickly at the broader policy context because the National Anti-Poverty Strategy was not developed in a vacuum. Two areas are relevant: we have had a National Development Plan running from 2000 to 2006. This originated because we have drawn down a lot of European funding to build our infrastructure. We had to put in place a National Development Plan to set out what our development objectives are over that period. Promoting social inclusion is a key objective of the four key objectives in the plan. While the National Anti-Poverty Strategy did not attract additional funding per se—it just drew down funding in the normal budgetary way for social inclusion initiatives through different government departments—it has provided substantial additional financial resources to promote social inclusion through the National Development Plan.

The second area, a key policy context, is the social partnership agreement. I mentioned social partnerships earlier. They are agreements between business and unions, government, farmers and the community and voluntary sector. It initially started around promoting competitiveness and
building the economy. The last three agreements have had a substantive social inclusion element within them so the National Anti-Poverty Strategy commitment has now been integrated into the social partnership agreements. The last agreement contained a commitment to review the National Anti-Poverty Strategy.

I now want to look at the revised National Anti-Poverty Strategy. We had an initial strategy in 1997. We then looked at reviewing it, to bring it up to date, to make it more comprehensive, and a new strategy was launched in 2002, five years later. This new strategy, Building an Inclusive Society, runs from 2002 to 2007. I have a copy of it here. It is a slim document but it contains an awful lot of commitments and information.

One of the key elements of this strategy is that the definition of poverty is retained, so that is seen as fundamentally important to underlie it. The global target, which was to halve consistent poverty, is now to eliminate it, given the progress that has been made in working towards this target. Essentially, the target is to reduce it to below two per cent or, if possible, eliminate it. We are currently at five per cent, reduced from 15 per cent.

The strategy contains 36 targets in total. It is fairly comprehensive. I am not going to go through them all, you will be glad to hear, but I will just say that they cover the themes of income, employment and education, as in the original strategy, but have now added targets in the areas of health and housing and accommodation. Also, now it is concerned with particular groups at risk of poverty and sets targets for improvement of their situation and reduction of their poverty. The groups mentioned are women, particularly lone parents and older women; children and young people; older people in general; members of the travelling community; people with disabilities; ethnic minorities; and people who live in disadvantaged urban areas or are subject to real poverty. It also puts in place a stronger institutional framework—and I want to explain that to you—and is now supported by data and research strategy so that we can be informed about what is actually happening and the changes that are taking place.

Looking at the institutional framework, at the political level there is in place a Cabinet Subcommittee on Social Inclusion, so the government has a subcommittee on social inclusion. That is chaired by the Prime Minister, and the Minister for Finance sits on that, as well as the ministers for social welfare, education, employment, health, and so on. A national Office for Social Inclusion has been established, situated in the Department of Social and Family Affairs, and that is overseen by a board of assistant secretaries across government departments. Social inclusion units have been established in the main government departments responsible for delivering strategy—that is, in the education department, the health department and the housing department—and in some local authorities as well, to try and deliver the strategy at local level.

A Social Inclusion Consultative Group has been set up which meets twice a year. It comprises senior civil servants across government departments, business, trade unions, farmers, community and voluntary sector organisations, and anti-poverty experts. And then we have a Social Inclusion Forum that meets once a year, and that invites in wider interests—NGOs, local authorities and so on—to give feedback and their view of the implementation of the strategy.

I move on—and I will not dwell on this too much—to look at the European policy context, which has become increasingly important. In Lisbon, the European Council meets once every six months. In the March 2000 meeting there was a commitment to make a decisive impact on
poverty and social inclusion by 2010. It set a 10-year time frame. Importantly, it saw three key features of making this decisive impact on poverty: firstly, continuing to sustain economic growth, which it saw as critically important; secondly, through doing that, creating more jobs and also better, high-value jobs; and, thirdly—and this was seen as very important—investment in social inclusion, to bring people with us and to create a better and fairer society. There were three legs to that: better economic growth, more and better jobs, and greater social inclusion.

I want to quickly look at the backdrop and statistics. Fifteen per cent of the population in Europe are living in poverty. Sweden has the lowest rate of nine per cent. Portugal and Greece have 21 per cent, with Ireland near the upper end still. Those statistics I think were for 1999, so we have had some improvement since then. Nine per cent of the population are living in persistent poverty—for more than three years—which is more hardcore poverty. In Denmark, Finland and the Netherlands, five per cent of the population have been in poverty for more than three years. Portugal is at the top with 14 per cent and Ireland is near the top with 12 per cent. The European analysis indicates that there are structural inequalities that are responsible for creating high rates of poverty, particularly unemployment and low educational levels, and the need to address those. It also recognises the importance of social transfers and social welfare in terms of reducing income inequalities in the population.

My time is quite limited so I do not want to spend too much time on this. In Europe they have encouraged, through this open method of coordination, each of the member states to put in place national action plans on poverty. They have four common agreed objectives. Firstly, facilitating participation in employment and providing access to resources, rights, goods and services; secondly, preventing the risks of exclusion through tackling educational disadvantage, indebtedness and the digital divide; thirdly, helping the most vulnerable—the groups I have already identified; and, fourthly, and most importantly, mobilising all the relevant bodies right across society. It is not just a government responsibility.

They have set out the structure that the national plans have to be prepared in and we have just been preparing our last one. The plans started from 2001 to 2003, were to take a two-year time frame and were to be reviewed at the end of every two years so that they could continually be improved. The European Union then did a joint report on social inclusion in the year 2002, assessing all the member states’ plans and pulling out the key learning from that. They have 18 agreed social indicators and each country now has to collect information to monitor progress across the 18 indicators. They relate to income, education, health, employment, and they are preparing one for housing at the moment. The next round of plans for 2003 to 2005 is currently being prepared. We are being asked for a focus on a targets agenda for migrants, and our plan is being considered by the government at the moment for submission next week to Europe.

Just before I finish, I want to identify some, in my view, successful initiatives which have contributed to the reduction in consistent poverty in Ireland since we have introduced the National Anti-Poverty Strategy. A significant one has been a commitment to increase the level of child benefit payment by more than 150 per cent over three years. We are working from quite a low base, but it has been substantially increased over the last two years. The commitment was to be met last year. Because of the economic downturn, that full commitment was not met. It is now to be met by 2005; nevertheless, there is a commitment to increased child benefit. In my view, both the reduction in unemployment and the increase in child income support have led to the substantial reduction in child poverty in Ireland.
We have also been able to increase social welfare rates above inflation—not at quite the same rate as the growth in incomes in the population generally, which is why there is an increasing income poverty, but above inflation, which is why there has been a substantial reduction in consistent poverty. We had a group looking at benchmarking and indexation and so on and we are trying to set social welfare rates at 25 to 30 per cent of the average industrial wage, so there are a lot of analyses and calculations around what those rates should be. We have introduced a minimum wage and, again, that has assisted in trying to move people on low wages out of poverty. We have reduced early school leaving from 31 per cent to 15 per cent. That was a particular issue that we were trying to address. We still have a long way to go in tackling educational disadvantage, but we have a lot of targeted initiatives in disadvantaged schools.

We have put in place some very good family support initiatives, working very much at the local level and trying to work at a very early stage with families with children who are disadvantaged. We have been evaluating some of that work and it has shown very positive results, but it is still in its early stages. We have introduced substantial equality initiatives. We now have employment equality legislation, with equal status legislation, which relates to access to services and goods across nine grounds—and I can talk about those. They are gender, age, disability et cetera. We have also set up an equality authority to take that legislation forward.

Some other initiatives we have put in place are: a local employment service to work with people who are unemployed at a local level to see how best they can be trained to enter into the work force on a one-to-one basis before they are out of the work force for more than six months; investment in progressive training arrangements to bring people from the live register into training and a more structured environment, right through to more work-oriented training; and transitional arrangements to enable people to make the jump, which sometimes is a jump, from unemployment into employment. For example, people can retain their medical cards for up to three years after they leave welfare and move into employment, which gives them time to get into the work force and a more stable job. Quite often people move into temporary work and so on and if they lose all their benefits they are reluctant to make that move if they have sick children or whatever. Again, they can retain their child payments for up to 13 weeks after the move in before they are assessed for in-work benefits. If they are on low pay they get an additional welfare payment to boost their income.

We have increased tax thresholds at the lower end. People went into the tax net at a very early stage, so we are trying to raise the threshold to the level of the minimum wage so that everybody on the minimum wage would not be paying tax. It would start only at a higher level. We have not quite achieved that but are working towards it. We are working hard to improve child-care provision and access. In the disadvantaged areas we have a lot of initiatives which try to bring together the services at a local level. I can come back and talk about some more of these if you are interested.

We have learned some lessons from the work we have done. Firstly, we feel it is very important to identify a positive relationship between economic development, employment and social inclusion. It should not be an either/or. We have to have either economic growth, and things might trickle down, or strong social structures, which stymie our economy. We are saying that it is possible, and the evidence suggests this, to have both.
Also, political acceptance and commitment are really important. The strategy was originally introduced by a centre-left government of a centre party with the Labor coalition. Two months after this strategy was introduced the government fell. The new government was a centre government with a centre-right coalition partner. They retained the strategy because they felt it was important, nationally, to have such a strategy in place; in fact, they have now substantially developed the strategy and put in place a lot of the policies that have brought about the reduction in poverty in Ireland. So it has a third change of government and political ideology. That is particularly important.

It is important that the strategy has a vision about the kind of society we want and where we want to go. It has set out the importance of having not only a strong economy but also a fair society where we look after everyone. That requires an agreement on the key issues to be addressed, some analysis of what the issues are and the policies that are required.

Another lesson has been the importance not only of mainstreaming social inclusion—we have a lot of target initiatives and pilots—but also right across government of tackling social inclusion. That is the idea behind poverty proofing. We are doing other work at European level to see how that can happen: committing certain proportions to certain departmental budgets, for example, for social inclusion initiatives. So it is about not just income support but employment policies, education policies and health policies having a social inclusion dimension.

It is also important to have a local dimension. In Ireland we have been criticised for being too centre driven and not rolling it out to local level. We are doing some work in that area at the moment. Very briefly, we are struggling a little with the idea of whether it is better to have universal policies or targeted approaches. Certainly, a lot of the Northern European countries would have strong universalist approaches where policies apply to everyone and have a very good basic social service infrastructure. That would seem to indicate that there are lower levels of poverty in those countries but it requires higher tax rates to fund them.

The challenge is to find a balance from where Ireland is at the moment and to gradually introduce some universal policies, like child benefit, which are clearly having a difference, along with targeted approaches which you can afford. I will not dwell on the importance of participation and partnership as I have talked about their importance already. As to the importance of monitoring progress, Europe is helping with the indicators. The European dimension is important.

In conclusion, from my perspective in Ireland, the value of a national anti-poverty plan is that it provides an agreed focus to tackling poverty that people can buy into. Thank you very much.

CHAIR—Thank you very much, Ms Johnston. When you talk about poverty proofing, I get the impression that government departments have an object or maybe a target. I do not know what might be the appropriate term. Obviously they need to take into account objectives set by NAPS. Could you run through a practical example of what that means in any area, whether it is the Department of Housing or the Council of Kilkenny, and tell us what it means?

Ms Johnston—Yes, I can.

CHAIR—What do public servants have to do to keep this in mind?
Ms Johnston—There are two things. One is practical arrangements. There are a set of guidelines and there are a set of questions so when you are devising a policy you follow the guidelines. I do not remember exactly the wording off the top of my head but it is something like, ‘What impact, if any, will this policy have on poverty?’ You then have to use the analysis and so on with providing information to people. Will it increase poverty, reduce poverty or have no effect on poverty?

A lot of policies would have no effect because they are an environmental issue or something like that. If it reduces poverty, that is fine. If it increases poverty or has nil effect, what actions could be put in place to ensure that it does not have a negative impact on poverty and, in fact, has a positive impact on poverty? Then it goes through and asks specific questions. What impact, if any, will it have on people who are unemployed, on lone parents?

Sometimes it will not have an impact but sometimes it will. If I can give you a practical example which is a better way, rather than going through all the questions that are asked. For example, if you are introducing an employment promotion policy to try to promote employment in a certain area—and we have done a lot of this through the national development plan—if we have an employment promotion in Kilkenny, as you were saying, we can say, ‘What proportion of the people who are going to be invited on to this employment training program, where there is a clear route into employment because it is being sponsored by a company who has just located in the area, are long-term unemployed as opposed to short-term unemployed?’ Therefore you target 20 or 30 per cent of the participants on that program from long-term unemployed people. That means you are targeting the most disadvantaged and the most at risk of poverty. That is the kind of thing that we mean.

We have also done a lot of work in our docklands, for example, in Dublin. There we have requested that some of the provision is for social housing as well as for private apartments, for example, because a lot of that area, traditionally, was a working-class area but then the industry has collapsed and so on and now there is a lot of new financial investment. Through the social partnership working, there was a commitment agreed that a certain proportion of the housing and jobs coming through that initiative would be allocated to people from the area, from the lower socioeconomic groups. It is that kind of thing.

There is a lot of room for improvement in the whole operation of the poverty proofing. We have had two reviews of it done, with suggestions as to how it might be improved. A lot of that is about increasing awareness and improving the analysis as well. Civil servants are in a better position to know what impact our policies might have and to do some impact assessment subsequently.

Senator KNOWLES—Thank you for an excellent presentation. It has been very enlightening. How was agreement reached in the first instance as to the plan? Who were the participants, who was the coordinator? I look at what you have in place and obviously what it is achieving. I transpose that into this country and think, ‘Oh dear.’ We have a unique problem with federal, state and local governments as well as industry, trade union movements and community organisations. I would be interested to know how the plan evolved.

Ms Johnston—The Minister for Social Welfare, as he then was, came back from Copenhagen and said, ‘Who’s going to put in place a National Anti-Poverty Strategy?’ He convened an
interdepartmental policy committee that was jointly chaired by a senior civil servant in the Department of the Prime Minister and a senior civil servant in the Department of Social and Family Affairs. It had representation from all the government departments, I think, apart from Defence. You might argue that they should have been there but in Ireland defence is a very small proportion of the budget. It is not the case in other countries, obviously. Also, the Combat Poverty Agency, as the government agency to advise on poverty, was given a particular task of putting together an overview analysis of what the situation was. We put together the kind of analysis I have just discussed here this morning.

The government itself commissioned a piece of research to look at the kind of structures that might be required. It looked at what kind of structures other countries had to deliver poverty strategies. The community and voluntary sector also commissioned their own and the two were not too far apart in the end, apart from some of the finetuning. Then there was a national advertisement—something like what you are doing at the moment with the Senate inquiry—seeking submissions on what should be in a National Anti-Poverty Plan. When all that material was collected together a consultation process took place around the country saying, ‘This is the analysis; these are the issues. Do you agree or disagree with what you are doing at the moment?’

All the ideas came back as to how it might pan out. Special committees were set up to look at some of the issues—such as education, employment and income—in more depth and to come up with some kind of target. All that information was fed back to the interdepartmental policy committee. I was there, so I can say first-hand there was a lot of discussion about whether we should have targets or not. People said yes, that we should. There was a focus on what the targets should be. Just after the mid-1990s, there was some economic growth but we did not realise it was going to be as great as it was.

Targets were set fairly cautiously, rather than very ambitiously; nevertheless, the important thing was that targets were set. There was a lot of discussion about what the definition of poverty should be and how far we could go on that. That was teased out, thrashed out, and wording was changed. Eventually a form of words were provided that everybody could live with. That was put together then and put up to government cabinet. They came back, asked questions and so on and signed it. There was a lot of discussion and negotiation but I think people were well disposed towards it. There is a long history in Ireland of a poverty problem, so I think people felt that to really focus in on how we were going to tackle it was welcome right across the board.

**Senator KNOWLES**—How long did that process take?

**Ms Johnston**—Two years.

**Senator KNOWLES**—Was industry and trade union involvement and commitment to those targets an integral part of the signing off on it to make it achievable? Were there employers and employees prepared to say, ‘This is what we need to do to try and increase the economy’? As you said at one stage, sustained economic growth is the key policy to reduce poverty. Where was that commitment involved in all of that process?

**Ms Johnston**—You have to understand that in Ireland we have had this social partnership in place since late 1987, so it is a slightly different situation than you might find yourselves in here. Employers and trade unions have been sitting around the table since the late 1980s because
Ireland had very high debt, very high unemployment and was lagging behind the rest of Europe. It was initially said, ‘We really have to get our act together. If we are going to attract European money, we have to demonstrate that we can manage this and make a difference with it.’

The employers and the trade unions were very well disposed to trying to work together, putting their differences aside for the common good through that social partnership process. When it came to the National Anti-Poverty Strategy it was another initiative that was part of that wider social partnership agreement. So they were able to buy into that because they were saying, ‘Okay, the economy has started to grow. It is important that we recognise that and we try to bring everybody with us, including the employers.’ As the economy started to grow, they wanted to be able to get people off the live register if they could, because there was a labour shortage in Ireland.

The employers bought into it very much from that point of view, with in-work training and supporting some of the initiatives to get people into employment, particularly in getting women to return to work. A lot of women moved out of the work force when they married and had children. There was a huge untapped resource there that could have been attracted back into the work force with better child-care provision and so on, or just attracting older women back into the work force. Different people have different motivations. From the unions’ point of view it meant that their people had work and they were now moving into higher well-paid employment.

Wages were kept at reasonable levels. There were not any strikes or anything like that. The trade-off was to get tax levels reduced and the government brought in tax reductions at the lower end and some at the higher end as well. That was their trade-off—rather than increasing wages per se, it was about bringing in tax reductions to improve take-home pay. It was a wider context, but that was how they came to the table to buy into that because they had been used to working together and there were certain trade-offs there.

Senator KNOWLES—I have a million questions but I know my colleagues probably do too. If I may, Mr Chairman, just ask one more question for clarification. You talked about consistent poverty coming down but income poverty going up. Would you care to explain how that has happened? One came down quite considerably but the other has gone up massively.

Ms Johnston—that was because the consistent poverty measure takes into account these deprivation indicators. There are eight indicators. I will not go through them all but there are two relating to food: being able to have a meal in the day or a roast once a week. There are three relating to clothing: being able to buy an overcoat, being able to have two pairs of shoes and being able to buy new, rather than having to rely on second-hand, clothes. Also, being able to heat your house to where it is comfortable to live in it and being able to pay your household expenses without going into debt on a regularly basis—that is, your electricity, gas and so on.

We have been measuring that since 1994. If you are below 70 per cent of the median income and do not have one of those eight items, you are termed as being in consistent poverty. Because the economy and social welfare incomes have improved over that period since 1994, there are fewer people in Ireland—thankfully—who cannot afford to have a meal in the day or cannot afford to buy a coat or have a pair of shoes. That is why the consistent poverty measure has gone down. We all welcome that.
There is debate on the deprivation indicators—being able to buy your children a birthday present, for example, or being able to afford a newspaper—that is, that they are very basic for today’s society and that we should be looking at broadening them. We are doing some work on that and looking at some of those things now. There is also debate worldwide on how you measure income poverty. It relates to incomes right across society. The poverty line is drawn at some proportion of the total income. If you take the middle point in income distribution in 1994, it is at this level, but because the economy, incomes and the population grew, particularly among those who were on middle to higher incomes—particularly in the IT sector, for example, where there are very high incomes—the middle point moved up and there are more people below that level of income. That is why income poverty has grown.

Some people say that having a wide income distribution does not matter as long as people at the bottom end are better off. Other people would argue that it might be okay in the short term, but in the longer term as growth slows and your poverty line comes down, and if the people at the bottom are still further away from the middle, they will become alienated, dissociated and experience higher levels of poverty. That is why it is important to have your bottom end keeping up with the middle.

There is an answer to that: that is why income poverty has gone up and why it is still important we try to address the levels of income poverty in our society. In the longer run we could be back at the same situation again unless we have economic and employment growth and stronger social supports. The analyses seem to suggest that it is about increasing income support, but it is about a lot more than that. It is about having a good education system and a good health service in place. People can then avail themselves of these services—everybody across the board—not just people on low incomes. That gives them a springboard to make a positive contribution to society rather than draining resources through the social welfare system.

Senator MOORE—As with Senator Knowles, there is so much you could talk about, but I am particularly interested in the realm of debate in that you were able to pull something together within two years. One of the things this committee has found is that there are very deep-seated views about this issue and almost a contest as to whether ‘my views are better than your views,’ or ‘my poor are poorer than your poor.’ What I am trying to figure out is how, as a community, you have been able to establish a situation where there seems to be at least agreement around core issues. There seems to be an administrative structure, which you have run through, where people do meet and talk. But it is that key point of where the battle over political or value judgments were able to be taken over by saying, ‘Let’s work together on the issue.’ You said in your presentation there was no magic answer. Was there anything that helped in making that determinant: ‘We have a definition and we are going to do it; we are going to now achieve something.’ Was there anything in particular?

Ms Johnston—There are two things. Firstly, there is the tradition and history of Ireland: we have been a poor country. There are many people in Australia who emigrated from Ireland because there were no opportunities there; there are people all over the world who have emigrated from Ireland because of the lack of opportunity there. There was a general psyche or national psyche of the need to do something about poverty once and for all, particularly since we were now growing the economy. It was perhaps easier that the national psyche was well disposed towards it.
Secondly, a lot of people do not like it or have issues with it, but there was a vision and leadership to say, ‘We are going to run with this regardless. We have done enough work to have the parameters, so we are going to run with it.’ When the strategy was first announced a lot of people jumped up and down and said, ‘It doesn’t have this. It doesn’t have this. We don’t like that. Targets are far too weak. The targets aren’t strong enough,’ and so on. I think you expect that and you live with it, but you say, ‘It’s not perfect, but there is something we need to do and this is how we are going to go about doing it.’

There are still a lot of issues. You could get many groups to come and sit here where I am sitting and they would tell a slightly different story from the one I am telling. But it is interesting that even some of the more critical community and voluntary groups might say, ‘It is not ambitious enough; it is not strong enough; it is not doing enough’. If they were making a submission to you, they would still quote in their documentation the definition and the targets. There is a view by some that not enough is happening and more needs to happen, but they buy into the philosophy of having such a strategy. Some business people may say, ‘We do not pay too much attention to that, but it is important that we keep unemployment low and that we put in place initiatives to ensure that we have workers coming into our businesses.’ So everybody may not buy into all of the detail but people buy into the concept of having it.

Just to come back to why I am sitting here, I think I am fairly well placed to be here because I work for a government agency but I am not actually in the government. I suppose I would be well disposed towards some of it, but we have been quite critical of some aspects in our literature. You can see that on our web site. In our view, some policies have not been focusing enough on poverty issues and have been more focused on the balance of economic growth for higher earners rather than for lower earners. We have had a critical perspective as well. The concepts are that it is good to have a strategy, a definition and a focus on targets whether or not you agree wholeheartedly with what those targets are.

CHAIR—In your speech to St Vincent de Paul you stated:

One of the most controversial issues in relation to NAPS is the government’s reluctance to build a strong economic, social, cultural rights dimension into the strategy or to underpin it on a legal basis.

Is that suggesting that this consensus might be a bit fragile at the moment in terms of the strategy?

Ms Johnston—That has been from the very outset. Because it was driven by a UN initiative, even though Ireland developed a strategy and has had its strategy, it had to report back—to the UN. Not very many had done as much as Ireland in terms of having a strategy, but one of the things it said was that the Irish strategy was weak because it was not underpinned by a stronger social rights basis. A lot of the NGOs would also argue that. On the other side—particularly as we have a common law system—if it is underpinned by too strong a legal basis, a lot of people will then take cases. It will cost the state a lot of money for individual cases so that they will not be able to invest resources across the board into services and so on.

There is an active debate around this. At the moment a national organisation in Ireland is trying to circumvent some of this stuff. There is a debate in Europe as well. Perhaps we should
be saying that the legal route is not the best way to go from a pragmatic point of view and that a
better way is about setting minimum standards of entitlements for people and to monitor
adherence to those standards. If they are not met there should be some kind of policy—
institutional rather than legal sanction—for organisations who do not meet those standards.
Therefore, the rights of individuals and organisations and communities are still there but without
recourse to the law. That debate is still ongoing, but that is where it is at at the moment. It has
been a criticism, but I think it is an active debate rather than something that is stalling the
process, or anything like that.

Senator MOORE—I have one more question to do with the figures. One of the debates is
about which figures you can trust. In terms of your projects and plan in Ireland, do you have
confidence in the figures that you receive and then quote? Secondly, are people lost in the
system? Can you quote figures that a percentage of people have been advantaged and a
percentage have not? Is there any fear that there are people who just are not in the system; they
have just dropped out totally?

Ms Johnston—My view on figures is that they are to be used to indicate what is really
happening in society, rather than being the be all and end all. Firstly, there is an active debate
about the usefulness of the consistent poverty measure and whether deprivation items are far too
basic and should be improved. The consistent poverty measure has been very useful because it
has taken on board the definition of participation and income. But I do think the deprivation
indicators are limited in today’s society and we need to review them.

It is about understanding what the measure is measuring and to ask, ‘It is quite a basic
measure but is it moving in the right direction?’ A lot of other people say, ‘Isn’t it terrible that we
have increasing income poverty? Shouldn’t we be doing something about it?’ I think we should,
but we should understand what is happening and why. In an economic boom it is very difficult
for all incomes to keep in line with the growth rates that we have been having. Would a recession
not bring about a reduction in income poverty? None of us want that.

It is about trying to find that balance. We have a lot of other measures—the basket of goods,
the expenditure measures and the subjective measures; they all floating around there. The
measure the government has used is a consistent measure and the measure the EU uses is the
60 per cent income line, two good landmark measures. Researchers, academics and everybody
else can be doing all this other stuff—that can be informed; the backdrop helps us to
understand—but we do not need to get too hung up on who is right or who is wrong. We need to
say, ‘This is information we can use to see what is happening as we move forward, rather than
being the be all and end all.’

To answer the second part of your question, because it is a household based survey there are
people who are not in the figures. People who are not living in households, people who are
homeless, people in institutions and members of the travelling community who live in caravans
are not in the figures but they are some of the most deprived groups in our society. But
numerically they are quite small. What we need to do is to have targeted measures in place for
those groups which we know are there and who the community and voluntary sector are working
with. We need to support them in doing that, or the state needs to pick up on some of that. But
numerically, because it is small, it is not going to change the overall poverty figures, so in my
view there is no point in getting too much into that debate.
We need to have this research and data strategy that I am talking about to support the information, but that is not a reason to stop putting in place a plan or policies that we know are working and moving us forward.

Senator LEES—Like all other senators I have a myriad of questions. I was wondering whether you could take a few questions on notice.

Ms Johnston—Yes.

Senator LEES—I am specifically interested in four areas: child care, education, health and the tax threshold—you were looking at tax issues. With child care, is your system targeted specifically, for example, at working parents, or parents who are in education. You have improved access, as you said in your presentation, but are you looking at either removing targeting or lowering the cost of child care? What would be the average cost of full day care for someone who is employment? For a family with two or three children, are there additional subsidies, particularly for those families you have been targeting who are living in poverty?

In the education area you have reduced your early drop-outs from 31 per cent to 15 per cent. Is that young people finishing secondary education? Do you now have 15 per cent who are not completing secondary? Could we have a look at some of the specific measures you have used to get those excellent reductions? It is an issue we have heard of, particularly in the disadvantaged areas of Australia. You said that about 30 per cent have a health care card and are in the welfare system and that there are about 46 per cent in private health insurance. We are missing about 20 per cent. What happens to those people? You also said that you were looking at some changes in your health system. What specifically are you looking at doing? Where is the tax threshold in relation to the unemployment benefit? I take it that the threshold is above that and that you have been moving it beyond it. Could we have a look at some average wage figures versus tax threshold figures from Ireland?

Ms Johnston—Gosh!

Senator LEES—I know it is a lot, but I am only going to get once chance and we are about five minutes from finishing.

Ms Johnston—I will say some of this very quickly. I have information with me and if anybody wants to follow up, or give me anything in writing, I am quite happy to email back answers. We do not have all the answers in child care. We have a big deficit in child care. The issues are very much that working parents are paying high proportions of their wages for their mortgage and also for the cost of child care. Quite often the woman’s wage nearly fully goes out on child-care provision. There are now incentives in place for employers to provide child-care facilities for workers because we have had, as I said, a shortage of workers. But that has not really been taken up except in some very large employments. We have set up child-care committees in every county and, through a process of, again, social partnership, of bringing together people and asking them what their needs are and what the provision is, once you put in a plan to say what the needs are in your area, there is provision to draw down that funding.

There is an issue about ability to pay—because some people cannot afford to pay—and about standards. There are certain child-care standards: only one worker to so many children and
certain safety regulations and so on, and that all costs money, and child-care workers under the minimum wage should be paid a certain rate. That is all pulling on one side. On the other side, there is the need to subsidise that to some extent. In disadvantaged areas if people cannot afford to pay the provision can be put there; it is just a dearth of facilities. That is also for people who are wanting to return to employment or education.

