



2021-22 Federal Budget Summary Analysis

UnitingCare Australia
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UnitingCare Australia is the national body for the Uniting Church's community services network in Australia. The UnitingCare network is one of the largest networks of social services providers in Australia, supporting 1.4 million people every year across urban, rural and remote communities and powered by over 50,000 staff and 30,000 volunteers.

Table of Contents

Introduction	3
Budget overview	4
Aged care and older people.....	6
Child health, wellbeing and care	9
Disability	11
First Peoples.....	14
Housing and homelessness.....	17
Mental health, suicide prevention, AOD.....	20
Regional, rural and remote	23
Social services and income support	27
Tax and charities	31
Women’s budget measures	33
Workforce and employment.....	36
Church-related measures	38
Appendix 1: Media Release	40

INTRODUCTION

Dear Friends,

We are pleased to provide our 2021/22 Federal Budget snapshot and analysis. Our team has examined areas of the Budget that are relevant to our network, our Church and to the people we serve. As always, we have judged the Budget measures through our lens of equality and social justice.

The Government has delivered record investment in key areas such as aged care, mental health, jobs, skills and training, with a strong focus on supporting women.

However, until every child, young person, family and individual is out of poverty, we will remain focussed on those who are left out.

The following pages are a first assessment on Budget night and further unpacking will be undertaken in coming days. As always, we welcome your view and feedback.

With best wishes,

A handwritten signature in grey ink, appearing to be 'Claerwen Little', with a stylized, elongated tail.

Claerwen Little
National Director

BUDGET OVERVIEW

Key Measures

The focus of this year's Budget is maintaining Australia's economic recovery while delivering essential services.

This year's Budget has provided increased funding across key areas of interest to the network. Each of these will be addressed in more detail later in this Budget briefing.

In response to the Final Report of the Royal Commission into Aged Care Quality and Safety, the Government has committed an additional \$17.7 billion over five years, \$6.5 billion for the release of 80,000 additional Home Care Packages over the next two years.

The NDIS will receive an injection of \$13.2 billion over four years. The Government is also providing \$17.9 million for early intervention to support young children with developmental concerns or a disability.

Childcare will receive an additional \$1.7 billion over four years to reduce the costs of childcare for families with multiple young children in care.

This year's Budget commits \$1.1 billion for improving women's safety. This will include the development of a new long-term, intergenerational National Plan to Reduce Violence against Women and their Children.

Mental Health is another focus in this year's Budget with a commitment of \$2.3 billion "as a first step" to responding to recommendations from the Productivity Commission and the National Suicide Prevention Adviser.

The measures outlined in this year's budget are underpinned by a number of critical assumptions about the ongoing strength of the Australian economy.

Government revenue is expected to grow modestly over the forward estimates from \$499.8 billion this year to \$572 billion in 2024/25. The Government will carry significant budget deficits over the forward estimates. This year's deficit is forecast to be around \$161 billion which is expected to fall to \$57 billion in 2024/25.

Net debt increases from \$617.5 billion this year to \$980.6 billion in 2024/25. The gross debt will be as high as \$1,199 billion or (50% of GDP).

Offsetting the large level of Government borrowings and budget deficits is a forecast of growth in Real GDP of 4.25%. GDP will fall back to a modest level of 2.5% in 2024/25.

Employment in Australia is expected to be strong with the unemployment rate forecast to fall to 4.5% in 2024/25. Wages' growth is expected to climb from 1.5% to 2.75% in 2024/25.

Commentary / Analysis

This year's Budget is one with a clear focus on the next federal election. The Budget is underpinned by an economy which is stronger than many had predicted as well as a Government willing to borrow funds to support many of its measures.

As with all budgets, this Budget is founded on a series of positive assumptions about the capacity of the Australian economy continuing to grow.

The unpredictability of the global economy and the ongoing effects of COVID 19 could quickly dampen economic activity in Australia. International factors such as trade tensions with China and upward pressure on global interest rates could further impact projected Government revenues, especially over the forward estimates.

The record high debt and deficit underpinning this budget could create vulnerabilities in our economy, particularly if future governments seek to impose austerity measures through cutting government expenditures.

Slow wages growth has been a feature of the Australian economy since the GFC. This despite unemployment levels being consistently in and around the 5-6 % range for 5 years prior to the pandemic. Treasury's estimates for wages growth over the decade have been optimistic but if the unemployment rate falls to the levels forecast in the budget, then we may finally see wages growth and living standards rise for those in work.

For the elderly and those in work this is a positive budget. For those on the margins, such as those without secure accommodation and reliant on JobSeeker payments, they will continue to struggle.

AGED CARE AND OLDER PEOPLE

Key Measures

A total of \$17.7b committed over 5 years: \$250m in 2020–21, \$2.1b in 2021–22, \$4.4b in 2022–23, \$5.5b in 2023–24 and \$5.5b in 2024–25.

