

ANTI-POVERTY NETWORK

SOUTH AUSTRALIA



17/09/2018

For Immediate Release

MEDIA RELEASE: Newstart And Youth Allowance Raise Spells Huge Economic Benefits, Says Deloitte

Time For SA Government And Opposition To Put Aside Differences And Follow Lead Of 13 SA Local Councils That Have Advocated For Increase To Payments

South Australia's disposable income would increase by \$288 million and consumption by \$333 million, if Newstart and Youth Allowance were raised by \$75 per week, Nationally, 12,000 jobs would be created, with a 0.2 percent positive impact on wages.

It would cost the federal budget only \$3.3 billion, but would raise an extra \$1 billion in government revenues, due to the extra economic activity it would generate..

This is according to [vital research from Deloitte Access Economics](#), released today by the Australian Council of Social Service (ACOSS).

The Deloitte modelling shows that lifting Allowances would lead to increased consumer spending: an extra \$37 million dollars per year in the Salisbury Council area; an extra \$36 million in the Onkaparinga Council area; an extra \$30 million in the Playford Council area; and an extra \$29 million in the Port Adelaide Enfield Council area.

This research decisively confirms what advocates have long argued: an increase to Allowances (Newstart is currently \$273 per week - \$160 per week below the poverty-line) would not only improve the health and well-being of unemployed people and students experiencing severe hardship, but also produce significant economic benefits.

It is now vital that both sides of state politics put aside their differences and recognise that an increase to Newstart is not only a matter of justice for the 68,000 Newstart recipients and 23,000 Youth Allowance recipients in SA, but also a matter of economic commonsense, a no-brainer.

The Marshall state government should follow the courageous lead of the 13 SA Councils - representing 700,000 residents - that have advocated for an increase to Allowances, and also advocate to the federal government.

This is an issue that is bigger than party politics. If former federal Liberal leaders, John Hewson and (former PM) John Howard can call for Newstart to be lifted, why not Premier Steven Marshall?

After all, there is already overwhelming community support for a raise, with two-thirds of the public supporting a raise, according to a June Essential Media poll, along with leading community organisations and welfare NGOs, trade unions, KPMG, the Business Council of Australia, the Australian Industry Group, and 13 SA Councils.

For enquiries, and to speak to Newstart and Youth Allowance recipients who will benefit from an increase to payments: (08) 8451 1589 or 0411 587 663 or campaigns@apnsa.org.