

New Australian report highlights depth of poverty for people on income support

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People who are unemployed or receiving income support, renters, sole parents, women, children and people with disability are at highest risk of poverty, while those on Youth Allowance experience deepest poverty, according to "[Poverty in Australia 2023: Who is affected](#)," released today by the Poverty and Inequality Partnership between UNSW Sydney

and the Australian Council of Social Service (ACOSS).

By [payment](#) type, 60% of people receiving JobSeeker payment and 72% of people receiving Parenting Payment live in poverty, compared with one in eight (13%) people and one in six children (17%) in poverty overall, based on the latest available data from the Australian Bureau of Statistics.

This highlights the failure of relevant payments and supplements to meet essential costs, including the real costs of raising children as a [single parent](#), the report authors say.

The report shows the depth of poverty experienced by people on [income](#) support payments is severe: people in [households](#) relying on Youth Allowance are in the deepest poverty, with incomes on average \$390 per week below the [poverty line](#). People in households relying on JobSeeker were \$269 per week below the poverty line, and people in households relying on parenting payment were \$246 per week below the poverty line.

Professor Carla Treloar from UNSW's Social Policy Research Center said this research revealed the profile of poverty in Australia and the role that policy settings—particularly payment rates—play in determining poverty.

"The depth of poverty experienced by [young people](#) on Youth Allowance is unacceptable. Young people who are trying to start their working life are being left behind. And we see every day on campus the impact that this has on students who are struggling to pay for essentials while trying to complete their degrees," she said.

The experience of poverty is also highly gendered. Households whose main income-earners were women experienced almost twice the level of

poverty in 2019–20 as those whose main income-earner was a man (18% compared with 10%).

Housing status is a major poverty risk, with one in five people (20%) renting privately and half (52%) of people in public housing living below the poverty line, compared with 10% of mortgage holders and 8% of home-owners without a mortgage.

Sole parent families, women and people with a disability are all experiencing poverty at above average levels.

ACOSS CEO Cassandra Goldie said the report provided compelling evidence about the profile of poverty in Australia, who is at greatest risk and how we can end poverty for all.

"The fact that a majority of people relying on unemployment payments and parenting payments are in poverty shows that assistance to people who are unemployed or raising children alone is totally inadequate to meet the essentials of life.

"The depth of poverty experienced by young people relying on Youth Allowance also highlights the need for [urgent action](#) to lift allowances for young people.

"This report provides further evidence of the need for a poverty reduction package in the May Budget to lift working-age income support payments to at least \$76 a day, double rent assistance, increase supplements for the extra costs of sole parenthood and disability, complemented by a commitment to full employment and improved employment services."

Key facts

The following lived below the poverty line in 2019–20:

- 1 in 8 (13%) of all people, including 1 in 6 (17%) children
- 62% of people in households whose main income earner is unemployed
- 60% of people on Jobseeker Payment, 72% of people on Parenting Payment and 34% of people on Youth Allowance
- 34% of people in sole parent families and 11% of people in partnered families with children
- 18% of households where the main earner is a woman and 10% of households where the main earner is a man
- 20% of people with disability who need assistance with [self-care](#), mobility or communication
- 20% of people renting privately and 52% of those in [public housing](#)
- 18% of migrants from a non English-speaking country are in poverty compared with 11% of people born in Australia

Households mainly reliant on income support payments had average weekly incomes well below the poverty line:

- \$197pw less than the poverty line for all income support households (including pensions and working age payments)
- \$234pw less than the poverty line for all households mainly reliant on income support
- \$390pw less for those relying on Youth Allowance
- \$269pw less for those relying on JobSeeker payment
- \$246pw less for those relying on Parenting Payment

The report used the latest available data from the 2019–20 Australian Bureau of Statistics Survey of Income and Housing.

The [poverty](#) line is defined as 50% of median household income, taking

account of people's housing costs.

Households mainly reliant on income support payments ("income support households") are households in which over 50% of gross income is government cash benefits and those benefits are at least \$180 per week.

Provided by University of New South Wales

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