



LIVING AFFORDABILITY IN QUEENSLAND 2024



ABOUT QCOSS

Queensland Council of Social Service (QCOSS) is Queensland's peak body for the community services sector. We work to improve the lives of Queenslanders by ensuring our sector is strong, connected, engaged, mobilised and heard.

Our work is underpinned by our values of strength, optimism and respect.

We are committed to self-determination for First Nations Peoples.

Our work is evidence based, focused on the whole of Queensland and reflects the views and perspectives of our members. Our members share our vision of equality, opportunity and wellbeing for all Queenslanders and are deeply involved in our work.

QCOSS centres human rights in our decision-making and actions, and we work with the community services sector to promote human rights respecting practices.

We bring our members, the community sector, other peak bodies, government, business and the community together.

Excellent relationships and partnerships are at the core of everything we do.

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QCOSS acknowledges Aboriginal and Torres Strait Islander people as the original inhabitants of Australia and recognises these unique cultures as part of the cultural heritage of all Australians. We pay respect to the Elders of this land; past and present.

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EXECUTIVE SUMMARY

The QCOSS Living Affordability in Queensland 2024 report seeks to establish whether low-income households in Queensland can afford a basic standard of living.

“Due to cost-of-living pressures, households are making detrimental trade-offs.”

The report documents the financial stress and deprivation faced by vulnerable households in Queensland. The five model households featured in this report illustrate how various low-income households experience cost-of-living pressures based on their respective incomes and financial circumstances.

Among responses to QCOSS' biannual Cost-of-Living Survey, housing, energy bills, food and transport were the leading categories of increased household costs.

Only two of the five modelled households were able to meet a basic standard of living, with all five modelled households highly vulnerable to financial shocks and indebtedness.

None have sufficient income to meet unplanned expenses if an emergency arose as the vast proportion of their income is allocated to meeting essential costs.

Housing costs were the highest expenditure for each household, with all modelled households spending more than 37 per cent of their income on housing. These households are in housing stress.

Unaffordable rent and critically low rental vacancy rates mean that people on low incomes have limited access to affordable and secure housing and are under significant financial stress to maintain tenancies. Some people are forced to stay in unsafe and unsuitable housing because they cannot afford alternative accommodation.

Due to cost-of-living pressures, households are making detrimental trade-offs. For example, the high costs of food and groceries are driving households to substitute healthy foods with cheaper alternatives, buying less food, or skipping meals, which impacts on their health and wellbeing.

Transport costs are also too high for families on low incomes reliant on private vehicles and petrol for transport. Rural and remote households are especially affected as access to reliable public transport is limited. Lack of access to transport increases a person's risk of social isolation.

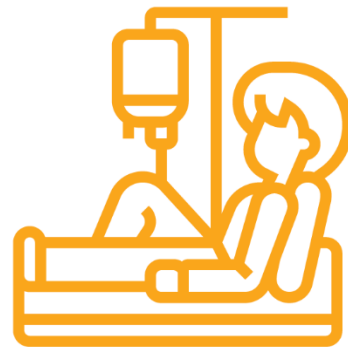
Those with children are struggling to meet out-of-pocket costs for their child's schooling, in light of competing financial demands.

Households are neglecting their health needs due to out-of-pocket costs or are enduring extreme financial hardship to cover essential medical expenses.

“Concerningly people are experiencing higher levels of stress, anxiety, and depression due to financial stress.”

Concerningly, people are experiencing higher levels of stress, anxiety, and depression due to financial stress, and are facing significant barriers to accessing psychological care.

Government supports and concessions have made a tangible difference to household budgets in 2024. However, more targeted and sustained support is required to ensure Queenslanders on low incomes do not live in poverty.



BACKGROUND

The Living Affordability in Queensland 2024 report was produced against a backdrop of rising cost of living and economic insecurity.

Inflation in household expenses can be observed in the Consumer Price Index (CPI) produced by the Australian Bureau of Statistics (ABS). CPI measures inflation through the percentage change in the price of a basket of goods and services consumed by households. To calculate the CPI, the ABS collects prices for thousands of items, which are grouped into 87 categories (or expenditure classes) and 11 groups. These prices are collected quarterly and the entire CPI basket is aggregated to work out the inflation rate.¹ Brisbane's headline inflation increased by 3.4 per cent over the year ending with the June quarter 2024.²

Of the 11 groups, the housing group made the largest contribution to inflation, with rent rising significantly in the quarter ending 30 June 2024.³ Other strong contributors from the CPI groups included recreation and culture, insurance and financial services, alcohol and tobacco, clothing and footwear and health.

Brisbane is now the second most expensive property market in Australia, while new

“Exceptional rent increases coupled with record low vacancies in the private rental market is making housing unaffordable for people on low incomes.”

tenancy rents across Queensland are also climbing faster than other states.^{4,5}

Exceptional rent increases coupled with record low vacancies in the private rental market is making housing unaffordable for people on low incomes.⁶

Income is critical when examining cost-of-living. In the first two years since COVID, average earnings grew strongly but inflation grew faster, so the 'real value' of wages declined. Despite working longer hours and

receiving a pay rise, people were still falling behind increases in the cost-of-living.⁸

According to the ACOSS' 2024 *Inequality in Australia* report, the highest 10 per cent of households ranked by income had an average after-tax income of \$5,200 per

“Despite working longer hours and receiving a pay rise, people still fall behind increases in the cost-of-living.”

week, over two-and-a-half times the income of the middle 20 per cent (\$2,000) and seven times that of the lowest 20 per cent (\$800).⁹ Unequal distribution of earnings and access to employment was identified as the main driver of inequality for private incomes.

The National Minimum Wage is currently \$24.10 per hour or \$915.90 per 38 hour week (before tax), increasing by 3.75 per cent from 1 July 2024.⁷

Despite modest increases in income support payments and Commonwealth Rent Assistance,¹⁰ these payments remain inadequate to cover essential costs. The Economic Inclusion Advisory Committee found that people receiving these payments face the highest levels of financial distress in Australia.¹¹

“During a cost-of-living crisis, the role of community organisations is critical.”

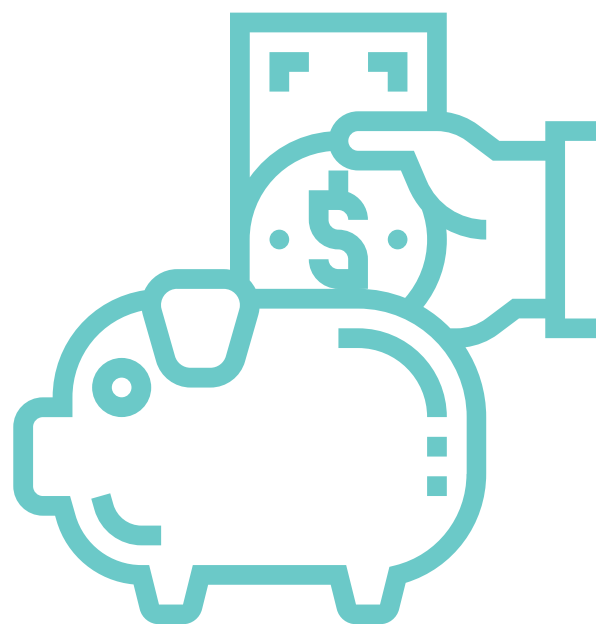
The Queensland Government has responded to inflation and cost of living pressures with a record increase in rebates and concessions in its 2024–25 State Budget. All Queenslanders will receive at least a \$1,000 rebate on their electricity bill. However, these payments are not sufficiently targeted to maximise benefits for households most in need.

During a cost-of-living crisis, the role of community organisations is critical. QCOSS' recent report on improving access to cost-of-living supports highlighted the important role of the community sector as a connecting link for targeting concessions by supporting individuals and households to access financial supports with referral pathways.¹² It was noted that warm referrals and holistic support offered within a place-based setting was essential for connecting people who are vulnerable and digitally excluded with financial supports. Along with other recommendations, a coordinated and strategic response to financial inclusion was highlighted as important to drive systemic change.

QCOSS' Living Affordability in Queensland report show that the budgets of families with children are the most severely compromised. These families are running significant weekly budget deficits and are unable to afford a basic standard of living. Poverty has a significant impact on children. Children experiencing poverty have an increased risk of poor developmental outcomes in later childhood,¹³ poorer cognitive and social outcomes, and lower levels of general health.¹⁴ Homelessness makes children four times more likely to have a developmental delay.¹⁵ In addition, poverty reduces children's quality of life.

These findings reinforce the need to provide more sustained support for families, as outlined by a 2023 report by the Queensland Family and Child Commission *Growing Up in Queensland: A story of child and family wellbeing*.¹⁶ Having material basics was identified as one of six critical life domains identified for children to thrive. In order to ensure children grow up in 'safe and stable living environments', provisions for breaking inter-generational poverty is essential in Queensland.

The financial pressure being faced by low-income households in Queensland is causing significant distress, which in turn results in further damage to the wellbeing of these families.



METHODOLOGY

QCOSS' living affordability research monitors cost-of-living pressures for economically vulnerable households in Queensland. The purpose of the modelling is to investigate whether households can meet the cost of a basic standard of living. This includes households relying on income support payments as their primary source of income as well as low-waged households. Monitoring cost-of-living pressures occurs in two ways:

1. Budget standards for household models

The budget standards modelling is based on the Minimum Income for Healthy Living (MIHL) Budget Standards approach adopted by the Social Policy Research Centre (SPRC) at the University of New South Wales (UNSW). The household types are modelled after the 2017 report *New Minimum Income for Healthy Living Budget Standards for Low-Paid and Unemployed Australians*,¹⁷ which was subsequently updated with its latest 2023 report *Budget Standards for Low-Paid Families*.¹⁸

These budget standards are designed to determine how much income a household needs to have a basic standard of living. This approach defines a basic standard of living for households as including subsistence needs, such as food, water, and shelter. It also allows for expenses that contribute to crucial needs such as health, transport, access to services and the internet. It includes expenses that contribute to social inclusion and wellbeing, such as recreation, entertainment, and social outings. While this model incorporates debt servicing, allowances for savings or unplanned expenses are not included in the household budgets. A limitation in applying the MIHL Budget Standards research to the QCOSS modelling is that they do not specify budget standards for other households with particular characteristics, such as those living in remote areas, and people with disability and/or chronic health conditions.

The food costs for the household models were calculated by Dr Meron Lewis and Professor Amanda Lee of the University of

Queensland School of Public Health. The household modelling of energy costs was performed by David Prins of Etrog Consulting. Their knowledge and expertise provided insights into typical consumption patterns and associated household costs.

As part of the budget standards modelling, publicly available data is used to model household budgets. This includes data from Services Australia's Payment Finder Calculator, national minimum wage rates, CPI and administrative data from agencies, service providers and price setting organisations (refer to Appendix A for the full list of data sources and release dates accessed). This data is used to build income and expenditure models for each of the following financially vulnerable households:

- Single unemployed adult with no dependents
- Single student working part-time with no dependents
- Senior retired couple with no dependents
- Single parent working part-time with two children
- Couple with a primary earner and primary carer with two children.



2. QCOSS Cost-of-Living Survey

The cost-of-living survey is conducted bi-annually by QCOSS and seeks to understand cost-of-living pressures being experienced by Queensland households. The survey was open for response for a three-week period from 28 May 2024 and received a total of 1,005 responses.

Survey respondents were representative of gender and age. There were slightly more female (n=544) respondents than male (n=459). By age, respondents included those aged 18-24 (8 per cent), 25-34 (19 per cent), 35-44 (20 per cent), 45-54 (18 per cent), 55-64 (13 per cent) and 65+ (22 per cent).

Survey respondents were from across Queensland, with a target of equal split between metro and regional areas. Respondents were located in a variety of Queensland locations, with 55 per cent (n=550) located in South East Queensland and 45 per cent (n=455) located in other regional areas.

The employment status of the respondents varied. In total, 31 per cent were working full time (35 hours or more per week), 18 per cent were employed part time or casually (working less than 35 hours per week), and 7 per cent were self-employed. Those who were not engaged in paid work included respondents who were retired (21 per cent), a home-maker/carer (9 per cent), a student (2 per cent), currently looking for work (6 per cent), not actively seeking employment (3 per cent), or other (2 per cent).

The survey targeted people accessing an Australian Government support payment to understand cost-of-living impacts on people on a low-income. The majority (n=591) of respondents were accessing a support payment, compared to those not accessing a support payment (n=414). The support payment types received included Age Pension (n=172), Family Tax Benefit (n=158), Rent Assistance (n=114), Disability Support Pension (n=93), JobSeeker (n=91), Parenting Payment Single (n=50), Parenting Payment Partnered (n=41), Youth Allowance, Austudy or Abstudy (n=17), Carer payment (n=17) as well as smaller numbers receiving another type of Australian Government support.

The majority of households (61 per cent) had no children, while the households with children (39 per cent) varied in the number of dependents ranging from one (45 per cent), two (41 per cent), three (9 per cent) to four or more (4 per cent).

The total household size and number of occupants varied from one (17 per cent), two (39 per cent), three (21 per cent), four (16 per cent), five (7 per cent) to six or more (3 per cent).

The housing situation of respondents ranged from those who were renting (39 per cent), own their home outright (26 per cent), repaying a mortgage for their home (30 per cent) and other housing situations (4 per cent). The dwelling types of the respondents also varied from those residing in a freestanding/detached house (70 per cent), in an apartment/unit (17 per cent), townhouse (10 per cent), in a caravan (1 per cent), and other dwelling type (2 per cent).



HOUSEHOLD BUDGET MODELS

Household budget models have been calculated for households based on the specification of family types outlined in the UNSW Social Policy Research Centre 2017 report *New Minimum Income for Healthy Living Budget Standards for Low-Paid and Unemployed Australians* and subsequently updated with its latest 2023 report *Budget Standards for Low-Paid Families*. These include:



Single adult



Single student



Senior couple



Single parent
with two children

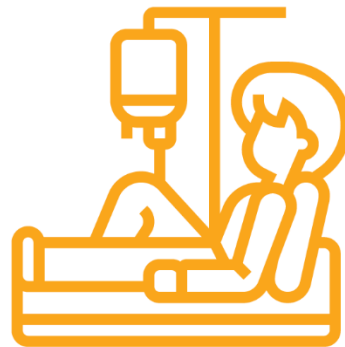


Couple with
two children

The household budget models provide an indication of what a household needs to achieve a basic standard of living. As most households are accessing an Australian Government income support payment, the household budget models also provide a way of assessing income adequacy.

