



# Understanding the impacts of COVID-19 on vulnerable Australians

Insights from Good Shepherd  
Australia New Zealand



This report is compiled by the Research & Advisory and Social Policy teams at Good Shepherd Australia New Zealand. We specialise in areas of gendered disadvantage, family and domestic violence, financial security and wellbeing, microfinance and women's entrepreneurship. We are responsible for developing insights and engaging in advocacy to influence positive system change.

### **Acknowledgements**

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### **About Good Shepherd Australia New Zealand**

Good Shepherd Australia New Zealand was established to address the critical, contemporary issues facing women, girls and families. We work to advance equity and social justice, and to support our communities to thrive. We aspire for all women, girls and families to be safe, well, strong and connected.

### **Statement of Recognition**

Good Shepherd Australia New Zealand acknowledges the Traditional Custodians of the lands and waters throughout Australia. We pay our respect to Elders, past, present and emerging, acknowledging their continuing relationship to land and the ongoing living cultures of Aboriginal and Torres Strait Islander Peoples across Australia.

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SUMMARY

# The impacts of COVID-19 on vulnerable Australians

The pandemic and its effects are not over for those Australians who have become part of the new vulnerable cohort. Economic wellbeing and job security remains elusive, and there are other concerns such as physical safety, an increase in coercive control tactics, the lingering effects of enforced isolation on mental health, eroding worker protections and the reduction of income support payments.



## Good Shepherd domestic violence services

- 23% increase in clients
- 53% increase in case work
- 67% increase in younger women seeking support
- 68% increase in clients with a CALD background

**Female-dominated industries** have experienced greater economic downturn than male-dominated industries



↑ 400%

In April, at the height of the economic downturn, the number of women working full-time whose hours were cut rose over 400%



↑ 300%

The number of men in the same situation rose 300%



- Negative employment changes** were experienced more in low-income households
- 56% Lower-income
- 30% Higher-income



## Recently-arrived people

Recently-arrived people are experiencing higher levels of negative employment outcomes

- 41% Australian born
- 60% in Australia less than 5 years
- 48% in Australia 5-9 years
- 44% in Australia 10 years +



## Economic abuse

The pandemic allowed new and differing forms of economic abuse to manifest, often under the cover of unemployment or financial stress



**Transferring services** to an online platform is not a panacea; even for young people it was often no replacement for direct human contact with service support staff



For those who received the temporary Coronavirus supplement, it was **life-changing**



**Elder abuse** was more prominent in Good Shepherd's financial counselling services in 2020

# 1. Introduction

There has not been a year like what we have experienced in 2020.

**The onset of the global Coronavirus pandemic (COVID-19) quickly brought everyday life for most people to a halt. Across Australia, stay-at-home orders were announced. For some, the disruption was minimal, moving work from an office environment to a home setting. But for Good Shepherd's clients, many of whom experience high levels of complexity and disadvantage, the story was seldom straightforward.**

Good Shepherd, like all community services organisations, was forced to quickly design and deliver services in new ways. Central to this was the need to understand the impacts of stay-at-home orders, more serious lockdown measures such as those experienced in Victoria, changes to employment, and changes to the social safety net on our clients.

The economic and social situation was complex, and the experiences of our clients were complex too. There were positives – such as the positive impact on health and wellbeing seen from the Coronavirus supplement, which for many people effectively doubled their income. Negative impacts on employment, women's safety and financial security were also tracked. There is also a fundamental change in disadvantage in Australia, with large numbers of new cohorts relying on social services for the first time in their lives.

This report summarises the findings of our multi-pronged approach to understanding changing patterns. Our sources include reviewing population-level trends, talking to our practitioners, and hearing directly from clients. In this report we share trends and data from the following sources:

- **Population level, longitudinal data collected and analysed by Roy Morgan.** Good Shepherd commissioned Roy Morgan to survey approximately 19,000 working Australians<sup>1</sup> to understand negative employment impacts between the months of April – September 2020 drawing on Single Source data. This allowed us to track changes for working Australians and better understand how the pandemic was changing employment patterns and financial security. We have supplemented this rich data set with selected insights drawn from ABS and Department of Human Services data sets.
- **Service delivery insights.** We also regularly monitored changes in trends from our practitioners, including those working in financial counselling, domestic and family violence, family support and counselling programs, and our microenterprise and microfinance programs such as the No Interest Loans (NILS) program. These regular check-ins allowed us to monitor changes in who accessed our services and how cases have changed across the year.
- **An evaluation of Good Shepherd's Household Relief program.** This program was specifically designed to respond to hardship caused by COVID-19, with a focus on rental and utility stress. We report on the issues that are bringing people to the community service sector for the first time.
- **Responses from the Social Security and time use during COVID-19 survey.** This research is being conducted in partnership with ANU, Swinburne University, and the Centre for Excellence in Child and Family Welfare, and is auspiced by the Treating Families Fairly alliance. Here, with the permission of the co-researchers, we report on how people who relied on income support during 2020 experienced the temporary Coronavirus supplement and the reduction in mutual obligation requirements. Full findings will be published in 2021, but some representative responses to open-ended questions have been included here.

<sup>1</sup> People surveyed were those who provided their personal/ household income, and who currently work full-time or part-time AND those without change to employment as a result of Coronavirus crisis/ not employed prior to Coronavirus.

In this report, we share the overarching themes that have emerged from these diverse sources, including:



### Employment changes

Employment changes are giving rise to the 'new vulnerable.' This includes people with tenuous links to employment, including women, recently-arrived people, and people from low-income households.



### Increased risk

The pandemic put women at greater risk in their homes, and there was also an increase in elder abuse in our case work. With increased financial uncertainty, economic abuse also rose. Remote service delivery created barriers to women accessing the help they needed, and refuge stopgaps often left women in danger of further violence. Family violence was increasingly reported in financial counselling and NILS case work.



### Changes to income support

Temporary changes to income support were for many people the one positive aspect of this year, which led to increased financial security, better physical and mental health, and a reduction in reliance on community services. However, the temporary nature of the changes means that community services are bracing for a flood of overwhelmed people in 2021.



### Service delivery

Service delivery had to remain flexible and adaptable to meet the needs of people with mental health challenges and those experiencing financial hardship.

COVID-19 disrupted society in ways that were unimaginable this time 12 months ago. There have been many positive adaptations and innovations to emerge as a result of the pandemic, and we also experienced a united, empathetic community that was resolved to meet the challenges head on and support people in need.

At the same time, there is no doubt that the pandemic has revealed fundamental schisms in our workforce, income and welfare supports, and society. COVID-19 saw more people than ever before needing support from government and community services organisations, and there was a widening of the group of people that were traditionally considered financially vulnerable.

