



Select Committee on the Cost of Living

Anglicare Southern Queensland Submission to the Australian Government

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This submission may be quoted in public documents.

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Acknowledgement

Anglicare Southern Queensland acknowledges Aboriginal and Torres Strait Islander peoples as the first Australians and recognises their culture, history, diversity and deep connection to the land. We acknowledge the Traditional Owners and Custodians of the land on which our service was founded and on which our sites are operating today.

We pay our respects to the Aboriginal and Torres Strait Islander elders both past and present, who have influenced and supported Anglicare Southern Queensland on its journey thus far. We also extend that respect to our Aboriginal and Torres Strait Islander staff, clients and partners (past, present and future) and we hope we can work together to build a service that values and respects our First Nations people.

We acknowledge the past and present injustices that First Nations people have endured and seek to understand and reconcile these histories as foundational to moving forward together in unity.

Anglicare is committed to being more culturally responsive and inclusive of Aboriginal and Torres Strait Islander people and we are committed to embedding cultural capabilities across all facets of the organisation.

About Anglicare Southern Queensland

Anglicare SQ's experience in identifying and responding to the needs of vulnerable members of our many and varied communities is underpinned by 150 years of delivering innovative, quality care services.

More than 3,000 staff and volunteers operate across southern Queensland and in Longreach and Townsville.

We offer a comprehensive, integrated range of community services that comprises community aged care, residential aged care and community support programs, including youth justice, child safety, disability support, counselling and education, mental health, homelessness and chronic conditions. Our services are designed to 'wrap around' clients in a comprehensive way, recognising their health needs but also addressing the social needs which contribute to wellness.

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1.0 Introduction

Anglicare Southern Queensland (Anglicare SQ) welcomes the invitation to make a submission to the Australian Government Select Committee on the Cost of Living consultation to inquire into and report on the cost-of-living pressures facing Australians.

This submission draws heavily upon the lived experience of our clients and staff in managing during the current cost-of-living crisis.

Representatives from Anglicare's executive and senior management were also invited to attend a Select Committee hearing in Brisbane on 1 February 2024. Our submission also addresses key issues arising from that hearing, and reiterates some of the points made by our staff.

In addition, we draw on the lived experience and evidence we and others have provided in previous related government inquiries, particularly the 2023 Senate Community Affairs References Committee inquiry into the extent and nature of poverty in Australia.¹

Finally, we draw together the threads of the discussion to summarise the contributions of the Anglicare SQ community to this consultation.

2.0 Summary of our recommendations

That the Australian Government:

1. review Emergency Relief models and eligibility to address the increasingly diverse client cohort, including families in need
2. urgently increase funding to emergency relief providers to enable them to meet growing demands for help from individuals and families
3. raise the rate of income support above the poverty line
4. invest in a long-term program to grow the supply of social and affordable housing by 25,000 dwellings each year.

3.0 The cost-of-living pressures facing Australians

In early 2024, we sought the input of our staff to this submission through two short surveys, based on the cost-of-living questionnaire provided on the Select Committee inquiry website.

The first survey was directed to our Emergency Relief staff, and their knowledge from on-the-ground service delivery of the challenges clients were experiencing.

The second survey recognised that cost of living is a concern right across the community, and that many of our 3000+ staff, in diverse locations and roles, have their own personal experiences to share.

The results are not statistically rigorous. Rather, we wanted to provide an opportunity for our own Anglicare community — our staff, and the people we work with — to share their experiences and their thoughts about the cost-of-living crisis.

Unsurprisingly, every single response to both surveys acknowledged facing increased cost of living pressures in the past 6-12 months. The accompanying stories touch on every aspect of people's lives. Food and groceries, housing costs, and energy are recurring themes, but many of the comments reveal how those pressures flow through to impact on people's health, education, safety and the right to plan their own future.

3.1 *Emergency Relief clients*

Anglicare's Emergency Relief (ER) staff have seen an increasingly diverse clientele attending our service, including more 'first time ER users':

People who are employed are struggling, as well as people receiving a Centrelink benefit that does not meet their need.

Several of our staff noted a significant increase in the number of families, including single mothers with children accessing our service for the first time. They also note a larger number of homeless single men.

A growing number of people are also presenting as experiencing long term homelessness, having been homeless for six–twelve months or more.