As per the UNSW reports, adequacy is defined in terms of 'providing a basic acceptable standard of living, accounting for prevailing community standards.'¹⁷ The budgets aimed to reflect 'minimal monetary amounts required' to satisfy basic needs. As a result there is 'no allowance for even the most modest or occasional 'luxuries' and wastage was kept to an absolute minimum.'¹⁷

The household budget models for each household are presented in the following pages.





Single adult

JobSeeker is the primary source of income support available to people who are unemployed and looking for work. Some further eligibility criteria include:¹⁹

- aged between 22 and 67 years-old (at 67, Australians can access the Age Pension)
- living in Australia and an Australian resident
- satisfy income and asset tests.

As of June 2024, data from the Department of Social Services (DSS) shows that there were 180,725 people receiving JobSeeker payments in Queensland. This represents a decrease from the previous year, when 181,160 Queenslanders accessed this income support payment.²⁰

Of people accessing JobSeeker in Queensland, 54.8 per cent are male and 45.2 per cent are female. 82.3 per cent are single and 16.6 per cent are First Nations people.

The assumptions used to build the budget standards for this household are presented in Table 1. These assumptions support the identification of weekly expenditure (Table 2) and weekly income (Table 3).

Table 1: Single adult household assumptions

Demographics	<ul style="list-style-type: none"> • Single female 45 years of age • No dependents • Australian citizen
Income and employment	<ul style="list-style-type: none"> • Unemployed and looking for work • Income support received from: <ul style="list-style-type: none"> – JobSeeker – Rent Assistance – Energy supplement
Housing	<ul style="list-style-type: none"> • Rents a three-bedroom house sharing with two housemates
Transport	<ul style="list-style-type: none"> • Does not own a car • Travels via public transport using a concession fare <i>go</i> card. Journeys per week include: <ul style="list-style-type: none"> – 4 x off-peak (1 zone) – 2 x off-peak (2 zones)
Electricity	<ul style="list-style-type: none"> • Responsible for one third of household energy bill • Does not have solar panels and does not use gas
Education	<ul style="list-style-type: none"> • No expenses
Other	<ul style="list-style-type: none"> • No savings • No assets or investments • Household contents valued at \$1,000 • No ongoing health issues

In June 2024, the total weekly expenditure required for a single, unemployed adult household to have a basic standard of living is \$529.66 (Table 2). Rent for a room in a share house is the largest expenditure item (\$188) making up 35 per cent of expenses and 42 per cent of household income. Food and drink make up 16 per cent of expenditure at \$84.92, similar to household goods and services expense at \$93.63. Debt servicing accounts for 12 per cent of total household expenditure.

Table 2: Expenditure per week, single adult household

	Expenditure per week	% of total weekly expenditure
Rent (including water)	\$188.00	35.5%
Food and drink	\$84.92	16.0%
Electricity (including any concessions)	\$6.93	1.3%
Public transport (including concessions)	\$3.00	0.6%
Health	\$12.62	2.4%
Personal care	\$20.76	3.9%
Clothing and footwear	\$14.18	2.7%
Education	\$0.00	0.0%
Household goods and services	\$93.63	17.7%
Recreation/entertainment	\$40.80	7.7%
Debt servicing	\$64.83	12.2%
Total expenditure	\$529.66	100.0%

Income supports available for the single adult household model include the JobSeeker payment and Rent Assistance. At 86 per cent of this household's weekly income (Table 3), the JobSeeker payment is the primary source of income for this household, followed by Rent Assistance at 14 per cent. The household also receives an energy supplement of \$4.40 per week and can access most of the available energy rebates they are eligible for. They do not receive the \$372 Queensland Electricity Rebate for vulnerable households as they share accommodation with other housemates, including the account holder who is not a concession card holder. The impact of concessions and supports received by this household are detailed in Table 21.

The single adult household is in deficit by \$86.20 at the end of each week (Table 4) and is not able to meet a basic standard of living. The household's position has worsened from the previous year when it was in a deficit position of \$11.39. The value of new energy rebates and lower public transport fares had an impact on the budget of this household. When these budgetary measures are no longer available, the household will be in a deficit of -\$100.66.

Table 3: Weekly income, single adult household

	Income per week	% of total weekly income
JobSeeker	\$381.35	86.0%
Rent Assistance	\$62.74	14.1%
Energy Supplement	\$4.40	1.0%
(Less) Income Tax	-\$5.02	-1.1%
Total Income	\$443.47	100.0%

Table 4: Weekly budget position, single adult household

Total income	\$443.47
Total expenditure	\$529.66
Weekly budget position (Total income - Total expenditure)	-\$86.20



Single student

Youth Allowance is the primary source of income support available to people who:²¹

- are aged 18 to 24 and studying full time
- are aged 16 to 24 and doing a full time Australian Apprenticeship
- meet Australian residence rules
- satisfy income and asset tests
- meet other eligibility criteria.

As of June 2024, there were 23,585 persons receiving Youth Allowance payments in Queensland compared to 26,860 in June 2023. Additionally, there were 4,805 persons receiving Austudy and 2,450 persons receiving Abstudy as of June 2024. Of the Youth Allowance recipients, 50 per cent were male and 50 per cent were female. About two per cent of recipients were partnered. Almost a third were First Nations people (32.6 per cent).²²

The assumptions used to build the budget standards for this household are presented in Table 5. These assumptions support the identification of weekly expenditure (Table 6) and weekly income (Table 7).

Table 5: Single student household assumptions

Demographics	<ul style="list-style-type: none"> • Single male student 21 years of age • No dependents • Australian citizen • Considered independent for income support purposes
Income and employment	<ul style="list-style-type: none"> • Working part-time (15 hours/week x 52 weeks/year) at minimum wage with 25 per cent casual leave loading • Income support received from: <ul style="list-style-type: none"> – Youth Allowance – Rent Assistance – Energy Supplement
Housing	<ul style="list-style-type: none"> • Rents a two-bedroom house sharing with one housemate
Transport	<ul style="list-style-type: none"> • Does not own a car • Travels via public transport using a concession fare <i>go</i> card. Journeys per week include: <ul style="list-style-type: none"> – 6 x off peak (2 zones) – 6 x peak (2 zones)
Electricity	<ul style="list-style-type: none"> • Responsible for half the household energy bill • Does not have solar panels and does not use gas
Education	<ul style="list-style-type: none"> • Studying an undergraduate degree at university
Other	<ul style="list-style-type: none"> • No savings • No assets or investments • Household contents valued at \$3,500 • No ongoing health concerns

The single student household requires \$672.43 to meet a basic standard of living (Table 6). Most of the expenditure is allocated to housing, which makes up 43 per cent of this household's expenditure and income. Food and drink, as well as household goods and services each account

for 13 per cent of the weekly expenditure, costing \$90.90 and \$89.58 respectively. Debt servicing accounts for 8 per cent of household expenditure.

Most of the single student household's income is from casual earnings as a minimum wage worker (66 per cent) and Youth Allowance (30 per cent). The household also receives rent assistance and an Energy Supplement (Table 7). The single student sharing accommodation with a flatmate is responsible for half of the total electricity bill and receives half of the available concessions. The impact of concessions and supports received by this household are detailed in Table 21.

At the end of each week, the single student household is in surplus by \$2.72 (Table 8) and is able to meet a basic standard of living. The single student's budget has improved from a deficit of \$26.12 in the previous year. The value of new energy rebates and lower public transport fares had an impact on the budget of this household. When these budgetary measures are no longer available, the household will be in a deficit of -\$23.62.

Table 6: Expenditure per week, single student household

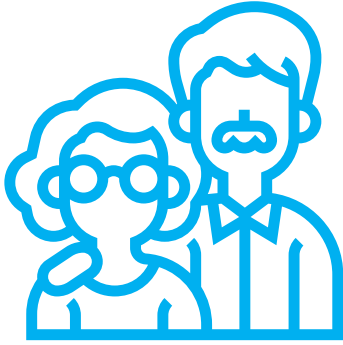
	Expenditure per week	% of total weekly expenditure
Rent (including water)	\$294.04	43.7%
Food and drink	\$90.90	13.5%
Electricity (including any concessions)	\$10.39	1.5%
Public transport (including concessions)	\$6.00	0.9%
Education	\$36.60	5.4%
Health	\$12.62	1.9%
Personal care	\$20.76	3.1%
Clothing and footwear	\$14.18	2.1%
Household goods and services	\$89.58	13.3%
Recreation/entertainment	\$40.80	6.1%
Debt servicing	\$56.56	8.4%
Total expenditure	\$672.43	100.0%

Table 7: Weekly income, single student household

	Income per week	% of total weekly income
Casual work income	\$451.88	66.9%
Youth Allowance	\$206.35	30.6%
Rent Assistance	\$62.74	9.3%
Energy Supplement	\$3.50	0.5%
(Less) Income Tax	-\$49.31	-7.3%
Total Income	\$675.15	100.0%

Table 8: Weekly budget position, single student household

Total income	\$675.15
Total expenditure	\$672.43
Weekly budget position (Total income - Total expenditure)	\$2.72



Senior couple

The Age Pension is the primary source of income support available for people who:

- are over 67 years of age (for those born on or after 1 January 1958)
- living in Australia and an Australian resident for at least 10 years
- satisfy income and asset tests.

As of June 2024, there were 532,220 Age Pension recipients in Queensland compared to 527,820 in the previous year. Of the Age Pension recipients, 45.3 per cent were male and 54.7 per cent were female. Just over half (52 per cent) were partnered, and the remaining 48 per cent were not partnered. First Nations Peoples are underrepresented, making up 1.6 per cent of people accessing the Age Pension.²³

The assumptions used to build the budget standards for this household are presented in Table 9. These assumptions support the identification of weekly expenditure (Table 10) and weekly income (Table 11).

Table 9: Senior couple household assumptions

Demographics	<ul style="list-style-type: none"> • Senior couple 72 and 74 years of age • No dependents • Both Australian citizens
Income and employment	<ul style="list-style-type: none"> • Retired • Income support received from: <ul style="list-style-type: none"> – Age Pension – Rent Assistance – Energy Supplement • Income bank credit not used
Housing	<ul style="list-style-type: none"> • Rents a one-bedroom unit
Transport	<ul style="list-style-type: none"> • Does not own a car • Travels via public transport using a concession fare <i>go</i> card. Journeys per person, per week include: <ul style="list-style-type: none"> – 2 x off-peak fares (2 zones) – 4 x off-peak fares (1 zone)
Electricity	<ul style="list-style-type: none"> • Responsible for whole energy bill • Does not have solar panels and does not use gas
Education	<ul style="list-style-type: none"> • No expenses
Other	<ul style="list-style-type: none"> • \$5,000 in savings • No assets or investments • No superannuation • Household contents valued at \$7,000 • No ongoing health concerns

The senior couple's household require \$845.74 per week to cover basic living costs (Table 10). Housing in a one-bedroom flat is the largest expense, accounting for 45 per cent of expenditure and 42 per cent of income at \$385 per week. Food and drink make up about a fifth of the couple's expenses at \$165.21, with household goods and services being 11 per cent of expenditure. Around 4 per cent of the couple's expenditure is spent on debt servicing.

Table 10: Expenditure per week, senior couple household

	Expenditure per week	% of total weekly expenditure
Rent (including water)	\$385.23	45.6%
Food and drink	\$165.21	19.5%
Electricity (including any concessions)	\$13.65	1.6%
Public transport (including concessions)	\$6.00	0.7%
Health	\$25.25	3.0%
Personal care	\$40.42	4.8%
Clothing and footwear	\$27.27	3.2%
Household goods and services	\$93.31	11.0%
Recreation/entertainment	\$52.93	6.3%
Debt servicing	\$36.47	4.3%
Total expenditure	\$845.74	100.0%

The senior couple household receive 84 per cent of their weekly income from Age Pension payments (Table 11). They also receive Rent Assistance, the Pension Supplement, as well as the Energy Supplement of \$21.20 per week.

As account holders for their household electricity bill, with both household members holding a senior healthcare card, the senior couple is eligible for all available energy rebates. The impact of concessions and supports received by this household are detailed in Table 21.

At the end of each week, the senior couple household is in surplus by \$73.19 (Table 12) and is able to meet a basic standard of living. This household's budget position is similar to the previous year when they were in surplus by \$76.56 per week. The value of new energy rebates and lower public transport fares had an impact on the budget of this household. When these budgetary measures are no longer available, the household will have a smaller surplus of \$35.96.

Table 11: Weekly income, senior couple household

	Income per week	% of total weekly income
Age Pension	\$1,538.60	83.7%
Rent Assistance	\$177.20	9.6%
Pension Supplement	\$123.00	6.7%
Energy Supplement	\$21.20	1.2%
Income tax	-\$22.15	-1.2%
Total income	\$1,837.85	100.0%

Table 12: Weekly budget position, senior couple household

Total income	\$918.92
Total expenditure	\$845.74
Weekly budget position (Total income - Total expenditure)	\$73.19



Single parent with two children

The Parenting Payment Single is the primary source of income support available to people who:²⁴

- meet principal carer rules for a child up to the age of 14 (for a single person)
- satisfy income and asset tests
- meet residence rules
- do not have a partner.

As of June 2024, there were 82,000 persons receiving the Parenting Payment Single in Queensland, compared to 59,050 in June 2023.²³ The increase in people accessing this payment is due to changes in eligibility.²⁵

The majority (93.2 per cent) of the recipients of the Parenting Payment Single were women, with 20.5 per cent of recipients identifying as First Nations.

The assumptions used to build the budget standards for this household are presented in Table 13. These assumptions support the identification of weekly expenditure (Table 14) and weekly income (Table 15).

