

# The Extent and Nature of Poverty in Australia

Submission to the Senate Community Affairs References Committee

February 2023

# Contents

<b>Introduction</b>	<b>2</b>
<b>Executive Summary</b>	<b>3</b>
<b>Recommendations</b>	<b>4</b>
<b>Take immediate steps to address the most urgent poverty problems</b>	<b>5</b>
<b>Build a better, more equal future for all Australians through a commitment to systemic innovation and leadership</b>	<b>9</b>
<b>Appendix 1: Timeline of major inquiries and reports on poverty and financial hardship</b>	<b>11</b>

# Introduction

For more than 200 years, The Benevolent Society has supported people at the margins of Australian society: children, young people, and their families; First Nations Australians; older people; carers and people with disability.

Fundamental to our work at The Benevolent Society is the understanding that all Australians contribute to the richness of our communities. We recognise the worth, potential and inherent dignity of every person; and the power of diversity when operating in a complex environment. In the last financial year, we supported over 150,000 individuals across Australia – through our staff and volunteers, we provided integrated support services throughout metropolitan, regional and rural New South Wales, Queensland and South Australia.

At The Benevolent Society, we use our practice wisdom to mobilise social movements to advocate for people in need and to create social change. Our past campaigning was integral to the introduction of the aged pension. We continue to advocate for the interests of children, young people, and their families, First Nations Australians, older people, carers and people with disability every day. Our services speak to and inform our social change work, and at the same time, our social change activities shape and respond to the wider world in which we operate.

The Benevolent Society brings a system leadership mindset to all that we do. We understand that no one sector or organisation controls all the levers necessary to deliver choice, control, and quality of life opportunities to the people who access human services or to deliver social change. Complexity demands collaboration: we are better together. Our experience tells us that collaboration between individuals and organisations produces the best outcomes for vulnerable Australians, especially when collaborations are grounded in the resources and knowledge of local communities. At The Benevolent Society, we understand that greater impact is possible when communities and stakeholders work together for change.

# Executive Summary

The Benevolent Society advocates for opportunities and solutions for all Australians. We have been encouraged by recent shifts towards more constructive, cross-sectoral and purposeful collaborations between government and stakeholders from the NGO sector including charities, philanthropists and supporters. The commitment to re-examine how we confront the issue of poverty in our community is a welcome addition to the current policy debate. Further work must build on the clear evidence base that already exists and translate directly into solutions that directly improve the lives of people impacted by poverty, support the care economy to improve productivity and effectiveness and to join up the systems that can collectively work together to change the ways we work collaboratively.

The extent and nature of poverty in Australia has been examined through numerous reviews and inquiries over the past few decades, with some consistent themes to the recommendations and aspirations from governments and the community sector. However, little has changed in the twenty years since the last comprehensive inquiry into poverty and financial hardship in 2004. In fact, with minimal adjustments, the recommendations compiled in the resulting majority report<sup>1</sup>, could simply be presented again today. The decades of research and recommendations since then are just as relevant in our current context as they were twenty years ago. We know what needs to be done. We don't have a problem knowing what we need to do to improve the extent and nature of poverty in Australia, we have a problem doing it.

We already have evidence of what happens when we do take decisive, evidence-based action. For example, the lived experience during COVID showed adequate financial support does protect people from poverty. During this time, there were multiple reports illustrating how the additional income supplements made basic necessities accessible - fresh fruit and vegetables, heating during the winter months, and even school supplies for those with children<sup>2,3</sup>. When the payments ceased, so too did access to these basic necessities<sup>4</sup>. Since then, the situation has been only compounded by the spiralling costs of living. This is why The Benevolent Society strongly supports the call of ACOSS to increase support payments so we can ensure everyone can cover these essentials<sup>5</sup>.

We also know that, while adequate financial supports protect people from hardship, wraparound social supports are also necessary to provide a protective layer to safety and wellbeing. For those experiencing entrenched disadvantage these types of supports can offer a pathway out of poverty. At The Benevolent Society, we have seen this through the outcomes of our integrated Early Years Centres (EYCs), innovative one-stop shops that support the health, development, wellbeing, and safety of young families, often at-risk or experiencing poverty. These soft entry points to ongoing, targeted support can provide an effective mechanism towards addressing and reducing the impact of poverty on young children and their families.