There are some very good initiatives but, again, they are quite small. Some of the employment training programs are teaching young women in particular to be child-care workers and, at the same time, their children are being minded. Some of those have worked quite well but, again, they are only on a small scale. They are just some of the ideas but there is a big gap there and we are only just starting off. You may have better provisions than we do, but we recognise that we need to make some changes in that area.

In relation to education, we brought in a number of initiatives. We have a disadvantaged school system whereby if your school contains so many disadvantaged pupils you get extra teaching support and resources. We are trying to reduce class levels to fewer than 15 pupils in a class, because we have had very high class levels and research shows that smaller classes—

Senator LEES—Is that secondary as well as primary?

Ms Johnston—No, it is only in primary still. There is talk about moving it and changing it into secondary, but we have not got that far yet. We do have other initiatives. There is an early school leaver initiative which provides additional support in terms of teaching assistance and so on in some of the classes in disadvantaged schools. We have also done some work with the curriculum, so we do not only have the mainstream leaving certificate, which people get, but we have a vocational certificate and another certificate as well. The vocational certificate is for children coming through who want to train more in vocational than academic subjects. Another certificate is more project based and at a slightly lower level than the academic certificate. It is for children who are less able to compete in the academic certificate. We have introduced some measures like that to encourage young people at least to stay in school and get some level of qualification rather than dropping out.

We have also done some tracking, because a lot of people dropped out between primary and secondary level and they were lost in the system. Now we have a tracking mechanism in place so that if a kid does not turn up at school on a certain morning an attendance and welfare officer goes out to find why they have not come in and what the problems are—if there are problems at home—and get them back into school so they do not have the opportunity to drop out of the system so easily.

Health is still an issue for us. There are people on low incomes who cannot afford or choose not to buy private insurance and yet do not qualify for the medical card. They have to pay for all of their health care. This is a big issue because some of these people have children who may be sick and they do not take them to the doctor because they cannot afford to. They may decide to take them to the doctor only at the very last minute, which costs the health system more than if they had taken the child, or themselves, at an earlier stage. That is an issue we are trying to address.
As to the reforms in the health service, we have been pumping a lot of money into our health service and it seems to have been going into a big, black hole with no better outcomes at the other end. We are now trying to reform our health system. We have eight health boards and are trying now to reduce that to four. We are also trying to change the administration of the health service and are looking at how consultants are paid, because they get quite high salaries and yet they are not always there. There are many reforms like that. A big health plan was launched last year and we are trying to work through that now by bringing in a lot of these changes which will result in a better health system.

As to tax thresholds, back in the early 1990s people who were on unemployment benefit were still, in some instances, liable to tax depending on their income. We have moved those thresholds up so that does not happen any more. Some people who are on the minimum wage still do pay tax—most of them do not pay tax; it depends on their family circumstances and so on, because of the dual assessment and things like that. We are trying to move that up so that everybody on the minimum wage will not pay tax. There is a gap between people who are on welfare and people who are earning incomes.

All our talk used to be about replacement issues and people moving from unemployment into employment and what that gap should be as a motivation to get people to move off, but now we have changed that. Now it is about trying to facilitate the transitional arrangements to enable people to move from unemployment to employment—quite often there is uncertainty—and reducing the tax when they are in employment, so that they can get more of their income in their hand. We think they are the main motivating factors.

CHAIR—Ms Johnston, thank you very much for your presentation. It was most welcome and has been received quite well by the committee members. Thank you for coming along today.

Ms Johnston—Thank you very much for the opportunity. My apologies for going over time.

Proceedings suspended from 10.10 a.m. to 10.16 a.m.
[10.16 a.m.]

BULL, Mr Brian, President, Volunteers, St Vincent de Paul Society

DURACK, Ms Louise, Volunteer, St Vincent de Paul Society

MILLER, Mrs Merle Frances, State Vice-President, St Vincent de Paul Society

PRATT, Mr Baden Murray, St Vincent de Paul Society

READ, Ms Natalie Maree, Welfare Officer, Vincentcare, St Vincent de Paul Society

SERICH, Dr Robert Matthew, Chairman, Mental Health Advisory Committee, Vincentcare, St Vincent de Paul Society; Co-director Clinical Services, Graylands Hospital

MAPSTONE, Mr Rod, Manager, Passages Resource Centre

VERNON, Ms Cheryl, Manager, Youth Legal Service of Australia

CHAIR—I welcome representatives from the St Vincent de Paul Society. I now invite you to make an opening presentation which can take the form of a statement summarising your views or highlighting any issues you would like to emphasise to the committee.

Mr Bull—I am the state president for the St Vincent de Paul Society in Western Australia. I am a former commissioner of police and I say that for the purpose of advising that there is not much difference between being a commissioner of police and being a state president of a society such as St Vincent de Paul. People often say to me it is a big change, but it is not. It still is dealing with people in need. Certainly, over the years as commissioner of police and now president of St Vincent de Paul Society, I have witnessed much poverty.

Because our society nationally has already made a detailed submission to you, we do not propose to reiterate today what is in that submission. Rather, we will back it up with practical examples of what we are talking about in that report. Our core work is visiting, caring and providing food, clothing and shelter, and the basics of life to enable people to survive. Every week when I go out on visitations I am ready for anything. I should point out that in our society it does not matter if you are the state president or the newest volunteer, we are all obliged to be volunteers; we are all obliged to do visitations. I do visitations with my wife once a week. I am aware of what is happening at the core.

Many years ago there was a famous American novel entitled Knock on Any Door. It is self-explanatory. Knock on any door in the city or metropolitan area in Western Australia and you will find a story of difficulty and despair. We knock on many doors and today the witnesses for our society will tell you what we find. Our witnesses include a former Olympic track sprinter who has dedicated his life to helping teenagers. He will tell you about 13- and 14-year-old brothers forced onto the street; one of them into the sex trade. The leader or a representative of
our Young Vinnies will tell you how and why we do homework classes at our headquarters because there is no-one at home to look after the children after school.

A legal service counsel associated with our society will talk to you about impoverished people living in ramshackle accommodation, wallowing in debt, or a schoolboy facing massive fines because he was caught travelling to school on the trains without a ticket. Our vice-president, Merle Miller, will give examples of ongoing hardship among the 25,000 people we visit in Western Australia every year. The director of our Mental Disability Services will tell you of her role managing the lives of 25 male clients, 24 hours a day, seven days a week. The hospital executive who chairs our mental health committee will tell you about indigenous people trying their best to rise above the poverty line, only to find themselves weighed down by bureaucracy.

Senators, I would now like to hand you a copy of a recent newspaper article. It was a feature article in our local paper, The West Australian, based on the work of the society in Western Australia. In the words of the very senior journalist who undertook this task, he did not appreciate the extent of the work that the society did, nor the enormous problem that exists in our community in respect to poverty. He has been a journalist for many years and thought he knew it all. I have made copies and present those to you.

The thrust of the article is about a man named Andrew whose life of despair sees him spending almost every day of his life riding the trains around the Perth metropolitan area. Andrew is a resident of one of our homes for men in need. We were hoping he would be here today but unfortunately his life is lived from minute to minute and he went walkabout this morning even though we had arranged to pick him up. As you will see in the article, he is just one of many people that we deal with. Andrew, as I said, finds it difficult to appear before people like you because he lives in a world in which he sees little hope. Coming to a place of formality like this is an enormous experience for him. It was an enormous experience just for him to participate in that article. If you had the time it would be very appropriate if you could talk to him informally.

Before handing over to our other witnesses, mindful of the time, as I indicated, irrespective of what position you hold within the society, you are required to keep your hands dirty by doing cases. I do cases with my wife who has been a member of the society for over 40 years. I refer now to a couple of personal ones that I have been involved in of recent times. My wife and I last week visited a woman. The request was for some food. She was an Aboriginal lady. When we arrived there she had a house and the clothes that she was wearing. That was the extent of it. That is all she had. Our Ministry of Housing, who do an excellent job, had been able to secure a house for her but that is as far as they can go. So she had a house with no furniture. She had no clothing. She had no food. She had absolutely nothing.

When we then questioned her as to how she came to be in this predicament, then came the story that she was escaping from a violent domestic situation. She had been threatened, her former partner had assaulted her and had tried to burn their previous house down. Fortunately, we were able to then provide her with furniture, clothing, pots and pans, et cetera; give her food and we will give her ongoing support. We will visit her regularly. That is the way that our society operates.
There was a very similar case just recently that my wife and I attended. The request came from a pensioner in a block of flats. It was not for herself. It was for a woman that she said was living in a nearby flat.

She had got into conversation with this woman. She said there was obviously something wrong with her—she was disturbed—and she obviously had no food, and this pensioner had been giving her some of her food. Then she put the request through to us. We visited this woman. Again, she had been provided with a State Housing Commission flat. When we visited her, we found that she had recently been released from a mental institution. She was sitting in the unit, with absolutely nothing—and I mean nothing. She had arrived with the key. She had no furniture; she had no clothing; she had no food. She had not eaten for four days, other than what the pensioner was able to give her—a little bit of food off her table.

Of course, we were able to overcome that situation, but these are just two examples of what is happening every day with our society. We get to really see what the problem is, probably more so than other agencies because we visit people in their homes. With both those examples that I gave you, the initial approach was for food, yet when we got there we found that the problem was far greater than just food.

Seeing the limited time, I will pass on to Merle Miller, who is our vice-president, who will give you some examples.

Mrs M. Miller—Good morning, Senators. As vice-president, I am chairperson of the committee which deals with the formation and training of our members. I have been a member of the society for nearly 30 years and in that time I have visited many people, mainly in the Balga-Mirrabooka area, which is north of here, and it is a low socioeconomic area.

Doing home visitation, as Brian has said, brings home to us the difficulties that people go through, but today I would like to specifically highlight an area of growing concern to many of our members, and that is the plight of older parents and grandparents who are called on to take the responsibility of looking after their older children, who usually are sick, and the grandchildren who are in the home, and all the hardships which that can lead to. This problem has become so prevalent Australia-wide that these grandparents have now set up their own support groups so that at least they can turn to someone who understands the problem that they are going through and can maybe help them to best deal with the problems.

My report today is about a lady whom I shall refer to as L. She is now 60 years of age. Her husband was in the Army. He served in the Vietnam War for a year. He returned to Australia, and two years later, on Anzac Day in 1970, he took his own life. He left L with three children, girls aged eight and six and a boy of three, to raise by herself. Four weeks after that tragedy she was asked to move out of her Army accommodation because she was no longer eligible. She was devastated, as she had no family to turn to and she had to move away from the only ‘family’ she really knew, the other Army wives. The service who employed her husband did not want to know her any more and she was left to fend for herself. Perhaps we can call this poverty of feeling on the part of employers.

Then we come up to the present day. The three children have grown up, married, divorced and, in some cases, married again. We meet particularly the second daughter, whom I will refer
to as A. This woman, now 40 years of age, has three children, two of whom live with her. They are 11-year-old twins, a boy and a girl. Their mother, A, has suffered psychosis for the last three years and has recently come out of her last three- to four-month bout of treatment in Graylands Hospital, which is the state hospital for the mentally ill here in Perth. This is her third time there in three years.

When this happens, L has to step in to fill the breach. She has to move out of her own unit, which she has just found in a small retirement group, and where she must still pay the rent for herself or she could lose it, even though she has to move up into the daughter’s home. And, unfortunately, in the time leading up to her daughter being hospitalised, bills have not been paid, and I am talking about electricity bills, gas bills, phone bills—even the rent. The house is run down inside and out, and the children are badly in need of care and clothing, simply because the mother is not capable of looking after her own children properly because of her illness. But, also, at this period of her illness the daughter, A, will not have anything to do with her mother and so L is stopped from going to visit her daughter. The daughter just will not have her there. L can only come back to A’s home when A goes to hospital.

At this stage, L is forced to call for help from groups like the St Vincent de Paul. We were able to get her new school uniforms for the two children, supply her with much-needed food, help pay the phone bill and organise much-needed furniture for the home, as well as extra children’s clothing and household goods. A lot of this stuff had deteriorated in the time that the mother was not able to see what was going on, or deal with it. L had to buy two doors to replace ones that had been damaged in times of stress, the cost of which came out of her own pocket because there was no other money to fall back on. The only extra money L received to support her grandchildren was the family allowance, which led to L using her own meagre veterans widows pension to supplement what the family allowance did not cover.

She explained to me that, with twins in the same year at school in particular, the costs are doubled whenever money is needed—school camps, for instance; school books, uniforms and shoes, including sports shoes, which we all know are a major expense. It is a major cost event whenever the time comes to get these items.

It can also be seen that, because of A’s illness, these children are having to fend for themselves a good part of the time. They are not eating the right food because proper meals are not prepared for them, even though the mother is in the house. Bread is a large part of their diet, even up to three times a day. You could say they are suffering from a lack of skills, the skills parents usually pass on to their children in a reasonably normal family environment. This is poverty of another kind: a poverty of skills.

Perhaps the biggest area of complaint in a case like this is the lack of help from government agencies when it is most needed. Towards the end of A’s last incarceration, L applied to DCD for the children to be placed in respite care for a weekend so that she could have a break, and also to see her elderly mother, who is also suffering a chronic illness and whom she visits on a regular basis because she has no siblings to share the load. The respite care was knocked back, but the department kindly said that she could have a food parcel. What that was going to do I do not know.
Then there are the worries that accompany a family member with a serious mental illness. Recently, when L felt her daughter was starting to slip back because she had stopped some of her medication, she phoned and asked the doctor if he had indeed stopped the tablets.

She was told that because of the Privacy Act he could not tell her that and that it was also none of her business anyway. It makes it hard for parents to help their own. Can this be classed as poverty of help when needed? L told me that she will not be able to do this again if her daughter is hospitalised and that the children will have to go into foster care. I can assure you that, knowing this lady, the decision has not been made lightly but it is necessary for the sake of her own health.

In conclusion I would like to quote what L said to me just the other day: ‘There is no justice for the poor, the sick, the aged and those who cannot look after or speak for themselves, only poverty and what it brings.’ Thank you.

CHAIR—Thank you, Mrs Miller. Mr Mapstone.

Mr Mapstone—I am here in my capacity as manager of Passages Resource Centre, which is a joint venture between the St Vincent de Paul Society and the Rotary Club of Perth. Passages was established in 1999 as a drop-in centre to provide information and support for Perth’s homeless and street present young people aged 12 to 25 years. Currently we are able to offer bathroom, kitchen and laundry facilities; access to postal, Internet and telephone services; on-site counselling; referrals and advocacy to other youth agencies; and we also run some life skills programs. During the 2002-2003 period Passages was accessed 5,110 times by just under 1,400 individuals. That is a bit of background about what Passages is and why I am here.

What I would like to do is present a very brief case study of two brothers who are now aged 16 and 15 years. The eldest has been a client at Passages for three years and the youngest for two years. They come from a family of nine. The cycle of poverty in which their family lives was manifested into the boys being emotionally and physically abused at home by both parents. For example, both boys were forced to sleep on a foam mattress in the laundry and, as a result, they were removed from their parents several times under child protection orders. The brothers were actually born into poverty and, as such, their lives have unfolded in a way that reflects abuse, neglect and deficit.

They are both physically underdeveloped, due to inadequate food and poor nutrition in early childhood, and the eldest is experiencing ongoing dental problems as a result of this. They are both uneducated. School has been a terrible experience for both the boys as the family was unable to provide adequate clothing and resources such as textbooks, pens, paper, uniforms, those sorts of things, which has isolated them from their peers in the school environment. Both of them left school before the age of 13 and both of them now struggle with their levels of numeracy and literacy.

Both the boys were living on the streets by their 13th birthday, with no social or material support. The eldest lived on the streets, sleeping in car parks and abandoned buildings for nearly a year, with no income whatsoever. At times he was forced to steal and was involved in sex work also. His involvement in the sex industry has adversely affected his capacity to form meaningful
and trusting relationships. His involvement in crime is going to have a dramatic impact upon his future, due to his criminal record, and he has unpaid train fines totalling around $15,000.

When the boys were finally granted Centrelink payments there were occasions where the parents actually misappropriated those funds. In spite of the years we have worked with them and the efforts to get them secure in long-term stable accommodation, we just have not been able to do so. This example is not something that is unusual within the centre. It is something that goes on all the time. It is just a single example of what we have to deal with every day.

CHAIR—Thank you, Mr Pratt.

Mr Pratt—What an outstanding young man you are! I cannot let the irony go past of us meeting in the Green Room for this Senate inquiry and I hope that is an indication that you take the House of Representatives with you—with your inquiries. I want to encourage you greatly for what you are doing. There are people in this room who are relying on the outcomes of what you are prepared to listen to and prepared to recommend. It is a moment in Australian history, really, where the whole of the Senate is taking evidence from people at the grassroots who are experiencing things involving poverty every day of their lives. I really encourage the whole lot of you to bring forward policies which will have great support from the people in this room and from around Australia.

I have a whole range of items I could bring to your attention, involving issues ranging from no transport for sick children and the impact that can have, to alcoholic parents and the consequences of breastfeeding; people who cannot afford day care for a sick child; children being left home unsupervised, and a whole range of other issues.

I really wanted to just concentrate on one item and that is to illustrate to you the flow-on burdens that can occur when a person’s power supply is cut off. You may well have read recently in the West Australian a whole range of issues involved here. The incident I want to refer to involves an Aboriginal family who were without power for almost a week. Normally the number of people living at that home is four: the mother, her friend and two teenage sons. However, another uncle and his son were visiting, and a daughter-in-law and her young baby were there because they were both ill. In fact, the daughter-in-law required renal dialysis in a nearby hospital and she had moved to this house because of closeness to the hospital.

Then the power went off. Consequence one was that all the refrigerated and frozen food in that house spoiled. Without heating or fresh food, the daughter-in-law took ill and she was admitted to hospital. Soon after, the baby ended up ill also. The uncle and his son were down from the country and had moved into the house because they had limited finance. They had to leave and find alternative accommodation. The two teenage boys simply took off for several days and their mother did not know where they were during that time.

During this episode the mother telephoned me late in the evening and she was in a desperate state. So that I would not have to go into the house, she had the lounge room carpet taken outside with a table, chair and candles. I have never seen a woman more embarrassed than this lady, who insisted on telling me the story to, in her mind, justify asking for a loan. Anything this committee can do to address the issue of essential services being denied to people with financial hardship will help stop these people ending up trapped in the poverty cycle. Thank you.
CHAIR—Thank you, Mr Pratt. Dr Serich.

Dr Serich—Good morning, Senators. I am the director of clinical services at Graylands Hospital, which is the largest psychiatric hospital here in Perth. For the last couple of years I have been chairperson of the Mental Health Advisory Committee at Vincentcare. I have been working in and around Graylands Hospital for 21 years. The aspect that I can bring into this meeting is that over this period of time we have had a wide variety of adult patients that we deal with. The chronically disabled are those with schizophrenia, and the 10 per cent of those people who have bipolar affective disorder who, with the passage of time, look more like patients with schizophrenia because their social performance declines to the same extent—and fairly rapidly, I might add.

The problems these people have—and it is one per cent of the population for a city like Perth—if you have one million people you have something like 10,000. Of this, about one-third have one episode and never have another episode. One-third have recurrent episodes and one-third are chronically disabled and have long frequent episodes and cannot manage for themselves. In this group you are looking at 3,000 of these and probably 500 of the people with bipolar disorders are the ones that are seriously socially disadvantaged.

In the 20 years that I have been here there has been closure of at least six hostels. One would assume that, with the growing population, hostels would increase in numbers. When I came here Graylands Hospital was Graylands Swanbourne and it covered a large acreage in the centre of Perth. That has now been trimmed down to a small part of its initial self. We are down to 180 beds. Consequently, there are more people who we were looking after in those days who are now either in prison or out in the streets. Every day we have our pagers going off saying that there are no locked beds and no open beds and so, consequently, what we have found is that there has been a great throughput of patients and, fairly clearly, that there are some patients who are returned to the community who are not quite right.

About 15 years ago, when they embraced the community psychiatry aspect, it was assumed that people would be picked up early in the community and that these people would be picked up within three days. This rarely happens inside six weeks. Consequently, people relapse and you have more of a revolving door process. Apart from their mental illness and their lack of social support and care, the consequences for these people are right from the outset—teenage, early twenties—they have lost their potential for self care, for independent living skills, there is loss of motivation and drive, which compromises any rehabilitative attempts.

There is a severe disintegration of social bonds because you can almost see the scenario enacted every week where parents are struggling to manage their children at home and these are children with all these social changes in grace. They are untidy, they hardly shower, they want to be up all night and sleep all day. Then when their delusions and hallucinations start creating problems, the parents find it very difficult to manage. Within a few years most of them have taken out restraining orders, will not have them at home, and they are then left for us to find positions for in hostels.

There is early entrance into the disability service pension. The illness is one where there is a cognitive decline. It is worse for males than for females because an attractive female can occasionally get married and have children before things disintegrate. Males, unfortunately, have
to be more socially adept to get themselves married and many of them are never socially adept, and consequently they are always isolated and single. The low income they get from the pension is made worse by their very poor money management. They have got a reduced life expectancy because of increased cigarette smoking, alcohol abuse, and obesity. The use of recreational drugs is often started because they feel that recreational drugs are going to help them more than the medication that we prescribe or they feel that the recreational drugs help to counteract some of the side-effects of their illness: the lack of motivation, lack of drive. They feel they get a bit more of a lift there.

As I said, there is a very distinct lack of accommodation in the community. What is happening is that where the cost of hostels used to be in the vicinity of 70 per cent of their income, now it is getting closer to 90 per cent. When the weather is not too bad, many of them will elect to work out on the streets. Years ago, when we had plenty of beds, we used to take in people for respite care to give their carers a chance to draw breath. Now, with the decline in the number of in-patient beds and the cost being on average $647.50 per patient day, it is very difficult to engage in respite care.

I want to give one example. All these people were there when I arrived, in some form or other, and this is one of them. JL is a 45-year-old man with chronic paranoid schizophrenia. We have seven volumes of notes on him, covering multiple admissions. This man is now currently not welcome in any hostel facility in Perth because of his behaviour. He has generated a number of appearances in court and has a couple more pending. He is currently occupying a $647.50 per day bed and he has for the last six months because he has been due in court at least twice and had to be returned to what we call a more structured environment in our hospital, which is a closed ward, because of his increasing psychosis.

He is chronically delusional. From time to time, because of his delusions, he has been noted to be lighting candles or lighting fires in his bedroom. This has to be curtailed by another trip to the closed ward or taking away matches and things of that nature. This man is due in court but the outlook for him would be either to live on the streets, to be in custodial care services or to be in an asylum in a place like Graylands Hospital. We used to be an asylum in the old days and there is no doubt that there are a lot of people who really need to have the type of care that one could have in an asylum.

What we are trying to encourage, through the society, is for us to develop a whole range of beds out in the community which are supervised and if we can develop closer ties with the psychiatric clinics which are out in the community then there is a possibility that many more of these people will be able to be managed outside of some sort of structured asylum. Some of these people need to be seen and visited every day. When I was in general practice it was a bit like Meals on Wheels. I thought Meals on Wheels was a great idea but it would have been a better idea to take all these people to a community centre where they could have a meal in contact with other people where they could talk. Every time the meal arrived, people wanted to talk, but they had to keep going because there were other meals to be delivered. I thank you very much for your attention this morning.

CHAIR—Thank you, Dr Serich. Anyone else?
Ms Read—I am a welfare officer for Vincentcare, a special works of St Vincent de Paul’s. Vincentcare offers a range of accommodation options for people who are experiencing mental illness, who are homeless, disadvantaged, living in substandard accommodation or those leaving institutionalised care. The types of accommodation provided include self-managed units, shared accommodation and a hostel for homeless men. While the tenants live independently, they have access to 24-hour support if needed. My role as a welfare officer for Vincentcare is extensive.

I am on call 24 hours a day, seven days a week. At present, I case manage 27 tenants who mainly consist of homeless men. The issues I am currently addressing are a mixture of drugs, alcohol, gambling and mental illness, which all can contribute to homelessness. However, many of my tenants have dual diagnoses or multiple disorders.

At the present moment, the resources at Vincentcare are such that we have to choose tenants to fit into specific criteria. We are finding that this excludes many needy people who, in turn, drift into homelessness. We are also finding that there are many people whom we are unable to accommodate due to their multiple disorders and our limited and stretched resources. Many of our referrals have already burnt their bridges at other agencies and often Vincentcare is their last resort.

When discussing these issues, a particular case study comes to mind. This gentleman’s problems fully illustrate the way in which many people are able to fall through the gaps and become another heartbreaking statistic. Recently, a homeless man accessed our service and became one of my tenants. For now we will call him Fred. Fred, who was aged 43 and has been classified legally blind, arrived at Vincentian House and took up accommodation in one of the rooms. He lived happily at Vincentian House for a number of weeks, having access to food, shelter and support, which I was able to provide to him as part of my duties as his welfare officer.

However, Fred did not pay his rent and despite requesting him to pay it on numerous occasions, Fred was unable to do so. It was only then that Fred revealed that he had a gambling issue. On discovering this, I assisted Fred to access Centrepay, which is a process whereby Centrelink direct debits a tenant’s rent before the pension is paid into their bank account. This was successful for only one payment and Fred cancelled his own payment and took control of his disability support pension. His gambling was out of control and, once again, taking over his life.

Unfortunately, I was only able to allow this situation to progress so far and the consequences of his inability to pay his rent was the termination of his residency. With the understanding that Vincentcare is a charitable organisation existing solely on donations, I am sure you can understand that we were unable to allow Fred to continue to not pay his rent and owing to the fact that I am currently dealing with 27 similar cases it was deemed to be unfair to the others. Fred was given a week to find alternative accommodation and I offered to transport him wherever he had organised.

The day Fred was due to move, he did not appear; nor did he appear on two subsequent days. It later came to my attention that he was trying desperately to win his money by playing bingo. As you can see, Fred’s gambling issues were certainly out of control. I finally caught up with Fred and, on his request, took him to the train station in Perth where he assured me he was going
to his new accommodation. A few weeks ago I received a telephone call from Fred simply to let me know that he spent the last week in Fremantle Hospital with pneumonia. Fred had been sleeping at the Fremantle train station in a week of freezing temperatures.

Every day I see many people like Fred who we are unable to help, no matter how hard we try. Every day we are approached by agencies asking us if we have vacancies within our accommodation and every day we have to turn people away who may end up like Fred, sleeping rough and becoming unwell. The issues of poverty in Western Australia are many and varied. Without government assistance to support people who are unable to support themselves, we will see many more people becoming homeless, living on our streets, in our parks and on our railway stations.

CHAIR—Thank you, Ms Read.

Ms Durack—Good morning. I am a volunteer with St Vincent de Paul. With your permission I would like to speak on behalf of Leticia Jennings. She is the state youth manager at St Vincent de Paul and is quite unwell this morning. Also, with your permission, I would like to read the statement that she wrote to present to you today. So ‘I’ is referring to Leticia:

I manage over 450 volunteers whose ages range from seven to 25 years old and live all over the state, including remote areas such as Karratha.

Which is 24 hours north of Perth.

These volunteers participate in various ways, through their school and local communities, or in programs that I coordinate, such as camps, buddy days for kids, soup patrol and the homework centre, which recognises the lack of educational opportunity many children experience at home. We also visit detainees in the Banksia Hill Juvenile Detention Centre, many of whom have been previous campers, and the Road Show which is a camp-like program that goes into regional WA. The 800 disadvantaged children that participate in the programs come from the families that St Vincent de Paul have assisted; usually in the form of food, furniture or clothing. Most of the children come from single parent families or live with relatives or a grandparent. What I would like you to see today is a glimpse of what I encounter through my work at St Vincent de Paul in just one of the youth program’s camps. What I have seen through my work is that it all comes down to, for the campers and thousands many more young people, the huge lack of opportunity and direction deriving from their living in poverty. We hold week-long camps every school holidays to give children opportunities they have never had; basic opportunities other kids take for granted, such as bowling, ice-skating or even getting out of the city and seeing a real cow. On our most recent camp, a 10-year-old girl had to ask me for reassurance that what she was actually seeing was a cow as she had only ever seen one on television. These camps mean that the children have a break from their home situation. It gives their parents some respite, allows them to make friends and have a fun time being children in a safe environment. It gives them a positive experience that they generally do not have in their own families. We are only able to take 30 children on camp, with the provision for five children referred by the Department for Community Development, although we receive over 70 applications. Priority is given to children who have not had the opportunity to attend before. We ask for a contribution fee of $5 for each child if the family can spare it. When paid, this $5 allows the family to retain their dignity by being able to pay for their child’s holiday and usually ensures that the child will actually turn up as that $5 in relation to the family’s budget is like $100 for you and me. The remaining $4,500 cost of the camp is then paid for by St Vinnies. What I have learnt on camps from seeing the children’s lived experience of poverty is that these children have low literacy skills, higher than average medication needs, including antidepressants, ADHD medication and sleeping pills; poor diet, behaviour problems such as violence, temper tantrums and verbal abuse directed towards others. For example, an eight-year-old boy playing cricket got bowled out by another
child and, where other children might sulk, this child was disproportionately verbally and physically abusive. He proceeded to attack the bowler with the bat as he believed he was not out. The children’s insecurity in their home life translates into lower than average self-esteem, evidenced by their nervousness and hesitance in getting involved in camp activities. Absence of positive role models, particularly men: this is evident when the male volunteers have a large number of children wanting their constant attention to the point where the children will misbehave. Also lack of problem-solving skills and social skills, such as when the children do not know how to sit at a table, using knives and forks, talking to each other and using their manners. Two weeks ago, we had a camp where a number of children arrived with one thin blanket, a tracksuit, nits in their hair and almost none had jackets or warm pyjamas to see them through a cold week. Often the children will only have a pair of thongs and one set of clothes and lack personal hygiene. We ensure that we can provide them with soap and extra bedding and give away warm clothes and underwear. We have the children for one week and for the remaining 51 weeks in that year, this is how the child and their family must live. For 51 weeks in the year these children must live without what most other kids will take for granted such as having a choice about what to wear, let alone the opportunity to take a break from their life as they know it. From the week on camp, the children come back tired, confident, happy and, most importantly, are able to proudly tell the other children at school what they did over the holidays, like surfing, caving, bowling or horse riding. For once they have had the same or a better holiday than their classmates and for one week they are not marginalised and excluded from our community but are finally part of it. With you and I working together, my vision is that one day these services will no longer be needed. These children will have all these opportunities for 52 weeks in the year and I will be out of a job.