Table 13: Single parent with two children household assumptions

Demographics	<ul style="list-style-type: none"> • Single parent 33 years of age • Two dependent children (aged eight and three) • Australian citizen
Income and employment	<ul style="list-style-type: none"> • Employed part time as a Community Worker (19 hours/week x 52 weeks/year) earning \$33,765 before tax which is 0.5 FTE (full time equivalent) of the median salary of a Community Services worker • Primary carer of the two children • Does not receive any child support • Income support received from: <ul style="list-style-type: none"> – Parenting Payment Single – Rent Assistance – Family Tax Benefit – Energy Supplement
Housing	<ul style="list-style-type: none"> • Rents two-bedroom unit
Transport	<ul style="list-style-type: none"> • Owns a car valued at \$1,500 • Does not use public transport
Electricity	<ul style="list-style-type: none"> • Responsible for whole energy bill • Does not have solar panels and does not use gas
Education	<ul style="list-style-type: none"> • Eight-year-old in primary school and three-year-old in childcare
Other	<ul style="list-style-type: none"> • No savings • No other assets or investments • Household contents valued at \$2,000 • No ongoing health concerns

The single parent household requires \$1,419.84 per week to support two children in meeting a basic standard of living (Table 14). Rent (\$504.35) accounts for 36 per cent of the household's expenditure or 40 per cent of income. Food and drink are the second largest expenditure at 15 per cent (\$219.19). Transport expenses are the third most significant expense at 11 per cent (\$151.09) as this household does not access public transport and relies solely on private vehicles and petrol for commuting to work and for children's school and childcare transport.

Table 14: Expenditure per week, single parent with two children household

	Expenditure per week	% of total weekly expenditure
Rent (including water)	\$504.35	35.5%
Food and drink	\$219.19	15.4%
Electricity (including any concessions)	\$13.65	1.0%
Vehicle expenses (including petrol)	\$151.09	10.6%
Health	\$37.87	2.7%
Personal care	\$34.96	2.5%
Clothing and footwear	\$34.90	2.5%
Education	\$99.89	7.0%
Household goods and services	\$100.64	7.1%
Recreation/entertainment	\$91.52	6.4%
Debt servicing	\$131.77	9.3%
Total expenditure	\$1,419.84	100.0%

The single parent household receives 51 per cent of their weekly income from part-time employment as a community services worker (Table 15). The Parenting Payment Single contributes to 22 per cent of total income, while the Family Tax Benefits A and B contribute an additional 18 and 8 per cent of total income respectively. This household also receives rent assistance and the energy supplement. The total weekly household income for the single parent family is \$1,262.91.

The model single parent household receives various cost-of-living supports. These include the \$200 FairPlay voucher savings on a child's extracurricular activities, vehicle registration discounts and the current energy support rebates available. The impact of concessions and supports received by this household are detailed in Table 21.

At the end of each week, the single parent with two children household is in deficit by \$156.93 (Table 16) and is not able to meet a basic standard of living. The value of new energy rebates had an impact on the budget of this household. When these budgetary measures are no longer available, the household will be in further deficit of -\$181.86. The budget position for this family has continued to remain in deficit despite additional income received from part-time employment. In the previous year when this household was not engaged in the labour market, the household held a weekly deficit position of \$255.98.

Table 15: Weekly income, single parent with two children household

	Income per week	% of weekly income
Part time work (gross)	\$649.33	51.4%
Parenting Payment (Single)	\$283.09	22.4%
Family Tax A	\$222.04	17.6%
Family Tax B	\$94.43	7.5%
Rent Assistance	\$110.60	8.8%
Energy Supplement	\$6.00	0.5%
Income Tax	-\$102.58	-8.1%
Total Income	\$1,262.91	100.0%

Table 16: Weekly budget position, single parent with two children household

Total income	\$1,262.91
Total expenditure	\$1,419.84
Weekly budget position (Total income - Total expenditure)	-\$156.93



Couple with two children

This household relies on the earnings of one adult working full-time supporting the primary carer and two children. Due to the earnings of the primary earner, they are not eligible for Parenting Payment (partnered), but they receive Family Tax Benefit A and B.

As of June 2024, there were 305,585 persons receiving Family Tax Benefit A in Queensland and 242,080 persons receiving Family Tax Benefit B.²⁶

Eligibility for Family Tax Benefit (FTB) depends on the household's adjusted taxable income. For families with incomes above \$65,189, FTB Part A reduces by 20 cents in each dollar over this amount from 1 July 2024. Families may receive FTB Part B if the primary earner earns less than \$117,194 and the secondary earner receives limited or no income. If a secondary earner is also engaged in the workforce, payments will reduce by 20 cents for each dollar over \$6,789 earned until no FTB is received for incomes above \$33,653. Policies around FTB eligibility and childcare costs impact on families' budget planning and women's participation in the workforce.

Findings from ACOSS' 2024 *Inequality in Australia* report show that a major contributing factor to gender pay gap was variation in paid working hours. Among all couples with children, female primary carers were more likely to be employed part-time due to unequal sharing of care. However, they were more likely to be employed fulltime in high-income families, who made greater use of childcare services.⁸

The assumptions used to build the budget standards for this household are presented in Table 17. These assumptions support the identification of weekly expenditure (Table 18) and weekly income (Table 19).

Table 17: Couple with two children household assumptions

Demographics	<ul style="list-style-type: none"> • Two adults 38 and 40 years of age • Two dependent children (aged eight and three) • Australian citizens
Income and employment	<ul style="list-style-type: none"> • One adult is working full-time (38 hours/week x 52 weeks/year) earning the median salary of a Community Services worker (\$67,530 before tax) • Second adult is the primary carer of two children and is not engaged in employment • Support payments received from: <ul style="list-style-type: none"> – Rent Assistance – Family Tax Benefit
Housing	<ul style="list-style-type: none"> • Rents a three-bedroom house
Transport	<ul style="list-style-type: none"> • Owns a car valued at \$6,000 • Travels via public transport using a <i>go</i> card. Journeys per week include: <ul style="list-style-type: none"> – 10 x Adult fare (3 zones)
Electricity	<ul style="list-style-type: none"> • Responsible for whole energy bill • Does not have solar panels and does not use gas
Education	<ul style="list-style-type: none"> • Eight-year-old in primary school
Other	<ul style="list-style-type: none"> • \$1,500 in savings • No other assets or investments • Household contents valued at \$11,000 • No ongoing health concerns

The couple with two children needs \$1,620.38 per week to meet a basic standard of living (Table 18). Housing is the most significant expense, accounting for 35 per cent of household expenditure and 37 per cent of household income. About a fifth of expenditure is allocated to food and drink, and about 8 per cent is spent on debt servicing.

Table 18: Expenditure per week, couple with two children household

	Expenditure per week	% of total weekly expenditure
Rent (including water)	\$563.10	34.8%
Food and drink	\$342.08	21.1%
Electricity (including any concessions)	\$31.72	2.0%
Vehicle expenses (including petrol)	\$167.31	10.3%
Public transport	\$5.00	0.3%
Health	\$50.50	3.1%
Personal care	\$36.05	2.2%
Clothing and footwear	\$42.54	2.6%
Education	\$52.00	3.2%
Household goods and services	\$102.46	6.3%
Recreation/entertainment	\$104.75	6.5%
Debt servicing	\$122.88	7.6%
Total expenditure	\$1,620.38	100.0%

The main income source (86 per cent) for this household comes from full-time work of one parent (Table 19). Additional income is received from Family Tax Benefits A and B (14 and 6 per cent respectively) and rent assistance (7 per cent). This single income family may be eligible for the low-income health care card if their income remains consistent throughout the year to pass the relevant income test to access concessions.

The model single parent household receives various cost-of-living supports. These include the \$200 FairPlay voucher savings on a child's extracurricular activities, 50 cents public transport, vehicle registration discounts and the current energy support rebates available. The impact of concessions and supports received by this household are detailed in Table 21.

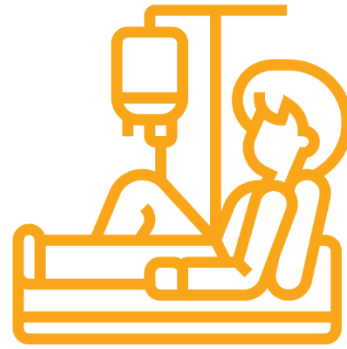
At the end of each week, the couple with two children household is in deficit by \$116.06 (Table 20) and is not able to meet a basic standard of living. The value of new energy rebates and lower public transport fares had an impact on the budget of this household. When these budgetary measures are no longer available, the household will be in a deficit of -\$202.29. The budget position for this family in the previous year was a weekly deficit position of \$198.84.

Table 19: Weekly income, couple with two children household

	Income per week	% of total weekly income
Full time work (gross)	\$1,298.65	86.3%
Parenting Payment (partnered)	\$0.00	0.0%
Family Tax A	\$216.86	14.4%
Family Tax B	\$94.43	6.3%
Rent Assistance	\$106.82	7.1%
(Less) Income Tax	-\$212.44	-14.1%
Total Income	\$1,504.32	100.0%

Table 20: Weekly budget position, couple with two children household

Total income	\$1,504.32
Total expenditure	\$1,620.38
Weekly budget position (Total income – Total expenditure)	-\$116.06



IMPACT OF REBATES AND SUPPORT SERVICES

Within the current cost-of-living crisis, the demand for emergency financial relief is high. For Queensland, Infoxchange searches for financial assistance (non-Centrelink) increased by 24 per cent in the last 12 months (from 7,479 searches in February 2023 to 9,259 searches in February 2024). Within the 2024-25 Queensland Budget, an additional \$1.7 million was allocated for emergency relief funding with additional locations through 92 Neighbourhood Centres and into discrete First Nations communities.

In responding to inflation and financial pressures on households, the Queensland Government delivered a significant cost-of-living package in the 2024-25 Queensland Budget.²⁷ A total of \$11.218 billion in subsidies and concessions was committed - an increase of 31.1 per cent from the previous budget. Building on a program of existing rebates, concessions, subsidies and discounts, this package includes \$3.739 billion in new and expanded measures intended to provide financial relief.

In contrast to previous years when concessions targeted eligible concession card holders, recent financial relief is offered to all households without means (income) or asset (wealth) testing. This approach removes barriers such as awareness, application processes and eligibility criteria for households to access supports. However, the impact of supports are felt differently by households depending on their financial positions, as large gaps exist between those with the lowest and highest income levels. An equitable approach that directs financial relief to households in need has the potential to maximise impact.

The variations in the budgetary impacts of concessions may be observed in the five low-income model households. Table 21 shows the impact of dollars saved per week and per annum, as well as value of these supports as a percentage of total household expense.

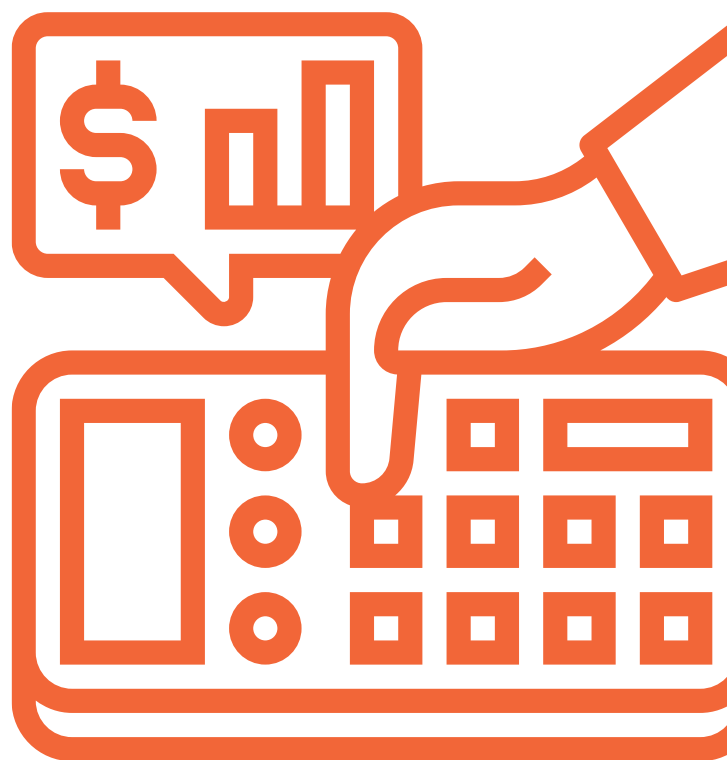
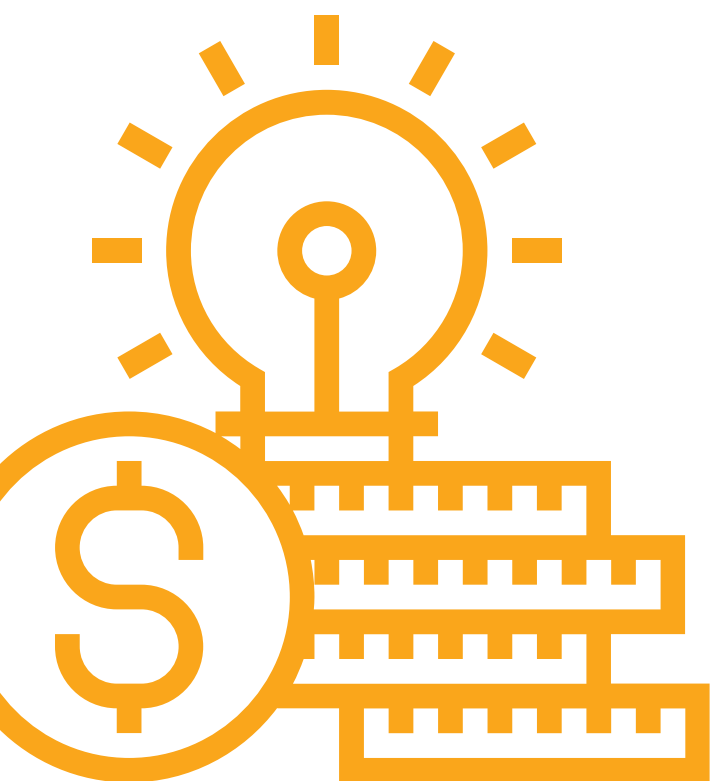


Table 21: Impact of cost-of-living supports by household type

Single unemployed person with no dependents (Health Care Card holder)¹

Receives a third of bills (and rebates) in sharehouse

Expenditure category	Payments/concessions/rebates received	Government	\$ value per week	\$ value per year	% saved on bill per year
Rent	Rent Assistance	Australian	\$62.74	\$3,271.18	33.4%
Energy	Energy supplement	Australian	\$4.40	\$229.43	28.9%
Energy	Queensland Government Cost of Living Energy Rebate \$1000	Queensland	\$6.39	\$333.33	41.9%
Energy	Federal Government Cost of Living Energy Rebate \$300	Australian	\$1.92	\$100.00	12.6%
Public transport	Translink concessions 50% off	Queensland	\$9.15	\$477.11	50.0%
Public transport	Translink 50 cents fares (valid for six months)	Queensland	\$6.15	\$160.34	16.8%

