



2023 Cost of Living Report

The gendered nature of cost of living for low-income households in Canberra

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About ACTCOSS

ACTCOSS acknowledges Canberra has been built on the land of the Ngunnawal people. We pay respects to their Elders and recognise the strength and resilience of Aboriginal and/or Torres Strait Islander peoples. We celebrate Aboriginal and/or Torres Strait Islander cultures and ongoing contributions to the ACT community.

The ACT Council of Social Service Inc. (ACTCOSS) advocates for social justice in the ACT and represents not-for-profit community organisations.

ACTCOSS is a member of the nationwide COSS Network, made up of each of the state and territory Councils and the national body, the Australian Council of Social Service (ACOSS).

ACTCOSS's vision is for Canberra to be a just, safe and sustainable community in which everyone has the opportunity for self-determination and a fair share of resources and services.

The membership of the Council includes the majority of community-based service providers in the social welfare area, a range of community associations and networks, self-help and consumer groups and interested individuals.

ACTCOSS advises that this document may be publicly distributed, including by placing a copy on our website.

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Acronyms and Abbreviations

ABS	Australian Bureau of Statistics
ACOSS	Australian Council of Social Service
ACSS	Australian Community Sector Survey
ACT	Australian Capital Territory
ACTCOSS	ACT Council of Social Service Inc.
AHURI	Australian Housing and Urban Research Institute
CALD	Culturally and Linguistically Diverse
CIT	Canberra Institute of Technology
CPI	Consumer Price Index
CRA	Commonwealth Rent Assistance
CYPS	Child and Youth Protection Services
DFV	Domestic and Family Violence
FTBA	Family Tax Benefit Part A
GDP	Gross Domestic Product
GST	Goods and Services Tax
HES	Household Expenditure Survey
ICRC	Independent Competition and Regulatory Commission
IGPA	Institute for Governance and Policy Analysis
ISSG	Industry Strategy Steering Group
LCI	Living Cost Index
LGBTQIA+	Lesbian, Gay, Bisexual, Trans, Queer, Intersex, Asexual & others
NATSEM	National Centre for Social and Economic Modelling
n.e.c.	not elsewhere classified
PBLCI	Pensioner and Beneficiary Living Cost Index
RBA	Reserve Bank of Australia
ROGS	Report on Government Services
SLCI	Selected Living Cost Indexes



Executive Summary

The ACT is experiencing a cost of living crisis. Over the past five years events such as the Black Summer bushfires, COVID-19 pandemic, 2022 Eastern Australia floods, interest rate rises and the war in Ukraine have had historic impacts on the costs of essential goods and services. Despite high average wages, Canberra continues to have the most expensive overall median rent prices and is the least affordable jurisdiction in the country for people on low incomes.¹

This report highlights the key areas where the cost of living for low-income households increased over the past 12 months and over the last five years. It examines how changes in these costs have tracked with changes in income over the past year. Over the past five years, Canberra has seen significant price increases for automotive fuel (37%), transport (23%), electricity (25%), medical and hospital services (19%), housing (21%), education (20%) and food (18%). These are key essential goods and services where price increases will have had a disproportionate impact on low-income households in the ACT.

Alongside these price rises, the community sector has seen a significant increase in demand and complexity of need amongst the people it serves, with more people in full-time employment seeking support to make ends meet. Housing, cost of living and mental health are the top concerns driving people to seek support. Without sufficient and sustainable funding, the sector cannot provide the services people need.

In this year's report, ACTCOSS examines the impacts of poverty and inequality on women in the ACT. Women are more likely to experience unemployment and to rely on income support payments. During the COVID pandemic, women in Australia were more likely to lose work and experience an increase in unpaid and care work.² Rates of family, domestic and sexual violence also increased throughout the pandemic, with a lasting and serious impact on women's experiences of poverty and inequality.³

Women's economic participation is a key focus for both levels of government. The ACT has introduced legislation addressing period poverty and providing free abortion services in the Territory. The Third Action Plan for the ACT Women's Plan 2016-26 targets health and wellbeing, safety and inclusion, leadership and workforce participation, housing and homelessness and appropriate and accessible services. The Commonwealth Government has also committed to addressing gender inequality by abolishing the Parents Next program and by expanding parental leave entitlements. ACTCOSS urges both levels of government to ensure the impacts of poverty and inequality remain central to all policy decisions relating to gender equality.

¹ SGS Economics & Planning (SGSEP), [Rental Affordability Index](#), SGSEP, 2022.

² D Wood, K Griffiths and T Crowley, [Women's work: The impact of the COVID crisis on Australian women](#), The Grattan Institute, 2021.

³ H Boxhall, A Morgan and R Brown, [The prevalence of domestic violence among women during the COVID-19 pandemic](#), *Statistical Bulletin no. 28*, Australian Institute of Criminology, Australian Government, 2020.



Summary of Recommendations

To alleviate cost of living pressures in the ACT, ACTCOSS calls on the ACT Government to:

1. Provide Targeted Assistance

- Review and update the Targeted Assistance Strategy to ensure concessions are adequate and targeted to need.
- Expand eligibility and accessibility of concessions with a particular focus on those in the bottom two quintiles and in partnership with community sector organisations.
- Trial free public transport and analyse the costs, benefits and distributional impact.
- Introduce an income-based approach to ACT Government fines, fees and other charges.
- Review and reform utilities concessions. Implement percentage-based concessions.
- Invest in a just energy transition.
 - Expand eligibility for the Home Energy Support Program and Sustainable Household Scheme.
 - Ensure social housing tenants are supported on the pathway to electrification.
 - Incentivise landlords to ensure rental properties are energy efficient.

2. Expand Social and Affordable Housing

- Set a target of zero homelessness as everyone has the right to a home.
- Fund and support an Aboriginal and/or Torres Strait Islander community-controlled housing provider.
- Expand investment and resourcing of community housing providers and affordable build-to-rent programs through access to and release of affordable land, rezoning and rates exemptions.
- Fund a fully independent outcome and impact evaluation of the ACT Housing Strategy to ensure baseline figures, clear targets, achievements and overall housing stock levels for social housing and affordable rentals are clearly reported on a regular basis and identify opportunities to increase housing supply.
- Meet land release targets and reassess share released for social housing, especially community housing, versus affordable housing.
- Maintain complete and ongoing funding for the Rent Remittance model for social housing providers.
- Improve housing responses for LGBTQIA+ Canberrans including: a LGBTQIA+ housing strategy, a trauma informed homelessness and housing support service and funding for ongoing LGBTQIA+ awareness training for housing and homelessness services.
- Fund a disability housing advisory and advocacy service.
- Fund provisions for specialist homelessness services including data collection capacity, and auditing accessibility of existing accommodation for people with disability.

3. Fund the Community Sector

- Ensure commissioning processes respond to increased demand and complexity of need across all directorates.



- Increase sector funding to cover all costs including staffing, engagement in commissioning, advocacy and monitoring and evaluation.
- Review and address ageing community facilities to allow delivery and continuity of services with dignity to vulnerable clients.
- Ensure annually renewed contracts and grants are indexed adequately.
- Work with the community sector through the Industry Strategy Steering Group (ISSG) to develop a workforce strategy and career pathways to recruit and retain staff, as outlined in the April 2019 Workforce Data and Community Needs Analysis.
- Increase funding to facilitate community connection initiatives and employ dedicated community development staffing across all regions.
- Renew the ACT Volunteering Strategy.

4. Ensure affordable and accessible healthcare

- Provide targeted, affordable, and accessible primary healthcare.
- Prioritise investment in early intervention and disease prevention for people on low-incomes and Aboriginal and/or Torres Strait Islander people
- Fully fund the ACT Drug Strategy Action Plan
- Invest in community-based responses for people with co-occurring mental ill-health and alcohol and drug use, including residential rehabilitation and day programs
- Make permanent and continue to fund the CanTEST Health and Drug Checking Service
- Develop a sexual and reproductive health strategy based on lived experience, including communications about how people can access free abortions and reproductive healthcare
- Provide subsidised health services for women and people who have experienced sexual violence
- Fund dementia specific support services, including diagnosis, education, counselling, housing, support groups and respite programs.

To alleviate cost of living pressures in the ACT, ACTCOSS joins ACOSS and calls on the Commonwealth Government to:

5. Raise the Rate

- Raise the rate of income support payments to at least \$76 a day, in line with the Age Pension.
- Index payments in line with wages as well as prices, to ensure that they maintain pace with community living standards over time.
- In addition to the base rate increase, there should be supplementary payments paid to people with disability and illness and single parents that reflect the additional costs they face.
- Increase Commonwealth Rent Assistance by at least 50%.

6. Tackle inflation holistically

- To tackle inflation, instead of relying solely on interest rate rises, governments should take measures to better regulate the rental market and lower the costs of healthcare and energy.



Introduction

The Australian Capital Territory (ACT) is experiencing a cost of living crisis. Over the past five years events such as the Black Summer bushfires, COVID-19 pandemic, 2022 Eastern Australia floods and the war in Ukraine have had historic impacts on the costs of essential goods and services. Consumer Price Index (CPI) increases, and cost of living unaffordability have worsened throughout the past year. From April 2022 to April 2023, CPI rose by 7% nationally and 7.1% in the ACT.⁴ Canberra continues to have the most expensive overall median rent prices⁵ and is the least affordable jurisdiction in the country for people on low incomes.⁶

Many of the recommendations we make in this report are also included in our submissions to the [ACT Cost of Living Inquiry](#), the Commonwealth Cost of Living Inquiry, and the [Inquiry into the Nature and Extent of Poverty in Australia](#) and drawn from consultation with member organisations.

The first part of this report tracks changes in the costs of essential goods and services in the ACT over the past one and five years, in line with each of the previous ACTCOSS Cost of Living reports. We highlight the key areas where the cost of living for low-income households increased and how changes in these costs have tracked with changes in income over the past year. In doing so, this report aims to identify areas where greater and more targeted support is needed from both the ACT and Commonwealth Governments to reduce poverty and inequality in our community, and to ease the cost of living pressures experienced by low-income households.

Unsurprisingly, the availability of affordable and accessible housing remains a top stressor for people in the bottom two quintiles in the ACT. Almost 90% of Canberra is either gentrified or at risk of being gentrified, meaning it is only affordable to the most wealthy.⁷ The [2023 Anglicare Rental Affordability Snapshot](#) found that on 17 March 2023 only one (1) rental property in the ACT was affordable for a couple with two children on minimum wage. Only two (2) rental properties were affordable for a single person on minimum wage. For those on the Disability Support Pension, JobSeeker, Youth Allowance or other payment types, no rental properties in the ACT were found to be affordable.

