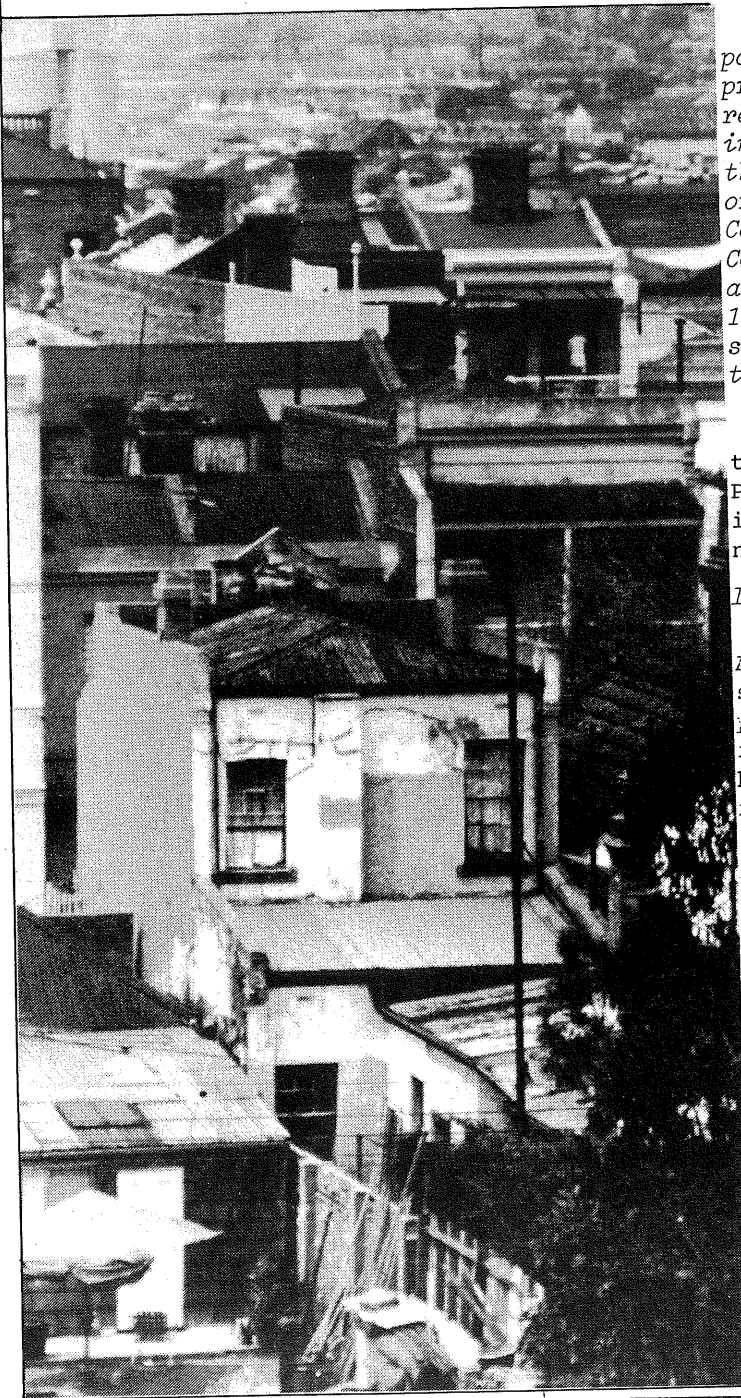


# POVERTY INQUIRY – WHATEVER HAPPENED?



*In 1975 the Henderson Inquiry into poverty in Australia was concluded. It produced four main reports and many recommendations aimed at reducing poverty in the lucky country. In September 1980 the Brotherhood of St. Laurence organised a Second Poverty Inquiry Conference. Three of the Poverty Inquiry Commissioners evaluated progress made in alleviating poverty in the five years, 1975-80. The article below summarizes some of the issues which were raised in this evaluation.*

Of the fifty-five recommendations in the First Main Report of the 1975 Poverty Inquiry only four have been fully implemented, eleven partly and forty-four not at all.

## *Increase in Poverty*

More people are in poverty in 1980 in Australia than in the early 1970's. In some respects certain categories of poor people are even worse off now. The increase in the numbers of people on or below the poverty line is largely the result of increased unemployment.

## *Wages*

It is estimated that there are 115,000 families where the head of the family is working but the wage is so low in relation to the size of the family that they are in poverty. They are particularly hard hit by the failure to increase family allowances in the past five years or to introduce a means tested supplementary allowance.

## *Pensions and Benefits*

The Poverty Inquiry recommended that all pensions and benefits be raised above the poverty line. In 1980, while pension rates for a married couple are slightly above the poverty line, other pensions remain below the poverty line.

## *Employment*

If the Government has tried to implement the Poverty Inquiry recommendation that it should provide jobs to counter unemployment, it has not been successful.

The number of unemployed people has risen from 248,000 in 1975 to 418,000 in 1980.

## *Guaranteed Minimum Income Scheme*

The most important recommendation of the Poverty Inquiry was that a Guaranteed Minimum Income Scheme, financed with proportional tax on private income, be introduced as quickly as possible. This would give everybody a minimum income regardless of whether their poverty was caused by age, invalidity, sickness or unemployment. All that would matter would be that their income was below a certain level. This recommendation has not been implemented.

## *Who is to blame?*

Whilst it is easy to blame the Government for the increase in poverty in Australia, welfare agencies, community organizations and Churches, media, trade unions, ethnic and self-help groups must accept some responsibility for not having been sufficiently effective or committed in shifting political priorities to the advantage of low income people.

## *Changing the Situation*

Peter Allen, Social Policy Officer at the Brotherhood of St. Laurence has estimated that it would cost \$600 million to lift all pensions and benefits to the poverty line. This would be a small increase in the Social Security Budget, or, looking at it in another way, it represents about one third of the oil levy money received by the Commonwealth Government.