

Australian reports reveal deepening impoverishment in COVID disaster

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Locked out in lockdown, a report published by Australian Council of Social Services (ACOSS) last month indicated a dramatic increase in social and financial distress for working-class households during the COVID-19 pandemic.

Of the participants in the ACOSS survey of people trying to survive on government income support payments, almost everyone (96 percent) said they were struggling with basic living costs such as rent, food, utilities and health care.

Approximately 41.5 percent of respondents indicated that they were at risk of becoming homeless, above all because of the stratospheric housing costs. All the respondents said their rent payments took most of their income. Some even indicated that their rent exceeded their total income support payments.

Many reported that they had been homeless during pandemic “stay-at-home” restrictions and were forced to couch-surf with friends or move back to their parents’ homes, despite some being parents themselves.

This was before the Liberal-National Coalition government began to cut the already inadequate support payments in order to force workers into low-paid insecure work and unsafe conditions, with workplace infections still rampant.

Treasurer Josh Frydenberg last month announced that the government would end COVID Disaster Payments for people who lost paid work during “lockdowns.” The payments were always measly, at \$750 a week for those who had lost more than 20 hours of work a week, \$450 for people whose shifts were cut by 8-20 hours, and \$200 for anyone who lost more than 8 hours but received other federal income support.

This cut-off will deepen the impoverishment of broad sections of the working class. Many unemployed

people who receive income support payments like JobSeeker, Youth Allowance and Parenting Payments have already been excluded for months from the COVID Disaster Payments.

The ACOSS report documented the experiences of 213 people between August 3 and September 14 in New South Wales (NSW), Victoria and the Australian Capital Territory (ACT), which have experienced the longest partial lockdowns since June.

There were almost one million people still locked down receiving unemployment and other income support payments. The most common payment, JobSeeker, is just \$44 a day. Despite a \$25 increase in weekly payments in April, the benefit is still \$160 below the poverty line per week.

As of September 12, just 152,000 people receiving income support payments had been granted the \$200 per week COVID Disaster top-up. That was only 16 percent of people receiving the support payments in locked-down areas. In other words, around 800,000 people on the lowest incomes did not qualify for any disaster support at all.

One man from NSW told ACOSS: “Rent takes up about 50 percent of my payment including rent assistance. I am eating once a day because that’s all I can afford. I always run out of money before the fortnight is up so I can’t save even a single cent. JobSeeker is far too low to live on and although they say it isn’t meant to be lived on long term, the reality is that for many of us it is a long-term thing.”

Significantly, four in ten respondents said they felt unsafe during lockdowns, saying they were at risk of catching COVID from living in boarding houses or shared accommodation. One reported “being broke, I live with housemates,” explaining: “They both work in high-risk environments, one as a support worker and

the other at a supermarket. The support worker was recently at a close contact site and has had to get tested and isolate. The supermarket worker has also been near a close contact, and also has had to get tested and isolate. I'm terrified of getting COVID despite mostly staying at home, even before the lockdown."

According to the Tenants Union of NSW 2021 rent tracker, the median rent for a unit in Greater Sydney is \$495 per week. Even with the maximum rate of Rent Assistance (\$70 per week), the income of a single person on JobSeeker is \$385 per week.

Those who are studying and subsist on Youth Allowance and Austudy payments are in an even worse position. Jade, a hospitality worker who lost her job when lockdowns began, told ACOSS: "After \$280 rent I have about \$40 a week to survive. This barely covers the cost of groceries. On top of that I have medical bills, phone bills, utility bills, car payments and so on. I also resume uni classes soon and will need textbooks, stationery supplies etc., and the costs of transport/parking. This is simply impossible on Youth Allowance alone."

A recent report by Deakin University researcher Fiona McKay found food relief centres in Geelong and the Surf Coast, west of Melbourne, received fewer food donations, yet demand had increased by at least 50 percent. Chief executive Collin Peebles of Geelong Food Relief said his service had to help feed more than 23,000 families this financial year.

A previous ACOSS report released in July showed that online searches in NSW for emergency relief services increased by over 800 percent from June 26 to July 14. Foodbank, a food relief charity, had a backlog of over 10,000 food relief requests as of July 19 in NSW and the ACT.

Like their counterparts around the world, the Australian federal and state governments, Labor and Liberal-National alike, are abandoning all measures to stop the spread of the pandemic, acting in line with corporate interests. This will guarantee further infections, serious illness and deaths.

The plans to fully reopen the economy fly in the face of the scientific advice of epidemiologists to take the measures necessary to eradicate the pandemic. These measures must include full income payments for all those unable to work during lockdowns and financial support for affected small businesses, funded from the

wealth accumulated by the corporate elite.



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