Pillar 1 of the Royal Commission Response – Home Care

\$7.5b towards supporting senior Australians who choose to remain in their home, including

- An additional 80,000 Home Care Packages – 40,000 released in 2021–22 and 40,000 in 2022–23, which will make a total of 275,598 packages available to senior Australians by June 2023;
- \$798.3m to support the 1.6 million informal carers, including additional respite services for 8,400 senior Australians each year, and
- Enhanced support and face-to-face services to assist senior Australians accessing and navigating the aged care system.

Pillar 2 of the Royal Commission Response – residential aged care services and sustainability

\$7.8b towards improving and simplifying residential aged care services and to ensure senior Australians can access value for money services, including

- \$3.9b to increase the amount of front line care (care minutes) delivered to residents of aged care and respite services, mandated at 200 minutes per day, including 40 minutes with a registered nurse
- A new government funded basic daily fee supplement of \$10 per resident per day
- Expansion of the independent hospital pricing authority to help ensure that aged care costs are directly related to the care provided and implementation of the Australian National Aged Care Classification

Pillar 3 of the Royal Commission Response – residential aged care quality and safety

\$942m to drive systemic improvements to residential aged care quality and safety, including:

- improved access to primary care, including the transition of senior Australians between aged care and health care setting and improved medication management
- \$262.5m to ensure the Aged Care Quality and Safety Commission (ACQSC), is well-equipped to safeguard the quality, safety and integrity of aged care services, and can effectively address failures in care
- additional resources to build capacity within residential aged care for the care of senior Australians living with dementia

- \$67.5m for the Dementia Behaviour Management Advisory Service and the Severe Behaviour Response Teams to further reduce reliance on physical and chemical restraint (restrictive practices), and
- a new star rating system to highlight the quality of aged care services, and better informing senior Australians, their families and carers.

Pillar 4 of the Royal Commission Response – Workforce

\$652.1m to grow the aged care workforce including:

- a single assessment workforce
- incentives to retain registered nurses
- extension of the national recruitment campaign, and to help increase the skilled and dedicated aged care workforce, and
- investment in the existing workforce and providing training for thousands of new aged care workers, including 33,800 subsidised Vocational Education and Training places through JobTrainer.

Pillar 5 of the Royal Commission Response – Governance

\$698.3m to improve the governance across the aged care system:

- new governance and advisory structures, including a National Aged Care Advisory Council, Council of Elders and are working towards establishing a new Inspector-General of Aged Care
- \$630.2m to improve access to quality aged care services for consumers in regional, rural and remote areas including those with First Nations backgrounds and special needs groups
- improved rural and regional stewardship of aged care, with Department of Health aged care officers embedded within eight of the 31 Primary Health Network regions, and
- The drafting of a new Aged Care Act to enshrine the Government's reforms in legislation by mid-2023.

There is a further measure which will align provider regulation across the care and support sector, reflecting the findings of the Aged Care Royal Commission, which highlighted the differences in safety and quality frameworks for aged care and the NDIS.

Commentary / Analysis

As anticipated, the 2021-22 Budget included announcement of the Government's response to the Royal Commission into Aged Care Safety and Quality, supported by announcement of \$17.7b worth of measures (over 5 years from 2020-21 to 2024-25) relating to senior Australians.

The Government has accepted the large majority of the recommendations of the Royal Commission without qualification, though the detail of the new system will be the subject of consultations prior to implementation of new legislation by 1 July 2023. Most importantly, the Government has endorsed the centrality of a new, consumer-focused approach to care

and an entitlement to services.

The \$17.7b falls well short of the scale of funding that we believe will be necessary to build and sustain the sector into the future, as the population ages. Key policy areas remain unresolved, including whether there will be changes to consumer contributions to accommodation and living costs, and the precise arrangements for funding the elements of the proposed new 'care at home' component of the system. The response also remains ambivalent in failing to commit to a integrating home and residential care services into a seamless system of supports.

In terms of increasing staffing in residential aged care, and the funding commitment towards that outcome, the figures suggest that the commitment is calculated at current hourly rates of pay. There is no commitment to participate in the Fair Work Commission work value case commenced by the Health Services Unit, but some indication that the issue of improved wages and conditions would be considered as part of the independent setting of government contributions to the costs of care.

Payments relating to the Aged Care Services program already reflect lower than expected occupancy for residential aged care in line with consumer demand. [see Budget Paper 1]

Table 6.3.1: Top 20 programs by expenses in 2021-22

Program(a)	Function	Estimates				
		2020-21 \$m	2021-22 \$m	2022-23 \$m	2023-24 \$m	2024-25 \$m
Aged Care Services	SSW	22,533	24,159	27,621	29,817	31,136

The full suite of measures is listed in the Health stakeholder pack:

<https://www.health.gov.au/sites/default/files/documents/2021/05/budget-2021-22-stakeholder-pack.pdf>

CHILD HEALTH, WELLBEING AND CARE

Key Measures

Universal Access to Preschool

- \$1.6b over 4 years (and \$589.0 million per year ongoing) to provide universal access of at least 15 hours of preschool each week (600 hours per year) for children in the year before they start school
- \$33.6m over 5 years (and \$2.0 million per year ongoing) to improve preschool data collection and underpin a new preschool framework to support the reform

Early Childhood Program

- \$17.9m over 4 years to establish a new Early Childhood Program to deliver a range of disability-specific information, workshops and supported playgroups for young children aged 0 to 8 years with disability or developmental needs.

