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Expect a flood of new homeless if Federal welfare bill passes

The peak body for homelessness has warned that a flood of people will be turning to homelessness services for help, if a controversial Welfare Reform Bill passes through Parliament this week.

The Coalition's Welfare Reform package includes a raft of measures designed to strip Centrelink payments from many people who are already on the brink of homelessness. The package includes proposals that will blow out the length of time people wait before receiving payments, and remove income protection measures for women trying to flee family violence.

The Nick Xenophon Team (NXT) is currently in negotiations with the Coalition, seeking to ease the Bill's passage through Parliament.

However, Homelessness Australia says the savings measures are a false economy. "These welfare reforms may save money in the short-term, but will only increase costs in homelessness and housing support, as people who could have managed on their own are plunged into crisis and need homelessness help," said Jenny Smith, Chair, Homelessness Australia.

"If passed, the new measure will force people to live without any income for weeks, making it impossible to pay the rent, and most certainly pushing thousands into homelessness. Our agencies are already struggling to cope with demand."

"The people who will be affected are only just managing to keep their head above water as it is, and tightening the vice on their income will be the thing that pushes some under."

Homelessness services are already turning away 292 people every day due to a lack of crisis beds and housing options, and Homelessness Australia says the Coalition's welfare reforms will lead to more people, including women and children, on the street.

"Making budget savings on the backs of the poorest and most vulnerable people in our community is not good public policy. We're appealing to the NXT to take a stand against measures that punish those who are already doing it tough. We need to extend the ladder down further, not yank it away from those who need it most," said Ms Smith.

The sections of the Bill of particular concern to Homelessness Australia are:

- a plan to abolish backpay to people who've been waiting for their Centrelink application to be assessed (Schedule 10)
- a proposal to remove the Intent to Claim provision (Schedule 11) which gives those in crisis (such as family violence or mental health episodes) the a chance to focus on critical priorities such as getting housing before turning their attention to Centrelink paperwork.
- cutting people off payments for up to four weeks under a harsher compliance scheme for jobseekers (Schedule 15)

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