

SYDNEY FOOD FAIRNESS ALLIANCE

Submission to

**Senate Education, Employment and Workplace Relations
Committee Inquiry into the adequacy of the allowance payment
system for jobseekers and others, the appropriateness of the
allowance payment system as a support into work and the impact
of the changing nature of the labour market.**

August 2012

The Sydney Food Fairness Alliance (SFFA) formed in Sydney in 2005 to coordinate the efforts of rural producers, health professionals, community workers and community-based advocates active in promoting food security and developing a socially, economically and environmentally sustainable food system in the Sydney region and broader New South Wales (NSW).

Members includes people working in sectors such as health and aged care, community services and welfare, local government, urban planning, agriculture and primary industries, community gardens, permaculture and organic food industries and organisations, food and hospitality industries, media, education, ethicists and religious organisations, concerned and interested individuals.

Inadequate allowances are contributing to food insecurity

The SFFA draws the Committee's attention to the experience and impacts of food insecurity resulting from inadequate allowance support payments.

"Food security exists when all people, at all times, have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life."

Food security is a human right, and an essential determinant of health.

Under the UN International Covenant on Economic, Social and Cultural Rights (ICESCR), states have a core obligation to take the necessary action to provide for a satisfactory standard of living, for example access to housing, healthcare and education, as well as an obligation to mitigate and alleviate hunger.

While food is seemingly abundant in Australia there are segments of the population that do not have access to enough good food on a regular basis.

- The 2001 Child Health Survey estimated 6.2 per cent of Australian households (over 1 million people) were food insecure. Those from low-income areas were three times more likely to be food insecure than respondents from other areas. Nolan et al. found 15.8 per cent of households in three socially disadvantaged suburbs in south western Sydney to be food insecure.
- As Newstart recipients are more likely to be older workers, to have a partial disability or mental illness, to face communication or language barriers or lack marketable skills and have low level of formal education they are particularly vulnerable to food insecurity.
- The SFFA notes that emergency food relief agencies are reporting annual increases of 30-40% p.a. in demand for services, due to rising food insecurity. (Foodbank research)
- The cost of healthy food has been rising more than the cost of less nutritious food, leading to poor nutrition and risk of chronic diseases
- Poverty is a strong factor influencing health, and people who suffer the poorest health and who could benefit most from a better diet are frequently unable to afford, or access fresh and nutritious food.

Effects of food insecurity

Food insecurity has both short-term and long-term health impacts. People who are food insecure report a range of physical and psychosocial effects, including social exclusion, lethargy, irritability, poor concentration and motivation.

These effects are likely to contribute to decreased opportunities to engage and participate in employment or training, and lead to the familiar 'cycles of disadvantage'.

Who is affected by inadequate allowances?

A SNAPSHOT: YOUTH

Research conducted for the Yhunger#2 project in 2010-2011 with a sample of 50 homeless young people, aged 14–26 years in central and south western Sydney, included face to face interviews and 8 focus groups at specialist youth homelessness services (*research papers under peer review for publication*). These young people generally receive the maximum rates of Youth Allowance or parenting payments, and pay substantially less rent than the private rental market in Sydney while staying in supported accommodation.

Food insecurity was found to be extensive and persistent, with the majority of participants experiencing food insecurity within the previous month and year. Rates of food insecurity for these young people were found to be over 10 times higher than the Australian population rate of 5.2% across all socioeconomic groups.

A SNAPSHOT: NEW MIGRANTS

“One lady she put her forms for many community housing and she has two children. Her income is \$570 and her rent is \$440 so there is no money for food.”

In a convenience sample of 76 refugee families settled in Fairfield, Sydney, the NSW Refugee Health Service found 40 per cent of people experienced food insecurity. For some subgroups, identified as being more vulnerable a prevalence of up to 85 per cent food insecurity was observed. This represents 8 to 16 times the national prevalence of 5.2 per cent and exceeded the prevalence in any subgroup identified as vulnerable in the National Nutrition Survey. The prevalence of food insecurity reported in this study is comparable to rates of food insecurity found in refugee populations in other parts of the developed world .

A SNAPSHOT: FOODBANK

A 2011 survey of clients accessing emergency food relief provided by Foodbank found that:

- 88% could not afford to eat the variety of food they felt they should eat and 67% could not afford to feed children the variety of food they felt they needed
- 35% had to cut the size of their children’s meals, and 14% of children missed meals
- 51% did not eat for a whole day
- Clients were 3.7 times more likely to report symptoms suggestive of depression
- 65% suffered emotionally or psychologically

Inadequate nutrition and anxieties about food intake significantly contribute to poor physical and mental health. Ill health as a result of food insecurity contributes to existing health inequities, as inadequate nutrition is most commonly experienced by people with the worst social and economical status and other forms of disadvantage.

This is of particular concern for children in families dependent on basic allowances. The long term effects for children of poor nutrition include: obesity, compromised intellectual social and emotional development, decreased ability to concentrate leading to poor school performance.

Both chronic and transitory food insecurity also have implications for social and cultural integrity. The social implications of chronic food insecurity have been noted as being an intensification of a sense of powerlessness and exclusion as well as being unable to maintain a sense of optimism.

The modification of eating patterns and anxiety related to accessing food are known to increase familial tension, stress and disruption of family dynamics. There is an erosion of the transfer of knowledge and practices around food and eating related to the loss of food rituals.

Short-term allowances for long-term problems

Although allowances such as Newstart are intended to provide only short term assistance to the unemployed, the reality is that many people remain on these allowances for extended periods. Department of Education, Employment and Workplace Relations (DEEWR) data demonstrates that for 60 per cent of people living Newstart or the Youth Allowance equivalent in August of 2011, their 'temporary' reliance on Newstart had already lasted for more than twelve months.

Subsisting on a very low income over an extended period of time for many leads to a cycle of debt, stress and social isolation that gets harder and harder to break out of. This low rate traps people in poverty. Half of all people on emergency food relief are on Newstart, and nearly half of households on Newstart have not been able to pay a utility bill in the last 12 months. 40% of people on Newstart can't access essential dental treatment.

The most durable solution to alleviate the experience of food insecurity and to raise unemployed and under employed people out of poverty is to increase welfare support payments and training and job ready programs.

RECOMMENDATIONS

- SFFA strongly advocates the Senate to raise Newstart and Youth Allowance to a level reflective of the Disability Support Pension and to review the indexation of these allowances. As the current Newstart payment represents 45 per cent of the minimum wage raising these allowances to align with the DSP would not act as a disincentive to seeking paid employment.
- SFFA supports a call for increases to employment services to assist people move more quickly off allowance payments and into paid employment.
- The SFFA strongly supports the recommendation of the Henry tax review, to increase the rate of Newstart allowance by \$50 as a minimum and first step in moving towards a system of allowances which can provide a sufficient income to enable people to support participation in work and social life, and to increase opportunities for them to do so.