

Pre-budget submission 2021-22 Submission to Treasury

Australia's Right to Food Coalition

January 2021

Australia's Right to Food Coalition

<u>Australia's Right to Food Coalition (ARFC)</u> works to improve public policy to ensure the right to food for all Australians.

ARFC is a voluntary organisation comprising health, community and social workers, academics, dieticians, NGOs, community gardeners, and food justice and human rights advocates.

We welcome this opportunity to make a pre-budget submission to the 20221-22 Federal Budget.

Recommendation

We are writing to support calls from many in the business, government and non-government sectors to permanently raise the rate of welfare payments, in particular the rate of JobSeeker. In addition, we call for those currently ineligible for government support such as international students and asylum seekers to be provided with basic supports to enable them to participate in society.

Introduction

The COVID-19 pandemic has highlighted the inequality of access to one of the most basic of human rights – that is the right to access reliable and nutritious food. Even before the pandemic there were between <u>1 and 5 million Australians</u> experiencing food insecurity, and one in five children going to school without breakfast, with serious impacts on both health and educational outcomes. Three quarters of food insecure people skipped meals weekly, missing meals on average 3-4 times a week.

The link between poverty (not having enough resources to meet your basic living needs) and food insecurity (the inability to access food for a healthy and active life) is <u>well documented</u> in Australia. People on <u>low or uncertain incomes</u> are more likely to experience food insecurity as they struggle to keep up with the cost of living and healthy food becomes a discretionary budget item. The (pre-COVID-19) <u>Foodbank Hunger Report 2019</u> estimated that up to five million (21%) Australians had been in a situation where they had run out of food and had been able to buy any more in the last year. The reasons for this are tied to poverty, with unexpected bills or housing payments often the immediate reason why an individual goes hungry.

The impacts of diet on <u>physical</u> and <u>mental health</u>, both short term and long-term, are also well documented. Poor diets are linked to chronic disease such as diabetes, heart disease and cancers. Poor diet is now overtaking smoking as a risk factor for many of these diseases, yet it is an entirely preventable problem. Serious attention needs to be focused on how to ensure that all Australians can access healthy food now, and into a future where pandemics and climate change will be some of the challenges facing us. Adequate welfare support has a critical role.

Despite 28 years of continual economic growth in Australia, the base rate for jobseekers has remained the same for 25 years. Economists argue that Jobseeker needs to be <u>boosted by at least</u> <u>\$100 a week</u>. It makes economic sense. Labour market specialist Sue Richardson said "keeping payments so low that people lost dignity and hope and suffered material deprivation hurt not only the people who were unemployed, but also the thousands of children who grew up in their households"

Recent research by Professor Peter Whiteford (ANU) and Professor Jeff Borland (University of Melbourne) presented to the Community Affairs Legislation Committee in 2020 showed that there was <u>no evidence the increased rate of Jobseeker prevented people looking for work</u>. Their report acknowledges the costs of looking for work and that an increased rate may assist. In addition,



during the period between March and September 2020 when the fortnightly job seeker rate was doubled, academics saw the vacancy rate for jobs fall and the <u>"the proportion of unemployed people</u> <u>who transitioned into employment returned to previous monthly benchmarks</u>". Both these statistics indicate that an increased rate of JobSeeker did not act as a disincentive for people seeking employment.

Food is often described as the 'elastic part' of the budget – as a lesser priority than paying rent and utility bills. Healthy food - or sometimes any food – is sacrificed to meet other needs, and food purchase can be seen as an immediate indicator of financial stress. The current reliance on charitable emergency food relief providers is simply not an adequate national response to this growing problem.

In the absence of routine data collection about food insecurity, one of the main ways to understand the extent of the problem is through emergency food relief (EFR) services. The major disruptions caused by the COVID-19 pandemic were quickly reflected in a massive increase in demand reported by EFR providers. By April 2020, it was reported on the <u>ABC</u> that demand for food relief had doubled; just as many of these charities found themselves vulnerable to the pandemic, with their reliance on older volunteers and need for social isolation. In addition, one in five charities had closed their EFR programs and supplies of donated food were often reduced. Foodshare in Shepparton (VIC), which supports 100 local food programs reported at one stage receiving only 10kg compared to the usual 300kg delivery.

Panic buying in the early stages of the COVID-19 pandemic created further problems for those without the resources to stock up on staples. Rural and remote communities were especially hard hit, with price rises on top of already high prices for staple and fresh foods, and compounded by the loss of income in the agricultural and tourism industries.

<u>Foodbank</u> reported that almost one third of people seeking assistance had never been in this position before. They also found that the percentage of those seeking help at least once a week increased from 15% in 2019 to 31% in 2020.

Similarly, before the COVID-19 pandemic, 30% of food insecure people were going a whole day with no food at least once a week; this rose to 43% during pandemic. The following quote highlights the lived experience of food insecurity, with its profound but often hidden impact:

'I was showing up to services with no fuel in my tank, yet expected to be clear thinking and rational. Nobody thought to ask when was the last time I ate – it made life almost impossible. I was attempting to make life decisions with no sugar in my blood and an incredibly light head' (Parity Magazine, March 2016 edition).

Groups that have been particularly hard hit during the COVID-19 pandemic include <u>international</u> <u>students and asylum seekers</u>, who were deemed ineligible for government support, and young people, many of whom were employed in casual jobs and in the gig economy and suffered loss of income. Some estimates showed that 65% of young people were going hungry at least once a week.

However, in the midst of this increased demand, the welcome supplements to JobSeeker payments introduced by the government in response to the COVID-19 pandemic have also acted in some ways as a 'natural experiment'. Food justice advocates have long argued that poor diets are influenced more by economic resources than by personal choice; A recent <u>ACOSS survey</u> found 93% of welfare recipients were now able to eat fresh fruit and vegetables, and 83% reported that they could now eat regularly, and more healthily.



Similarly, <u>Anglicare</u> found that JobSeeker supplements halved the numbers trying to live on \$7 per day, and helped people to eat properly.

Conversely, a subsequent <u>ACOSS survey</u> revealed that 80% of respondents said that when the coronavirus supplement was reduced in September 2020, they would have to skip meals and reduce how much fresh fruit and vegetables they bought. Several agencies have reported increased levels of stress and anxiety caused by the pandemic, while there is growing understanding of the role that healthy food plays in helping to protect against poor mental health.

<u>Anglicare</u> estimated that the cuts to JobSeeker supplements in September 2020 would put an estimated additional 350,000 people into poverty while these additional numbers would swell to 650,000 after the further cuts (currently scheduled for 28 March).

Conclusion

Having access to healthy and affordable food is a basic human right; advocating to make this a reality is a key role of <u>Australia's Right to Food Coalition</u>.

We urge the government to make a permanent increase to the JobSeeker payment, to assist those in need to meet the basic expenses of living, without compromising their physical and mental health through needing to rely on nutritionally poor food, or suffering the stigma of reliance on food relief programs. We also urge the government to follow the lead of other developed nations and provide support for international students, and to provide support also for asylum seekers.