The impacts of the cost-of-living crisis, however, are common across all of these groups. Food and groceries, housing, and energy and power were the most significant issues (see figure 1), and staff shared many of the challenges facing clients, including those using our rural services, in these areas:

- *A greater lack of food safety, people not being able to afford food and only eating one meal a day if lucky.*
- *The cost of food is reducing the options for families to feed themselves well, having to instead shop at cheap places & eat food that isn't exceptionally healthy or in good condition.*
- *Lack of affordable housing for single men, lack of services that can advocate for single men and lack of homelessness services in the area. There are 10 crisis accommodation units and 2 motel places for families for the entire region. There's no emergency housing units in the outlying towns so those people have to come to Roma, overwhelming an already overloaded system.*
- *One of the reasons people are presenting [at ER] are massive increases in electricity bills.*

Staff also often commented on the difficulties clients have meeting medical costs:

- *Medical is big too, particularly access to preventative medicine. Without full bulk billing for all GP services, people on low incomes can't access doctors early to stop their illnesses getting worse.*
- *Less health choices are available to people. Lots of people can no longer afford private health and are prioritising this for many other bills.*

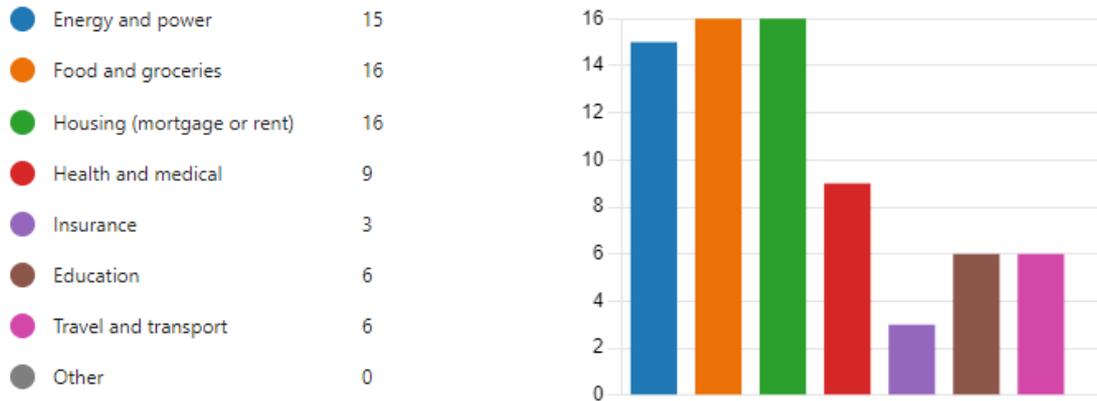


Figure 1: Cost-of-living pressure areas for Anglicare SQ Emergency Relief clients

Comments from our staff also clearly showed the relationships between the categories above, and the tradeoffs people are being forced to make:

- *I have come across clients who go without insurance just to pay for medication.*
- *Many clients are cutting down on buying food to pay for rent and other living costs such as electricity.*
- *People choose to buy food rather than pay for a counselling appointment.*

In many cases rising costs across every aspect of life are robbing people of the opportunity to make even those tradeoffs:

- *All living costs have gone up at the same time so there is nowhere for low income families to redirect money from one area to another.*
- *A number have managed in the past, scraping that last dollar to get by, living week by week. But finding that last dollar is now harder to scrape up. Clients are still taking money from Peter to pay Paul — but have nothing spare for Paul. Thus getting behind, where they have managed before.*

Like other ER providers, Anglicare is struggling to meet demand. As a member of the Anglicare Australia network, supporting half a million Australians in more than

50 service areas, we see the impact of the current crisis on Emergency Relief services across the country. In late 2022, a survey of Anglicare Australia Emergency Relief providers revealed an increase in demand for services that ranged from 10 percent to 50 percent compared to the beginning of that year. Such demand flows through to ER providers, who are themselves under strain, unable to “provide enough help to enough people”.²

A further aspect of that demand relates to providers’ ability to meet the needs of families. While ER services are largely directed to individuals, staff are finding that increasing numbers of families are seeking assistance, and that the scale and scope of help that can be provided doesn’t ‘touch the sides’ of what is needed.

