



FAILURE TO 'RAISE THE RATE' COULD ENTRENCH DISADVANTAGE

16 February 2021

Catholic Social Services Australia CEO Ursula Stephens says the failure to retain the higher Jobseeker rate provided during the pandemic will create financial pressure on families that could last for generations.

"In a matter of weeks, people forced to rely on unemployment benefits during the COVID-19 crisis will be plunged into poverty as the JobSeeker payment falls back down to an unlivable \$40 a day", said Dr Stephens.

"The evidence is clear: the original rate of JobSeeker is a barrier to work. Constantly struggling to pay rent and buy food, let alone health or dental care, makes it hard to look for and interview well for a job.

"An inadequate unemployment payment, combined with an incredibly tough full-time job market, will see many families and young people face a prolonged period of poverty.

"Many won't recover, further entrenching disadvantage."

The recently-published CSSA report [Strong Economy, Stronger Australia](#) argues that a post-pandemic economic recovery cannot proceed by withdrawing support from people in an environment of high unemployment and under-employment, job insecurity and slow wage growth.

Creating significant employment through investment in the community health, aged and disability care sectors is the path forward, the report proposes.

"Wouldn't it be amazing to enable people otherwise trapped in a cycle of unemployment to study and work in steady employment that benefits the community," said Dr Stephens.

CSSA's push for full employment, where everyone has access to a job with sufficient hours and pay to live with dignity, does not alleviate the need for an adequate rate of JobSeeker, youth allowance and related payments, Dr Stephens explained.

"There is no avoiding the fact that we are always going to need a decent safety net for those who, for whatever reason, cannot work," she said.

"As a first step, the Government needs to listen to front-line social service workers and raise the rate of unemployment benefits to the levels that allowed so many people to live with dignity during the pandemic.

"Second, we call on the Government to reform Australia's welfare system through the establishment of an expert review panel to examine and make recommendations on the adequacy of all welfare payment rates.

"The expert panel should also recommend indexing the payments so people won't just fall behind again in the future," Dr Stephens concluded.

Media Contact: Gavin Abraham | 0408 825 788