



Brotherhood of St. Laurence
Working for an Australia free of poverty

**Let's make
change
that lasts**

3 November 2023

Committee Secretary
Senate Standing Committees on Community Affairs
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The Brotherhood of St. Laurence welcomes the opportunity to provide feedback on the Economic Inclusion Advisory Committee Bill 2023. Our view is that the Bill could be strengthened in four areas.

1. Specify measures for poverty reduction in legislation

The Interim Economic Inclusion Advisory Committee recommended in its 2023 report that the legislation to establish an Economic Inclusion Advisory Committee specify and include measures on economic inclusion and poverty reduction.

Interim Economic Inclusion Advisory Committee Recommendations on legislated measures on economic inclusion and poverty reduction

Recommendation 34: The Government specify and include measures on economic inclusion and poverty reduction in the legislation to establish an Economic Inclusion Advisory Committee. The legislation should follow the release of the Measuring What Matters statement and specify the process to agree targets and track progress against economic inclusion and poverty measures over time.

Recommendation 35: The Government develop a data, evidence and consultation strategy to support the legislated measures and agreed targets.

Recommendation 36: The Government establish a multidimensional poverty index to supplement legislated measures, to provide a more comprehensive picture of the nature and extent of poverty, and to enable monitoring of trends and targeting of effort by population and dimensions such as health, education and living standards.

Recommendation 37: The Government include Economic Inclusion and Poverty Reduction in the Treasury Portfolio, with the Treasurer to be the responsible Minister for setting targets and driving whole of government implementation.

Legislated measures for poverty reduction would give Australia clarity in how we measure our progress in reducing poverty and establish greater accountability and momentum for poverty reduction. These measures would ideally extend beyond just income measures, to also include a multidimensional assessment of poverty¹, and would be connected to the Measuring What Matters framework. Experiences from New Zealand and Canada, which have both adopted legislated measures for poverty reduction, is that legislated measures are an effective mechanism to drive policy momentum for poverty reduction.

¹ Four primary measures for child poverty are specified in the 2018 Child Poverty Reduction Act, New Zealand: Low income (without deducting housing costs); Low income (deducting housing costs); Material hardship; Persistent poverty.

The Economic Inclusion Advisory Committee Bill could specify the measures themselves, or more realistically, could specify accountability and a process for developing measures. For example, it could specify that the Committee be responsible for working with Treasury to develop measures for poverty reduction that align to the Measuring What Matters framework, and that the Treasurer be the responsible Minister for setting targets and reporting against the measures.

Relatedly, the Bill would be improved by explicitly naming poverty reduction within the Committee's remit. Currently, the Bill makes no mention of poverty explicitly. For example:

- Clause 6 could be updated to read "The Committee's function is to give a written report to the Joint Ministers, ahead of each Commonwealth Government budget, on matters related to the Commonwealth Government's policies, programs and responsibilities for enhancing economic inclusion and participation **and reducing poverty**";
- Clause 8(2)(a) could be updated to read "economic inclusion **and poverty reduction**"; and
- Clause 8(2)(g) could be updated to read "trends in inequality **and poverty** markers".

2. Public release of report and government response to Committee recommendations

We recommend the addition of a clause that the Government be required to provide a formal written response to the Committee, that is released publicly, outlining which recommendations it has adopted, and a rationale for those it has chosen not to adopt and/or a path towards implementation of those recommendations. Further, we recommend that clause 8(9) be amended to require the Minister to release the Committee report to the public a minimum of two weeks prior to the budget.

3. Sufficient representation of lived experience on the Committee

It is important that the Committee draws on the perspectives and advice of people with lived experience, both through consultation and through representation on the Committee itself. As the Bill currently stands, there is no real guarantee of direct lived experience representation on the Committee. This could be strengthened.

For example, 11(2)(c) could be re-worded as follows: "a representative of an organisation which ~~advocates, or which~~ consists of individuals with lived experience, in relation to a matter relevant to the performance of the Committee's function".

Functions of the Committee (clause 8(2)) could have an addition that the Committee have "regard to lived experience of poverty and economic disadvantage".

4. Independence of the Committee

It is crucial that the Committee be independent and able to report on any matters within its remit. We therefore recommend removal of subclause 8(6)(b) that allows the Joint Ministers to direct the Committee "to ensure that a particular report under this section addresses specified matters mentioned in subsection (2) and no other matters".

Other improvements

- We also recommend an additional minor language adjustment to 8(2)(e) and 8(2)(f) as follows: “the impact of ~~economic inclusion~~ policies on [people with barriers to work/gender equality]”. This would enable the Committee to examine the impact of any policy on people with barriers to work and on gender equality.
- Clause 8(2)e could be broadened to also include “people with recurrent or long-term health conditions”.

Kindest Regards,

Travers McLeod
Executive Director