



Tasmanian Council of Social Service Inc.

Submission to Senate Standing Committee on Community Affairs Inquiry into Newstart and Related Payments

September 2019



INTEGRITY
COMPASSION
INFLUENCE

About TasCOSS

TasCOSS is the peak body for the community services sector in Tasmania. Our membership includes individuals and organisations active in the provision of community services to low income Tasmanians living in vulnerable and disadvantaged circumstances. TasCOSS represents the interests of its members and their clients to government, regulators, the media and the public. Our Mission is to challenge and change the systems, behaviours and attitudes that create poverty, inequality and exclusion.

Please direct any enquiries about this submission to:

Kym Goodes
Chief Executive Officer
Phone: (03) 6231 0755

Executive Summary

This is not an ordinary submission to a government inquiry; this is not an ordinary inquiry.

This submission is about anxiety, hunger, fear, stigma, poor health, isolation and despair.

This inquiry is taking place to demonstrate and look for evidence of the need for change in Newstart and other payments, when that need is already well known, proven, and a government response is long overdue. When you read the firsthand stories of the lives of Tasmanians trying to survive on Newstart, the evidence of need is heart-rendingly clear.

How can it be that in a wealthy country like Australia TasCOSS is telling the stories of people who can't afford to go to the doctor? Of people who, due to a lack of money, have to choose between their own health and the health of their children, and of course, choose to put their children's health first.

Of people for whom getting teeth fixed is out of reach and considered a luxury until the pain is so severe they go without food so they can afford a dentist.

Of people who are forced to make choices every day between heating their house and eating.

Of a society in which taking your son to the local footy game means saving for weeks and then feeling like a failure because you can't afford to buy him a pie while you're watching the game together.

Of a place where those among us who want to volunteer in their local community can't afford the cost of a bus fare or other extra expenses required to do so.

Where people in their 50s and 60s describe the high levels of stress and anxiety of trying to apply for 20 non-existent jobs a month with no support and the threat of losing their meagre incomes through punitive breaching hanging over them.

Where social isolation, loneliness, a low sense of self-worth and stigma are the dominant narrative in your life.

Where for every one job there are 11 jobseekers.

How can it be that this submission is necessary, that this Senate Inquiry is necessary? That we would need to probe into whether people living on \$277 per week 'deserve' more money to survive? That being able to live in safety or without hunger must be 'deserved' and justified, despite their lack of employment not being of their own making.

This TasCOSS submission to the *Senate Inquiry into Newstart and Related Payments* has three key elements. First and most importantly it provides a glimpse into the day-to-day lives of Tasmanians living on Newstart. The voices of those people living on the lowest of incomes are front and centre.

Second, it provides a summary of data relating to Newstart recipients in Tasmania relative to the labour market.



INTEGRITY
COMPASSION
INFLUENCE

And it provides a set of recommendations that, if adopted, would be life changing for those Tasmanian jobseekers who are ready and willing to work but are trapped in poverty by inadequate income support payments.

There should be no need for this inquiry to further drill down and explore the reasons why, justify people's poverty and pick apart the hopelessness they feel.

The need for change, the evidence that Newstart and related payments are not working is being lived every day by our fellow Australians.

Table of Contents

| | |
|--|----|
| Executive Summary | 3 |
| Introduction..... | 6 |
| The Human Experience of Newstart | 8 |
| The Impact on Tasmania | 33 |
| Unemployment & CPI in Tasmania..... | 37 |
| Key Points..... | 37 |
| Newstart..... | 37 |
| Unemployed..... | 38 |
| Long Term Unemployed..... | 38 |
| Very Long Term Unemployed..... | 40 |
| Newstart & CPI | 41 |
| Recommendations | 46 |

Introduction

Thank you for the opportunity to make a submission to the *Senate Inquiry into Newstart and Related Payments*.

TasCOSS advocates on behalf of low income Tasmanians who often live in vulnerable and disadvantaged circumstances. We advocate for public policy that values and respects the diversity of Tasmanians and makes a real difference to the lives of people who are experiencing vulnerability. We work to ensure that the human rights of all Tasmanians are integrated into government consultation processes, policy approaches and budget allocations.

TasCOSS submissions and advocacy are strongly informed by the expertise of our members and the lived experiences of the Tasmanians we represent. In preparing this submission, we have drawn on:

- Research that demonstrates the glaring gap between what people receive in income support payments and their minimum household expenses.
- Tasmanian data that highlights the State's high levels of income support reliance and unemployment.
- Voices of Tasmanians who are or have experience of existing on Newstart or similar payments.¹

Many of the voices were gathered at Neighbourhood Houses (Houses) around Tasmania. The 35 Houses in Tasmania play a key role in their communities by offering a safe place where people feel welcomed, learn new skills and receive support of various kinds. In doing this work, Houses work closely with people on Newstart. The CEO of Neighbourhood Houses Tasmania (NHT) reports that all Houses are working with increasing numbers of people receiving this payment to assist them to access food relief and transport, amongst other forms of support. While NHT has chosen not to develop its own submission, NHT fully endorses this submission and its call for a raise in the rate of Newstart.

The evidence compiled in this submission demonstrates the inadequacy of Newstart and related payments. It also highlights the crippling effects on individuals' health and wellbeing and ability to secure work. TasCOSS therefore regards the inadequacy of Newstart and related payments as a violation of human rights and draw the Committee's attention to the following Articles in the UN Convention on Human Rights²:

Article 22: Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation and in accordance with the organization and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality.

¹ Names have been changed to protect identities. The accounts have not otherwise been altered.

² <https://www.un.org/en/universal-declaration-human-rights/>.



INTEGRITY
COMPASSION
INFLUENCE

Article 23: (1) Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment.

Article 25: (1) Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.

Moreover, our submission confirms that where income support is inadequate it harms both individuals and entire communities. In the case of Tasmania, it is a harm that affects the entire state. This is because poverty prevents people from fully participating in the social, economic and cultural lives of their communities. In Tasmania, with one-third of the population on some form of government pension or allowance, the scale of this loss is confronting. TasCOSS therefore believes there is not only a moral but also an economic imperative to raise the rate of Newstart and related payments.

The Human Experience of Newstart

The following are stories collected through consultations in August and September 2019 with Tasmanians living in all regions of the state. Names have been changed to protect identities.

Roslyn: “I hate asking for help. I’ve never been like this before. I’ve struggled but not like this.”

I’m aged 39 and have been on Newstart for two years. I live in public housing. I have children but they’re not in my care at the moment. My husband took his life a year ago. I’ve been through a really, really rough patch. I’ve stayed here [this small community] because I have good supports here; Neighbourhood House, fantastic friends and a case worker from Rural Alive and Well (RAW). The psychologist I’ve only seen a couple of times because it’s too hard to get there. It’s a 45-minute drive into the city.

I receive \$555 per fortnight before my rent is taken out. I’m in a one bedroom public housing unit.

I have a car but I don’t trust it at the moment. I wouldn’t drive it to the city. So that makes it hard looking for work and rego is due in just over a month and I won’t be able to pay for it. I got a NILS [No Interest Loans Scheme] loan for rego last year so I won’t be able to get it again this year.

I have a Centrelink debt of \$38.50 [per fortnight] I have to repay too.

\$396.20 hits my bank account after rent. I have a phone which costs \$35 per fortnight. I have a little bit of internet data on my phone but can’t afford internet at home.

Aurora is \$40 a fortnight. I’m on a payment plan because I had a debt before I moved into my unit. I have a heat pump but can’t always use it. I quite often turn it off and use a blanket.

With food I look at what specials are on, see what I actually need not what I want. I don’t go out. I’d love to have a drink but can’t do that unless I go to friend’s house and they’re shouting.

I have a lot of family in Hobart but I haven’t been down for nearly nine months now because I can’t afford it. That gets depressing.

I’ve been diagnosed with major depression. I have lower back and hip problems. So I have medications but sometimes I go without them because of the cost. Sometimes I’ve been without them because I’ve had to wait for payday. I have missed my anti-depressant before and it’s not good. If I miss them I get really light headed like I’m going to pass out. I had to go a week without them once recently and it wasn’t good.



INTEGRITY
COMPASSION
INFLUENCE

I hate asking for help. I've never been like this before. I've struggled but not like this. I've been seeing a financial counsellor and I think I'm going to go bankrupt.

In the past I've done retail work but I can't do that at the moment because I need my teeth fixed and I can't afford to do that. I know it's only \$44 a visit but it's a lot when you've got a lot of work that needs doing. I need all my front teeth fixed. I'm meant to wear a plate on the bottom but it doesn't fit anymore. I've always had problems with my teeth.

I haven't been back to the dentist because I just can't afford it. I think I still owe them money. The last time I went it was only because I was in a lot of pain and it was an emergency. And that's how I managed to get the plate done. That was quite a few trips back and forth. I have this bone thing in my jaw and I think that's why the plate doesn't fit and that was what causing the pain and wrecking my teeth.

My front teeth are the worst, I'm always covering my mouth so I know I can't work in any retail customer service. No one's going to want to see that. It's disgusting. They are disgusting. I had another piece break off the other day and it's causing me a little bit of pain but not real bad at the moment.

At the moment I'm on a sickness exemption from looking for work. Thank god my local GP bulk bills otherwise I wouldn't go. I wouldn't be able to afford it if they didn't bulk bill.

If they raised the rate, I'd be able to eat a lot better. Because I don't buy meat unless it's an extreme special. I make do with knob of Devon, Belgium whatever you call it. It would also help with fuel so I can see family. If it went up, say, a hundred bucks a week that would be absolutely awesome.

I have to go with public housing because I couldn't afford a private rental. I was couch surfing before I got this unit and I still had to wait 12 months for that.

I come to the Neighbourhood House a lot for help. I get all my sanitary products from here because they're so expensive. I will go down today to the shops and work out the cheapest way to get washing powder and toilet paper.

I've got help from Vinnies in the past. I come to the Neighbourhood House each week when they put on a free dinner.

Being poor makes my depression worse and brings my self-esteem down. I think I am a better person than I was a couple of years ago but the low self-esteem is still there. I'm always doubting myself. I've actually told a few people a couple of times I just want to give up—I can't do it anymore.

No, I won't harm myself. My kids have already lost their father. So I'm not going to go and do that but I'm just at a really bad point without my kids. I'm trying. My life in general is really fucked up at the moment. It's shit, it's really just shit.



INTEGRITY
COMPASSION
INFLUENCE

Stephanie: “[Life on Newstart is] having to put your own animals down. Or treating an abscess at home.”

My life on Newstart started some 17 years ago, when I was taken off the SPP [Single Parenting Payment]. First I was overpaid the SPP. I lived in hope at the time, while simultaneously being suicidal. When Centrelink caught up all money was stopped. There was no income at all, and with my mental health suffering I didn't have the wherewithal to do something about it. Eventually I got back on Centrelink, living off a whopping \$256 a fortnight.

That was a rough time. There is no support for people over 25 and under ‘elderly’. There still isn't in 2019.

Any luxuries fell by the wayside. This includes getting a haircut. That \$35 or so makes the difference between eating well or not.

Life improved greatly in 2010 when I started work as a life model. It was an extra \$40 a fortnight in my pocket. Later that year I had contract work as a life model for TAFE. Guaranteed income for 13 weeks, and that is what got my nest egg started. I need a nest egg, because I know how fickle Centrelink is with payments. One wrong key stroke and you've lost your payment.

Life on Newstart now? I don't have luxuries, still. No hair, makeup, nails, no drinking, or smoking—not that any of those is my thing. No going out. No eating out. No Sunday drives. It's knowing just how far your car will go on 20L fuel. Its feeling like the dregs of society because, even though you want to be community minded, you can't actually afford to do anything. People say "ho! be a volunteer!"... and that's great but only if you can afford the fuel to get there—and trust me, getting to some of the places to volunteer at costs fuel. Forget lunch.

It's learning how to knit, and crochet, then scour opp shops to spend \$2 on some yarn. Because when you can't get out of the house, you need something to keep yourself occupied. It's learning to sew, and going through your carefully hoarded linen cupboard to find the ingredients to make menstrual pads—and cloth wipes.

It's buying things when they're on special, not when you run out. Coffee at Coles this week is \$14 for 500gm. Regular price is \$20, and its lasts three months.

It's knowing how long it takes to use things, and what the best value for dollar is. I pay about \$2 per 100ml of shower gel or shampoo. 50c per roll of loo paper—and with the creation of cloth wipes I have now reduced the loo paper use to one roll a week, rather than one every two days (or so). Twenty-four rolls lasted me 23 weeks and five days.