Government policy interventions, community service innovation and corporate support have highlighted what is possible when responding to people in hardship. It is clear that more will be needed in 2021, or we risk leaving many people behind on the road to recovery.



# 2. Employment changes and the rise of the 'new vulnerable'

## 2.1 Overview: A year of employment upheaval

2020 and the COVID-19 pandemic saw Australia's impressive run of economic growth come to an end after almost three decades. This economic downturn was laid bare in Australia's employment statistics. As a result of COVID-19, there have been changes in employment and income support that were unimaginable less than a year ago.

In October 2020, Australia's unemployment level was 7.0 per cent – 1.7 points higher than 12 months previous. The youth unemployment rate increased more dramatically, at 3.1 points over the year to October 2020.

However, the data on the number of people receiving JobSeeker suggests that the unemployment rate is higher. The discrepancy may be due to the way that employment is tallied; working as little as one hour per week is considered 'employed.' It is likely that individuals are moving in to lower-paid, precarious employment, and thus are still dependent on income support. About 1.5 million Australians, or about 10 per cent of people of working age, received JobSeeker and the unemployed Youth Allowance in September. That put the national effective unemployment rate at a shocking 9.3 per cent.

While the pandemic and the attendant economic downturn are sometimes considered a 'great leveller' across all of society, Good Shepherd's analysis indicates that negative impacts are concentrated in certain populations, in most cases exacerbating exclusion, while in others pushing people into financial instability.

## 2.2 Australians with tenuous links to the workforce are being further marginalised

COVID-19 has laid bare deep and pre-existing schisms in society and the labour force. Underemployment and precarious work are increasingly prevalent, creating significantly poorer outcomes for people.

According to data collected for Good Shepherd by Roy Morgan, between April to September 2020, 41 per cent of all working Australians have experienced negative employment impacts such as a reduction in hours worked (see Figure 2 for detail). These impacts differ in magnitude, however, when considering higher-income and lower-income household categories, noting that the lower-income category as defined in the Roy Morgan research includes households with an average income (under \$100,000 for household and under \$60,000 for individuals).<sup>2</sup> Table 1 provides an overview of the 'average' worker who has experienced negative employment outcomes, differentiating between the higher-income and lower-income categories.

<sup>2</sup> Roy Morgan has defined the higher income group as a family of any configuration with a household income of \$100,000 per year OR a single childless person with an annual income of \$60,000 or more. The lower-income group is defined as those households who make less than the stated amount for either a family or a single person. This matches the eligibility for microfinance products.

**Table 1: Demographic profiles of lower-income and higher-income members of the new vulnerable**

(data source: Roy Morgan Single Source data April – September 2020)

	New vulnerable – higher income	New vulnerable – lower income
Per cent of income bracket in the new vulnerable cohort	18 per cent	23 per cent
Gender	Male	Female
Age	25 – 64	14 – 24, 65+
Location	Sydney, Melbourne, Northern Territory	Victoria, Tasmania
Business size	Self-employed	Small business (fewer than 10 employees)
Occupation	Professionals, managers, skilled workers	Semi-skilled and unskilled workers, farm workers
Industry	Recreational and personal, wholesale, transport and storage	Recreational and personal, retail

Job insecurity affects people's ability to plan for their future, provide for their families, and fully participate in the economy. Precarious employment is associated with:

- Few/no worker protections
- Financial stress
- Work-family conflict
- Increased anxiety & depression
- Reduced physical health
- Under-utilising capabilities
- Creating long-term financial disadvantage.

Within the lower-income category, women and recently-arrived migrants are more likely to be in precarious employment. While the negative employment impacts have been felt across all socio-demographic groups, the research conducted for Good Shepherd by Roy Morgan indicates that those with lower incomes and more tenuous employment have been carrying the brunt of the economic downturn. The following sections provide an overview of trends drawn from this data.



## 2.3 People in the lower-income cohort make up the majority of those experiencing negative employment changes

While negative economic impacts as a result of COVID-19 have been felt across the board, the Roy Morgan data clearly demonstrates households in the lower-income category are over-represented in those who are experiencing new vulnerability. As Figure 1 shows, while 41 per cent of the Australian working population has experienced negative employment impacts, only 30 per cent of higher-income people reported negative impacts, but this rises to 56 per cent for people in the lower-income category.

### Negative employment changes by income

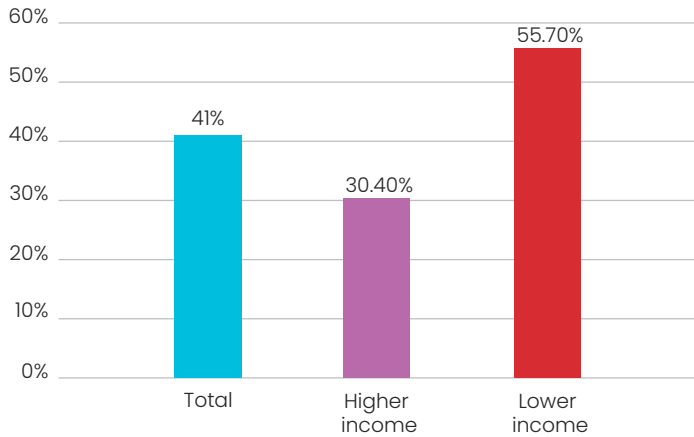


Figure 1: Negative employment changes by income level (data source: Roy Morgan Single Source data April – September 2020)

Those on in the lower-income category were much more likely to experience all negative employment changes covered in the survey; see Figure 2.