And these social supports need to be delivered through a mature approach to the care economy which can be life changing for recipients, breaking cycles of poverty and leading to changed life trajectories for individuals and their families. Ever-increasing service demand, fragmented service design, limited resources, and a constrained recruitment pipeline is undermining the sector's ability to be flexible and responsive. The care economy must be supported by a strong, stable and fairly remunerated workforce alongside adequate funding and policy environments to deliver quality services for people regardless of their location across our country.

Finally, systems change leadership will also be needed to structurally address the problem of poverty in Australia. Long-term change will require an uplift in the leadership capability of organisations in the social services sector,

---

<sup>1</sup> Senate Community Affairs References Committee (2004) *A hand up not a handout: Renewing the fight against poverty*. Commonwealth of Australia  
<sup>2</sup> Naidoo, Y; Valentine, K; and Adamson, E (2022) *Australian experiences of poverty: risk precarity and uncertainty during COVID-19*. Australian Council of Social Service (ACOSS) and UNSW Sydney  
<sup>3</sup> Klein, E, Cook, K, Maury, M & Bowey, K (2021) *Social security and time use during COVID-19*. Swinburne University of Technology & Centre for Excellence in Child and Family Welfare, Melbourne  
<sup>4</sup> King, S; Yan, L; Mollenhauer, J; Bellamy J; Anderson, P; Lukabyo, H (2021) *Social and Economic Impacts of COVID-19 on Disadvantaged Australians*. Anglicare  
<sup>5</sup> ACOSS (2022) *How Jobseeker and other income support payments are falling behind the cost of living*. Australian Council of Social Service

coupled with a strategy to drive collaboration and coordination across the traditional boundaries that too often separate social services organisations, Commonwealth, State and Territory and local governments and communities.

Living in poverty places an enormous and unbearable burden on those affected. As a sophisticated and relatively wealthy modern democracy, it's unacceptable that Australia continues to have such widespread and increasing inequality and poverty in our community. At The Benevolent Society we look forward to working with the Committee on doing all we can to end poverty in Australia.

## Recommendations

The Benevolent Society recommends:

**(1) Immediately address the challenges for Australians living in poverty by increasing support payments.**

The Benevolent Society strongly supports the call of ACOSS broadly endorsed right across the community sector, and also backed by economic research and business leaders to permanently increase and adequately index income support payments; increase commonwealth rent assistance; establish a single parent supplement, and a disability and illness supplement.

**(2) Prioritise innovative wraparound programs that support those at greatest risk of entrenched disadvantage – such as single mothers and First Nations people.**

**(3) Fund a strong and stable care economy that can ensure access to effective, timely supports for those at risk, through:**

- a) Ensuring funding can meet the actual costs of quality services including reliable, ongoing and adequate indexation – to promote a sector responsive to community needs and able to provide quality services, especially for people who are economically or socially vulnerable; and
- b) Prioritising innovative service and funding models for regional and rural areas, so that support is readily available for clients and care work is financially viable for workers and providers; and
- c) Developing a responsive and flexible workforce pipeline by driving fairer pay and job security for care economy workers – 85 per cent of care workers are women who often face structural challenges excluding them from secure, full-time work.

**(4) Invest in human services leadership capability and excellence via a School for Civil Society.** The development of a leadership school for civil society would build the capability of social sector leaders to work collaboratively, alongside government and other stakeholders to develop innovative and cost-effective business models that address social needs and meet contemporary workforce challenges.

**(5) Build a more equal future for all Australians through systemic collaboration and coordination across sectors, jurisdictions, and disciplines.** Opportunities for dialogue and collaboration across traditional human services and jurisdictional boundaries can create space to do things differently – to innovate and drive systemic responses across sectors, across jurisdictions and across disciplines.

# Take immediate steps to address the most urgent poverty problems

Successive review processes and recommendations have considered the problem of poverty in Australia, and some have led to improvements. There is evidence that government policy decisions and targeted interventions can reduce poverty in Australia. The last big shift was seen in 1987, when the Hawke Government reduced child poverty by 30% through a series of income support payments, supplements (including rent assistance) and linking family payments to wage growth to maintain pace with the cost of living and community standards. Unfortunately, progress has been slow since then, despite the decades of inquiries and recommendations from government – a selection of which are listed in **Appendix 1**.