It's buying what you will use, not buying the cheapest of the cheap. I could spend money on home brand margarine, bread, shampoo and cat food. But it will never get used, so I'll have \$10 'bound up' in uselessness. And yes, it was needing to nick a roll of loo paper back in those no money days.



INTEGRITY
COMPASSION
INFLUENCE

It's saving, saving, saving to buy a Kindle because you need more books to read. The library is handy—if you can get a library card—which I can't because the kids books [that I borrowed] didn't go back in 2002. You also need to be able to get to the library, and guaranteed that will be on a day you have no fuel or money on your bus card.

It's sitting on your bum at home—reading or knitting, or whatever—because you can't afford decent sneakers and public clothes to get out for exercise. I'm now old enough to worry about my joints and Kmart \$5 ones won't cut it. Poor people can't afford a gym. I buy brand name sneakers from the op shop. Well, I could spend \$60 on half decent sneakers, but that takes away from the food budget.

It's changing banks to one that offers low income accounts. I used to be with Commonwealth and that was \$5 a month (\$60 a year) in account fees, with 15 free withdrawals a month. It was every single withdrawal, including online banking. At times there was another \$5 for going over the free 15 a month. Fifteen a month is dreadfully easy to reach. There are six automatic payments out of my account just for rent, power, and the phone/internet. Add on fuel, groceries, anything else ... and bam! Already there.

It's getting off prescription meds—in my case, for anxiety and depression. At one time I was on three different medications, and the doctor wanted me on meds for high blood pressure to boot. Unfortunately, the doctor is an idiot, and my blood pressure—when not at the doctor—is fine. It's bordering on low when I check it at home. Could you imagine the damage I would have been doing to myself taking medication to lower blood pressure when I didn't need it?

It's staying with that same doctor because you can't afford to shop around. First you can't afford to get to another surgery, let alone pay the upfront fee. The doctor I see now is an idiot, but the surgery bulk bills. I don't go to the doctor unless I know what's wrong.

It's not going out. To rallies, causes, info sessions, whatever. You have to make a choice. Pay for fuel, or the entry fee. You can't do both. If you are supremely lucky, there is something close to home, and free.

It's having to put your own animals down. Or treating an abscess at home.

It's finally saving enough to buy a brand spanking new fridge and TV. I'm down to one power source for the TV now. Before I got it, it was TV, DVD, VHS, set top box. This is all energy reduction. I pay, roughly, \$1,000 a year on power. No, the heater isn't on. The only time it is on is when it is below seven degrees in the lounge room, and the house is closed up for the night.

It's not moving from your housing department house in a bad neighbourhood with a wanker neighbour, because you truly couldn't afford \$280+ a week in rent.

It's saving up to buy a car, and then continuing to save to afford the rego and RACT. Then save again because you know it will need a service 'eventually'.

It's not using that advance payment you can get, in case of emergencies.



INTEGRITY
COMPASSION
INFLUENCE

Money goes on food, shelter or entertainment. Yes, I could cut off the house phone and internet, but then where would I be? It's my social life, a way to stay in touch and download books and patterns. It could be argued that the craft stuff is wasting hair cutting money. However, it entertains me, and I'm making useful items. If it's a poor week I can reuse the yarn from things I've already made.

Job interviews typically suck. Job places will let you buy Kmart clothes for interviews, but the clothes never fit well so you're left feeling inferior. You certainly can't afford to spruce yourself up with a trim.

My life isn't too bad. Half of my \$600 per fortnight goes straight to the rent, power and phone bills. It took me having several thousand (yes, thousand) in the bank to feel I could afford to prepay bills. About \$70 is allocated to groceries, including cat food. The rest is 'saved'. At the end of the day, I'm better off than plenty of people who work, in that I have savings and save about one-third of what I get a fortnight.

When talking to working people who think it's 'only \$100' ... I ask them if they would be willing to pay one-sixth of their pay cheque for, say, decent sneakers. For someone who earns \$2,500 a fortnight, that's \$416.

All income from the work I've had this year (declared and paid tax on) is 'saved'. I didn't need it for anything. I could have spent it on a nice meal out, but I know hard times will come again, and it's insurance towards those days.

I am a volunteer firey. I can walk there for training if I have to. The station isn't far from home, so it's not a huge fuel expense, and I get out at least once a week. I have the paperwork to be a volunteer ambo too, but the stations that need help are an hour away—and that puts that idea in jeopardy.

Sorry, it's not all doom and gloom. I'm not sure what I would do with 'all that extra' money if Newstart went up. My rent would go up, that's for sure. If the Newstart increase was \$100, the rent would take \$25 of it immediately. Having real work was stressful enough. 30% in tax, 25% for rent.



INTEGRITY
COMPASSION
INFLUENCE

Nadine: “To go out and have a coffee it’s a quarter of my day’s allowance.”

I’m 56 years old. I am in a private rental which costs \$185 per week.

I’ve been on Newstart for probably 15 months this time round. Before that I was receiving carer’s payment. I also lost money when my son turned 18.

I’ve had a lot of time unemployed and on parenting payments. I’ve always done volunteering work too.

I could manage with parenting payments and carer’s. That said, I could never afford a car.

I only use my phone for emergencies and it doesn’t have data. I have internet at home and I do use the library as well.

I struggle with power bills. On my current income if my 18 year old was not being so generous with his input I would be stuffed.

I don’t have a car. I don’t gamble. I don’t smoke. I haven’t got money to do that anyway. To go out and have a coffee is a quarter of my day’s allowance.

I am not wasting my money but it’s tough.

I don’t drive. I can’t afford taxis and have to bus. I can get the bus to [suburb] to see my parents, which I can afford with a concession. It’s \$5 each way with concession. If I want to go to Launceston to visit my family it’s \$12.50 each way, which is a lot for me.

I volunteer out at [suburb] so bus to and from there too which I’m not reimbursed for.

I’m eating cheaper meat. I’m having cheaper milk. A lot of the meat is mince or sausages.

I make biscuits, I don’t buy them.

Going out for a meal is out of the question.

There is a bit of isolation but I’ve luckily had my mental health issues addressed before I hit rock bottom. In saying that with Centrelink, mental health is on the bottom of the list. Dealing with Centrelink is not stress free.

I do want to go back to work but I can only do a little bit at the moment. Because I have an injury and mental health issues. My emotional as well as my physical reserves are depleted. It’s tiring.

I’d like to be in the choir to help myself heal, but it’s a \$100 a year. How many people are being held back with mental health recovery because they can’t afford things like that?



INTEGRITY
COMPASSION
INFLUENCE

Theresa: “Everything is going up except my income.”

I live with my child in a private rental in [Hobart suburb]. My rent is \$650 per fortnight, \$325 per week and is soon to be increased again.

My weekly budget for food for the two of us is \$100.

I work as a qualified hairdresser in the city. I’ve worked since I was 17. I took nine months off when I had my baby when I was 21. I went back to work initially two days per week and am now working 4.5 days per week. I love working as a hairdresser but it isn’t highly paid. I’m a single-parent and when my child turned eight I was moved from SPP [Single Parenting Payment] to Newstart.

Since I’ve been moved to part Newstart payments I’ve been approximately \$200 per week worse off.

We [my child and I] haven’t been able to go out to the movies or for lunch. I feel like we sometimes don’t go outside of the house.

I can’t afford to go to the doctors, I will take my daughter but not myself. I’ve had a pain in my side but cannot afford the \$70 to go to the GP. I don’t go to the dentist. I take my daughter because she is free.

I want to eat healthily and buy quality food but cannot afford it. Often we will just have to have toast for tea.

I guess I’ve lost a lot of friendships because I can’t afford to go out.

I had to give up the gym because I could no longer afford my membership. I’ve put on weight which makes me feel bad about myself.

I’m feeling like a failure as a parent more than anything.

I feel like I’m trapped because I love my job but to get something better paid I’d have to quit and be miserable. Or I could bunk up with a random man to help pay the rent, which I’m not going to do.

Everything is going up except my income.

The only time my daughter gets clothes is Christmas and her birthday. I feel guilty buying anything for myself.

I always make sure my daughter is warm. If anything I put the heater on in her room because I don’t want her to get sick.



INTEGRITY
COMPASSION
INFLUENCE

Deborah: "I hate my life. I hate being a 'dole bludger'. I want to support myself and enjoy life, maybe get married and have some kids but my life is ticking away before my eyes."

I have been on Centrelink payments on and off since I was 16, in 1999. I am now 36, single and unemployed. I moved out of the family home at 15 due to an abusive family situation and having witnessed someone drown on a school camp at the private school I attended which gave me PTSD and significantly changed my life from that point on.

I have completed some uni, certificate 3 in Beauty Therapy, Horticulture and Hospitality as well as various licences including car, White Card, Traffic Control, Forklift, Chainsaw, First Aid and HR learners. I have always done my best to work, mostly casually in supermarkets and pubs. I was employed as a traffic controller through various labour hire companies over the last five years and earned quite good money. I assumed these jobs would lead to full time as that's what the labour hire companies always tell you, however nearly a year in its no surprise to be told suddenly 'sorry, there's no more work' with no explanation. Then it's back onto Newstart.

If I have stopped reporting or dropped off the system during this time, the application process can take up to eight weeks to reconnect, therefore any savings are used up during this time. Going from \$1,000 a week to \$350 on Newstart is not only a rude shock, but simply not manageable, especially now I have a personal loan to repay as well as rent of \$240 per week, food, power, petrol and other bills. I simply can't afford it.

Thankfully I have a wood heater and some friends who cut me wood for free or a discount rate so I can heat my house. I would not be able to afford to run the heat pump. My parents have chipped in on occasion for my rent and I find myself borrowing small amounts of money off friends every week just to get by. I spent an entire nine months on Newstart alone last year and ended up having to take some money out of my superannuation to live off. A fortnight after Centrelink had approved that, they hit me with a \$4,800 Robodebt from 2011 which thankfully after six solid months of arguing and tribunals was waived. That was a very nasty and unnecessary stress and waste of time. I have occasionally gone to Vinnie's and the Salvos for food and power but I hate doing that as there are other people worse off than me and I feel guilty.

Every time I get some casual labour hire work, I'm quite a way behind the eight-ball so a few months is spent catching up, then the work dries up and I'm back on payments. It's a vicious cycle. I've sold nearly all of my furniture and belongings bar the bare minimum. I eat one mostly carbohydrate meal a day at night, I run on coffee most of the time.

My parents who are both retired and friends are probably frustrated with me, I think they 'get it' to a degree but still, for an adult to be constantly borrowing money is pretty pathetic. I can't live off \$700 a fortnight. My car is currently not going and sitting in the driveway which is another hindrance to looking for work. I have a great resume and am a loyal, honest and hard worker but the work is scarce and



INTEGRITY
COMPASSION
INFLUENCE

personally I think labour hire has completely changed work for a lot of people. It creates a toxic culture of people fighting each other off for more shifts, brown nosing, etc.

I keep busy in my garden, do my best to look and act like a socially acceptable member of the community. I can't afford decent clothes very often and am lucky to get free haircuts off a friend. I haven't been to the dentist in 10 years and seldom go to the doctor due to the cost. The mental drain is very hard, I stay in bed and at home most of the time because I feel embarrassed and like a failure, plus I can't afford to go anywhere. Even when my car is going I don't leave the house because I need to save the fuel in case I get a job.

Dealing with Centrelink and the employment agencies is awful, they treat you like a criminal and are always accusational, they speak down to you and need more ID than a bank just to change an appointment, plus it's always an hour wait on the phone. The threat of having your payment taken away because you want to change an appointment is just awful. I honestly expected more from my life. I really do try as hard as I can to secure full time employment. I constantly try to improve myself and blame myself for my situation.

I try to stay busy and positive but honestly, I feel like a prisoner doing a sentence in my own home or a little old lady in a nursing home unit. I have chosen to stay single and not have kids as I have nothing to offer a partner or kids financially and it wouldn't be fair.

I hate my life. I hate being a 'dole bludger'. I want to support myself and enjoy life, maybe get married and have some kids but my life is ticking away before my eyes.



INTEGRITY
COMPASSION
INFLUENCE

Gary: "I'm more or less on the verge of being homeless. I've done it rough at a mate's place and in a caravan for a while."