### Negative employment changes by income level

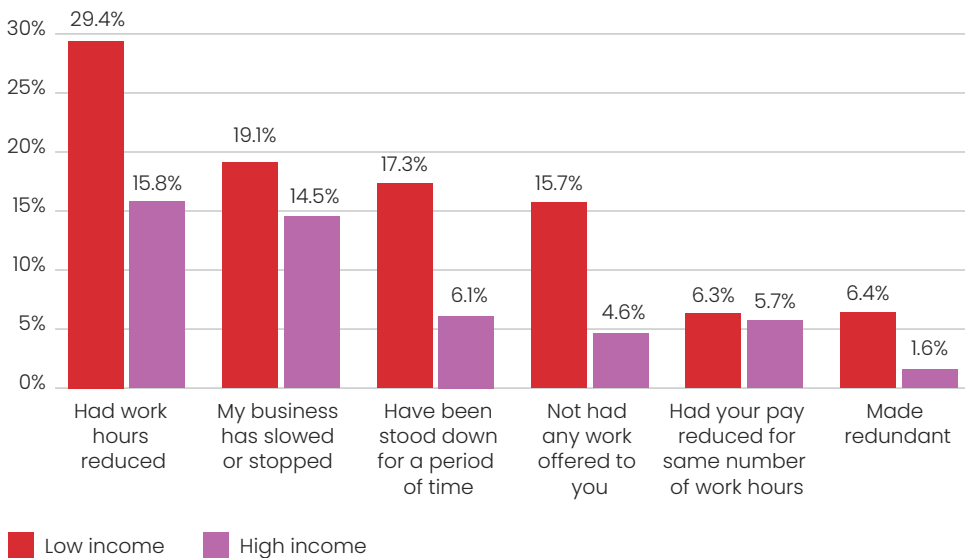


Figure 2: Detailed negative employment changes by income level (data source: Roy Morgan Single Source data April – September 2020)

Good Shepherd’s services saw middle- and higher-income households seeking help from social services for the first time. Many came across Good Shepherd by chance and did not have the knowledge of where to find reliable and appropriate support. Case workers indicated that their meetings with new clients became much longer because clients needed context and assistance in navigating the support system. Case Study 1, below, shares a client story that is illustrative of the changing clientele.



## CASE STUDY 1

### People accessing services for the first time

Like many people, James and Steph lost their jobs in April as the full effect of lockdown orders came into effect. They are the parents of a child in grade one. James worked as a motor mechanic and was a long-term employee of an automotive repair service that was forced to shut down. Steph worked as a property manager at a real estate agency which also closed its doors.

James and Steph applied for the JobSeeker payment but experienced a delay of 4–6 weeks before payments started. The couple had little savings, had not previously relied on Centrelink supports and were told that the only reprieve they could access was a mortgage repayment freeze. They were unaware of community support services that could assist them while they were awaiting the commencement of JobSeeker.

### What do lower-income households need for effective recovery?

Lower-income households would benefit most from reforms that shore up worker protections for people in precarious employment, investment in the caring sector, and ensuring a liveable wage for income support. There must also be consideration for how low-income households in particular will cope with the end of the [eviction moratorium](#).

## 2.4 Women experienced negative impacts to their financial security, particularly those on average and lower incomes

Prior to 2020, women were already struggling to secure their financial security in the Australian economy, due primarily to the [gendered nature of unpaid work](#), such as child care or house work, but also through the [high numbers of women experiencing gender-based violence](#) and the disproportionate number of women who head single-parent households ([82 per cent of all single parent-households](#)). [Women work fewer hours than men](#) and account for 67 per cent of part-time workers in Australia. Twenty-seven per cent more women than men consider themselves underemployed, and 33 per cent more women than men are not in the labour force at all ([ABS data, September 2020](#)). The onset of the pandemic has exacerbated these differences, with more women pushed out of the labour force across time; see Figure 3.

### Not in the labour force: selected timepoints

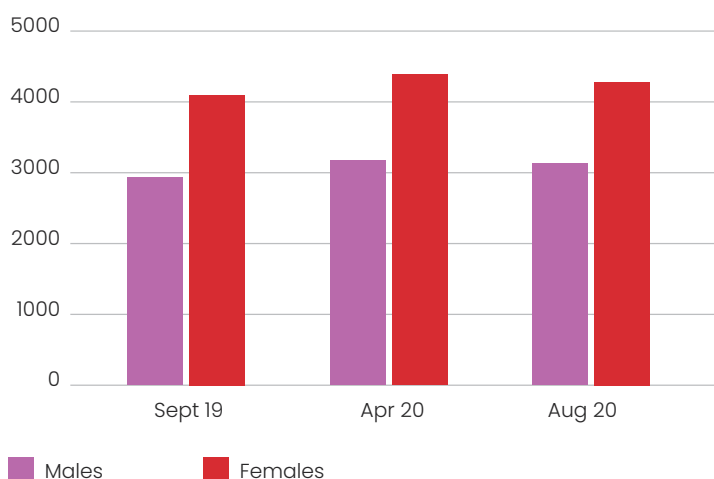


Figure 3: Changes in those not in the labour force across time and by gender (Source: ABS data)

The most dramatic gendered difference in employment patterns is revealed in the [ABS expanded dataset on underemployment](#) – defined as people who wish to work more hours but are unable to obtain them. Figure 4 shows changes between October 2019 – September 2020 for people who are categorised as underemployed part-time (worked less hours for economic reasons). This category is [described by the ABS](#) as “full-time workers who worked part-time hours in the reference week for economic reasons (due to insufficient work being available or stood down).” The trend data shows that prior to the onset of COVID-19, women were slightly more likely to be in this category than men. However, in April 2020, at the peak of Australia-wide lockdown measures, the number of women in this situation more than quadrupled, to a full 66 per cent higher than the rate for men. While the outcome was not good for either men or women, the disproportionate rise for women may indicate their more tenuous employment status in many work settings. It is also notable that, while by September 2020 the number of men and women in this situation dropped significantly, there remains a much larger gap, with women continuing to be more likely to experience this form of underemployment.

### Underemployed (worked less hours for economic reasons)



Figure 4: Underemployed (worked less hours for economic reasons) by gender (ABS data)

The Roy Morgan data confirms that women from the lower-income category have been disproportionately impacted by COVID-19 and the ensuing economic downturn.

Female dominated industries have been disproportionately impacted during the current economic downturn; see Figure 5.

### The new vulnerable by industry type

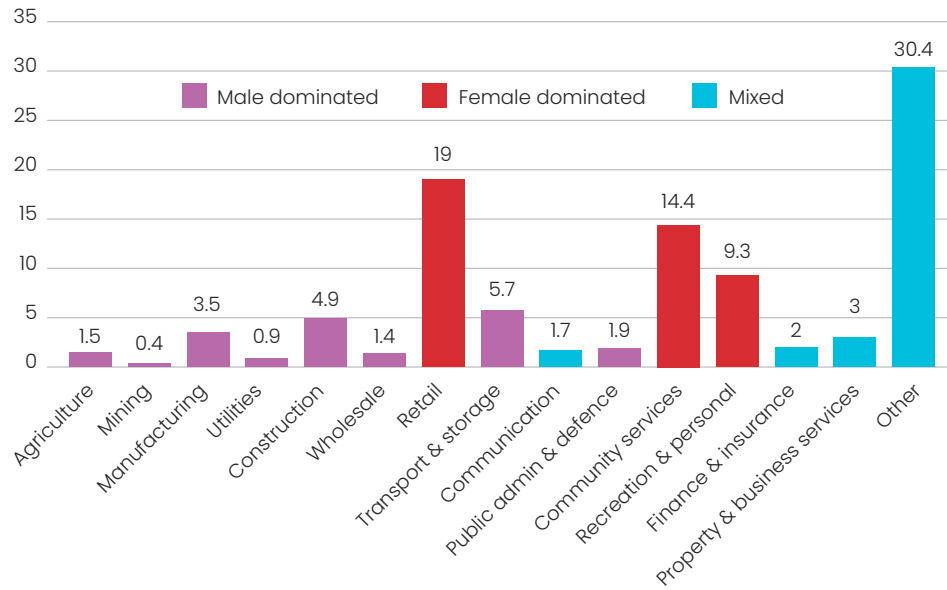


Figure 5: Industry analysis of COVID-19 impacts (data source: Roy Morgan Single Source data April – June 2020 lower-income category only)

