



## Social Services Legislation Amendment (Strengthening Income Support) Bill 2021 Senate Community Affairs Committee

**5 March 2021**

### **About the Lord Mayor's Charitable Foundation (LMCF)**

As Australia's largest independent community foundation, Lord Mayor's Charitable Foundation inspires philanthropy to create positive social change. Annually, the Foundation provides grants of more than \$10.4 million to not-for-profit organisations throughout Melbourne to increase life opportunities and promote social inclusion.

Our grants program supports four Impact Areas including Education & Employment, Environment & Sustainability, Healthy & Resilient Communities and Homelessness & Affordable Housing.

Melbourne is a global, thriving and liveable city with a healthy economy and growing population. However, many of the city's residents live in areas of entrenched disadvantage, struggling to find affordable housing, social connection, equitable education and jobs. The pressure on our city's environment creates increasingly unequal social and health outcomes for some of our residents.

In our work we see how these issues are interconnected, particularly for our most disadvantaged community members, many of whom, are individuals and their families struggling to live on the JobSeeker allowance and associated payments. When the government doubled Newstart and other payments last year, they demonstrated what it looked like to lift people out of poverty.

This Bill implements the first real permanent increase in working-age payments since 1994, lifting JobSeeker Payment for single people from \$41 a day to \$44.50 a day (including the Energy Supplement). Every dollar counts for people receiving these payments, as their incomes are so inadequate to meet basic needs.

The evidence put forward by organisations such as ACOSS, clearly illustrates that the proposed increase cannot meet the real living expenses of people who need help while seeking employment. In many cases, it will prolong poverty instead of helping to break the cycle. Additionally, in some cases, we believe it can be an obstacle to affordable, stable housing.

Lord Mayor's Charitable Foundation urges this Senate Committee to heed the wealth of evidence before it and support amendments to this Bill to increase working age payments to at least \$65 per day. People on JobSeeker need at least \$65 a day to feed and clothe themselves, as well as remain in stable housing. In addition, supplementary payments must be available to meet additional costs faced by people in private rental, people with an illness or disability and single parents. It is also crucial that wage indexation is applied to working-age payments so that they do not fall so far behind community living standards again.

### **Contact**

Catherine Brown  
Chief Executive Officer

[Lord Mayor's Charitable Foundation](https://www.lmcf.org.au)