## Prevent individuals entering poverty by increasing access to, and adequacy of, financial supports.

Since the initial 1975 *Henderson Inquiry*, government reviews into the extent of poverty have consistently recognised financial support as a necessary element to protecting people from hardship and disadvantage, including:

- 1975 recommendation for a “guaranteed income scheme to minimise ‘poverty traps’ and problems associated with navigating multiple fringe benefits<sup>6</sup>”.
- 2005 recommendations around “poverty-proofing the minimum wage by linking it to adequate standards of living...<sup>7</sup>”.
- 2019 recommendation for “the Australian Government review the effects of government policy, including the adequacy of payments, on young people and single parent families”<sup>8</sup>.

We have seen how increasing financial supports can immediately reduce the rate of poverty in Australia. In 2020 poverty in Australia was reduced by half, almost directly as a result of the coronavirus supplement<sup>9</sup>. And when the payments ceased, these numbers simply increased once more. Right now, the situation is being further compounded by the spiralling cost of living. A lack of funds means many are being forced to choose between basic necessities – food or heating, rent or medication.

Economic insecurity places great personal strain on the individuals involved, with flow on consequences that can further damage their health and wellbeing<sup>10</sup>. Long-term unemployed people – both young and old - are often forced to live below the poverty line, with government payments simply insufficient to cover basic life necessities. Safety and security are then compromised. A lack of access to funds and stable housing are often cited as key reasons why women remain trapped in cycles of abuse. Energy security has increasingly become a concern for those under financial stress. Heating in winter, and cooling in summer no longer attainable as low-income households spend double the percentage of their disposable income on energy compared to average income households<sup>11</sup>. While for families, The Smith Family has reported that almost 90% out of the 2000 they support are worried about being able to afford the things their children will need for school in 2023. More than half thinking their children are likely to miss out on the digital devices that will be needed for their schoolwork because they are unaffordable<sup>12</sup>.

---

<sup>6</sup> Commission of Inquiry into Poverty (1975) *Poverty in Australia: Outline of First Main Report*. Commonwealth of Australia

<sup>7</sup> The Senate Community Affairs Reference Committee (2004) [A hand up not a hand out: Renewing the fight against poverty](#). Commonwealth of Australia

<sup>8</sup> House of Representatives Select Committee on Intergenerational Welfare Dependence (2019) [Living on the Edge](#). Commonwealth of Australia

<sup>9</sup> Davidson, P., (2022) A tale of two pandemics: COVID, inequality and poverty in 2020 and 2021 ACOSS/UNSW Sydney Poverty and Inequality Partnership, Build Back Fairer Series, Report No. 3, Sydney

<sup>10</sup> Hill, S; Jegasothy, E (2022) [How financial hardship is damaging our health](#). The University of Sydney

<sup>11</sup> Australian Energy Regulator (2022) *Towards energy equity: A strategy for an inclusive energy market*. Commonwealth of Australia

<sup>12</sup> The Smith Family (2023, January 23) [Nine in ten families surveyed worried they will struggle to afford school essentials](#) [Media Release]



### Alma's Story\*<sup>13</sup>

42-year-old Alma is married and has 3 young boys, Max (2 years old) Fergus (5 years old) and Chris (7 years old). They currently live in a rental property. Alma has a chronic illness that means she is only able to work part-time, and this income is used to cover 2 days of child-care for Max.

**For a while Alma has been receiving support from The Benevolent Society's child and family services.**

During a visit Alma confides with her case worker that she is frightened of her husband, who often drinks a lot, becomes aggressive and makes her feel worthless. She also says her husband has total control of the families' finances, allowing Alma only a small weekly amount for food and nappies. Together Alma and her case worker contact another local service provider that offers specialised domestic violence support.

**Alma is put on a waiting list but is warned the waiting time may be several months.** Over the next few weeks Alma continues to connect with her case worker. Unfortunately, during one of these 'check ins' Alma says she has changed her mind and decided to stay in the relationship for her kids. **Alma says that she feels she doesn't have enough money to leave and worries that if she does, she won't be able to protect her children from homelessness.**

**Innovative wraparound social supports provide a protective layer to safety and wellbeing and offer a pathway out of poverty for those experiencing entrenched disadvantage – particularly women.**

Geography, age and other characteristics can impact an individual's risk of entering poverty. But there are also structural challenges to contend with for groups such as, women, First Nations people, older people, people with disability, and those living in regional and remote areas that already face marginalisation. In 2018 the Productivity Commission highlighting that "(p)ersistent and recurrent poverty affects a small, but significant proportion of the population"<sup>14</sup>.