I'd like to see [politicians] try and live on Newstart for say a month, see how they survive. See how people struggle to this day, and that still keeps on happening. Like with food issues, and when you get your power bill. During winter, you get a heating bill you can't afford. Just basic living necessities. Everything else is going up except for Newstart ... I can't even remember the last time it was raised.

I can't afford to socialise and go out as much as I used to. I've had to give up a few sporting commitments because I couldn't afford it and wasn't going to get myself into debt come payday and have \$100 out of \$500 gone already, with nothing to show for it. That's almost groceries for a week and a bit.

I'm too old to play sport any more, but I've got a nephew who plays cricket. [With a raise in the rate of Newstart] I'd go back to watching the cricket of a Saturday. I used to play for the team, so it'd be nice to get involved again.

I used to follow the footy. But I haven't been to a game of football in about three years. That's a joke, they put the concession up. Concession was \$5 and adult price \$10, but now the concession is \$8. So you're looking at \$10-15 bucks by the time you get through the gate and have a sav. I can't afford it.

I rely on public transport. I've never had a driver's license in my life.

I'm prepared to look for work, and when you're prepared to look for work you sacrifice yourself to do that sort of stuff. If you know you gotta get there you gotta commit yourself. And if you don't go you get strikes against you with Newstart these days.

I'm more or less on the verge of being homeless. I've done it rough at a mate's place and in a caravan for a while. I'm living in my father's house at the moment, but he's been permanently moved to a nursing home, and that's why the house has to be sold. It's the end of an era.

I should have been out and gone by now, but I got an extension to the end of winter and this is the last week of winter. There is not enough affordable housing for people on Newstart Allowance, it's just a disgrace.

I don't know what that's going to look like for me beyond this week. I'm waiting on a phone call, and taking it day-by-day. So I'm back to looking for accommodation. I'd like it to be in the area because this is where I grew up and I've got families and friends, born and bred in this town. But there's definitely not enough affordable housing in the area.

Even an extra \$25 a week would be great. I'd be able to buy a couple of extra loaves of bread and put them in the freezer. Might even be able to lash out and buy a bit of steak now and again.



INTEGRITY
COMPASSION
INFLUENCE

William: “I just can’t see a future. It’s just day by day.”

William lives in [suburb in Northern Tasmania]. He is a single parent to an eight-year-old.

William’s partner, his child’s mother died of cancer in 2013. William described the death as unexpected and tragic. She was only aged 44 when she died. At the time, William and his family were living in Queensland, but he moved back to Launceston to be closer to family and other supports following her death. William is a qualified teacher holding a Bachelor of Teaching degree, and whilst he has been able to get some casual work over the past eight years, he has mainly been dependent upon Centrelink. He was in receipt of Single Parenting Payment (SPP) and Family Tax Benefit A and B up until about a month ago when his child turned age eight years. William says he has just been approved for Newstart but described his experience as ‘hellish’.

Health/Mental Health

William disclosed long term experiences with mental health issues and past substance dependency. He also disclosed childhood trauma. He has been diagnosed with various psychological conditions including with bipolar, depression and anxiety. He says he has a great GP and that he has been referred to a psychologist but that due to cost and symptoms of depression, he finds it difficult to do things he knows he should do. He is prescribed Seroquel (antipsychotic) and an antidepressant. Despite his illness he does not qualify for the Disability Support Pension (DSP). “The doctor would have to say I couldn’t get better, but he can’t honestly say that.”

“I just can’t see a future. It’s just day by day.”

Utilities

“I’ve only just paid off a huge electricity bill. I’m on the hardship program but they [Aurora] are quite unmovable. They sent me a letter demanding repayments of \$75 per fortnight. I managed to talk them down to \$55 per fortnight. I am dreading the next bill. I know it’s going to be a big one. I would rather be in debt to them than my boy living in a freezing cold house.”

Housing

“I’m grateful for it because it is stable, my son has already had to move four or five times. I do feel like I’m a lucky one. I can’t see how anyone who isn’t in [public housing] and dependent on Centrelink can pay for food, etc. There’s no way I’d be able to get a private rental with the history I have.”

“We live in a two-bedroom unit in [suburb]. It’s very small but it’s okay. We’ve made it cosy. My rent is taken out through Centrepay. Because I’m a public housing tenant, a proportion of my income goes to rent. Luckily my rent was adjusted down when my payments went from SPP to Newstart. If it hadn’t I don’t know what I would do.”

Food

“I hunt for the specials. I make sure he [my son] has what he needs before myself. We go to Vinnies and access their food bank. I try not to go too often. They can also help with Woolworths vouchers which are good.”



INTEGRITY
COMPASSION
INFLUENCE

Transport

"We have a car. I just finished paying off a second-hand car. The rego is due next month. Its \$446. I'm going to try and see if NILS [No Interest Loans Scheme] can give me a loan for that."

Money/Budgeting

"It's a juggling act, you pay what's desperately due and put the next thing off until it's due"

On being on income support payments

"The line that they're using ['The best form of welfare is a job'] is clever and it's not untrue. But for me there are no jobs. I'm forced into a position where I have to pretend I'm hunting for jobs that don't exist. No one wants someone for 15 hours per week."

On dealing with Centrelink

"The main thing is the stress and the uselessness of it [job searching]."

"Dealing with Centrelink is a lot of waiting on hold."

"When on hold there is a new hold message that says 'did you know Centrelink works with the Federal Police?'. It makes me feel threatened. It's abusive and mean."

Robodebt

"I am treated like I have been defrauding the Commonwealth and that I have to prove otherwise. In 2016 I was issued a Robodebt for 2012/13. I did two appeals. One resulted in it going down, the other in it going up. I tried to do the maths but didn't have the information to do so. No one could explain to me how they got that figure. I asked but no one could tell me. I don't know ... in the end I give up. I started on \$80 per fortnight repayments but talked them down to \$15 per fortnight. The worst thing is that they took out the remaining from my tax refund. I was planning on a refund at the end of the year but this year they took it all \$1,100 for the debt. I had no idea."



INTEGRITY
COMPASSION
INFLUENCE

Jill: “If you’re too old, how do you get experience to get a job?”

Jill is aged 55 years of age and lives with her dependent 17 year old daughter in Community Housing managed by Mission in [suburb outside Hobart]. Jill is exempt from Jobsearch for 12 months on the condition she volunteer at the local Neighbourhood House. She volunteers six days per week, from 8:30am to 5:30pm.

Jill receives Newstart Allowance and rent assistance only. Her daughter has dropped out of school so Jill no longer receives any allowances to consolidate her income for the both of them.

Jill has been dependent upon Centrelink for about the last 20 years. She worked at the Blundstone boot factory but described long term unemployment and experiences of age discrimination. “If you’re too old, how do you get experience to get a job?”

Transport

Jill cannot afford a car. She is reliant on public transport or taxis. “I’ve got to get a taxi to and from the supermarket each Saturday, which is \$25 each way into Shoreline.”

Dental Health

“I can’t afford it. It’s \$80 if I go so I don’t go. I put up with the pain. How am I going to pay for the bill? It’s too expensive.”

Emma: “There would be no way I could afford to have any significant dental work done.”

Emma used to be on Youth Allowance, I’ve been on Newstart since my 20s, for 10 years. I receive \$502 per fortnight. After rent and other things I’m left with about \$230. We rent in [suburb] with a community housing provider.

“We just get from fortnight to fortnight, as long as we have food and power, he has petrol to get to work for the dole.”

“Sometimes we skip meals or just don’t eat. Or we go down to Neighbourhood House. But I don’t like relying on charity for food, I don’t like to ask.”

“A few months ago I was in and out of hospital. I’m slowly going back to normal, but still have costs for pain killers and asthma. It adds up.”

“I’ve been to the dentist only once since I’ve been on Newstart—and that was because I was in extreme pain and it was emergency. There would be no way I could afford to have any significant dental work done.”

“We have a car so my husband can get to his work for the dole appointments, otherwise we will be cut off payments. I get the bus when I can.”



INTEGRITY
COMPASSION
INFLUENCE

Emma says they would like to get out and about more. “It would be good to just to go to Launceston for a trip—to get out—but we can’t. If my husband is out at work, I’m just at home by myself because I can’t go out because I can’t afford it. It makes me very stressed and depressed.

“I have \$200 or so to cover food, bills, home phone. My partner and I go halves in things. We try and have some money for the following week.

Emma described a major barrier to employment being that she doesn’t have a car. “In Ulverstone there isn’t much work so you have to travel for it. Mostly it comes down to work.”

If the rate was raised, Emma said: “I’d like to have at least something to play with, to go out or something after everything is paid for. So we can go out and do something together instead of just sitting at home being bored.”

“I do some volunteer work, state volunteer service, and down at the Neighbourhood House; kids in the park and cooking on Fridays. I want to work. I want to get paid work.”

Noleen: “There’s also lots of community things I’d like to be involved in. I have to say no because I can’t afford it, it’s quite embarrassing.”

I’m on sickness benefit, which is the same as Newstart, \$512 a fortnight. I don’t rent. I have a mortgage so I don’t get rent assistance. I have rates, insurance, water bills on top, but there’s no assistance, so it makes it even harder.

Bills come to over \$500 a week—but we get \$512 a week. So our expenses outweigh our income. It’s a constant challenge, robbing Peter to pay Paul. Sometimes things don’t get paid.

I lost my Health Care Card because my income had just gone over the threshold. So I went nine months without a Health Care Card, so my health slipped because I couldn’t afford \$80 or \$90 to go to the doctor. My thyroid condition wasn’t monitored, and my hormones went too high and I needed [help] with a heart condition.

Because I haven’t been able to afford to get proper dental care, I’ve had to get emergency dental care at the dental hospital. I have had teeth removed and a cyst removed that was growing at the back of my mouth.

In this area the jobs are mainly tourism driven, hospitality, catering and cleaning. If you can’t do physical work there’s not a lot of options. Most of the administrative jobs—school council, nursing home—they’re a bit cliquy. I’ve applied for jobs and never got an interview. The other option is trying to find work in Launceston or Hobart but then you’ve got the travel costs.

As far as getting yourself into a position where you’re employable, there’s few study opportunities in remote areas. Some is on online but there’s a limit to how far you can get—you often have to do a



INTEGRITY
COMPASSION
INFLUENCE

placement with an employer, but if you can't get a placement you can't complete your course. Like a Cert 3, you can get to a certain point but then you need a placement.

I want to do a Cert 3 but no one's doing them in our local area. I can't afford to travel to Launceston. If I can find one online, where do I go to do my practical? The trades training centre hasn't got funding to run courses.

An extra \$75 a week would mean we'd be able to have a better diet. We'd be able to not be robbing Peter to pay Paul to pay a bill. We'd be able to breathe a bit ... just to have a little bit of freedom not be struggling, scrimping and saving all the time.

There's also lots of community things I'd like to be involved in. I have to say no because I can't afford it, it's quite embarrassing.

Michelle: "The only times I'd have a proper meal was when I went to Mum and Dad's for a roast on Sunday or when friends asked me over for tea."

Michelle is aged 49 and has been on and off Newstart since leaving high school. She has had some work in industry and retail work here and there but never a full-time job. Michelle now receives a carer's pension as she cares for her mother. She describes the extra allowance as a 'relief'.

"When I was on Newstart and moved out of home in my late 20s I had enough money for rent, my pre-paid phone, a few groceries, but mostly just soup or spaghetti."

Michelle described difficulties paying for heating and utilities and skipping meals or going with or without heating. "I turned it off sometimes."

"I was lucky in one house, my brother would go get wood for me because I had a wood heater."

"The only times I'd have a proper meal was when I went to Mum and Dad's for a roast on Sunday or when friends asked me over for tea."

Michelle said in 2015 she was diagnosed with fibromyalgia (chronic pain condition) and that her job provider was honest with her and told her she was effectively unemployable. She has applied for disability support pension but the application was rejected. She has not re-applied but says, "It's hard because the specialist is down in Hobart and cost \$150 each time and I just can't afford that, so now I just see the local GP for some pain management." She described the cost of specialist appointments, petrol to get to Hobart and accommodation there as prohibitive and therefore a barrier in pursuing another [Disability Support Pension] claim.

Michelle described loneliness from not being able to afford to go out, she has to save up to go to family dinners out, collecting her coins for a kid's meal so she can join them at the pub. "Otherwise you just sit inside and watch TV."



INTEGRITY
COMPASSION
INFLUENCE

Michelle described it as being hard to go for jobs when she was on Newstart and looking for paid work, “If you didn’t have money for transport, new clothes, new shoes it’s really hard. And then you don’t get the feedback [from interviews] on how to improve for next time.

