



MDAA submission response: *Senate Community Affairs Reference Committee for the 'inquiry into the extent and nature of poverty in Australia'*
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**Multicultural Disability Advocacy
Association NSW Inc.**

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About this submission

Multicultural Disability Advocacy Association of NSW (MDAA) is the peak body for all people in NSW with disability and their families and carers, with a particular focus on those from a culturally and linguistically diverse (CALD) / non-English Speaking (NES) background with disability.

MDAA looks forward to contributing to this inquiry on behalf of its members and broader constituency. Poverty unduly affects the people MDAA represents. They face challenges due to ethnicity, language barriers and disability. However, MDAA wants to go further than describe the problem. The association has suggestions on how to reduce poverty and these will be discussed as per the terms of reference.

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Introduction:

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The rates and drivers of poverty in Australia

Poverty in Australia can be relative. Low income is an obvious sign of poverty but what is a low income can depend on location. Rural areas may have lower expenses compared with places like Sydney. Home ownership mitigates against the most harsh forms of poverty for low income earners (typically those on the Age Pension) who are fortunate enough to have paid off a home. Home ownership is increasingly out of reach for even middle class people in Australia. This is a huge problem and will be referred to later on in this submission.

There are numerous drivers of poverty. The submission will focus on CALD communities, people with disability and the intersection between the two cohorts. The reasons members of CALD communities who are also people with disability find themselves in poverty can differ from the experience of the general population.

The relationship between economic conditions (including fiscal policy, rising inflation and cost of living pressures) and poverty

From 2022 to the present day, inflation has created considerable difficulties for those on low incomes (Council of Social Service NSW, 2022). People who are on Centrelink benefits and workers in minimum wage jobs (often part-time and/or temporary) find they have to stretch meagre incomes further.

Cost of living pressures essentially means the upwards costs of non-discretionary items. These include housing costs (mortgage and rents), utility bills, food, petrol and other transport outlays. This list is not exhaustive. CALD people and especially those who are also people with disability are not exempt from the effects of inflation and receive very little in the way of concessions.

Inflation has come at a time of sluggish wages growth which means wages are falling behind prices. Pensions and unemployment benefits are falling even further behind. The impact has included the entrenchment of poverty for many Australians.

The impact of poverty on individuals in relation to:

- Employment outcomes.
- Housing security.
- Health outcomes.
- Education outcomes.

Poverty makes obtaining employment difficult. It may seem unfair and counterintuitive but actually being in the workforce makes it easier to obtain a job compared with a

period of unemployment. This is especially the case for people who have been unemployed for quite some time.

People with disability from CALD communities face formidable barriers when it comes to obtaining employment. People in that cohort are of course not homogeneous. The experiences of a man of Greek background with physical disability but in paid employment are likely to be different from a woman who is a recent refugee from Sudan with mental health issues and has poor command of English. Nonetheless, both disability and what is often described as ethnicity can consign a person to chronic unemployment.

The onset of COVID has had various social impacts including on employment. People from CALD communities are highly represented in aged care, disability services, various low-paid service jobs that are often casual or short-term contract in nature. These jobs are not the sort that can be done remotely so employees were often stood down in the 2020-22 period. This was particularly devastating for people who struggled to find paid work in the first place (Weng et al., 2021).

Families that include a person with disability have faced considerable hardship trying to support that family member after job loss. Families whose only support is a Centrelink income can find themselves in a poverty trap that is extremely difficult to escape.

Housing for people with disability with CALD background has a number of variables. Some are in residential aged care or disability accommodation services. These types of housing are not enviable but they are more secure than other forms of tenure.

Buying a property in Australia is increasingly impossible due to the dramatic rise in prices in recent times. Anyone who has struggled with employment cannot hope to enter the housing market. This leaves them with some other options but all of them have challenges.

Social housing (public and community housing) is unavailable to all but the least well-off. There are consequently long waiting lists. Social housing can be old, run-down and inconveniently located. Often it is physically inaccessible. Anyone who gets an offer may find themselves living away from their supports. But it is more secure than the alternatives.