Looking specifically at people who have experienced negative employment impacts more broadly, Roy Morgan’s research found that women from all income categories were slightly more likely to experience negative employment impacts, at 41.3 per cent, compared to 40.7 per cent for men. However, there were gendered patterns in what types of negative employment outcomes were experienced. Figure 6 shows that women were more likely to have reduced work hours, to be stood down, or to not have any work offered. Men were more likely to experience a slowing or stopping of business, and slightly more likely to have their pay reduced for the same number of hours worked.

## Negative employment changes by gender

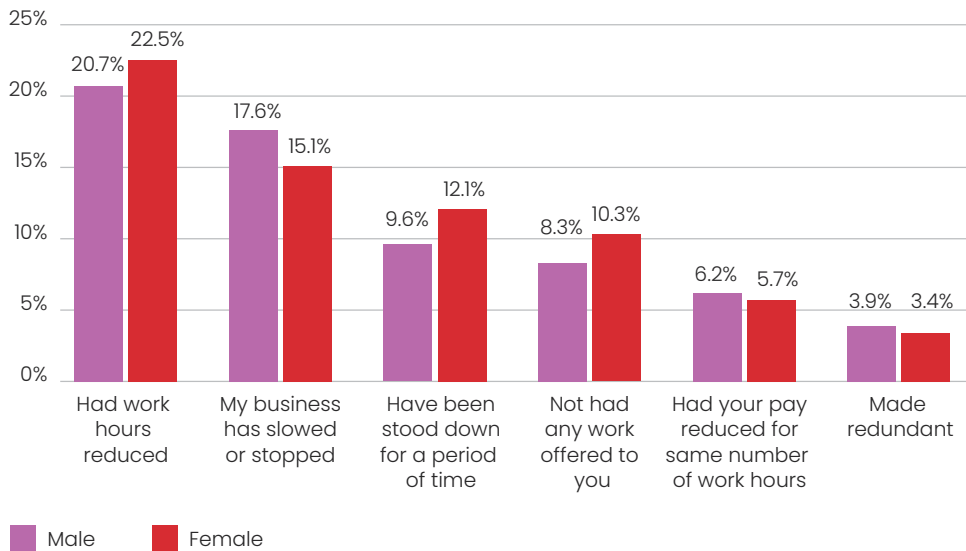


Figure 6: Types of negative employment changes by gender (data source: Roy Morgan Single Source data April – September 2020)

### Why do gendered differences matter?

The gendered dimension of employment impacts has not been adequately responded to in the Federal Budget (this has been exhaustively analysed by the [National Foundation for Australian Women's Gender Lens on the Budget 2020–21](#), of which Good Shepherd is a contributor). The majority of stimulus plans are aimed at male-dominated industries, despite both evidence and modelling that investing in female-dominated industries such as education, child care, health and community services would close the gender pay gap, strengthen caring services (where growth is largest), and yield benefits for both women and men. The lack of a finessed approach to the economic stimulus measures means women are likely to experience economic setbacks that may take decades to overcome. This is expected to further entrench poverty for women, increasing economic precarity along with attendant impacts. A genuine gender-responsive budgeting process would have highlighted such shortfalls and enabled a more effective response.

### 2.5 Recently arrived migrants have disproportionate representation in the new vulnerable cohort

The data collected by Roy Morgan demonstrates a relationship between length of time living in Australia and the likelihood of an individual experiencing negative employment impacts. Of those who were born in Australia, 41.3 per cent had experienced negative impacts. For those born overseas, an astounding 60 per cent of those who had lived in Australia for under 5 years were represented in the new vulnerable cohort. This drops to 48 per cent for those living in Australia 5 – 9 years, and 44 per cent for those living in Australia ten years or more. Overall, 46 per cent of non-Australian born people were in the new vulnerable cohort; see Figure 7.

### The new vulnerable by length of arrival

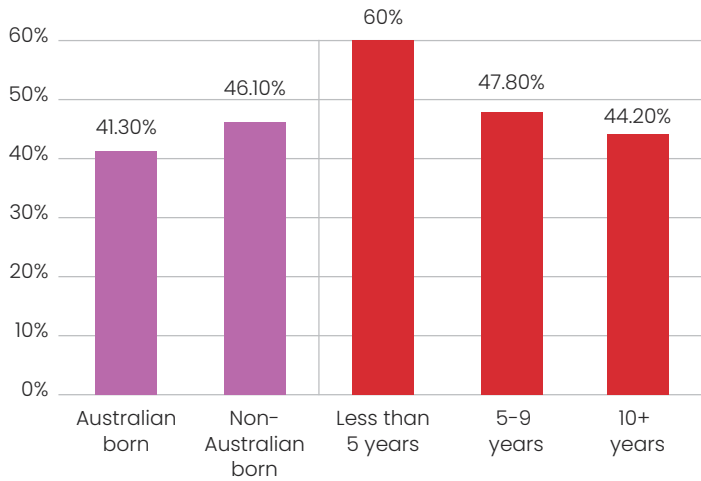


Figure 7: The new vulnerable by length of arrival (data source: Roy Morgan Single Source data April – September 2020)

When looking specifically at the low-income group that has experienced negative employment impacts, recently arrived migrants have even higher rates of inclusion in the new vulnerable cohort. Twenty-three per cent of Australian-born people are in the new vulnerable – low income cohort, but for those who have been in Australia for less than 5 years this amount doubles to nearly 48 per cent; see Figure 8.