Single student with no dependents (Health Care Card holder)²

Receives half of bills (and rebates) in sharehouse

Expenditure category	Payments/concessions /rebates received	Government	\$ value per week	\$ value per year	% saved on bill per year
Rent	Rent Assistance	Australian	\$62.74	\$3,271.18	21.3%
Energy	Energy supplement	Australian	\$3.50	\$182.50	15.3%
Energy	Queensland Government Cost of Living Energy Rebate \$1000	Queensland	\$9.59	\$500.00	41.9%
Energy	Federal Government Cost of Living Energy Rebate \$300	Australian	\$2.88	\$150.00	12.6%
Public transport	Translink concessions 50% off	Queensland	\$23.43	\$1,221.71	50.0%
Public transport	Translink 50 cents fares (valid for six months)	Queensland	\$17.43	\$454.43	18.6%
Taxation	Tax cuts from 1 July 2024	Australian	\$9.22	\$481.00	

Single parent with two children (Pensioners Concession Card holder)

Expenditure category	Payments/concessions/rebates received	Government	\$ value per week	\$ value per year	% saved on bill per year
Rent	Rent Assistance	Australian	\$110.60	\$5,767.00	28.7%
Energy	Energy supplement	Australian	\$6.00	\$312.86	13.1%
Energy	Queensland Government Cost of Living Energy Rebate \$1000	Queensland	\$19.18	\$1,000.00	41.9%
Energy	Federal Government Cost of Living Energy Rebate \$300	Queensland	\$5.75	\$300.00	12.6%
Energy	Queensland electricity rebate \$372	Queensland	\$7.14	\$372.20	15.6%
Transport	20% off vehicle registration	Queensland	\$1.63	\$85.00	0.4%
Education	Fairplay Voucher for extracurriculars	Queensland	\$3.84	\$200.00	3.8%
Cost of raising children	Family Tax Benefit A	Australian	\$222.04	\$11,577.81	
Cost of raising children	Family Tax Benefit B	Australian	\$94.43	\$4,923.85	
Taxation	Tax cuts from 1 July 2024	Australian	\$17.09	\$891.00	

¹ This household is eligible for the \$372 Queensland Electricity Rebate but they do not receive this rebate as they share accommodation with other housemates, including the account holder who is not a concession card holder.



Couple with two children (Low-income healthcare card holder)

Expenditure category	Payments/concessions /rebates received	Government	\$ value per week	\$ value per year	% saved on bill per year
Rent	Rent Assistance	Australian	\$106.82	\$5,569.90	19.0%
Energy	Queensland Government Cost of Living Energy Rebate \$1000	Queensland	\$19.18	\$1,000.00	30.1%
Energy	Federal Government Cost of Living Energy Rebate \$300	Australian	\$5.75	\$300.00	9.0%
Energy	Queensland electricity rebate \$372	Queensland	\$7.14	\$372.20	11.2%
Public transport	Translink 50 cents fares (valid for six months)	Queensland	\$61.30	\$1,598.18	46.2%
Transport	20% off vehicle registration	Queensland	\$1.63	\$85.00	0.4%
Education	Fairplay Voucher for extracurriculars	Queensland	\$3.84	\$200.00	7.4%
Cost of raising children	Family Tax Benefit A	Australian	\$216.86	\$11,307.71	
Cost of raising children	Family Tax Benefit B	Australian	\$94.43	\$4,923.85	
Taxation	Tax cuts from 1 July 2024	Australian	\$26.22	\$1,367.00	

Senior couple with no dependents (Pension Concessions Card holder)

Expenditure category	Payments/concessions /rebates received	Government	\$ value per week	\$ value per year	% saved on bill per year
Rent	Rent Assistance	Australian	\$88.60	\$4,619.86	23.0%
Energy	Energy supplement	Australian	\$10.60	\$552.71	23.2%
Energy	Queensland Government Cost of Living Energy Rebate \$1000	Queensland	\$19.18	\$1,000.00	41.9%
Energy	Federal Government Cost of Living Energy Rebate \$300	Australian	\$5.75	\$300.00	12.6%
Energy	Queensland electricity rebate \$372	Queensland	\$7.14	\$372.20	15.6%
Public transport	Translink concessions 50% off	Queensland	\$18.31	\$954.74	50.0%
Public transport	Translink 50 cents fares (valid for six months)	Queensland	\$12.31	\$320.94	16.8%



COST-OF-LIVING PRESSURES

Survey respondents (n=1,005) reported a high level of concern about the cost-of-living (Figure 1). This ranged from those moderately concerned (12 per cent) to very concerned (44 per cent). Respondents who received a Services Australia support payment were more likely to be very concerned, with 49 per cent expressing the highest level of concern.

Survey respondents were asked how their household spending had changed in the last six months (Figure 2). Housing costs, energy bills, food and transport were the leading categories of increased costs for households where more than half the respondents identified spending more. This was followed by medical expenses and health services, communication services, household water expenses, personal care and debt obligations.

Figure 1: How concerned are you about the cost of living?

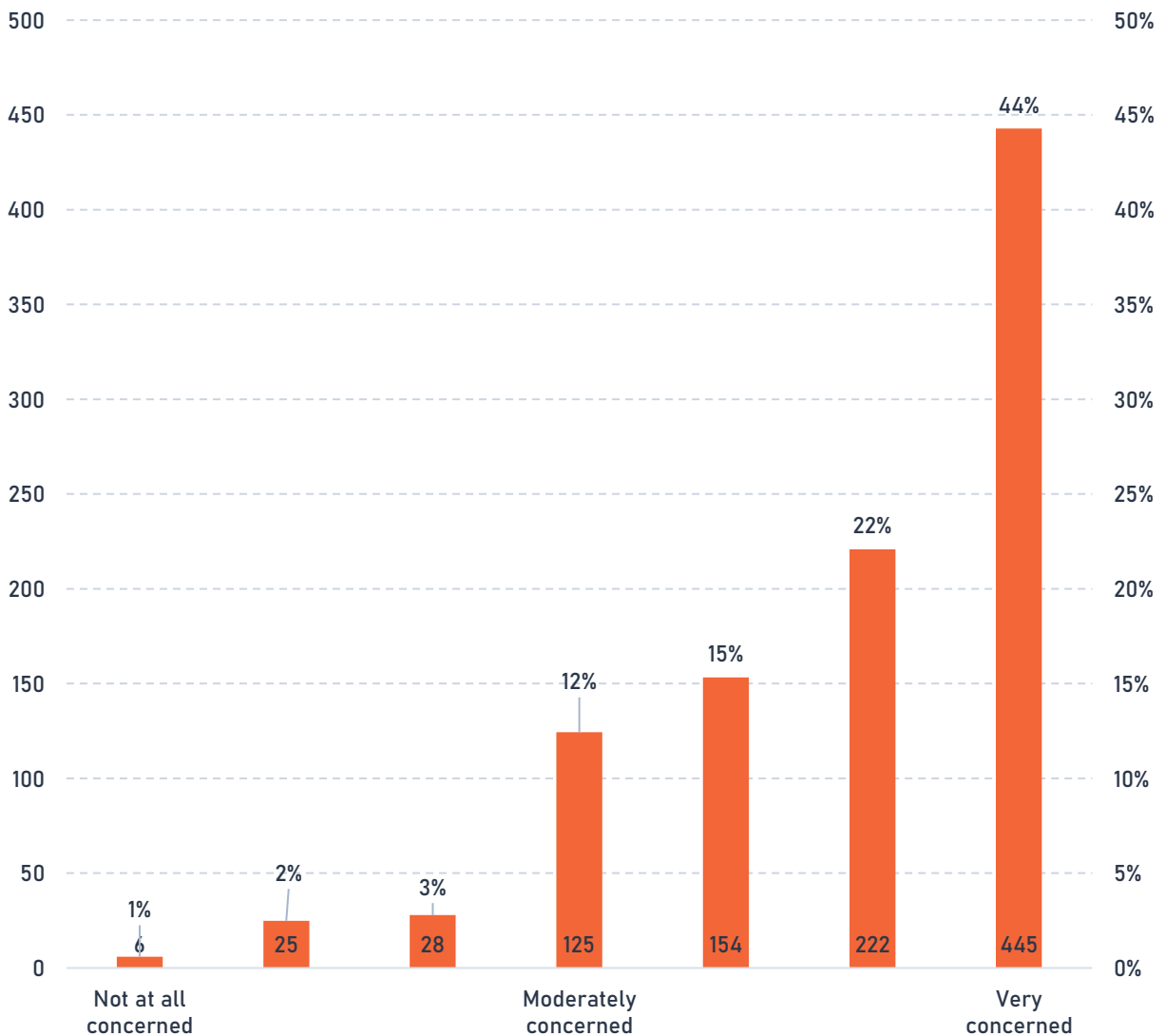
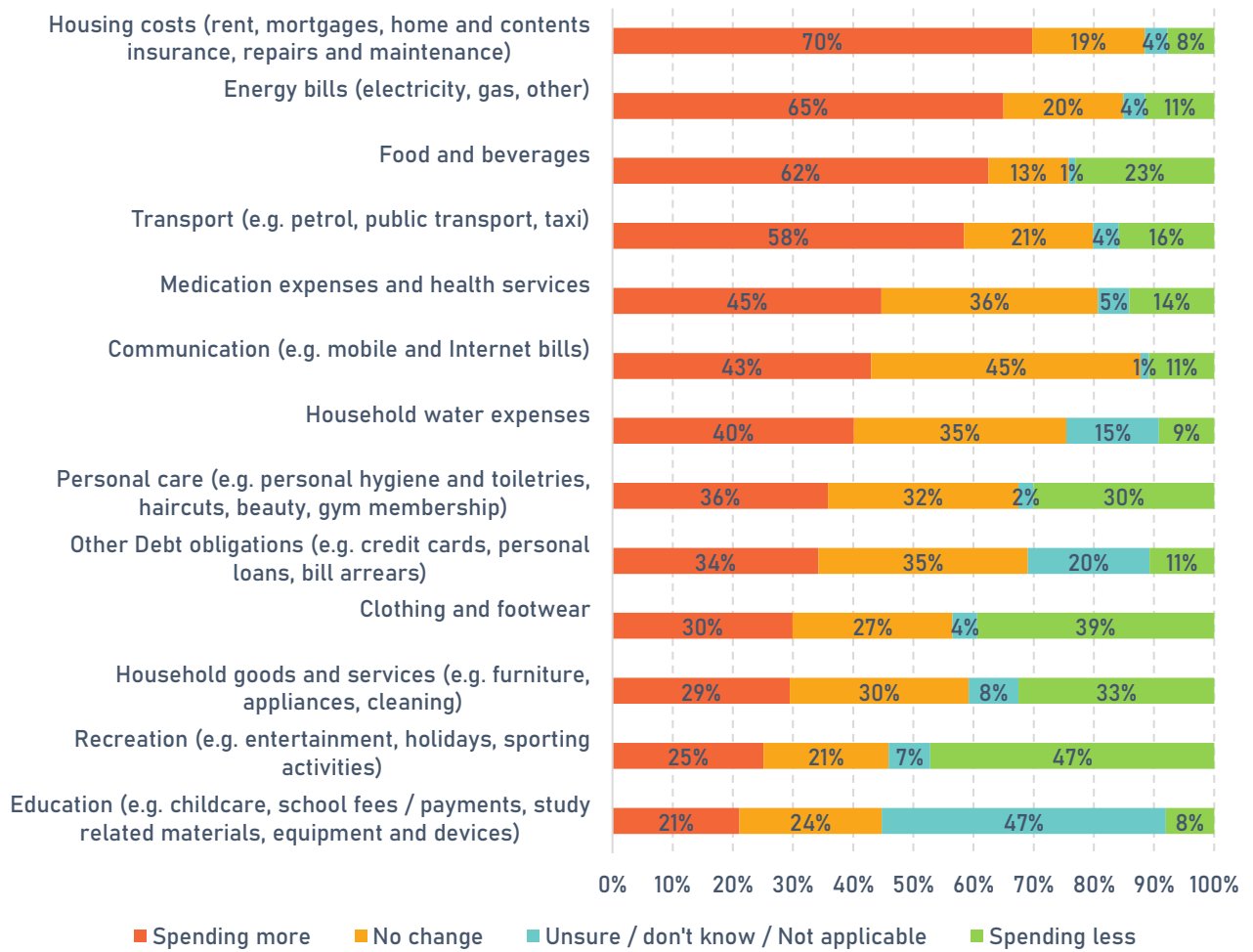


Figure 2: For the following spending categories, how has your household's spending changed in the last six months?



Numerous survey responses highlighted the impact of increased cost-of-living. Experiences included those who were 'just scraping through' and those finding it 'harder to manage' to those who shared 'I've never struggled so hard in my life' and 'It's crazy and impossible to manage.' Many shared they were 'living week to week' due to the high cost of essentials:

"Not much money left over after paying all essentials."

"We cut down all the unnecessary spending due to the high living cost."

"Struggling to afford the basics like food, fuel and electricity."

As a result, many respondents noted a 'reduced quality of life' as they had 'less money for non-essential items' that led to life being 'less enjoyable.'

"It has reduced life quality and increased stress."

"It has impacted my wellbeing and ability to do things. We can only make necessary purchases and even those we have to think about and sometimes pay late."

For families with children, the cost-of-living impact ranged from having reduced capacity to participate in recreational activities due to limited household budget to a deprivation of essential goods and services.

“Children unable to do any extra curricular activities. Struggling to afford winter clothes for them so reusing last years ones that are too small. Unable to take children out on weekends due to the costs of petrol and activities or food whilst out.”

“It doesn't leave room for anything else. We can't go away, we can't even have family nights out one night a week or one night a fortnight. It's tough.”

“It has affected me and my family so much we can barely get by.”

“My family goes without basic life needs.”

While the majority (59 per cent) of respondents in QCOSS' cost-of-living survey received an Australian Government support payment, a significant proportion (41 per cent) did not. Comments from respondents engaged in employment indicated their salaries or wages have not kept up with inflation.

“Everything has increased in cost but salaries are not going up to equal it out.”

“It is very hard to live off a below average wage.”

“Being a one income family who have tried to avoid Centrelink it has pushed us into poverty.”

Some households needed to get a second job to make ends meet, resulting in a sacrifice that impacted on leisure and quality of life with family.

“Struggling with cost-of-living, have taken a second part time job.”