The private rental market offers expensive, poor quality housing with insecure tenure. As an option, it is often out of the price range for CALD families where disability is an issue. It has gotten to the point where over 12.7 per cent of families and individuals living in suburbs southwest of the city are experiencing housing stress, according to data commissioned by the Community Housing Industry Association.

According to Shelter NSW and other organisations in the housing sector, overcrowding is the largest and fastest type of homelessness. This is not surprising. MDAA recently assisted a family from a Central Asian country. The eldest son had disability. They required help with power bills, Disability Support Pension application, vouchers and so on mainly because they were living in a private rental that was too expensive. It was also too small for the size of the family but they had nowhere else to go. Their story may well be typical of struggling families in NSW.

Health outcomes are connected to housing and other financial problems. If housing expenses are too great, people have a tendency to sacrifice their health. Parents go without meals in order to cut down on costs. Families forgo seeing health

professionals if there is a payment involved. Medications for a family member with disability may have to be rationed.

Part of the problem is poor data collection. Not enough is documented about health issues in relation to people with disability who are also from CALD communities. From what is known, it seems there is a lack of health literacy in CALD communities which is problematic on both an individual and systemic basis.

Education outcomes for CALD people with disability are very much dependant on economic circumstances. Housing stress and homelessness are clearly not conducive to obtaining a good education. There is also the issue of low expectations regarding educational results. The outcome is a self-fulfilling prophecy. People on low incomes and who have disability are not expected to do well in life. On top of that, difficulty with the English language considerably reduces the chances of making educational progress.

The impacts of poverty amongst different demographics and communities

Poverty is unevenly distributed across different demographics and communities. Not all CALD populations are in the lowest socioeconomic category. Those who came to Australia as migrants from Europe in the decades after World War Two could buy homes and run businesses or obtain sustainable jobs. Unfortunately, this is not the case with more recent overseas arrivals.

The Liverpool LGA in Sydney is one area with a high percentage of CALD communities. Two-fifths of the population were born outside Australia which is around fifty percent greater than the national average (Soldatic et al., 2020). Liverpool has a significant number of people described as 'needing assistance' ie: older people and

people with disability – approximately 13,000. This figure includes migrant refugees with chronic conditions and permanent disability.

Poverty can be a very difficult situation for people with disability from CALD communities to remove themselves. Obtaining employment obviously helps but when one has a disability and struggles with the English language, paid work is not easy to find. It is easy to fall into homelessness which in turn makes finding employment even tougher. As mentioned previously, health can be compromised and educational success becomes unlikely.

The relationship between income support payments and poverty

Income support payments from Centrelink are meagre and leave recipients in poverty. One of the consequences is that they become vulnerable to debt. ‘Payday loan’ operators can advantage of such vulnerability and the result is people who are in poverty end up with unsustainable debts.

The low rates of income support payments have been ongoing and in fact constitute a long-term problem. However, they are arguably less of a problem compared with what low income earners are required to spend. It is the steep and unpredictable rises in non-discretionary items that have sent individuals, families and communities into poverty and debt. Most people know how to budget. What low income earners such as people with disability on Centrelink benefits cannot cope with are sudden rent rises to the tune of a hundred dollars or more a week and power bill increases that come to two hundred percent.

Mechanisms to address and reduce poverty

Housing needs to be addressed as a matter of priority. It is easy for housing expenses to send one into poverty and homelessness. Homelessness is not easy to exit. MDAA supports the following recommendations:

- Ongoing development of social housing.
- Greater security of tenure for people who rent homes.
- Development of accessible housing.
- Lifting of Centrelink benefits so recipients are not living in poverty.
- Employment services that specialise in assisting CALD people with disability.

Any related matters

Thank you for the opportunity to participate in this inquiry. MDAA would be like to be consulted on issues as they related to CALD people with disability. Advocacy for people with disability from CALD communities is MDAA's core business and the association has undertaken such work for the better part of thirty years.

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"I respect and embrace the Aboriginal Elders and people of this region as the traditional custodians and cultural knowledge holders of this land."

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