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29 June 2023

Senate Standing Committee on Community Affairs
PO Box 6100
Parliament House
Canberra ACT 2600
community.affairs.sen@aph.gov.au

Dear Committee Members,

Anglicare Australia thanks the Senate Standing Committee on Community Affairs for the opportunity to provide brief feedback regarding the *Social Services and Other Legislation Amendment (Strengthening the Safety Net) Bill 2023*.

For years, Anglicare Australia has called for working age payments to be raised above the poverty line. Although the measures in the Bill fall short of that call, we support the Bill as an immediate means of helping Australians struggling to make ends meet. We particularly support the restoration of the Parenting Payment to single parents with children aged up to 14 years old.

The $20 a week increase to JobSeeker and related payments is well below the Economic Inclusion Advisory Committee's recommended level. Despite the increase, 2.3 million people on working age payments will still remain in poverty, including 840,000 children. Anglicare Australia will continue to call for increases to JobSeeker and other Centrelink payments while they lag the poverty line.

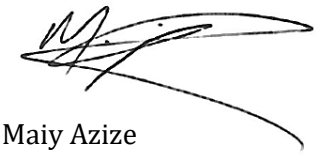
For the many renters living on JobSeeker and other Centrelink payments, increases will also be dwarfed by rent rises. Using data from Anglicare Australia's Rental Affordability Snapshot,[i] we have found that the new rate of JobSeeker will still lock people out of almost all rental listings. On the weekend surveyed, just five rentals (0 percent) would have been affordable out of 46,000 listings across the country, up from four before the increase.

The 15 percent rise in Commonwealth Rent Assistance (CRA) will help those who receive it but will still leave behind many people on the lowest incomes. For example, two in three people on JobSeeker and nine in ten people looking for work on Youth Allowance are not eligible to receive it.[ii] One in two people who get the payment also remain in rental stress, indicative of the scale of the rental crisis we are currently experiencing and the poor design of the CRA payment.[iii]

This highlights the need for reform of the cut-in and cut-out rates of CRA. Anglicare Australia also continues to call for changes to improve eligibility for those in share houses and who have found informal solutions to the rental crisis.

We urge the Committee to recommend passing the Bill, but to also recognise that the work of tackling poverty, making sure everyone has a safe and secure place to live and strengthening the safety net is far from done. We would welcome the opportunity to discuss anything raised in this letter. Please do not hesitate to contact us at anglicare@anglicare.asn.au

Yours sincerely



Maiy Azize
Acting Executive Director

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[i] Anglicare Australia (2023) 2023 Rental Affordability Snapshot.
[ii] Anglicare Australia (2023) Reforming Rent Assistance.
[iii] Ibid.