

6.4 MOTION TO THE STATE COUNCIL MEETING OF MAV – INCREASED DEMAND ON FINANCIAL AND MATERIAL AID SERVICES IN MONASH

Submitting Councillor: Cr Paul Klisaris

MOTION

That Council:

- 1. Endorses the motion to the Municipal Association of Victoria (MAV) May 2019 State Council requesting that the MAV advocates to the State Government to acknowledge the increased demand on financial and material services and a commitment to address this issue.*
- 2. Endorses the motion to the Municipal Association of Victoria May 2019 State Council requesting that the MAV advocate to the Federal Government to reconsider current policies in regard to social security payments and funding to welfare services.*

INTRODUCTION

The purpose of my motion is for Council to note the motion to the Municipal Association of Victoria (MAV) May 2019 State Council (see Attachment 1) seeking a greater commitment from the State and Federal Government in regard to addressing the increased demand of community members seeking financial and material aid. This motion was submitted to MAV on 23 April 2019 to meet the stipulated timelines.

BACKGROUND/DISCUSSION

The Monash Homelessness Network (MHN) is a collective of local agencies that support some of the most vulnerable and at risk members of the Monash community. The MHN wrote to me in October 2018 informing me of the substantial increase in demand on financial and material aid agencies over the last 2 years.

The City of Monash has a broad range of agencies that provide financial and material aid support to vulnerable members of the community. The resources, services and support provided can vary from one agency to another. The ability to function comes from various partnerships and funding sources. Church based agencies rely on support from their congregation and fund raising activities, while other agencies rely on Rotary and Lions groups, Monash Council, State and Federal Governments. Whilst the composition of each agency may differ throughout Monash there are also some very clear patterns emerging about the level of need. All agencies have identified that the level of community financial stress has increased significantly in recent years in the City of Monash.

Over the last two years agencies that provide financial and material aid are reporting a steady increase in marginalised members of the community seeking support. What has fundamentally changed is that support is increasingly being sought by individuals who previously would not be seeking assistance including those who are employed and/or families with a mortgage. These agencies have seen considerable growth in the number of Monash families and pensioners who are struggling to provide for basic needs on a monthly basis.

There are a number of social and economic factors that are contributing to the increasing number of people seeking financial and material aid.

In the last four years the Australian Council of Social Services states that more than \$15 billion has been cut from essential social security payments and community services¹.

Newstart Allowance payment levels, after inflation, have been frozen since 1994, thereby contributing to the increase in households experiencing poverty rising from 61% in 1999 to 78% in 2015². The maximum an individual can receive on Newstart with rent assistance is \$343 per week³. As an aged pensioner, you are considered to be above the poverty line as the maximum an individual can receive is up to \$463.10 a week⁴.

More people in Australia are renting than ever before, however, with increasing rental costs and slow wages growth, more Australians are struggling to cover their basic costs. Since Newstart has been frozen in 1994 the Australian Bureau of Statistics identified a 62% average increase in weekly housing costs (after inflation) between 1994 -2014⁵.

The cost of utilities for Australian households has increased 130% between 2015 and 2017⁷. Monash services are frequently experiencing people presenting with utility bill stress.

Affordable housing is in short supply in Australia and, since 2011, there has been a 42% increase in people 65+ paying more than 30% of their income on rent⁸. The Council for Homeless People (CHP) state that there are approximately 1,800 Monash residents in 2017, over 55 years of age, who were renting. CHP believe that many of these people will become homeless as costs associated with the rental market increases exponentially higher and faster than indexed pension increases. 2016 Census data showed there was a 28% increase in people over 55 years experiencing homelessness highlighting the increasing welfare concerns for our older population⁹.

Monash support services are relying on services such as Foodbank to assist with the increasing demands for assistance. Food Bank Victoria has been operating for over 90 years collecting surplus food across Victoria and delivering it to over 100,000 Australians through charities and schools around the country¹⁰. In recent years demand continues to increase with an 8% increase in 2015/16 and a 10% increase last financial year¹¹. Whilst the Federal Government reversed its decision last year to reduce funding, Foodbank funding has been cut by the federal Government twice since 2014¹².

Foodbank also identifies that there is an overall misconception about which Australians are accessing support. They have identified that it is not just for natural disasters, the homeless, individuals and families on benefits. It is significantly further reaching than many people know, affecting a broad range of Australians who are frequently working¹³. Foodbank identify the common reasons for people seeking food relief is directly related to living very close to the poverty line and their inability to overcome unexpected but normal living expenses, such as car repairs, medical cost and increasing utility bills¹⁴. This is consistent with what Monash agencies are identifying.

PROPOSAL

Given the above, I propose that a motion be put forward to the Municipal Association of Victoria requesting advocacy for a greater commitment from the State and Federal Governments to address the increased demand from community members seeking financial and material aid.

CONSULTATION

The Monash Homelessness Network were consulted about the data and their experiences providing material aid. Advice was also sought from Council officers in the Children, Youth and Family services team.

ATTACHMENTS

References

MAV State Council Motion

Officer Response to NOM

References

¹ https://www.acoss.org.au/media_release/myefo-another-fairness-failure-by-the-morrison-government/

2-3. In partnership with the University of NSW, ACOSS released the [2018 Poverty in Australia](#) report on Tuesday 16 October 2018.

4. <https://www.humanservices.gov.au/individuals/services/centrelink/age-pension/eligibility/payment-rates>

⁵ https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/BriefingBook45p/HousingAffordability

⁷ <https://grattan.edu.au/report/mostly-working/>

¹⁰. <http://chp.org.au/wp-content/uploads/2019/01/Homelessness-and-older-people-fact-sheet.pdf>

¹¹. <http://www.abs.gov.au/ausstats/abs@.nsf/mf/2049.0>

^{12.-13}. <https://www.foodbankvictoria.org.au/who-we-are/>

¹⁴. <https://www.theguardian.com/australia-news/2018/nov/12/coalition-cuts-funding-for-foodbank-charity-by-323000-a-year>