### New vulnerable (low income) by length of arrival

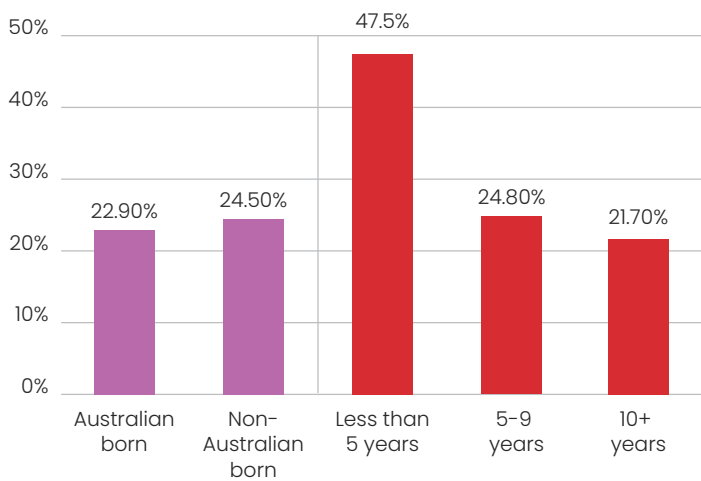


Figure 8: New vulnerable (low income) by length of arrival (data source: Roy Morgan Single Source data April – September 2020)

Good Shepherd is seeing an increase in recently-arrived migrants accessing support as a result of job loss, unexpected expenses, and lack of access to income support. Case Study 2 (below) provides a glimpse into the kinds of complex issues that are being reported by our practitioners.



## CASE STUDY 2

### Recently arrived migrants are experiencing higher complexity but without income support

A husband and wife are permanent residents of Australia. The wife was visiting family in Iraq when her return flight was cancelled due to the pandemic. A one-way return ticket was costing \$6,000, which was far beyond what they could afford. She has been in Iraq until such time as flights resume at affordable prices.

### Recently-arrived people are receiving fewer supports

Australian federal policy limits access to the social safety net for most recently-arrived migrants, although this exclusion was temporarily lifted for some supports specific to the pandemic (expiring April 2021). Recently arrived migrants and the Australian economy both have much to gain from inclusive policies that assist newly-arrived people to settle successfully and remain financially stable. Furthermore, it has been for the community services sector to fill the gaps for those who have been excluded from government supports.

### 2.6 People on higher incomes are interacting with the community service sector, often for the first time

While low-income households are disproportionately represented in the new vulnerable cohort, many higher-income households are also experiencing negative employment impacts. For many, the reversal in their financial security was both sudden and unexpected. Good Shepherd is seeing individuals coming to our services who are new to the service system, from both lower-income and higher-income households. Insights data from our practitioners, as well as a recent evaluation of the Household Relief program provide some insights into the unique needs of this group.

For some clients the sudden impact of COVID-19 has meant a period of initial crisis when they had no income to cover normal household expenses, while for others it has meant a continued period of financial distress culminating in deferral of bill payments – particularly when reaching the end of rental or mortgage relief arrangements. In addition to financial distress, some clients have also reported other life changes due to the pandemic, resulting in an increase in clients presenting with high levels of complexity. The following quotes from the Household Relief evaluation give voice to the distress experienced by the new vulnerable who are interacting with our services.

Some people described a sudden and unexpected change in their financial stability, bringing them to community services organisations such as Good Shepherd for the first time.

*“I lost my job (due to COVID) and went from (earning) \$200,000 to nothing.”*

*“My other business has collapsed...I had no debt but I had no money in the bank either so no safety net for us. (I had) no way to generate income and no warning this was coming.”*

Others are reliant on community services because they did not qualify for government supports and had nowhere else to turn.

*“I (don't have) permanent resident status, my wife is studying and I can't be full time, so I'm not eligible for JobKeeper or JobSeeker. It is very hard for me.”*



For others, the economic downturn associated with the pandemic overlapped with other negative experiences, putting up multiple barriers to their financial security.

*“Bushfire hits and COVID and (my) husband died. I was not getting help from any other organisation at the time. I am completely on my own, no family and I’m not able to work.”*

*“[I] moved state and circumstances changed so (I had to) incur costs – had to get to border before closed, so situation changed and paying for hiring trucks and (was) really scared wouldn’t get a house and then accepted house out of price – stressed about getting something – going into lockdown – so incurred extra cost which wouldn’t happen without it.”*

A common theme was the extreme stress of being in financial difficulties with reduced or no income, and little hope of a quick return to any kind of normalcy.

*“I was behind on my electricity bill – I put it on hold because of COVID for three months and then it was reinstated so I had to pay on top of my current expenses.”*

*“I thought I was going to lose my house. I was falling more and more behind on everything. I have never been late before in my life. The stress I was under was leading me to a mental breakdown.”*

*“I couldn’t get in front [of my finances]. I had no work and just got behind.”*

### **Recovery efforts will take time and require tailored responses**

The economic impact of COVID-19 and the resultant lockdowns experienced across Australia has affected almost half of all working Australians. This is a large group of individuals who may not have had any previous experience of service system support. We also know from Roy Morgan’s analysis that this group includes both individuals who would typically be categorised as higher income earners as well as those with average and lower incomes; impacts have been felt across all income brackets. The creation of this new cohort of vulnerable Australians has had ramifications across several sectors and is changing the nature of service delivery within the not-for-profit sector and within Good Shepherd.

Community organisations such as Good Shepherd have not typically had this group as a client base; the pandemic has created a new group of vulnerable Australians, and it is yet to be seen whether effective pathways for household recovery can be provided. Despite the recent announcement that the recession is over, unless there are further government policy and corporate responses, we expect 2021 to see an increase in households experiencing financial strife. This has implications for service sector response in both understanding the lived experience of this new cohort as well as in adjusting services and supports to allow for both primary service delivery as well as helping to navigate a service system that is foreign.

One of the ways that Good Shepherd responded to the growing number of people experiencing financial distress due to the impact of COVID-19 was to develop the Household Relief Loans Without Interest program. Supported by the Australian Government and the National Australia Bank, the program includes a free COVID Hardship Support Hotline, financial information and access to loans of up to \$3,000 for rent and utility bills for people who have had their income cut or been otherwise financially impacted by the pandemic.

### 3. Support for the new vulnerable in a time of economic upheaval: Income support

The unemployment payment, recently renamed the JobSeeker Allowance (previously known as the Newstart Allowance), has not had an increase in real terms in over 25 years, or even managed to sustain its value, despite ongoing advocacy by the community services sector and analysis from economists, and even the Reserve Bank Governor, that such an increase would be a boost to the economy. As Good Shepherd has argued elsewhere, the Newstart/ JobSeeker payment has not sustained its purchasing power due to inadequate indexing to cost of living increases, and is now well below the poverty line.

