



LOW INCOME AND DISADVANTAGED FAMILIES BEING LEFT BEHIND AS COST OF LIVING SURGES

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Despite Australia's jobless rate falling to a new 13-year low last month, cost of living increases continue to place enormous pressure on low income and disadvantaged families.

Ms Monique Earsman, Executive Director of Catholic Social Services Australia, said today, while the fall in the unemployment rate is clearly welcome, people on low incomes and those living on or below the poverty line are not seeing any real benefits.

"According to the Australian Bureau of Statistics, in 2021 consumer prices rose 3.5% while wages increased by just 2.3%," Ms Earsman said.

"We are now very much in a situation where Australia's soaring cost of living is outstripping wage increases or benefits and those at the bottom end of the economy are the ones feeling the pressure the most.

"The weak growth in wages is, in part, the result of the increased casualisation of work, which has given employers the upper hand when bargaining with workers.

"And the problem is felt hardest in low wage jobs and across the gig economy," Ms Earsman said.

According to the ACTU the gap between cost of living increases and wage growth has left workers on average incomes more than \$800 worse off in 2021, the steepest cut in real terms for more than 20 years.

Ms Earsman said that as the Government prepares for the release of its Budget at the end of the month, it must consider the devastating impact the surging cost of living has on low income families, the unemployed and marginalised.

"While we hear much about cutting or freezing fuel excise and extending a low and middle income tax offset these will have little benefits for the just under 3 million Australians, including nearly 750,000 children, living in poverty.

"It is these people, who are already spending every cent they have on just keeping their heads above water, who are hardest hit by cost of living increases.

"And it is these people who, more often than not, are left behind when budgets are being drafted and policies are being set," Ms Earsman said.

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