Thank you.

Ms Vernon—Good morning, Senators. I am the manager of Youth Legal Services of Western Australia and I appear today on invitation from the Society of St Vincent de Paul. On average, my service deals with 4,000 young people each year. What is common to the young people we serve for their legal needs is the underlying presence of poverty in their lives. Access to adequate housing is an important issue. Young people’s access to housing is hampered by incoming security arising from Centrelink breaches, casual work hours, low incomes and the fact that many young people have pre-existing debts. Such scenarios inevitably lead to young people being exploited and taken advantage of and being forced into substandard housing.

For example, Mike is a 19-year-old man who took out a lease on a property in March 2003 with his girlfriend. Both Mike and his girlfriend rely on casual work. The hours vary from week to week. The property was leased after an exhaustive search for housing, during which they were knocked back countless times. The house has broken windows, a leaking roof; all windows have been fixed closed. The front door is hanging off its hinges and cannot be locked. There are rats in the roof. The toilet leaks, the paint is peeling, there are gaps in the floorboards, the electrical points only work intermittently and there are no window coverings. The rental is $300 per week—$300 is significantly high for the location within a low socioeconomic area within the eastern suburbs. Normally for $150 per week a family can access a fairly acceptable home but not so for young people.

Mike became sick and was hospitalised in April for two weeks and he was not able to work for some time after that illness. No work for casual workers means no pay. The lease was terminated on 11 July for arrears. Power had previously been disconnected on 2 July for non-payment. He has some other outstanding debts including an ambulance account of $375 resulting from his illness. He needs to repay his Centrelink advance which he received during a previous period of unemployment. Alinta Gas have commenced legal proceedings to recover arrears for payments. His car has run out of registration because he cannot afford the renewal and he also has some
outstanding traffic infringements. He is now homeless, extremely depressed and facing debts of $3,833 which he has no capacity to pay.

Westrail train fines are a common debt issue for young people in Western Australia. Many young people have incurred huge fines because they are too poor to buy tickets and have no capacity to pay the fines. Such fines are cumulative and they come to the fore when a young person seeks to get a driver’s licence. The licence is declined because they have unpaid fines. No licence severely limits the work options, thus increasing the risk of young people becoming homeless or becoming involved in criminal activity.

For example, Ryan is a 17-year-old homeless man who was kicked out of home by his mum. He lived on and off in supported accommodation or with friends in the Gosnells area, which is in the south-eastern suburbs. He completed a Fast Track program at school in 2002 at a campus dealing with kids that had problems dealing with mainstream schooling. That campus is located in the north-east suburbs, a travelling distance across two train lines. During the five-month period between February and June 2002 Ryan incurred 35 train fines. Thirty one times he was charged with having no ticket, once for travelling in excess of his ticket and once for having no concession card. All those trips apply to Ryan travelling to and from school. The fines for those infringements total $2,786. Because he could not pay the fines, the matter was referred to court. He subsequently got a youth based community order and a criminal record. Ryan is not a criminal. He is simply poor and trying to finish his education.

Motor vehicle debt, incurred as a result of traffic accidents involving uninsured vehicles or instances where young people have been unable to pay crippling excess charges or to actually take out insurance in the first place, has become a real factor for young people. For example, Robert is 21 years of age and unemployed. He has no insurance because he could not afford it. He crashed his car into a taxi, incurring a debt of $16,600. He was also charged $2,519 for the loss of income for the time the taxi was off the road. In the process of the accident he demolished a Western Power pole and was charged $1,200 for that. The RAC also want the $5,015 that is outstanding from the car he wrote off in the accident. He also has a large number of fines resulting from that accident. The debts arising from that accident now total in excess of $28,000. His only income is his Centrelink benefit. It does not look like he has much capacity to pay.

Another thing our service has noticed is that young people are choosing criminal activity as a means to escape poverty. Recently we conducted research into young women’s legal needs. We ran a focus group with young sex workers under 25 years of age. All these young women were mothers. They cited the punitive attitudes of Centrelink staff as a barrier to improving their circumstances. They chose sex work because they were able to access night-time childminding from family and friends. The income from this work enabled them to work less hours and to provide better housing and schooling for the children and to escape poverty.

Something else we are noticing is that increasingly young people are being forced into carer and provider roles. Sarah is 16 years of age. She and her mother were both sexually abused by the maternal grandfather. The mother has eight children from two abusive relationships. Sarah has lived with poverty and violence all her life. She was recently charged with unlawful wounding following an incident where she tried to protect her sister, mother and niece from violence by the sister’s estranged de facto. Sarah’s mother is a recovering alcoholic and a past
user of illicit drugs. Sarah has disclosed to us that her mother is possibly brain damaged from her past misuse of substances.

Sarah’s sister is 17 years of age. She has a small baby. She comes and goes from the family home, depending on the state of relationship with her de facto. Her mother has no income due to Centrelink breaches. Subsequently Sarah has been forced to leave school to go to work to financially support the family. Her teachers described Sarah in a recent court report as a bright young woman who could easily get to university. However, the pressing family situation and the resulting financial pressures mean there are few options for Sarah to break the poverty cycle.

Amber is a 21-year-old woman. She and her brother are orphans. After many years of work she saved enough money to go to college. She commenced her college course as a live-in student in July 2002. Her brother had a serious motorcycle accident in September 2002. Amber left college in October to become her brother’s full-time carer on his discharge from the rehab hospital. She has an outstanding debt of $3,145 to the college. She has managed to bring that down to $973 despite her current circumstances. However that college is still vigorously pursuing that debt.

There is a strong link between poverty and crime. During our research into young women’s legal needs we discovered that 100 per cent of young women charged with serious offences indicated that they had no income. Forty per cent of young women charged with lesser offences indicated that they had no income. Young people who are poor are very vulnerable to homelessness and criminal activity. I could go on forever about stories but I will leave it there. Thank you for your time.

CHAIR—Thank you very much.

Mr Bull—That concludes the evidence of our society. We hope the examples we have given to you will help you in your deliberations. We indicated in our major submission that firstly we are seeking that there would be a view that there is a problem and that all governments and agencies that have an involvement, business and unions, would be prepared to come together to firstly look at the extent of the problem and then to look at initiatives that we jointly could undertake to tackle this problem, along the lines that we have seen in Ireland. I am sure that if Ireland can do it, we can do it. If the will is there, it can be done. Thank you.

CHAIR—I do not know whether any of the committee members have any questions.

Senator KNOWLES—Just one quick comment more than a question. I do not want you to take this wrong way but I can assure you the committee is not short on examples of poverty. Where we are short is on recommendations to fix it. Maybe you want to send something in to us in the future. If we could spend more time on looking at solutions to the problems that I think are well detailed, then this committee would be greatly enhanced by that input from people like yourselves about solutions as much as the problems.

Mr Bull—That is what we have done in our major submission.
Senator KNOWLES—We are looking for it everywhere, not just from the headquarters of organisations but from people like your good selves who are working on the ground saying, ‘These are solutions that are pertinent to these particular areas.’

CHAIR—That is right, Mr Bull. The society’s major submission, along with those from a number of the peak bodies, has offered solutions, as Senator Knowles has rightly pointed out. Thank you very much.
JENKINS, Mrs Mary, Secretary, Underemployed People’s Union WA Inc

PAIN, Dr Geoffrey Norman, Committee Member, Underemployed People’s Union WA Inc

CHAIR—The committee has before it your submission. I now invite you to make a presentation which can take the form of a statement summarising your views, or highlighting any issues you would like to emphasise to the committee.

Mrs Jenkins—The UPU WA’s submission sent in sections 2, 3, 5, 12, 15 and 20 which concern tax issues, the rest are social issues. Since the 2003 budget the levels of poverty and hardship have increased, especially for underemployed people. The UPU maintains that unemployment has escalated. Government and employment statistics fail to count those who are underemployed. If a person works one hour a week they are not counted as unemployed, yet these people live in poverty and have vanished from the government figures. This is because the last census did not analyse time and gender work habits.

This makes a mockery of how government policy makers plan food, shelter and clothing needs of the community who are not in full-time work. The poorest people are taxed the most. There is no way out of the poverty trap for those supporting a family on less than $40,000 a year. Life is full of stress, hardship and fear for those attempting to provide food, shelter and clothing for a family on less than $40,000 a year. Anyone working part time or casual has even greater stress. This often leads to family breakdowns, violence and abuse and even suicide. All of these are on the rise.

This adds to the budget of federal, state and local government services at the grassroots. Most services today are stretched to the limit, as we have seen by the previous St Vincent de Paul submission. Even local church ministers are stressed as demand increases daily for their help. My local Anglican church minister is on the point of giving it up because it is so difficult in a poor parish. There is such a lot of stress placed on them and yet we were considered the fifth most successful church for helping local people in need in the whole of the Anglican diocese in Perth.

Bracket creep in the tax system prevents many working families and their children from becoming productive participants in their community. Family finances are stretched to the limit. As an example, in a real middle-class area with houses over $200,000, half the number of boys enrolled for soccer this season than last season in Cockburn because of the increase of fees. Parents hold back on taking their children to the doctor; parents just do not bother to go themselves unless it is an emergency and the dentist is another luxury that parents have cut back on. This is from working families.

For those attempting to survive on less than the living wage or not in a permanent job the situation is untenable. It is impossible to acquire a bank loan for a car or enter into a mortgage in the outer suburbs where housing is cheaper. A car is essential for work and public transport costs more from outer regions. These people are more heavily penalised by the tax system. More time
on their journey to work, or to a job interview, means less time with their families and increasing child-care costs. Time poverty is real for many and adds further stress to family life today.

The bracket creep for underemployed people is draconian, claiming 70 cents in the dollar if earnings top $142 a fortnight. That is $71 a week. Scenario one: a single mother with two children faces increases since the budget in rent, power, water, fuel, food, transport, school and child-care fees, health, clothes and shoe costs. These are the bare essentials for every family, so she attempts to improve her situation by taking casual or part-time work. The present system only allows her to earn $71 a week—one full day or maybe two half-days a week. This is soon eaten up by the increase in living costs and so she is back to square one, living in poverty.

Instead of a government policy that forces her to go begging to charitable organisations, the alternative should be simple: lift the tax threshold on what she can earn. This would allow her to be more productive and increase her confidence when she becomes a valued, productive member of the community. If this woman has a degree and two children she finds a full-time job, she has to pay not only child care, but also her HECS fees and superannuation. This leaves a huge hole in her finances. She becomes part of the working poor, doomed to rent in a home for those who negative gear their wealth.

There is no recognition for her contribution to the nation by producing a child. Meanwhile, those who remain childless are living on the taxation fatted calf where they receive help to buy a home and negative gear another home. If they have children, they receive a superior private education that is subsidised by taxpayers. The opportunity for children with underemployed parents today is grim.

Scenario 2: in 1987 my neighbour became a single parent after 10 years of marriage; forced to leave her home when her husband demanded his share of the family home at current prices. She moved to an outer suburb, with the help then of a cheaper mortgage because she was a single parent. With two girls under 10, she was devastated. She contemplated suicide but with strong family and friends’ support, she enrolled in a TAFE college. The following year she went to university. She did this under the JET scheme that helps single women out of the poverty trap. The government investment in this woman has been repaid. Now she is a lawyer with her own business and she has been a productive, local government councillor for the past eight years in the area where she lives and her daughter is in university.

None of this would happen today. The community has been enhanced by this woman’s education. It was paid by a government which had the foresight to value instead of victimise the single mother. This does not happen today. Instead, today single women are victimised and forced to remain in the poverty trap created by two draconian budgets. Well-healed public policy makers victimise single parents through the tax system instead of valuing their productive contribution, including their children, to the future of this nation.

Population, poverty and the consequences for our nation: why are so many people opting out of parenthood today? Children do not have a vote, and so the value of a child to the future of this nation has been diminished. Our whole future depends on how we treat our children, not just the ones from families who can afford private education. Instead, the government penalises a large percentage of the population by forcing them into poverty. The health and education of all children is the responsibility of government. There is no profit in this. It is the right of every
citizen to expect a good health and education system, otherwise we can expect more suicide, more vandalism and an increase in home invasion, crime and community fear. The gap between rich and poor increases daily. Charity has never been the solution to poverty. There is less of everything for everyone today, except stress, taxes and fear. We have a right to question and challenge the tax system itself when it is screwed up, because it is screwing up the future of too many children.

The government’s and some others’ perceptions of unemployed people: unemployed people and people on disability pensions are not hopeless cases who exploit the system as some politicians and other comfortably-off people imply. The term ‘dole bludger’ vilifies everyone on benefits and should be outlawed. The new Jobstart system assumes everyone has a permanent address and telephone and is computer literate. This is often not the case. Many cannot even read and write. People are breached, victimised, for being incapable of understanding or unable to conform to a system that changes almost weekly.

Many of the UPU members, some with disabilities, are mature, highly skilled professional people who want to contribute but are rejected by the system today. The last two budgets offered no hope, no vision, no investment in job creation. Many underemployed professional people find it abhorrent to approach a charitable organisation for the bare essentials. The result is depression, family violence, and even suicide. That has placed further cost on the health system, a health service that is also in poverty.

Suggestions that have been canvassed for job creation: no interest by policy makers has been attributed to the values of these schemes. The last two budgets offer nothing but poverty in education. The primary school system would be greatly enhanced if a mature person became a teacher’s aide in every classroom. This would stem the poverty of teachers in the education when full-time teachers retire in the future. To ignore this valuable skilled human resource now will lead to a crisis in the future education system, just as we have a crisis in the nursing system today. I may add that in one high school here, 49 per cent of the teachers are due to retire within the next eight to 10 years.

Poverty and health: another job creation solution is to allow a person in full-time work to take a year off and receive unemployment benefits. An unemployed person could be replaced in their job for a whole year. This would be a solution to maternity leave and would also offer workers a chance to upgrade qualifications, take study leave, or work for an organisation like Oxfam Abroad. This would not only increase the skills of the unemployed person but would also stem the onslaught of depression that is endemic in our workplaces and the community at large today—nowhere more, I would say, than the public service union. I heard on the Internet recently that workers in Centrelink have been attacked, and this happens all over the country.

Poverty in new Australian inventions, science and the CSIRO: the government can no longer afford to allow the present brain drain from Australia. It needs to recognise and increase CSIRO funding and to invest in and encourage new inventions. Future job prospects have diminished for students who are encouraged to do a science degree. One father, who has put his three children through a university science degree—and the fourth one is ready to go—asked, ‘What for? There will be no jobs for them’, there are also the increased fees that people have to pay now if they are doing a science degree.
The fear of poverty is real for many Australians today. The policy shift to invest in defence instead of its citizens has increased terror and hardship as the gap between rich and poor widens. Poverty is real in Australia today. Your choices run out when your money runs out. This is what happens to many drug addicts today and this is why crime is so high. Thank you very much.

**CHAIR**—Thank you, Ms Jenkins.

**Dr Pain**—You must be exhausted by now. I wish I could tell you a joke, but I am going to follow on with some more bad news. I am going to talk about the brain drain, taking up from where Mary left off; rising household debt; financial predators and the need to regulate interest rates; measures of poverty; victimisation of the unemployed by Centrelink breaching; and the need for fortnightly unemployment figures to be made public.

Today—that is today, this day—2,700 Australians will lose their full-time jobs. Following the midyear sales, the retail sector will let many shop assistants go. Manufacturing continues to be hit hard, a recent example being the closure of a pie factory, with the loss of 260 jobs. A similar number were fired at a factory making harvesting equipment for sugar cane. I can add to that 220 targeted individuals at CSIRO in the latest round of savage cuts by this Liberal government. The share market reacts—and the private sector—like Pavlov's dogs when jobs are slashed. The share price goes up. The fact that the redundant worker was a consumer is still not considered relevant.

Australia has two unemployed for every person working in manufacturing. Today—that is this day—225 Australians will leave the country having obtained temporary work visas in other countries. That is 82,000 per year leaving Australia to work overseas. In 1995 that figure was 58,000 people—a 40-plus per cent increase in Australians vacating the country. It is estimated that over 850,000 Australians are working overseas. Today, 10 Australians will commit suicide—that is this day and every day—and hundreds of others will attempt it.

One of my former casual employees came to me one day and said he had come to an important decision point: he would either commit suicide or depart this country permanently overseas to do useful work. I am glad that he left the country, but I am sad that he left his family behind here in Australia. Looking at the *Sunday Times* newspaper in Perth yesterday, we can see just 37 jobs advertised for the entire state.

**ACTING CHAIR (Senator Knowles)**—How about Saturday's paper?

**Dr Pain**—I do not know. You can see it on the front cover. It would be substantially more. Unemployment in this state is over 80,000 people. In the same newspaper, the *Sunday Times*, where 37 jobs were advertised, over 140 Western Australians offered themselves as prostitutes. Seven of these prostitute advertisements specify that they are students. Some are foreign students from poor backgrounds in Japan, Korea, Malaysia and Africa, paying expensive university fees here in Australia, with no money coming from home.

Many prostitutes cannot afford the costs and risks of advertising in the newspaper. The going rate for oral sex in Western Australia is currently $20. Women are hitchhiking, targeting commercial vehicles in the middle of the day. I was personally propositioned for full service for $25 by a prostitute who knocked on the passenger window of my car while I was parked at
traffic lights in the northern suburbs at 3 p.m. She was being controlled by a pimp who I had observed, without knowing what the relationship was, at the intersection before. He was looking at the traffic, targeting likely customers.

It is significant that the Samaritans advertise in the prostitution columns of the Sunday newspaper. Their ad reads, ‘Despairing and suicidal? Please ring Samaritans. We will listen and support.’ Based in Albany of all places, they offer an 1800 number for those who cannot afford an STD call. Also in prostitution columns you will find moneylenders and tax agents offering their services.

In today’s Australian newspaper Sid Marris reports that household debt has increased from 50 per cent of household income in 1990 to 122 per cent in 2002. He quotes a Reserve Bank of Australia discussion paper which shows that 22 per cent of Australian households are described as ‘cash constrained’; those that find difficulty meeting all their commitments. From what we have heard today, that is not a surprise. Recent figures have indicated that one-third of all Australians aged 15 to 64 years are dependent on some sort of welfare payment.

According to Ms Christina Pollard, nutrition program manager with the Western Australian Health Department, more than 70,000 West Australians went without food last year because they could not afford it. This is an official government statistic. It was announced at a conference called Food For All, held here in Western Australia—the concept that we have to have a conference talking about food for all Australians is tragic in itself.

Burswood Resort donates 25 litres of soup per week to Foodbank which, for those of you visiting, is a charity organisation which takes expired or out-of-date food and sells it to charities for distribution by those charities to people who are truly not able to feed themselves. Foodbank was forced recently to increase its charge to the charity agencies for out-of-date foods from 50c per kilogram to 55c per kilogram because it has to bring in food from interstate to meet demand. We have charity organisations in this state actively seeking expired, unsatisfactory foods and paying the freight to bring it to this state.

One consequence of the growing poverty in Australia today is the prevalence of loan sharks. Personal bankruptcy increased 20 per cent after the introduction of the GST. I will quote just one example of a company that has spent tens of thousands of dollars advertising loans in our newspapers. The company is called Quantum Credit. Their advertisement caught my eye. It was offering loans from $1,000 to $2,000 only. That was in the Sunday Times of 4 August 2002 at page 20. What made my blood boil was the fact that they stated in that advertisement the interest charged would be 48 per cent per annum. Clearly the ad was targeted at people who could not get a credit card at a mere 19 per cent at the time.

The company employed an answering service and refused to give a street address or details of any charges in addition to the interest rate over the phone. I was so outraged by this exploitation of the desperate that I referred the advertisement to the state government via the then Department of Consumer and Employment Protection. The matter was investigated by the State Finance Brokers Supervisory Board in conjunction with the police. Because the company held a credit provider’s licence it was not required to hold a finance broker’s licence, so the matter was out of the supervisory board’s hands. They had no control at all over that organisation. I would
like to see this Senate committee call for legislation to cap interest rates at no more than 15 per cent per annum. There must be a limit to exploitation legally imposed.

There has been recent media interest in the massive failures of the Job Network and the government Job Search web site. You only need to look in the last couple of days. This Senate committee might examine the position of some commercial web sites offering to match job seekers with employers. Rupert Murdoch’s CareerOne sites, linking the total advertising databases of 100 of Australia’s newspapers carries only a maximum 40,000 vacancies. In other words, there are 50 or more job seekers per vacancy. The rival Monster site is currently losing about $6 million per year.

Seventy-nine per cent of dole breach reports, a staggering 161,000 recommended breaches, were overturned by February this year, according to a freedom of information study by researcher Susan Lackner, reported in the *Australian* on 10 July. Senator Mark Bishop and MHR Wayne Swan are to be commended for extracting actual unemployment numbers from the government. The Australian public has a right to know the actual number of people underemployed. These figures are automatically generated by Centrelink each fortnight when decisions are made about how many cheques are to be printed, how many people are going to be breached and how many will receive reduced benefits because they managed to find a few hours’ casual work and honestly reported it. On the other hand, Centrelink will never tell you how many Aborigines are unemployed. It is a separate figure.

We need a mechanism that counts the number of unemployed who are not drawing any welfare benefits. Small business owners are some of our most stressed and vulnerable workers. They survive by selling or borrowing against their personal assets. Those who are registered for GST and report no wages paid for a quarter would give some idea of the number of businesses under stress.

The number of Australians described as long-term jobless has doubled under the Howard government. It is a source of absolute national disgrace and shame. Centrelink are unable to tell me basic data like how many of the registered underemployed have tertiary qualifications. Centrelink does not know and cannot tell me. In the absence of such basic data, how can education and training programs be designed for people coming on, let alone dealing with those people who are in stock surplus—underemployed? Our degree graduates are told, sometimes at graduation, not to expect a full-time job for more than a couple of years at a time during their careers.

The concept of a job I think must be replaced by a career equivalent. I am old fashioned and I believe a human being with the current life expectancy should be able to work 40 years of post educational productive life. When a job is advertised, what does it mean? I saw a local government advertisement for a 0.2 appointment, two hours per day. The person has to travel, has higher relative transport costs than a full-time worker and the cost of the advertisement in that case exceeded the total annual remuneration of that position.

University professors have said, and been reported in newspapers, that these days the day the PhD thesis is submitted increasingly marks the end of our best scholars’ research careers. I think I will leave it on that point.
ACTING CHAIR—Thank you, Dr Pain. We are running very late so I will ask the senators if there are any questions. No questions? Thank you very much for the time. We will have a short break now and we will back with People with Disabilities.

Proceedings suspended from 11.46 a.m. to 11.58 a.m.
CHAIR—I do not know if people are going to make statements. Some people might be more comfortable if we just ask questions. Have you or your association worked it out, Ms Regan? What is going to happen?

Ms Regan—I was going to do a brief overview. One of the distinctions I wanted to make is that people with disabilities come in all shapes and sizes. It is not, unfortunately, one size fits all. We have two parents who have children with disabilities here today; we have Kerry, in the middle, who was born with cerebral palsy; Dennis Sheedy, who has a mild intellectual disability; and Ian Miller, who had an accident and is paralysed down one side.

CHAIR—Right.

Ms Regan—Some people have prepared things.

CHAIR—We can take it any way.

Ms Regan—I am the executive officer of People with Disabilities (WA) Inc. We are the peak disability group going across all disabilities. We are very small, I might add, and underresourced—I always have to put that in. People with disability and their family members are among some of the most financially disadvantaged in the community. It is actually very rare to find a family with either a child or an adult son or daughter with a disability who is financially well off. Financial hardship in the main—I was interested to hear Helen Johnston mention the other day, when she spoke at a morning tea, that a lot of the financial hardship is associated with the high costs linked to the disability. Whether the disability occurs through trauma or genetic causes, there is an ongoing battle from the onset to access essential services and to maintain them.

In addition, there is considerable stress placed on an individual or a family which often leads to family breakdowns. It is very difficult for a family who has a child with a disability to be able to earn two incomes because of the time involved in a caring role, particularly with someone with high support needs. The additional costs are hard to quantify. Some subsidies are available but they do not cover all of the costs. If you look at the aids and equipment people need—therapy services; transport, specially modified vehicles in particular; respite services in home and out of home; personal care services; recreation services; membership of various...
organisations; medication particularly; incontinence products, another huge area of cost; podiatry, the list goes on and on. But there are a lot of hidden costs, particularly for a person with a disability who is unable to perform some of the basic tasks associated with looking after a home, or a vehicle; even shopping can be an enormous challenge.

I am sure you have heard this before but there are a number of ageing parents who are still looking after their children who have a disability. When I say ‘ageing’ I mean people in their 70s and 80s who are still looking after their adult child and there is no funding for accommodation. Part of this goes back to a lack of planning. There are statistics. When a child is born with a disability, for instance, or when someone has an accident, someone knows about them: Centrelink knows about them; there are payments. There has been a huge lack of planning for the future for a lot of people.

Some years ago it was assumed that people with disabilities would not live very long, so planning stopped. There has been an emphasis just on crisis and not preventing the crises that occur in people’s lives. A lot of the problems go back to the financial hardship that is faced by most people with a disability, or their families, on a day-to-day basis. Kerry is going to speak about her own situation, if that is all right.

CHAIR—Right. Kerry?

Ms Allan—Thank you for the opportunity to speak to the inquiry this morning. The plight of people with disabilities and poverty is such that, along with some of the other socioeconomic groups of Australians, it has almost become accepted that we will be poor. My only regret this morning is that I only have a few minutes of your time, because if collared you, you would be here for hours.

I am well qualified on the subject of welfare and poverty and a firm believer in the power of governments and communities working as one, not to keep applying bandaids, but to re-educate, build supports, encourage self-esteem and empower people to again be proud. I am not qualified because of any university degrees, I am qualified because I live it. I was born in the 1960s—at a time where there were little or no expectations of people with disabilities. The community mindset was that people with disabilities would always be taken care of by the government, by way of invalid pensions, accommodation, et cetera.

Most people who have long-term disabilities over the age of 30 have no means to a long-term financial plan. In fact, we never thought we needed one. My primary income has always been a disability support pension. Almost six years ago I escaped long-term domestic violence with three small children in tow, a disability pension, family payments and no maintenance payments. I have been to the bottom. I can share stories not only of disability, but of prejudices that come with being a woman as well. I have been to the bottom; as low as I never imagined; as low as having to eat Weetbix regularly for my dinner, so that I could stretch the budget.

I have been housed, with my children, in a women’s refuge that did not have disability access and still I did not give in, as many would have. I am in a very different place now but only through sheer hard work—hard work, fear and a determination never to eat Weetbix for dinner again. I am lucky to have had the strength to get this far, as many do not and not just because they have disabilities.
I believe that having been born with a disability has meant that justifying my self-worth has been something I have done naturally forever, so I have become very good at it. Yet the financial struggle and the worries and the fears go on. I am proud that I can say that I have a house. It is not all mine; it belongs also to the Ministry of Housing. I worked very hard to set it up to suit my needs. Not everybody can work that hard and sustain the energy to pull it off. I now work part time. In fact I have had to create my own career, because there are too many things I cannot do. I have created my career in disability awareness and in communications, so I earn some money and our lives are much better.

But I am still scared. I am scared that the Commonwealth government will decide that if I can work, I do not need financial support, when in fact it is the very safety net of my Centrelink payments that offer me the confidence to go out on a limb to earn some income to improve a basic lifestyle. I am limited in the hours I can work because I cannot physically sustain the energy to work and to keep up with my family and all of the chores that go with that. I cannot sustain enough to live on unless I find a regular sustaining position that pays approximately $150 an hour. I will always rely on the safety net of disability payments and benefits, because if you have a disability you have an expensive accessory. I cannot buy just any clothes. I have to buy clothes and shoes that I can manage. I have to buy cleaning products that I can manage. I have to buy food that I can manage. They are not always the cheapest brands and I am always going to be wasteful, not because I am an uncaring person but because I spill things, because I squirt too much dishwashing liquid and you do not want to know what I do with the tomato sauce.