The economic impact of the Coronavirus pandemic led to an effective doubling of people who access either Newstart/JobSeeker or the Youth Allowance; see Figure 9. At its peak, in May 2020, the number of people on the Newstart/ JobSeeker payment had more than doubled, while for the Youth Allowance the rise was 70 per cent. As of October of this year, the numbers have dropped only slightly.

Recipients of Newstart / JobSeeker & Youth Allowance  
November 2019 – October 2020

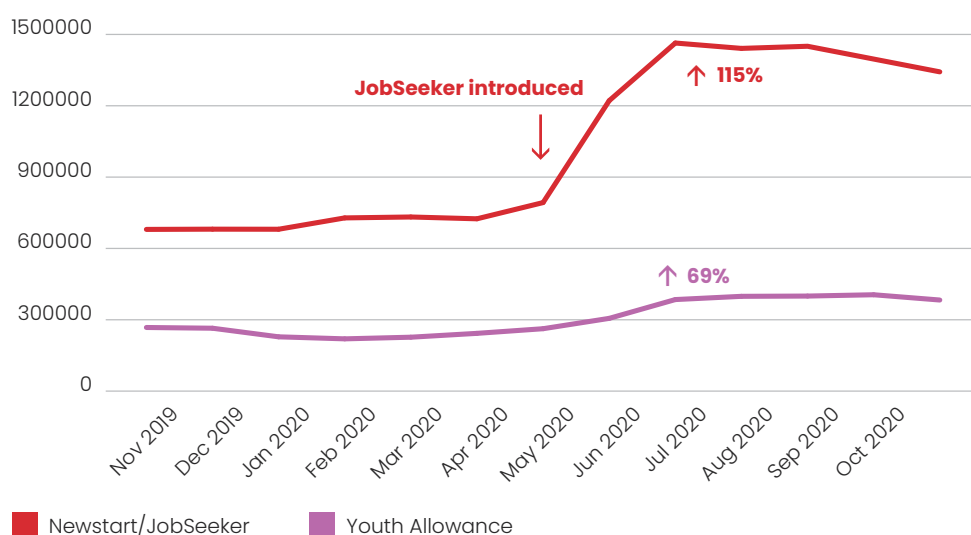


Figure 9: Changes in the number of people on income support payments, November 2019 – October 2020 (Source: DSS)

In response to the pandemic, the Federal government introduced a temporary \$550 per fortnight supplement to many (although not all) income support payments, which for most recipients effectively doubled their income. At the same time, a temporary moratorium was placed on most mutual obligation requirements; these are activities that people must perform to retain their payment and may include attending meetings, regular reporting, applying for jobs, and/or volunteering or performing work for the dole. With the virus currently under control in Australia, the Federal government has begun reducing the supplement and re-introducing mutual obligations and other requirements.

After years of advocating for reform of the punitive aspects of income support as well as an increase in the payment rate, Good Shepherd, along with co-investigators from Swinburne University, Australian National University, and the Centre for Excellence in Child and Family Welfare, have surveyed people who have been receiving payments in 2020.<sup>3</sup> The primary research question was whether the temporary increase in payments and the cessation of mutual obligations changed the way people spent their time, but people were free to list other benefits or drawbacks experienced as a result of the temporary changes.

Many people said the supplement meant they could purchase healthier food for their household, pay off debt, purchase school-related items for children, buy some necessary but expensive items (such as appliances), visit the doctor or dentist, and refill lapsed medication. Many also said they were able to put some away as savings for when they need it.

*“I was able to afford the basics, food, clothes, medicine, rent. It also made a huge difference to my mental health.”*

*“Could afford rent and food. Housing became more secure. I ate better. My mental health improved significantly. It became easier to plan my life and career. My family situation improved – because I didn’t have to rely on anyone to help me out when I was in trouble. I could buy things that helped me with employment – equipment for online work, a bicycle for travel, a proper phone.”*

*“I was able to afford all my groceries and utilities, I was also able to access all of my medication and I didn’t have to choose between food, bills and medication.”*

*“I’ve been able to pay bills and necessary items for my children instead of getting a loan to make ends meet.”*

When asked whether there were any negative impacts from the supplement, or how the first reduction (of \$200 in September) had impacted them, some people responded that the savings buffer meant they were not feeling the full impact yet. Others said their financial situation was already more precarious and many said that negative mental health impacts were returning.

*“I had to rely a lot more on my ex-husband paying child support on time, which he didn’t. It put me in a vulnerable position, having to rely on him. I lost my part-time job at this time, so went back to stressing about groceries and bills.”*

*“Have needed to budget over multiple fortnights for expenses that I could have afforded straight away with the \$550 supplement.”*

*“[I have] feelings of sadness, stress and guilt.”*

*“The... worries are resurfacing again. Our living circumstances have tightened and Christmas is now around the corner after a horrific year of kids missing out on enough already.”*

*“The anxiety is crippling. I’m so nervous. With the cost of basic groceries going up I already can’t sleep, it’s gotten harder to live already. I’ve been applying for jobs like crazy but no one wants to hire a single mother.”*

<sup>3</sup> Full findings from the “Social security and time use during COVID-19” study will be released in 2021.

One person stated that they had been going without benefits for years due to the abuse they received at their job agency despite being unable to take up work. With the moratorium on mutual obligations they were now receiving the benefit, but that was soon to end:

*“I’m in Victoria. There are no mutual obligations at the moment. When mutual obligations return I will be without a Centrelink benefit. I will not go to a job agency and be abused again. I would rather commit suicide.”*

Financial counsellors across Good Shepherd have also observed significant changes for individuals and families who received the Coronavirus supplement. Most dramatically, the demand for financial counselling services actually dropped for the core clientele as Australians in receipt of social security were reporting that for the first time in years they had enough income to make ends meet and take care of accumulated debt. This observation is supported by [a survey administered by ACOSS, of 955 people in receipt of social security](#) – finding that 83 per cent of people were eating better, 75 per cent were able to catch up on bills and 69 per cent were able to pay rent. Demand for financial counselling services has increased as the temporary supplements are phased out and people struggle with the reality of returning to an unliveable \$40 per day income. See Case Study 3 below.

### CASE STUDY 3

#### Financial Counsellors assess positive value of Coronavirus supplement

The COVID-19 pandemic has proven to be of significant benefit to longer-term clients who had been regularly accessing the support of financial counsellors. Many have stopped coming in to access this support because they had adequate financial resources to meet their needs through their social security payments.

The Coronavirus supplement has demonstrated that people in receipt of social security payments can manage their money well—it’s the lack of a liveable income which makes it difficult. The rolling back of the coronavirus supplement will see a wave of financial hardship and an increase in demand for services.