Over half of Commonwealth Rent Assistance (CRA) recipients in the ACT and over 60% of private renters in the ACT experienced rental stress in 2022 (paying more than 30% of their income on rent).⁸ Furthermore, Canberrans have been subject to

⁴ Australian Bureau of Statistics (ABS), [Consumer Price Index, Australia, March Quarter 2023](#), ABS website, 2023.

⁵ N Field, [Most affordable \(and expensive\) capital cities for rent in Australia](#), Canstar website, 2023.

⁶ SGSEP, [Rental Affordability Index](#).

⁷ J Nicholas, [‘How gentrified is your postcode? Search our map of Australia’s capital cities’](#), *The Guardian*, 8 June 2023.

⁸ Productivity Commission, [Report on Government Services 2023, Part G, Section 19 Homelessness services](#), Productivity Commission, Australian Government, 2023.



back-to-back interest rate rises for over a year. The Reserve Bank of Australia (RBA) has raised interest rates 12 times since April 2022.⁹ The cash rate is now at its highest rate in over ten years and even many homeowners are also struggling. The upcoming Stage Three Tax Cuts will make wealth inequality worse, exacerbating the difference between those with the most and those with the least.¹⁰

More and more people, including people in full time work, are experiencing hardship for the first time.¹¹ The [Priced Out](#) report by Everybody's Home shows that many essential workers in the ACT are paying more than half of their income on rent. Aged care and childcare workers are paying up to 78% of their income on housing, with nurses and teachers paying 70% and 57% respectively. Notably, many essential workers are employed within the community sector, and many are in female-dominated occupations.

Commonwealth income support payments were indexed on 20 March 2023. However, the average increase was under \$2 a day.¹² For Canberrans on Commonwealth income support payments their level of income below the poverty line means they are unable to afford the fundamentals of a healthy life including housing, food, transport, healthcare, and utilities. Additionally, in the past five years Canberra has seen some of the largest increases in the prices of essential goods and services in over two decades as detailed in the [ACTCOSS 2022 Cost of Living Report](#).

These large price increases have placed a disproportionate burden on low-income households and the ACT community service sector has experienced a significant increase in demand for their services. According to the [2022 Australian Community Sector Survey](#) (ACSS) and ACOSS' [At the Precipice](#) report more than half (56%) of ACT community sector staff reported that in 2022, levels of poverty and disadvantage had increased among the groups they support. Cost of living pressures (66%), housing and homelessness (61%) and lack of mental health support (60%) were among the top challenges affecting the people and communities our organisations support. More than two thirds of participants reported that levels of demand for their main service increased (67%) and that there was growing complexity of need among service users (69%) during 2022. Concerningly, only 4% of organisations were always able to meet the level of demand, and almost half of participants (47%) noted an increase in the number of clients that they could not support in their services. Almost half of organisations (43%) experienced increased wait times over the last year.

⁹ Reserve Bank of Australia (RBA), [Cash Rate Target](#), RBA website, 2023.

¹⁰ M Grundnoff and P Arya, [Divided nation: The Stage 3 tax cuts broken down by city and country electorates](#), The Australia Institute, 2023.

¹¹ N Fuller, '[ACTCOSS: Community sector cannot meet demand](#)', *Canberra Weekly*, 20 April 2023; L Tindale, '[Canberra community sector workers struggle in expensive city, ACT Council of Social Service says](#)', *The Canberra Times*, 20 April 2023.

¹² V Winter, '[Multiple Centrelink payments are increasing today. Here's which ones are going up and by how much](#)', *ABC News*, 20 March 2023.



In this year's report, ACTCOSS examines the impacts of poverty and inequality on women in the ACT. All people can be and are affected by poverty and the cost of living, but women experience poverty and are affected by the ACT's high cost of living in unique and specific ways. Women are more likely to experience unemployment and to rely on income support payments. During the COVID-19 pandemic, women in Australia were more likely to lose work and the loss of childcare led to a big rise in unpaid and care work.¹³ Rates of family, domestic and sexual violence also increased throughout the pandemic, with a lasting and serious impact on women's experiences of poverty and inequality.¹⁴ Single mothers, domestic and family violence victim-survivors, disabled, older and LGBTQIA+ women and other marginalised women are far more likely to be struggling with living costs.

Women's economic participation is a key focus for both levels of government. The ACT has introduced legislation addressing period poverty and providing free abortion services in the Territory. The Third Action Plan for the ACT Women's Plan 2016-26 targets health and wellbeing, safety and inclusion, leadership and workforce participation, housing and homelessness and appropriate and accessible services. The Commonwealth Government has also committed to addressing gender inequality by abolishing the harmful Parents Next program and by expanding parental leave entitlements. ACTCOSS urges both levels of government to ensure the impacts of poverty and inequality remain central to all policy decisions relating to gender equality.

Changes in Prices of Key Goods and Services: Consumer Price Index

Low-income households spend a greater proportion of their income on essential goods and services compared to middle- and high-income households. As a result, changes in the prices of essential or non-discretionary goods and services have a disproportionate impact on low-income households. In tracking changes in the cost of living it is also important to consider the proportion of household income typically spent on different goods and services by low-income households.¹⁵ The [2022 ACT Cost of Living report](#) found that housing, food, and transport are the top three areas of expenditure, accounting for over half (55.1%) of expenditure for ACT households in the lowest income quintile.

From December 2021 to December 2022, Canberra's CPI rose 7.1% (Table 1).¹⁶ Over the past five years, Canberra's CPI has also increased at a rate above the national CPI – 17.5% compared to 16.6%. Between December 2017 and December

¹³ D Wood, K Griffiths and T Crowley, *Women's work: The impact of the COVID crisis on Australian women*.

¹⁴ H Boxhall, A Morgan and R Brown, *The prevalence of domestic violence among women during the COVID-19 pandemic*.

¹⁵ Low-income households are generally defined as those in the first and second income quintiles, or the bottom 40% of the income distribution.

¹⁶ ABS, [Consumer Price Index, Australia, December Quarter 2022](#), ABS website, 2023.



2022, Canberra has experienced significant increases in prices for automotive fuel (37%), transport (23%), electricity (25%), medical and hospital services (19%), housing (21%), education (20%) and food (18%), which all rose at a rate above the overall CPI. These are key essential goods and services where price increases will have had a disproportionate impact on low-income households in the ACT (Figure 3).

In the last year, from December 2021 – December 2022 there were some notable groups and sub-groups where the CPI in Canberra was higher than for Australia, such as rents (6% in Canberra compared to 4% nationally) and childcare (3% compared to -2% nationally) (Figure 1 and Figure 2). In the five years to December 2022, CPI in Canberra was higher than the national average for housing (21% compared to 16%), rents (17% compared to 4%), property rates and charges (31% compared to 14%), utilities (14% compared to 6%), electricity (25% compared to 2%) and education (20% compared to 14%).

The ABS releases updated CPI figures every three months. Since December 2022 the prices of most of these essential goods and services have risen even higher. The March 2023 CPI saw the third highest quarterly and annual price rises in 20 years. Canberra’s overall CPI rose by a further 1.4% between December 2022 and March 2023, and by 6.2% over the 12 months from March 2022 to March 2023. The ABS notes that medical and hospital services, tertiary education, and gas and other household fuels were the main contributors to this further increase in Canberra prices between December 2022 and March 2023.¹⁷

Table 1: CPI changes for key household expenditure areas, Canberra and Australia, Dec 2021 – Dec 2022 and Dec 2017 – Dec 2022

Cost of Living Area	Canberra CPI Change (%) - Dec 21-Dec 22	Australia CPI Change (%) - Dec 21-Dec 22	Canberra CPI Change (%) - Dec 17-Dec 22	Australia CPI Change (%) - Dec 17-Dec 22
Food & Non-Alcoholic Beverages	8.6	9.2	17.6	18.5
- Bread & cereal products	12.2	12.2	18.7	19.4
- Meat & seafood	8.5	8.2	24.2	24.8
- Dairy & related products	14.3	14.9	25	26.4
- Fruit & vegetables	8.3	8.5	16	16.7
- Food products n.e.c.	10.7	11	15.2	15.9
- Non-alcoholic beverages	9.7	10.5	17.6	17.3
- Meals out & takeaway	6.1	7.3	15.3	16.3
Alcohol & Tobacco	4.7	4.4	28.7	31.3
- Alcohol	4.8	4.1	13.8	11.1
- Tobacco	4.5	4.7	65.3	66.2
Clothing & Footwear	3.7	5.3	3.1	4.3

¹⁷ ABS, *Consumer Price Index, Australia, March Quarter 2023*.

