



5 March 2021

Committee Secretary  
Senate Community Affairs Legislation Committee  
PO Box 6100  
Parliament House  
Canberra ACT 2600

Dear Committee Secretary,

### **Social Services and Legislation Amendment (Strengthening Income Support) Bill 2021**

Homelessness Australia appreciates the opportunity to provide input to the Committee's consideration of the Social Services and Legislation Amendment (Strengthening Income Support) Bill 2021 (the Bill).

Having an adequate income to afford housing costs is critical to preventing homelessness when people lose employment and to people's ability to be re-housed after a period of homelessness.

When the Coronavirus Supplement was first introduced, the housing security of people who were unemployed significantly increased. The proportion of people receiving Commonwealth Rent Assistance, who were paying more than 30 per cent of income on housing costs, fell from 40.5 per cent of recipients to 29.4 per cent.<sup>1</sup> The gradual reduction of the Supplement since it was introduced has undermined people's housing security and increased the number of Australians facing homelessness.

Research on rental affordability by Anglicare Australia shows that 0 per cent of online rental listings are affordable to people on JobSeeker payments at the proposed new level of payments, even when all supplements and Commonwealth Rent Assistance are included.<sup>2</sup>

Research by Equity Economics has revealed that continued unemployment in 2021 and cuts to JobSeeker in March, will increase homelessness in Australia by 9 per cent and 24 per cent more Australian families will experience housing stress.<sup>3</sup> The conclusion of the JobKeeper program, and conclusion of eviction moratoriums in many states, is likely to further increase this projected number of households unable to sustain rent payments and forced into homelessness.

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<sup>1</sup> Productivity Commission, Report on Government Services 2021

<sup>2</sup> Anglicare Australia (2020) [Rental Affordability Update 2020](#).

<sup>3</sup> Equity Economics, Double return: How investing in social housing can address the growing homelessness crisis and boost Australia's economic recovery, 2021



This projected increase in homelessness is entirely avoidable if the Government increases working age payments to a level that enables people to afford rent payments. Increasing the basic payment by at least \$20 a day to \$65 a day would go a considerable way to achieving this outcome.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Jenny Smith'.

Jenny Smith  
Chair, Homelessness Australia