



Australian Government
Department of Social Services

Liz Hefren-Webb
Deputy Secretary

Dr Kilian Perrem
Committee Secretary
Standing Committee on Indigenous Affairs
PO Box 6021
Parliament House
CANBERRA ACT 2600

Dear Dr Perrem

SUBMISSION TO STANDING COMMITTEE ON INDIGENOUS AFFAIRS

Thank you for the opportunity to make a submission to the Standing Committee on Indigenous Affairs inquiry into *food pricing and food security in remote Indigenous communities*, referred for inquiry on 21 May 2020.

The Department of Social Services (the department) welcomes the opportunity to provide additional assistance or information that is required by the Committee to support their deliberations.

In response to points five and nine of the Inquiry's terms of reference, the department would like to provide information on the role of the Emergency Relief (ER) and Food Relief programs in supporting vulnerable people throughout Australia, including in remote communities, to access healthy and nutritious food.

The department recognises the important role ER services play in providing immediate financial or material aid to eligible people. ER services are delivered by community organisations and help people to address immediate basic needs in times of crisis. Client eligibility to access ER is restricted to people unable to pay their bills or at imminent risk of not being able to do so.

The type of assistance offered by ER providers may include food, clothing, vouchers (including supermarket vouchers), budgeting assistance, and referral to other services. Access to ER is free. However, individual service providers may also have certain criteria that need to be met in order to access their particular ER service. For example, an organisation established to provide services to people from migrant backgrounds may restrict its services to clients from this cohort.

As part of its regular funding for ER services, the Australian Government is currently providing \$209 million over four and a half years, from 1 January 2019 to 30 June 2023, under the Financial Wellbeing and Capability (FWC) Activity. This funding is distributed at the Statistical Area 4 (SA4) level. This means services are funded at the regional level (rather than by Local Government Area, town or suburb) to provide greater flexibility to meet the changing needs of communities and target areas most in need. All 89 SA4s across Australia, including those which cover remote areas, are allocated funding. The level of funding for each SA4 was informed by the Australian Bureau of Statistics Socio-Economic Indexes for Areas, best described as an assessment of need, disadvantage and homelessness.

In addition, the Australia Government is providing:

- \$33 million in 2019-20 to assist Commonwealth-funded ER providers in bushfire-affected areas
- \$37 million over two years from 2019-20, as part of the \$200 million Community Support Package announced by the Government on 29 March 2020 to help vulnerable Australians impacted by coronavirus
- \$7 million over two years from 2019-20 for the Australian Red Cross, as part of the Community Support Package, to deliver ER and counselling support to up to 30,000 temporary migrants over the next six months

Under the FWC Activity, \$6 million over four and a half years, from 1 January 2019 to 30 June 2023, has been provided for Food Relief nationally. The three Commonwealth-funded Food Relief providers, Foodbank Australia, SecondBite and OzHarvest, aim to increase Commonwealth-funded ER organisations' access to a cost-effective supply of food items.

Food Relief is funded at the national level, meaning the three providers are required to support ER providers, including those located in remote communities, throughout Australia.

Food Relief providers increase ER providers' access to a cost-effective supply of food items through:

- receiving donated foods from farmers/manufacturers/other food redistribution services, and redistributing these foods to ER organisations or other distribution centres where food is needed
- sourcing and transporting essential foods where food donations are insufficient
- leading the development of local partnerships amongst food redistribution suppliers to improve access and distribution, especially in rural and remote communities.

In addition to this \$6 million in Food Relief funding, the Government is providing:

- \$5 million in 2019-20 to increase the provision of Food Relief to bushfire-affected communities
- \$16 million in 2019-20, under the Community Support Package, so the three Commonwealth-funded Food Relief providers can increase their workforce, food supplies, and transport options, in response to COVID-19 conditions.

The Minister for Families and Social Services, Senator the Hon Anne Ruston, has established a sector-led National Coordination Group to ensure there is a collaborative, timely and coordinated approach to ER and Food Relief across Australia. This group works closely with the Government to identify state and sector issues and needs, and is overseeing the implementation of ER and Food Relief. The National Coordination Group is monitoring the impact of the coronavirus pandemic, with a view to providing advice to the Minister on the distribution of remaining funds under the Community Support Package to where it is most needed.

The department is also responsible for the Cashless Debit Card (CDC) and Income Management programs, which operate in some remote communities.

The CDC operates in remote communities in the Ceduna region in South Australia and the East Kimberley and Goldfields regions in Western Australia. Under the CDC, 80 per cent of a participant's welfare payment is placed on a card that can be used at most shops, which accept Visa or eftpos. The card operates like a standard bank card but cannot be used for the purchase of alcohol, gambling products, cash-like gift cards or to withdraw cash. These restrictions seek to ensure that people receiving welfare payments and their children will have money available to meet essential expenses.

Income Management operates in some remote communities in the Northern Territory, Queensland, South Australia and Western Australia. Income Management is a budgeting tool to help particularly vulnerable people manage their welfare payments. It does so by ensuring they are getting the basic essentials, such as food, housing, electricity and education. Income Management participants are able to use a BasicsCard to access their income managed funds.

The CDC and Income Management are accepted in remote community stores and do not impact the availability or cost of food in these communities. By limiting the ability of participants to purchase restricted items such as alcohol or gambling products, they ensure funds are spent on essential items such as food in remote communities.

Yours sincerely

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Liz Herren-Webb
Deputy Secretary
Families and Communities

19 June 2020