

Australian experiences of poverty : risk precarity and uncertainty during COVID-19



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Background

- COVID-19 pandemic is a dual crisis for public health and the economy
- By mid-2020 it was well understood that COVID will have lasting impacts on:
 - the health, economic security and wellbeing of Australians
 - how human services are designed, delivered and resourced
- Early government policy responses included interventions to provide social safety nets such as:
 - Coronavirus supplement
 - Suspension of mutual obligations
 - Rental moratoriums
 - Relaxing of temporary accommodation rules – rental diaries, short stay periods
 - Temporary accommodation for people experiencing homelessness – including hotel stays

Project aims and background

Early government policy responses to the pandemic included interventions to protect against economic harm, *and* interventions to protect public health that risked economic harm:

- Coronavirus supplement
- Suspension of activity testing for income support payments
- Eviction moratoriums and improved temporary accommodation
- Business shut-downs, changes to school learning, stay-at-home orders

Our aim: to explore the effect of these different responses on the daily lives of people most at risk of poverty and disadvantage, focussing on:

- Income poverty and income support payments
- Employment and social support
- Housing security, evictions and homelessness

Methods and sample

Method

- Insights from people experiencing poverty through interviews
- Perspectives from service providers and others through a review of the literature

33 participants were interviewed who are clients of support services

- homelessness service users who received temporary accommodation assistance
- single younger people and sole parents who are currently unemployed
- people from CALD background who are currently unemployed
- older people who are long-term unemployed
- people in low-paid or precarious work who experienced changes to work during 2020-2021 (commenced or lost work, changed to or from underemployment)

About the participants

- Diversity of backgrounds, service use and receipt of COVID-19 specific interventions
- Income support, employment status, housing situation often changed throughout the pandemic
- Often participants belonged to more than one recruitment group
- Likewise, many participants faced expected and unexpected life events that unfolded over the pandemic.

Introducing Lily

Mum is on Centrelink too because she lost her job. And my brother is currently kind of supporting. ... So he said he may lose his job or may not depending on what his managers think. ... it's stressful. I think we are kind of just barely hanging on because we are in a lot of debt, because like our dad recently passed away and that was expensive, I didn't know dying would be so expensive. (Lily)



Introducing Paul

My mum died last year and my dad had to sell the house, my dad's in a nursing home now and so I've had a house with a backyard all my life and then dad sold the house and I virtually had nowhere to go because I'm on drugs and that and that's what I'm organising now to get into rehab. (Paul)



What mattered most

- Housing

The most important was to be able to secure housing for me and my daughter. That was one of the things that I was the most worried about. (Jackie)

- Coronavirus supplement

When we had the supplement, I think that that was keeping me. I could afford the cost of living. I can focus on my emotional wellbeing. ... I don't know what I would have done if I was in a struggle since the beginning. (Jackie)

- (In)capacity to work

I've been stuck in this house and they're saying, "go and get a job." How are you supposed to go and get a job when you can't leave your area? (Henry)

Employment

- Impact of sector lockdowns, geographic restrictions and competition for sparse jobs
 - Future uncertainty is emotionally stressful
 - Exhausting of their resources/strategies – things that worked before didn't work now
 - Exacerbation of everyday budgeting stresses – making ends meet including health expenses

Positive effects included working from home (esp. if home-schooling) and stability if classified as an essential worker (esp. if in care work) – less common experience

Coronavirus supplement

- Profound positive impact on emotional well-being
- Capacity to experience a life without on-going debilitating money worries
- Used for essentials - food, medical or personal items; pay of debt (or limit risk of); address emergencies (e.g. funeral costs, moving house)
- Less on discretionary spending - take-away or for savings

*breathing
space*

*alleviating
pressure*

*life a lot, a lot
less stressful*

*frees you up to
be able to think
more clearly*

buffer

BUT

Coronavirus supplement

- A short-lived reprieve

- Reduction of payments and ending (March 2021) had a **pernicious impact**

The supplement in many respects was like death of a thousand cuts. (Dolly)

- A return to living on low incomes, prioritising basic needs and maintaining frugal lifestyles

I went to buy my food at a food pantry, for example. I buy food that is close to expiry date or even expired already so I was able to keep affording food and the basic needs. (Jackie)

- A reinforcement that regular payments are not enough to live on

Everyone that's on Centrelink is underpaid. What they give, you can't even survive off. You can't even pay the bills, let alone save or get a place. (Jerry)

- A sense of closing down a world briefly opened to them

Once the payments started going down, you sort of retreat back into looking inwards to manage the payments so you can cover the basics and not have to worry about getting homeless or that sort of thing. ... well it restricts how you sort of live. (Katie)

- A retraction of a shared experience

Income support & employment services

Specific COVID-19 challenges :

- × Closure of Centrelink offices (for computer access or administrative assistance)
- × Increased pressure on Centrelink staff and the system
- × Changing rules and inadequate communication was hard to follow