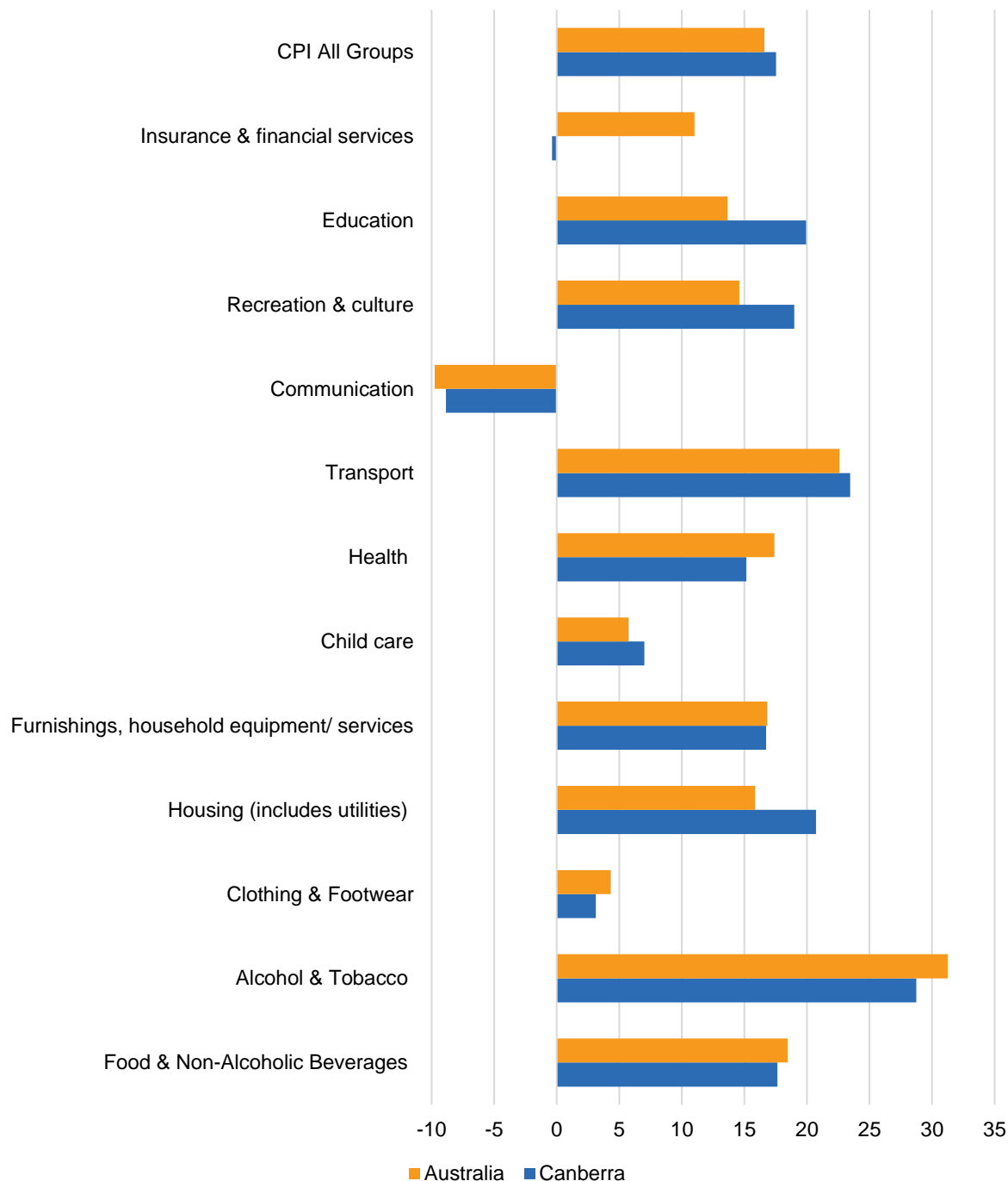


Cost of Living Area	Canberra CPI Change (%) - Dec 21-Dec 22	Australia CPI Change (%) - Dec 21-Dec 22	Canberra CPI Change (%) - Dec 17-Dec 22	Australia CPI Change (%) - Dec 17-Dec 22
Housing (includes utilities)	6.8	10.7	20.7	15.9
- Rents	6.0	4.0	17.3	3.7
- New dwelling purchase	9.2	17.8	24.6	30.7
- Property rates & charges	3.2	3.6	30.8	13.7
- Utilities	5.3	10.4	13.5	6.4
- Water & sewage	-3.7	0.5	-5.8	1.8
- Electricity	7.7	11.7	24.7	2.3
- Gas & other household fuels	6.6	17.4	12.2	22.8
Furnishings, household equipment/ services	8.4	8.4	16.7	16.8
Childcare	2.9	-2.0	7.0	5.8
Health	4.0	3.8	15.2	17.4
- Pharmaceutical products	2.2	2.5	6.8	6.9
- Therapeutic appliances	2.4	0.8	5.1	1.9
- Medical & hospital services	4.4	4.2	18.5	21.5
- Dental services	3.8	4.0	10.2	10.4
Transport	7.9	8.0	23.5	22.6
- Automotive fuel	12.1	13.2	36.9	36.9
- Public transport	0.7	1.8	4.4	6.9
Communication	1.4	1.3	-8.9	-9.8
- Telecommunication equipment & services	1.1	1.1	-10.8	-10.9
Recreation & culture	10.0	9.0	19.0	14.6
- Audio, visual, computing equipment	0.4	0.4	-12.1	-13.1
- Audio, visual, computing media & services	3.5	3.2	9.8	7.1
Education	5.8	4.6	19.9	13.7
Insurance & financial services	3.5	5.0	-0.4	11.0
- Insurance	2.7	6.3	10.6	16.9
CPI All Groups	7.1	7.8	17.5	16.6

Source: ABS, 'Table 10. CPI: Group, Sub-group and Expenditure Class, Percentage change from corresponding quarter of previous year by Capital City' and 'Table 11. CPI: Group, Sub-group and Expenditure Class, Percentage change from previous quarter by Capital City' [time series spreadsheets], [Consumer Price Index, Australia, Reference period December 2022](#), ABS, 2023.



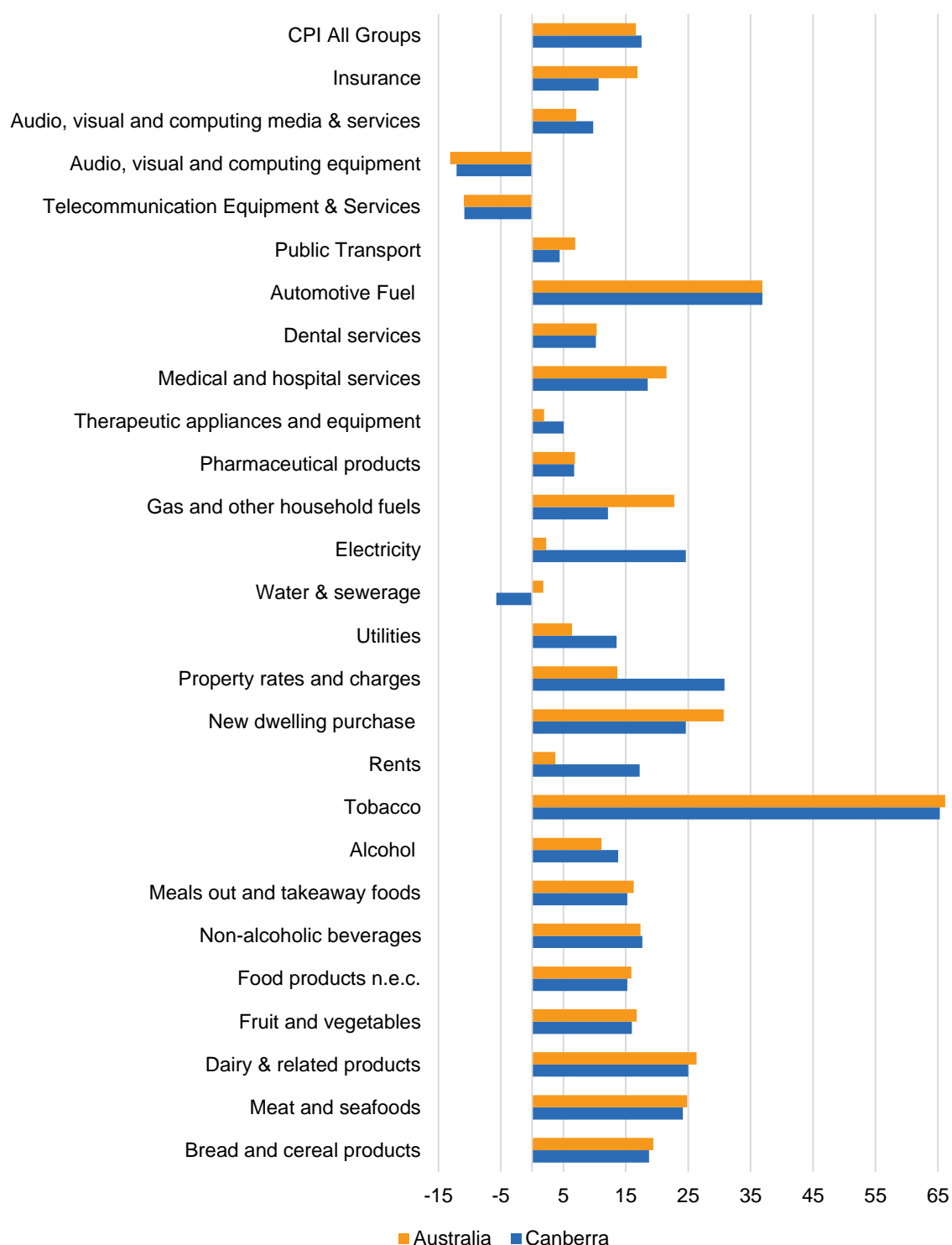
Figure 1: Change in CPI Groups and CPI All Groups, Canberra and Australia, December 2017 – December 2022



Source: ABS, 'Table 10. CPI: Group, Sub-group and Expenditure Class, Percentage change from corresponding quarter of previous year by Capital City' and 'Table 11. CPI: Group, Sub-group and Expenditure Class, Percentage change from previous quarter by Capital City' [time series spreadsheets], [Consumer Price Index, Australia, Reference period December 2022](#), ABS, 2023.



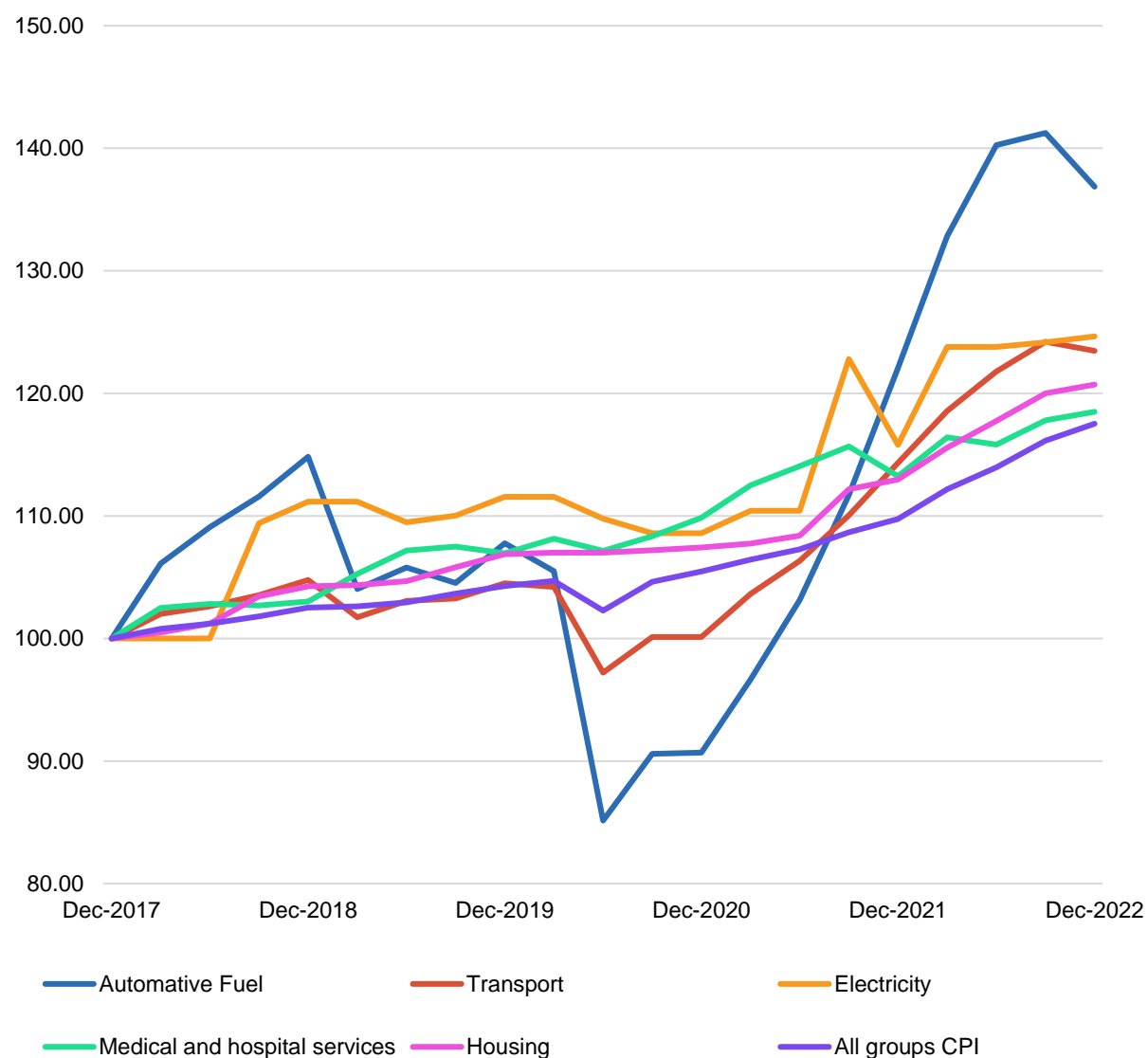
Figure 2: Change in CPI sub-groups and CPI All Groups, Canberra and Australia, December 2017 – December 2022



