

Australian welfare agencies unable to meet Christmas need for assistance

Our reporters

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In the lead-up to Christmas, many Australian charities have reported that the demand for their services has never been greater. By Christmas Day, tens of thousands of needy individuals and families are likely to have been turned away without help, some unable to obtain shelter, let alone food, gifts and the other trimmings traditionally associated with the festive season.

At the end of November, charities in the state of Victoria alone still needed to raise almost \$7 million in donations and 400,000 food and toy parcels. "I can't imagine us having enough money to meet the needs of people who come to us this Christmas," Father Nic Frances, executive director of the Brotherhood of St Laurence told the media. "We won't even have enough to get to all the worst cases."

The situation in the most populous state, New South Wales, was just as bleak. Gail Shanahan, the manager of Sydney City Mission's Donated Goods Centre, said the centre had never experienced such an extreme shortage at Christmas. "If things continue the way they are at the moment, the children using Mission Australia's family and community centres at Campbelltown, Green Valley and Mount Druitt will go without a single gift this Christmas—we're in a desperate state."

While the charities differed as to the cause of the crisis, the consensus was that there had been a considerable increase in demand over the past 12 months. Anglicare, an Anglican Church welfare agency, reported a 20 percent increase in requests for emergency assistance throughout the year. The Christmas period has simply made the level of need more visible. A spokesman for the Society of St Vincent de Paul said requests for material aid such as food, furniture, bedding and cash to pay utility bills generally doubled in the month before Christmas.

Mike Bruce of the Smith Family pointed to growing social polarisation, with those who have grown wealthy in recent years displaying a reluctance to assist the poor. "I think it's safe to say that the rate of donations from the community, while it's grown, hasn't kept pace with that increase in personal wealth."

John Dalziel, a Salvation Army spokesman also pointed to the gulf between rich and poor. A decade of economic growth had disguised the social gap, he said, but the demand for help over Christmas had continued to rise. He referred to two additional problems. Welfare agencies were ill equipped to help the mentally ill, who were previously cared for in institutions. And greater gambling addiction meant people losing "the house, the car, the furniture, the family, everything."

Some agencies have criticised the Howard government's welfare policies for cutting people off benefits and shifting the burden back onto charities. The Society of St Vincent de Paul recently accused the government of "divesting" its responsibility to "look after the less well off in society". It called on the government to drop its punitive treatment of people who "breached" social security rules, saying this was exacerbating poverty. The Salvation Army and Anglicare said the government had created "a revolving door charity operation" where welfare recipients were cut off benefits and then sent to the charities for help.

According to the government's own figures, its welfare office Centrelink referred 170,000 people to charities in the past year alone. Over the same period, 250,000 people had their payments reduced or cancelled for failing work or other activity tests.

Research commissioned by the Smith Family pointed to another major factor—the growth in the number of "working poor"—those families where one or more person is working but their wages are below the poverty line. The report, *Financial Disadvantage in Australia*, produced by the National Centre for Social and Economic Modelling in November, said some 42 percent of the 2.4 million Australian living in poverty belonged to families where one or both parents were working.

"Having a job is no longer as much of a guarantee against poverty as in the past. With the rise of part-time and casual employment and falling earnings for the lowest paid sections of the labour force, employment is a less effective passport [from poverty] than 20 years ago," it said. "Australian poverty is not about elderly poor pensioners (only 9 percent of the poor were over 65), but is a picture of working age poor, with acute poverty levels for people under 21 not living at home.

Such conditions are the product of two inter-related processes over the past two decades. Successive governments, Labor and Liberal, have introduced increasingly draconian work and income tests for unemployment and other welfare benefits, forcing the jobless into poorly-paid work, often casual or part-time with no security and few basic rights. This has allowed employers to drive down wages and conditions more generally, particularly for the most vulnerable unskilled or semi-skilled sections of the working class.

Both major trends—people being cut off benefits and the employers driving down wages to poverty levels—were evident when reporters from the *World Socialist Web Site* visited the Exodus Foundation in Ashfield, an inner Sydney suburb. Its

Loaves and Fishes Restaurant serves between 120 and 350 meals per day six days a week. It also provides food parcels, financial assistance, a medical clinic, counseling, and a tutorial centre for children with literacy problems and other services.