### Income support policies must be more humane

While the path to recovery will be long and hard, there are several policy and economic interventions that must be pursued if we are to bring the most vulnerable along with the rest of the country. Without this effort, we risk further reduced opportunities for people to join or re-join the workforce, potentially locking them into long-term unemployment.

One of the most important policy interventions to occur this year was the Federal Government’s decision to increase the JobSeeker wage subsidy and the introduction of the JobKeeper wage subsidy, alongside other hardship measures from state governments. These increases in welfare payments have been instrumental in keeping people afloat, and in some cases temporarily lifting people out of poverty. [Economic modelling conducted by researchers at ANU](#) found that, despite the economic downturn, poverty rates in Australia actually reduced, and this was led by a 90 per cent reduction in poverty levels for people on the JobSeeker and Youth Allowance payments.

There is ample evidence that purposely placing people in high-stress situations – such as keeping them below the poverty line or requiring onerous compliance tasks – undermines the ability to create long-term plans, thereby [reducing individual capabilities to strategise their way out of poverty](#). In the current economic climate in particular, more humane policies that allow people to look after their children, put nutritious food on the table, take care of their health needs and cover essential bills will also serve the economy better and place people in an enhanced position for returning to the workforce as opportunities become available.

## 4. The pandemic put women at greater risk in their homes

**The COVID-19 pandemic has challenged everything we know about family, domestic and sexual violence. We have seen greater risk and greater harm across all forms of violence, as well as increased complexity in client needs.**

The multitude of stressors, caused and/or heightened by COVID-19, have also impacted a range of other areas, including mental health, housing issues, emerging needs (such as asylum seeker clients who were ineligible for government financial support payments), and increased cases of elder abuse. Consequently, there has been increased pressure on our frontline service system.

Specifically, Good Shepherd data shows that:

- Services saw a 23 per cent increase in clients.
- Casework time increased by 53 per cent.
- There was a 26 per cent increase in brokerage payments.
- The number of younger women seeking support increased by 67 per cent.
- The number of clients from a CALD background increased by 68 per cent.

Family violence advocates and [researchers](#) have documented the increased complexities and challenges in assisting victims/survivors of family violence during the pandemic. Financial hardship, job loss, and housing insecurity have combined to escalate the level of stress in peoples' lives.

Correspondingly, our practitioners observed a link between financial stress, isolation, and the onset of new violence (see Case Study 4 below). This trend was similarly confirmed in [recent research by the Australian Institute of Criminology](#). Although these are well-known drivers of family, domestic and sexual violence, this is important context in terms of the issues that must be prioritised in our recovery efforts post-COVID-19.



#### CASE STUDY 4

##### Family violence increasingly intersected with financial counselling and NILS\* casework

"Ginny"<sup>\*\*</sup> had been living in NSW for 6 weeks after escaping a violent partner in WA. She was living with her four children, aged between 2-11, at her sister's house, sleeping on the lounge room floor. It was now safe for her to return to WA – to her home, the rest of her family, support network and the kids' school. However, she had no money for flights. She wasn't able to stay at her sister's beyond the end of September, had nowhere else to live and was at risk of homelessness. She was connected to a domestic violence agency in WA who referred her to Good Shepherd's NILS program. We were their last resort as they had exhausted all other options. She had experienced financial abuse and had a number of payday loans in her bank statement that were taken out by her ex-partner. The perpetrator still had access to her bank account so it wasn't reflective of her spending. Because of a flexible NILS-DV policy and taking into account her situation, plus the fact that she was being supported by services in WA, the loan was approved. When the client was called with the good news she cried and said, "You don't know what this means to me and my family".

For many women who have left violence and are attempting to rebuild a life for themselves and their children, financial stress is the primary barrier between themselves and safety.

\*No Interest Loan program  
\*\*Name changed

#### Australia was unprepared for the impacts of disaster on family violence

Despite what is known about how all forms of gender-based violence increase both during and in the aftermath of disaster, as a society we were not prepared for the impacts of a pandemic caused by infectious disease on victims of violence.

Indeed, the necessary public health restrictions imposed to flatten the curve had the effect of creating enabling conditions for men's violence. Victoria, the state with the strictest and most protracted period of lockdown, recorded a [spike in cases](#). Increased violence has also been seen in every Australian jurisdiction. High levels of coercive control and isolation were made easier by the stay-at-home orders, effectively forcing many victims of violence to continue cohabitating with the perpetrator, while in other cases the perpetrator was released from remand (see Case Study 5 below). These experiences were heightened by the victim's inability to seek respite from the perpetrator outside of the home.



#### CASE STUDY 5

##### Some perpetrators had more freedom during the pandemic

A high-risk perpetrator was released early from prison as part of the COVID-19 health management strategy. Good Shepherd case workers, working with the victim/survivor, referred it to the high-risk command because so many previous partners reported his high-risk offending. It is difficult to understand such decisions as a pandemic management strategy let alone as a management of risk to community. Perpetrators are not going to be deterred by stricter lockdown restrictions; rather, they see it as an opportunity to perpetrate violence against their victims.

## Difficulties associated with family violence remote service delivery

Engaging with services was also complicated for victims of family violence because victims/survivors were contending with an environment which made it difficult, if not impossible, to engage remotely due to the constant presence of the perpetrator (as well as the constant presence of children in many instances). Perpetrators' use of coercive control further limited victims' ability to connect with services.

Our practitioners also noted that while some clients engaged well with remote service delivery, others found it difficult to use and difficult to access. While the benefits that remote delivery offers for women whose safety is impacted by in-person service delivery is most welcome, low-income households without reliable technology or networks, or those with low technology literacy, often found access impossible, resulting in an uneven experience for women accessing services during COVID-19. For example, phone and/or screen-based service delivery is not always conducive for people with disabilities.

## Increased economic abuse as a result of financial strain

A key aspect of coercive control is economic abuse. Consistent with existing literature on disaster and family violence, there are indications that economic abuse increased dramatically during the Coronavirus restrictions and economic downturn. Elder abuse, in particular, has been identified by our financial counsellors as having increased significantly during the pandemic. Perpetrators used this tactic to exert greater coercion and control over their victims, including controlling bank accounts and social security payments, coercing the victim to apply for early release of their superannuation, and coercing debt (such as in the context of payday lending) in the victim's name.

Our preliminary data on the issue of payday lending reveals that women, young people, and Indigenous people are those most vulnerable to debt in relation to small amount credit products, and that this has worsened due to COVID-19. Recent data from the Australian Securities and Investments Commission (ASIC) establishes similar findings.

