

## Tackling poverty

### Background

Eleven local councils in South Australia and Victoria have added their voices to the chorus of business, union and welfare groups which have called for Newstart to be increased. The South Australian councils which have passed motions are Adelaide, Clare and Gilbert Valley, Copper Coast, Kangaroo Island, Mount Gambier, Onkaparinga, Playford, Port Adelaide Enfield, Salisbury, and Streaky Bay. In Victoria, the Moreland City Council has also passed a motion.

Newstart at \$269 per week, is \$177 per week below the poverty-line. It is less than 41 percent of the minimum wage, less than 18 percent of the average wage, and has not been raised in real terms for 24 years.

Even the Business Council of Australia has advocated to the government that the low rate of Newstart presents a barrier to employment and risks entrenching poverty.

Increasing Newstart would benefit local economies, by increasing the spending power of those on low incomes, whose extra funds would circulate through local businesses. It would also reduce the strain on Council community services assisting the growing number of people experiencing hardship

### Motion:

Trades Hall notes that the low rate of Newstart is exacerbating poverty and homelessness, therefore council will publicly advocate in writing to the relevant federal government ministers that the Newstart Allowance be increased to the level of the Henderson Poverty Line. Further, that copies of the letter be sent to all Victorian federal MHRs and Senators.