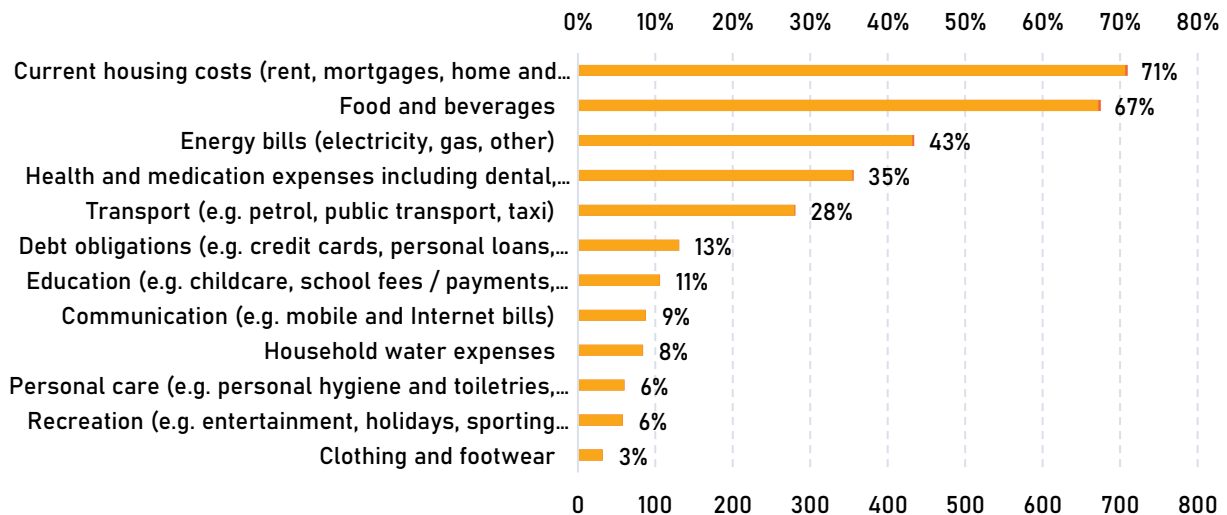
“I have to look for a second job instead of just one job. The second job is to cover the cost of groceries which I reckon is getting higher.”

“It's made an already hard-working family work even harder. It sucks to be feeling like you're going backwards rather than improving your life every day.”

“It's massively impacted our family. At least 50 per cent less quality family time because we need to work more to afford bills.”

Respondents were also asked to identify what they considered to be their three most important spending categories. Housing and food costs were identified as top priority for respondents. This was followed by energy bills and health costs being ranked with a similar level of priority. The next categories included transport, debt obligations, education and water expenses.

Figure 3: Most important spending categories



Housing

Housing continues to be the single largest fixed cost and an unavoidable expense for households. Rent is the most significant expense item for all the modelled households, ranging between 37 per cent and 44 per cent of household income.

“Rent has gone through the roof for no apparent reason. I’m trying to save for a house so that my money is well spent rather than wasted on someone else’s mortgage but that’s difficult because house prices are insane. Can barely afford to put food on the table, pay the electricity bills etc.”

In recent times, rents are increasing at a rate that far exceeds increases in wages or support payments.⁵ In Brisbane, median advertised rents jumped by 49 per cent from the start of the COVID pandemic to December 2023. In comparison to other states, regional Queensland had the highest non-metropolitan rents relative to income.⁵ Rent inflation has been particularly marked in certain regions, with larger councils observing the highest increases, such as Gladstone (110 per cent), Rockhampton (69 per cent) and Mackay (67 per cent).⁵ Critically low rental vacancy rates (an average of just 1 per cent across Queensland) are further adding to rental stress, resulting in people and families having very limited affordable and secure housing options.²⁸

The benchmark for affordable rent is no more than 30 per cent of the household budget to avoid financial stress and deprivation of other essentials.²⁹

Unaffordable rent results in low-income households skipping essentials to sustain their tenancies or face eviction.

“My rent has gone up, I can’t buy food and groceries as often anymore.”

“I’ve had to move further out to afford to rent.”

“As a jobseeker I find it HARD to pay my weekly rent... this is the only housing I can get... We need more assistance as also finding a job with health issues and unable to get disability support is harder than the government thinks...”

Consistent with the figures presented by the modelled households, the vast majority of survey respondents who rented (87 per cent) identified they paid more than 30 per cent of their income on rent, with close to half (47 per cent) paying more than 40 per cent of their income on rent.

Across Queensland, 150,000 households continue to have an unmet need for affordable housing. The number of private tenancies affordable to low-income households reduced by half from 26 per cent to 13 per cent since 2017.³⁰ In regional Queensland, it fell from 36 per cent to 14 per cent in the same period.⁵

Anglicare’s *Rental Affordability Snapshot 2024* showed a very low percentage of rentals were affordable to low-income people relying on an income support payment, describing rental affordability as ‘the worst it has ever been.’³¹ Of those available, only a small proportion of privately listed rentals were affordable to aged pension couples (0.2 per cent), single parents on a minimum wage (1.8 per cent), a single person on a disability support pension (0.1 per cent) and a family of four on minimum wage (13.4 per cent). None were affordable for a single person accessing JobSeeker.

High rental costs are significantly contributing to raising rates of family and childhood poverty in Australia, which has lifelong adverse impacts beyond the immediate crisis.³² Despite increased brokerage ‘to help put a roof over the heads of Queenslanders’ sleeping in cars and tents, it has led to a prolonged reliance on commercial hotels or motels to accommodate vulnerable families as a ‘band-aid solution.’¹⁵

Brisbane is now the second most expensive property market in Australia,⁴ locking out many younger, low-middle income households from home ownership.³³ Interest rate increases have also impacted affordability for those with mortgages. Queensland was reported as holding the highest numbers of housing distress listings, recording 20,600 in the year to June 2024.⁵ Along with rapid population growth,⁵ these factors contribute to affordability barriers in the property market in Queensland, meaning more households will rent in the future and rely on the provision of affordable rentals long term.

In June 2024, the *Breaking Ground* report commissioned by QCOSS and Town of Nowhere campaign partners tracked the progress of Queensland's response to the housing crisis. The report provided a positive evaluation of the recently launched *Homes for Queenslanders* plan,³⁴ with its long-term evidence-informed social housing investment. The plan commits to a social housing construction target of 53,500 social houses by 2046, marking a significant expansion (73 per cent) of the social housing stock to above 4 per cent of total housing with the potential to reverse historical decline. Findings from the report noted that recent increments to the state's social housing stock have yet to flow through into an upturn in the annual flow of lettings. Additionally, the plan will only start to make a significant difference in the coming years if it is properly implemented with a commitment to execute it in the long term. There are also no initiatives in the plan that are likely to reduce the cost of renting.⁵

Food and healthy diets

Food and drink are the second highest household expense for the modelled households, ranging from 14 per cent to 23 per cent of the household budget.

High food prices have led to multiple inquiries into the supermarket sector.³⁵ A comparison of grocery prices from 2023 to 2024 by the Institute for Health Transformation found some grocery and fresh food items doubled, including many mealtime staples such as commonly consumed fruit and vegetables.³⁶ Consumer group Choice also found consumers were paying significantly higher amounts than they were before the pandemic for groceries.³⁶

Increases in food prices and difficulty in affording food was a strong theme among respondents to QCOSS' cost-of-living survey.

"We have noticed a large increase in the price of food."

"Food prices have sky rocketed, have to pick what I can afford over other things."

"The increase in groceries has been impacting the budget."

"I feel more stress when trying to buy groceries."

"Cost of food is what worries me the most."

"The cost of food has gone through the roof."



Respondents reported a variety of ways for coping with food inflation, including shopping around and waiting for specials, buying cheaper brands, bulk buying, and shopping online. Creative strategies were shared by some respondents reporting “[/] try and grow my own vegetables” or “[/] having to make certain things instead of buying it eg washing powder.” However, most respondents reported cutting back on the quantity and quality of their food and groceries:

“We’ve had to reduce a lot. Our groceries are basic and there’s no room for anything extra.”

“Have to buy cheaper and less food, no snacks or luxuries etc.”

“Grocery shopping is now only the bare minimum.”

“I struggle every week to put food on the table.”

For some it meant going without:

“Food shopping is so expensive we go without.”

“Going without food.”

“I can’t afford food.”

When sharing the cause of their restricted food budget or ability to afford food, most respondents discussed the cost of housing as having a major impact, while some referred to supermarket price gouging:

“I have had to cut back on healthy foods because it is too expensive... I don’t spend money on myself as I worry I won’t have enough to pay rent.”

“Interest rates effect our family to afford food and pay other bills.”

“We almost lost our house due to not being able to make payments, and we’ve had to live off of a lot of canned food and rice etc to be able to afford bills etc.”

“I think it is really unfair that supermarkets can increase pricing when the cost-of-living is so bad especially in a regional/rural area compared to the cities and they still make massive profit margins. People will always need to use the supermarket but I would like to know why it is almost \$3 for one capsicum yet in the city it is half the cost of that. How are people to live in these areas and provide for their families when places like that are just extorting the consumer.”

QCOSS members have regularly highlighted an increasing demand for food relief, as a greater number of Queenslanders are reported to be experiencing food insecurity. The 2023 *Foodbank Hunger Report* indicated 2.3 million Australian households (23 per cent) experienced food insecurity during the 12 months prior to the survey, with an increase of 10 per cent from the same period last year. Additionally, 77 per cent of those households experienced food insecurity for the first time.³⁷ Barriers for seeking food relief from a charity or community organisation, include being ‘too embarrassed/ashamed’, while many believed they were ‘not eligible for food relief.’³⁷

Of the QCOSS cost-of-living survey respondents, many reported having a less healthy diet by sharing they are ‘struggling to eat well’ and ‘eating less quality food.’ Respondents also shared they were buying and eating less fresh produce such as fruit and vegetables to reduce the household food bill.

“Food shopping costs so much, eating more cheap unhealthy junk food found at discount food stores because fresh fruit and vegetables add too much cost to the shopping bill.”

“I have had to reduce the quality of food as well as the amount of food I was buying due to rising costs.”

“I can barely get by week to week. The cost of shopping is ridiculous these days you do \$300 shop and still gets you nothing really.”

“Having to reduce our food bill and choose different food choices as fruit and veggies are more expensive.”

Contrary to historical trends when prices for healthy food were more affordable than unhealthy ‘habitual’ diets, costs for healthy diets with fresh fruit and vegetables are now increasing at a faster rate in recent times.³⁸ Health and Wellbeing Queensland recently highlighted the increase in food prices as a public health hazard, noting the role of poor diets in leading to weight gain and nutritional deficiencies in Queenslanders.³⁹ The general cost of food in remote areas across Queensland is also substantially higher when compared to regional and inner-city locations.⁴⁰

Of particular concern was the food stress experienced by families with children. A survey by P&C Queensland showed that 16 per cent of Queensland families have at some point in the last 12 months run out of food, compared with national data at 4 per cent. Additionally, the survey found that 31 per cent of families were food insecure.⁴¹ These findings are consistent with QCOSS’ cost-of-living survey responses:

“I often don’t take lunch with me, just so my children have food to take to school.”

“It has put a significant amount of stress on our family and has led to constant worry about how we will feed our family.”

“I have been skipping meals in order to provide for my child properly.”

In an effort to address these gaps the 2024–25 Queensland Budget included funding for a School and Community Food Relief Program and Playground and Tuckshops Program. Other budget measures sought to expand food relief services such as OzHarvest, Secondbite and Foodbank Queensland, as well as emergency relief for neighbourhood centres with expanded locations. The welcomed increased investment will contribute to meeting food relief demand, noting the need for supporting agencies to coordinate and deliver a food system that is inclusive and trauma-informed.

Energy

In 2024 energy expenses for the modelled households ranged between 1.1 per cent and 2.1 per cent of household weekly expenditures after rebates and concessions were applied.

Across Australia, wholesale price increases slowed in 2024 for most consumers while prices were expected to rise again in some areas.⁴² A minor increase occurred for South East Queensland customers, which will see an estimated price rise of between \$37 to \$83 over the year.⁴³

Of the QCOSS cost-of-living survey respondents, about a third were currently on a hardship payment plan or may need to be within the next three months. Those receiving an income support payment were more likely to be on a hardship payment plan. According to the Australian Energy Regulator (AER), low-income households spend double the amount of their ‘disposable’ income on energy than average income households.⁴⁴ According to Energy Consumers Australia, 65 per cent of Australians are worried that energy will be unaffordable in the next 10 years.⁴⁵

High energy costs and cost-of-living pressures have prompted both the Queensland and Australian Governments to offer financial relief on electricity bills. In 2024–25 a record \$2.965 billion was allocated to electricity bill relief by the Queensland Government for the Cost-of-Living Rebate offering households \$1,000 delivered upfront in a lumpsum. This is in addition to a \$300 rebate to be delivered in quarterly instalments by the Australian Government. Vulnerable households will also continue to receive the \$372 Queensland Electricity Rebate for a total of \$1,672 in financial support for this period.

The model households all rent (rather than own) the homes in which they live. Unlike owner-occupiers, renters do not have control over the thermal efficiency of their home. Landlords often do not maintain homes or invest in energy-efficient

appliances to the same extent that homeowners would, as they do not benefit directly from energy efficiency investments. Therefore, renters are often living in lower quality homes with poor thermal efficiency and inefficient appliances.⁴⁶

Poorly insulated homes and low-efficiency appliances contribute to low-income households receiving higher energy bills and therefore being financially disadvantaged.