This is a well-recognised mechanism to address and reduce poverty. The first recommendation of the 2019 *Living on the Edge* report, highlighting the importance of "continue(ing) to prioritise funding for place-based and wrap-around services that can demonstrate evidence of successful programs for people living with entrenched disadvantage"<sup>15</sup>. Logan Together, the Doveton model and Tasmania's Child and Family Centres just some illustrative examples given by the Committee of what is possible through well-designed and innovative program thinking<sup>16</sup>.

Women who too often exist at the intersections of vulnerability are often more at risk of poverty. Women are more likely to have lower superannuation savings than men<sup>17</sup>. They are more likely to be struggling in the private rental market<sup>18</sup>, and older women are the fastest growing group experiencing homelessness<sup>19</sup>. When they have children, this adds another layer of concern. Children and young people exposed to poverty are more likely to experience harm; harm themselves and others; be in the child protection and youth justice systems; and endure inter-generational poverty and poor quality of health and life<sup>20</sup>. Furthermore, Aboriginal and Torres Strait Islander children continue to be over-represented in child protection, youth justice and

<sup>13</sup> Alma's Story is a scenario based on an amalgam of conversations with child and family practitioners at The Benevolent Society in 2021 – it represents a collection of experiences by individuals who have engaged with The Benevolent Society. The names do not depict any specific family.

<sup>14</sup> Productivity Commission (2018) *Rising inequality? A stocktake of the evidence*. Commission Research Paper, Canberra

<sup>15</sup> House of Representatives Select Committee on Intergenerational Welfare Dependence (2019) *Living on the Edge*. Commonwealth of Australia

<sup>16</sup> House of Representatives Select Committee on Intergenerational Welfare Dependence (2019) *Living on the Edge*. Commonwealth of Australia

<sup>17</sup> Hetherington, D and Smith, W (2017) *Not So Super, For Women: Superannuation and Women's Retirement Outcomes*. Per Capita

<sup>18</sup> Chomik, R and Yan, S (2019) *Housing in an ageing Australia: Nest and nest egg?*. CEPAR research brief. Australian Research Council

<sup>19</sup> AHRC (2019) *Older Women's Risk of Homeless: Background Paper*. Australian Human Rights Commission

<sup>20</sup> Council of Australian Governments (2009) *Investing in the Early Years—A National Early Childhood Development Strategy*. Canberra

mental health systems. This is why primacy of response must be given to mechanisms designed to support at-risk children and their families



### **Sarah's Story\*<sup>21</sup>**

**30-year-old Sarah is in a de facto relationship and has a daughter, Michelle (3 years old) and a son, Jack (5 years old).** They live in social housing. Both the children and their father identify as being of Aboriginal descent. Michelle and Jack are both experiencing developmental delays. Sarah left school in Year 9 and does not currently have a paying job.

She has a long history of experiencing domestic family violence (DFV) in the home, which has been regularly observed by her children. She wanted to separate from her partner but has struggled to navigate that process. Her partner controls the money, her phone and her access to family and friends. Sarah spends most of her time at home and is very cautious of people she doesn't know.

**Sarah found out about The Benevolent Society Early Years Program (EYP) when her doctor at the local Aboriginal and Torres Strait Islander health service suggested she make contact.** After calling the service, Sarah was invited to bring Jack and Michelle to the Explorers Playgroup which is specifically designed for children experiencing developmental delays. Michelle and Jack love playing with the other kids and Sarah has felt great relief that she can talk about her parenting experiences with other parents going through similar challenges – suddenly she doesn't feel so different. It feels like a safe place she can come to where there is no judgement, just friends and staff who support her.