Issues of economic abuse during the pandemic further entrapped victims/survivors, limiting finances and by extension reducing possibilities for safe escape.

## What have we learned about keeping women safe during times of crisis?

The adaptability of services and collaboration within the broader sector has resulted in some improvements to the way we support victims/survivors of family violence. However, there are many lessons for further and continued improvement. There is an overwhelming need for proactive disaster planning, which centres the experiences of victims/survivors at times of disaster. Accessible and effective web-based service delivery must be designed which meets the particular needs of women experiencing domestic violence. Additionally, there needs to be more technology support training for both workers and clients; more thorough technology safety checks for clients; better internet connectivity for both workers and clients; continuation of tele-health; continuation of online access to courts and justice services for those whose safety is compromised by in-person access; and ways of engaging with victims/survivors outside the home must also be considered.



# 5. Service delivery insights on striking a balance between public health and wellbeing

## 5.1 Overview: Community services were forced to adapt quickly

The COVID-19 pandemic required service providers across all sectors to reconsider the ways in which their services were delivered. Service providers remain acutely aware of the need to ensure that core support is available while needs that emerge or increase as a result of the pandemic are also met.

It remained a priority for Good Shepherd to ensure that public health guidelines were met while also balancing the needs of our clients in an accessible manner.

At the height of the COVID-19 crisis and respective lockdowns across the country Good Shepherd practitioners met these challenges through adapting service delivery and providing consistent, reliable support to those accessing our services.

## 5.2 Meeting mental health needs

COVID-19 has changed the way Australians live, work and connect. Young people in particular have experienced significant disruptions to education, social relationships and routines. For the young people Good Shepherd support who experience anxiety, depression, family disconnection, sexual assault and other experiences of trauma, disruption to the way in which they access support has caused high levels of distress and an increase to already compromised mental health.

While there was some assumption at the outset of service adaptability that young people would be the most amenable to a move toward virtual support services, our practitioners reported a noticeable decline in service access by young people. Practitioners reported that young people themselves were withdrawing from support as meeting via the phone or video conference was challenging and, at times, unsafe. Young people who experienced homelessness or insecure housing often did not have access to the required technology to ensure their ongoing connection to support services, while for those living with perpetrators of abuse and violence the risk of being overheard while in a counselling session was too high.

As lockdown and restrictions eased the counselling services offered in NSW reported a gradual increase in re-engagement of young people to support. In August, the counselling services were inundated with new referrals with a demand that surpassed capacity as the impact of social isolation, missed education, and low employment opportunities took hold; see Case Study 6, below.



## CASE STUDY 6

### Adapting to the support needs of young people

Sally is a 15-year-old who had been accessing counselling support from Good Shepherd counselling services in New South Wales. Sally's home environment is characterised by significant conflict and Sally currently lives with post-traumatic stress syndrome and high anxiety.

Due to Sally's home environment, phone and video conferencing counselling sessions were not suitable and Sally struggled to engage. Good Shepherd practitioners understood that Sally required ongoing support to ensure her safety, and assessed COVID-Safe ways to provide this.

As a result, in line with public health guidelines, the counsellor supporting Sally held 'walking counselling sessions' outside. The counsellor reported a tension in ensuring that public health guidelines were met while also juggling Sally's health and wellbeing needs, who would have remained psychologically unsafe if her disengagement in services as a result of the COVID-19 pandemic had been accepted by her counsellor.

### Supporting the mental health needs of young people requires more than technology

Throughout this unprecedented year, there has been an ongoing acknowledgement of the impact that the COVID-19 pandemic has had on mental health, however, Good Shepherd is concerned about the overrepresentation of funding which has been directed to online and virtual support services given our experience of the way in which young people in particular disengaged from support when this was their only option. We welcome the announcement from the NSW government who are seeking to ensure holistic health needs of young people are met through the appointment of 100 nurses to schools across the State; in addition to the welcome announcement of the Federal Government's commitment to extend Medicare supported mental health sessions from 10 to 20.

### 5.3 Pandemic impacts on financial counselling

Behind the employment statistics sit the real story of the devastating impacts felt during 2020. Large numbers of Australians felt the brunt of the crisis and severe financial hardship and insecurity. For the first time, many Australians have needed to seek out support from charities in order to adequately provide for their families.

Data from Foodbank shows that the number of "food insecure" Australians using charities to get by jumped from 15 per cent to 31 per cent – with nearly half of those experiencing food insecurity now going one day a week without eating anything at all. According to Foodbank, nearly a third, or 28 per cent of Australians experiencing food insecurity had never experienced it before the pandemic, and 60 per cent of those people were women.

While federal and state and territory budgets are focused on returning Australians back into employment, the projections made through the respective budgets still fall short of ensuring that the number of jobs that have been lost during the pandemic will be met through employment initiatives<sup>4</sup>. Of deep concern is the gendered nature of job loss in Australia.

Good Shepherd anticipates an increasing demand for financial counselling services as the impacts of the pandemic continue to unfold, including the identified employment shortages and reduced social security support. This includes people who have not accessed support in the past, as well as an expected 'tsunami' of clients returning to financial strife once the Coronavirus supplements are removed and mortgage and rental arrears become due. There is a need to consider how targeted services, especially for women, can form part of the post-COVID recovery.

<sup>4</sup> For example, in New South Wales: more than 300,000 people across the state are unemployed, however, the stimulus targeted toward jobs in the latest budget is only projected to create 25,000 new jobs by mid-2022 (Source: [ABC News](#))

## 6. Looking forward: 2021 and beyond

**Taken together, the population-level data, the insights from Good Shepherd practitioners across a range of services, and the stories told by both our core client base, as well as the newly vulnerable clients entering the system, indicate that effective government action to support people during the pandemic kept many households afloat.** Nevertheless, thousands of households have been pushed to the edge and, as government rolls back supports, the community services sector is bracing for a tsunami of need. It is not the time for complacency, but rather a time for effective planning to ensure that those households who have been most impacted by the economic downturn will be supported to re-join the economy as it adapts to new realities. Governments should do all they can to ensure that budgets and economic policies are gender-responsive, considering the wellbeing needs of priority cohorts, and not just focussed on infrastructure. Key to this will be adopting a system-wide response that includes Federal and State government, the community sector, and the business community.

## Further reading from Good Shepherd

This report shares much new data for the first time, but it also draws on a rich foundation of research, analysis and advocacy conducted by Good Shepherd. The following publications are referenced in this report or may be of interest.

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**Good Shepherd's  
vision is that all  
women, girls and  
families are safe,  
well, strong and  
connected.**