Source: ABS, 'Table 10. CPI: Group, Sub-group and Expenditure Class, Percentage change from corresponding quarter of previous year by Capital City' and 'Table 11. CPI: Group, Sub-group and Expenditure Class, Percentage change from previous quarter by Capital City' [time series spreadsheets], [Consumer Price Index, Australia, Reference period December 2022](#), ABS, 2023.



Figure 3: Indexed changes in CPI for key items with high rates of increase and All Groups CPI, Canberra, December 2017 – December 2022



Source: ABS, [Table 11. CPI: Group, Sub-group and Expenditure Class, Percentage change from previous quarter by Capital City](#), ABS website, reference period December Quarter 2022, 2023.

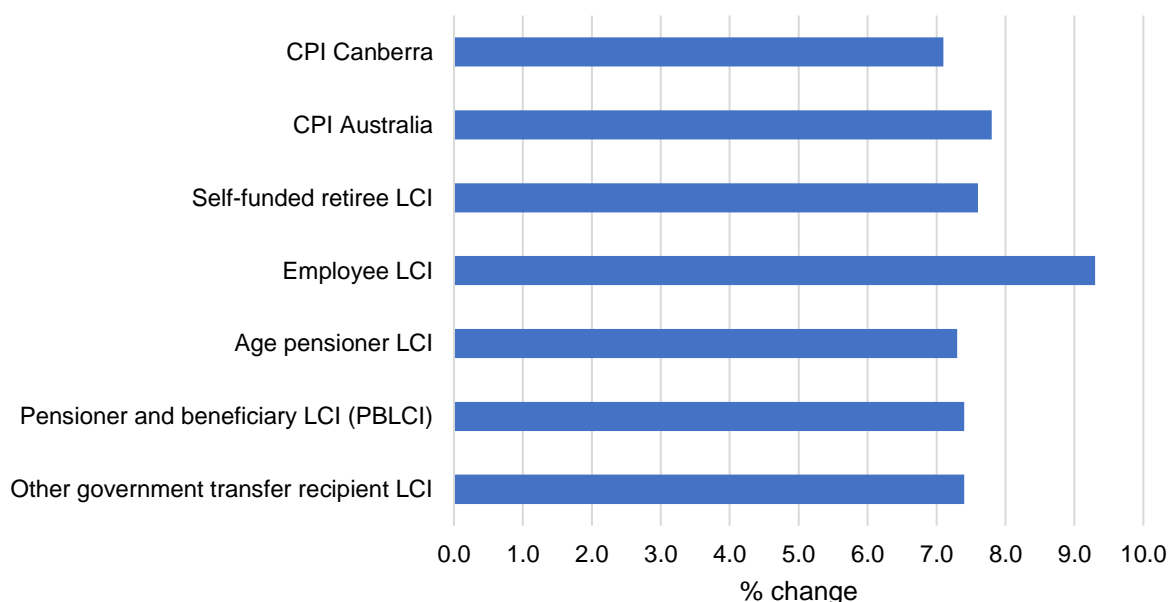


Changes in Cost of Living for Low-Income Households: Selected Living Costs Indices

The ABS Selected Living Cost Indexes (SLCI) measure the cost of various baskets of goods that are specific to a number of different household types – including ‘Age pensioner’ and ‘Other government transfer recipients’ (e.g., JobSeeker and Youth Allowance recipients), ‘Employee’, and ‘Self-funded retiree’ households. An examination of changes in SLCI is important for determining how well Australia’s income support system is doing in terms of helping people to keep up with rising living costs. The SLCI for age pensioner and other government transfer recipient households is more likely to reflect the changes in cost of living for low-income households in the ACT.

Each Living Cost Index (LCI) is measured at the national level. Unlike the CPI, the SLCI are not produced for each capital city, so this analysis is not specific to the ACT. The December 2022 SLCI shows that compared to increases in the CPI nationally (7.8%) and for the ACT (7.1%), increases in the SLCI were similar for pensioners (7.3%) and people receiving government support payments (7.4%) but were wide ranging from 9.3% for employee households to 7.3% for age pensioner households (Figure 4). These increases mean that living costs have reached the highest levels in two decades.¹⁸

Figure 4: Percentage change in CPI and Selected Living Cost Indexes, December 2021 – December 2022



Source: ABS, ‘Key statistics’ [percentage change in CPI and SLCI, Dec Qtr 2021 to Dec Qtr 2022], [Selected Living Cost Indexes, Australia, Reference period December 2022](#), ABS website, 2022.

¹⁸ ABS, [Selected Living Cost Indexes, Australia, December 2022](#), ABS website, 2023.



Changes in Income and the Poverty Gap

All government support payments are indexed twice a year in March and September in line with inflation. However, the last indexation in March 2023 meant that payments increased by around \$1.70 a day. Considering the high increase in prices, this change has not materially improved people's ability to access the goods and services needed for a healthy life and government support payments remain below the poverty line (Figure 5).

From December 2021 to December 2022 Jobseeker increased by \$20 for a single person without children and by \$31 for a single person with dependent children (Figure 7). Youth Allowance (other) was increased by \$9 during this period (Figure 7). This meant that in December 2022:

- A single person without children on Youth Allowance (other) had a weekly income \$220 below the poverty line of \$489 per week. This is an income 45% below the poverty line.
- A single person without children on JobSeeker had a weekly income \$150 (31%) below the poverty line of \$489 per week.
- A single parent with children on JobSeeker had a weekly income \$129 (16%) below the poverty line of \$783 per week (Figure 6).

As of June 2023:

- A single person on Youth Allowance (other) has an income \$204 (42%) below the poverty line of \$489 per week.
- A single person without children on JobSeeker has a weekly income \$138 (28%) below the poverty line of \$489 per week.
- A single parent with two children, on JobSeeker has an income \$115 (15%) below the poverty line of \$783 per week.

From 20 September 2023, the 2023-24 Commonwealth Budget will provide further increases to government support payments of \$20 per week for those on payments like JobSeeker and Youth Allowance and \$46 per week for those on JobSeeker aged over 60. However, these increases are minimal and not enough to lift recipients above the poverty line. With the payment increases in September 2023:

- A single person on Youth Allowance (other) will have a weekly income \$184 (38%) below the poverty line of \$489 per week.
- A single person without children on JobSeeker will have a weekly income \$118 (24%) below the poverty line of \$489 per week.
- A single parent with two children, on JobSeeker will have an income \$96 (12%) below the poverty line of \$783 per week.

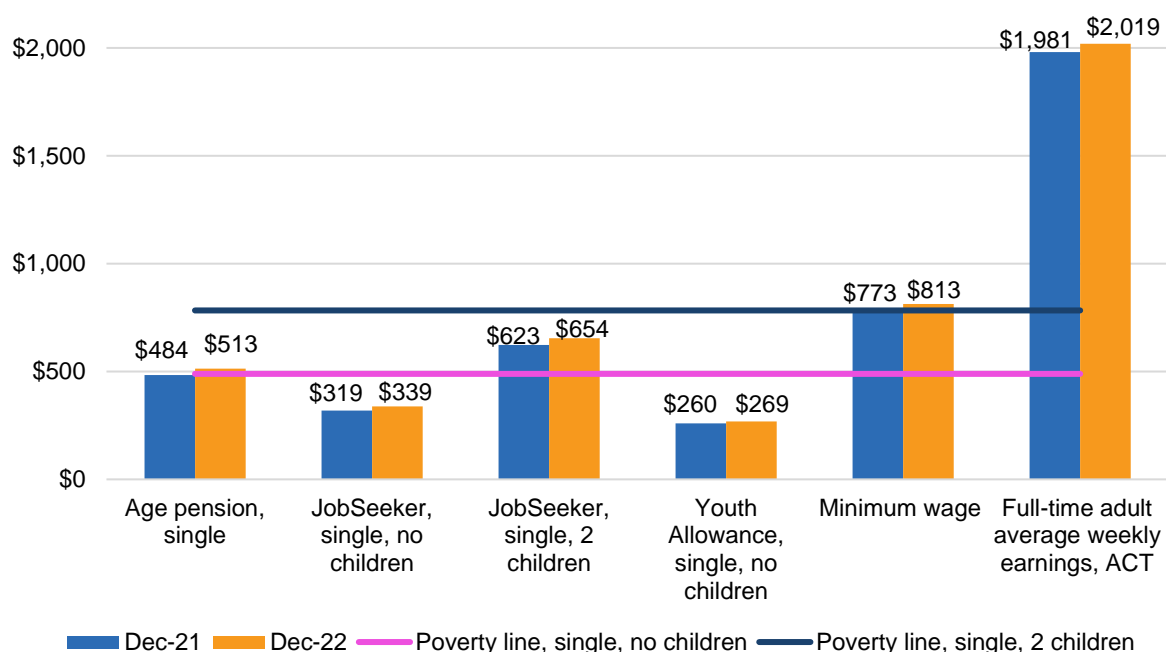
Everyone should be able to keep a roof over their head and cover their basic expenses. But right now, the low rate of income support is forcing people to make heartbreaking decisions between paying their rent or buying food and medicine. These decisions are being made even harder as the prices of such essential goods and services have increased significantly.