“I have a friend’s daughter who was getting real bad depression because she was going for jobs, not getting them and not getting any feedback. Once you leave school and you don’t have the training it makes it hard.”

Michelle said if she was still on Newstart she would probably go into “a really bad depression.” Now that she is on the carer’s payment she says, “I can go out and get a haircut or go out for lunch, just a little thing that I couldn’t afford before.”

Darlene: “The pressure from the Job Network was directly connected to my anxiety. Over that three months when I got myself a lot more functioning, I started volunteering with [organisation] and got myself a job.”

I want to talk about coming back onto Newstart at an older age and being subject to onerous job search obligations. I had been receiving carer payments and due to the end of the marriage, and the separation the carer’s payment ended I started receiving Newstart. It had been over 30 years since I’d been on anything like Newstart.

I’d always been on a low income, on SPP, carer’s, studying and/or working casually. But I’d never had to go into Centrelink and report so often.

It was quite a shock to the system. Suddenly at aged 49 it felt so demeaning to have to go to so many appointments.

I wanted private consultations at the Job Network but that wasn’t available. The meetings were in little booths with no privacy. I hate that. I felt like everyone could hear your conversation. That’s all about meeting job plan requirements. And fair enough, I wanted a job, but it’s not about the person. I had to look for 20 jobs a month.

To be honest the pressure of having to do that, that’s not how I’ve got jobs in the past. That undid me and I ended up having anxiety that threw me for several months and the only relief was going to the doctor’s and getting a medical certificate—so I got relief for three months because of my diagnosis. I got a three month exemption. The pressure from the Job Network was directly connected to my anxiety. Over that three months when I got myself a lot more functioning, I started volunteering with [organisation] and got myself a job. I’ve also picked up another casual job without the support of a Job Network.

The stupid thing is navigating the whole Jobactive system. So yes, I had a doctor’s certificate so I didn’t have to do fortnightly reporting. Everything is online, and you don’t get things in the mail, and that expired, I got a demerit point because I didn’t look for my requirements of my original job plan from



INTEGRITY
COMPASSION
INFLUENCE

three months before. It's all online, that's the system. So I got payments cancelled. It was all put back on me that I should have been aware.

My area of interest is in the community, but when your job provider is telling you to go for anything it makes you feel a bit worthless. I'm hands on. I have qualifications in community services. I can't do an admin job. I can't use computers but they'd expect you to apply for jobs like that.

You see people in their over 50s and they're made to work in something they don't want to. Job satisfaction is huge to me. I want the job satisfaction. I think the job provider agencies should be supporting people more appropriately. Are they really helping people or just ticking the boxes? And raking in the money when they get someone into a job stacking supermarket shelves when they have other qualifications. You're treated like a statistic.

Joe: "You are lonely because you can't afford to go anywhere. Mental health is an issue, you feel down and out but you've just got to keep going."

Joe lives in Launceston and is aged 61 years. Until two years ago he was gainfully employed in various roles including as a teacher's aide, a cleaner and a labourer. In 2018, after spending a year on the emergency surgery list he had neurosurgery for a disabling neck injury. He cannot physically work anymore. His only income is Newstart Allowance totalling \$616 per fortnight which includes pharmacy supplements. Joe says he is lucky because he owns his own house and doesn't have a mortgage. Despite this he still has significant cost of living expenses including rates which are \$1,800 per year and water which is \$300 per quarter. He says his power bills are high despite relying on a wood heater and that once his wood runs out "that's it for heating".

Joe has a car but uses it sparingly. He needs a car to get to his various medical and rehabilitation appointments. He despairs at the high price of petrol. He doesn't go on any unnecessary car trips and has to budget tightly to afford to run his car, pay its registration and maintain insurance. Joe gets the bus if he can. He says the bus comes about every two hours which is good because he can't afford to park in the city.

Joe's local General Practitioner no longer bulk bills and he isn't able to get into any other clinics that do bulk bill because their books are full. Joe says there is about a \$30 or \$40 gap when he goes to the GP. He only goes to the GP if it's absolutely necessary. Joe has a Health Care Card and says he makes sure he gets his medications despite them costing up to \$30 per week.

In relation to clothing, Joe says, "I'm dressed head to toe in Vinnie's. All in all it probably cost \$10. I used to be able to buy new clothes when I was working but not anymore."

Joe describes himself as a fairly positive and robust person, "You have to be bringing two kids up by yourself, but I don't have a social life anymore. I can't even afford to go and watch my son play football."



INTEGRITY
COMPASSION
INFLUENCE

He says it makes him depressed. "I'm lonely because I can't afford to go out. It makes me feel down and out. Even with a concession it's about \$5 or \$6 for a ticket to the footy, by the time I travel there, petrol, food it's probably about \$30. You are lonely because you can't afford to go anywhere. Mental health is an issue, you feel down and out but you've just got to keep going."

Joe says he is lucky enough to have some superannuation, but that he has had to access some of it to help with excess medical and living costs. He tries not to, and says, "If I keep doing that I'll be wiped out in 10 years."

Joe will not be eligible for the Aged Pension until he is 67 years old, in six years' time.

Until then, he will remain on Newstart payments despite being physically unable to work. He has applied for the Disability Support Pension (DSP) once, but it was knocked back. To be eligible for the DSP an applicant's conditions have to be deemed permanent. 'Permanent' has a special legal meaning. A medical condition is 'permanent' if it is 'fully diagnosed, treated and stabilised'. It's a very high bar to meet. "One of the questions was, can you do work one hour a week? I said yes and [the DSP application] was knocked back. Unless you're a legal eagle in the way they do the forms, you won't get it" Joe says. Despite not meeting the criteria for DSP, Joe has a 12 month exemption from looking for work due to his injury. He remains on Newstart nevertheless.

Joe says age discrimination is real. "As you get older, they say there's no discrimination about your age and there's not allowed to be. There is. Once you hit 60 the amount of firms who would put you on is pretty much non-existent."

Paul: "[The GPs] only bulk bill if you're over 65 or under 16."

Paul is aged 62 years old and lives in his own home in [suburb outside of Hobart]. His only income is Newstart Allowance. He will not be eligible for the aged pension until aged 67 years. He has been receiving Newstart on and off for the past 20 years. He has most recently had subcontract work as a cleaner. He has no superannuation.

He has owned his own house since 2000 so feels lucky in that regard but has difficulty budgeting for his rates and surviving on Newstart. He is still obliged as per the conditions of Newstart to look for work – 10 jobs per fortnight.

Paul uses a wood heater to save on energy costs. He doesn't have any other form of heating in his home. "I was on pay as you go but not anymore. I get a bill every three months. I try and keep up to date and save for it."

"I receive Newstart and I have a Health Care Card. It's \$637 per fortnight. I have bills to pay, mobile, rates and debt."

Paul explained he has a \$16,500 debt owing to the Council for rates arrears. He repays that debt \$85 per fortnight.



INTEGRITY
COMPASSION
INFLUENCE

Transport

Paul relies on public transport. He cannot afford a car and the associated costs of registration and petrol at the moment. "I'd have to have a car to get a job ... there are buses every hour from [suburb outside Hobart]. I pay \$2.40 per trip."

Health

Paul said that the local GP no longer bulk bills so he cannot afford to go to the doctor. "They only bulk bill if you're over 65 or under 16."

Frank: "The only reason I can survive is because we have a house."

Frank, aged 53, and his wife, aged 61, relocated to Tasmania from Queensland in 2014 for work. They were able to afford a house in [suburb outside of Hobart]. Both Frank and his wife receive Newstart Allowance.

"The only reason I can survive is because we have a house."

Frank holds a number of qualifications in trade type work, but described significant age discrimination as a barrier to gaining employment. Frank's wife holds a Certificate 3 in child care. Frank described frustration that many of his qualifications were not recognised here in Tasmania and that he has encountered a lot of 'red tape'. "There need to be national or universal qualifications."

Work

"I drove taxis for a while but it was too unsafe."

Health

Frank disclosed physical and mental health issues including depression and a shoulder injury for which he is on the public health waiting list. Frank described his mental health as 'just shocking'. "I've had mental health issues my whole life but since coming here and being unemployed it's got a lot worse. I find it very depressing... emotionally I can't handle it."

Frank has to apply for 10 jobs per month and attend meetings with a job agency to be eligible to receive Newstart.

"I have to go to Max Employment at Rosny Park. It's complicated [reporting obligations] and if it's not done properly you get cut off. I have been cut off before. I can't meet the obligations because there aren't any jobs available."



INTEGRITY
COMPASSION
INFLUENCE

John: "It causes me to have anxiety at times and loss of my ability to do things I want to do. I think that has an impact."

John is aged 58 years and has been on Newstart since 2017 following a redundancy. Prior to that he was gainfully employed for 20 years. His job in the call centre was sent offshore to the Philippines and he and others were made redundant. He was on the mainland but came back to Tasmania due to the isolation.

He now lives with his mother and is her carer on the North-West Coast but doesn't receive Carer's Allowance. He contributes board.

"I think one of the issues is probably that regular fruit and veggies ... we get it but it's limited to what I'm previously used to."

John recently had surgery and has unexpected costs associated with an emergency operation. "I was isolated, limited amount of contact with family and friends ... I have to go to Hobart for an MRI and to Launceston for an appointment which all costs money. I do get some support through Aboriginal support services."

John is in the process of applying for DSP and is finding it onerous regarding the strict eligibility criteria and process.

John described getting around as being difficult due to his medical conditions, and put some money aside for a taxi to attend the consultation because he missed the bus. "I use public transport because I've had a black out in the past and can't drive."

"One of the biggest things is heating. Mum is very concerned about that as well. I've told Mum, 'you can't be cold Mum. Two of us have been sick.' I've said 'you can't be getting sick Mum'. That's been an issue since I've been back. I put the heater on for her and even if I have to pay more she has to be warm."

Regarding isolation and mental health, John says, "I've got a good network of friends but a lack of funds does stop me from doing things I used to. That limits me from socialising from say once a fortnight to once a month."

"It causes me to have anxiety at times and loss of my ability to do things I want to do. I think that has an impact."

John loves to volunteer. "I've done two Olympic Games in my time and even now I'm involved in three volunteer things. I am the volunteer curator at [organisation] and am also on the Board of [organisation]. Sometimes I can't get to meetings because of the money and I can't physically walk there."



INTEGRITY
COMPASSION
INFLUENCE

When John was required to look for work, it was difficult because he medically isn't fit to drive so he is not eligible for most jobs and is restricted in what he could apply for.

"It has impacted mentally even with health appointments or being in hospital and missing reporting obligations ... it's stressful."

"I don't see myself being able to look for work. My age is against me, my health is against me, who is going to employ me?"

If Newstart was raised, John says, "My life would be a lot easier. I could do some of the things I've been missing out on but also to be able to have some of those, not comforts but necessities. And to support my Mum more too."

Raelene: "I don't go to the dentist."

I'm aged 64 now and receive Newstart but it's called widow's allowance. I am fortunate to own my house but I have to pay rates, power, phone, car insurance and all those things. I'm lucky in one way because my daughter and her children have come to live with me because she is saving for a house. She buys some groceries and I care for her kids and that. I end up with about \$150 a fortnight after my rates and bills have come out.

When my husband passed away in 2002. I was too young to be a widow so I had to go and look for work. We were a single income family until he died. He was a timber worker and died aged 48. They wanted me to go and look for work but I was so traumatised. I haven't worked since before I had my son—so 35 years ago. A long time ago. I don't have to go to a Job Network provider or do reporting but I'm still not eligible for any extra payments. So I just receive Newstart.

I'm eligible for Aged Pension when I'm 66. They keep putting it up [the eligibility age]. It's frustrating. I think I get \$520 per fortnight after rates are taken out. You just can't live on it. I only have \$20 for petrol each fortnight so I have to limit what I do with it. I never buy new clothes or go anywhere.

I've got glaucoma and type 2 diabetes. My GP used to bulk bill but they've cut it now. He has cut out bulk billing until Christmas when I turn 65. I haven't been since they've dropped the bulk billing. I have to go in a couple of weeks.

I have to go to go to the eye specialist on Monday and it's \$180 every six months so you have to save up for that. Depending on what tests it could be anything from \$180 to \$220 so you have to have the money there with you.

I don't go to the dentist.

I know having a home is good and I'm fortunate, but I still have rates and water and other expensive things. And I don't get rent assistance. Until my daughter came and lived with me two years ago it was very difficult. She helps with groceries and hydro now. I do the school pick-ups.