We recommend that the Australian Government:

- review Emergency Relief models and eligibility to address the increasingly diverse client cohort, including families in need
- urgently increase funding to emergency relief providers to enable them to meet growing demands for help from individuals and families

3.2 Anglicare staff

Anglicare (and other human services) staff are a small subset of the community as a whole, and have their own personal experiences of the cost-of-living crisis as well as a deep understanding of the challenges facing clients.

As mentioned above, we also provided the opportunity for our staff to contribute their thoughts and experiences of the current cost of living. To ensure anonymity, we did not ask any identifying questions (eg service branch, geographic location, age, gender or ethnicity), but focused on the common threads of the stories that more than sixty staff shared with us.

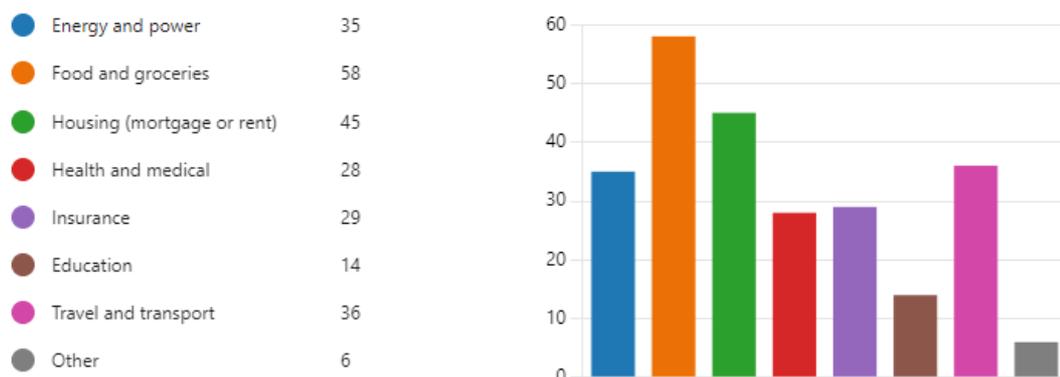


Figure 2: Personal cost-of-living pressure areas identified by Anglicare staff

Every respondent from this working population of Anglicare staff has faced increased cost-of-living pressures in the past 6-12 months, with food and groceries, housing (rent and mortgage), and energy and power being three of the most pressing challenges. The cost of travel and transport was also a source of expense, reflecting the need to get to and from work. Medical and insurance costs were a common theme, and were most often the expenses 'traded' for essentials by cancelling appointments and contracts. Social outings, new clothing and holidays have become luxuries for many families.

The following comments from staff in key areas of stress are indicative of the pressures faced by many Australians:

- | | |
|------------------------------------|---|
| Food and groceries | <ul style="list-style-type: none">• <i>I stress every week when I have to pay for our groceries. It seems to go up every single week no matter how cost-effective I try to be.</i>• <i>Food has really increased in price and being in a rural area there is no competition.</i>• <i>The cost of food has significantly increased in the supermarket, which means we are back to basics eg baked beans, spaghetti, pastas, sometimes nonmeat dishes etc.</i>• <i>As someone who diligently tracks expenses, I have documentary evidence that simple things such as bread, fruits, vegetables and meat, have become more expensive.</i>• <i>Rising cost of food and groceries have meant that we have changed our 'style' of shopping. A lot more time is spent shopping — going to different stores where we know there may be specials or discounts. We buy only what is on special.</i>• <i>Our basic shop has gone from \$85 per week to \$120 per week and this does not include meat.</i> |
| <hr/> | |
| Housing (rent and mortgage) | <ul style="list-style-type: none">• <i>Rent increased an extra \$100 per week with in 2 years of moving in. \$450 per week for a 1 bedroom, 1 bathroom, no carpark apartment is just ridiculous.</i>• <i>Rent increased by 40% in 4 years, which creates a flow-on effect of other financial decisions and budgeting. Overall costs of living have increased in other areas, which further results in strain.</i>• <i>Due to these pressures, my family (my husband and I, and our two children) have been forced to move in with my in-laws. My children are living with their grandparents and no longer have their own space because of this move. The last house we lived in cost us \$600 per week.</i>• <i>My mortgage has increased by \$650 per month.</i>• <i>We are looking at selling our house and buying something cheaper to lessen our mortgage.</i> |