If we're going to create a more equal and resilient community, we need to start by ensuring that people unable to get paid work have enough to cover the basics. ACTCOSS supports the call from ACOSS for a commitment to lift income support so everyone can cover the basics, by increasing the rate of JobSeeker and other income support payments to at least \$76 a day.¹⁹

While Commonwealth Government payments are clearly inadequate, our analysis also shows that the current high level of inflation means that the purchasing power of people in full time work is also greatly reduced (Figure 8). This is consistent with the experiences of the community sector seeing more people in full time work seeking support to access essential goods.

Figure 5: Changes in income compared to poverty lines by income type, December 2021 – December 2022

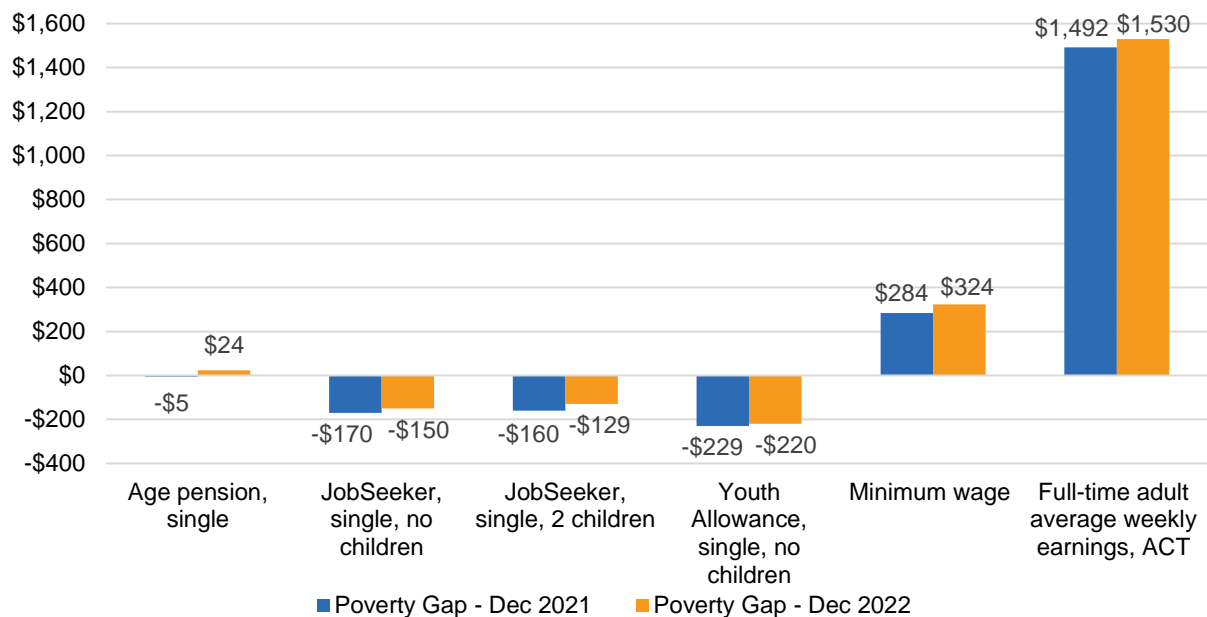


Source: Services Australia, [A guide to Australian Government payments](#), Historical versions 1 December 2022 to 31 December 2022 and 20 September 2021 to 31 December 2021, Services Australia, Canberra, 2023; P Davidson, B Bradbury and M Wong, [Poverty in Australia 2022: A Snapshot](#), ACOSS, 2022.

¹⁹ Australian Council of Social Service (ACOSS), [Raise the Rate For Good](#), n.d.

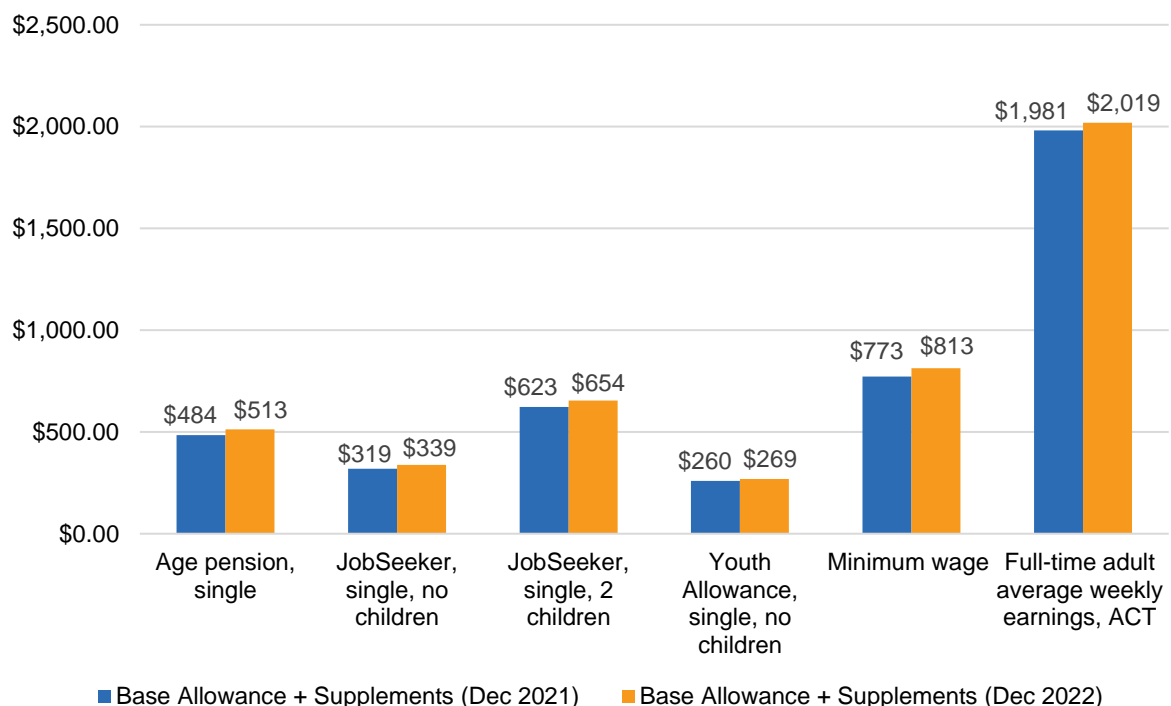


Figure 6: Weekly income poverty gap by income Type, December 2021 – December 2022



Source: Services Australia, [A guide to Australian Government payments](#), Historical versions 1 December 2022 to 31 December 2022 and 20 September 2021 to 31 December 2021, Services Australia, Canberra, 2023; P Davidson, B Bradbury and M Wong, [Poverty in Australia 2022: A Snapshot](#), ACOSS, 2022, accessed 4 April 2023.

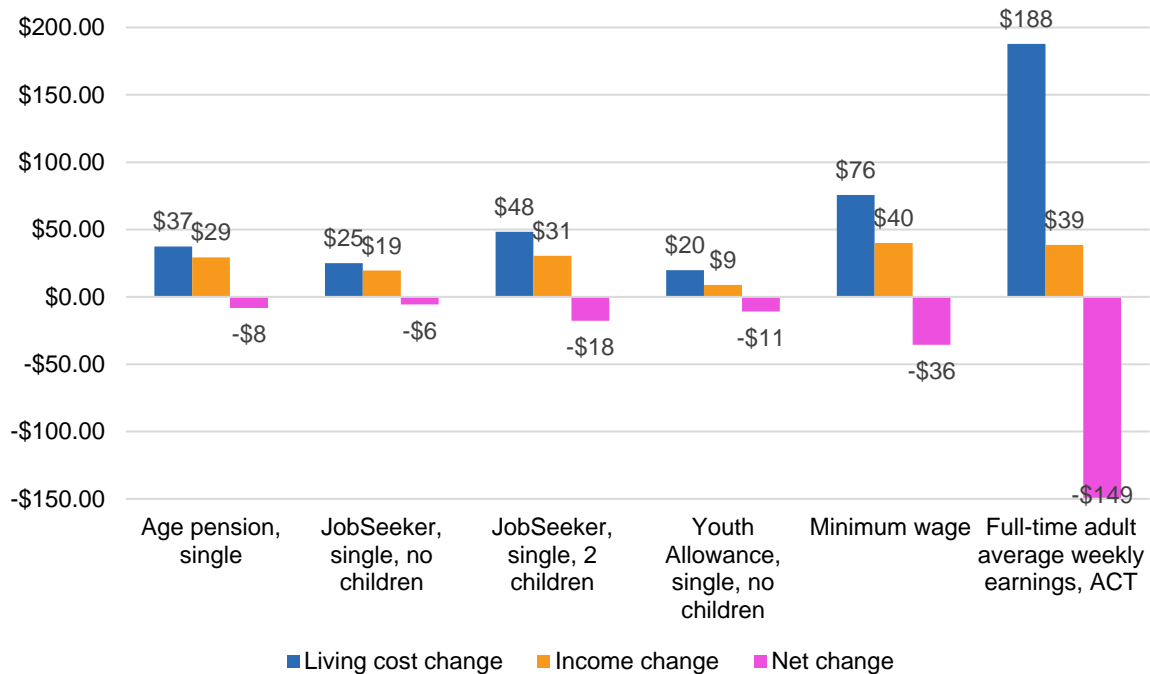
Figure 7: Change in weekly income by income type, December 2021 – December 2022



Source: Services Australia, [A guide to Australian Government payments](#), Services Australia, 2023; Fair Work Commission, [National Minimum Wage Orders](#), Fair Work Commission, Melbourne, 2022; ABS, [Average Weekly Earnings, Australia](#), Nov 2021 & Nov 2022, ABS, Canberra, 2022.