INTEGRITY
COMPASSION
INFLUENCE

It's just a constant worry being on so little money. You're hoping nothing big goes wrong. I have no savings or buffer whatsoever.

The people next door needed a new fence, next thing I know, \$1,500 invoice for my share. I had to get a loan out through NILS [No Interest Loans Scheme]. I had to get new tires too. So I got a \$2,000 loan. It would be nice to have a bit of money there for things like that and not have every dollar accounted for.

If they were to raise the rate of Newstart it would be a lot of less stress, you could go and buy something if you wanted to or just go and do something. It would be better than nothing.

I get my pay on Tuesday and by the time I pay for my petrol, you sort of think you might have \$120 for the fortnight to live on and other things come up in the meantime. It would be just nice to have bit of money that's not allocated for.

I'm very lucky I have my house but for younger people who aren't living with their families it must be very tough for them. It's alright to say, well go and get a job but there's just not jobs out there. And not everyone doesn't want to work. If there's no jobs it must be so frustrating. Then they send them on silly little courses that don't get them anywhere.

Scott, Ron Barwick Prison (previously on Newstart): "The price of everything has gone up and keeps going up but Newstart hasn't."

The politicians have no idea. I think they live in their bubble. Before I was sentenced I was on Newstart.

It was difficult to get by. I had to be very conscious of power use and I sometimes went without heating and food. I got some toiletries from the Salvos once. I couldn't afford that type of stuff.

My mental health was really bad. I suffer pretty bad mental health and am on a lot of medication. I was lucky that my psychologist and GP bulk billed. I'm on about four or five medications now. When I get out, even with the subsidies they will cost about \$20 per week. I would say a lot of people don't keep up with their meds when they get out because they can't afford them. If you aren't taking your meds, your decision-making is compromised. I couldn't afford to go to the dentist when I was living on Newstart.

I did have a car but I limited my use of it and I dropped off paying for insurance. For clothes I just survived on what I had.

I was always worried about bills. I couldn't afford to go out socially and it made me lonely.

I'm eligible for parole soon and if I get it I'll have to go back onto Newstart initially. I hope to get back into the workforce but with a criminal record it will be tough. I am lucky I have friends to stay with when I get out otherwise I wouldn't have anywhere to live. There's no way I could afford to live on my own in a rental and there isn't enough public housing. If it wasn't for my friends offering to take me in I'd be on the street and unlikely would get parole. I'll be relying on people. I'll pay some board but nothing like a



INTEGRITY
COMPASSION
INFLUENCE

private rental. That means I'll be able to save for a car so I can get to my appointments and job interviews.

The price of everything has gone up and keeps going up but Newstart hasn't.

Henry, Ron Barwick Prison (previously on Single Parenting Payment): "I had to live rural because it was all I could afford but it was so remote. I'm not the only one. So many people in rural areas struggle."

I was on Single Parenting Payment before I came in. I am a single Dad of a five-year-old. We got about \$925 a fortnight from Centrelink.

Everything spiralled. I couldn't pay my fines so I lost my licence, then I got done driving whilst suspended and then for driving whilst disqualified. Now I've ended up in here.

We could only afford to live rural but that still cost \$275 a week so I wasn't left with much. And being rural there was no public transport. I had to live rural because it was all I could afford but it was so remote. I'm not the only one. So many people in rural areas struggle.

I've never denied my boy [food] but I've gone without. I can't afford any brand name stuff. Living rurally I'd have to stock up. I'm not the only one.

Having a criminal record makes it so hard to get work but I was still expected to apply for 20 jobs a fortnight. It was easier to open my own business. They [job network provider] didn't put me up for an interview once. Being a crim and going for jobs is so hard. I reckon I had 50 interviews for jobs in two years and I didn't get one call back. It made me feel shit about myself and like going back to crime. You've got to survive somehow. So I started a wood supply business but that only goes for six months because it's seasonal. People don't need wood in the summer.

If they raise the amount of Newstart by \$75 per week I'd be able to provide more for my little boy. Just basics like new socks and jocks. It's not like I'd splash out. I couldn't afford to. I wouldn't waste it. I'd put it to good use. It would also mean I could maybe make a choice about what we eat.

For example, I take my little boy to Auskick. If I had extra money I'd be able to buy him a pie there instead of him having to eat homemade sandwiches. When I couldn't buy him one last time he just looked so devastated. He's only a little kid. I know lots of people on Newstart who'd like to be able to buy their kid something nice but they just don't have enough money for even a little treat.



INTEGRITY
COMPASSION
INFLUENCE

Gerald, Ron Barwick Prison (previously on Newstart): “Newstart is just not keeping up with rental prices, health and transport.”

I’ve been in here a while and I’m seeing more and more young people coming in because of poverty. The gap just keeps widening. The average battler now is battling to get a job. There at least used to be factory or industry work for people who weren’t trained and/or had a criminal record. There’s just no jobs for them now.

Once you have a criminal record you don’t have much hope of getting a job unless it’s through word of mouth. It’s the same with housing. Unless they’ve got someone to stay with they will be homeless when they get out.

Newstart is just not keeping up with rental prices, health and transport.

People are coming to Tassie now and they are spending money. But how is that being shared with people like [name]? We’re on a tourism boom and people like him still can’t get jobs. That’s not fair.

Anne, Manager, Neighbourhood House: “I’ve never known it to be so poor here ... The divide between rich and poor is increasing.”

Anne is the coordinator of the Risdon Vale Neighbourhood Centre. She has worked there for 30 years. She is passionate about and dedicated to the people in her community. Anne described the poverty and need for their service in her community as “never being so bad”. In relation to the adequacy of Newstart, Anne asked “how do you survive on it? The average rent is now \$400 out here. Everything is going up except Newstart.”

Anne said that a third of the children in the community aren’t attending school each fortnight. There are 180 children enrolled at Risdon Vale primary and Anne is passionate about its survival. When questioned about the reasons why there is such a low attendance, Anne said that there is a worsening in parenting issues, trauma and that there is an increasing need for trauma informed care. Anne said that a psychologist or social worker attends the school once a fortnight or so and it’s not enough.

Anne runs a number of programs including the breakfast club for the children at the school but says that the need is ever growing. Anne has also noticed an increased need for food hampers for families. “I’ve never known it to be so poor here.”

Anne also coordinates programs including Men’s Shed, the Community Garden, Food Relief Program, bike program and a learner’s drivers licence assistance for people with literacy issues.

For the food relief program (food hampers) Anne says they are modest, “We can’t afford meat, it’s mainly plain pasta, rice and sauce, bread, maybe meat once a week.”



INTEGRITY
COMPASSION
INFLUENCE

Anne's observation is that "mental ill health is a huge [issue]." She believes every third child at primary school would have a mental health or trauma related issue: "We're breeding a generation that continuously needs support."

"The divide between rich and poor is increasing."

The Impact on Tasmania

This section discusses the impact on the State as a whole of having high numbers of people who are unemployed and trying to exist on inadequate Commonwealth payments. As demonstrated by the voices of people living on Newstart in Tasmania, this is compounded by CPI increases for essential items that are far in excess of the average CPI increase. The result is that people on Newstart and other payments that are indexed to CPI have effectively received a drop in real income, pushing them further into poverty.

We know that Newstart and comparable payments are inadequate. In 2017 UNSW produced Budget Standards based on the minimum cost of essential goods and services from food to housing, transport and dental care. It showed, for example, that Newstart Allowance plus rent assistance for a single adult is \$96 per week below the minimum budget for an individual who is unemployed.

Table 5.17 Comparisons of the Grossed-up Budget Standards with Existing Safety Net Incomes (\$ per week, June 2016)

| Family Type | Grossed-up Budget Standard (1) | Low-Paid | | Grossed-up Budget Standard (1) | Unemployed | |
|---------------------------------|--------------------------------|-----------------------|---------------|--------------------------------|-----------------------|---------------|
| | | Safety Net Income (2) | (2) minus (1) | | Safety Net Income (2) | (2) minus (1) |
| Single adult | 597.31 | 659.22 | 61.91 | 433.68 | 337.68 | -96.00 |
| Couple, no children | 833.24 | 794.21 | -39.03 | 660.25 | 552.84 | -107.41 |
| Couple, 1 child (G,6) | 969.90 | 978.74 | -8.84 | 766.74 | 708.28 | -58.46 |
| Couple, 2 children (G,6 & B,10) | 1,173.38 | 1084.64 | -88.74 | 940.37 | 814.13 | -126.24 |
| Sole parent, 1 child (G,6) | 827.70 | 872.56 | 44.86 | 675.18 | 627.79 | -47.39 |

Notes and Sources: Table 5.14 and see main text. G,6 = girl aged 6 and B,10 = boy aged 10

Source: New Minimum Income for Healthy Living Budget Standards for Low-Paid and Unemployed Australians, UNSW³

The price of everything has gone up and keeps going up but Newstart hasn't.

The stories featured in The Human Experiences of Newstart confirm that Newstart and related payments fall well short of what is required for an individual or household to meet the basic costs of living. There is an argument that Newstart was never intended to provide a long term source of income, and so does not need to be raised. We believe that this argument is deeply flawed. As the case studies demonstrate, the payment is so inadequate that it is a barrier to seeking work. For example, many

³ <http://unsworks.unsw.edu.au/fapi/datastream/unsworks:46140/binc76de784-a739-416b-9361-6ebb285882ea?view=true>.



INTEGRITY
COMPASSION
INFLUENCE

people on Newstart cannot afford to put petrol in their car to attend required job search appointments, training and interviews.

My car is currently not going and sitting in the driveway which is another hindrance to looking for work.

The case studies reveal a multitude of other ways in which Newstart stymies efforts to find and retain work. Particularly for those who have been unemployed for a long period of time, the inability to afford appropriate health and dental care affects their ability to work as well as their suitability for specific roles.

My front teeth are the worst, I'm always covering my mouth so I know I can't work in any retail customer service. No one's going to want to see that. It's disgusting. They are disgusting.

This is a significant issue in Tasmania, which has higher than national levels of people who are long term and very long term unemployed. And in order to obtain work, there must be a job in the first place. In Tasmania, there are approximately 11 jobseekers who face barriers to employment for every job advertised.⁴

The average battler now is battling to get a job. There at least used to be factory or industry work for people who weren't trained and/or had a criminal record. There's just no jobs for them now.

The individual experiences we share in this submission expose the deep human deprivation and suffering experienced by those existing on Newstart and similar payments. But there's another story to tell, which is the impact on communities—in this case, local communities in Tasmania and the State as a whole—of large numbers of people living on incomes below the poverty line, often for extended periods of time. There is detailed data in the section below, but in summary, in Tasmania:

- Long term unemployed people are more than a quarter of all unemployed.
- The duration of unemployment is increasing.
- The average duration of job seeking for a long term unemployed person is over five years.
- The cost of essential items is rising faster than non-essential items, and Newstart has not increased in real terms in 25 years.

⁴ Anglicare, Jobs Availability Snapshot 2018, <https://www.anglicare.asn.au/docs/default-source/default-document-library/jobs-availability-snapshot-2018.pdf?sfvrsn=2>.



INTEGRITY
COMPASSION
INFLUENCE

About one-third of the Tasmanian population receives a Commonwealth allowance or pension; the figure for the country as a whole is 22.4%. Compared to the country as a whole, Tasmania also has more recipients of each of the individual pensions and allowances.

Percentage of population receiving Government pensions and allowances in December 2018

| | Tasmania | Australia |
|---|----------|-----------|
| Type of payment | % | |
| Youth Allowance | 1.2 | 0.1 |
| Newstart Allowance | 4.1 | 2.9 |
| Parenting Payment Single | 1.3 | 0.1 |
| Disability Pension | 5.2 | 3.0 |
| Age Pension | 13.6 | 10.2 |
| Family Tax Benefit A | 7.1 | 5.7 |
| Family Tax Benefit B | 5.6 | 4.5 |
| Commonwealth Rent Assistance | 6.8 | 5.3 |
| Health Care Card | 7.0 | 5.6 |
| Total allowances and pensions | 31.0 | 22.4 |
| Source: Australian Government (2018), DSS Demographic Data December 2018, https://data.gov.au/data/dataset/dss-payment-demographic-data | | |

Having a significant proportion of the population living in poverty has wide ranging effects, particularly in terms of the demand on services, many of which are state-funded. Our member organisations report increasing numbers of people requesting emergency food relief over the last several years.⁵ They also report demand for housing services is increasing, as is the demand for health and mental health services.⁶ So cost-shifting from the Commonwealth to the State is one effect.