- Transport and travel**
- *The cost of commuting (ie petrol) to and from work 5 days per week is becoming a significant concern given I live 45 minutes from my place of work.*
 - *Being rural, the increased cost of fuel makes travel difficult.*
 - *The cost of fuel fluctuates, and living approx. 50 kms from the office, I have had to buy a really cheap old car to compensate for the fuel costings, but still have registration to comply with.*
 - *Because I live in a regional area, there's not much public transportation — I had to get a loan to purchase my own car and have all the bills associated with maintaining it.*
-

Staff also highlighted the impact of the cost-of-living crisis on significant life decisions:

- *Putting on hold having children due to the price of living as it is impossible to save and prepare for children.*
- *At this rate, it will be difficult to start a family in the future. It worries me how I'll be able to afford childcare, education, etc. when I start to have my own kids. As an only child, I also worry having to take care of my ageing parents who are overseas at the moment.*
- *We have made the choice to not contribute to our superannuation which is inadequate and to keep working full time right up until retirement, which could be close to 70 years of age.*

Some Anglicare staff questioned the impacts of the cost-of-living crisis on the longer term wellbeing of Australian society as a whole. They recognised the damage that inequity does to social cohesion, and the costs and impacts that will inevitably accrue from people's current inability to pay for preventative or required health care. They also saw red flags for the growing number of Australians unable to afford insurance, who stand to lose everything as climate change continues to influence more intense and erratic weather events.

- *The increasing cost of living over the years has pushed the social economy out of balance. People are either teetering on poverty, or are living above average.*
- *I haven't had to re-prioritise my spending — but my husband and I both work and we don't have children. If that's what it takes to be okay in the current economy, then Australia is going to have a really bad problem in the near future.*
- *In the longer term, the actual cost of living will be a significantly greater burden on the health care system as preventative health care measures become unaffordable.*
- *I understand that the increase in natural disasters (fire, cyclones, flood) means that insurance companies are hurting, but with global warming, these problems are only going to get worse.*

Consultation with staff additional to our survey identified other impacts that have significant flow-on effects for society.

- Volunteerism, already showing a gradual decline over the past twenty years due to demographic and social changes, has been further impacted by the cost-of-living crisis as people either go back to the paid workforce, or find fuel and other out-of-pocket costs associated with volunteering too expensive. As Volunteering Australia CEO, Mark Pearce has noted:

*The work that volunteers do is not a 'nice to have'; it is essential work that supports our schools and hospitals, our aged care and disability services, and our ability to support the community in times of crisis.*³

Volunteering contributes to the social fabric of our society: we undermine it at everyone's cost.

- At the same time as we have an increasing demand for foster and kinship carers Australia-wide, the number of carers is on a steady decline. Among other reasons, staff point out that financial pressures for carers means that more potential or former carers are needing to return to the workforce, and/or are struggling to keep up with the extra costs of caring for one or more children beyond their carers' allowances. One of the consequences of having fewer carers is that more, and younger, children, are being placed in residential care placements for longer periods.

4.0 Lifting people out of crisis is a policy choice

We recognise that both the Australian and state governments have taken action to reduce cost of living pressures for individuals and families.

We are however at a unique and critical point in our history. British Academy researchers point out that, globally, the pandemic was (and is) not just a health crisis that may one day end, but a social, economic and cultural crisis that will last much longer.⁴

Among other impacts, COVID has deepened and intensified pre-existing inequality. The following quote is as relevant to Australia as it is to the United Kingdom and elsewhere:

*Too many people have experienced the pandemic in ill-suited housing, poorly equipped for working or home-schooling, suffering from damaged mental health, exposed to an avalanche of aggressive misinformation, negotiating the complexities of the social security and criminal justice systems, and balancing new risks while shielding or caring for vulnerable relatives. And, regardless of geography, race or class, the life-chances and employment opportunities of young people have been especially badly affected.*⁵

This 'COVID decade' is, the Academy researchers point out, "no ordinary crisis that we can overcome simply by providing stronger safety nets for those left behind".⁶

While we work within a system that has created the cost-of-living crisis, there is no question that we must continue to fund and support safety net interventions, such as Emergency Relief. While people are living in crisis, there is no question that we must provide focused supports that enable them to eat well, sleep safely, stay mentally and physically healthy, and keep the power on.