Figure 8: Change in weekly income vs change in living costs, December 2021 – December 2022



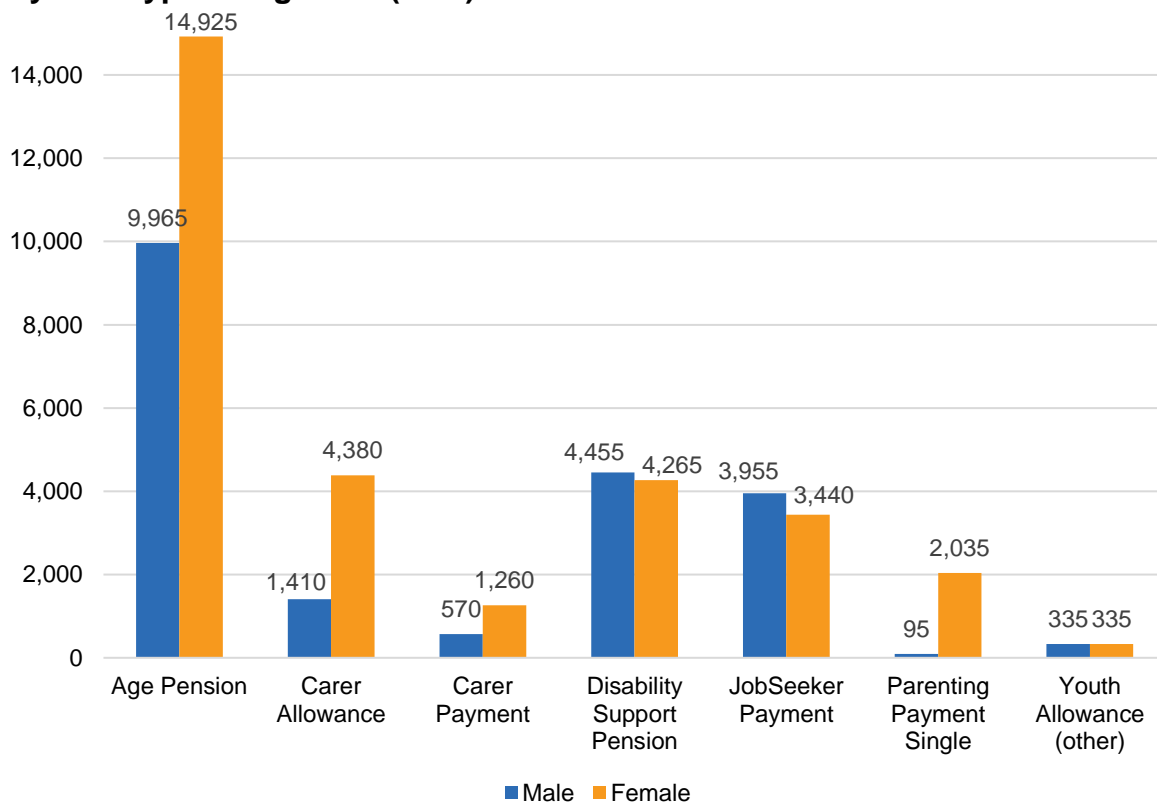
Source: ABS, [Selected Living Cost Indexes, Australia, Reference period December 2022](#), ABS website, 2022; Services Australia, [Historical versions of A guide to Australian Government payments](#), Services Australia, Canberra, 2023; Fair Work Commission, [National Minimum Wage Orders](#), Fair Work Commission, Melbourne, 2022; ABS, [Average Weekly Earnings, Australia](#), Nov 2021 & Nov 2022, ABS, Canberra, 2022.



Women’s Experiences of Poverty and the Cost of Living

This year ACTCOSS’ Cost of Living Report is focused on the experiences of women. We acknowledge that all people can be affected by poverty and rises in the cost of living, but women experience poverty and are affected by the high costs in the ACT in unique and specific ways. Women are more likely to be un- and under-employed, more likely to be reliant on government support payments (Figure 9) and increasingly likely to experience housing insecurity and stress.²⁰ Gendered norms about caring responsibilities also mean that women tend to shoulder the economic and social burdens of caring for families and the community in times of crisis. Women also live longer so are more likely to be reliant on the Age Pension longer.

Figure 9: Commonwealth Government income support payment recipients by payment type and gender (ACT)



Source: DSS, [Expanded DSS Benefit and Payment Recipient Demographics - December 2022 \[dataset\]](#), data.gov.au, 2022.

²⁰ J Baxter, [Employment patterns and trends for families with children](#), Australian Institute of Family Studies (AIFS), Australian Government, 2023.



Women generally are more likely to be living in poverty than men.²¹ They are more likely than men to experience poverty at some point in their lifetime and are more likely than men to experience persistent or recurrent poverty.²² This is because women are much more likely to be a primary carer (of children, as well as elderly parents or family with disability²³), which limits ability to engage in paid work.²⁴ Of people who are carers, female carers are more likely to also have a disability than men.²⁵ Because of the higher rate of unpaid care work that women perform, they are also more likely to work part-time, be under employed and in insecure work.^{26 27}

The gender pay gap in Australia remains in place, with male dominated industries paying more on average than female dominated industries.²⁸ While the pay gap varies depending on the industry, even in female dominated industries men are likely to be paid higher. In the community sector, women are 80% of the workforce but still experience a pay gap of around 13%.²⁹ The community sector itself remains undervalued and underfunded, which has a profound impact on both women workers, and women in the community. For example, many community sector organisations are not funded to provide parental leave to their workers. While the ACT has the highest average weekly earnings in the country, women in Canberra still lag behind men, earning around \$200 less per week (or \$10,000 less per year) on average.³⁰ Nationally, women are far more likely to be in the bottom income quintile than men.³¹

On top of the pay gap and higher burden of caring responsibilities, there are a range of specific cohorts that are more likely to experience poverty and be more affected by the current cost of living crisis.

To illustrate the impact of the rising costs of living on women in Canberra, ACTCOSS has collected case studies from some of our member organisations. The common themes in these case studies (and other stories that our members hear every day and share with ACTCOSS) show that cost of living pressures for women are often exacerbated by the expectations and requirements of them as parents, by DFV and

²¹ U Sila and V Dugain, '[Income poverty of households in Australia: Evidence from the HILDA survey](#)', *Economics Department Working Papers*, catalogue number 1539, Organisation for Economic Co-operation and Development (OECD), 2019, p.14.

²² R Wilkins, '[The Household, Income and Labour Dynamics in Australia Survey: Selected Findings from Waves 1 to 15](#)', *Annual Statistical Report of the HILDA Survey*, 12, Melbourne Institute, Australian Government, 2017, p.36.

²³ ABS, [Disability, Ageing and Carers, Australia: Summary of Findings](#), ABS website, 2019.

²⁴ Workplace Gender Equality Agency (WEGA), [Removing the motherhood penalty](#) [media release], WEGA, Australian Government, 11 May 2018.

²⁵ ABS, [Disability, Ageing and Carers, Australia: Australian Capital Territory, 2018: Table 30.1 All persons, living in households, carer status and disability status, by age and sex—2018, estimate](#) [xls], ABS website, 2019.

²⁶ WEGA, [Unpaid care work and the labour market](#), WEGA, Australian Government, n.d., p.5.

²⁷ S Maury, [Precarious work and the health cost to women](#), The Power to Persuade website, 2017.

²⁸ WEGA, [Australia's Gender Equality Scorecard: Key results from the Workplace Gender Equality Agency's Employer Census 2021-22](#), WEGA, Australian Government, 2022, p.16.

²⁹ WEGA, [Australia's Gender Equality Scorecard 2022](#), p.21.

³⁰ ABS, [Average Weekly Earnings, Australia, November 2022](#), ABS website, 2023.

³¹ WEGA, [Australia's Gender Equality Scorecard 2022](#), p.17.



by a lack of affordable housing. We know from research that having safe and secure housing is a key determinant of physical health and social and mental wellbeing³² and we know from consultation with our members that when women access support they most often report that their priority is to protect their current housing or to find sustainable and long-term housing.

Our case studies illuminate the critical importance of social and affordable housing when supporting vulnerable and low-income women. Women are often already on the Housing ACT waiting list when they access support, and it is often only through the advocacy of the organisations they are in contact with that they can obtain public housing. Housing ACT's long wait lists remains one of the key barriers to independence for vulnerable women on low incomes.

All names and details within these case studies have been changed to protect client confidentiality.

Our Lives: Women in the ACT

Every two years YWCA Canberra runs the [Our Lives: Women in the ACT](#) survey which aims to better understand the needs and experiences of women and non-binary people in the ACT. While the current survey is still open at the time of writing, the preliminary responses also provide a picture of how the cost of living crisis is affecting women and their families in Canberra.

One respondent, a single mother on a low-income said that she was selling personal items to stay ahead and relying on Buy Now Pay Later schemes. As a result of the cost of living pressures the respondent is under, they have had to withdraw their children from community sport and have been unable to afford to send them on school excursions.

Another respondent, who was receiving an income support payment and parenting a dependent child with their spouse said that their housing costs now amount to around 70% of their household income. They have skipped meals and sold personal items to stay ahead of making essential payments. When asked if they had struggled to meet costs associated with their children's needs, they said they had to recently ask for help from family to continue paying their child's swimming class expenses.

Intersectionality

Socioeconomic disadvantage and cost of living pressures disproportionately impact women in marginalised and oppressed community groups, particularly Aboriginal and/or Torres Strait Islander women, those from culturally and linguistically diverse backgrounds, people with disabilities and those aged 65 years and older. Systems and institutions that make decisions on behalf of people in need are more effective when they can recognise that socioeconomic disadvantage is not a discrete issue.

³² S Rolfe, L Garnham, J Godwin, I Anderson, P Seaman and C Donaldson, 'Housing as a social determinant of health and wellbeing: developing an empirically-informed realist theoretical framework', *BMC Public Health*, 2020, 20(1138), doi:10.1186/s12889-020-09224-0; E Robinson and R Adams, [Housing stress and the mental health and wellbeing of families](#), AIFS, Australian Government, 2008.



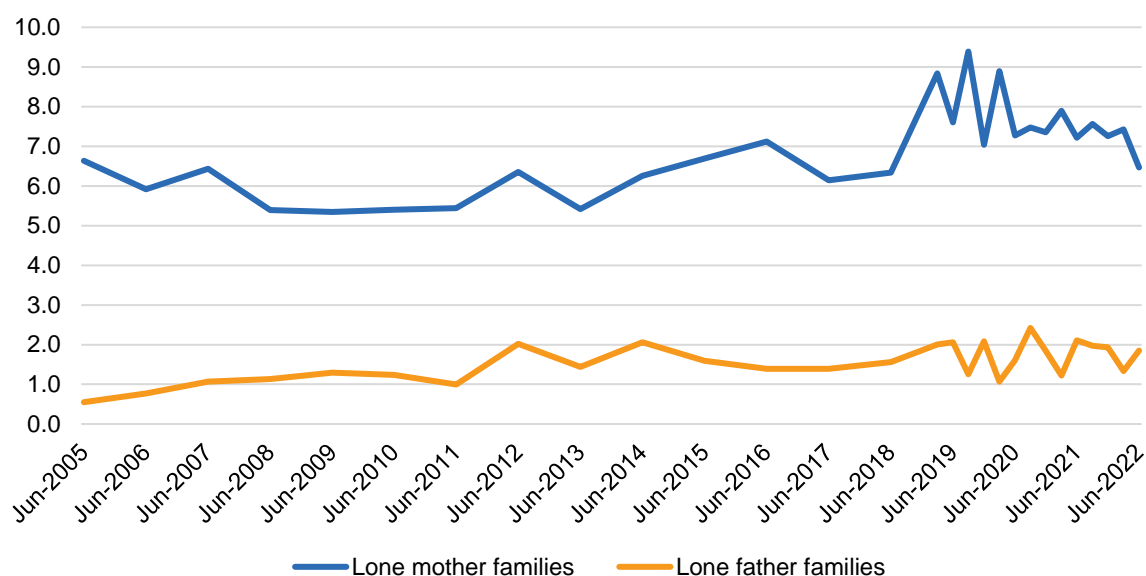
Women at an increased risk of experiencing poverty and cyclical disadvantage need to be meaningfully consulted and considered in approaching cost pressure alleviation policies. The accessibility, useability and effectiveness of services and strategies relies on active consultation with marginalised community members.