I've got help from Vinnies in the past. I come to the Neighbourhood House each week when they put on a free dinner.

Anne has noticed an increased need for food hampers for families. "I've never known it to be so poor here," she says.

⁵ <https://www.themercury.com.au/lifestyle/working-poor-driving-surge-in-demand-for-charities-food-relief/news-story/d227dcd81f271a1a0ead413444e57ac>.

⁶ Tasmanian Government housing data confirms this, with over one thousand more people on the housing waiting list in 2019 than there were in 2014.



INTEGRITY
COMPASSION
INFLUENCE

There is also a significant and long-lasting effect on the State of Tasmania from not enabling successive generations of people with ideas, skills, interests and passions to participate fully in Tasmania's society and economy. The capacity of future generations to participate is also impacted. Research has shown that a lack of money directly harms the physical, cognitive, and emotional wellbeing of children.⁷ Educational attainment is also lower amongst children from low socio-economic households.⁸

Much more needs to be done to support people to undertake appropriate education, training and meaningful work. If not, we will see the already sizeable and unjust gap between those with access to the basics of life—especially an adequate income, meaningful work or volunteer opportunities, access to affordable housing and health and dental care - only grow larger in Tasmania.

People are coming to Tassie now and they are spending money. But how is that being shared with people like [name]? We're on a tourism boom and people like him still can't get jobs. That's not fair.

The people we spoke with wanted work, they wanted to contribute and to 'pay their way'; no one wanted to be wholly reliant on income support payments.

I hate my life. I hate being a 'dole bludger'. I want to support myself and enjoy life, maybe get married and have some kids but my life is ticking away before my eyes.

The Commonwealth's income support system has failed the people whose stories we heard, and thousands more in similar circumstances, through the inadequacy of its support system. TasCOSS believes that an income support system must ensure that everyone who needs it has the financial resources they need to reach a minimum acceptable standard of living in accord with general community expectations, and informed by the best-available research into poverty, deprivation of essentials, and budget standards.

I've actually told a few people a couple of times I just want to give up—I can't do it anymore. No, I won't harm myself. My kids have already lost their father. So I'm not going to go and do that but I'm just at a really bad point without my kids. I'm trying. My life in general is really fucked up at the moment. It's shit, it's really just shit.

⁷ Cooper, K. & Stewart, K. (2017). Does money affect children's outcomes? An update (Paper No. 203). London: Centre for Analysis of Social Exclusion, London School of Economics and Political Science. Retrieved from <http://sticerd.lse.ac.uk/dps/case/cp/casepaper203.pdf>.

⁸ Australian Curriculum, Assessment and Reporting Authority 2012. *National Report on Schooling in Australia 2010: Additional statistics*.

Unemployment & CPI in Tasmania

Key Points

- The number of Newstart recipients in Tasmania fluctuates quarterly, but Tasmania's unemployment rate is increasing and is the highest of all jurisdictions in Australia.
- Tasmanians are unemployed for longer than other Australians and the duration of unemployment is increasing.
- The average duration of unemployment in Tasmania is 71.0 weeks, compared to an average of 48.3 weeks nationally.
- More than a quarter of Tasmanian jobseekers are classified as long term unemployed.
- The very long term unemployed are jobless on average for 262 weeks, spending an additional 69 weeks unemployed than five years ago.
- Newstart recipients in Tasmania are experiencing a real cut in income with the Hobart CPI 3.3% higher than the indexation of Newstart over the last five years and higher than the national CPI.
- The prices of essential items are rising much faster than the rate of CPI.

Newstart

The number of Tasmanians living on Newstart has fluctuated over the last five years with 21,338 jobseekers as at December 2018. Figure 1 below shows this is 1,137 (5.3%) fewer Newstart recipients than 12 months earlier and 231 (1.1%) lower than in June 2014. Quarterly figures since December 2018 have not yet been released by the Department of Social Services.

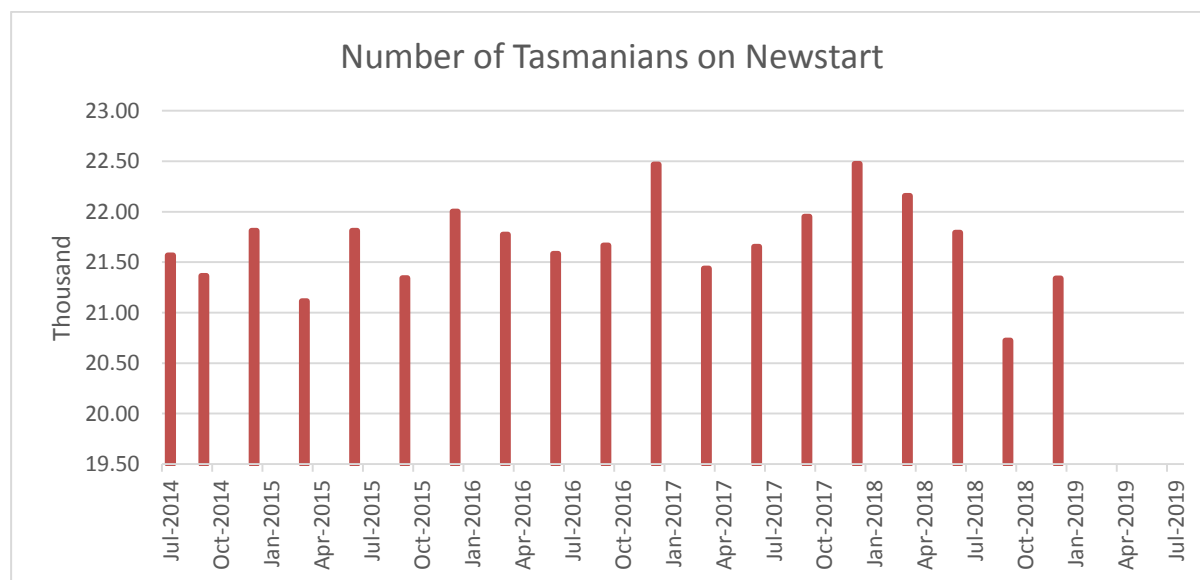


Figure 1 – Source: DSS Payment Demographic Data, December 2018, Department of Social Services.

Unemployed

While the number of Tasmanians on Newstart has fluctuated over the last five years, what has been constant is that it has remained above the official number of unemployed Tasmanians for the same period (Figure 2). At 6.7%, Tasmania's unemployment rate is the highest in the country. Unemployment in Tasmanian has trended down from five years ago, but has been increasing again over the last two years. The number of unemployed Tasmanians is currently 17,900, an increase of 2,200 people or 14% on one year ago, but 2.7% lower than five years ago.

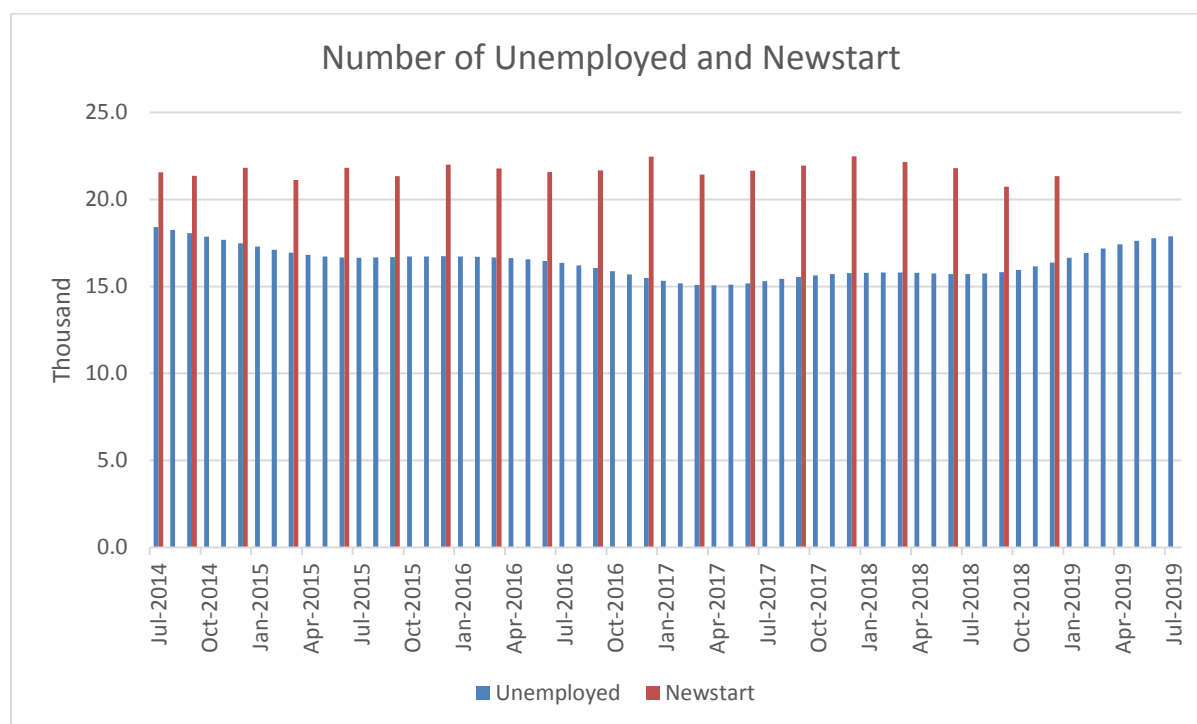


Figure 2 – Source: Labour Force, Australia, July 2019 (ABS Cat No 6202.0).

Paradoxically, the number of unemployed Tasmanians has increased by 14% in the last year but the number of Newstart recipients has decreased by 5% over the same period. Over the last five years, the number of unemployed has fallen by 2.7% while the number of Newstart recipients has fallen by 1%.

Long Term Unemployed

Of these Tasmanian jobseekers, more than one-quarter are classified as long term unemployed, having been jobless for 52 weeks and over. In July 2019, the number of long term unemployed was estimated to be around 4,500 Tasmanians (Figure 3). This is up by 5% compared with the previous year (4,300) but a decrease of 33% on five years ago (6,700).

The number of long term unemployed and very long term unemployed (2 years and over) Tasmanians have decreased from the high level recorded in 2014.

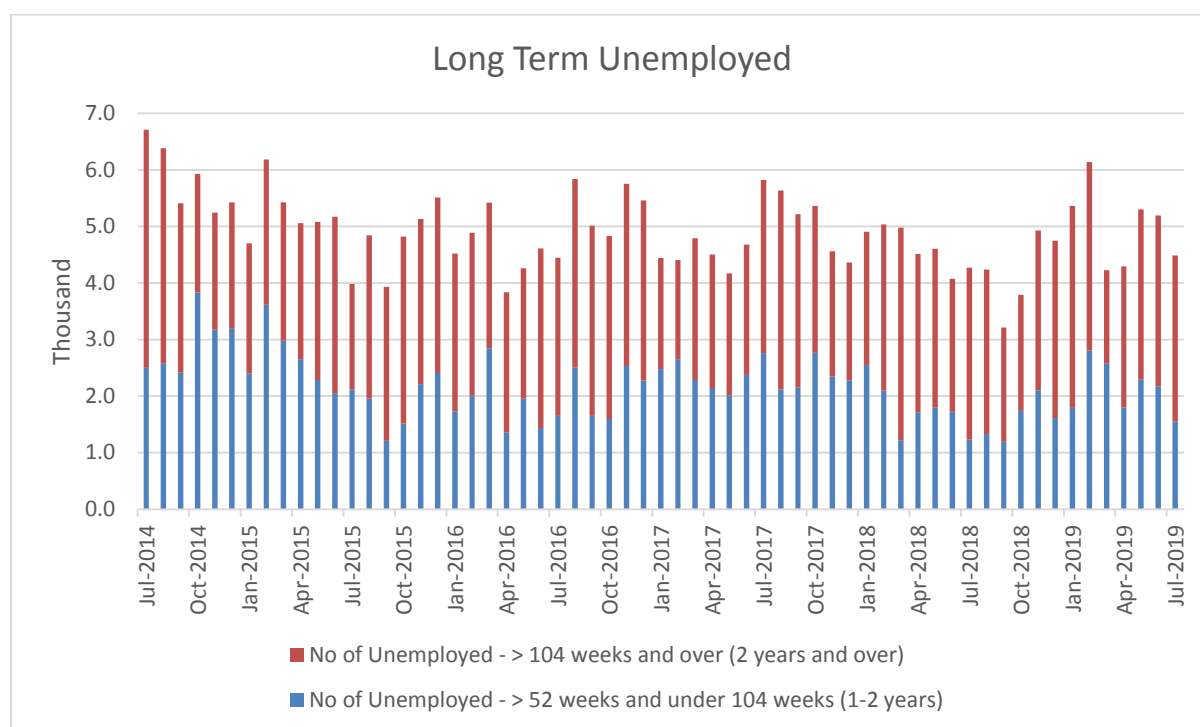


Figure 3 – Source: *Labour Force, Australia, Detailed, July 2019* (ABS Cat No 6291.0.55.001).