If my electric can opener dies I cannot make do without one—and the examples go on. These are some of my realities and the realities of many genuine, hardworking Australians living with disabilities and financial fears. One of the stressful things about being in this position is that often we hear that governments are questioning the validity of our disability. I can assure you that most people who have disabilities are genuinely putting 100 per cent into their lives and that 100 per cent will be different according to everybody’s disabilities, personalities and capabilities.

One of the ironies I face at the moment is that you can see how hard I have fought, not only for myself but to show my children that they do not have to live in a welfare state. I want more for my children. I want them to go to the bank on a Thursday and know that there will be enough money to buy what they need today and tomorrow, and so I work hard to prove these theories. Then suddenly my daughter turns 16—as she did this year—and Centrelink sent me what I think is an ultimatum. ‘Your daughter’—who has just turned 16 and has no survival skills and is happy in school—‘must now accept youth allowance’. The reason she must accept youth allowance is because they are going to take my family payments for her away. Suddenly my budget is down by about $100 a fortnight.

My choice is to do what I believe and not allow her to have youth allowance because she is quite happy being a schoolgirl. I would like her to go and get a part-time job and be independent but I cannot afford to do that because I cannot afford to be $100 a fortnight down. So we had to bite the bullet and she is now a year 11 student who pays board, does nothing—except a few dishes or whatever during the week—and collects in her hand $70 for the privilege. How is that going to teach her to be a hardworking Australian citizen? Thank you.

CHAIR—Thank you.
Ms Parker—I have written a wonderful three-page little talk here but I would rather answer questions because you probably will know where I am coming from and would rather know what you want to know. I am a single mum of four boys. The 11-year-old is the eldest. Three of my boys have autism; two nonverbal, one verbal. That is it, really. Whatever you want to know, open slather.

Senator KNOWLES—that is not it, Mr Chairman. I happen to know Kim personally and I can tell you that is not it. There are a whole lot of things and I think there would be a good opportunity for the committee to ask Kim where some of the gaps are in the services that she needs. I know that one of the gaps which is very important for Kim here is assistance. Meal time in the Parker household is a little bit chaotic, I think you would say, Kim, is it not?

Ms Parker—Yes.

Senator KNOWLES—Trying to get respite care has been a little bit of a problem, to say the least, because sometimes Kim has been confronted with an option of taking it away from somebody else so that she could get it and she, being the person she is, is disinclined of course to do that. We have been able to get some stopgap things put in place which are not necessarily satisfactory in the long term. Kim, would you be kind enough to explain to the committee some of the other areas, including that one if you would like, where you feel there would be advantage for you and the boys to have some assistance where you need it.

Ms Parker—The boys have what we call ABA therapy, which is a behavioural management therapy. It is quite precise to children with autism. They may use it in other disabilities—I am not quite sure—but the children require at least 20 hours a week. To have the basically trained therapist will cost you $33.70 for two hours. The children require 20 hours a week; basic therapist would cost you way in excess of $400 a week. I have three children; that is $1200 for therapy alone. The therapy is not covered by Medicare. It is not covered by any private health insurance. That comes straight out of my pocket.

I was married for 15 years. He could not cope. He worked incredible hours, probably to fund everything that needed funding and in the end it all packed in. Education is another area that probably needs to be looked at. I am back at uni because I do not want to live on the system and I am going to get my teaching degree and I will specialise in special ed. I will go back and change it somehow, through the back door or however it may be. But this probably will not be the last you will ever see of me or my name.

In my four years of education at university, I have not yet come across a unit—other than I will in my third year—that addresses special ed. But we are having more and more children diagnosed for special ed and if teachers were trained properly—no offence to the teaching profession—and if they were given what they need to manage, some of that therapy could be carried on in the classroom or pulled in with the curriculum so that it could continue.

I will probably get one 12-week unit of special ed which will probably tell me what autism is, what cerebral palsy is, what Down syndrome is—and I could probably run the unit. That is what we need to address. We need to address early intervention, catching these children when they are really young. Autism is diagnosed at 18 months to two years. By seven years the horse has bolted. It seems that we pulled back on early intervention for autism from DSC and funding that
was given to help with some of this 20 hours of therapy has been cut back due to the numbers that are being diagnosed with autism.

My honest belief is that with foresight, if you address it early, you will not be putting them in group homes when they are older because you will put the money in when they are young. All those social skills, maybe forms of communication, that need to be addressed will be addressed and then, hopefully, they can live in a family home with maybe a carer and be a part of society. All I would ever want for my children is that they have something to be worthy of or worthy for. When I cannot take care of them any more, you probably will be, and that is basically what it comes down to.

Doctors need to be trained. I have gone into doctors’ offices and they have asked why my boys are skinny. They do not even know what autism is. That is a bit sad. I have gone to doctors’ offices where, because they are nonverbal, I have had five visits in a week which they do not bulk-bill. It costs me sometimes $10 to $20 in excess. That is $60 because a child cannot tell me that his knee is sore, his arm is sore, his stomach is sick, and we play a big guessing game.

I honestly believe that my two youngest boys, who are nonverbal, will probably not grow up to be brain surgeons or anything of that calibre and should have been given a disability support pension. At the moment they get about $80 every fortnight, but if you gave them a disability support pension and even took one or two per cent of that and set up a superannuation fund so that when they were adults they could access that for caring—and that would be something nobody but they could have access to—I think that may alleviate some of the issues.

I do not know if that is what you wanted to hear, but that is how we basically live. That is from the heart of a mother. My phone bills wait; Telstra is full of money. Western Power waits; they are full of money. My children will always come first, and that is just the way it is.

CHAIR—Thank you. Is there anything else you would like to say?

Ms Parker—No.

Senator LEES—I have a question about appropriate and affordable child care. I am talking about child-care workers with an understanding of the needs of children with disabilities. Is that part of the solution? On one hand it offers a little bit of respite. It could perhaps give them an opportunity to be with other kids who have and do not have a disability and also to get the specialist care and the processes they need at child care.

Ms Parker—The problem with autism is that the spectrum is so wide and varied. I have a child who is nonverbal and quite passive, who could probably slip right into that child-care system and be okay. I have one, the seven-year-old, who is still trying to communicate and, because he cannot get there, the frustration is a lot higher. We have things being thrown and then we tend to get into that physical stuff. He probably could not go into a child-care setting.

A carer, on average, costs me $20 an hour, and I would be lucky if I could get a carer who would change incontinence products. Some of them refuse to do it. To go to the movies, four hours out, costs me $80, just to care. That is an expensive movie ticket for anybody. I go through incontinence products like you would not believe. The amount of money they give me—it is a
wonderful scheme—is nowhere near enough and the gaps cannot be picked up anywhere. Nobody picks the gaps up. I spend $50 a week on incontinence products. DSC is not allowed to pick them up. It is not part of what they are allowed to do and nowhere else pays for those sorts of products, so that costs me.

Nathan is gluten-free and dairy-free. A pack of pasta which is gluten-free is almost $3 a pack. You can normally pick pasta up for 79c a package, but I cannot because he cannot have the gluten or the dairy. It all adds up. As I said, I just juggle the balls. Sometimes the balls fall and break, and you pick them up and off you go again. That is just how you do it. I do not know any better. I do not know any different. That is all I have ever known.

Senator DENMAN—it concerns me that you do not get any respite for yourself to have a break at all. Is that true?

Ms Parker—I have a good LAC, and we try. Sometimes I take the children with me and sometimes I do not. They would have to come in the house. Last week was the first time ever that I have had somebody sleep over at the house, but that was because I was at the point where I could not cope any more, and that is the only reason. I suffer from lupus as well, so my health is deteriorating and there are days where I just cannot take care of the boys, and that is it. Carers do not seem to have that commitment or want to do it. It is difficult. It is really difficult.

Senator KNOWLES—Or they do not have an understanding, I think it is fair to say too, Kim, isn’t it? A lot of people look at boys like yours and just think that they are badly behaved because they do not look at autism as being a recognisable disability. With all due respect to our gentleman down here, if he is in a wheelchair, people say, ‘He has a disability,’ whereas with your children, they look absolutely beautiful, they are dressed beautifully, and everything else. They just, to many people, would look as though they are badly behaved, so a lot of people would say, ‘I’m not going to look after them.’

Ms Parker—Yes. It is not a visual disability, but you would see it in behaviours and everything else that would happen. My only worry is what will happen when they are adults. I do not want them living in a home other than the one they have grown up in, but I guess I will have to come to the reality at some point that they probably will. That is just another step in my ladder of life that I will have to deal with.

CHAIR—we might just move along. Who is next?

Ms Regan—Mr Ian Miller, who has prepared a written submission that we can give you, but I am sure he will want to say a few words.

CHAIR—he can say a few words and, if you give the submission to the secretary, we will all get a copy of it.

Mr Miller—Senator Knowles, apology accepted. I do agree with you that not all people with disabilities are in wheelchairs. I am lucky, actually. I do not really have much to whinge about, even though I do. The main thing is that I really object to being called a lazy, indolent, dole-bludging expletive. I am a person who has worked all his life. I am actually a journalist. That is wrong—I am a pensioner. I used to be a senior journalist in Brisbane and Canberra and here.
come here, not being able to claim poverty, or with any stories like the young lady here next to me. I cannot do that. But what I also cannot do is live on $400 a fortnight. Actually, I am wrong—I can exist. But I cannot live. I think I am not the only person with a disability in my circumstances who finds this.

Choice, ladies and gentlemen, is the key to disability. We have none. We did not choose the disability, it chose us, and now it gives us no choice. My disability cost me $1 million in income lost, past and future earnings, but that is a lesser cost than some have paid, so I have to say that, by comparison, the little things I talk about really boil down to staying alive on $400 a fortnight.

Shopping: people with disabilities are at a clear financial disadvantage. On shopping day, even before ambulating into the supermarket, the problems begin. Transport needs to be arranged. We do not drive ourselves and a two-way taxi fare substantially adds to the cost of the whole excursion. Once inside, you miss the scramble for the baskets and trolleys and thus the grab for the specials and lower-priced goods. You will find the lower-priced goods are often on the high shelves behind obstructions which are a bit hard for us to get to and we are unlikely to spot some of these goods. We also tend to have to buy items which are more expensive than an able-bodied person would buy. For instance, we cannot buy in bulk and we also have to buy things already sliced for us because we cannot do it ourselves. I know I cannot slice cheese; I have to buy cheese slices. I cannot cut meat; I have to buy sliced meat. They are just a few examples.

Although lately we have seen an improvement, the exit scrum is not helpful because the dyes can cause often additional taxi prices. That is merely to keep you alive without considering cloths, bathroom cleansers and, more important, soap, shampoo and toothpaste. Similarly with retail shopping: few of us even can afford a store sale. I can recall, when able-bodied, looking forward to the Myer sale to get quality items at lower than the normal price, that is, when I could afford it. It was just a bit of a help. But now, when I have to do it, I cannot. Op shop shopping is something we have to do. For those of the Dalkeith-Claremont set it is a fashion day out—but a bargain is something that we just need.

Travel: although government subsidised, our enforced taxi fare is expensive. Just as an example, my home in North Perth to the city is $5 each way. It would be substantially more than public transport, I think. To travel within the state of WA is different. Certainly you would not think about an interstate trip. I have managed only a couple of times to visit Canberra to see my dear 84-year-old mum, who has senile dementia. You do not want to see that, I can tell you, particularly if it is your mum. I would like to get over there more often and I cannot. The cost is prohibitive, both for the fare and the accommodation. Even to consider hopping on a plane for a holiday in another state, you just do not. International travel is another thing altogether, isn’t it? We will just file that in the bit-hard basket.

On matters of health and welfare, despite government assistance and bulk-billing—what is that?—we outlay a good slice of our pension on medication, much of it life saving. The cost of the doctor, then the chemist, then the taxi fare to and from tends to make the cost of health, welfare and personal hygiene fairly expensive. In terms of recreation, the standard disability problems I have referred to factor into this. I do not drive, so recreation is a bit of a problem. I have to rely on public transport and friends; friends who do not have accessible vehicles.
In terms of housing, I am now trying to buy a house. This is where it costs me again. When I first bought a house here in Perth in 1987-1988 I bought it for a song, hoping to capitalise strongly, sell it later and pocket the residual. What has happened now is that it has come time to sell but my head lost a contest with the floor of the Royal Perth Hospital, which caused a subdural haematoma which gave me hemiplegia which, in English, is paralysed left arm and leg—which is my dominant side. In my time in hospital the bank found that I was $50,000 short on my repayments, so a friend came to my rescue, I thought. I thought that might be asked for after I got out of hospital but I found out that she had organised a little equity deal which means she now owns half the place, so when I come to sell my place and shift out it means I get half of the profit I thought I was going to make.

I am going to have trouble getting a new house. Apart from the money, you have a difficulty with choice. You have to have something with flat access rear and front and you cannot have internal stairs. You have to have wide doorways and you have to have benches high enough so you can fit your wheelchair underneath them. I do not know if there are all that many houses which have that sort of stuff. With houses out of the question, your choices are limited and you are going to have to pay more for less; in other words, get less for more.

Dress and image is another difficulty I have found, again which is nothing like the problems of my friend here. As a professional I used to like to dress properly, which involved a suit, a shirt and a tie, but I find I cannot get myself into that any more. If I was able to buy one in the first place at a reasonable price, it has to then be altered. As the gentlemen here would know, ladies, the trousers of suits today are made like a cross between Fort Knox and a chastity belt.

That is fine for those with two hands to clasp on but, when you have one hand, you have to have it altered and, to have it altered, you have to have two inches of velcro. Two inches of velcro and a skinny belt holding up your pants is really not much of a deal. Coming to the tie, if I cannot put on a pair of pants and a jacket, how am I going to tie a tie—that is, tying a proper double Windsor knot? Why wear a tie if you are not going to wear it properly?

Further to that, if I had standards when I was able-bodied, they included the fact that I believed velcro to be lazy and an indication that you do not really care much. When not disabled I thought that appearing in public in daggy, old trackie pants and a sloppy top was announcing that you had quit the world. I do not see why that should change now that I am disabled, but we have to—some of us have to because that is all that is available. There are places like op shops if you are actually lucky to clothe yourself. I am not talking about clothing yourself properly but when you have to appear at functions to deliver public speeches and address Senate inquiries, you would like to dress up in a suit and tie, whereas I have to end up with a jacket and open-necked shirt, much like a union official at Buckingham Palace or a Liberal Party politician at a backyard barbecue. Anyway, that is me. As I say, I am lucky.

Ms Regan—Mr Dennis Sheedy has already put in a written submission. Did you want to add anything to your submission?

Mr Sheedy—Yes, I did. Basically today I am appearing for the silent majority who are unable to attend because of this building. For myself, I have had an intellectual disability from birth. In later years in life I have multiple health issues, the top one diabetes. The current cost of servicing my medication is $418 a year. That is with the prescription subsidy scheme. My concern is what
is going to happen in future if governments of the day bring in things like the recent Senate Medicare inquiry, where it is copayments to see your local GP?

I am fortunate that I am able to get around and select a doctor that bulk-bills, but a majority of us here in Australia are unable to just pick and choose and see a doctor of their own choice. Where do we go? What do we do? I hope what comes out of this Senate inquiry are some options for people with disabilities to try to service that cost of disability. Secondly, there are long waiting periods for health, for surgery, et cetera. At the moment I am on an eight-month waiting period for a complete left and right knee replacement. I have no option but to wait possibly for another two or three years. If I had private health cover I could get it done tomorrow.

For my spouse, who has an intellectual disability, my concern is for the future. She is unable to articulate like me. She has had a very poor education. She cannot manage a lot of her own banking issues or handle money. If I happen to leave she is going to have to rely on the public health and public welfare system. That is all I wanted to say. Thank you.

CHAIR—Thank you, Mr Sheedy.

Ms Broun—I have a 17½-year-old daughter who was fostered, who has quite a significant intellectual disability as well as being AHD. She is nonverbal with autistic tendencies and some behavioural problems. She is quite a mix. She has been in my care for just over eight and a half years and she will be there for some time. When it is time to move, do I have the funding or will there be anywhere else for her? We are looking 10 years down the track for at least that. She requires assistance with all aspects of daily living and needs to be supervised at all times, especially around mealtimes, where she will shove everything in her mouth all at once. With her toileting, she can do it but she needs to be supervised because she will use her fingernails rather than toilet paper, which is not very nice.

She needs help with dressing and showering. She needs assistance with everything. I am single. I no longer work because looking after my daughter is full-time. Sometimes I worry about what is going to happen to me when I turn 60 or 70, because I have nothing saved for the future. I am unable to put money aside for that. I live in Homeswest accommodation. Basically the only asset I have would be my car, which the bank owns most of. I receive a full carer’s pension and carer’s allowance from Centrelink.

My theory is that if I went out and got a part-time job somewhere and somehow managed to fit it in, I would lose part of it and the minute I lose part of the full pension I lose some of the subsidies, like car registration; the price would double and I cannot afford that. If I lost the job I might not get the full pension back, or the rates back, because Centrelink keep changing all their rules. I had big trouble getting my daughter onto the disability pension when she turned 16, even though she was quite significantly disabled. I had another child—who had a minor one—and I got her on very easily but the one with the big problems was difficult.

She gets a part disability pension, youth allowance and we have also the mobility allowance, plus education supplement, which I have just found out will be stopping in January, when we need money for recreation and leisure activities more than ever, but should recommence next year when school goes back. She has one more year at school, then we are looking at the future.
I have no idea whether she will be able to get a job. At the moment she would not qualify to work in an active workshop because her needs are too high. What is out there? Will there be post school options funding? Will there be something for her? She is someone who needs something to do every day. She cannot be unoccupied. If we spend three days at home, by the third day she is climbing the walls and you are tearing your hair out.

I used to get a foster subsidy amount but that is still set at what it was when she was 12 years of age and has not changed. Of course, her expenditure has increased quite significantly since then. She also gets recurrent tied funding each year to pay for leisure, respite and that type of thing, but each year that picks up more things and has to go further and further.

I pay my workers $10 an hour. I cannot afford to pay them any more. This week I lose a worker who has been with her for two years or more, I cannot afford to get someone to replace her. We are looking at trying to increase it to $12.50, which is still not a lot considering what they have to do. I have no idea where I am going to find someone to replace her. I cannot advertise because it costs too much money. I do not know anyone offhand and no-one I know knows anyone offhand who would be prepared to do it.

The tied funding used to cover things like a cleaner coming in once a week for her. If I have bits of fluff or dirt on the floor she will pick it up and eat it, or she will insert it into places it should not be going. Therefore, the house has to be kept to quite a high standard but I cannot afford a cleaner.

It used to cover costs like helping with a family holiday. That will not be happening this year. There is no money for that. She used to go to swimming. It would cover those costs. It will no longer cover those costs. It used to cover things like camps, respite like Lansdale, within organisations. It will no longer cover those because the commission has decided that they will not fund agencies that are already receiving funding. Therefore, if she is to go, we have to pay and it is about $194 a week or $90 for a weekend, or whatever, and that is money we just do not have. So we do not have respite.

We have tried host families. We have been through about 10 in eight years. We currently do not even have an LAC from the commission. She left two or three weeks ago and I believe it will be another two or three weeks before we might get someone, and that would be her 11th. We have been through 10 LACs in nine years.

Generally our costs far outweigh what we get coming in each fortnight. I have to weigh up what we spend, where we spend it, in what order I spend it, because my money does not just come in on one day. It comes in on about three different days within a fortnight and you have got to prioritise bills. If you get it in the right order, you might pay everything. If you do not, it takes months to get it all back.

I do not buy clothes for myself. I cannot remember the last time I spent money on myself. It is just not there. My daughter always looks nice because I think it is important for her to look nice. She already has a disability; she does not need anything further. She has a good quality of life. She goes out. She has a better social life than I do. I do not have one. But I fight for her, to maintain for her the best quality that I can. I do not know what is going to happen when she leaves school because all the costings will double. We are not going to get any extra and I will
probably lose income because I do not know about the accommodations for all the foster subsidy. That will finish when she turns 18, which is in January.

Up until recently I have been doing okay but in the last few weeks I have had every bill you could possibly imagine come in, nearly all of them for over $100 or more. I had some severe shoulder problems when my arm locked up and I could not move it. That required several weeks of physio. I had to go private because I could not wait to go in the public health system. I could not wait six weeks to go and see someone. I needed it straightaway. I could not move it, which meant I could not shower my daughter, I could not help her dress. Even with HBF helping, it was still over $150 to cover that.

At the moment my cupboards are pretty bare, my fridge is even barer and the freezer has about three things in it. I have bills coming. I need $1,400 within the next month for my car alone. We need the car all the time. We are travelling backwards and forwards to doctors, medical appointments, specialists. We have both had health problems recently, which does not help. She has got to have an MRI at some point; we do not know when. We need the car because to get to the appointments you cannot go by public transport. It takes too long or they do not get you there at the time you need or to fit everything in in a day. You just have to take the car.

If I have to take her to respite, it is a 90-minute trip by car. You cannot get there any other way. Sometimes it feels like I will never get out of this sort of cycle. Every time you think you are going to, something else comes in or another bill is there and you think, ‘Oh, no,’ and I think by the time I have got this one done, the house insurance comes in, then it is Christmas and then it is the car insurance. Then it is January and then it is school and so it goes on.

She wears orthotics. Buying shoes for her is not easy. She is in between all the sizes in all the shops. She is neither in the children’s or the adults. We have to have shoes that are not heavy but will securely hold her feet, or the shoe goes one way and the foot will go the other. She needs clothes that she can sort of get out of but she cannot actually get out of. You have a button that will hold the jeans up so she cannot just take them off in the middle of the shopping centre or wherever she feels like it.

Carers: if I want to go away for a weekend, I rely very much on my sister. She will do it. If I did not have her, there are not many options for me. If I wanted to go away or if she wants to go away, I am told there is in Gosnells a support—Take-A-Break—but I cannot access that for her because her needs are too high or they do not have the funding or whatever. Come next year, all her respite that we use now will stop. She will be too old—inevitably. I do not know what there is out there for someone over the age of 18.

Videos: if our video breaks down, it is not a minor little thing. This is a major problem and I need to get it fixed a.s.a.p. before she gets home from school, because we will have a major screaming tantrum because she will not understand why the video does not work. In her haste one day to put a video on, she broke the glass door that shuts the video cabinet—a thick glass door. She just broke it in half. I figure if she can do that just in a hurry, if she was angry what else could she do? So I have not replaced that.

She will throw tantrums if she does not get her way. She bit me one night when we were in church and she did not want to sit still; she turned round and she bit very hard. One carer has
actually had to physically hold her in the shopping centre to stop her from hitting someone else or running off. They are some of the problems we have. We go through carers quite regularly. We go through lots of things.

Personal hygiene: Jessica loves searching out items. She will go through them like no man’s business. She loves sanitary pads. She loves to wear them. If you go down there with a trolley, they will all go in the trolley. Everything off the shelf will end up in the trolley and she will go through them all within a day, so I have to hide them. I have them hidden all over the place. But she loves them, so at least we do not have that problem.

There are heating costs. She gets cold very quickly and you can see her lips turn purple, so we have to keep the house hot. I get hot very quickly, so it is quite interesting—but as long as she is warm. Then in summer we need the airconditioning because she does not sleep if she is too hot, so we have had to put in a ducted airconditioning system. It was not cheap but that way she sleeps and will behave herself.

I spend a lot of time on paperwork or making phone calls or organising things. Half of the phone bill will be spent on her, without a doubt. She has to have soy milk. I cannot give her normal milk. Soy milk is double the price. We go through six or eight litres a week. She loves it. They are just some of the things. She has medical costs. One of the creams she has costs $30 a tube. That is on prescription. HBF have said that we have to pay the first $23 if I want to claim it. We only have $7 knocked off. It is better than nothing but it is not really a lot. She needs that cream because she gets very bad acne. She needs lots of different things, lots of little things, but it all adds up. That is about all.

**CHAIR**—Thank you. What is an LAC?

**Ms Broun**—Local area coordinator.

**Ms Regan**—It is a system we have in Western Australia, run through the Disability Services Commission. There is a local area coordinator in all the different areas. I knew there were going to be some problems with acronyms that we use on a daily basis that everybody does not understand.

**CHAIR**—Even Senator Moore, and she knows most of the acronyms.

**Ms Regan**—Thank you for the opportunity. I know it has been very difficult for some of the people who have come along today to talk about their personal circumstances.

**Mr Miller**—Could I beg your indulgence just a little bit, please. I think we can see that everything costs more for people with disabilities. A loaf of bread, a carton of smokes, beer, whatever you like, costs the same for us as it does for people on an income—wealthy businessmen, Supreme Court judges, politicians, journalists. All have good incomes and we pay the same amount as they do, even for a milkshake and a sandwich. Thank you.

**CHAIR**—Did you want to conclude anything, Ms Regan?
Ms Regan—I hope that at least from this session you will have understood that there are enormous costs associated with disabilities for families and for individuals. That is the main thing. There are some disincentives in the system, which I think have come out as well. There need to be incentives for parents to be able to go back to work. Kim, for instance, is currently trying to go to university as well as care for her four sons. I do not know whether she will ever be able to return to full-time work, given the amount of caring she has and her state of health.

Ms Parker—I will.

Ms Regan—You will? Okay. But there need to be more incentives for people to be able to get out of the poverty trap they have been forced into really through no circumstances of their own making.

Ms Allan—Even though what you are hearing today is very negative, I am sure what you will also hear at this table is, ‘I’m very lucky. I’m very lucky. I’m very lucky.’ As a community of people with disabilities we are asking for a fair go, not more of a go than we deserve. We are really trying hard to do our bit for Australia. To do our bit we need the commitment of our governments and our financial supports and our respite supports, whatever they be, to enable us to regain our energy so that we can all take the next step, whatever that is.

CHAIR—Thank you very much. You have certainly impressed us all by your courage and the bravery you display.

Mr Miller—We do a fair bit for our $400 a fortnight. I think you would be pushing it to find another group who would only charge $400 a fortnight per individual.

CHAIR—Thank you, Mr Miller.
Ms Baker—Thank you. I will be as brief and succinct as I can. In starting I would like to quote a woman who is well known and well respected in the midwest and Gascoyne region of Western Australia—Sister Mary Ryan. Her words summarise how things are today in the bush in WA:

Over the past 12 months or so we’ve seen an increasing number of people who have never needed to use emergency relief before: two-parent families, lower income working people, unemployed singles—particularly men—those who have been in small business but have been unable to cope with the overheads associated with employing workers, the public liability insurance, workers compensation and administrative requirements around GST et cetera. There is a combination of reasons for this increase in emergency relief clientele and the changing nature of these groups. The cost of living has always been higher in rural areas but it is increasing to a level that is unimaginable for many. This has worsened since the introduction of GST. As well, Centrelink breaching and the impacts that breaching often may have on a family budget means that both singles and families may be left for extended periods of time without enough money to live on.

When understanding poverty, it is essential that we look beyond income level indicators as the only marking definer of poverty. Hardship in Australia: an analysis of financial stress indicators in the 1998-99 Australian Bureau of Statistics household expenditure survey provides a valuable analysis. That report found in Western Australia 39.7 per cent of households surveyed had experienced missing out in the previous years, including being unable to have family or friends over for a meal, a night out, hobbies, holidays away from home, or having to buy second-hand clothing during a shortage of money.

A total of 19.9 per cent of Western Australian households surveyed had experienced cash flow deprivation, including being unable to pay bills on time or needing to borrow money from family and friends. Astonishingly, 10.3 per cent of Western Australian households surveyed had experienced hardship, including being unable to afford heating and meals or having had to pawn...
or sell possessions, or needing assistance from a community agency. In terms of multiple deprivation where the deprivation had occurred on a number of occasions or simultaneously, a total of 24.1 per cent of respondents in WA had experienced this multiple missing out, 10.4 per cent had experienced multiple cash flow deprivation and four per cent of those surveyed had experienced or were experiencing multiple indicators of hardship.

The necessities, the goods and services that it are deemed reasonable to require, dependent upon your individual needs, are a major cause of poverty. Addressing issues of affordability through consistent pricing, concessions and services is essential to ensuring that poverty is reduced and its impact ameliorated. WACOSS has just completed a report called Would you like some heat with your trickle of water? It is about the cost of utility services and the nature and impact of those costs on emergency relief agencies and their clients—a very serious subject. The key findings of this survey were as follows.

In the past 12 months emergency relief agencies in WA have paid approximately $1.34 million to the utility service providers to prevent disconnection or restriction of supply to low-income and disadvantaged consumers. Forty-six of the 200 ER agencies paid out $255,782 to Western Power. That is an average of $5,560 per agency. Thirty-eight of the 200 agencies paid out $119,569 to Alinta Gas. Twenty-two of the 200 emergency relief agencies paid out $69,000 to the Water Corporation.

Moving off the subject of utilities and looking briefly at transport, urban renewal has seen the relocation of many local families into outer fringe areas in WA, particularly in the Perth metropolitan area. Public transport infrastructure in many of these new areas is inadequate, with only one or two buses running each day. Many families now face increased costs in public transport as they are housed in public housing a long distance from a city centre. For example, Jeannie lived in Queens Park for a number of years until she was transferred to Swan View in the outer parts of the Perth metropolitan area as a part of the Department of Housing and Works redevelopment project.