ACTCOSS seeks to highlight the importance of intersectionality and acknowledge the gaps in the data presented in this report. Data such as CPI and SLCI is produced cyclically, but for various reasons data about poverty, DFV and homelessness are harder to collect, measure and produce. Therefore, this data is often not as current. Additionally, in this report we have focused on single mothers, DFV and housing insecurity, but we acknowledge that there are many other cohorts that experience disadvantage that are out of scope of this report.

Single Mothers

The vast majority (83%) of single parent families are headed by women and single mothers are much less likely to be employed than mothers with a partner.³³ In the ACT there are approximately 10,600 single parent families with dependents (Figure 10).³⁴ Nationally, around 34% of single mothers are unemployed or not in the labour force, and this increases the younger the child.³⁵ In the ACT, approximately 20% of one parent families are jobless³⁶ and they are more likely to experience underemployment due to caring responsibilities.

Figure 10: Lone parent families in the ACT with at least one child < 15 ('000s)



Source: ABS, [Labour Force Status of Families, June 2022, Table 8: Families by state and territory and age of dependent children \[dataset\]](#), ABS, 2022.

³³ ABS, [Labour Force Status of Families](#), ABS website, 2022.

³⁴ ABS, [Labour Force Status of Families Table 2: Families by state and territory \[xlsx\]](#), ABS website, 2022.

³⁵ J Baxter, *Employment patterns and trends for families with children*.

³⁶ ABS, [Labour Force Status of Families Table 4: Jobless families and their dependants \[xlsx\]](#), ABS website, 2022.



Canberra Case Study: Karinya House

Karinya House provides tailored individualised support to women who are pregnant or parenting who don't have the support they need.

Heidi was in her early twenties when she contacted Karinya House. At the time Heidi had a three year old daughter Rose and was three months pregnant. Heidi was living in a caravan with her partner in a family member's backyard.

As a result of violence from her partner, and escalating conflict and tension with members of his extended family, including threats of violence, Heidi and her daughter left the caravan. They began couch surfing, as they were unable to afford a private rental on Heidi's limited income.

Heidi had been studying at CIT part time, and her daughter was attending childcare. Heidi's unstable living conditions (and insecurity over her future) prevented their continuation.

At the first meeting with Karinya House, Heidi identified that her highest priorities were to find safe and stable accommodation, have Rose attend childcare, and gather the material goods she needed for both Rose and her new baby. Heidi also wanted to complete her studies, so she could secure employment. Heidi and Rose moved in to Karinya House and caseworkers were able to source clothing and toys for Rose, a pram, and other essential baby items from Roundabout Canberra for Heidi.

At the time Heidi began living at Karinya House she had been on the High Needs list with Housing ACT for almost two years. With advocacy from her Karinya House case workers Heidi was accepted onto the Priority Needs Housing list. While this provided a sense of hope for Heidi, she knew there may still be a long wait ahead of her.

Through the later stages of her pregnancy Heidi experienced some health complications and was unable to pay for specialised testing. Karinya House Health Professionals were able to negotiate a discounted rate and payment plan for Heidi, to ensure she was able to access the treatment required. Heidi actively engaged with the Karinya House Health Professionals who attended appointments with her, listened to her concerns and provided her with information and access to other community based health services, such as Maternal and Child Health.

Heidi, Rose, and her baby attended the Karinya House weekly group program. They were provided with a chance to build a new safe social network, childcare and a healthy lunch, while developing new skills.

While Heidi stated that she enjoyed living at Karinya House, Heidi was keen to move into her own place. Heidi was allocated her own Housing ACT property almost two years after having moved into Karinya House. While Heidi was grateful for her own property, the location of the property, in a new suburb with limited public transport options, posed challenges for her. Heidi had previously had a driver's licence and car, but her car had been damaged by her ex-partner and had been beyond repair when she moved into Karinya and she could not afford the cost of running a vehicle.

Karinya House assisted Heidi in facing some of these challenges through:

- Drawing on corporate partners to assist with furnishings and white goods.



- Linking Heidi into local food pantries and other community services to assist her with meeting living costs.
- Assisting Heidi to apply for subsidies childcare, for both her children, to allow her to complete her studies.

Heidi and her children are now settled in their new home and new routines. Heidi reports feeling confident in meeting the ongoing needs of her family, however she worries daily about the rising costs of living.

According to researchers at the Tax and Transfer Policy Institute, “separated-mother-headed families have the highest rates of poverty of any Australian family type, with 37% living below the poverty line.”³⁷ Other figures suggest that almost 75% of single mothers are in the bottom two income quintiles.³⁸ There are a range of reasons for this.

It is often hard for single women to access child support and the refusal to pay child support is often weaponised by ex-partners in DFV situations.³⁹ When they are received, child support payments have the potential to reduce single mothers’ rate of poverty by 21%.⁴⁰ Research has also shown that receiving child support payments assists single mothers to return to work.⁴¹

The current system of Commonwealth Government support payments is another reason single mothers are more likely to live in poverty. Government support payments for parents are woefully inadequate and often exacerbate mothers’ financial hardship. Each payment recipient with a child receives Family Tax Benefit Part A (FTBA), but to receive it one must apply to receive their child support. The way FTBA payments are calculated is complicated and opaque but essentially the amount of FTBA is calculated on child support entitlements rather than child support received.⁴² If child support is underpaid or withheld separated mothers are often left in a vulnerable position.

Domestic and Family Violence

Experiences of domestic and family violence (DFV) have a significant impact on rates of poverty amongst women. Rates of DFV are hard to measure in data because it is still stigmatised and under reported. However, nationally, around one in

³⁷ K Cook, *Poverty by Design: How Single Mothers’ Benefits Are Reduced Without Them Knowing*, The Tax and Transfer Policy Institute, 2021.

³⁸ A Summers, *The Choice: Violence or Poverty*, University of Technology Sydney, 2022, p.59.

³⁹ K Cook, A Byrt, R Burgin, T Edwards, A Coen and G Dimopoulos, *Financial abuse: the weaponisation of child support in Australia*, Swinburne University of Technology, 2023.

⁴⁰ C Skinner, K Cook and S Sinclair, ‘The potential of child support to reduce lone mother poverty: comparing population survey data in Australia and the UK’, *Journal of Poverty and Social Justice*, 2017, 25(1): 79-94, doi:10.1332/175982717X14860543256937.

⁴¹ H Fisher, ‘[Higher child support doesn’t lead to welfare dependency for single mums](#)’, *The Conversation*, 21 March 2017.

⁴² K Cook, *Poverty by Design: How Single Mothers’ Benefits Are Reduced Without Them Knowing*.



six women have experienced some form of DFV.⁴³ In the ACT, an estimated 42% of women have experienced some kind of physical or sexual violence and an estimated 26% of women have experienced some form of violence, emotional or economic abuse by a partner they live with.⁴⁴ The prevalence of physical violence in the ACT has remained relatively stable since 2005.⁴⁵

Unsurprisingly, these experiences can lead to financial hardship, disability, unemployment, and ill health (both physical and mental). Almost two thirds of single mothers have experienced some form of DFV and almost 60% of those reported having financial problems or constraints, including not being able to afford bills, energy and food.⁴⁶ DFV can often persist many years after the relationship has ended and adversely impacts women's finances, work and housing. Often women and their families who have experienced DFV rely on government support payments, but administrative and systemic barriers to access prevent them from receiving regular or adequate payments.

Canberra Case Study: YWCA Canberra

YWCA Canberra is a feminist not-for-profit organisation that provides community services and represents women's issues in Canberra. This case study first appeared in YWCA Canberra's [2021-22 Annual Report](#).

May was referred to Warm Connections by a Tuggeranong Child and Family caseworker. Our service has an outreach in Tuggeranong Child and Family's offices, allowing May to meet with her Warm Connections counsellor in familiar and trusted surroundings. This inevitably assisted in her recovery.

May arrived with her baby under a year old and had been consuming illicit drugs but stopped taking them when she found out she was pregnant. She had high anxiety and wanted to improve this. May's counsellor soon became aware that May had a traumatic past with her alcoholic father. She identified that May also had a propensity toward drug dependence.

May became aware during therapy that her current partner was abusive to her. He consumed methamphetamines daily and frightened her whenever he came down from the drug. However, May did not want to leave him as she thought he was vulnerable and would improve over time. Through therapy, May explored this relationship and became aware that her partner was physically, mentally, verbally and financially abusive. May was paying the rent and bills and providing food for everyone, including her partner's children, who often stayed over.

During sessions, May mentioned she was often hungry as she would go without food to feed their child. May was then introduced to YWCA Canberra's Food Hub in Lanyon, and she became a regular attendee.

⁴³ Australian Institute of Health and Welfare (AIHW), [Family, domestic and sexual violence](#), AIHW website, 2023.

⁴⁴ ABS, [Personal Safety, Australia, 2021-22 financial year](#), ABS website, 2023.

⁴⁵ ABS, [Personal Safety, Australia, 2021-22 financial year](#).

⁴⁶ A Summers, *The Choice: Violence or Poverty*, p.61.



May was a devoted mother who always paid attention to her child during the sessions. She was both attached and engaged with her child. During sessions May became aware of the impact of her partner's behaviour on her child. May initially felt confused; however, as the domestic violence escalated, she realised she needed to protect her child.

May was referred to YWCA Canberra's Domestic Violence Support Service and Housing Support service. May had been waiting on the ACT Government housing list for over five years, and although she was a priority, she did not meet the top criteria. This prevented her from leaving her abusive relationship as she had nowhere else to go.

With May's permission, her counsellor advocated for her directly. Housing and domestic violence support were critical to keeping her and her daughter safe. The Domestic Violence Support Service team were able to further help May understand she was in an abusive and dangerous situation, and the Housing Support Unit were able to help her move into a modest unit.

May has mentioned that her confidence has grown due to the holistic support she received from YWCA Canberra. May and her daughter now live in a unit suited to their needs. May says her anxiety has reduced, and her mental health has improved.

Aboriginal and Torres Strait Islander women experience disproportionate rates of violence compared with non-Indigenous women.⁴⁷ The risk of an Aboriginal or Torres Strait Islander woman experiencing violence is significantly higher for those who are unemployed or in lower income quintiles, and for those who have been in out-of-home care.⁴⁸ The ongoing impacts of colonisation in Australia mean that violence perpetrated against Aboriginal and Torres Strait Islander people is more severe and more likely to result in death, especially for First Nations women.⁴⁹ ACTCOSS echoes calls for an Aboriginal and/or Torres Strait Islander community-controlled housing provider to be established in the ACT.

