

**NAME:**

# Poverty – Cost of Living

You are going to complete a cost of living analysis for an Australian family of two adults and two children.

## STEP 1 – THE POVERTY LINE

Read the ‘Poverty in Australia – Statistics’ (page 5) section of the fact book and identify what the poverty line is for a couple with two children:

## STEP 2 – NEWSTART ALLOWANCE

Go to <https://www.humanservices.gov.au/individuals/services/centrelink/newstart-allowance/how-much-you-can-get> and identify what Newstart Allowance payment a couple would be eligible for:

## STEP 3 – HOUSING

Conduct a search on a real estate website such as [www.realestate.com.au](http://www.realestate.com.au) to find out how much it would cost per week to rent a 2-3 bedroom house in your local area:

## STEP 4 – UTILITIES

Electricity and water are essential to meet the basic standard of living in Australia. <https://www.canstarblue.com.au/electricity/average-electricity-bills/> provides electricity bill estimates. Calculate the weekly cost for:

Water:

Electricity:

## STEP 5 – FOOD

Write a list of all the food you think a family of four would need to have a healthy breakfast, lunch and dinner for seven days.

Go to <https://shop.coles.com.au/a/a-national/everything/browse> and find all of the items on your list. This will be your weekly grocery cost:

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### STEP 6 – COLLATION

Put all of the figures you have found below:

Poverty Line:

Newstart Allowance:

EXPENSE	COST
Water	
Electricity	
Housing	
Food	
TOTAL	

### STEP 7 – ANALYSIS

1. When you calculated the total cost of your expenses, was it higher or lower than the poverty line? By how much?
2. When you calculated the total cost of your expenses, was it higher or lower than the Newstart Allowance? By how much?
3. What are some things you might need to cut down on to lower your total expenses? How might this impact on your quality of life?
4. What are some other expenses that a family may incur besides housing, water, electricity and food?
5. Would someone living below the poverty line be able to afford these extra expenses? What negative impacts would this have?

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## STEP 8 – REFLECTION

1. Has this activity helped you to understand the real meaning of poverty?  
Explain.

2. Are people living in poverty more vulnerable to emergencies? Give an example.