Tasmania recorded the highest long term unemployment rate as a percentage of the labour force (1.8%) of all jurisdictions in the year to July 2019. The national long term unemployment rate was 1.2% in the same period.

Duration of Unemployment

The average duration of unemployment in Tasmania has increased significantly in recent months and remains higher than the national level. The average duration of unemployment in Tasmania in the year to July 2019 was 71.0 weeks, compared to an average of 48.3 weeks nationally (Figure 4).

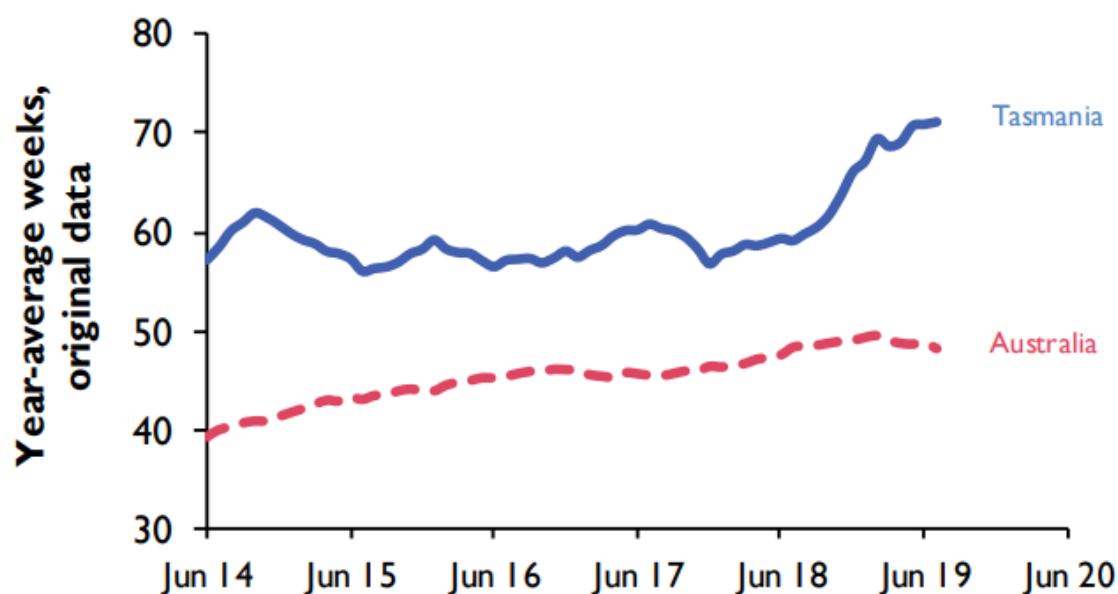


Figure 4 – Source: Long term Unemployment, July 2019, Tasmanian Department of Treasury and Finance.

Very Long Term Unemployed

The very long term unemployed (two years and more) are, on average, unemployed for more than 262 weeks. That is around 3,000 Tasmanian jobseekers looking for employment for more than five years.

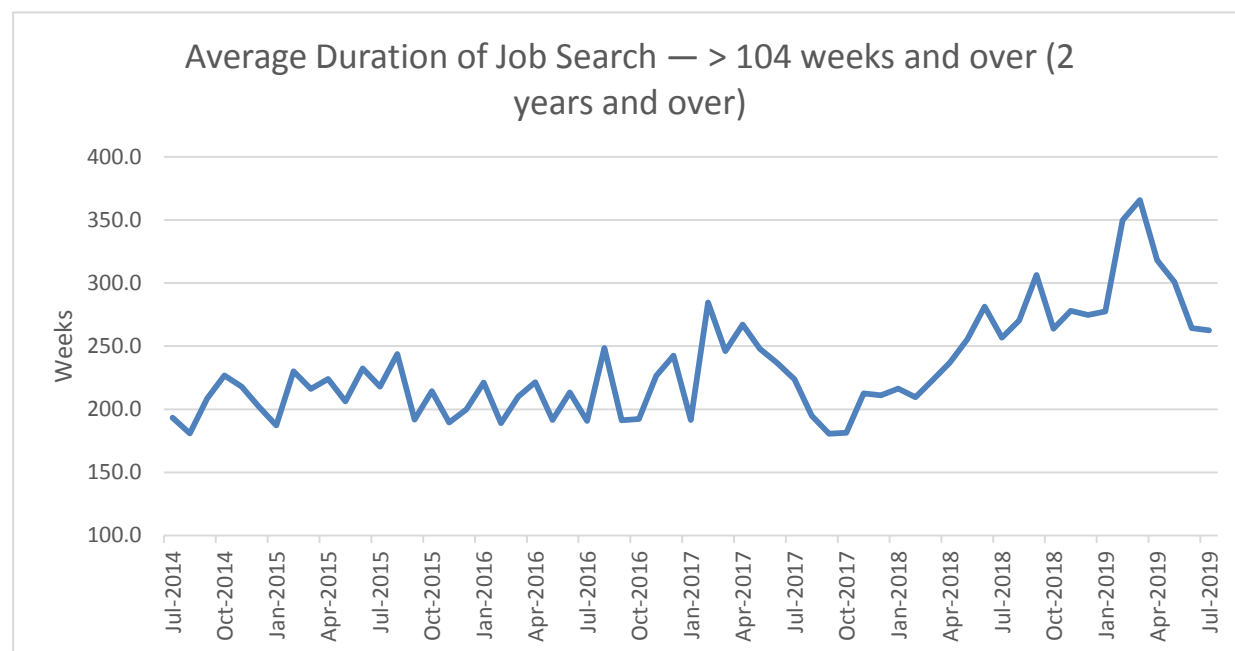


Figure 5 – Source: Labour Force, Australia, Detailed, July 2019 (ABS Cat No 6291.0.55.001).

While there has been some fluctuation in the average duration of long term unemployed over the last five years, it has been trending upwards. Five years ago, it took on average 193 weeks for a very long term unemployed jobseeker to find work. In July 2019, the average duration has increased by 69 weeks to 262 weeks. Therefore, in the past five years, very long term unemployed Tasmanians are spending more than an additional year on Newstart, with the average duration of job searching being more than five years to find work.

Newstart & CPI

The CPI measure represents a “basket of goods and services”. Although the overall basket may not reflect a large change in price, it can mask greater increases in essential items, or in the prices of goods that low income earners spend most of their incomes on.

Looking purely at the Consumer Price Index (CPI), Tasmanian Newstart recipients are worse off when it comes to the cost of living. In the last five years, the Hobart CPI has risen by 9.2%, but Newstart has risen by only 8.9% (Figure 6). So Tasmanian jobseekers’ cost of living increases are not being met by the indexation of Newstart, resulting in a real cut in income.

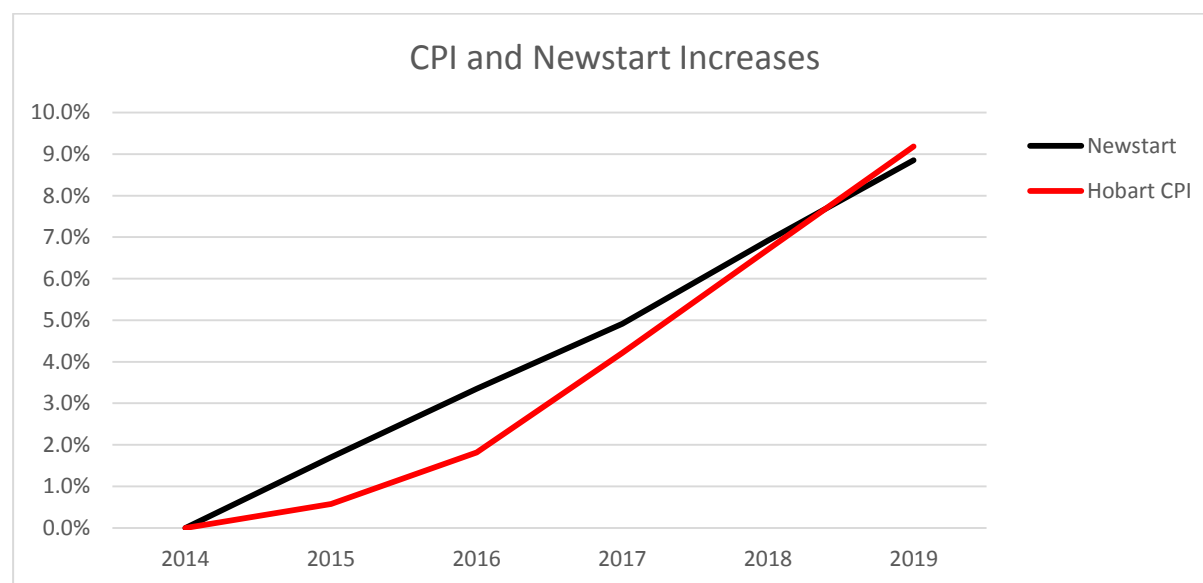


Figure 6 – Source: Consumer Price Index, Australia, June 2019 (ABS Cat No 6401.0).

This real cut in income for Newstart recipients is further exacerbated by substantial, or larger-than-CPI, increases in a number of goods and services that are essential, or that low income people spend a significant proportion of their income on.

In Figure 7 below, health, housing, education and alcohol and tobacco costs have all risen by more than both the Hobart CPI and Newstart indexation.

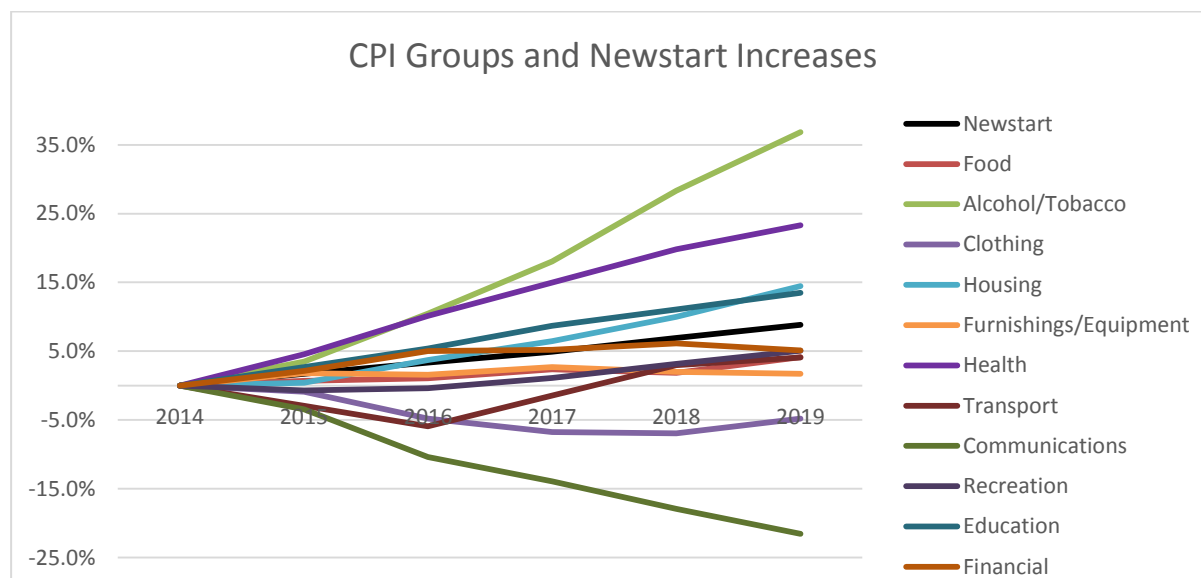


Figure 7 – Source: Consumer Price Index, Australia, June 2019 (ABS Cat No 6401.0).

The CPI basket does not represent a true cost of living figure because households spend money on different things. Parents of young children buying nappies, childcare and baby formula, have a different cost of living basket to a 55-year-old who may have just been made redundant.