But as a government and a society we need to be asking the right questions, making the difficult decisions and not just tinkering around the edges. We are currently at war with crisis, with an armory full of fragmented interventions that simply encourage more crisis. Do we want to 'reduce' or 'manage' poverty and homelessness — or do we want to *end* it? Are we fixing the system so that we are solving cost-of-living issues, not constantly servicing crisis? ⁷

If we really want to 'build back better', this involves thinking about the kind of society we want now and into the future. We urgently need to be asking how our current mindset *contributes* to a continuing problem, and what impact a truly groundbreaking investment in breaking the cycle of disadvantage would have on the wellbeing of all Australians.

In 2021, Anglicare SQ made a statement to what was commonly known as 'the Jobseeker inquiry', noting that "the COVID crisis [was] not over". Three years later, that statement remains true, as does our description of the challenges facing many Australians:

*People are out of work through no fault of their own. Rental vacancies are at an historic low in many areas of the country, leaving individuals and families at risk of homelessness and struggling to make ends meet. Services like Anglicare's are under increasing demand as signs of stress emerge in the community through rising rates of domestic violence and family breakdown.*⁸

For years now, Anglicare SQ and many other individuals and organisations across the community and other sectors have been advocating for an increase in income support to above the poverty line; and for an increase in Federal and state investment in social and affordable housing sufficient to address the housing crisis. These two initiatives in themselves would have extraordinary social and economic flow-on effects, enabling people to afford the essentials they need to live their lives and plan for their futures.

The 'Coronavirus Supplement', which was introduced to support vulnerable Australians in a time of unprecedented crisis, raised income support to a level that enabled people to both eat and pay rent at the same time. One of our staff members pointed out the difference it made to our clients:

When Centrelink payments were increased during early Covid stages Anglicare closed or redistributed staff from emergency relief roles as there was not enough demand. That was brilliant.

Now, she continued:

We are constantly seeking donations and supporting families to meet the basic needs of themselves and their children.

As Anglicare Australia wrote even longer ago, in 2019, in a still-relevant open letter to the then Prime Minister:

Raising the rates of these payments would be the most powerful step that any government could take to reduce poverty in Australia.⁹

Even 'raising the rate', however, will not address the housing crisis if there are no physical homes to be occupied. After years of under-investment in social housing, social housing stock has simply not kept pace with the growth in population, with demand now far outweighing supply. Housing has become less and less affordable over that same period.

Remedying this situation will require investment commitments well beyond current proposals. The Everybody's Home campaign predicts a need for 25,000 new social homes to be built each year for two decades, just to address the shortfall created by years of inattention.¹⁰

Federal investment in social and affordable housing can only be a win-win for homes, jobs, communities and Government. It addresses the urgent issue of housing, creates jobs and supports business, contributes to the wellbeing of communities and reduces the flow-on financial impacts on Government in terms of costs associated with homelessness, poor physical and mental health, unemployment and other negative life outcomes.

Turning round the housing crisis, as Anglicare Australia points out, will leave a legacy of transforming hundreds of thousands of lives.¹¹ Making the policy choice to also lift people out of poverty is an equally impressive, and memorable, legacy.

We recommend that the Australian Government:

- raise the rate of income support above the poverty line
- invest in a long-term program to grow the supply of social and affordable housing by 25,000 dwellings each year.

5.0 Conclusion

In other submissions, we have referenced the long list of inquiries and research into poverty, housing and homelessness in past decades, at both Federal and state levels, that have informed policy, program and funding decisions in these areas.

Still we find ourselves in the current period of crisis. The current cost-of-living inquiry has more than 140 submissions and hundreds of survey results, all providing evidence of the lived reality of Australians who are doing it tough.

At a policy level, we need a national framework that addresses poverty alleviation, and its link with cost-of-living pressures. A national framework would make governments

publicly accountable for progress toward agreed targets and support the evaluation of policies and programs.

It would make clear that as a nation, we recognise that no individual or family deserves to struggle for basic cost-of-living rights like food, housing, and medication, and that we can make a deliberate policy choice to reject inequality.

This inquiry cannot be just another in the list. Australians need this one to be the circuit-breaker that provides hope for the future — the chance to do something groundbreaking, and leave a legacy not only for those struggling day to day to meet the costs of living, but for the whole community now and in the future.

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Front cover photo by Eduardo Soares on Unsplash

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