Renters do not have agency to make other on-site investments such as installation of solar PV panels (or fuel sources such as solar hot water heating) that could reduce their energy bills. These sentiments are reflected in survey respondent comments:

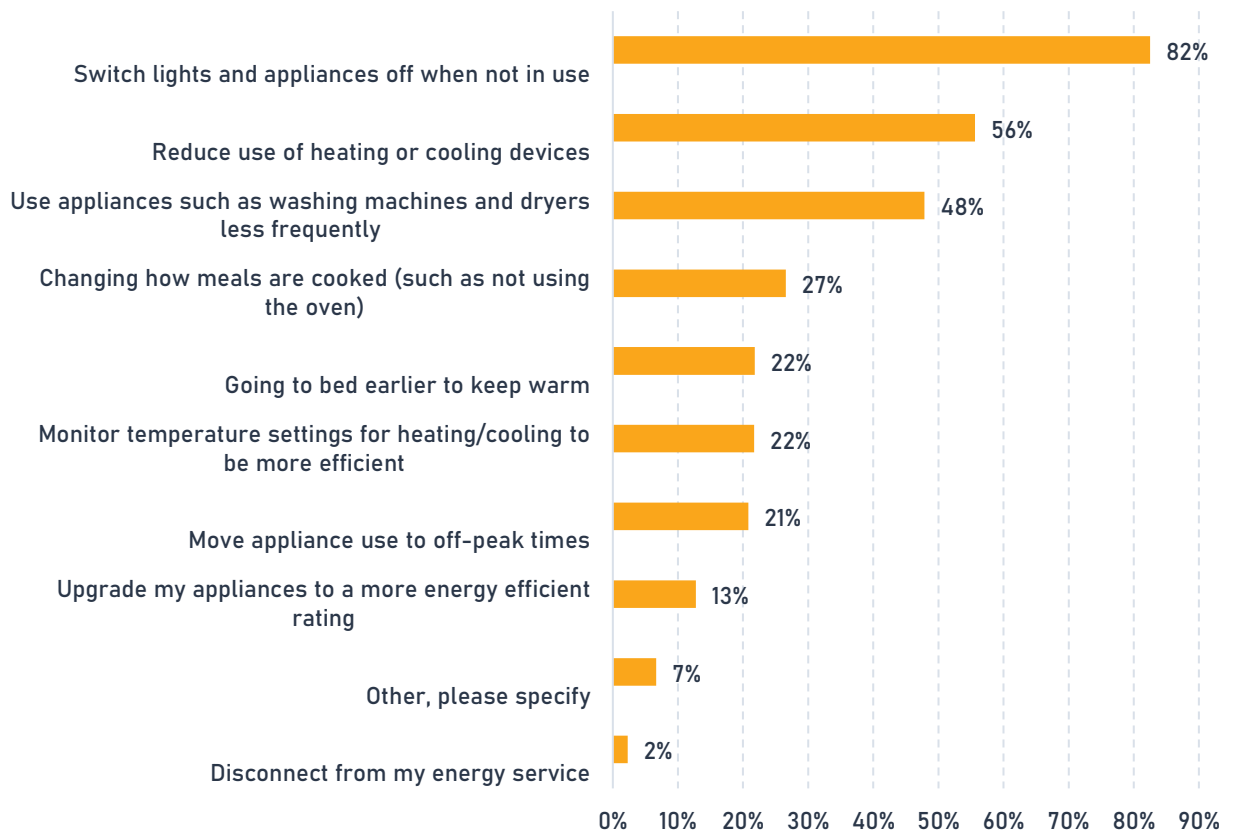
“Hard to get solar when renting, stuck.”

“Too expensive and it’s hurting every day Australians and particularly young people who rent and have no say in whether there are solar panels installed.”

“Energy is just like it is with cost-of-living... it’s increased significantly to the point where we can’t live comfortably in cold temperatures and then horrendous summers.”

Due to initial budget constraints, low-income households are likely to opt for a lower-priced appliance, even if it is less energy efficient and therefore has higher running costs. According to survey respondents, 13 per cent indicated they upgraded to more energy efficient appliances in the previous six months. The most common actions for survey respondents to reduce energy costs or usage was keeping lights and appliances off when not in use (Figure 4).

Figure 4: In the last six months, have you frequently taken any of the following actions in order to reduce your energy costs?



Low-income households may also have low energy literacy, and therefore may not be able to use their energy appliances in the most cost-effective way.⁴⁷ They may not be on the most appropriate tariffs for their needs and may not be able to match their usage patterns to the tariff they are on. In Southeast Queensland, where there is retail competition in the supply of electricity, they may also not be on the most competitive tariff or with the retailer most suited for their needs. Furthermore, many who are eligible for rebates do not access them for reasons including a lack of awareness, low energy literacy, administrative challenges, or errors that may be encountered when registering for rebates.⁴⁸

Two of the household models are shared households, where the household pays a fixed proportion of the total energy bill. Shared households are often less efficient in their energy use. This is because each person in the household only pays a proportion of the total energy bill and are therefore less likely to be motivated to improve household energy efficiency.

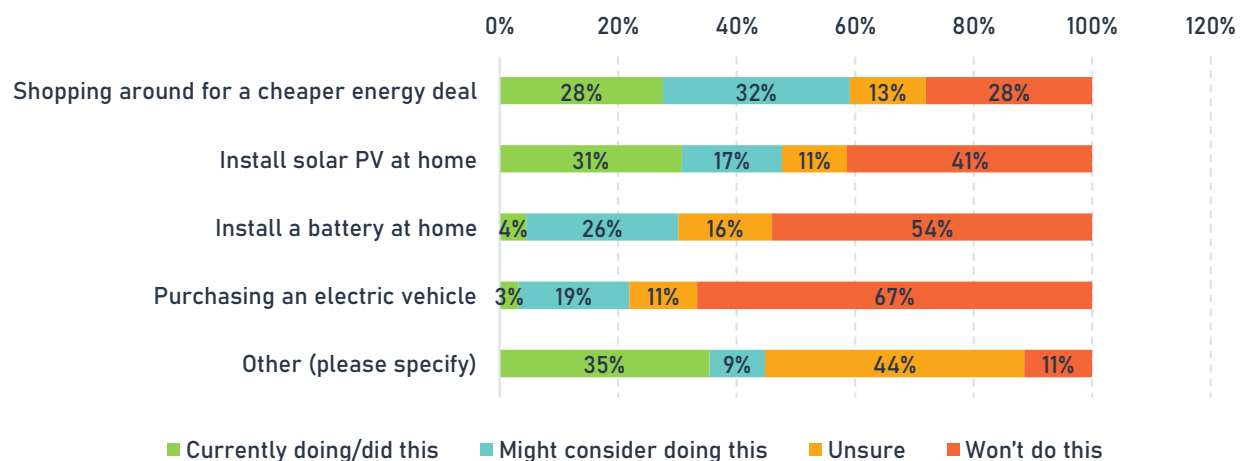
Two of the households include families with children. These households have higher usage due to the number of occupants, so are more vulnerable to higher bills, bill shock and indebtedness. Because most concessions are based on

dollar or fixed (flat) amounts, the benefit of any rebates or concessions reduce per person as the family size increase. Findings from the *Reforming electricity concessions to better meet need* report showed that percentage based or hybrid models of energy concession delivery was more equitable and responsive in the context of the energy transition.⁴⁹

In addition to actions consumers have taken, the QCOSS cost-of-living survey examined whether respondents would consider further action to reduce energy costs, including investments in renewables. The most likely actions included installing solar at home, or shopping around for a cheaper energy deal (Figure 5).

QCOSS is a member of the [Power Together Alliance](#) that seeks to ensure that no Queenslanders are left behind in the energy transformation towards a cleaner energy future.⁵⁰ To support the transition to clean and affordable energy, targeted measures and strategies are required that improve access to new energy technologies and ensure an equitable distribution of benefits. For example, opportunities to invest in solar PV or other energy efficiency upgrades in Australia’s social housing stock has been shown to generate significant returns in savings and job creation opportunities.⁵¹

Figure 5. Has the price of electricity prompted you to take any of the following actions in order to reduce your energy costs?



Health services

Health and medication expenses including dental, eye and other care services ranged from 2 per cent and 3.8 per cent of household expenses for the modelled households. However, in each modelled household it was assumed that none of the household members had significant or ongoing health care needs.

Recent research exploring out-of-pocket fees for health care concluded that “out-of-pocket fees in Australia are already leading to patients avoiding care because of the cost... active, bold reform should be a priority to ensure promotion of equity and truly universal health care in Australia.”⁵² Queensland’s vast geography can also pose immense barriers for access to health services.

Of the cost-of-living survey respondents, 46 per cent felt that affordability often or always limits their family’s access to non-bulk billed and specialist appointments (Figure 6). Respondents who receive income support payments reported this at slightly higher rates.

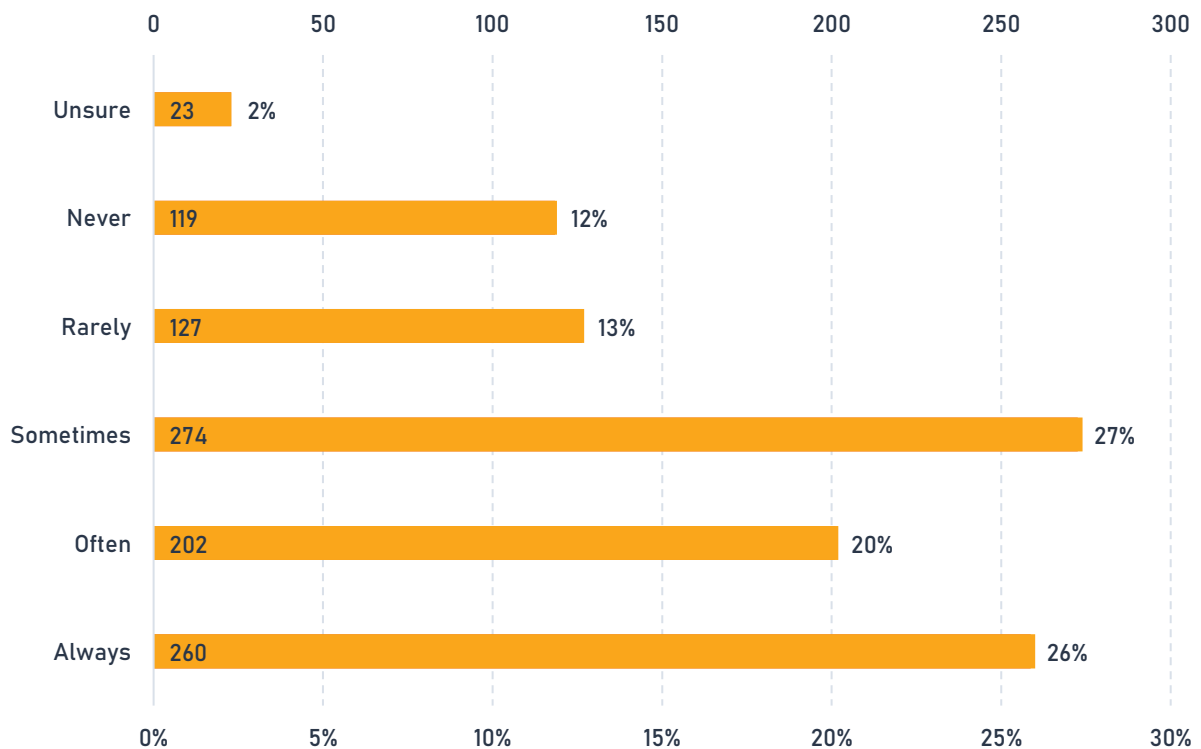
“We don't go to the GP even if we're sick... We don't fill in scripts even if we know we should.”

“I haven't been able to visit my doctor [because] her fees have gone up so I now [have] more pain. We are struggling to make ends meet big time.”

“I have stopped our family's dental visits. Also not sending my kids on school camps.”

“The cost-of-living has meant I cannot look after my health properly and meet my medical needs nor enjoy life.”

Figure 6: Does affordability limit your family’s access to non-bulk billed and specialist appointments?



Other respondents described enduring significant financial hardship for medical expenses they did cover:

“...I have a large surgeons bill and other medical costs waiting to be paid at this moment. To pay these I had to stop buying all other items for a long time.”

“It is horrible, I am constantly behind. All because a year ago I had a massive dentist bill that took up all the \$3,000 I had saved and I had to get more out on a loan... I’m still suffering for it now.”

The cost-of-living crisis has resulted in alarming impacts on wellbeing. Suicide Prevention Australia publish quarterly survey findings indicating the leading social and economic issues driving distress in Australia. The June 2024 results indicate that close to 50 per cent of Australians are experiencing cost-of-living and personal debt distress.⁵³

Cost-of-living survey respondents described increased feelings of stress, anxiety and depression as a direct result of increasing financial pressure. Many also explained they could not afford to meet their mental health needs:

“I just feel as though there is nothing left for anything other than essentials and it becomes pretty depressing. I can’t even afford some of the medication I should be taking which likely doesn’t help.”

“It’s insane. I have given up therapy as it’s too expensive after a massive rent increase. Food shopping is so expensive we go without.”

“Our future financial needs have caused us to feel anxious and depressed.”

“I am always stressed, feel like I can’t provide the life I want to for my child and felt pressure to return to work early after maternity leave.”

In addition to the more general findings in this report, people with higher health care needs can experience poverty at greater levels. People With Disability Australia explored this in a 2023 submission to the Senate Community Affairs Reference

Committee in response to the inquiry into the extent and nature of poverty in Australia:

“The often-unaffordable higher health costs for people with disability, including additional disability-related costs such as medications, allied health, and specialist healthcare, coupled with lower employment rates and income, perpetuate poverty and add to psychological distress.”^{54(p 7)}

The 2024–25 Queensland State Budget included an uplift to Queensland Health’s operating budget of more than \$4 billion over the next four years. This included substantial funding to support the implementation of the Queensland Women and Girls’ Health Strategy 2032. This recognises the importance of access to health services across Queensland. In order to comprehensively respect, protect and fulfill the right to access health services without discrimination,⁵⁵ health funding that properly responds to population growth and community need must remain high on the Queensland and Australian Government’s agenda.

Transport

Transport expenses ranged from 1 per cent to 11 per cent of expenditure for the model households. This is because transport expenses vary significantly between households using public transport or private vehicles to commute.

QCOS member organisations commonly highlight a lack of access to public transport in their local area and the impact this can have on a household and community. This includes poorer access to health services, education, employment opportunities and exacerbated financial stress.^{56,57}

Outside of urban areas, most Queenslanders do not have access to suitable public transport networks, and so are dependent on private transport to travel.^{58,56,59} Fuel prices therefore have a substantial impact on the household budget of Queenslanders, especially those

in lower income households. Families with children rely on private vehicles for transport as public transport is not a practical option for school and childcare pick up and drop offs in most areas of Queensland.

Of the cost-of-living survey respondents, many commented on the high price of fuel having an impact on their ability to travel and use their vehicle. Many indicated they were travelling less due to fuel prices, especially for recreational and non-essential purposes. This was identified as a barrier to staying in touch with family or friends, leading to social isolation for some.

“The price of fuel impacts everything.”