The centre receives only 1 to 2 percent of its budget from government sources—it raises around \$2 million per year in donations. It employs six or seven staff, including a chef, but mainly relies on some 300 volunteers.

We asked Uniting Church Minister Bill Crews, who established the service in 1989, about the emergence of the working poor. “We get a lot of them,” he said. “A year or so ago both parents may have had full-time jobs; now they’re working part-time and on call. A lot of people are thinking: if things are so good why am I struggling? Everything changed with the last recession. The children are a real concern. We get whole tables of children on Saturdays.”

A former mental health worker who has been working at Exodus for one and a half years said she had heard some “horrific stories” from people coming for help. Much of her work consisted of “acting as an advocate with the bureaucracy”—particularly intervening on people’s behalf with Centrelink and trying to deal with “all the barriers from all the government services”.

She related two recent cases where Centrelink had “breached” people, forcing them to approach Exodus for help. Centrelink had cut payments to a young mother with three small children because she hadn’t responded to a letter after changing her address. A young worker from New Zealand had been cut off assistance and had been living on the streets for two months.

Recently she gave a food parcel to a woman with a 12-year-old child who had been laid off work leading up to Christmas. Centrelink had sent her to the Salvation Army for money. Another woman had been on the state government “priority housing” list for six months and was now living in a car, while her mother looked after her 12-month-old baby.

The Exodus volunteer was particularly concerned about women who became homeless or were forced to live in boarding houses. Their lives were “unbelievable”—they were subjected to repeated sexual abuse and violence. Twenty percent of those seen by Exodus were women.

She said the disappearance of casual jobs following the Sydney Olympics had proved disastrous for many unskilled workers, who previously were able to find labouring work. City Casuals, an agency specialising in casual day labour, could only accommodate a quarter of those applying for jobs.

Not everyone who had lunch at the Loaves and Fishes Restaurant was homeless or destitute. Many were on pensions or other welfare payments, yet had to rely on the free meals to get by.

Les, 52, worked at the Maritime Services Board until he was laid off in the 1970s. He has been coming to Exodus for 12 months and sometimes helps out by taking people in until they find somewhere to live. “I know how hard it is...Without a place like this I’d have \$4 a day left after bills. Welfare is not really enough but I make do. I’m on the Newstart allowance so I’m on half-fare on public transport, but if I catch three buses a day it gets very expensive.”

Steve, a pensioner who has been coming to Exodus for three or four years, used to work as a cocktail barman. The previous week

Centrelink had reduced his fortnightly payment by \$211. Officials had been unable to give him a reason for the reduction but had assured him that the following payment would be correct. Steve said he knew of others whose payments had been cut. A friend was receiving only \$98 per fortnight. Referring to what the government was saving on welfare payments, he said: “All they’re probably doing is paying Rose Hancock’s [a wealthy socialite] bill. What she spends in a day, we’d spend in a year.”

George had been coming to Exodus for about a year. A government bus driver for 24 years, he was made redundant in 1992 after suffering a brain hemorrhage six years earlier. Referring to the other diners, he said: “There’s a reason why they come here... it’s not their choice. My pension day is not till next week... so this week I come here. I don’t believe unemployment has come down—the government has got them working for the dole so that comes off their list of unemployed. It’s just that the government has staggered the figures to make it look good.”

He denounced the Howard government’s plan to force disabled pensioners to work. “It’s ridiculous. I’m 63 and I’m a disability pensioner—I’ve got wasting of muscles through the left side. I’ve got no vision in my right eye—that’s why I stopped driving. And I’ve got high blood pressure. How are they going to find me a job? I can’t do labouring, I’m not clerically minded—so what sort of work can I do?”

George condemned the government’s agenda. “The government wants to take away their dignity... they can’t live on what they’re getting now and now he [Prime Minister John Howard] wants to take it off them. He wants to tell me to go down to the park and to pick up papers or something.”

As George’s comment suggests, the government is deliberately creating the most degrading conditions for welfare recipients in order to drive thousands more off welfare and into demeaning low-paid work. The inability of welfare agencies to meet the growing needs that have emerged this Christmas is a symptom of the deeper social crisis that this program is creating.



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