



3 July 2023

Committee Secretary
Senate Standing Committees on Community Affairs
PO Box 6100
Parliament House
Canberra ACT 2600

By email: community.affairs.sen@aph.gov.au

Dear Committee Secretary

**Social Services and Other Legislation Amendment (Strengthening the Safety Net) Bill 2023
(‘the Bill’)**

Thank you for the opportunity to provide feedback in relation to the above.

About QCOSS

QCOSS (Queensland Council of Social Service) is the peak body for the social service sector in Queensland. Our vision is to achieve equality, opportunity, and wellbeing for every person, in every community.

QCOSS’ position

QCOSS welcomes the measures to expand income support reflected in the Bill. These measures, alongside other recently announced cost-of-living supports, will provide vital assistance and financial relief.

While our view is that the Bill should be passed without amendment, it is clear the relief that will be provided by expanded income support will not address the financial distress being experienced by Queenslanders on low incomes.

There are approximately 1.18 million Queenslanders currently receiving income support. In addition to this figure, there are many thousands of children in Queensland who live in households reliant on income support. It is well established that the current rate of JobSeeker is below the poverty line.

The financial distress being experienced in Queensland is expressed by a frontline community sector worker in a rural or remote area of Queensland:

“Sometimes the decision is whether to buy chilled food or not as [people] can’t afford to keep the fridge on. We decided to extend the scope of financial assistance to include gas bottle refills so clients could cook on their BBQ. We have been supporting homeless families with tents and gas camping supplies.”

A community sector leader/co-ordinator said the following:

“Clients are going without medication, food, [and] school resources for their kids to pay electricity bills.”



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QCOSS released a report in 2022 exploring cost-of-living pressures faced by low-income households, *Living Affordability in Queensland*, (the 'Living Affordability Report'). The Living Affordability Report found that among the modelled households:

"None... have sufficient income to meet any unplanned expenses or emergencies. They cannot make meaningful savings and are highly vulnerable to increasing levels of debt, often from predatory lenders... For many households on low incomes and income support payments, financial stress and vulnerability are not one-off transient experiences but persistent and entrenched. With the right policy settings and adequate income support, it is possible to minimise deprivation and break cycles of disadvantage."¹

In addition to the introduction of measures contained in the Bill, income support must still be comprehensively reviewed so that Queenslanders who are reliant on government payments are lifted out of poverty.

Conclusion

Queenslanders on low incomes are currently experiencing significant financial distress, with hundreds of thousands of people who are reliant on income support currently living in poverty. The Commonwealth Government should comprehensively review Australia's income support system in connection with ambitious poverty reduction goals. Notwithstanding this, the Bill should be passed without amendment as it will provide some urgently needed relief to people on low incomes.

Thank you again for the opportunity to provide our submission. If you have any questions, please contact Aimee McVeigh, Chief Executive Officer at .

Yours sincerely

Aimee McVeigh
Chief Executive Officer

¹ Queensland Council of Social Service, *Living Affordability in Queensland*, (December, 2022), <https://www.qcoss.org.au/wp-content/uploads/2022/12/Living-Affordability-in-Queensland-2022_FINAL.pdf>, p 19.