“We’ve had to cut down the time my partner travels to see his kids due to not being able to afford the fuel.”

“Has caused me to become isolated due to not being able to afford fuel.”

“It has reduced our ability to travel to see family and friends due to fuel costs.”

Other vehicle related costs included registration and maintenance costs, with respondents also commenting on their payment difficulties:

“I am unfortunately putting off smaller maintenance jobs for my car.”

“Often find it hard to pay car registration when it comes around.”

“We find it hard to have savings with car servicing.”

Respondents in regional areas felt the significant impact of high fuel prices as they may be required to travel longer distances. Some limited the number of trips they took into town, although this was not an option for those commuting for work reasons.

“The cost-of-living is very high particularly groceries and fuel where I live in a rural area.”

“I will only go to town once a week because of fuel prices.”

The implementation of fifty-cent fares will greatly reduce affordability barriers of public transport. However, this also presents an equity issue as lower socioeconomic areas across Queensland offer fewer public transportation options.⁶⁰

The freeze of car registration costs and the 20 per cent reduction of registration for all light vehicles is another positive action supporting transport costs.⁶¹

Debt management

Debt repayment is a significant cost within the modelled household’s weekly budget ranging from 4 per cent to 15 per cent of the weekly budget. Low-income households often carry debts due to deferred payments and inability to budget for emergencies and unexpected expenses, leading to a debt cycle.

In 2024 QCOSS’ cost-of-living survey featured new questions to quantify the level and types of debts carried by Queensland households (debts other than mortgage repayments). The results showed that the vast majority (84 per cent) of respondents held debts.

For those with debts, most were liable for repayments of up to \$100 per week, about a quarter held debts of between \$100–200 per week, and the rest held debts of \$200 or more per week (Figure 7). Respondents receiving a support payment tended to be more indebted with the highest debt levels held by families with children receiving income support payments such as parenting payment single or partnered.

Regarding the types of debts that are held by respondents (Figure 8), the top categories of debts included credit card debts (28 per cent), Buy-Now-Pay-Later (BNPL) debts (17 per cent), and owing money to family or friends (12 per cent). For respondents receiving an income support payment, 11 per cent held a Centrelink debt or advance.

Figure 7: Debt levels by support payments received²

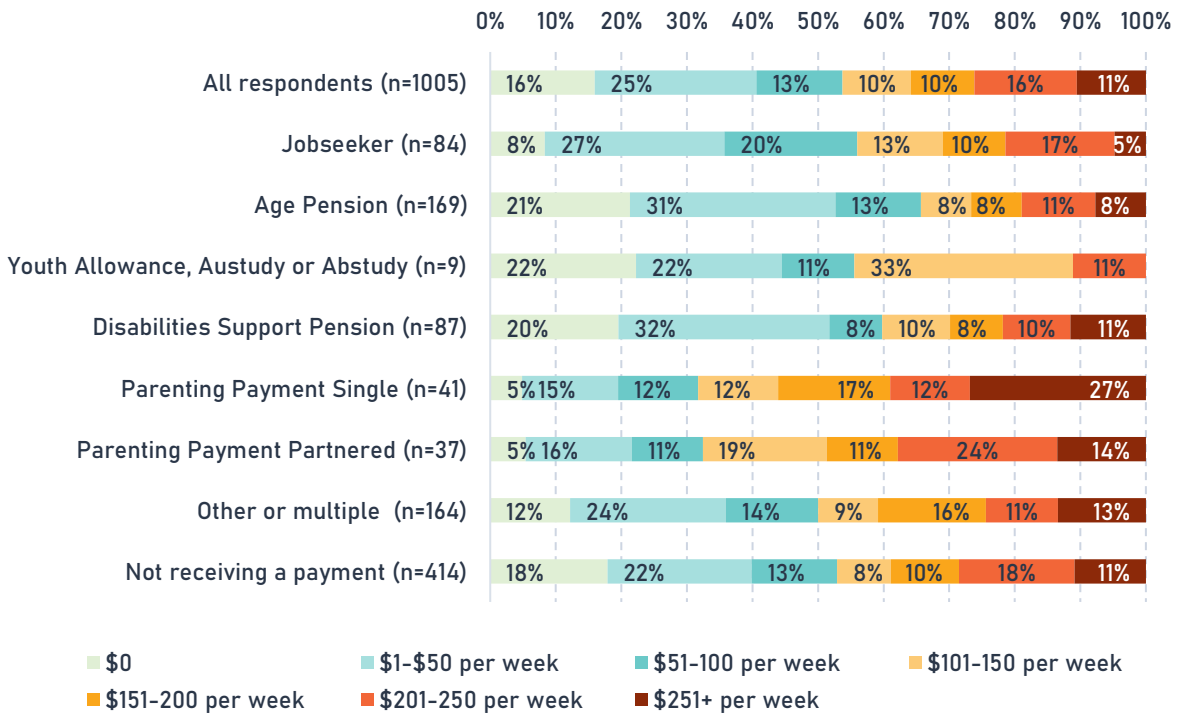
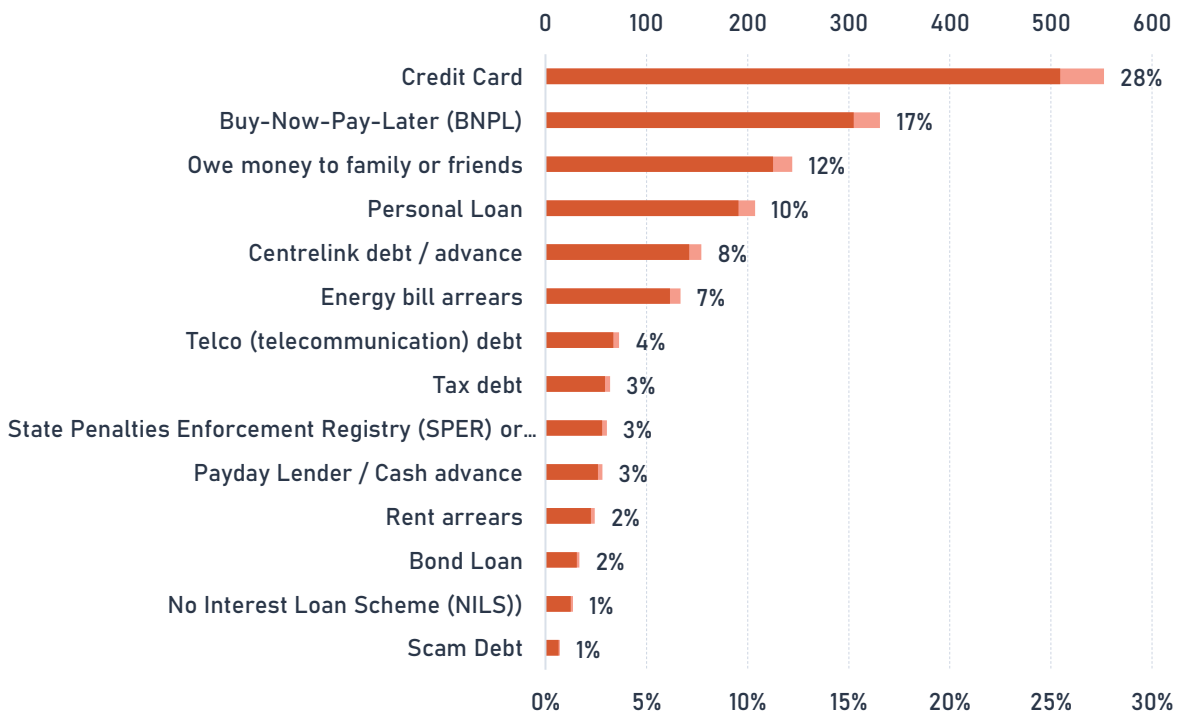


Figure 8: Do you currently have debts for the following.



² Note limitations to data where sample size is small

Financial pressure to prioritise payments to creditors was commonly felt by respondents with debts. When asked 'Do you feel pressured to pay any of these debts owed to creditors instead of using money to meet essential living expenses?' most respondents with debts answered yes (55 per cent), confirming they felt pressure to repay. This highlights the need for legislative reforms to regulate credit providers, such as those that are underway³ to regulate BNPL providers, following the harm and financial abuse that has been identified.

When asked about financial debts, survey respondents indicated:

"I am using my credit card more now to pay everyday bills."

"I keep recycling debt from zip to get by, I don't go out."

"It's hard to buy groceries without always worrying about money and the debt I have on the side."

"With the cost of everything going up, having to sacrifice things to ensure payments are made is essential."

"Trying to figure out which bills are higher priority and the needs of my toddler before what I need. It's ridiculous and the banks don't want to help."

Respondents also stated they were unable or no longer able to save money, such as for contingencies and emergencies, as some were using their savings on everyday expenses, which led to depletion of their savings.

"I am using my savings to survive."

"Severely depleted any chance of putting money into savings."

"I can only afford to buy essentials these days and no longer save any money because of the increases in cost-of-living."

"As an older person the rising cost-of-living means that I have to use saving to meet expenses."

"It is increasingly difficult to save money for emergencies and the future."

Within Queensland, a significant amount of debt is owed to the State Penalties Enforcement Registry (SPER) by low-income households. As of June 2024, the total amount of outstanding debt owed stands at \$1,177,281,000. This consists of 3,322,467 debts held by 456,622 debtors, indicating that the average debtor holds about seven debts. The highest number of debts are held by residents in the Logan – Beaudesert region, Gold Coast and Ipswich areas.⁶²

The 2024-25 Queensland State Budget estimated that revenue from fines is expected to total \$741 million in 2023-24. This is \$73 million lower than expected at the time of the 2023-24 budget. However, it is expected to grow by 7.2 per cent (to \$794 million) in 2024-25 because of an expansion of the Camera Detected Offence Program. These fines disproportionately impact and increase debts for low-income households.⁶³

Against a backdrop of the housing and cost-of-living crises, QCROSS members have emphasised the increasing demand for financial counselling services. Financial Counsellors assist Queenslanders experiencing financial difficulty and develop tailored strategies to resolve their debt and budget issues. Access to financial counselling is therefore critical to supporting low-income households to recover from financial hardship.

³ Treasury Laws Amendment (Responsible Buy Now Pay Later and Other Measures) Bill 2024 include proposed legislation to BNPL law. If passed, it would regulate BNPL as a low cost credit product (LCCC) under the National Consumer Credit Protection Act 2009 (NCCPA).

It would also apply key protections to BNPL that are fundamental to safe access to credit, and bring these protections closer to what is mandated across the regulated credit industry.

According to data from the Financial Counsellors Association Queensland (FCAQ), Queensland has the lowest per capita funding for financial counselling. This is despite the crucial role financial counsellors play in assisting individuals with debt management, consumer rights, and navigating financial crises such as mortgage stress. Additionally, in contrast to other jurisdictions there are no state funded domestic and family violence specialised financial counsellors.⁶⁴

Education

Of the modelled households with education costs, those costs ranged from 3.2 per cent to 7 per cent of their total weekly expenditure.

Amongst cost-of-living survey respondents with children, many highlighted difficulties in meeting out of pocket costs associated with their child's education due to competing financial demands. Almost half (48 per cent)

reported that affordability often or always limits their children's participation in extra-curricular and recreational activities (Figure 9).

"I haven't been able to buy new school shoes and uniforms because of unexpected increases to other essential items."

"Some weeks [I'm] unable to put petrol in the car to get the kids to school and back due to interest rate rises, cost of groceries and household bills. When [the kids] need new shoes or clothing or school uniforms I can't just buy them, [I] have to wait or find second hand ones on marketplace whereas before I was able to just buy when needed."

"We can't afford anything anymore. I can't afford my daughter's swimming lessons, I can't afford to put her in a music or dance class. I practically don't eat anymore, and can barely meet my daughter's minimum requirements."

Figure 9: Does affordability limit your children's participation in extra-curricular and recreational activities?