Similarly, women with disabilities are much more likely to experience DFV and to be economically disadvantaged. Almost all (90%) of women with intellectual disability experience sexual abuse at some time throughout their lives and a quarter of all sexual assaults are perpetrated against women with disabilities.⁵⁰ Reliance on carers and services make women with disabilities particularly vulnerable to violence and abuse and much less able to leave violent situations. Disability often comes with extra costs – for specialised housing, assistance, transport and healthcare, meaning that poverty is harder to escape, and especially so with high rates of family and sexual violence.

⁴⁷ Our Watch, [Preventing Violence Against Aboriginal and Torres Strait Islander Women](#), Our Watch website, n.d.

⁴⁸ AIHW, [Family Violence Amongst Aboriginal and Torres Strait Islander Peoples](#), AIHW, Australian Government, 2006.

⁴⁹ AIHW, [Family Violence Amongst Aboriginal and Torres Strait Islander Peoples](#).

⁵⁰ ACT Human Rights Commission, [Disability Awareness for Domestic Violence and Sexual Assault Workers](#), *eLearning Modules on Domestic Violence and Sexual Assault for Disability Support Workers*, Women with Disabilities ACT website, 2022.



Women and Housing Insecurity

Canberra continues to have the most expensive overall median rent prices⁵¹ and is the least affordable jurisdiction in the country for people on low incomes.⁵² This affects people in the lowest income quintile the most, as they spend the highest proportion of their income on housing costs. The ABS estimated that Canberrans in the lowest income quintile spent over 40% of their income on housing in 2019-20.⁵³ The latest Report on Government Services (ROGS) showed that over half of Commonwealth Rent Assistance recipients and over 60% of private renters in the ACT were experiencing rental stress in 2022 (paying more than 30% of their income on rent).⁵⁴

The stress of extremely high cost of housing in the ACT, compounded by the shortfall of 3,100 social housing properties, means that there are over 3,000 applications waiting for social housing⁵⁵ and at least 1,777 people who were homeless at the last Census.⁵⁶ The average wait time for standard social housing is now over 5 years,⁵⁷ leaving people in crisis situations for too long. Building more social and affordable housing is a critical responsibility of both levels of government in providing stability, safety and shelter.

As of March 2023, 58% of the Specialist Homelessness Service clients in the ACT were women.⁵⁸ In 2021-22, more than half (57%) of all clients in the ACT listed 'interpersonal relationships' as the reason they were seeking homelessness support services, with 36% explicitly citing domestic or family violence.⁵⁹ Women were overrepresented within this category. Women were also more likely than men to seek housing assistance for financial reasons including unemployment and housing affordability stress.⁶⁰ Between 2016, and 2021 the number of women experiencing homelessness in the ACT grew by 16%, compared with the number of men experiencing homelessness which grew by 8%.⁶¹

Recent news reports have highlighted that because of the current cost of living crisis, more people than ever before are at risk of homelessness. There is also debate about who is most susceptible to housing insecurity. Some reports posit that older women are the fastest growing cohort of homeless people.⁶² While others debate this, it is important to note that different cohorts (for example older women and

⁵¹ N Field, [Most Affordable & Expensive Capital Cities For Rent In Australia](#), Canstar website, 2023.

⁵² SGSEP, [Rental Affordability Index](#).

⁵³ ABS, [Table 12.23 Housing costs as a proportion of gross household income, Selected household characteristics, Australian Capital Territory, 1994-95 to 2019-20](#), ABS website, 2022.

⁵⁴ Productivity Commission, [Report on Government Services 2023: G Housing and homelessness](#), Productivity Commission, Australian Government, 2023.

⁵⁵ Housing ACT, [Waitlist and processing times](#), Housing ACT website, 2023.

⁵⁶ ABS, [Estimating Homelessness: Census, State and territory of usual residence, all persons \[dataset\]](#), ABS website, 2023.

⁵⁷ Housing ACT, [Waitlist and processing times](#).

⁵⁸ AIHW, [Specialist Homelessness Services: monthly data](#), Australian Government, 2023.

⁵⁹ AIHW, [Specialist homelessness services annual report 2021-22](#), Australian Government, 2022.

⁶⁰ AIHW, [Specialist homelessness services annual report 2021-22](#).

⁶¹ ABS, [Estimating Homelessness: Census 2021](#), ABS website 2023.

⁶² R Wilkins, [The Household, Income and Labour Dynamics in Australia Survey](#).



younger women with children) require different housing solutions and that all need to be provided for. For parents, a lack of access to suitable housing can result in CYPS intervention, and their children being placed in out-of-home care.

Canberra Case Study: Care Financial Counselling

Care is a community organisation that provides free and confidential support and assistance to people living on low to moderate incomes or who are experiencing financial difficulty.

Claire is a single CALD parent with two grown dependents and a mortgage. Claire was referred to Care after a call with the financial hardship team at her energy retailer. She was very distressed as she was unable to work and earn an income. She had a mortgage, and all the utilities associated with it, and was fearing financial hardship and losing her home.

On referral in 2019, Claire disclosed that she had experienced DFV and was suffering from post-traumatic stress disorder. Due to ill-health, she was no longer able to work more than three hours per week. She was receiving income protection from her superannuation fund.

Care provided support to Claire with the following:

- Referred to St Vincent de Paul Home Energy Efficiency Program
- Had all remaining gas appliances upgraded to electric
- Spoke to Staying Connected @ ActewAGL to complete a general energy health check up on accounts:
 - Applied market retail offer
 - Applied concession card to receive Utilities Concession
 - Set up a regular payment plan that suited the household budget supported by the Enduring Support Scheme (DFV support program)
 - Applied Energy Support Vouchers
- Application for Temporary and Permanent Disability through Super (referral to the Insurance Law Service)

Claire has now accessed her insurance and superannuation to pay her mortgage. A Pension Concession Card means she can now access cheaper rates and car registration fees. She continues to work within a very tight budget but has an amazing sense of comfort knowing that her mortgage is paid.

Claire's connection to Staying Connected facilitated a referral to Care. The worker displayed immense compassion, empathy and understanding of Claire's complex situation and acted accordingly. When receiving income protection, Claire was deemed ineligible for a Health Care Card as she was over the income threshold by \$13 per fortnight.

Claire continues to receive support from Care.

After single mothers, older women are the next most likely to live in poverty and be reliant on government support payments. For older women, the gender pay gap, gaps in employment, little or no superannuation and relationship breakdowns are



compounded by the [increase in the Age Pension eligibility to 67 years old](#). This means more and more older women will become reliant on JobSeeker.

Conclusion

Since our 2022 Cost of Living Report, the cost of living has risen to a crisis point. Poverty and inequality are at the worst levels Canberra has experienced in many years. Those with the least are being left even further behind. Canberrans with increasingly complex needs are seeking more and more support from the already overworked and underfunded community sector. The cost of living crisis requires urgent action and significant investment by both the ACT and Commonwealth Governments to ensure all members of our community can afford the essentials of a healthy life.

The biggest lever available to address poverty and inequality in Australia is to raise rates of income support to at least \$76 per day. We saw how quickly the Commonwealth Government acted during the pandemic to raise levels of support, and the immediate impact it had on people on low incomes, who could finally afford healthcare, housing and other essentials. While there have been some commitments from the Commonwealth Government to raise income support and to raise rates of Commonwealth Rent Assistance, these do not go far enough to bring people out of poverty.

In the ACT, we need targeted assistance to fill in the gaps left by the Commonwealth Government. The ACT [Targeted Assistance Strategy](#) (TAS) is over a decade old. Economic conditions have evolved significantly since this strategy was created and it needs updating. Canberra's cost of living crisis means many of the current ACT and Commonwealth Government assistance programs do not go far enough in alleviating cost of living pressures on people with low incomes. Given reports that we are now seeing more people in employment seeking support services, we urgently need to expand eligibility criteria for concessions and grants. The updated TAS must be relevant to the current economic situation and able to be adapted as conditions change. The strategy must allocate assistance appropriately and acknowledge that increasing numbers of people are finding themselves in need of support. Finally, the strategy must ensure that assistance is accessible to all who are eligible.

The community sector plays a vital role in assisting vulnerable Canberrans who are affected by our high cost of living. Community service organisations help to improve vulnerable people's lives, advocate for their active engagement in the community and challenge disadvantage. However, the ACTCOSS [Counting the Costs](#) report found that 80% of community sector organisations do not find their ACT Government funding adequate.⁶³ To ensure the community sector can continue to deliver services and advocate for vulnerable Canberrans the ACT Government must review funding

⁶³ N Cortis, M Blaxland and E Adamson, [Counting the Costs: Sustainable funding for the ACT community services sector](#), UNSW Social Policy Research Centre, 2021.



streams and increase sector funding to cover all costs including staffing, engagement in commissioning and policy process and monitoring and evaluation.

Both levels of government have a critical role to play in addressing the housing affordability crisis. The case studies in this report highlight that building more social and affordable housing is the only way to ensure ongoing stability and prosperity for all Canberrans and Australians, especially vulnerable women, their families and communities. Taking a long-term view of housing, urban planning and city design is important and the ACT Government must balance the cost of housing with access to services and amenities.⁶⁴ A key area of investment that will alleviate cost of living pressures, is the provision of social housing. ACTCOSS welcomes the opening of 21 new public housing units in Dickson.⁶⁵ However, the ACT Government's commitment of adding 400 new homes to the social housing portfolio by 2024 is not enough.⁶⁶ An additional 8,500 social housing dwellings are needed by 2036 to meet the ACT's current and projected need.⁶⁷ This would mean delivering over 650 homes a year for the next 13 years. Both levels of government must do a lot more to meet the community's level of need for housing.

To weather this cost of living crisis commitments and cooperation from both levels of government will help build a more equal and resilient community ready to face the challenges of poverty and inequality and to forge a more just and sustainable future for Canberra and the nation.

⁶⁴ B Coates, [Designing better suburbs](#), The Grattan Institute, 2022.

⁶⁵ A Crowe, '[Dickson public housing project adds 21 new dwellings](#)', *The Canberra Times*, 20 March 2023.

⁶⁶ Housing ACT, [Housing ACT Strategy - Growing and Renewing Public Housing](#), Community Services Directorate, ACT Government, 2022.

⁶⁷ J Lawson, H Pawson, L Troy, R van den Nouwelant and C Hamilton, [Social housing as infrastructure: an investment pathway](#), AHURI Final Report 306, Australian Housing and Urban Research Institute, 2018, p.63.

Thank you

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