**Sarah quickly realises the staff are an amazing resource– with an occupational therapist, a speech pathologist and a child and family practitioner all under the same roof.** And the support continues, with the EYP providing ongoing targeted support to help Sarah and her children stay on track. In addition to regular supervision provided to all staff, the Team Leader in charge of Sarah's case actively seeks the views from both Sarah and staff about how well the interventions are working and what they could do differently next time. This includes support seeking affordable housing, help finding a school that can best support Michelle's needs and then help to get Sarah a reduction in school fees. **Over time, Sarah and her children experience secure housing, improved community connection and Michelle successfully transitions to school.**

### **Poverty and the care economy are interconnected – ensuring access to accessible and timely supports for those at risk, will require a responsive and flexible workforce.**

The Benevolent Society has functioned 20 per cent below workforce capacity for over 18 months. Over the last 20 years Australia has seen a doubling of employment in the care economy <sup>22</sup>. With this growth predicted to continue, these shortages will only worsen. The result is a gap in the ability to proactively respond to needs in the communities we operate in. Pressure on services can result in families falling through the cracks and early intervention being jeopardised due to caseloads and funding limits.

Multiple reviews and reports, such as the recent 2019 Committee Report *Living on the Edge* have identified similar themes around the need for longer-term and more flexible funding arrangements for providers operating in the care economy<sup>23</sup>.

Workforce shortages limit the ability of care economy organisations to meet demand. Right now, critical parts of the care economy are not being funded at sustainable levels or organised in ways that can

<sup>21</sup> Sarah's Story is a condensed version of a case study developed as part of The Benevolent Society and Social Outcomes Impact Report on its Queensland Early Years Places – it represents a collection of experiences by families who engage with the EYP. The names do not depict any specific EYP family.

<sup>22</sup> Australian Government (2022). *Labour Market Insights: Healthcare and Social Assistance*. Department of Employment and Workplace Relations

<sup>23</sup> House of Representatives Select Committee on Intergenerational Welfare Dependence (2019) *Living on the Edge*. Commonwealth of Australia



adequately meet demand. An under-resourced and unstable workforce cannot deliver the same level of responsive support that a deeply experienced and knowledgeable workforce can offer. Flexibility requires a deep understanding of the system you are navigating for your clients – and often includes referrals based on an understanding of the resources in the local community. Regular interagency touch-points can create strong networking opportunities for service providers while driving awareness of the funded programs and their function within local communities. This is especially so in rural and remote areas where a one-size-fits all approach is least likely to be successful.

Too many care workers also lack secure work arrangements. While flexibility is welcome, it also contributes to significant concerns about job security and wages. Workers in the care sector are paid 33 per cent less, on average, than workers in other sectors<sup>24</sup>. Productivity will not improve unless jobs in the care sector are attractive and rewarding. To create an adaptable and dynamic care workforce, government must adequately fund the care economy. This would mean meeting the actual costs of quality services, plus reliable, ongoing and adequate indexation.



### **Tawfiq's Story\*<sup>25</sup>**

**78-year-old Tawfiq is married to Zak (82 years old). Both Tawfiq and Zak have been retired for many years.** They have recently received an eviction notice for their rental property while also dealing with some medical concerns.

**Looking for urgent help Tawfiq goes to his local housing office and linked with Jodie - a The Benevolent Society case worker is onsite as part of an office co-location agreement.** A highly experienced case worker with a long work history, Jodie has strong networks into the local community. During their first conversation Jodie observes Tawfiq was not on any priority housing lists, so assists him in completing the forms to submit that day and initiates an urgent Independent Living Skills Assessment. Noting their recent health challenges, Jodie suggests Tawfiq also meet with a local GP so medical assessments can be done – and offers to accompany him to assist with the forms – as she has seen this often result in processing hold ups with the housing office. Finally, Jodie suggests Tawfiq expand his search to include over 55s properties, as she has found these can be easier to obtain when dealing with such short timeframes.

**Once the priority application is submitted, Jodie connects with some contacts at a local Aboriginal Corporation.** They agree to assist, and organise for removalists to collect Tawfiq and Zak's furniture, and then for the furniture to be temporarily stored at a local community centre.