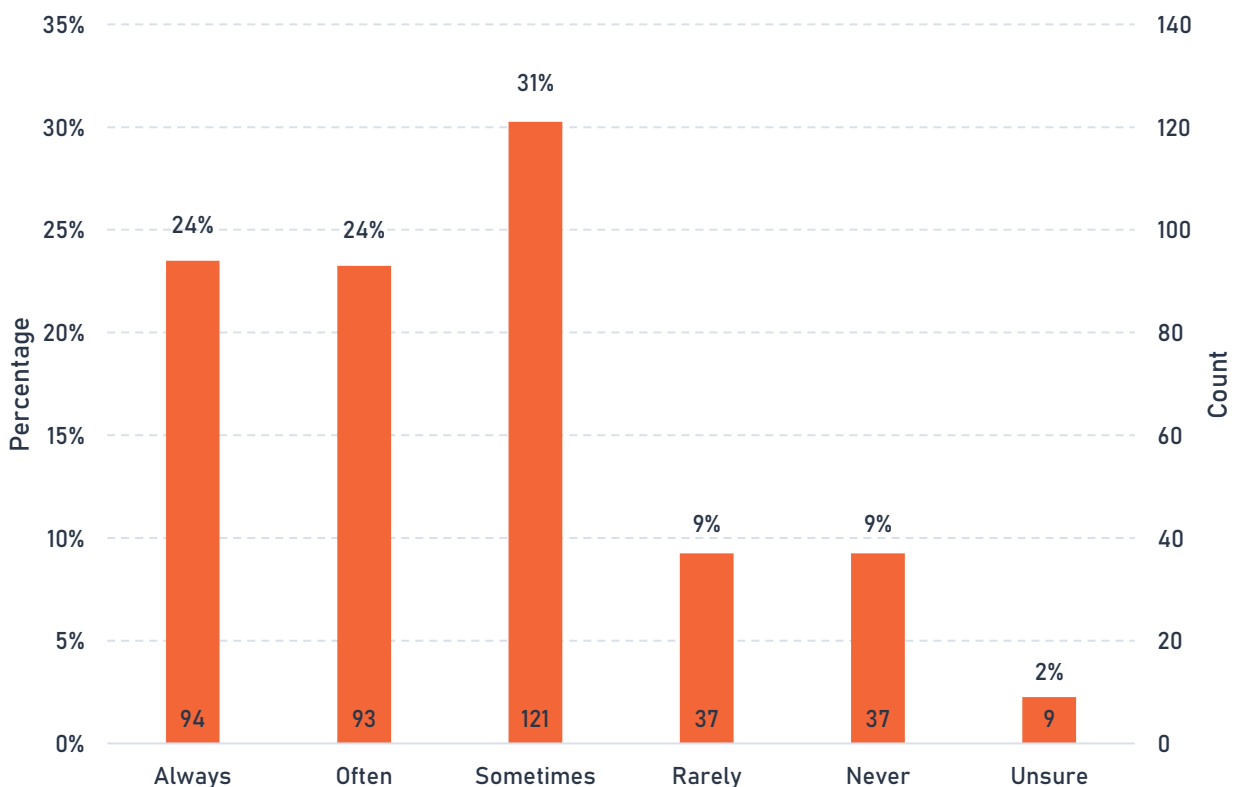
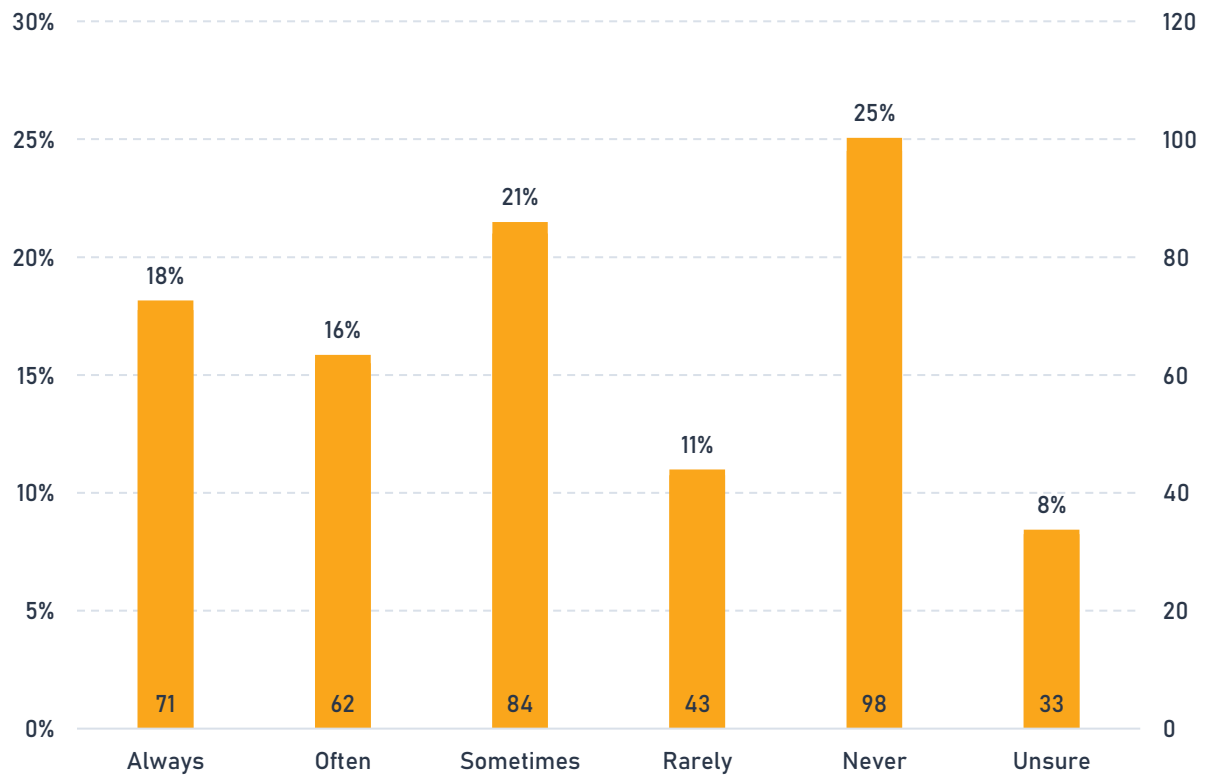


Figure 10: Does affordability limit your family's access to childcare, outside of school hours care (OSHC), holiday/vacation care?



Additionally, of the cost-of-living survey respondents with children, 34 per cent reported that affordability often or always limits their family's access to childcare, outside of school hours care, holiday/vacation care (Figure 10).

The Queensland Family and Child Commission's 2023 report *Growing Up in Queensland: A story of child and family wellbeing*⁶ showed that genuine access to education, including early education and extra-curricular activities, is an essential element of what a child needs to thrive. However, financial barriers to engage fully in education are difficult for many households under financial pressure.

A recent survey by P&Cs Queensland *What Parents Want - Parent Insights on the QLD education system*⁴¹ showed that the highest out of pocket education expenses included extra-curricular activities and electronic items such as laptops and tablets.

Research insights by The Smith Family identified multiple ways in which families with children faced barriers to education:⁶⁵

- 88.3 per cent of parents and carers were worried about being able to afford all the things their children will need for the 2024 school year.
- 51.2 per cent of parents and carers think their children are likely to miss out on essential digital devices needed for schoolwork because they won't be able to afford them in 2024.
- 52.3 per cent of parents and carers said the increased cost of everyday expenses such as groceries, petrol and rent were the main reason it was harder to afford school items.

The Queensland Government has implemented a range of measures to support children. This includes providing laptops for disadvantaged Queensland students, the Textbook and Resource Allowance, the School Transport Assistance Scheme, Fairplay vouchers, the After School Homework Centre, School and Community Food Program, along with mental and medical health support in schools.⁶⁶ These sit alongside measures such as free kindergarten arrangements, and other initiatives implemented through the *Putting Queensland Kids First* plan.⁶⁶

Australian Government support in this setting includes the School Student Broadband Initiative, which provides eligible households with free broadband internet,⁶⁷ grants provided through the Community Child Care Fund, and other supports such as the Child Care Subsidy and Commonwealth Regional Scholarship Program.

Initiatives such as these support children to participate in educational opportunities and prevent disengagement from school and healthy social activities. Additional opportunities to address financial barriers to engaging in education include further expansion of free kindergarten programs, further investment in Aboriginal and Torres Strait Islander early childhood services and increased support for community-based youth activities and programs.

Communication and digital services

Of the cost-of-living survey respondents, 4 per cent indicated they have a telecommunications debt. Respondents often highlighted that bills for essential items and services have become difficult to manage or result in sacrifices in other areas.

QCOSS members have often raised that people accessing their services are commonly digitally excluded. Research outlines the components of digital exclusion coming from three primary

drivers: access to appropriate technology devices, affordability of internet access and ability to navigate the internet and operate the device.⁶⁸

When affordability is an issue, 76 per cent of community services clients simply go without. According to QCOSS members, this leads directly to those Queenslanders facing further barriers to employment, education and accessing services.⁶⁸ Digital exclusion therefore results in further marginalisation.

This is also supported by research from the Australian Communications Consumer Action Network. A survey of 1,000 people from a mix of age groups, locations and different income levels found that:⁶⁹

- 26 per cent of consumers stated they did not find phone and internet costs affordable
- 20 per cent of consumers missed phone and internet bill payments because they couldn't afford it
- 21 per cent of consumers went without other essentials such as food or medicine to pay a phone and internet bill
- 20 per cent of consumers used their phone and/or internet less than they needed to help save money.

Although the 2023 Australian Digital Inclusion Index report found that digital inclusion continues to improve at the national level, digital inclusion gaps persist among particular groups. This includes First Nations Peoples, people living in remote and very remote areas, people over the age of 75 years, and people in the lowest income quintile.⁷⁰

Under Queensland's Digital Economy Strategy, *Our Thriving Digital Future*, two of the six priority areas are to close the digital divide, and to improve connectivity for regional communities.⁷¹ A number of initiatives to support these priority areas are now under way, outlined in the *Our Thriving Digital Future 2023-2026 Action Plan*. This includes the development of a digital inclusion strategic plan.⁷²

Water

Water costs were included in the rent of the modelled households. Therefore, this expense was not itemised in the model budgets separately.

Not all households who are renting in Queensland are directly charged for water. Of the cost-of-living survey respondents, who include renters as well as owner occupiers, 30 per cent reported they are not charged for water, and 29 per cent reported that water use is charged/included in their rent. However, of the survey respondents who do pay for water, a significant number described issues related to cost:

“Water is essential...it shouldn't cost this much to use... the price of water is ridiculous.”

“Water is also more expensive this year compared to 2 years ago.”

Lower income households are more vulnerable to bill shock, which means that for those who are charged directly for water, such bills have the potential to push the household into circumstances of debt and deprivation.

Of the survey respondents, 4 per cent reported they are currently receiving financial support or were on a hardship plan for household water consumption expenses, while a further 12 per cent indicated they may need this kind of assistance within the next three months. This indicates further hardship support may be needed going forward for a range of households.

Of the cost-of-living survey respondents, 25 per cent indicated they don't monitor water usage because they don't know where to get that information. However, respondents generally reported active behaviours to conserve and regulate their water usage. While these behaviours may be driven by several motivators, they are also vital for reducing household water costs.

“My water consumption is minimal and even that amount is only for what is necessary and required. I am conscientious enough to not overdo anything that is considered wasteful.”

“I catch water when having a shower, and use this on the pot plants. I wash dishes in a plastic dish which sits in the sink, and when water is cold I pour it on plants.”

“We use as little water as possible and it helps our landlord has installed water saving toilets and shower heads.”

Eligible pensioners in South East Queensland can access a subsidy from the Queensland Government of up to \$120 to cover water costs.⁷³ Eligible residents in South East Queensland can also apply for financial support through the South East Queensland Bulk Water Concealed Leak Remission Scheme if they have a large water bill as a result of a concealed leak on their property.⁷⁴ Financial support for residents in other parts of Queensland with a concealed water leak may also be available, depending on the policies of their local council.

The *Residential Tenancies and Rooming Accommodation and Other Legislation Amendment Act 2024* (Qld) also introduced additional requirements of landlords who seek to recoup water costs from tenants which will come into force on 30 September 2024. As outlined in the Explanatory Notes to the Act, currently:

“Rental property owners can pass on some service charges to renters, such as for water consumption, if certain criteria are met. Current rental laws do not set a timeframe for when these charges must be provided to renters for payment. Some renters receive multiple bills at once, often when their tenancy ends, which can be a large cost they have been unable to budget for and prevents them from monitoring and managing their usage.”⁷⁵

Once the new laws come into force, lessors will need to provide better documentation that demonstrates charges from their water supplier, and they will need to initiate the cost recoupment process more promptly.⁷⁶

CONCLUSION

Queenslanders on low incomes are particularly vulnerable in a cost-of-living crisis. The 2024 household modelling, current research and the QCOSS cost-of-living survey show concerning trends as Queenslanders are spending more on essential goods and services. Three of the five modelled households were unable to meet a basic standard of living, and all five households are unable to make meaningful savings and are highly vulnerable to increasing levels of debt. Based on their budget positions, these households will need to compromise on consumption of essential goods and services required for healthy living or borrow money to meet everyday expenses.

The leading categories of increased spending identified by survey respondents included housing, energy bills, food, transport and healthcare costs. The modelled households spend a higher proportion of their income on these essentials compared to high-income households. The lack of affordable housing was identified as a significant cause of strain. All model households faced housing stress, with expenditure on rent between 37 to 44 per cent of their household income.

A greater number of Queenslanders are experiencing food insecurity and are compromising on the quality and quantity of their diets, with poor health outcomes identified as a public health hazard. Affordability and accessibility of transport and health services have also been noted as challenging for many households, and particularly for those in rural, regional or remote areas. Cost-of-living pressures are limiting the ability for families to access childcare, outside of school hours care, holiday/vacation care, and extra-curricular activities for children. Households are experiencing financial barriers to accessing digital services such as internet,

telecommunications and essential digital devices.

The current economic landscape offers both distinctive challenges and opportunities for shaping government policies and decision making. QCOSS and the community services sector have welcomed the significant cost-of-living relief that has been provided by the Queensland Government in 2024. For a defined period, Queenslanders will have energy bill relief, cheaper public transport, assistance to pay for sporting activities for children and discounts on government fees and charges. Importantly, food relief services have been provided with further resources. While these cost-of-living measures will deliver relief in an inflationary environment, more should be done to target support to those who need it the most.

During a cost-of-living crisis, the role of community organisations in providing targeted assistance to those seeking support is critical. It is important that funding for Financial Counsellors is made available so they can assist individuals with debt management, consumer rights, and navigating financial crises. A coordinated and strategic approach is needed to address current cost-of-living concerns for low-income households and enable systemic financial inclusion.

Underpinning QCOSS' engagement with cost-of-living issues is a commitment to human rights. Proper respect, protection and fulfilment of economic and social rights in Queensland involves investment that ensures households on low-incomes and vulnerable groups such as children, young people, people with disability, First Nations Peoples and women have access to sufficient income to afford a basic cost of living.

APPENDIX A.

DATA SOURCES AND RELEASE DATES ACCESSED

	Data source	Updates	Data accessed
Budget Standards	The budget standards approach is a method for estimating cost of living expenses for low-income and low-waged households. This methodology is based on the work of Social Policy Research Centre (SPRC) at the University of New South Wales (UNSW).	1998, 2017, 2023	2017 and 2023 reports
CPI	Consumer Price Index (CPI) published by the Australian Bureau of Statistics (ABS) is a measure of changes in prices paid by households for a fixed basket of goods and services in eight capital cities.	Quarterly releases	2024 June Quarter Update
Food	Low socio-economic group (SEG) Healthy Diets ASAP (Australian Standardised Affordability and Pricing) protocol by University of Queensland.	Annually	2024 June Quarter Update
Rent	Rental Tenancies Authority (RTA) collects data of new rental bond lodgements to determine the median weekly rental prices for houses, townhouses and flats/units across Queensland. The cheapest properties from new bonds were used.	Quarterly releases	2024 June Quarter Update
Electricity	Australian Energy Regulator reviews annual pricing proposals submitted by electricity distribution businesses for the regulatory year.	Annually	2024 July
Public Transport	Department of Transport and Main Roads Translink pricing for <i>Go Card</i> tickets and fares for South East Queensland public transport.	Annually	2023 Dec and 2024 June
Debt Servicing	QCOSS' Cost of Living survey collected debt levels in five fifty dollar brackets (with option to enter a specific numeric figure) from recipients of DSS payment types. The trimmed mean of figures from the lower end of each range was used for calculating a conservative estimate.	Bi-annually	Data collected May-June 2024
Social Security Rates	Centrelink payments estimator and Social Security Rates Indexation from Department of Social Services (DSS) are used to estimate payment rates.	Indexed in January, March, July, September	2024 July

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