

BRIEFING: BUDGET 2022-2023 SOCIAL SECURITY AND RELATED MEASURES

\$250 one-off Cost of Living Payment

- A \$250 one-off payment to be made to recipients of the following payments and to concession card holder at a cost of \$1.5bn:
 - Age Pension
 - Disability Support Pension
 - Parenting Payment
 - Carer Payment
 - Carer Allowance (if not in receipt of a primary income support payment)
 - Jobseeker Payment
 - Youth Allowance
 - Austudy and Abstudy Living Allowance
 - Double Orphan Pension
 - Special Benefit
 - Farm Household Allowance
 - Pensioner Concession Card (PCC) holders
 - Commonwealth Seniors Health Card holders
 - eligible Veterans' Affairs payment recipients and Veteran Gold card holders.
- The payments will be exempt from taxation and will not count as income support for the purposes of any income support payment.
- A person can only receive one economic support payment, even if they are eligible under 2 or more of the above categories.
- The payment will only be available to Australian residents. . (It is unclear whether the intention is simply to preclude people who are not residing in Australia, or to preclude people on Special Benefit who hold a temporary visa.)

➤ **Commentary**

- **EJA:** CEO Leanne Ho said, "There is more in this budget for people earning a decent income than there is for people who are most vulnerable and in severe financial distress. Our legal centres assist people who live day to day not knowing how they will pay their rent or feed their family. People in this position need a permanent increase to their income support. When you're living on \$46 a day, a one-off \$250 payment may help with one or two bills, but after that, you'll be back in the same position. EJA calls on the Government to raise the rate of JobSeeker (and other allowances) to at least \$70 per day, the same level as pensions to cover the basics."
- **ACOSS:** CEO Cassandra Goldie said, "The budget does nothing to lift the incomes of people with the least. Whilst we welcome the extension of \$250 bonus payment to people on pensions and allowances, when if you're living on \$46 a day, this payment will help for a week or two, but people have to pay the rent 52 weeks a year."
- **Mission Australia:** CEO, Sharon Callister said, "Australia's income support payments remain grossly inadequate for keeping people and families out of poverty and homelessness. ... Thousands of people who rely on inadequate income support

payments are swimming upstream and barely staying afloat. As a result of inadequate support, they're contending with immense financial and rental stress and are homeless or on the brink of homelessness. ... The Federal Government should increase the base rate of income support payments so they are adequate and keep people out of poverty and homelessness, as well as increase Commonwealth Rent Assistance by at least 50 per cent."

Administration of the Pandemic Disaster Leave Payment, Australian Government Disaster Recovery Payment and Disaster Recovery Allowance

- \$450.0 million in 2021-22 allocated to Services Australia to respond to emergencies including delivery of the COVID Pandemic Disaster Leave Payment, and the Australian Government Disaster Recovery Payments made in response to the February / March 2022 floods in Queensland and New South Wales.
- Funding includes provision of a special supplement of 2 additional payments of the Australian Government Disaster Recovery Payment to residents in catastrophically impacted areas, with an estimated cost of \$245.0 million for current disaster declarations

➤ **Commentary**

- **ACOSS:** The Disaster Payment remains at \$1,000 for adults, when it should be permanently tripled. The budget ends the Pandemic Leave Disaster Payment in June, which will hurt lowest-paid workers without access to sick leave.

Dad and Partner Pay – to be integrated into the Paid Parental Leave Scheme

- \$346.1 million to be provided over 5 years from 2021-22, to create an enhanced Paid Parental Leave scheme that integrates Dad and Partner Pay.
- The enhanced Scheme will allow payment for up to 20 weeks, with payment "fully flexible" and shareable for eligible working parents.
- Paid Parental Leave can be taken any time within 2 years of the birth or adoption of a child.
- The income test will be broadened to include an additional household income eligibility test.
- These changes will not result in any existing eligible claimants being worse off.
- This measure builds on the 2021-22 Budget measure titled Women's Economic Security Package.

➤ **Commentary**

- **ACOSS:** CEO Cassandra Goldie said, "We're pleased that single parents will be able to access 20 weeks of Paid Parental Leave. This is long overdue, and there is no extension otherwise to the number of weeks or an increase to the payment." The government ignored calls to extend the period payable.

Women's safety – trialing of \$5,000 support packages extended

- This measure builds on the 2021-22 Budget measure titled 'Women's Safety'.
- Funding of \$480.1 million will be provided over 6 years from 2021-22 to fund programs to support women and their children who are experiencing family.
- Funding includes \$240.0 million from 2023-24 to extend funding for the Escaping Violence Payment which provides financial support of up to \$5,000 to women forced to leave a violent relationship.

➤ **Commentary**

- **EJA:** CEO Leanne Ho said, "While the continuing investment in women's safety is a positive, with extension of the trial financial support packages of up to \$5000 for people escaping family and domestic violence, EJA was disappointed that there are no social security system support measures to provide the ongoing economic security that is vital to rebuilding lives in safety."
- **ACOSS:** CEO Cassandra Goldie said, "We welcome the continuation of the \$5,000 support packages for women to escape an abusive partner but we need to see significantly more investment to keep women safe."

Pension suspension period extended where partner employment precludes entitlement

- Pension suspension period and Pensioner Concession Card access period to be extended to 2 years for pensioners who receive a nil payment rate due to their partner's employment income or working hours.

Community Development Program

- \$98.0 million to be provided in 2022-23 to meet "increased demand for the Community Development Program".

Remote Engagement Program

- The Remote Engagement Program (REP) is currently being piloted in 5 regions and will replace the Community Development Program.
- \$11.5 million to be provided over 5 years from 2021-22 to continue the 5 REP and to respond to the *Basil Joshua Dawson & Ors v Commonwealth of Australia* (the Community Development Program Class Action) decision of the Federal Court.
- The existing 5 REP pilot regions will continue for a further two years as part of this measure, with the full roll out of the REP commencing on 1 July 2024.
- As part of the settlement of the Community Development Program Class Action the Commonwealth will provide funding for legal fees and grant funding to support projects.