**In just a few weeks Tawfiq and Zak are accepted into an over-55 housing complex, spending only one week without a home.** Their support team of Jodie, her contact at the local Aboriginal Corporation and the community keep helping - organising for Tawfiq and Zak's furniture to be delivered to their new home, assisting with the utility connections, and negotiating a payment plan for the initial few weeks rent while transitioning to Centrelink support payments. **Zak and Tawfiq are delighted with their home together and continue to occasionally reach out and seek support from their new links into the local community.**

<sup>24</sup> McMurtrie, F., Hatzantonis, Z., Zhang, B., Jones, B., Chia, K., Westhorpe, C., Dillon, K. (2022). [The halo effect: Reimagining Australia's care workforce to help solve the broader skills shortage](#). PwC Australia

<sup>25</sup> Tawfiq's Story is a scenario based on an amalgam of conversations with practitioners at The Benevolent Society in 2023 – it represents a collection of experiences by individuals who have engaged with The Benevolent Society. The names do not depict any specific clients.

# **Build a better, more equal future for all Australians through a commitment to systemic innovation and leadership**

Ineffective systems perpetuate poverty, disadvantage and inequality. The Royal Commissions into aged care and disability have shown too many people fall through the cracks of systems that are overworked, underfunded, and overdue for structural reform. The Australian human services system isn't working as well as it should for those experiencing entrenched and complex disadvantage. This is a problem that needs to be addressed urgently. Resources are being wasted, disadvantage and inequality are becoming more entrenched. It's bad for people, bad for society and bad for the economy.

It is a complex undertaking to change the way the human services system works and must involve many different stakeholders working together collaboratively, especially people and families, communities, governments and the NGO sector. All stakeholders need to be involved in finding better ways to connect practice to sustainable systems change. It is especially important to build in First Nations empowerment, self-determination and the voice and expertise of those with living and lived experience at all levels of leadership, governance, delivery and evaluation.

The Benevolent Society is working in partnership with a group of NGO leaders who are dedicated to having a national conversation around systems change, and how NGOs and government can come together to collaborate in this area.

## **Invest in human services leadership capability and excellence via a School for Civil Society.**

The development of a leadership school for civil society would build the capability of social sector leaders to work collaboratively to develop innovative and cost-effective business models that address social needs and meet contemporary workforce challenges and to progress the systems changes that are required to improve the human services system as a whole. At The Benevolent Society, we believe in the importance of partnerships. Reimagining a different future will require leadership around opportunities for coordinated service delivery, information sharing, funding to support innovation and flexibility, and the right people and organisations with a seat at the decision-making table. Human services sector leadership increasingly requires strategic capability, data and metrics literacy and systems leadership vision. The development of a School for Civil Society along the lines of the ANZSOG model would go a long way towards meeting this need. The Benevolent Society have a costed business model ready to use as a basis for further development.

## **Drive collaboration and coordination across traditional boundaries to find new ways of working with, and for, people and communities living in poverty.**

Australia has well-developed systems of health, education, and welfare provision. However, not everybody who needs to, benefits sufficiently from these support systems. Collaborative systemic reform is needed to ensure adequate and appropriate services and supports for all who need them, when they need them. This is not about creating another program, or another initiative. This is about working together and finding new ways to work across traditional boundaries.

Services are struggling to meet the needs of a structurally ageing population, NDIS supports, and early childhood education and care. Supports partially funded by Commonwealth government (for example, subsidised childcare; Medicare, PBS, welfare and pension payments and NDIS) do not connect with State and Territory government services in education, housing, health and child and family services. The result is a gap in the ability to proactively respond to needs in the communities we operate in. Pressure on services can result in individuals falling through the cracks and early intervention being jeopardised due to caseloads and

funding limits. Systemic reform is needed to ensure adequate and appropriate services and supports for all who need them, when they need them.

Collaborations between organisations produce the best outcomes, especially when they are grounded in the resources and knowledge of local communities. No one organisation or person can deliver pathways out of poverty. Individuals, families and carers, communities, social services organisations, and governments all have a part to play. Connecting leaders, systems and reforms can start building innovation and drive systemic responses.

### **Systemic innovation is necessary.**

Collaboration, coordination, and human services leadership have been consistent themes of inquiries over the years. From the 1975 main Commission Report on Poverty in Australia (1975) that cautioned the government to ensure any reforms be supported by a coherent social policy at all levels of government, stating

“a national Social Research Institute and an integrating co-ordinating body on social policy...research must range much more widely than any one department, over legal, educational, housing and urban policies as well as social welfare narrowly defined...it must cater for State departments as well as those of the Australian Government since they are such important suppliers of community and welfare services. Its research must extend to consumers of a wide range of services including mental health, dental care, housing and employment”.