Jeannie’s mum still lives in Queens Park and often cares for her three children, aged six, seven and eight. Jeannie has four trips to her mother’s home per week. With concessions on the fares she could spend up to $12.80 every time there is a need to visit her mother. If she does this four times a week it will cost her $51.20. That is more than 10 per cent of her weekly pay of $460.18.

Health is a huge issue in poverty. There are others far more knowledgeable on this subject than I. I will just briefly mention the community service agencies report to us, that decrease in availability of bulk-billing medical care, particularly in regional areas in WA, has resulted in clients going without medical treatment. Agencies also report that people living in small country towns in WA seek emergency relief funds to travel to get medical attention, as there is no bulk-billing doctor in their community.

In relation to Indigenous issues, the poverty and disadvantage suffered is well documented. In Western Australia Indigenous people make up a disproportionately high number of the client base of community service agencies, in particular those agencies providing welfare services. Of particular note is the added cost of cultural obligation in relation to sorry business. Whilst the state in certain circumstances will cover the cost of a funeral, the cost of travel and wake and associated costs falls to the family, culturally obliged to pay and without the means and, as a
result, falling further into the financial crisis and debt. The issue for financial assistance for sorry business is an important and pressing one that needs federal attention.

We feel very strongly about regional issues in WA, as you know. People living in poverty in the remote areas are doubly disadvantaged as a result of high living costs and reduced access to service. I have mentioned the crisis of travel costs and medical assistance. Also, in instances of domestic violence, to travel to actually get help and for people to find refuge is extremely expensive. Health I have mentioned. Employment: the changing nature of industries in some of our regional parts of Western Australia reduces employment and changes the nature of employment available. We have to strive to keep up with those changes. Reduced employment opportunities can also happen in rural areas with salinity problems, as that affects the nature of what is going on.

Finally, WACOSS hears a number of messages from our constituent agencies. The number of people seeking assistance with poverty related issues is growing. There is an increase in new groups of clients—that is, people seeking assistance who have not previously sought it and, in particular, a growth in the number of working poor approaching agencies for assistance.

Interventions attempted by social service organisations to assist people in poverty, particularly with regard to the provision of housing or crisis accommodation, can be thwarted still by negative community attitudes towards people in poverty. That goes particularly for youth and for Indigenous Western Australians, women escaping domestic violence, people with health and/or drug and alcohol related issues.

Two hundred and fifty seven agencies were surveyed in WA for the 2003 Australians Living on the Edge report, and a substantial proportion of those were all the way across the state. One hundred and twelve respondents to the survey delivered services to over half a million West Australian low-income and disadvantaged clients in the 12 months to June 2002. Key findings that reflect the degree and impact of poverty and financial hardship in WA in the latest survey include a six per cent increase in the number of people helped by respondents WA agencies between 2000-2001, and 2001-2002 financial years. That is a rise from 500,000 to 531,000 people.

There is a 24 per cent increase in the number of people seeking but not receiving services they sought in that same time period. Agencies stated that the primary reasons for increased pressure included that existing clients have much more complex needs and that there were more people seeking service.

WACOSS believes that the federal government has a capacity to reduce poverty levels in Australia through taxation and social security reforms. The federal government also has the opportunity to address the impact of poverty through the provision of programs such as financial counselling and emergency relief. Both the federal and state governments together share a responsibility to address poverty through the provision of services like health and education and through making sure that subsidies are available to people living in poverty.

It is our sincere belief that the public is becoming increasingly perturbed by what they perceive as state and federal governments dodging responsibility in an argument regarding who should pay for or who should provide services in education, welfare and health in particular.
Programs such as financial counselling, which focus on advocacy for debt negotiation, and building strengths in budgeting have been shown to be extremely effective. However, the existence of these programs is limited by an absence of significant investment by governments. Financial counsellors in many areas of Western Australia report a waiting list of three to four weeks for appointments, by which time their crisis has worsened and often bankruptcy is the only option remaining.

WACOSS strongly supports the need for a national antipoverty strategy as outlined by ACOSS in *The Bare Necessities*: better, more secure and more flexible funding to be provided to the community sector to address the symptoms and the causes of poverty. It is essential that programs such as the Commonwealth ER Program continue and should be better resourced. Whilst the program is sometimes labelled as a bandaid, it is important that we do not lose sight of the difference that emergency relief can make to the lives of those who may be falling deeper and deeper into poverty and despair. We strongly support the need for strategies in interconnected areas, many of which I have just mentioned, and we strongly support reinstatement of the federal dental health program.

I would like to take the opportunity to hand over to our colleagues Kate Beaumont, from the Welfare Rights and Advocacy Centre of WA, to talk about some of the solutions that she has in welfare issues, and then to Karel Eringa and to Paul Pendergast from Shelter.

**Ms Beaumont**—Welfare Rights and Advocacy Service is a not-for-profit community legal centre which specialises in providing assistance in the area of social security and family assistance law. We also do some tenancy law as well. We are part of the local Welfare Rights network and also the national Welfare Rights network. The information I am going to provide to the committee today is in relation to the clients who access our service for assistance with Centrelink matters. A lot of the issues stem from the inadequate income support payments that are made by the Commonwealth to those people.

Regularly, individuals and families access our service as a result of cancellations or reductions of entitlements or threat or cancellation, as well as denial or delay of applications for payments. In some instances we have people waiting for claims to be processed for up to three or four months without any sort of income support payments. Additionally, there are many who access our service as a result of overpayments being raised and recovered by Centrelink as well, for various entitlements, including ongoing income support payments as well as family assistance.

The numbers accessing our service have increased markedly over the last four years. It is up by 240 per cent. That is people wanting information and assistance with Centrelink matters. Many of these inquiries are in relation to adverse decisions made by Centrelink and, as a result of the last decade, the harshening in policies and practices meted out to those who are in receipt of income support payments.

The breaching regimes that are in force in this state were amongst the most harshly administered, up until about 12 months ago, and statistical information provided by Centrelink is supportive of that assertion. There are significant flow-on ramifications for those breached, which includes a cumulative and compounding reduction in already low household incomes, which correlates with family and individual poverty and its flow-on to health, education, housing and capacity for social and economic participation in our community.
In 2001 our service prepared a report which estimated that during the previous 12 months there was a total of $4.2 million which did not flow into the Western Australian economy due to breach decisions by Centrelink across this state. Whilst penalties imposed for noncompliance with activity requirements are widely accepted within our community and are in line with current political positioning, the activities are harsh and extreme. For those on low incomes, the significant penalties imposed are proportionately higher than would be adjudged through the criminal judicial system. Breaching regimes for a first breach are between $940 and $1,140 deducted over a six-month period, and there is a cumulative financial effect with each subsequent penalty.

For income support recipients on Newstart allowance and youth allowance already struggling to subsist, this is way below the poverty line. This additional burden can have long-term effects on the recovery for individuals and families in terms of their opportunities for economic and social participation.

Although there is capacity to challenge breach decisions, many do not appeal as they do not have the resources or skills to advocate on their own behalf in challenging the validity of the penalty imposed. Where advocates from agencies such as ours assist clients there is a high rate of success in varying breach decisions. Often these individuals have other significant social and health issues which impinge on their capacity to fulfil their mutual obligations for Centrelink payments and their ability to challenge these adverse decisions.

Over the last 12 months there have been some positive moves, with changes to legislation and policy. Within this state there has been a reduction in the number of breaches imposed. However, the continuing harshness of penalties imposed for breaches is still of concern. During the six-month period of a breach there is no correlating reduction in the costs for housing, food, utilities and other ongoing commitments. I would suggest that there is probably a correlation with increasing crime as well.

The other major area of concern in relation to poverty within this state is the high level of debts to Centrelink and the Family Assistance Office. There continues to be a significant effort on the part of Centrelink to raise and recover debts. Particularly targeted within this state are Indigenous people and young people, who may not have the same capacity to challenge overpayment decisions, even where there is a substantial merit to their case and provision for waiver action on the part of Centrelink exists.

Though Minister Vanstone has indicated that issues relating to family tax benefit have been fixed, there continue to be high numbers accessing our service with family assistance overpayments. Some of these debts are in relation to estimating income, where families have advised immediately of these increases in income and still have a debt raised against them. Unlike the Social Security Act (1991), within the Family Assistance Act (1999) where an overpayment occurs because of administrative error and is received in good faith, unless there is severe financial hardship, recovery of the debt cannot be waived.

Many of the families with these debts are the working poor, who may not be regarded as being in severe financial hardship within their definition but are doing it tough finding money to repay Centrelink each fortnight. Additionally, when completing estimates, most do not have crystal balls where they can see whether they will get all of their child support payments for the coming
year, or whether they will find or lose employment. Shared care arrangements for children also
bring with them the chance for disputes between parents and often result in a debt being raised
against one party and the other not receiving any financial gain as the money for the child is lost
and is recovered by the Commonwealth.

Recently we had an instance of a shared care arrangement where the female party had been
receiving the full family tax benefit. Her partner put in—because he was having the child two
days per fortnight and he was not going to get any money through the taxation system—but it
resulted in a debt of $6,000 against that woman and, really, the shared care arrangement existed.
It is also just another way for things to escalate to the Family Court.

A side issue for anyone with a debt is that they also cannot access the lump sum advance
payment from Centrelink. Even if someone has a $50 debt or a $100 debt, they cannot get the
$500 advance once a year, which many people on low income payments hang out for. It is the
way they may get a new fridge, or fix the car, or do other things required because they do not
have the wherewithal from their fortnightly payments to do these things. Welfare Rights and
Advocacy Service would seek, in addressing the issues of poverty within our community, that
rates of payment increase so they are at least at the poverty line, even though that is completely
artificial. There should be increased transition-to-work arrangements to facilitate participation in
the work force. At the moment many people probably do not declare income because they cannot
get by until their first wage. They need some extra support during, say, the first three months
when they are getting back into the work force.

Also, penalties should be reduced in line with the independent review of breaches and
penalties and greater effort should be made by Centrelink to prevent debts rather than raising
debts a number of years down the track. We have recently had people where debts have been
raised for the last 10 years and if they had sent out review forms each year possibly they would
have been avoided. Thank you.

CHAIR—Thank you, Ms Beaumont. Mr Eringa.

Mr Eringa—Shelter WA is Western Australia’s biggest independent housing research and
policy body. We aim to improve housing access, affordability, appropriateness, safety and
security for people on low incomes, or who face disadvantage in the housing system. We see
inappropriate housing as a key cause of poverty. For instance, if the housing is inappropriately
located, people’s jobs and educational opportunities will be limited. If the house is of an
inappropriate size, people will have to live in overcrowded situations. This has been shown to
have effects on health and education outcomes. If the housing is in poor condition, that may have
outcomes in terms of poor health again.

Inappropriate housing is also a consequence of poverty because families on low incomes need
to access housing, and a prime limiting factor is housing affordability. Housing is, generally
speaking, the largest single, non-discretionary expense in a family’s budget. It is both a cause
and a consequence of poverty and, in this country, a housing crisis is generally acknowledged to
be emerging. For instance, in 1986 there were 90,000 households in the country in housing
stress; by 2001 this had increased to a quarter of a million—households, that is, not people.
At the same time the amount of affordable housing—available for people on the lowest two quintiles of income—is falling. Recent research has shown a shortage of 150,000 units of affordable housing nationwide. In Perth, between March 2002 and March 2003 the number of suburbs in which households at the top of the second quintile could affordably purchase fell from 56 to 28—that is, in March 2002 they could afford to buy in about a quarter of suburbs and now it is one-eighth of suburbs. We await, with some dread, the figures for June.

In Australia there are also 105,000 people who are homeless, which is probably the extreme end of the housing crisis spectrum. Housing problems are worse in regional areas where there are limitations in housing markets. That has an effect on the boom-bust cycle, particularly in Western Australia. If there is not a housing market, people cannot afford to live where the jobs are. Then you have to ship in everything from outside, which is one of the reasons we see the boom-bust cycle occurring in Western Australia.

The group most severely affected by housing outcomes are Aboriginal people. I will just quote two reports we have done over the last six months. One was where we looked at housing needs in the Shire of Broome alone and we found that over one-third of Indigenous families lived in overcrowded situations in that particular shire. Of course, that has, as I said earlier, health and social consequences. We are also conducting a series of surveys into homelessness in Western Australia. Half of the people, or actually between 48 per cent and 53 per cent across the four surveys, identify as Aboriginal. Also of interest is that one-third of homeless people in the surveys are children below the age of 14 and another third are young people between the ages of 15 and 24.

Housing is a big problem. That is not to say that nothing is being done. In fact, the Commonwealth government in particular is spending an enormous amount of money on schemes related to housing—for instance, the negative gearing scheme which you will all be familiar with; capital gains tax exemptions for people with their own house. No-one really knows exactly how much is involved with those two schemes but the best estimates are that it is at least in excess of $20 billion per year of income forgone.

There is also Commonwealth rent assistance, which has an annual outlay of about $1.6 million per year. There is the first home owners grant scheme which, as I understand it, is falling in terms of its value but, last time I looked, was about $0.8 billion per year. There is also the Commonwealth-State Housing Agreement, which comes in at around about $1 billion per year. If you total all of those tax exemptions and grants from the Commonwealth, you get to a conservative estimate of about $22 billion per year that goes into promoting housing.

Yet, at the same time, those payments are not integrated. Some of them work against each other and some are regressive. For instance, the negative gearing scheme, as we have heard recently in the media, encourages people to purchase higher priced houses which will then rent for a higher figure which will then not be affordable for people on lower incomes. The first home owners grant is not targeted towards affordability, so anyone, regardless of their income, has a right to that grant. Commonwealth rent assistance is targeted to income as it is only available to people on certain Centrelink benefits. However, in excess of 30 per cent of people who receive Commonwealth rent assistance are shown to still be in housing stress, which means they pay more than 30 per cent of their income in rent.
The Commonwealth-State Housing Agreement is also targeted towards people on low incomes. However, there has been a large fall in funding since 1996, so there has been about a 30 per cent fall in the amount of Commonwealth funding under the base CSHA. Partly as a result, public housing stock has fallen from 6.2 per cent of total housing stock in 1994 to 4.7 per cent by 2001, yet waiting lists for public housing, even though they are a poor indicator of real need, have grown. States also have a number of policies regarding housing because most states rely, for a substantial part of their income, on stamp duties and land taxes. Neither of those taxes is targeted towards ensuring affordability.

We have done some estimates as to what would be required to resolve the emerging housing crisis over a period of, say, 20 years. We have found that if you want to solve the housing crisis through providing social housing alone—putting housing on the ground—you would need in the order of $4.7 billion per year for the next 20 years to construct 400,000 new units of social housing. If you just want to keep social housing at its current level of just under five per cent of total housing stock, your requirement would be between $2 billion and $3 billion. The figures are a bit hazy because the cost of housing depends on the location in which you put it and the sorts of standards you put in place, but that is, roughly speaking, the amount of money you are looking at, yet this is one of the cheaper ways of resolving the housing crisis.

If you want to solve the housing crisis by expanding the Commonwealth rent assistance scheme to provide appropriate and adequate housing assistance for all who require it in the private rental market, our calculation is that you would have to increase it to $10 billion per year, and that would increase as rents increase in the private sector, and as the number of households in the private rental market go up your figure would increase.

As a solution, Shelter thinks—and National Shelter agrees—that we require a national housing strategy which would reduce some of those figures. For instance, if you targeted the current system of negative gearing and constructed it in such a way that it would promote people spending money on purchasing housing that is affordable for people on lower incomes, you might require less public housing.

Firstly, the national housing strategy should look at all of the housing related subsidies, taxes and exemptions and integrate them and ensure that they are targeted towards creating affordable housing. Secondly, the national housing strategy should stimulate innovative measures to create affordable housing, and we have seen a number of those being promoted in the media over recent months. Thirdly, there should be a Commonwealth housing minister. Finally, there should be an agreed target for social housing, which we believe should be double what it is currently in percentage terms. Thank you very much.

CHAIR—Thank you. Mr Pendergast.

Mr Pendergast—I do not have anything to add to what Karel said, except to reiterate that National Shelter’s position is that we would like to see a housing minister to bring focus back to housing issues, that we would like to see a department of housing to administer the work of housing policy and to coordinate housing policy nationally and, again, to have a national housing strategy target for social housing. We want to see innovation promoted and tested at a national level. I am happy to answer questions related to our submission.
CHAIR—Thank you very much. I have a question. Do you know how many adults in Western Australia are on a health card or a pensioner concession card?

Ms Baker—We might have to take that one on notice. I do not have that figure.

CHAIR—Do any of my colleagues have questions? No?

Senator MOORE—Yes, there are lots, but there is not time.

CHAIR—We have had a contribution from every branch of ACOSS, as well as ACOSS itself. In fact, I was asking that question because the Tasmanians knew that 42 per cent of adults in Tasmania are on a health care or a pensioner concession card.

Ms Chopping—The question is difficult to answer because of the eligibility criteria for the health care card. I could be eligible today but not tomorrow. The figure today is the figure that you would be looking for, and something that we struggle with when looking at things like concession reviews is to cost exactly for the state how much their obligation would be if we, say, altered concessions in relation to land rates or water rates—that kind of thing—so it is a difficult question to answer on the spot.

Senator LEES—To go back to breaching, for Western Australia have you looked at what the underlying problems are with people who have breached, whether it is economic issues relating to cost of transport, literacy levels or an underlying disability? Please take it on notice. I am just wondering if you have done any research to look at what the underlying problems are.

Ms Beaumont—with our agency, a lot of the issues that people present with deal with mental illness and substance use.

Senator LEES—They are surveys that would be most helpful.

Ms Beaumont—Okay. We have done things in the past, so I can find those for you.

Senator LEES—Thank you. And on housing, looking specifically at the need here for cooperative housing or perhaps supported accommodation, specifically for the Western Australia area, where you have looked at the types of housing that are needed, as well as simply more housing stock. Could you perhaps take that on notice?

Mr Pendergast—we do work on looking at the range of tenure responses and it is specifically around the regional work that we do. The most recent statistics are in the report that Karel talked about, the Broome youth housing needs, and that looks at co-op and community housing, as well as public.

Senator LEES—we have also heard this morning of a lack of hostel accommodation, and this goes back again to disability and mental illness. If you have any statistics specific to Western Australia for that, that would be most helpful.

Mr Eringa—we have a report on the shire of Broome which might be of interest because it is a bit of a microcosm. We would be happy to provide that to you.
Senator LEES—Thank you.

Mr Pendergast—That specifically talks about hostel accommodation, which was strongly favoured by Indigenous young people in Broome.

Senator MOORE—Ms Baker, you referred specifically in today’s presentation to the report on utilities. Can we get a copy of that?

Ms Baker—Certainly.

Senator MOORE—I have not heard of a similar study in Queensland. Senator Lees and I were talking about that this morning. That would be really useful.

Senator LEES— Particularly water. You mentioned water.

Senator MOORE—That is another personal issue of mine, looking at the cost of water increasing across the country and the profits being made by water authorities, so anything along those lines would be welcome.

Ms Baker—I think we can help with that.

Senator MOORE—Good.

Senator KNOWLES—We have a drought. That is the problem.

Senator MOORE—We will not have a political debate now about the profits people are making from certain things.

CHAIR—Thank you very much for coming in.

Proceedings suspended from 1.39 p.m. to 2.13 p.m.
BROWN, Ms Nora, Member, Australian Liquor, Hospitality and Miscellaneous Workers Union

CREED, Ms Helen, National President, Australian Liquor, Hospitality and Miscellaneous Workers Union

KAHN, Mr Yunus, Member, Australian Liquor, Hospitality and Miscellaneous Workers Union

MAZURKIEWICZ, Ms Wanda, Member, Australian Liquor, Hospitality and Miscellaneous Workers Union

MILLER, Ms Angela, Member, Australian Liquor, Hospitality and Miscellaneous Workers Union

OZICH, Ms Clare, Industrial Officer, Unions WA

CHAIR— I welcome representatives from Unions WA and the Australian Liquor, Hospitality and Miscellaneous Workers Union, WA branch. The committee has before it the submission from the LHMU. I now invite you and Unions WA to make a presentation, which can take the form of a statement summarising your views, or highlighting any issues you would like to emphasise to the committee.

Ms Ozich—Firstly, Unions WA adopts and endorses the submissions made by the ACTU to this inquiry. As a union body, our primary interest is obviously workers, and those workers suffering financial hardship. I do not intend to speak to any of the general issues that have already been canvassed by the ACTU’s submissions and other union submissions. I would, however, like to draw the inquiry’s attention to some aspects of the situation in Western Australia, particularly over the last 10 years, which have impacted adversely on the experiences of working people in WA.

Firstly, I understand Western Australia is the only state that has two adult minimum wages. We have an award minimum wage, set by the Western Australian Industrial Relations Commission, which generally flows on from the national wage decisions, and we endorse the ACTU’s submissions on the inadequacies of the award minimum wages. But, more importantly for our submissions today, there is a minimum wage set for the purposes of the Western Australian Minimum Conditions of Employment Act which, until this year, was set at the discretion of the Minister for Labour Relations in this state and, until last year, was consistently and significantly lower than the award rates; thus, Western Australia had a lower minimum wage rate than any other state in Australia.

This minimum wage affected non-award employees but, more significantly for our submissions today, affected employees who were employed on individual workplace agreements. That leads on to the second point I wish to make: from 1993 until 2002, there was a regime of individual workplace agreements in WA and, unlike the AWAs at a federal level, these workplace agreements were not subject to a no-disadvantage test reference to awards, but rather
they were only underpinned by the Minimum Conditions of Employment Act. As I have already indicated, that act had a lower minimum wage than the award.

Further, under the Minimum Conditions of Employment Act, the conditions that it set minimums for—apart from the wage rates—were very limited and were primarily limited to leave provisions. For example, there were no minimums around rates for overtime or work done outside normal hours. This was the regime under which these workplace agreements existed. The Australian Centre for Industrial Relations Research and Training did a report on these Western Australian workplace agreements. Unfortunately I have not been able to get a copy of the report itself, so the information I intend to give you today is from a secondary source. I am endeavouring to get the report and I can certainly make it available if desired.

This report looked at a random sample of agreements, particularly from the cleaning, retail, hospitality and security industries. It found that 56 per cent of these awards paid wages below the award rate; that 31 per cent paid wages between $0 and $1 above the award rate; further, that 75 per cent of them did not contain pay increase provisions, which is significant when considering that most of these agreements were for a period of five years. The report concluded that generally workers were worse off under these individual workplace agreements.

We would suggest, particularly within those low-paid industries, that the removal of key employee conditions that had occurred under this regime, combined with the below or slightly above award wages are factors that have certainly led to a clear undermining of employee wages conditions in WA over the last 10 years—along with issues that I understand this committee has already had quite detailed submissions on in respect to the casualisation of work and part-time work.

The final point I wish to raise with the inquiry relates to the gender pay gap—that is, the difference between female average wages and male average wages. Western Australia has the largest gender pay gap in Australia. The latest data from the November quarter was that Western Australian women earned 20.9 per cent less than their male counterparts; whereas the figure nationally was 15.6 per cent. Furthermore, Western Australian women earn less than women elsewhere in Australia. This has a significant impact on women’s economic wellbeing and financial status. It has indeed been widely recognised. A number of other states have introduced pay equity principles in an attempt to address this issue.

While we have no really clear understanding of why this is the case—why Western Australia has a larger gender gap and why Western Australian women are paid a lot less—there are some factors that we can point to. One of them is quite clearly again this issue of the casualisation of the work force and part-time work. It is a fact that there is a widening gap in earnings between part-time workers relative to full-time workers. In Western Australia around 70 per cent of part-time workers are women. In fact, the incidence of part-time work is slightly higher in Western Australia than elsewhere.

The other two central factors which have been acknowledged in research as impacting on relative wage outcomes are the value of the minimum wage and the degree of decentralisation in wage-setting institutions. Again, that goes back to my first two points; that in Western Australia we have had a lower minimum wage than the rest of the country and we have had, since 1993,
these workplace agreements with lower wages and lesser conditions. We would suggest that has had an important impact on particularly women’s wages in this regard.

**CHAIR**—Thank you, Ms Ozich. Ms Creed.

**Ms Creed**—Thank you, Senators, for the opportunity to make this presentation to you. I am the national president of the union. I was the branch secretary until last year, when Dave Kelly was elected to the position and I was elected to the position of national president. I apologise that Dave is not able to be here to present this on behalf of the WA branch.

You are familiar with the LHMU and the submission that we have made and I am aware that we have appeared before you in several other places. I have extra copies of the submission if you need it. In relation to Western Australia, I particularly wanted to make the point that our membership is slightly different here than in some of the other states and territories, primarily due to amalgamations. We have a very large membership in the health sector and consequently we have something like 70 per cent of our members who are women.

The issue that Clare was referring to in relation to pay equity and the gender gap in wages is one that is particularly apparent here in Western Australia among our membership. The majority of our members work in the health and related areas, in aged care, in child care, in schools as teacher assistants, in the cleaning and security industries, in hospitality, in catering. We have a variety of smaller unions which have amalgamated, such as the National Park Rangers Association, ambulance officers and the like, who perhaps are not covered by the union in all other states and territories.

It is a very diverse membership with, as I say, 70 per cent being women. Many of those work part time and we also have many members who come from a range of different ethnic and Indigenous backgrounds.

As I have indicated, you would be familiar with the submission we have made. Certainly the issues facing our members here in Western Australia are very similar to the kinds of issues you have heard from our members elsewhere. Just to make that point to you, I would like to ask Nora Brown, who is a courier at Royal Perth Hospital and a member and delegate from the union, to say a few words about her situation for you.

**Ms Brown**—I work full time as a courier in Royal Perth Hospital. After salary packaging I take home $430. My expenses would be roughly $445; that is including insurances, running of a car, carparking, mortgage and things. I cannot afford day care for my two boys. My husband’s father looks after the children during the school holidays. I currently have to say no to a lot of things for my boys. Sorry, I do not like being in this position. You get to eat a bit of humble pie, don’t you? I am not here to cry poor, okay; I am just here to make a statement on my lifestyle to you guys and hopefully you might understand after hearing a few testimonies from us.

My husband does have to do a lot of overtime. He gets taxed on most of that overtime but usually from that overtime we can save a little bit to go towards a holiday in probably two to three years. We do not eat out much, unless it is with a voucher or something. I currently look after my nephew, who is 12, and my son is 10. My husband does not earn much more than me.
He earns probably $30 or $40 more than me as the base rate without any overtime and usually he works Saturdays and Sundays.

**Ms Creed**—Senators, we wanted to make the point to you that the situation Nora is in is, as we know, similar to the kinds of situations you have heard about from our members in other states. But what we particularly wanted to do in our presentation this afternoon was address some of the issues about the industrial framework. It is our view that we need to tackle the issue of low pay through the industrial framework; that we have to have an industrial system in this country that ensures that decent work can provide fair wages and secure work to all Australians through their employment. We want to particularly look at some of the aspects of the industrial system and how they impact on the kind of pay and conditions people get.

You have heard already, in the submission from Unions WA, about the particular issues here in Western Australia to do with individual contracts. As you would be aware, individual contracts in Western Australia, even though they are under the state government’s legislation, will be phased out by September. What we have seen in this state is what we describe as a culture of individual contracts. We are very concerned about the number of workplaces where people have been on individual contracts—whether they have been registered or not—will continue to be on them despite the change in legislation.

Dave Kelly has prepared for the inquiry a case study in relation to the cleaning industry, which I would like to table in due course. As part of that we have taken an Australian workplace agreement, because what we are finding is that some companies are moving to AWAs under the federal system, and compared that with the contract cleaning award that would apply. This is an actual situation relating to some shopping centres in Western Australia. We wanted to provide that as factual information for the inquiry.

We also wanted to share with you the experience of another one of our members who also works at Royal Perth Hospital. His name is Yunus Kahn. The reason we particularly have asked Yunus to appear before you is because, prior to the change of government and the commitment to bring contracted work back in-house in our public hospitals in this state, Yunus—who has been doing the same work—was employed by a contractor under an individual contract. There is a difference between the pay he was getting under an individual contract and what he now receives under a union-negotiated enterprise bargaining agreement. I would ask Yunus if he could just explain his situation to you.

**Mr Kahn**—I used to work for a company in a shopping centre. We used to get $12 an hour and to make ends meet I used to work 50 to 60 hours a week. Then that was not enough and I took on another job at Royal Perth Hospital. My boss found out that I was working in another job at Royal Perth Hospital and then I got the boot. In Royal Perth I am getting $14 an hour, a bit more than what I used to get.

**CHAIR**—You were a full-time employee at the shopping centre?

**Mr Kahn**—Yes, full-time.

**CHAIR**—You got overtime at that company, did you, or were you part time?
Mr Kahn—We used to work overtime but we used to get the same rate, no overtime pay. That is $12 whatever you work; you can work 100 hours for the week.

CHAIR—Were you a full-time employee?

Mr Kahn—Yes, I was a full-time employee.

