

Media Release

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UnitingCare Australia echoes calls for immediate action on income support

As the week of action to Raise the Rate of Newstart gets underway today, UnitingCare Australia echoes calls for an immediate increase to Newstart and Youth Allowance payment levels to ensure their adequacy in meeting basic living costs.

UnitingCare Australia is also renewing its call for the establishment of an independent mechanism to assess the adequacy of all income support payments and adjust rates to acceptable levels.

National Director of UnitingCare Australia, Claerwen Little, said, "Newstart and Youth Allowance have not been increased in real terms in 25 years, despite rising living costs. Unless these payments are increased and properly indexed, recipients and their families will slide even further behind and into deeper poverty and hardship."

The renewed call to raise Newstart and Youth Allowance follows the recent passage of income tax cuts and the Prime Minister's announcement to reduce deeming rates for pensioners, both of which have been touted as necessary to stimulate the economy.

"It's now time for the Government to complete a trifecta and raise the rate of Newstart and Youth Allowance to benefit those most vulnerable in our society, many of whom experience financial stress and hardship on a daily basis", said Ms Little.

"Increasing these payments is the most effective way to stimulate the economy, as people on the lowest incomes have no choice but to spend everything they have in order to get by.

"Supporting people on the lowest incomes to live with dignity is not only the right thing to do, but will also have the effect of supporting job creation and growth in those areas with the most disadvantage, which will bring benefits to our economy as a whole".

Ms Little noted that the controversy around deeming rates and the inadequacy of current income support payments levels highlights the need for an independent mechanism to ensure transparency and integrity in the way that social security payments are set.

"Last year, UnitingCare Australia backed efforts to establish a new Social Security Commission to introduce greater transparency and integrity in setting minimum levels for social security payments through evidence-based benchmarks.

"We're renewing our call for this to happen again today. Social inequality is continuing to rise and there has been no focussed response from Government to address this issue through ensuring the adequacy of supports delivered to those most in need.

"All people in Australia must benefit from the economic levers that Government is pulling to boost our economy. Ensuring economic participation for all, and particularly those most vulnerable, should be Government's primary motivation.

“As one of the wealthiest nations in the world, none of us should accept that Australia cannot afford an adequate social security safety net”, concluded Ms Little.

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UnitingCare Australia is the national body for the Uniting Church’s community services network in Australia, supporting 1.4 million people each year across urban, rural and remote communities.

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