To the subsequent inquiry into Australian poverty in 2004, that made no less than 26 recommendations about the need for the Commonwealth government to cooperate with State and Territory governments and/or civil society, industry or unions to address the challenges of poverty in the Australian community<sup>26</sup>. Even the more recent 2019 *Living on the Edge* report recognised the need for change, particularly around broadening the coordination of funding and programs, building community capacity and a need for strategic government leadership<sup>27</sup>. The need for meaningful and effective cooperation has been identified, what we need now is to take this into action.

At The Benevolent Society we are encouraged by the recent announcement of *Safe and Supported* – the next National Framework for Protecting Australia’s Children (2021-2031). The national 10-year framework outlines a plan that clearly sets an expectation whereby all governments, Aboriginal and Torres Strait Islander leaders and the non-government sector will come together and work collaboratively to help children, young people and families in need of support.

The need for effective partnerships in building social change is as great as ever in Australian communities where the gap between the most and the least well off continues to widen. This is why at The Benevolent Society we are committed to being a trusted partner to sector stakeholders and governments at all levels, working together in order to make positive, proactive change in the policies and programs that affect the lives of our clients and their communities.

---

<sup>26</sup> The recommendations from the 2004 **Report on Poverty and Financial Hardship** highlighted the need for the Commonwealth to cooperate, for example, on: a national housing strategy developed in consultation with key stakeholders including State Government, community housing providers, the construction industry and the finance sector (rec 20); improved participation in and funding for early childhood education (recs 24 and 25); and funding additional intensive services for disadvantaged families experiencing multiple and complex problems which impact on the care of children, with high priority given to indigenous communities (rec 44).

<sup>27</sup> 2019 **Living on the Edge Report** recommended an improvement in the coordination with state and local programs, to ensure expenditure could achieve the best possible outcomes, and avoid duplication (rec 10); indicating their support for programs that would build local leadership capacity and incorporate local input in identifying and implementing solutions to entrenched disadvantage (rec 11); and that the Australian Government provides strategic leadership of welfare programs, based on national priorities and knowledge of best practice approaches (rec 13).

# Appendix 1: Timeline of major inquiries and reports on poverty and financial hardship

The following table lists a selection of significant inquiries and reports examining poverty in Australia<sup>28</sup>. The listing includes Commonwealth parliamentary committee inquiries and government inquiry and review processes. Alongside and contributing to parliamentary and government inquiries and reviews, academic and social services sector research and recommendations have been plentiful.

Year	What	Detail
1973	<b>The Woodhouse Inquiry</b>	<p>Committee of Inquiry into a National Rehabilitation and Compensation Scheme.</p> <p>Central recommendation: proposed introduction of a universal scheme of social insurance</p>
1972-75	<b>The Henderson Poverty Inquiry</b>	<p>1974: Interim Report 1975: Four Main Reports</p> <p>Started by Liberal Prime Minister William McMahon in 1972. The Whitlam Government elected later that year expanded the size and scope - specifically, to focus on the extent of poverty in Australia together with the groups most at risk of experiencing poverty, the income needs of those living in poverty, and issues relating to housing and welfare services.</p>
1973-76	<b>The Hancock Inquiry into superannuation</b>	<p>1974: Interim Report 1976: Final Report</p> <p>Contained a majority recommendation and a minority position.</p> <p>Majority Position was that given existing revenue resources it would not be possible to meet the Governments two objectives of abolishing the means test and increasing the basic pension to 25% of average weekly earnings.</p> <p>The Minority Group rejected the concept of contributory scheme and recommended a widening of existing arrangements an included a flat rate universal pension, a means-test supplement and am expansion of occupational superannuation (Treasury 2001).</p>
1986	<b>Social Security Review</b>	<p>6 Major Issues Papers</p> <p>Established by Brian Howe as Minister for Social Security. Focused on:</p> <ul style="list-style-type: none"> <li>- Income support for families with children</li> <li>- Social security and workforce issues</li> <li>- Income support for the aged</li> </ul> <p>While the six major Issues papers were published there was no published final report or list of recommendations. However, each issues paper put forward proposals that were internally taken to forward within government.</p>
1993	<b>Committee on Employment Opportunities report, 'Restoring Full Employment'</b>	<p>Expert Committee chaired by Secretary to the Department of the Prime Minister and Cabinet, commissioned by Prime Minister Paul Keating.</p>