CHAIR—Not a part-time employee?

Mr Kahn—No.

Ms Creed—Under the individual contracts in this state it was fairly common for people to be paid a flat hourly rate. That was paid regardless of the hours that were worked. Under the legislation the other entitlements that you had in addition to the wage—such as annual leave—were parcelled up into an all-up rate of a 15 per cent loading and $12 an hour was a common all-up rate for cleaners to be paid. There are still cleaners being paid that rate as we sit here today.

Senator KNOWLES—How many hours are you working now?

Mr Kahn—Forty hours a week.

CHAIR—Did the $12 include any shift penalties as well or was that everything? No weekend payments?

Mr Kahn—There were no shift penalties, nothing; no penalties, nothing.

CHAIR—Going from $12 an hour to $14 an hour I imagine is a lot better than that.

Mr Kahn—Yes. We are getting penalties for Saturdays and Sundays, so actually we are getting more than that now.

Ms Creed—Mr Kahn now gets paid annual leave.

Mr Kahn—Yes, now we get annual leave.

Ms Creed—And sick leave that accumulates. Under the workplace agreements that exist in this state, the minimum conditions provide for sick leave but provide that it does not accumulate from year to year. Certainly the cleaning industry is one where the union has done quite a lot of work in relation to the impact of workplace agreements. As I say, Dave Kelly has prepared a case study which I will table for you, and also a comparison between the contract cleaner award and an actual workplace agreement that is in place now. I am not sure if you want this now or at the end.

CHAIR—Did you want to speak to either of those documents or is it for us to read?

Ms Creed—As I say, the issue of workplace agreements is something that Clare has touched on on behalf of Unions WA. It is an issue that has been documented and this is really additional
information about the impact on a particular industry. Originally the major employers in the industry did not go down the path of workplace agreements but found they had to because of the pressures of competition and the fact that their labour costs are between 60 and 80 per cent of the costs of the contracts.

We saw a spiralling down of wages and conditions in the industry. Even people who were employed in, say, a shopping centre were employed on the award. When the contractor had to rebid the next time round for the tender, in order to compete, those people had to accept workplace agreements. So they ‘chose’ a workplace agreement rather than the award, in order to keep their employment. What we have done in this is document some of the impacts that workplace agreements have had in the contract cleaning industry.

Workplace agreements have been particularly rife in Western Australia in cleaning and security, in private child care and in hospitality. The state department has done studies into all four of those industries. I am not sure if the state Department of Consumer and Employee Protection has made a submission to you but those reports would be available. The ACIRRT report that Clare referred to earlier is also one that documents those situations.

As I say, our submission today wanted to focus on things that were perhaps unique to Western Australia, such as the issue of workplace agreements. The final document I have handed out, the chart, is really the summary of our submissions of perhaps some of the things that can be done about it. Obviously, in our view, having proper regulation, not having individual contracts, is a very important aspect of protecting people’s wages and conditions.

In the contracting industries, the employers also would say that it is a much fairer system. If everyone is operating on a level playing field, at least they are competing on the basis of their training, the calibre of their management, the kinds of equipment and techniques they might use; they are not competing on the basis of the race to the bottom, which is what we have seen here in recent times.

The second part of our presentation today is really going to that chart. We are suggesting there is a range of things that can be done to address the issue of low pay. We particularly highlight the situation of the service sector in that the industrial system we have seems to be predicated on a view that it is possible to bargain for increases. Clearly, in areas like the health industry, that is something we have been able to do and do reasonably successfully here in Western Australia.

But in relation to a raft of other industries—and we particularly focus on child care and aged care, that are predominantly government subsidised—it is very difficult to ensure that the enterprise bargaining system as we know it can deliver wage increases, because they are just not there to be had, so to speak, because of the funding situation.

Our next witness is Angela Miller, who is a director of a child-care centre. She is just going to describe to you the situation for child care in WA.

Ms A. Miller—I have been a coordinator of a community based centre for 17 years. Previous to that I was teaching. Low salaries and poor working conditions have affected the child-care industry to such an extent that there is again an acute shortage of qualified staff. I have brought
with me Saturday’s *West Australian* and I have highlighted the numbers of qualified workers required. There are about 25 there.

Even assistant staff are difficult to find and, as coordinator of a large multifunctional centre for the past 17 years, I can tell you that to staff a service with quality workers, should one leave, is an impossibility. I have already had two centres ring me today, looking for relief staff, and asking me to open up a company that I started in 1994, called A&E Overseas Recruiting, to bring in staff from the UK. We had an acute shortage and the government of the day allowed me to bring staff in to all states and territories, with the exception of Tasmania. It was only a small concern, to try and alleviate what was going on in the West, and I did bring 17 girls in. All of them stayed around two years, eight of them stayed for four years and three of them are still here. Most of them wanted to stay indefinitely but, because their training was only for two years, they did not qualify as highly skilled and desirable, so they were sent back.

The low status a community gives to child care, the poor salary and conditions offered, the pressure put onto child carers by the accreditation system, means that the workers will not stay in the industry. Three of my trained staff members in the past six years have moved on to preschools and into full-time teaching. They did a one-year bridging course at Curtin University and they are now preschool teachers with far better rates of pay and much better holidays and no shift work. As I say, I brought you the *West Australian* so you can see the vacancies there are.

Services cannot fund high salaries because, if they did, the fees they would need to charge would increase to an unaffordable level. My own centre has needed to increase fees to parents by $3 per day, just to keep up with increased insurance costs, utilities and food. Child care is only affordable because the worker is exploited. If the workers were paid according to the responsibilities of the job, then this would make child-care fees prohibitive. I see families struggling to cope with the payment of fees and the workers struggling to live on the salaries.

I read about crucial brain development in early childhood and the importance of creating quality environments for children. I hear about huge conglomerates of corporate child-care services making fat profits. I know this can only be done by exploiting the worker and short-changing the children.

Care, comfort and compassion cannot be streamlined. You cannot be efficiently compassionate to families. I have parents who struggle to pay the fees. They only need their household food bill to increase slightly and their budget is wrecked. I see how families faced with higher expenses gradually fall deeper into debt. Just a few dollars every week means that after a couple of months they have a debt that is very difficult for them to service. They take their children out of care for a while until they have brought their debts under control. After a few weeks they return because both they and their child have missed us. In the meantime, the child has forgotten the routines, the other children regard the returning child as a sort of stranger, and a whole insecurity starts up that takes extra time and care to eliminate.

While the child has been away, he or she has missed out on activities and this is enough to undermine confidence and develop low self-esteem within themselves. For those of you who understand children, it can also start a child on a path of aggressive behaviour, as he or she tries to fight his or her way back into the scene again. We call this typical behaviour the stop-start
syndrome. It is all part of a bad pattern and we should strive to eliminate it happening with all families.

Any government of the day needs to recognise that child-care workers are skilled and very important to our society. They need to fund services so that workers can be paid a wage that reflects their responsibilities. Paediatricians are revered and highly paid because of the work they do helping babies and children. Then why is it that only when the human reaches university level there is any recognition of the importance of the tutor? Treat us as you do paediatricians. They are working with the body and we are working with the mind.

Ms Creed—Thanks, Angela. We wanted to make the point to you that there are many community services that are government funded and, for many of the workers working in those services, they are relatively poorly paid. Aged care is another area where a similar situation exists.

Our final witness we have asked to come along and present her story to you is an aged care worker, but she is currently on workers compensation. Wanda Mazurkiewicz had a reasonably okay income. She received penalties for working weekends and penalty rates are a relatively important component for many of our members who work in industries that operate 24 hours a day, seven days a week—but again, one of the problems with individual contracts is they often eliminate any kind of penalty.

Under the workers compensation laws in this state, for the first four weeks you are paid what you were receiving before you were injured. After the four weeks it then reverts back to the base rate. So Wanda’s pay has been dramatically decreased through no fault of her own, but through the workers compensation system. We appreciate that is a state matter but, given that this is an inquiry into low pay, it is our view that you would want to canvass all of the issues that perhaps contribute to that.

The other aspect about Wanda’s work situation goes to our concern about short-hour jobs. Her initial contract of employment was for 25 hours a week, 50 hours a fortnight; in fact she was working 70 hours a fortnight. That was the work which was needed to be done. But often workers in our industries have very low contracts of employment to begin with and many of their entitlements are based on their contracted hours rather than the actual hours they work. I would like Wanda to say a few words about her situation.

Ms Mazurkiewicz—Actually, there is not much more to say. For example, just for the first four weeks my payment from the last three months, before the accident, was $677 per week. After four weeks it was reduced to $359 gross per week. It gave me clear fortnightly $633. From that the bank was taking my home loan of $230 and I stay with $400, with my daughter and all bills; plus I have another daughter who is in TAFE and I was helping her paying the TAFE bills, plus books, plus everything she needs, because she is on Austudy and she is paying rent. Paying rent and actually living is costing her all her Austudy, so I was covering her TAFE. Right now I cannot pay this so I have to arrange with TAFE that I will be paying $20 per fortnight until I pay the whole lot. Another daughter is in year 12. I could not afford it as much as before and I feel so guilty.
Later on I called the union and they helped me financially. They found out that I should be paid 70 hours per fortnight, not 50, which is what I got on the contract, so my situation is a little bit up. Thanks for that. Twenty hours fortnightly is $300. Right now I have a lot of bills to pay. My car is not insured. My house is not insured because I did not pay it. Now I try to work everything out but still I do not know how long I will stay on the compo. Apparently I need an operation. I am right-handed and my right side of the leg apparently is affected, so I cannot do much at home.

I cannot drive because I am on Mersyndol Forte and if something happens to me when I am driving, I am not covered. I ask friends to drive me here and there, or my daughter when she is not in TAFE. But even friends cannot come any time you ask them. If you ask twice, later on they start avoiding you, or you feel uncomfortable to ask. The worst part is that nobody knows. They are sending me from doctor to doctor and no-one is telling me how long it takes. The latest is that I have to go and see a surgeon, but I am scared of an operation, especially on the neck. That is my story. Thank you.

CHAIR—Thank you.

Ms Creed—Senators, that concludes our formal presentation to you. We have tried to provide you with some different examples of the situations of our members living here in Western Australia, but they go to the same basic points. We do believe it is important that it is the industrial system for people in work which should provide fair wages and adequate secure employment. In our submission and in the presentations and in the examples we have given you, we have tried to suggest some of the issues lying behind that: some elements of the industrial framework, of the industrial system that need to be changed to ensure that people are paid a decent wage for the work they do; some elements such as the short-hour jobs; issues to do with casualisation; the need to have wages and conditions attached to public funding of care industries like child care and aged care. All of these things will assist to ensure that workers in this country are paid a fair wage for the work they do. Thank you very much for allowing us to make this presentation to you. We would be happy to answer any questions you have—either myself or any of our witnesses.

CHAIR—Thank you, Ms Creed. Have you or any of the people at the table heard of payday lenders? Is that a term you are familiar with? It might be an east coast phenomenon. It is where people borrow at exorbitant rates. You might know something, Ms Ozich.

Ms Ozich—There has certainly been an issue in this state—I do not know if it is the same thing—where people are setting up businesses lending short-term loans to people. There was a report in the West Australian this week I noticed, where these places were now moving into taking people’s furniture or whitegoods as security against these short-term loans, so it certainly is an issue in this state as well.

CHAIR—Thank you.

Senator KNOWLES—Ms Ozich, the report from ACIRRT, to which you referred, when was that done?

Ms Ozich—I think it was done in 1999. I will have to check that.
CHAIR—Do you still have two minimum wages here?

Ms Ozich—Technically we do. They have, however, been equalised. They were equalised by the minister last August. The present government brought in amendments to the Industrial Relations Act here where now the minimum wage for the minimum Conditions of Employment Act is actually set by the Western Australian Industrial Relations Commission at the same time as it considers the national wage decision. This year the commission set both minimum wages at the same level, so that is the position now. There is still scope under the legislation for the minimum wages to diverge, but it is now the situation that the commission sets them both at the same time.

CHAIR—Like awards, are they able to be moved? Are Western Australian awards able to be moved by application?

Ms Ozich—It is done by general order in this state. The commission brings down a general order which applies to all the awards at the same time. That is, when applying the national wage decision. It is not done by application.

CHAIR—I was thinking of, say, a cleaning award. Could you go to the Western Australian commission and argue that it should be higher than the decision made by the federal commission if you have agreement with the employers? Can you do something like that?

Ms Creed—The way the minimum wage or the state wage case is conducted in Western Australia is that there are what are called the section 50 parties, which are Unions WA, the Chamber of Commerce and Industry, for example. They front up to the commission and put their submissions that, effectively, the flow-on of the national wage case goes into the award. The rate, for example, in the cleaning award is higher than the minimum wage, so it is an increase. What we have seen has been an increase of $17 in the award wages across the board, and those are done by general order.

That wage case was heard and decided on 5 June, so, by way of general order, all of the awards were amended to increase the rates by $17. The Australian Hotels Association made an application for the date to be extended to September for the hospitality awards. They are awards of the LHMU. We have opposed that, and I have been advised today that the AHA is likely to indicate to the commission later this week that it is not going to proceed with that, so the $17 has flowed on to those awards as well. That was the only series of awards that was in any sort of jeopardy.

The difficulty, though, in terms of the minimum conditions of employment is that it is done through a Minimum Conditions of Employment Act, an act of parliament, but there does not seem to be anything within the state industrial system that ensures that all employers are indeed paying minimum conditions if the employment is not covered by an award or an enterprise bargaining agreement.

The union is looking to have a new award in an award-free area, covering Home and Community Care services in the aged and disability sector. In the course of our attempts to get that award negotiated we have come across a number of employers who have not had registered workplace agreements and have not been complying with the minimum conditions of
employment legislation in the contracts of employment they have offered. We have raised that with the state government and asked what the department is doing to ensure the minimum conditions are enacted, and the response from the minister has been that the department conducts education campaigns in selected industries, as they did previously in industries like cleaning and security. It is our view that, particularly in the aged and disability home care area, there may well be a range of workers who are in fact being paid less than minimum conditions of employment, let alone an award rate of pay and award conditions. That will come out in the case when it goes before the commission, we suspect.

**Senator MOORE**—And in those cases there is no linkage between federal and state funding going to those providers, and their conditions of service and treatment of their staff?

**Ms Creed**—No, and that is an issue that we would raise, as we have raised through child care, aged care, disability.

**Senator MOORE**—Nursing.

**Ms Creed**—There is a raft of those industries where the amount of money that is paid bears no resemblance to the wages.

**Senator GREIG**—I want to follow on from Mr Kahn. Unless I misunderstood you, you were saying you had a job, cleaning, and then you took a second job, and, as a consequence of the second job, you lost or were dismissed from the first job. I was trying to understand why that was. What was the reason for you losing your original job?

**Mr Kahn**—My ex-boss decided it was too much work for me. He said, no, I cannot concentrate if I have two jobs. He knows best—but I know best, you see.

**Senator GREIG**—You weren’t moonlighting? You weren’t trying to work two jobs at the one time?

**Mr Kahn**—No.

**Senator GREIG**—They were separate jobs.

**Mr Kahn**—They were different times. It is shiftwork when I work at Royal Perth, and I only work at night there. Only three hours at night and I have three hours in the morning; that is for the first job. And then at Royal Perth I have a straight eight-hour job there.

**Senator GREIG**—Did you consider looking at an anti-discrimination claim on that basis? Did you raise that with the union or with the state Human Rights and Equal Opportunity Commission?

**Mr Kahn**—No, I do not want to go into that.

**Ms Creed**—Under the state legislation, workers on individual contracts do not have recourse to the industrial commission for unfair dismissal unless there is a provision in the workplace agreement that specifically provides for that. I do not have Mr Kahn’s original agreement with
me, but that is the reason why. The definition of an employee under the Industrial Relations Act specifically excludes workers employed under workplace agreements, so there is no opportunity for the union to take unfair dismissal claims for workers on individual contracts.

Senator GREIG—Would there be an opportunity in Mr Kahn’s case to take a claim of unlawful dismissal rather than unfair dismissal and do it through the federal industrial relations arena?

Ms Creed—We have not tended to do that. I have no experience where we have been successful in pursuing a claim of that nature.

CHAIR—Ms Creed, or any of the witnesses at the table: we have had evidence over the life of this inquiry from a number of the voluntary agencies, charitable agencies, that they are getting a new group of clients. They are seeing a new group of clients present themselves for assistance and they have claimed that a number of these people are actually at work. Do you yourselves know of any examples—or maybe yourselves here—of people who have gone to Vinnies or Anglicare or Mission Australia because, even though they are working, they just cannot make ends meet?

Ms Creed—Yes. In addition to that, we run what we call a distressed members relief fund, which is money that is donated by the officials of the union and some of our executive members that goes to pay members’ electricity accounts and those sorts of things if they are in a particularly disadvantaged situation. For example, they might have had a workers comp injury or they might have had the sort of situation that Mr Kahn described where they have lost employment and we are taking a claim for them. We have our own resources that we use to do that, and that is an issue for members. We get calls from those agencies to see if there is anything that we can do, as the union, to assist someone who is then their client. It is certainly an occurrence that we are familiar with. I am not sure if any of our witnesses have personal experience of that or of colleagues at work who have had to do that sort of thing.

Ms Brown—Yes, I have colleagues I have worked with who have had to turn to those resources.

Senator MOORE—I have a general question to do with the calculation of weekly and fortnightly income. We have had a number of representations from people who are putting down, ‘This is what we get,’ and I notice people are balancing in a couple of different ways the income coming into the house.

The issue of Centrelink entitlements then comes in, and some concern that people do not either understand the way the Centrelink system operates and maybe are not making the best use of it, or tend to forget their Centrelink entitlements when they are calculating their income. I am interested in terms of people across the board, the awareness and relationship with our Centrelink system, which is there not only as a welfare payment but a supplementary payment, particularly for people raising kids; your understanding and your situation in regard to Centrelink and your income.
Ms Brown—Yes, I am aware of Centrelink. They make themselves very well known and get you to make a statement on what your wage would be throughout the year. I am currently getting $40 a week, $20 per child.

Senator MOORE—That is the family payment?

Ms Brown—Yes, family payment.

Ms A. Miller—Can I make a point? With Centrelink and child care, should a family have any reason not to immunise a child—maybe the child is sick or the doctor has decided it is not an appropriate time to get an immunisation—then the child-care benefit is stopped and the family is then faced with a huge bill. This is just prohibitive. They cannot afford it. There does not seem to be enough flexibility there, as far as families are concerned. Also, we are coping with a lot of families whose jobs have changed considerably and they do not know from day to day when they are going to need care. We have to take them at a minute’s notice because they cry and say, ‘If you can’t help me, I’ll lose my job.’ They have to be at work and we are really struggling to stay within our licensing requirements in order to be family friendly. There needs to be a bit more flexibility somewhere, either through licensing or through the government. We are doing our best to be a community asset and offer what the people require.

Senator MOORE—We have heard a lot about family payments for child care, in terms of confusion and variations in access to it. With the clients that you service, Ms Miller, and you seem to have a great deal of experience in the industry, do people talk with you about their relationships with their Centrelink payments and how it works?

Ms A. Miller—Yes, they do. A lot of them are very nervous about incurring debts at the end of the year, so many of them overestimate their income. They feel that this is the way to go, rather than to be faced with a debt at the end of June of a couple of thousand dollars. They would rather get less child-care benefit because they cannot accurately predict what their income is going to be. Because once again their work force has been casualised, one week they will be doing a 37-hour week, the next week they might only do 10 hours; they just cannot predict what their gross income for a year will be, and they are opting to take lower benefits. Then when you say to them, ‘Yes, but that will make your fee so and so,’ there’s a big shock.

Ms Brown—When I had my boy in day care, it used to cost me round about $40, $50—it varied—in after school care, from 6.30 until they dropped him off at school. That is why I could not afford it and that was being subsidised by the government at 56 per cent. That was per child.

Senator DENMAN—How does isolation and transport impact on some of these issues?

Ms A. Miller—In child care?

Senator DENMAN—Yes.

Ms A. Miller—Very much so. If you run a service that is in the outer suburbs, you have to be open for a long day. Unless they drive into Perth from where my service is, they take three buses. It is really expensive for them to do and the child has to stay with me for almost 11 hours in order for that family to be at work.
Senator DENMAN—Do you know what happens further out, in more isolated areas still?

Ms A. Miller—I can tell you that there are not any trained staff in isolated areas. It is just an impossibility. People are just hanging in there to try and keep the services open. It is very stressful. We have to meet the needs of accreditation, which is not any easy thing to do. You have to meet licensing regulations, you have to be sure that should there be an incident, then you are not going to be liable when you are actually trying to provide a service for the community. It is getting more and more difficult.

Senator DENMAN—And is it similar in aged care facilities as well?

Ms Mazurkiewicz—Yes, it is.

CHAIR—Thank you very much for coming along this afternoon.
BORGER, Mr Anthony Heero, Chairman, Reliable Parents Inc.

CHAIR—I welcome Mr Borger from Reliable Parents.

Mr Borger—Reliable Parents is a representative organisation for noncustodial parents. I thank the committee for the opportunity to be present today. It is interesting to be here directly after a trade union, having been in that business for something like 20 years, albeit 12 years ago. I might take the opportunity to present very briefly some facts that have come to my attention over the 10 years since I have left the trade union movement and the impacts that had on me. They certainly lend a significant amount of credibility to the position put by the previous people. Even though it is not part of my submission, the impacts are certainly interrelated.

I have spent the last eight years or so in personnel agencies for engineering, administrative and blue-collar workers, and providing those to clients. What is not popularly realised, and sadly not by the trade union movement, is that clients set the fees that will be paid—like those to the gentleman on the end at $12 an hour—by saying, ‘Get me a labourer. I will pay you $18. You sort the rest out.’ The end result of that is that it drives the price that you can pay to the gentleman at the end in only one direction. If you couple that together with governments, state and federal, that absolutely insist on the cheapest tenderer getting the tender, it has exactly the same effect; the gentleman at the end gets $12 an hour because the client will only pay $18.

When you have workers comp, which you have to pay, legislative on-costs like superannuation, payroll tax, et cetera, this plus an administrative fee to simply run your personnel agency, which varies between 10 per cent and 15 per cent, and then a return to shareholders, you end up adding around 50 per cent to 55 per cent to that $12 to get around $18 or $18.50. The end result is driven by what the client is prepared to pay. You might have awards but, if you can possibly do what you need to do to get that business, it only drives it in one direction.

The competition in the personnel agency industry is absolutely horrendous. There are literally hundreds of them in this state that are registered, mainly because of ease of entry. Anybody with a laminex table and a telephone and a Yellow Pages can become a personnel agency. There are state and federal government agencies set up to investigate the system and, to the best of my knowledge, in the last 10 years nobody has ever knocked on any of the doors of the people that I have seen and said, ‘Show me your books. Are you paying correctly? Do you have workers compensation insurance?’ et cetera. Without seeking to interfere with the previous positions, from my perspective they are absolutely right. I do not know whether that has any value but, having worked in the trade union movement and then in the private sector, I can see it from both ends.

We have a significant number of people and I work in an engineering company. I run three of the divisions and one of the divisions is a personnel agency. We provide blue-collar people. I know exactly what they are saying and they are absolutely right; but I also know that from the
real world you are driven by what the client is prepared to pay. There are still many people who are not covered by awards in this state, exactly as they said. Those people are singularly taken advantage of.

Senator Denman asked a question about transport and obliquely in answer to your question, if you were to come in and register with our agency, or indeed any of the other agencies, I want your name, I want your contact details. If you have not got a mobile phone or answering service, forget about it, because I cannot contact you. If you have not got your own reliable transport, forget about it. I do not want to contact you. So you are not even in the pool yet. You have not got to the first step of being employed. I put my hand in and I say on the phone, ‘Are you available, free? Can you come to work at 6 o’clock tomorrow at $12 an hour? Yes or no.’ If the answer is no—I move on to the next. It is like that; it is a machine.

Last Tuesday I was looking for a boilermaker-welder and the offer was $22 an hour. That is a little bit above the award but nowhere near market rates. I made 80 calls in two hours and did not get one. There are 1,100 people in the pool of work out there at the moment who are doing shutdowns and it has made a significant shortage in the industry at the moment. If you have not got transport and you cannot get to work at an hour’s notice, you are not even in the pool to get the $12 an hour yet. Having got there, you will go to work, you will do exactly as you are told and the day that the employer, the client says to me, ‘Take Bob out of the picture, I do not like him,’ then Bob is out of the picture; no ifs, no ands, no buts—one hour’s notice; out the door. If the client never wants Bob again and it happens more than once, I will never use Bob again. He only has to turn up with BO and he is gone.

It is very, very tough out there. I have had, in the last month or six weeks, a number of people who have said, ‘Can I have an advance because I cannot go to work tomorrow because I have not got any money to put petrol in my car.’ That is before they have the job. They are spending the money before they have earned it. It is tough on Struggle Street which is, I suppose, why we are here.

We represent the noncustodial parents. We have about 150 financial members and about 300 or 400 non-financial members; people who simply cannot afford $20 a year to be a member. We have an email database of literally thousands more who email us on a regular basis to ask for support, advice and guidance. The statistics we have put before us unfortunately come across very gender biased, but that is the way it is. I am not going to try to run gender arguments.

Because we only represent noncustodial parents, 95 per cent of our members are men. The Child Support Act is driving them into family poverty. They are in an even worse position than the gentleman on the end, because with his $12 an hour he would lose a third of it off the top in advance, without exception—workers comp, sickness, unemployment—‘I don’t care, just pay.’ If you do not pay, the Child Support Agency will hound you until you get another job and then you will also pay back pay and you will pay interest on the money you have not paid. You might not like it; it might not be fair; you do not think it is just—‘I don’t care, just pay’. If you get a tax deduction, that is fabulous, they will take that first. If you lose your house, if you lose your car and you cannot get transport—‘I don’t care, just pay.’ That is their position.

We have people ringing us up on a regular basis who are in the poorest financial circumstances you could possibly imagine and they have been driven there by the acts of the
Child Support Agency. Their health suffers, they lose their car, they lose their house, they lose their family, they lose all forms of support. Unfortunately, they are driven to agencies like ours for that support. Here is where it gets, on the surface, extremely sexist. I do not mean any of these things in any derogatory way because the changes that the women’s movement have made in this country in the last 50 years—and in particular in the last 20 or so—have been fabulous and have been well deserved and they have been monumentally overlooked. But that has not meant any necessary benefit to the organisation that I represent.

The reason for that is that these men, who are noncustodial parents, have almost no support. They have almost no organisations they can go to. They have almost no filial support. I am a noncustodial parent myself. If you leave, or your wife leaves you, you end up with nowhere to go for support. There is no agency to support noncustodial parents. There are 167 agencies that support women. However, there are almost none that support men. We have spent the last two years trying to get the state and federal governments to set up a conduit whereby noncustodial parents, irrespective of their gender, can go to government—state or federal—on a regular basis and say, ‘Excuse me, we have a small problem with this policy.’ We cannot get that avenue. We cannot get any support whatsoever in those areas.

We see, on a regular basis, the rates for men’s suicide going through the roof. There is almost no money spent on it. We see youth suicides from broken homes going through the roof. The amount of money spent on it predominantly goes on administrative fees and not actual programs to deliver things to people which will keep the families together, as opposed to allowing the families to break up and then saying, ‘We will provide some support at the end of it.’ Our view is that the families on the breadline or close to breaking up need as much possible support as they can get.

I understand this committee is looking at the effects of poverty. Our statistics show—and these are supported by a number of federal and state government agencies—that something like 50 per cent of people who owe money to the Child Support Agency are unemployed. They are right behind the eight ball, right from the word go; 70 per cent of those people right across the country—70 per cent of men who are unemployed in this country are in that same category and owe money to the Child Support Agency.

Those people are now in a situation where they are unemployed, with little opportunity to gain money and they have mounting debts. It is driving them into poverty. They do not have a support mechanism within their family. They do not have a support mechanism in society. They do not have government or private sector agencies they can go to for support. If they want to get counselling, advice and guidance, they pay. But they cannot afford that and so subsequently they end up sad, lonely, depressed, suicidal and they resign from their jobs.

There is a poverty trap there which is growing day by day. Larry Anthony put out a statistic about a budget initiative for 2003-04, expending $11.9 million for newly separated parents over the next four years. While I commend that initiative, the statistics he has quoted show that he expects over the next four years that 31,500 parents will become separated. Our view is that something needs to be done about the 31,500 before they separate; not working out a system so that, in the expectation of them separating in four years, we will be able to pay them some money. We should be paying them some money by way of counselling, support, advice, guidance at the front end, not fixing up the 15-year-old suicidal kid in four years’ time—who is
now 11 and his parents are happily married. You cannot say in four years’ time, ‘We did our best. We have $11.9 million.’ Our view is that money should be spent to keep those families together at the front end rather than put the money away in expectation of sorting it out at the other end.