Like in the beginning during COVID last year it was a lot easier the application process and everything, ... but now it's just ridiculous, it's like they want to make it so hard so that people just give up. (Nancy)

- × Little support to actively look for jobs

I'm doing it on my own. The employment services, all their obligations have paused, so they are not really helping. (Lily)

✓ Halting of mutual obligations eased income support conditions

Income support and employment services

BUT

Same existing negative interactions that stigmatise and compound pressures continue:

- × Complicated, impersonal and harsh rules

People who don't know you will make a diagnosis and judgement on your health condition, even though you may have seen your GP for 10 years, who disagrees. (Patty)

- × Long phone call wait times
- × Online systems can be challenging and socially isolating
- × Job providers - mechanism to check mutual obligation requirements / rarely provide active assistance
- × Outcomes can depend on luck and location

Centrelink in many respects you can speak to three different people, ask the same question, and get three different answers, depending on the person's knowledge, experience and everything like that. (Dolly)

- ✓ Only occasionally offset by positive interactions such as responsive & helpful staff or efficiency of myGov

Pre-pandemic: housing

- Compounding material and emotional costs of low income with precarious housing – unaffordable rents, unacceptable living conditions, unfamiliar & unsafe neighbourhoods, forced frequent moves
 - Service users of temporary accommodation – negative experience with unrelenting requirements – almost always a last resort

You have to be out at 10 in the morning and then you have to apply again at 4 o'clock that afternoon and hope you get a bed, and that's just brutal, brutal, a dreadful system, it's just so destructive on people's mental health. (Daniela)

- Private renters on low income – continuous balancing of rental stress, poor-quality housing, insecure tenancy against choice and location
- People experiencing homelessness (couch surfing, rough sleeping) – physical, emotional & financial stress and limiting of choice and opportunity

Housing provision and services

- Temporary accommodation changes
 - ✓ Active policy to house rough sleepers was instrumental in being found' and 'helped' in ways that had not happened before
 - ✓ Relaxation of rental diaries and longer stays was a relief
 - × However, not a universal experience amongst users new to temporary accommodation where 'business as usual' continued

They said when I asked them about it that although the government policy had changed regarding the lockdowns none of theirs had so that's why they were still requiring everything, and nothing had changed on their side. (Nancy)

- Transition to social housing for people with complex needs – a partial success story!
 - ✓ Especially when service provision was individually focussed

Just the way she approached me, and I got to have a chat with her and tell her a bit of my life story and then I sort of trusted her and then she got me into a place.” (Henry)

Wellbeing

- Same uncertainties, grief & fears of more privileged people – inc. concern for family in care & home-schooling

It's been really challenging, to be honest. Because mum is in an aged care home, there's always been that threat of not being able to visit her [...] home-schooling has been a bit of a challenge. So, my daughter isn't independent in her studies. (Betty)

✓ For some, the unexpected benefits of more time with loved ones, more time to rest

- **However**, low income excluded access to compensatory strategies (streaming, online socialising/shopping, hobbies)
- Also, heightened damaging experiences: isolation, increased worries, mental and physical health tolls

I find myself having these little, not breakdowns, but you know stress (Betty)

When I do step outside, I sort of get this almost like social anxiety (Eric)

- A few could not conceive of plans and hopes for the future

I can't think long term anymore, I think that's the hardest struggle currently. (Lily)

Key factors to getting through

- Capacity to draw on own knowledge and resources
 - Own agency in deploying life strategies to survive
 - Mutually reciprocal support networks
 - Own awareness of courage and ability to learn
 - Capacity to manage the stigma of living in poverty
- Role of a single person as a critical conduit between housing, income, health & social supports
 - Participants described as being listened to, treated with respect and care, encouraged, valued and provided with assistance
 - Enabling of a sense of possibility and wellbeing
 - Often a support worker
 - But also friends or other service providers

Service provider perspectives

- Lockdowns and stay-at-home orders compounded existing risks and introduced new risks
 - Domestic and family violence
 - Parenting stress with on-line learning, especially among some migrant and non-English speaking background families
 - Negative impact of on-line learning on well-being, especially among disadvantaged youth
 - Financial vulnerability with early superannuation withdrawal, especially for 50-65 year olds
 - Social isolation, rising energy and utility costs, financial insecurity, future uncertainty
- Groups facing new and significant risks include international students, temporary visa holders, people from refugee and non-English speaking backgrounds, young people
- ✓ Impact of poverty mitigation strategies was positive and much needed
- ✓ With enough resources, service providers have capacity to make long-standing change

Policy and practice implications

- People with lived experience have resources and skills that they routinely draw on
- Service providers showed tenacity and innovation in meeting the needs of people during COVID
- However, service delivery systems are inefficient and inconsistent
- Policy responses that are quick with less eligibility criteria, low conditionality and long-term consistency are critical
 - Coronavirus supplement
 - Long-term secure affordable housing
 - Quality and consistency of service provider relationships
- For a short period, the collective experience of COVID-19 provided a shared understanding of the precariousness of life and work conditions

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