<sup>28</sup> Regan, S and Stanton, D (2018) Social policy Inquiries in Australia: The Henderson Poverty Inquiry in context. The Australian National University

		Released a discussion paper and companion report <ul style="list-style-type: none"> <li>- The White Paper on Employment and Growth</li> <li>- Working Nation: Policies and Programs</li> </ul>
1996	<b>National Commission of Audit</b>	Established after the election of Prime Minister John Howard, this wide-ranging review of government programs included scrutiny of ‘assistance programs’ for individuals and families and the scope for contracting-out welfare services.
1999	<b>Reference Group on Welfare Reform formed</b>  <b>‘The McClure Report’</b>	Final report advocated a Participation Support System. Specific proposals focused on: <ul style="list-style-type: none"> <li>- simplified and integrated income support system</li> <li>- more individualised support services</li> <li>- enhanced obligations on parents of school-aged children to seek work</li> <li>- improved financial incentives for participation in work.</li> </ul> Government endorsed the broad approach.  2001-02 Budget implemented a package of measures titled ‘Australians Working Together’. Focus was on ‘working credit’ and new job search programs but did not include measures to introduce a simplified income support system.  2005-06 Budget announced a new set of policies called ‘Welfare to Work’ – included increased obligations on participants and investment in training, childcare assistance and other support measures.
2004	<b>Senate Community Affairs References Committee report on poverty and financial hardship, ‘A Hand Up Not A Hand Out: Renewing The Fight Against Poverty’</b>	The Australian Senate established an extensive inquiry into poverty by the Senate Community Affairs References Committee.  The inquiry produced a majority report with 95 recommendations and a minority report by Government Senators with 8 recommendations.
2010	<b>Australia’s Future Tax System Review Final Report</b>  <b>‘The Henry Review’</b>	Announced in the 2008-09 Federal Budget, the review considered ‘how Australia can best structure its tax and transfer systems to meet the challenges of the 21 <sup>st</sup> century and to enhance its economic and social outcomes’ The review also undertook a specific pension review to inquire into measures to strengthen the financial security of seniors, carers and people with disability.  The Final Report included 138 recommendations under 9 broad themes – the fourth of which was “a fair, adequate and work supportive transfer system’ (Henry, 2010)
2014	<b>Senate Community Affairs References Committee Inquiry into the Extent of Income Inequality in Australia, ‘Bridging Our Growing Divide: Inequality in Australia’</b>	Considered principles to underpin social security to prevent poverty and inequality in Australia.  The report focused on adequacy, while maintaining the need for an incentive to work, and ensuring that payments are targeted to those most in need

<p><b>2015</b></p>	<p><b>Report of the Welfare System Task Force and Reference Group on Welfare Reform</b></p>	<p>Led by Patrick McClure.</p> <p>Proposed 3 principles</p> <ul style="list-style-type: none"> <li>- the balance between adequacy, incentives to work and affordability</li> <li>- the coherence of the system. One payment should not be changed in isolation from others</li> <li>- individuals' capacity to work. Higher rates should be set for people with limited capacity to work who are less able or unable to supplement their payments through earned income (Reference Group on Welfare Reform 2015, p.94)</li> </ul>
<p><b>2018</b></p>	<p><b>Rising Inequality? A stocktake of the evidence.</b></p> <p><b>Productivity Commission research paper</b></p>	<p>Purpose was to contribute to an informed discussion in Australia by bringing together and taking stock of the latest and most complete evidence measuring the prevalence of, and trends in, inequality, economic mobility and disadvantage across Australian society.</p>
<p><b>2019</b></p>	<p><b>House of Representatives Select Committee on Welfare Dependence report, 'Living on the Edge: Inquiry into Intergenerational Welfare Dependence'</b></p>	<p>The Committee was appointed to investigate the entrenched disadvantage experienced by welfare dependent families in Australia.</p> <p>Report focused on entrenched disadvantage in Australia, identifying groups at higher risk of experiencing entrenched disadvantage, and the factors that contribute to families and their children receiving welfare support.</p>