We have some written submissions that are not in a particularly good state, to be honest. They are emails to us and I would rather have them put in a proper fashion and submitted. With the committee’s permission I would seek to do that. One last thing: this is really quite scary as far as we are concerned, but it is only very recent—literally within the last two weeks—so it did not appear as part of our submission. We have a significant number of members in the resource sector in this state because something like 30 per cent of the GDP of the state comes from the resource sector: offshore oil and gas, mining, et cetera. It is the nature of the state. It is an extremely dangerous area to work in, as you would expect. It is predominantly patriarchal and so the high rate of death and injury in that area involves men. It is also significantly higher than the norm for separated parents. Again, the expectation on these people is, ‘Go to work, earn the money, bring it home and we’ll spend it on the house and the kids and the car’.

These people are now coming to us with something that will have an effect—like Larry Anthony’s $11.9 million. It will have an effect, a devastating effect. If I can just read briefly from this statement from our secretary:

Australian families are now starting to suffer from the hidden ramifications of ill-conceived social policies. These have gone unheeded for over ten years.

While Worksafe and WorkCover struggle with their collective problems with workers compensation, Superannuation has now become the latest to buckle under the pressure from death and disability claims by Australian men in the workforce.

Risk factors in the mining industry alone has resulted in premiums for death and disability insurance provided by super funds rising by 293% ....

That beats hands down the AMA’s claims and it is at Struggle Street end, not on people earning $300,000 a year. The problem is that when you get your super together and you put your super away, one of the option boxes you can tick is death and accident, so if the unfortunate occurs you are covered. You can say to your spouse and your children, ‘If I’m injured at work, I get workers comp.’ It may not be, as this lady was saying, the best in the world but it is better than nothing. ‘If, unfortunately, I do die, then that money will be paid to you.’ Those premiums have risen to $4,000 a year. These people do not have $4,000 a year to cover, so they are now uncovered. Because they work in the industry they cannot get coverage. When they die, as they will, where is the money going to come from to support their families? That is an issue which has to be addressed.

This undermines the value of their super policies. The family must now confront the problem of either finding extra premium costs of up to $4,000 a year or drop the insurance cover proportion of their fund. The cost of this will no doubt be transferred back to the public purse. Over the past 20 years the public purse has been alleviated either in whole or part by the widespread introduction of superannuation and the insurance policy covers that are provided with them. This will now result in increased demand on social welfare for widows and permanent disability benefits.
The premium hike is based on actuarial studies in the mining industry, coupled with the knowledge that the mining industry attracts a high degree of nonresident parents. With the known risk of harm, injury and illness with this demographic it is clear that the social consequences of the Family Law Act and the Child Support Act have come home to roost. All Australian families will now pay for this as it spreads throughout male-dominated industries. Nonresident parents are dominant in the mining industry and overly represented in death and injury statistics, both in industry and in civilian life. The insurance industry has many years of documentation on this subject and is legally entitled to refuse nonresident parents insurance cover solely on the grounds of actuarial statistics. What is happening—reading between the lines—is that because these people are dying in this industry, the insurance companies have woken up and they are now refusing to insure. They are asking the questions, ‘Are you a nonresident parent; are you divorced?’ ‘Yes.’ ‘I’m sorry, we’re not insuring you.’

That completes our submission, apart from questions. As I said, we have some documentation but it has been on the basis of emails. I was not originally set up to attend today but have come at short notice and, on that basis, I certainly apologise. But if the committee has any questions I would be happy to answer them.

CHAIR—That is fine. When you have it ready, send it to us and it will be made available to all the committee members.

Mr Borger—Thank you.

Senator DENMAN—Your submission seems to imply that low-income families have more marriage break-ups. Do you have any evidence to support that?

Mr Borger—Of the 150 full-time members, 145 of them fall into that category. We certainly do have some statistics on that issue and I would be happy to provide them.

Senator DENMAN—Good, thank you.

CHAIR—Thank you very much, Mr Borger.

Mr Borger—Thank you for the opportunity. This is the first time I have had the opportunity to appear before a Senate committee and I have appreciated it.

CHAIR—Thank you.
[3.50 p.m.]

GREALY, Mr Anthony Peter, Community Housing, St Patrick’s Community Support Centre

CHAIR—I welcome the representative from St Patrick’s Community Support Centre.

Mr Grealy—Thank you. The organisation I represent provides meals, recreational activities, library resources and crisis short-term and long-term transitional accommodation for homeless men and women. We also provide professional counselling support to people who are in crisis, as well as ongoing counselling support for people who become residents or lodgers. The programs we run are oriented toward assisting people who have predominantly alcohol and other drug misuse issues to deal with.

The region we cover is the south-west metropolitan corridor of Perth. In that region there are 5,000 Indigenous people, of whom 4,000 are homeless; they do not have a place to call home. We are unable, in the Perth metropolitan area, on a daily basis, to find accommodation for, on average, 10 people a day.

We are a very small organisation. We have 13 full-time staff. We rely heavily on about 80 volunteers to assist us in what we do. Those 13 paid staff comprise eight full-time staff and five part-time staff, and it is only one of those people—the social worker—that is involved in crisis counselling for people. That one person, per day, is unable to find accommodation for 10 homeless people—and I am emphasising that we are just one small organisation here in Perth. It is the experience of all other organisations that I have anything to do with in the housing sector here in Perth.

In addition to that, we provide a hands-on health service where people have, with their health care card, access to medical services, chiropractic, hairdressing, Feldenkrais, massage—a wide range of hands-on health services which they would otherwise be unable to access.

I represented our organisation when there was an inquiry in this state into homelessness. That homelessness report identified that there were 15,000 homeless people here in Perth. That was a conservative figure. I was party to the establishment of an alternative task force into homelessness in this state, and the figure that we came up with was that closer to 24,000 to 25,000 people are homeless in Perth. That is old news; it is about 18 months ago. Our experience in recent times, if our day-to-day experience is anything to go by, is that that figure has certainly increased in the last 18 months.

CHAIR—Mr Grealy, is that every night?

Mr Grealy—Yes, that is every night. That is the statistical information from all of the agencies and we are talking about homelessness in its different forms—primary, secondary and tertiary—so I am capturing the whole lot of them in one hit. I have a place to call home, where I am able to lay down my head of a night-time; that is my bed. We are talking about the
conglomerate tertiary, secondary and primary homelessness. It is not just people sleeping out in parks who are, within the definition, primary in their homelessness.

I was invited to attend here by our local federal member as the organisation I work with is held in high esteem in the region because of what we are trying to do with the homeless and the poor and the underprivileged. We provide meals, so we open up in the morning, first thing, for people who are homeless and looking for something hot to eat and it is through that process that we provide meals and they have access to our services.

It is not rocket science we are dealing with in terms of homelessness. The simple reality is that there is not enough affordable housing available for the poor and the underprivileged. Within this state—and I can only speak from my experience within this state—the amount of public sector housing is diminishing all the time. There is more emphasis on going in a direction towards organisations like the one that I represent—towards community housing. There is much more emphasis on joint partnerships and organisations like ours finding resources to get equity in housing stock. It is moving further and further away from being a public responsibility, towards being more of a community sector responsibility.

Our own internal assessment is that we provide about 45,000 meals a year to the homeless and we have, on average, 15 clients a day coming through the centre. Eighty per cent of those people have a mental health issue and they usually have a dual diagnosis, with paranoia and schizophrenia. That is another area in terms of ongoing support: the residual outcomes of homelessness. Besides the sorts of things that get a lot of media publicity—for example, drug issues—a consequential outcome of homelessness is mental health issues, which are much more prevalent amongst that population than in the normal population.

I have looked a lot at studies that have been done in America and Canada, and contact people who did studies in Canada. The most recent study, on a perspective from British Columbia, is on a process that they called ‘homes, choices and healthy communities’. The outcome for the community is $60 to $70 a day. It is cheaper for the community if supported accommodation is provided for homeless people.

We have involvement with the mental health system, the police, local government, all of the services, the criminal justice system. We have recently had representatives from the men’s and women’s prison systems come to see us, asking what we could do to help with prisoners exiting the criminal justice system, and we are unable to help them because we are fully booked. We have waiting lists for all our accommodation, let alone for the crisis accommodation that is provided elsewhere.

The nature of providing housing for the homeless as a community responsibility means that it is the community that benefits in reductions in costs to do with all of those areas that I have identified. I presume, from looking at the long list of people who are giving presentations to you over time, that some would be informing you of the outcomes of studies where they have followed individuals, and the cost saving of providing housing as against the cost for the community when it comes to all of the other areas of government that I mentioned earlier on.

A basic right of any citizen in the nation state is the right to housing. The reality is that there is an inadequate supply of affordable housing for the homeless, the poor and the underprivileged. I
would only be repeating myself if I talked any more about the nature of what we have to deal with. It is a hard, cold reality of my daily life that, for the people I work with day in and day out, there are inadequate services. In a society like ours that is as wealthy as it is, it beggars belief. I am open to any questions.

CHAIR—Thank you very much, Mr Grealy.

Senator KNOWLES—Mr Grealy, you talk about counselling and particularly you mentioned alcohol and drug counselling. What percentage of your clientele, so to speak, would have alcohol and drug problems?

Mr Grealy—We have 93 beds in seven different facilities. We run specialised programs for men and 14 beds are set aside for those. We are the only place in Perth that provides a facility for women exiting recovery centres run by the Salvation Army and other places. The specific answer to your question is that 90 per cent of the people who enter the doorway of our establishment in Fremantle have alcohol or other drug misuse issues associated with their lifestyle, be they homeless and sleeping out; be they living in any of the hostels; or be they from any of the lower cost housing around the Fremantle region.

Senator KNOWLES—Is there gambling and financial counselling? Are all of those sorts of issues covered by your organisation as well?

Mr Grealy—Yes, we have a qualified social worker who is the crisis counsellor. I am a family therapist, as well as having legal qualifications. The people who run the other programs for me are qualified practitioners in the field of counselling. We are involved in the support planning model, where we have people coming in homeless through the front door of the premises. I am able to provide access, through our housing, back into the community with arrangements I have made for those people who we say have gained the life skills necessary to have a quality of life—where they can live independently, which for most of our client base means abstinence from alcohol and other drug use.

Senator KNOWLES—If you were to be writing a policy today, what would be the main issues that you would recommend as changes that need to be made? Say five issues.

Mr Grealy—The first one would be a national perspective on housing because my experience has been that with the proposition from the national level, a state level and a local level, there is not consistency in the policy application towards the basic question of homelessness. That would be the first thing I would be attending to, because the toing and froing and bartering that goes on is not consistent with a national policy on affordable housing.

When you look at the question of appropriate policies for people, the group you asked about, the client base and their alcohol and other drug issues, there is a process that is in place. The Swedish have a model. I am involved elsewhere in the community in trying to establish a place for homeless street kids here in Perth as well. The model we will be using is the Swedish model and that model is based on the notion that we as a community are responsible for our children and that, as such, you have in place certain arrangements between the various providers that people are locked into so that young people may have some consistency in policy and process.
As an example, a young person is apprehended doing something illegal. That young person is provided with the opportunity of receiving some form of counselling that allows them to address the issues that are associated with their alcohol or other drug issues. If there is still a problem, then there is a process in place where young people are accommodated, where there are agreements in place between the Swedish police, the Swedish social security system, providers like our organisation, community service providers, where everybody is linked in and there is a set process that takes place. That is what I would be advocating because all of these issues are integrated.

When you are asked for five, you could identify five different things like the alcohol and drug misuse issues, the mental health issues and the things that go towards other than alcohol and drug usage and the mental health issues that arise out of that. Then you look at the other questions you talked about—gambling, relationship issues—there is a myriad of social ills that an organisation like ours deals with. If I had the opportunity of writing the policy here and now, housing would be the first thing I would be addressing. There would be some sort of integrated perspective and agreements in place that were accepted as the protocol between the federal government, the state government and the local government.

There is a simple example. When I became involved in this arena from working on the streets here in Perth with street kids, there was nowhere for women from Serenity Lodge at Rockingham and Harry Hunters at Gosnells, Palmerston at Baldivis. Women would go to places like that and do their programs and there was no accommodation available for them exiting those programs. They would exit those programs and they would be back on the same merry-go-round again. If they survived they would be going to one of the others. They would go from one program to another program.

We established this housing for women and then, in terms of the independent living skills that they are able to achieve, by getting educational opportunities, voluntary opportunities, part-time work, they were able to then move back into the community. There are arrangements I have in place that have enabled me to do that. Under the signature of the attorney-general in this state—I got him to sign two different letters for me for $96,000 for two additional support workers to help me assist these women reintegrate back into the community. There are no dollars there. This is one of the problems. You are reliant on people who are well meaning, but the nature of the alcohol and other drug misuse issues that people have to deal with means that well meaning helps, but you really need a structured, consistent approach that has a theoretical basis to it, to have an outcome that works. We have proven it does work.

I was able to give evidence in our submission about how people who have come homeless into our organisation, through the process that we are able to provide for clients, are reintegrated back into the community. We have only had that women’s program going two years. A young Indigenous woman from Kununurra is now a student at Edith Cowan in psychology. Three other women have already completed some form of TAFE studies. Of course they have been able to have a roof over their heads, a safe environment to continue abstaining from alcohol and other drugs, and in a safe environment to get their lives back together. It does work.

**Senator LEES**—The Canadian study you mentioned apparently showed that it was cheaper to offer supported accommodation. Has anything like that been done in any state in Australia or nationally, as far as you know?
Mr Grealy—That is one of the sad things. I am sure some university or some research facility somewhere must have. These Canadian studies have been going on for some time. The city of London in, I think, Ontario has done a detailed breakdown of the costing and come up with arrangements—and I have tried to follow through here on the same approach—that you get a new development site, private enterprise helps subsidise the cost of the supported housing, because the savings are there. The most recent study I have here is on the USA and Canada, associated with New York, Chicago, San Francisco and another follow-up study in British Columbia. Just following one client through, the savings with supported accommodation is $Can39,800 for one person.

In America they have done similar sorts of costings. $US34 a day in New York is saved by having a person housed rather than having them on the street. All the evidence is there internationally, and I am sure there must be some local stuff, but I have not come across it.

Senator LEES—Just looking at some of the other issues here that we have been hearing about—for example, large fines being incurred by people travelling in the train system, including kids going to school who are on low incomes—are they some of the issues you come across as well, that people living on the streets actually end up in debt because of various penalties that they incur?

Mr Grealy—That is dead right. I overheard the previous person, Tony Borger, talking. That is the truth of it. It is just the insidious nature of poverty that it is one thing after another, and so you do try to get by. Just before I came here today I had a call from a client’s mother in Melbourne, exactly associated with that sort of stuff, where the mother in Melbourne is trying to support her daughter over here and trying to track her down because she has run up debts and is on the move, so to speak.

Senator LEES—Looking at supported accommodation: we are hearing in some evidence and reading in some submissions that a number of hostels are closing, particularly in inner capital cities where the cost of land is going up and housing prices are skyrocketing. Are you having those issues here of hostels no longer being hostels but perhaps upgraded to be luxury apartments?

Mr Grealy—Exactly that. Take the area or territory that I cover, which is Fremantle, the home of the America’s Cup when it was here. A whole lot of housing stock which was previously there was gentrified as a result of that. That is another significant thing. Around the time of the America’s Cup the nature of the client base of homelessness was generally in the range of men aged 35 to 45. What we are finding now is that it is young women and young men aged 20 to 30. The population has moved significantly. With the changes, places that were normally regarded as homes for homeless men are closing up and being gentrified for backpackers and, after the backpackers, they become something else. It becomes a money making enterprise rather than housing.

It is the same with parks and gardens and places like that. I have been invited to Mandurah to help them set up a facility down there because of the incidence of men and women and kiddies sleeping out in that region. They want to know how you go about making applications for funding to set things up. It is just spreading out of the core of the major hub for the Western Australian region of Perth and Fremantle and spreading out into the suburbs.
Senator MOORE—I just have one question, Mr Grealy, and it is about Centrelink. My understanding is that a lot of the people with whom you work would be reliant on Centrelink for any income they have. Do you have any experiences about the relationship with Centrelink, understanding of payments and flexibility of the current payment system that is in place?

Mr Grealy—Yes, I do. Of our 93 residents and lodgers, the vast bulk of them are on some form of Centrelink payment. We have an excellent relationship with the local Centrelink people. They have a community support person out of the Centrelink office who is working really well. That is great. In terms of Centrelink and how it used to be and the difficulties that were associated with ringing up support staff within the Centrelink office, their having a person who is identified as a community person has certainly made my life a lot easier. I am able to ring in and say, ‘What is the situation with this client?’ They are able to tell me what is going on and it is able to be put to bed pretty quickly. That is just straight relationship stuff. In terms of the adequacy of the Centrelink payments, that is another question.

Senator DENMAN—Mr Grealy, could you give me an idea of how frequently clients move through your service and then move back in again? Does that happen?

Mr Grealy—Certainly it does. We have set up an interconnection service provider coalition in the region I am in. As an example, a client who was a resident of ours in a lodging house had some difficulties and we were able to put him into another supported service to do with his mental health issues. We were able to take him back for assessment and then move him back in. That is a feature of the linkages you are able to provide. It is not only in the nature of alcohol and other drug misuse issues, it is also in the mental health area.

There are people who venture out as well. One of the women residents fell in love and went over to Melbourne and then came back and we were able to accommodate her again. The vagaries of life happen to people and they get out there and think they can stand on their feet. If we have an opportunity to rehouse them, we do.

Senator DENMAN—So they see your place—which I think is good—as a security blanket in a way, a place they can come back to when they are in difficulties if there is room.

Mr Grealy—Yes, if we have a vacancy.

Senator DENMAN—Is there a limit on the time they are allowed to stay in a lodging house?

Mr Grealy—No. Of the 93 beds, 75 are in our lodging houses. There is no limit. If people behave themselves in the normal ways of sharing a lodging house, they have security of tenure. The others are residents and they are on monthly signed renewals which are associated with their counselling support programs. We link the housing and the counselling support together for the other 19 beds we run for people dealing with other issues.

Senator DENMAN—Thank you.

Senator GREIG—I wanted to explore the correlation between mental illness and homelessness. You talked a bit about that. I gather that in Western Australia, as with other states, over the last decade really we have seen policy shifts from governments of all political colours in
terms of deinstitutionalising people, which appears to have had the effect of producing greater numbers of homelessness. I am wondering, because you touched on it a little, what is the alternative? What is the answer in terms of providing the appropriate accommodation and care for people in this situation? I do not think you would advocate reinstitutionalisation but are we looking at some kind of group home or group housing? If so, is that going to be a situation where you would be looking at perhaps several people sharing some kind of group housing facility with medical support, psychological support accompanying that?

Mr Grealy—You are exactly right, Senator. Over the last 70 years the advent of group work has been away from Freudian approaches to individual one-on-one counselling. Group approaches to addressing issues, the synergy of what happens with people sharing, who have a common situation they are trying to deal with, whether it is the sorts of issues I was talking about earlier—alcohol and other drug misuse issues or mental health issues—it is a form of community spirit.

I was reading something the other day—I am not usually a reader of things like this—Mother Teresa evidently said something when talking about homelessness and lack of material things, that the greatest loss a human being can have is the loss of contact with their fellow human beings and to not have another human being in their lives. Where that made sense to me is what I have seen happen. Even when I was working on the streets here in Perth with kids who are sleeping out in different spots around the place, why do they cluster together? Why do they do that? It is that sense of community.

Exactly as you are saying, that model does work and all the international evidence is that it works. You look at the support structures you use to underpin it and once you have decided that is how it is going to happen, people have freedom of movement based on their mental health condition—and you have the appropriate professionals to support it.

Senator GREIG—Have we ever trialled that in Western Australia? Do we have a model approaching that?

Mr Grealy—I do not know. I am trying to recall. I have been at this game in a formal capacity for the last three years. I used to run employee relations for a big enterprise but work with street kids in between. There are models I have seen internationally, particularly in France and Italy. Of course, the model itself is the thing that works in terms of affordable community supported housing, where all the linkages are there. Senator Knowles asked the question earlier on: what is missing? What is missing is that you have all this fragmentation. You have the local Fremantle City Council wanting to do one thing and you have the local state government wanting to do another thing and the federal government wanting something else.

That is why I am delighted—looking at the terms of reference you have and your ability to look at international experience—if you look at the Swedish models and you look at the other ones that do work, where it all hooks together it saves money for the community at a federal level, a state level and a local level. There is a model there that works and it is the same with mental health. I am sure if they tried that here and it works internationally it will work here.

CHAIR—No further questions. Thank you very much, Mr Grealy.
Monday, 28 July 2003

FORD, Hon. Jonathan, Member of the Legislative Council

CHAIR—Welcome. Do you have anything to add about the capacity in which you appear before the committee today?

Mr Ford—I am also appearing as a representative for the mining and pastoral regions.

CHAIR—I now invite you to make a presentation which can take the form of a statement summarising your views or highlighting any issues you would like to emphasise to the committee, Mr Ford.

Mr Ford—Thank you, Senator. I am a new member of parliament, having been there for just over two years. However, I have spent a lot of time in the mining region. I was first involved in the mining industry in 1981 and have either lived or worked up north of this state and in and around the state for some time. In the two years that I have been involved in the region in a political capacity there have been some emerging trends that I thought this committee needed to be aware of. I do not purport to be an expert and I will deal only with a very discrete group of people—remote communities—and then just touch on emerging issues in my region which seem to be coming out—that is, substance abuse, amphetamine abuse and the associated mental health problems—particularly with our young people, and women in the agricultural industry.

There is an immediate need for us to deal with a number of points affecting remote communities such as malnutrition and starvation. In my electorate it is very broad based in all the communities I go to. There are many reasons: some are just straight-out dysfunctional communities because of years of substance abuse. There have been various attempts by different bodies to deal with those issues. However, we seem to be doing the same things and I am worried about the young children falling into the same trap. We need to intercede in some way, shape or form to at least try to save the next generation.

In the Kimberley, for instance, there are some old people in their 100s—a group coming to extinction. More often now we see people dying in their early 50s and I worry about the younger children. However, some remote communities which I regard as functional, such as Jigalong, have largely dealt with their substance abuse problems in one way or another, but when you talk to the people there they tell you they can afford to feed their children fresh fruit and vegies only two or three days out of seven or eight. The rest of the time they have starched products like bread or rice just to fill the bellies of the kids so that they do not feel hungry. This is an important developmental stage and, as I stated before, Jigalong is a quite a functional community.

I believe this community receives, through Commonwealth funding through ATSIC, about $1 million a year in assistance through that source, but they use up to 75 per cent on diesel fuel, just to burn their generator to run power in the community. That sort of problem is emerging in other areas. From a utilities perspective, which is another issue, we—and I am talking about the establishment here: state, Commonwealth and local governments—seem to place a lesser
priority on the delivery of those basic utilities. If you go to Cotton Creek and drink the water there you will be very sick—no ifs or buts. However, when I talk to our department they tell me that the water quality is fine and up to standard. I have invited them to go out there and drink the water and nobody has taken up my offer. I am sure that I would go and visit them on the toilet if they did.

In one community I went to, at Wangkajangka, all their taps were rotted because of the high mineral level in the water supply. The department again told me that was an issue to do with people playing with the devices that gave the mixtures within the water and treated the water. That tells me there is a problem in delivering that service. I have made a presentation to my own government—I am a Labor member—and they have come to the party in some way. I do not want to be too critical of my own government and I understand that it is an interesting problem in priorities.

I was interested in listening to the last speaker. It is a shame that I was not here a bit earlier to listen to some of that evidence. I certainly agreed with what he was saying about a coordinated approach. We need a new approach. We are putting in large amounts of money and in some places it is very misguided. I do not think there is a silver bullet. The trouble with large bureaucracies, our governments and the establishment is that we tend to look for overall policies but you just cannot apply those and have an overall approach. You need to have people on the ground who can look at what specific communities need.

An example I have given to people when I talk to them is that, if you walked into a community—that happened to be in Kalamunda in Perth—and saw a woman walk past you with a star picket coming out of her shoulder and her children were obviously starved and abused, the chances of your being attacked in that community were very high. We would have police up there, everything up there, and the government would set that priority and we would fix that issue.

I can take you to communities in Western Australia where that is exactly the case, yet all of us fail to address that. I have a view that no matter what the persuasion of your government, if you have a priority in your own mind to set out to fix a problem, you will fix it. That is what we need to do. I really welcome the Senate having an inquiry into this matter because it helps raise the profile. We do not hear enough people talking about these issues. We need a little less talk now and a little more action. I go out and talk to people in the communities and they say to me, ‘Not another committee, please, John.’ We need to come to some joint position on how we can move these things ahead.

We need to develop a sustainable employment training education strategy. It needs to be targeted at each individual community or area because each area, from a demographic and regional perspective, has different strengths and different risks. The opportunities in an agricultural area are very different from the opportunities in a mining area. Depending on what projects are coming ahead, there are generic things we can do and other things that we should not do.

CDEP, to me, is a tool that keeps people living in poverty. I have grown to be a great critic of CDEP. I know ATSIC in itself is trying to deal with that particular issue. CDEP is a device, the effect of which is—unintentionally—to keep people in their particular position. I think that
money could be better deployed in other programs to give people more sustainable skills. I think we have lost a couple of generations. We really need to be targeting our young people and giving them some hope so that they can be re-enfranchised back into the community. In my view, CDEP is like the rich parents who are too busy to spend time with their children but give them lots of pocket money. It is a bit harsh, and I know we do not intend it to be so, but that is the view I have formed.

Another effect that I see out in the community is unintended consequences of policy and legislation. The Lotteries Commission is a good one, if you want to get a lotteries grant. In Western Australia it contributes a great deal to great programs, which is fantastic; but, generally speaking, you need access to a bureaucrat, an MP or a PC and if you are out in the bush you do not get much of any of those.

I had a request once from one community to look into a grant for a bus. Basically, you need to be an incorporated group, and they covered that. They wanted the bus so that they could take their young people out into the desert with the old people—it was mainly for the old people who could not walk out into the desert—to show them cultural medicines and bush tucker, which would have been pretty good. I looked up the requirements. You had to have the ability to not only buy the new bus within four years—how the heck this remote and impoverished community could buy a new bus in four years, I do not know—but also take it to an authorised service dealer and have it serviced on a regular basis. This particular community is about 800 kilometres from the nearest authorised service dealer. We need to have a review of programs that are designed to help people—and corporations help these people, and these people help themselves—to make sure that we have not put impediments in their way or too many unrealistic hurdles for them to jump.

The last witness talked about fines enforcement in response to being asked about fines. This is an issue. In another committee that I am part of, we were given some evidence from the Ngaanyatjarra Community. An old fella had a vehicle registered in his name which had broken down in the desert. They lost the numberplates—the numberplates did not come back—and he had been given a fine for not returning the numberplates. Further down the track he was in the town for something else—he does not speak English; he is a traditional man—and he was presented with a bigger fine for not paying the other fine. He found himself before the magistrate and eventually found himself in jail. It took two years, but they eventually got him in jail for something he knew nothing about. That gets back to what I was saying about the unintended consequences. I am sure nobody intended to put this old fella in jail, but we tend to be generic in how we apply the law, our policies and programs. We need to look more specifically, from a poverty related perspective, at how we can relieve those sorts of pressures.

Finally, from a remote community perspective we need to do something about respite for community carers. In a lot of these communities there are one or two very highly motivated people who virtually run the whole community, and we burn them out. There is no respite for these people; they just get burnt out. For whatever reason—cultural reasons or the fact that they realise that in many cases they are the lifeline for these communities—they just work themselves to the bone. When they die, become mentally ill or just burn out, the community is in trouble. We need to have some sort of specific respite for these people.
In summary, from that remote perspective, in the short term we need to do something to intercede, to look after these young people. We need to look after the damaged people who will probably never be able to find work or never be able to look after themselves. We have a duty of care to intercede and assist these young people to find a way to be re-enfranchised back into the Australian community.

Another thing I would like to touch on briefly is rural women. There is a culture within the rural community of being a stalwart—‘We’ll hang in there. Regardless of how hard we’re doing it, we won’t complain.’ I cannot give you any figures on this, but one thing I have noticed is that when you go to rodeos or country community events you see very thin women with reasonably well presented children and reasonably well presented husbands, and you talk to people and they will quietly say, ‘They are doing it very hard.’ You can see exactly what has gone on. These women are sacrificing themselves to make sure that their children are looked after and their husbands can get out there and still work their properties. That is one of the issues that you do not hear much about.

There is a culture. These people will not actively go out and seek help, and we need to do something within our state and Commonwealth agencies to find a way of getting out and identifying these people and assisting them in a way that is culturally appropriate within their environment. I did not click onto it in the first six months. You see one or two people. The further you go the more you see, and as times goes on in this job you see more and more. I am not quite sure whether it has always been there and I have just never noticed it before or whether I just started looking for it, but I am certainly noticing it more and more. It is so obvious.

The other issue is damaged young people. I am seeing more and more young people who act abnormally, mainly through amphetamine abuse. It is an insidious, nasty drug. Unfortunately, it seems to take many forms. The kids take all sorts of things; I do not know what they are. My children have told me that it is absolutely rife and they just laugh when we are having a debate in this state about cannabis law reform. My children reckon we are wasting our time trying to deal with that issue. They say, ‘The issue you want to deal with is amphetamines, Dad. Fix that up.’

