



Media Release

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Stimulus package for low income earners urgently needed

Anglicare Victoria CEO, Dr Ray Cleary, attended a national summit of church-based welfare service providers in Canberra today to call on the Federal Government to invest heavily in services for low income and marginalised Australians as the financial crisis threatens to drive unprecedented numbers to seek the support of welfare agencies.

"Just as the Rudd government has announced significant spending initiatives to support our banks, the local car industry and the building industry, it must now recognise the need to invest a substantial amount of federal funding to support the increasing number of low and middle income earners turning to agencies such as Anglicare Victoria for support," said Dr Cleary.

"Our financial counsellors have already seen a 65 per cent increase in demand for food and other emergency aid in the past 12 months and we are yet to see the full impact of the global financial crisis in those figures.

"Welfare agencies are stretched to breaking point already and without a serious investment in the sector to build capacity we simply won't be able to respond to the thousands of Australian families who will find themselves turning to service providers for support."

In particular, Anglicare Australia, Catholic Social Services, Uniting Care and The Salvation Army have joined together to call for a stimulus package to invest in:

- community and public housing stocks
- upgraded infrastructure such as IT for welfare providers to improve productivity
- adjustments to funding grants to recognise current CPI levels from 3.1 per cent to 4.6 per cent
- a streamlined compliance and regulation process to free up agency resources for service delivery.

Dr Cleary made clear that a streamlined compliance process would not reduce accountability of the service providers but could, in fact, lead to greater transparency and better targeted programs.

"By replacing just some of the endless paperwork with greater community and client consultation requirements, governments could ensure that resources are used more efficiently to develop services accountable to the communities and clients who use them."

In a report commissioned by the church providers, Access Economics predicted the number of unemployed will rise by about 30 per cent to 600,000 by June next year placing huge demands on welfare services.

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