

Senate Community Affairs Reference Committee

Inquiry into the extent and nature of poverty in Australia

Public Hearing | 15 August 2023

Thank you, Chair, and thank you Committee members, for the opportunity to speak with you today. I'm joined virtually by two colleagues from our Social Policy and Research Team at the Brotherhood of St. Laurence, Dr. Emily Porter and Kelly Bowey.

We would like to start by acknowledging the traditional custodians, the Ngunnawal people here in Canberra and the Wurundjeri People in Melbourne, and pay our respects to elders past and present, and to Aboriginal and Torres Strait Islander people here or watching online.

The Brotherhood of St. Laurence was an early backer of the Uluru Statement from the Heart and has proudly affirmed the importance of a 'yes' vote in the forthcoming referendum.

Committee members will have our written submission. We were pleased to see parts of the submission cited in the Committee's interim report. We would like to make three points in this opening statement.

The first is to remind Committee members that **poverty is a policy choice**. The pandemic showed us this. Overnight, we lifted almost half a million Australians out of poverty with additional coronavirus payments and by suspending the worst conditions of our service systems. Research has shown the positive impacts to health and wellbeing of some of these choices.

Australia is the richest land on the planet. We have the highest median wealth per person of any country. Yet one in eight Australians live in poverty. Over three million Australians face impossible choices every day, between food, medicine or heating a home.

At the Brotherhood of St. Laurence we have 2500 staff and volunteers working across the life course to build capability and confidence. The people and communities we serve were doing it tough before the current cost of living challenges, and have sadly been pushed deeper into poverty as a result.

In our submission we outlined some of the broader drivers of poverty in Australia and detailed some of the experiences and impacts of poverty and insecurity on the ground.

The second point is to commend the **strategic shift** in the May Federal Budget towards **improving the lives of Australians facing poverty and disadvantage**.

The combination of many Budget measures, although modest – such as lifting Jobseeker and related payments, increasing rent assistance, providing energy price relief, reducing the costs of medicines, extending the single parenting payment, ending the ParentsNext program, and investing in local responses to intergenerational disadvantage – are steps in the right direction to providing essential relief to those in our community doing it toughest.

The third point is to **reinforce the reality** that these measures **can only be the start** if Australia is serious about making poverty reduction a much greater national priority. A clear timeframe to address the adequacy of income support payments should be set.

We now have a choice about how ambitious Australia wants to be – how ambitious people in this place want to be – in preventing and eliminating poverty in this country.

One of the ways we can do this is to introduce legislated measures for economic inclusion and poverty reduction – with responsibility for setting targets and reporting on their achievement to sit with the Treasurer.

This was one of the main recommendations of the Economic Inclusion Advisory Committee – of which I'm a member. There are very important lessons from our friends in New Zealand and Canada on the impact this can have.

We welcome the deeper dives being taken into our employment services system, our early years system, the future of the NDIS, and community aged care. But if Australia is serious about poverty reduction it would commit to legislative measures and genuine targets for 2030. These targets need not be partisan. We're willing to believe every person in this place wants to build human flourishing and reduce the number of Australians experiencing poverty and disadvantage. We hope this Committee will strongly reinforce the need for national measures on poverty enshrined in legislation and a set of targets we can align our social security system and human services around.

This is why we've recommended a multi-dimensional approach to poverty reduction and economic inclusion consistent with the Measuring What Matters Framework.

Introducing legislated measures for poverty reduction and raising the adequacy of social security payments must sit alongside other structural approaches to reduce poverty, such as a commitment to improving the quality and security of work; significant investments in social housing; and proper funding indexation for contracted services to align with CPI to ensure critical support is there when people need it – especially at a time of growing demand.

Thank you.