I know through personal experience—I am not going to go into how personal it is—that, without very close support, these kids are lost; they get into a position. Even when they are trying to help themselves, there are all sorts of mental illnesses—anxiety attacks, all sorts of stress disorders, delusional behaviour and paranoia—which inhibit them from getting out there and getting into the agencies that are there to help them. The outreach capacity of a lot of these agencies is limited, of course: there is only so much money in the barrel, but it is about prioritising. I feel that if we do not focus in on those issues we will not have to worry about the children in our remote communities; in another couple of generations we will be in the same position as our remote communities. It is very widespread.

These kids stick together because they think they are normal. The kids that I talk to think that everybody else is out to get them—the establishment and their parents—and they have a very abnormal outlook on life. It takes a lot of patience and a lot of intensive care to get those kids back into society. Once you talk them into that position—and talking to them can take 18 months, two or three years—they click, they can see where it is, but they still keep on regressing, and that keeps them in a position where they are unemployable and they are disenfranchised from society.
Senator LEES—You mentioned the cost of utilities. I was wondering if the state government has any arrangements, firstly, to look at subsidies and support for people on low incomes; secondly, to look particularly at minimising not only electricity consumption through supporting people to insulate their homes et cetera but also water consumption, helping with everything from dual flush toilets to showerheads; helping low-income families budget and to limit costs. Thirdly, if they do get into trouble, do the state government have a time payment plan or some other mechanism where we do not have problems such as those we heard of today, where people’s electricity is cut off and the whole family disintegrates: the food goes rotten and the kids are not able to study and end up just taking off. Do the state government have some measures to deal with the cost of power, gas and water?

Mr Ford—We have a uniform tariff system in Western Australia, so it does not matter where you live, you pay the same tariff. It does not take into account extra costs if your ambient temperature is 45 degrees and you have to run an airconditioner. When people come to my office because they are unable to pay, I go through the Department of Community Development and, either through them directly or through NGOs, funded either through the state government or through the Commonwealth, advocate on these people’s behalf to ensure that those utilities are maintained, and then advocate further in order to get them into a payment plan or simply just pay out the plan. It is pretty labour intensive, though.

Senator MOORE—Senator Knowles asked the previous person that, if they had the opportunity of having five key issues, what would they do, what would their priorities be? Your submission went through a series of issues and then your last paragraph was quite hopeful. It did not match the previous witness’s statement but the last paragraph was that you were convinced that with innovative approaches you would be able to address the issues. I would be interested, just in terms of the record, if you did have the opportunity—do not limit it to any number like three or five—to make changes in a couple of key areas, what would they be?

Mr Ford—In regard to substance abuse and some of the issues of domestic violence and poverty related issues, you cannot get agencies in to help groups if there is a law and order issue, so I would take the risk of being called racist and attacking people’s civil liberties. I would take whatever action was needed from a policing perspective to protect the children and families in those communities and to allow agency workers in, including using the Army in some places.

I would feed the children, no ifs or buts. I would put workers in to identify the needs of these particular areas, to feed the children and to meet their needs so they can be educated and have the relevant information in order to develop properly. In regard to utilities in remote communities, certainly the Crown or the Commonwealth-state should cop the bill and ensure that utilities are supplied simply from a social justice perspective to the same level as those supplied to everybody else. We can then concentrate on other issues in order to build the capacity in these communities.

I think the Commonwealth-state have the capacity to do this. If we have a bipartisan approach to these issues, quickly agree on some simple approaches and are brave enough to strip down some of the programs that have been working year in, year out, but have not delivered the change, rip them out and reuse the money, we have the capacity to fix all of these issues—safe environment, nutrition and basic utilities.
CHAIR—Thank you very much, Mr Ford.

Mr Ford—Thank you very much. Thank you for coming to Western Australia. It is great.
ALEXANDER, Ms Hope, Voluntary Co-convener, Women’s Electoral Lobby (WA) Inc.

LAKE, Ms Janet Susan, Secretary, Women’s Electoral Lobby (WA) Inc.

CHAIR—Welcome. I now invite you both to make a presentation which can take the form of a statement summarising your views or highlighting any issues you would like to emphasise to the committee.

Ms Alexander—Bearing in mind that it is late in the day and you have probably heard a lot, we will keep it brief. We have six points we are very concerned about. I will speak to three and Janet will speak to three.

Our overview is that the Women’s Electoral Lobby is concerned about the increase in poverty and the extent of this poverty. One of our points is: why can this government, meaning the federal government, find millions to spend on wars overseas yet ignore the poverty and hopeless job searches of tens of thousands of Australians? It seems we are going back to the 19th century with the government handing over responsibility for people living in poverty and financial hardship to church charities. A lot of people are telling us that they have to go to Anglicare, Communicare, the different church charities, to get help with their power bills and food parcels and some people have to go to the shops where you buy food at reduced prices.

Nic Francis in the Age of July 2003 said that one in six children are growing up in a household where no adult works. More than one million people are looking for work to free themselves from welfare dependency yet, conservatively, there is only one job for every six people looking. The poorest Australians are spending up to 62 per cent of their income on rent and mortgages.

Poverty has many faces and WEL has described a few in this submission. We find that women and their children are overrepresented in the poverty trap. We ask: where is the government’s proclaimed commitment to family? Where is the government’s commitment to women staying at home to raise their children? Pushing mothers into the work force can increase the risk of child neglect, juvenile delinquency, dependence and often substandard and understaffed out-of-school care.

As a former child-care worker I can say that is correct because some of the people I worked with in the child-care industry were unskilled and untrained. It would have been better had they not been in the industry. I taught child-care workers at the West Coast TAFE and I was appalled at some of the young women, 15- and 16-year-old girls who thought the way to chastise a child who bit other children was to bite the child itself. I said, ‘If you carry on that way, you will end up in the Magistrate’s Court.’ They did not even know they were actually committing crimes. I am very concerned about that.

One of our points is the casualisation of work. I seem to have been speaking out on this publicly for many years and no-one wants to listen because it seems to be, we are told, good for us, but I personally find no benefits at all.
CHAIR—Ms Alexander, can I just interrupt you there. I apologise. We have your submission here and we will read it when we get an opportunity but what I would like you to do, if you would not mind, is just summarise for us your statements there. Are you prepared to do that?

Ms Alexander—Yes, thank you. I had been a casual worker in the TAFE system for I think 10 years; industrially you are not supposed to be if you are working for 34 weeks and an average of 10 hours a week. What I found the worst thing was that casual workers cannot get loans or mortgages and also we are not paid at the end of the fortnight. Under the TAFE Certified Agreement 2000 it specifically said workers, including casual workers, were meant to be paid at the end of a fortnight. When I took it up with West Coast TAFE they said, ‘We can’t do that, we’ve got 600 casuals; we can’t pay you all on time.’ I said, ‘Why not?’

I took it up with the local State Minister for Employment Protection but after six phone calls I did not get any help from them either. I took it up with the state schoolteachers union and they had a hard job trying to persuade TAFE that they should adhere to certified agreements. I was lucky and I got paid because I created a fuss. But six years ago I had trouble getting paid when I was eight weeks in arrears. They call it in arrears when they do not pay you on time. They sacked me. They paid me but I had to wait eight weeks for money to which I was entitled.

The thing is for people like me—I am on an age pension—that as Centrelink clients we have to tell Centrelink when we have earned the money. Whether we get paid or not, they are not interested. They dock our pensions. I said to these people, ‘How am I supposed to pay my rent and buy food?’ They are not interested. I asked other casual workers, ‘Why do you not complain?’ and the short answer was, ‘If we speak up we will be sacked.’ People are terrified of losing their jobs. Some of the women are using credit cards to pay for food, or they have credit lines on their mortgages and are paying high rates of interest because they cannot get access to money they have earned. It goes back sometimes as much as three months. I personally work only 3½ hours a week, not from choice, but my pension is reduced so that financially I am no better off. Casualisation is a difficult one and now that men are being affected perhaps someone will take notice.

Another matter is the financial hardship of independent retirees. We have a case where a woman thought if she bought her own home and had her superannuation she would be right, but she is not and she cannot get on to the pension until she is 62½. She cannot get a health care card, one of the new Commonwealth health care cards. She has not been to a doctor for years because there is no bulk-billing for people in her situation. She owns her house but she cannot repair it.

A few years ago I decided to sell my unit, which was a very tiny one, release some money so that I could do something with it. The only place I could afford was in a very tiny block with neighbours who were less than desirable. I was beaten up twice by people who took exception to me living there. I had restraining orders out against two people so I decided that in the interests of health and welfare and my sanity I had better leave. The police kept saying, ‘Move out.’ That was my choice, although now I face the prospect of having to rent for the rest of my life in private rental accommodation. That was the only choice. Other women may have super, and whose situations will place them in this position, and it is not a very good position to be in.
Another issue is the student allowance. Another piece of anecdotal evidence: a young person turns 16 and apparently the government allowance goes down but the young person’s needs have not gone down. I would like you to look at that one as well. The only way he can exist is to live with his grandmother, who happens to be on a pension. His mother is on a disability pension. The whole three generations are in poverty because of that. We do have recommendations in our submission.

Ms Lake—I would like to draw attention to people who are dependent on welfare benefits for a long period of time. This includes people who are disabled, carers and those who are unable to find employment. A lot of these people either do not have the life skills or they are unable to use the life skills to negotiate the complexities of our society. There are a couple of issues regarding the proposed legislation changes to welfare payments. One of them involves disabled people.

The proposed legislation has claimed that if a disabled person works 15 or more hours per week, which is not even two whole days, then in that case the federal government wants to remove those people from the disability pension to Youth Start allowance, with all the work activities. There are many hidden disabilities, such as intellectual disability, mental health disability and also acquired brain injury. The disabilities are not necessarily obvious and often they take the form of behavioural problems and cognitive problems. They are things which are very difficult to see.

I should mention my background. I used to work in the IT industry. I now have two young children aged four years and 4½ years. About four years ago my partner was assaulted and acquired severe head injuries. It has brought me into contact with a lot of people in similar situations. It has opened my eyes to part of the community I was totally unaware of. In one situation a disabled person who has acquired brain injury works in a supervised capacity one day per week. When that person comes home, he has to go straight to bed because he is so tired. He spends most of the next day sleeping, recovering from the exertion. If that person were to push himself further and take on an extra day, he would run the risk of losing his disability pension and being placed on Newstart.

This person has difficulty completing paperwork, understanding requirements and is basically dependent on his carer. There are people who are trying their best to contribute to the community and who are being penalised for doing so. Consequently, if he takes on one extra day, then he runs the risk of losing his disability pension. Also the requirements often fall onto the person’s carer because they are unable to understand the requirements and fill in the appropriate forms, et cetera.

The second issue has to do with the carer’s pension. There has been new legislation proposed that, if a carer does not actually live in the same accommodation as the person they are caring for, they should not be entitled to the carer’s pension. In some cases it can be so difficult for the carer to remain in that kind of environment indefinitely, due to the stress and destruction that it can cause, that the carer is just being drained of energy, caring for another person at the expense of their own mental and physical health.

There are many people who are actually in their 80s and even 90s caring for adult children with minimal help. Going back over the last two decades, there has been a trend to close down public institutions and move the disabled people back into the community. At the same time
there have been very few community services provided to these people. They are thrown out of a safe environment and they either depend on relatives to care for them or they are left to fend for themselves.

I have spoken to the chairman of Headwest on many occasions. Their concern is that many head-injured people either end up homeless or they end up incarcerated because they are unable to pay bills. There is little access to rehabilitation and support services, so once the families are so run down they can no longer care for that person, they are left to fend for themselves. The main issue there is that people have been thrown into the community with very few supports, either for themselves or the people who are caring for them.

Connected to that, the penalties for breaches of Centrelink rules are also a problem. Most people who are receiving welfare payments are really struggling to make ends meet. They are juggling bills, they get behind with bills, then they have to pay fines for late payment. They rely on credit cards. They get further and further into debt. Something like 50 per cent of the population at Bandyup prison is in there for non-payment of fines. Basically they are being jailed because they are poor; they simply cannot make ends meet.

It is very difficult to see any benefits of the Centrelink breaches, apart from punishing the people involved, because the people are already earning a minimal payment. To reduce that further, sometimes 100 per cent for a period of weeks, those people have to do something. They either have to depend on other relatives, who may be struggling, or turn to crime. There seem very few options open to them. It is far less costly to maybe prevent the downward spiral of poverty and the related consequences than to deal with the crisis at the end of it, which always seems to be the case.

I have one further issue: mothers juggling work and caring for children. There seems to be more and more emphasis on women going back into the work force. Once the youngest child reaches the age of five, you then have to attend Centrelink interviews and are encouraged to participate in the work force. It can be good to get people back into the work force to some extent but the values we have seem to be completely upside down. On the one hand we talk about the value of children and on the other hand they are trying to push mothers back into the work force. This means that the kids go to school and you have to depend on after school care, which is often quite substandard and poorly staffed with people who are not fully qualified.

Secondly, usually both parents are working nowadays. You are basically the working poor. You do not have enough money to make ends meet, you try and grab a few hours casual work here and there. The consequences are that the children miss out because you do not have indefinite amounts of energy. When it comes to caring for children and raising them, helping them with not just the physical needs, like washing and shopping and cooking, but the other things like helping them with homework and trying to encourage them to partake in the community and learn the necessary life skills, time taken away from the home can only be detrimental when it becomes such a great amount of time.

The thing we are concerned about is the issue of women having to juggle many activities and not being there when the children come home from school. For example, it has been suggested that working hours are extended until five o’clock. That is a very long day for a child. Do we want children or not? Do we just want to push the responsibility onto somebody else? That is a
major concern because people are being expected to do more and more. There can only be negative consequences. Thank you, that concludes my submission.

Senator MOORE—The submission you have presented outlines WEL’s background and the fine work it has done over many years in raising issues. Were the issues you have raised with your members—the process of talking with the membership and looking at the issues that are important to women in WA—of high importance to your members? We are always interested as a committee to know about the awareness of the process and the importance that people place on the process. Would both of you care to comment on that?

Ms Lake—The main focus was that women make up the majority of people who fall into these categories. For example, there is a high percentage of women who are carers. Often the responsibility comes down to the female, who is expected to provide for the family and take care of the house. In particular, the issue of women and work and juggling children and family commitments is a very strong concern. For instance, the kids have to come home and let themselves in; there is no parental supervision. That was a major issue.

There was also the issue of people on various pensions. The consequences of having difficulty paying bills and making ends meet again often falls back on the female members of the family and the consequences are particularly important for children. There is evidence that child abuse—whether it is neglect, sexual, physical or emotional—tends to be more prevalent amongst poorer families. Basically there were major concerns. There were other concerns that people raised but unfortunately we have not been able to cover them all.

Ms Alexander—in the Women’s Electoral Lobby we have different action groups and one of them is Women in Prisons. We are particularly concerned about the number of women in prison and why they are there, and we have an active group that works on that. We also have women looking at working conditions and health matters particularly to do with women—anything to do with women and children. WEL has been going in Western Australia for 30 years now but we are having to fight the battles all over again.

Senator GREIG—Ms Lake, you talked about the disability support pension and the proposal to shift people from the DSP to Newstart. Are you aware that the Senate has not supported that legislation? The government presented it but it did not win Senate support, so it has been defeated. The government has the opportunity to return it, but the majority of the Senate felt that it was not appropriate, for many of the reasons that you presented today.

Ms Lake—Yes, I am aware of that, but I am also aware that the government is likely to propose the changes to the legislation in the future. I understand it has been knocked back at the moment, but my concerns are that the issue is just going to continue until the legislation has been passed.

CHAIR—Thank you very much, Ms Alexander and Ms Lake.
[5.01 p.m.]

CARTER, Ms Jacqueline Mary (Private capacity)

CHAIR—I welcome Ms Jacqueline Carter. I invite you to make a presentation, which can take the form of a statement summarising your views or highlighting any issues you would like to emphasise to the committee. I note that you have given us a document. You do not have to read it out.

Ms Carter—No, I do not intend to.

CHAIR—You can summarise it for us.

Ms Carter—I want to start by saying that my position is as an individual who has survived child sexual abuse and passed through the eye of the needle once already, in the sense of escaping the mainstream mental health system and not being medicated and sedated for the rest of my life, which is what seems to happen to most of the other people in my situation, and the poverty and experience of trying to rejoin society after that.

From the last few speakers I have heard, I see that trauma is a huge issue in our society, and we seem not to acknowledge it. I was touched by Hon. Jonathan Ford speaking about children that have gone off the track with amphetamines and so forth and saying that they need a lot of time spent with them. As he was speaking, I thought there is no difference between that and what I see is needed in the mental health field—not an in and out, ‘Are you taking your medication?’ scenario, because that entrenches people for life.

In my report, one of the main things I have touched on is that when you go for assistance, first of all they are unconnected and many of the people who work in those areas have no understanding of the good that they can do in the 15 minutes they have with you. They actually exacerbate the problem by reinforcing the kind of trauma and abuse that makes individuals give up trying, and that causes the kind of emotional pain that makes people turn to drugs. That is what drug taking is—alcohol and all the rest of it—to alleviate emotional pain.

Obviously, I am in a number of lobby groups and actively involved in the child abuse and mental health action groups. I am on the management committee at the Mental Health Law Centre and I am involved with the WA Association for Mental Health on their housing committee and a number of other state and divisional committees. They are all voluntary and there are intermittent sitting fees to pay for things such as photocopying or computer use. It is quite hard to afford. I noticed the previous speaker was talking about being on a pension, and it is really hard to afford a few dollars to participate in things. There are things like extra transport fees. I have done quite a detailed budget on that. Enabling money is really hard to manage.

For 2½ years I lived on negative $12 a week before food. That was because I paid for my own health insurance and had to pay for other counselling on top of that that was not covered by the insurance. I saw very early on in the piece, when I first was admitted to a psychiatric hospital, that people who took medication for a long time were not going to get anywhere and stayed like
that for 20 years, whereas people I saw who worked a particular way with a psychiatrist came out, went to university, did well, had jobs and had relationships, which is what I guess all of us really want.

Going back to the services that you encounter and the people who work there, there is a very adversarial system that exists in Australia. It exists in politics and it exists in law. The number of times I have been treated as the enemy when I have gone to an agency for assistance is just astounding. You do not want to go back. It makes you give up and want to crawl back into a hole and never come out again. You are not even referred anywhere. I have half a brain, and I have a persistence that makes me keep coming back and trying, which I do not see other people in my situation having. How people survive in the shape our society is in I just do not know.

Child abuse and dealing with children is a huge issue. In the last 15 years there has been a lot of scientific research indicating that brain pathways happen in early childhood developmentally. Once that brain development has happened—and I think it peaks up to about age 12 and then starts dropping off a bit and continues to age 20—that is how you get that notion of sad brains. People think the world is a bad place and people become addicted to crime, for example.

During that period when I was living on negative $12 a week before food, I had no money and in the private hospital I was in they had no money for social work. HBF fought tooth and nail not to provide things and there was no-one to ask what to do. There was just nobody. I ended up shoplifting from the supermarket and I used to bake cakes and sell them door to door. I did not know at that point that if you could not pay a gas bill or something you could go to a relief agency. When I discovered them, they went through my budget with me and I now manage very well on what I have. But there is just nowhere to go with it.

This report came out of me thinking, ‘Here I am, I lost my way when I was 30.’ That is when my mental health issues came up and it took a couple of years to deal with the child sexual abuse issues within that. Nearly all the people I had contact with over my seven years in and out of hospital had some kind of really bad childhood trauma that an adult event would trigger. Once you have that situation and that is your life, you need a total makeover, a total remodelling. I just keep seeing the need for a universal approach, not so fragmented where you chop up housing, health, money and mental health separately from health. It is someone sitting with you and the time it takes for me to understand other ways of doing things.

My parents did not know and a lot of the workers I come across, which the government pays, do not know either. I seem to frighten a lot of people by the fact that I have worked really hard to understand what precisely it is in my life chain that I need to change. It seems to indicate to many of the workers that they have areas in their life they have not looked at which stop them being effective workers in assisting me. It has been a very difficult journey and there are no signposts. There are no places to go. Getting housing was a nightmare; getting housing with people who were not so violent that I did not spend all my time in hospital was difficult.

In mental health I think the single biggest thing that could be provided is to fund non-medicated treatment options for those who want it, like psychology on Medicare or something that does not make someone have to spend the rest of their life being medicated and threatened with enforced detention if they do not take it; some way out where people can be involved in their own lives and their own healing process and have some sense of power that makes life
worth living. It is really difficult, when you come from a background where life does not seem to be worth living and taking drugs and risk-taking behaviour is all par for the course, to start valuing your life. Someone has to show you how to do that. There is just not the time. They want to deal with you on their terms, in the strict criteria of their little agency, or they do not want to deal with you at all and want you out the door because they do not have room for you on the waiting list. Most people do not make it. They just sink back onto the pension for the rest of their lives and do not really try.

There are lots of little things that could be done to help. The treatment options are important: a campaign showing people that you do not hit children, you do not bite children if they bite you. The way people treat children and treat vulnerable people—when you are in a one to one situation you see what people are like and what they are made of—what happened to them? That is what they show you when they abuse you in those situations. I do not really know the answer. Maybe when you read my report you will have some better ideas than I have had, in terms of seeing the whole story.

Because my housing was so bad—there were a lot of other problems—I was inspired to look at legal studies. That seemed to be one way to look after myself. Also, all the medical people I have spoken to about trauma and recovering from child abuse and trauma issues say that it will never happen from within the medical profession; that it must happen from the legal side. So I looked at doing a law degree. I realised that I could not afford to get a HECS debt because then I would be in state housing for the rest of my life. At age 40, the rest of my life is set. I may get out and earn some income but, if I do earn money, I will never, ever change the type and quality of housing that I have, with the market rent so high. I can see already where my life finishes. It kind of makes you wonder if it is worth doing.

Because I did not want to enter into a HECS debt I went to TAFE, which is great because they have lower fees for people on concessions and fee waiver on the basis of hardship. Now that I have had a few years of practice on committees and being around that kind of world, I know how to fill in the forms and present myself so that at least I get a look in. But most people do not know how to fill in forms, approach bureaucracies or speak the right language so people can understand that they are suitable for their service. It is almost as if you have to do research and audition to get people’s attention and to get them to understand what hardship and disadvantage are. People with non-visible disabilities seem to do very poorly—fluctuating multiple sclerosis and chronic migraines; mental illness is a big one.

The previous speaker spoke about ABI and the high rates of incarceration. If you look normal, people expect you to be normal and there is nothing out there to say that everyone is a bit different. That is a difficulty and it is hard. Does anyone want to know about childhood sexual abuse, of coming out the eye of the needle, or having to do it again now to try and get an education? If I live to a ripe old age I might try it a third time and get my own housing. That will take me up until I am about 90, I reckon.

CHAIR—You have got this far.

Ms Carter—Yes, it is just that there are no signposts to tell you where to go, to get out of the dreadful situations that people find themselves in. We live in a very punitive society; the way Centrelink has gone—and Alinta Gas. I went to hospital and when I came back I had an extra $7
in late fees. When I told Alinta Gas that I had been in hospital—it was because of a violent neighbour interaction in my high-density state housing neighbourhood—they told me that I should go to the Guardianship and Administration Board and have all my matters seen to for me. The things you hear are unbelievable.

The other thing is that I did do an arts degree and I did work in film and theatre before my child abuse mental health issues came up. The last year I studied I got a HECS debt of $450 which is now $1,539. I am going to attempt the process of getting it annulled or wiped off because I cannot see myself earning an income for some time. That is going to be a little journey in itself. My life journey at the moment is not only to overhaul the way Homeswest works in WA but also to take the HECS debt system to the equal opportunity commission. Anyone who gets a clear run through life and comes out can earn at least 40 grand and at that rate your average degree will take 12 years to pay off anyway. Women who have children, someone who can only study part time, someone who has a disability or someone who has had a car accident and does not get going for a few years will never get a chance to pay it off. You are just lost; you have lost it. I have lost it now.

It does not matter that I was in a Mensa class and had the maths scholarship at Presbyterian Ladies College in Melbourne when I was 16. Getting kicked out of home, all the drug use and abuse, homelessness, street kid and suicide attempts were all the things that happened before I started studying again. Studying helped me in my early 20s achieve some structure and purpose to my life. I do not know, there is just nothing out there. I keep looking at the news. I noticed a woman talking about all the war costs and things. I do help other people but, if I cannot pay my own bills, it is irresponsible of me to give money to the Salvation Army. I cannot understand why the government is behaving in that way, too, sometimes.

Senator KNOWLES—Thank you for taking the time to put in as much effort as to you have to make such a substantial submission to the commission. It is very much appreciated.

Ms Carter—it helped me and, I think, clarified my choice to enter into the HECS debt and education.

Senator LEES—I, too, would like to thank you for the detail in your submission and for coming here today. As we look at the various signposts—and I think the graph on the front of your submission is a good indicator of some of the routes we take—what would be some of the priority issues for you of things that would appear on those signs in terms of how people can structure their lives or restructure their lives to give them some purpose?

Ms Carter—to restructure their lives?

Senator LEES—Glancing at your submission, it has dealt with people who are facing a crisis, who are feeling under stress, not appreciated, with little opportunity.

Ms Carter—as if there is no place for us in the world.

Senator LEES—Yes. What is on that signpost that you would hold up for them?
Ms Carter—Being valued and having enough money for heating and food. I think education is the most important thing. If I look at the immigration figures on the Net, I see that we are importing our skilled employees and neglecting the education of our own Australian-born people. I go into Coles and there are advertising campaigns about what to do to prevent the drowning of your children. Why don’t we have advertising campaigns saying that, if you beat your kids or rape your children, they are going to have mental health and violence problems in later life?

A statistic came out last year that the women in Bandyup have a 95 per cent sexual abuse rate. I am just picking that out because that is my experience, but when you get to the peak end of trauma, the effects are devastating across the whole spectrum of your life experience. I can handle only so much human interaction. I cannot handle being with people that are aggressive very much. I cannot handle being jostled or being in crowded places very much. It has shifted a lot over the years. It does not take me three days to go down the stairs and put my rubbish out any more. But it sure makes it hard to stand in a queue to pay a bill. I was not eligible for a credit card to pay it over the phone and then stuff would get cut off.

Getting back to your question, I like the previous woman’s statement, ‘Do we want children?’ Time and money are interchangeable to some extent. Is it worth going to work when the cost is that your children are going to suffer? Is it worth me going to work if it takes me three days of sitting in a corner in the dark to believe that the world is a safe place again because someone in the workplace has yelled at me or something?

It is important not to entrap people in the medication cycle. There is work to be done on modelling for people on how to involve themselves in their own life choices. I was lucky in the medical group that I hit in that I had private insurance, which nearly nobody in my situation has. The shock for me was that it had to wait until I got to a welfare place like WesAssist that go through your budget and point out what your situation is, what your choices are and empower you. They show you what you can do. They say, for instance, ‘If you continue spending 20 bucks a week on cigarettes you’re not going to have enough money for food for the last two days of the week.’ You start seeing what your choices are—to reach that goal, if I want to have enough money to eat, I am going to have to give up smoking and to do that I have to do this and that. I was told that I could not afford my treatment and that I had to give up doing counselling and yet I could see what would happen to me if I did not continue paying for that.

We need signposts and parenting campaigns. Countries that have legislated against hitting children have found that not only the crime rate dropped but also the drug use rate. Right across the whole social spectrum the benefits are being realised. It is nearly 20 years since the first country—I cannot remember if it was Sweden or Finland—banned hitting children. People do not know where to stop. It is endemic. I often think that we have come a long way in technology since the invention of the wheel and 1066 but the way we treat each other has not changed. One in three women and one in three boys still suffer severe abuse and, funnily enough, that is the same proportion of people that end up at the bottom of the economic system that we have at the moment. If you are not competitive and you cannot go out there and fight, you have had it, because of the adversarial nature of the culture that we live in. I would love to contribute to our society. I would love to have some purpose, and yet I do not know if it is going to happen.

Senator LEES—Your contribution today has been very important. Thank you.
Ms Carter—Thank you.

CHAIR—Is there any one of your recommendations in particular that you want to highlight?

Ms Carter—I think that, if you can lessen the degree and amount of childhood trauma, you will be on a winner right from the start. A previous speaker talked about stopping it early. The cost of a crisis, the cost of someone who knows nothing more than destructive lifestyle patterns, is so huge. They did some research here which resulted in the Triple P parenting program in WA. I cannot remember what it was—you probably know—but it was something like every dollar spent in prevention saves $7 down the track.

In this report I have looked at interrelated areas that I have experienced. For example, gambling is not there because it was not an immediate part of my experience, but I know it is part of that mix of the whole cycle of what happens. Just telling people not to belt their kids about and not to have sex with them would empty the psychiatric hospitals by 80 per cent in one generation. No-one seems to want to know the extent of it. The extent of the damage done is just too awful for people to consider or to do anything about.

CHAIR—Thank you very much, Ms Carter.

Ms Carter—Thank you. I hope some good comes out of all of this. Thank you for spending your lives doing it too.

CHAIR—We stand adjourned until 2 p.m. in Darwin tomorrow.

Committee adjourned at 5.23 p.m.