

# 2016 | Cost of Living

The ability of low income households in WA to achieve a basic standard of living is the focus of the Western Australian Council of Social Service's *Cost of Living Report*, which has been produced annually since 2007. This report models three low income households, and examines the adequacy of their income to enable them to afford a basic standard of living in line with agreed community standards.

Weekly income and expenditure of our three model households in 2016<sup>i</sup>

	Income	Expenditure	Net Position
Single Parent Family	\$978.00	\$905.92	\$72.08
Working Family	\$1,425.59	\$1,294.62	\$130.97
Unemployed Single	\$310.46	\$343.67	-\$33.21

- ✦ **The weekly income of our model unemployed single remains inadequate to meet basic living costs**, with gap of over \$30 between income support provided and a basic standard of living in line with community expectations.
- ✦ **The income of our working family surpasses their estimated basic living costs by \$130.97 per week**, but rising unemployment rates in Western Australia places job security at risk. The loss of even one source of income would put this family in a financially precarious situation.
- ✦ **The income of our single parent family surpasses their estimated basic living costs by \$72.08 per week**, but leaves them still vulnerable to financial shock. High levels of underemployment for female workers leave the single parent at risk of poor mental health outcomes as a result of a financial hardship and a lack of a sense of mastery and social support.<sup>ii</sup>
- ✦ **A significant increase to the Newstart Allowance rate is still desperately needed.** \$263 a week in Newstart is simply not enough for even a basic standard of living. An increase of at least \$50 is needed to the Newstart Allowance.
- ✦ **Concessions are critical to enable cost of living pressures to be met by everyone in the community.** However, state concessions have not kept pace with rising household fees and charges.
- ✦ In WA there are **240,000 people living below the poverty line**, with a further 150,000 at risk of financial hardship<sup>iii</sup>
- ✦ **Child poverty rates** across Australia have **increased 2% over the last decade** to 17.4%, with nearly three quarters of a million children growing up in poverty nationally.<sup>iv</sup>

To read the report, visit [www.wacoss.org.au/policy\\_and\\_advocacy/CostofLiving](http://www.wacoss.org.au/policy_and_advocacy/CostofLiving)



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<sup>i</sup> WACOSS (2016) *Cost of Living Report*

<sup>ii</sup> WACOSS (2016) *Cost of Living Report*

<sup>iii</sup> Figures produced for WACOSS by the Social Policy Research Centre at UNSW and ACOSS

<sup>iv</sup> ACOSS (2016) *Poverty In Australia*