By breaking down the CPI basket into essential items, Tasmanians living on Newstart may be able to identify why indexation has not actually kept up with their cost of living increases.

The CPI for the food and non-alcoholic beverages group (Figure 8) has increased by 4.1% over the last five years. However, the price increase of meat and seafood (14.5%) is more than triple the group CPI.

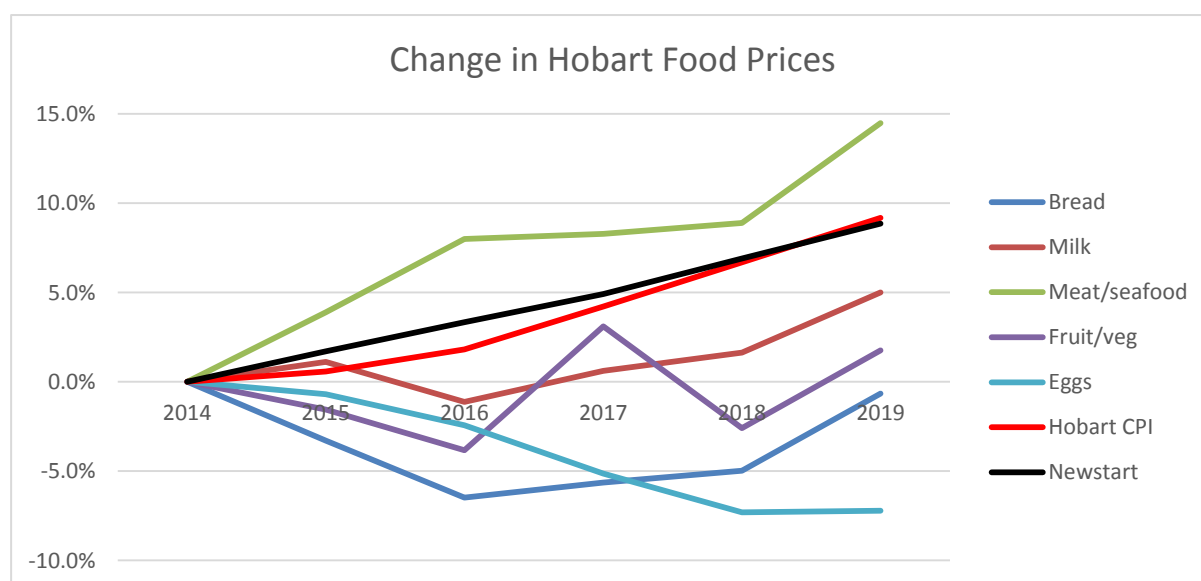


Figure 8 – Source: Consumer Price Index, Australia, June 2019 (ABS Cat No 6401.0).

A buoyant housing market in Tasmania has driven increases in housing prices. The Housing CPI group (Figure 9) has increased 14.5% over the last five years, with the index more than doubling in just the past two years. Rents have increased by almost 18%, more than double the indexation of Newstart, increasing the housing stress of Tasmanian jobseekers.

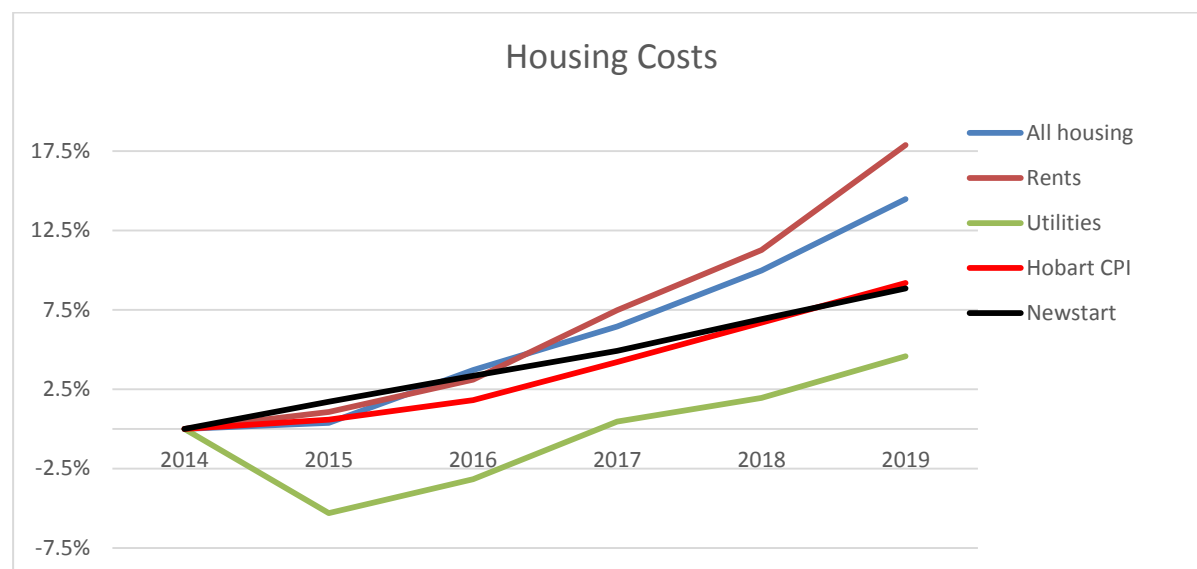


Figure 9 – Source: Consumer Price Index, Australia, June 2019 (ABS Cat No 6401.0).

Utilities have increased by around 5% over the last five years, but this has mainly been due to a temporary, direct intervention by the Tasmanian Government to keep electricity price increases at around the CPI to avoid the price shocks experienced on the mainland.

Figure 10 shows the cost of raising children outstrips the CPI. The cost of pre/primary school and secondary school education has increased by 60% and 70% respectively, substantially more than the CPI of 9.2%. This is also a significantly greater increase than the Newstart indexation of 8.9% over the same period. Child care costs have levelled out to below the CPI after increases of up to 20% one year ago.

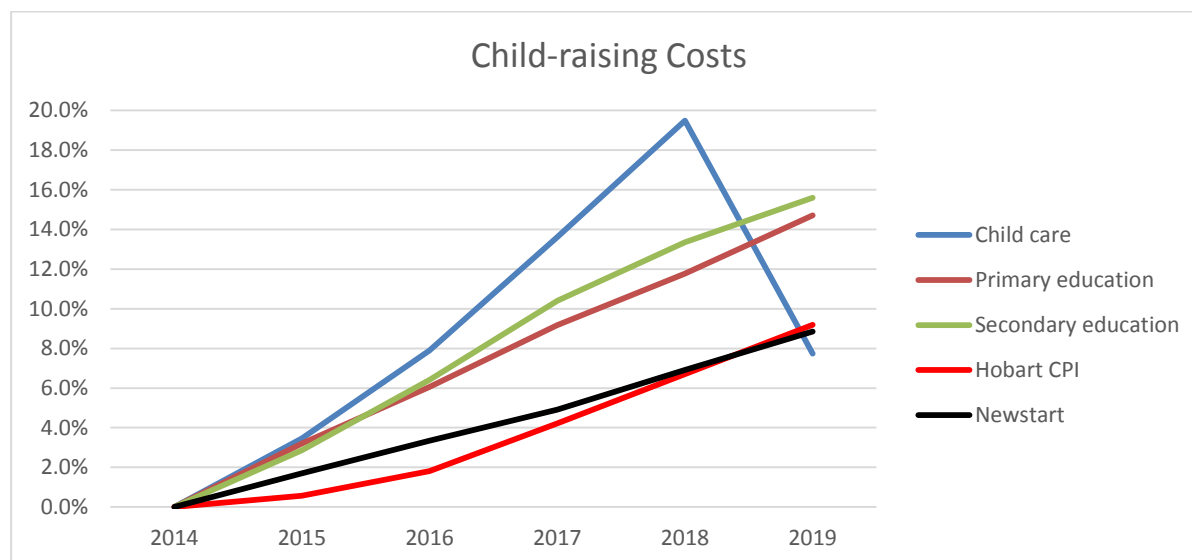


Figure 10 – Source: Consumer Price Index, Australia, June 2019 (ABS Cat No 6401.0).

For those Newstart recipients that rely on public transport, urban transport fares have increased at double the rate of CPI (Figure 11). For those with private vehicles, while petrol costs are reflecting a decrease in price, the maintenance, service and repair costs have increased above the CPI (not shown).

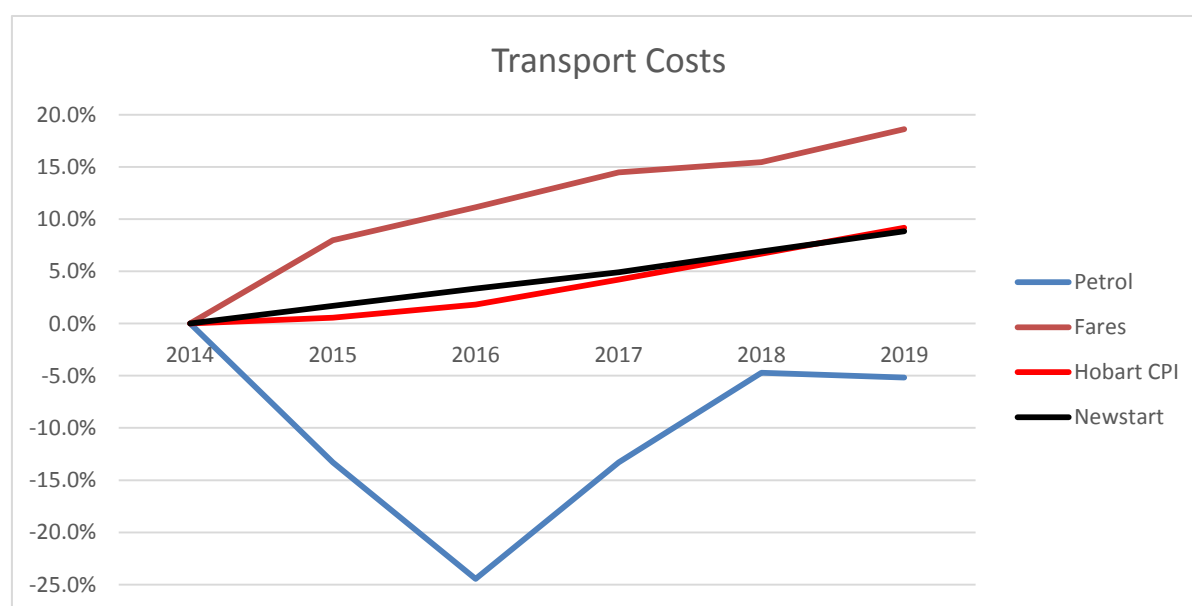


Figure 11 – Source: Consumer Price Index, Australia, June 2019 (ABS Cat No 6401.0).

While the Hobart CPI has increased by, on average, less than 2% per year for the past five years, essential goods and services have increased in price by much more than discretionary items. This is why indexing Newstart in accordance with the CPI does not accurately account for the rising cost of goods and services we need, or consume the most.



INTEGRITY
COMPASSION
INFLUENCE

Many of the goods and services that have experienced large price increases are those essentials that people buy regularly—and that low income earners spend a large proportion of their income on—whereas the goods that have shown a fall in price, are often the ones bought less regularly.

The impact of this data for Newstart recipients in Tasmania is two-fold. Firstly, if we look purely at the CPI measure alone, price increases in Hobart have outstripped increases in Newstart indexation by more than 3.3% over the last five years. Secondly, the CPI sub-groups that have experienced greater than CPI increases are the ones that jobseekers spend a disproportionate amount of their income on – housing, education, fresh food and transport.

This means that jobseekers, already struggling to make ends meet on Newstart, are experiencing cost of living increases at a rate much higher than the compensation offered by the current minimal level of Newstart indexation.



INTEGRITY
COMPASSION
INFLUENCE

Recommendations

1. Raise the rate of Newstart, Youth Allowance and related payments for all single people, including single parents ('Allowance Payments'), by a minimum of \$75 per week with indexation. This should commence as soon as possible and apply to:
 - Newstart Allowance (including the single parent rate)
 - Youth Allowance (away-from-home rates)
 - Austudy Payment
 - Abstudy Payment
 - Sickness Allowance
 - Special Benefit
 - Widow Allowance
 - Crisis Payment
2. The above Allowance Payments should be indexed twice a year to wage levels as well as movements in the CPI.
3. Raise the maximum rate of Rent Assistance by 30%. Review indexation arrangements to ensure it reflects movements in rents and is responsive to local housing conditions.
4. Establish an independent Social Security Commission to advice Parliament on payment levels.