Reform of the Family Law System

\$123.8m over 4 years to support the reform of the family law system including:

- \$60.8m over 4 years (and \$1.7m per year ongoing) to reform family law case management processes
- \$29.0m over 4 years (and \$8.5m per year ongoing) to improve information sharing between the family law and the family violence and child protection systems
- \$26.9m over 4 years (and \$6.8m per year ongoing) to improve access to legal assistance for family law matters in South Australia
- \$6.3m in 2021-22 to the Family Violence and Cross Examination of Parties Scheme to continue to protect victims of family violence in family law proceedings
- \$0.9m over 4 years to support the Family Law Council (and \$0.2m per year ongoing) to advise the Attorney-General on the operation of the *Family Law Act 1975*
- \$16.9m over 4 years (and \$0.6m per year ongoing) to streamline the child care regulatory system by building a single government website

Child Dental Benefit Schedule

- \$7.3m over 4 years to allow children under the age of two to access the Child Dental Benefit Schedule.

Mental Health

- \$54.2m over 4 years to work with the states and territories to establish child mental health and wellbeing hubs to provide multidisciplinary care and preventive services
- \$46.6m over 4 years for parenting education and support to parents and carers with children aged under 12 years and to develop national guidelines to assist with early identification of emerging emotional difficulties

Support for Veterans and their families

- \$5.1m over 4 years (including \$1.8m in capital funding in 2021-22) to expand eligibility and flexibility of the Family Support Package which provides services to support veterans and their families in crisis including child care, child psychology and home help services

Please note: There are additional measures in the Women's Economic Security Package and Women's Safety Package (see Women's Specific Measures section of this document)

Commentary / Analysis

Universal access to childcare is a positive measure however, it should be noted that there are some conditions to its implementation. The measure will be delivered through a new 4-year funding agreement to be negotiated with states and territories to replace the current National Partnership Agreement. Funding is contingent on the states and territories agreeing to a robust reform timeline focused on increasing participation and school readiness. From 2024 payments to states and territories will be tied to attendance targets. A preschool outcomes measure will be developed and trialed for introduction in 2025.

It is positive to see the new mental health initiatives focused on children, including preventative measures.

Additionally, reform to the family law system is long overdue.

DISABILITY

Key Measures

Schools and Youth – supporting students, teachers and young Australians

- \$77.5m over 4 years from (and \$5.5m per year ongoing) for further initiatives to support teachers, students and young Australians
- This includes \$20m over 4 years to continue and improve the Nationally Consistent Collection of Data on school students with disability, to ensure the quality and integrity of data that underpins ongoing funding for students with disability

Women's Safety

- \$92.4m will be provided over 4 years to support programs aimed at the prevention of Family, Domestic and Sexual Violence (FDSV), to support education on consent and respectful relationships and to improve training outcomes for those who may encounter FDSV
- This includes \$34.1m over 4 years for a range of further measures aimed at the prevention of FDSV, including programs aimed at working with those at risk of committing FDSV, preventing and responding to FDSV against women with a disability and supporting better FDSV responses for diverse communities

(See the Women Specific Measures section of this document for more information on the Women's Safety package)

New Employment Services Model

- The Government will introduce a new approach to employment services that is digitally driven, tailored and flexible – the New Employment Services Model (NESM)
- The NESM will introduce two pathways of support for job seekers – Digital Services and Enhanced Services
- Digitally capable job seekers will be able to self-manage finding employment through Digital Services for 12 months (after which they will transition to Enhanced Services)
- Job seekers not in Digital Services will receive tailored and intensive case management support from Enhanced Services providers
- Job seekers in Disability Employment Services will also have the option of digital services from 1 January 2022, initially through Online Employment Services and NESM from 1 July 2022

(See Social Services and Income Support section in this document for more information on the NESM)

Mental Health

Treatment

- \$112.4m over 4 years for continuity of psychosocial support services for people with a severe psychosocial disability who are not eligible for the National Disability Insurance Scheme

(See Mental Health section in this document for more information on the Mental Health package)

Primary Care

- \$480.9m over 5 years from 2020-21 to further improve access to primary health care services for all Australians, including through better integration of services
- This includes \$12.7m to support initiatives to improve health services for people with an intellectual disability:
 - \$6.7m for Annual Health Assessments (AHAs)
 - \$1.4m for scoping and co-design of a National Centre of Excellence in Intellectual Disability Health
 - \$4.6m for intellectual disability health curriculum development

A National Early Childhood Program for Children with Disability or Developmental Concerns

- \$17.9m over 4 years to establish a new Early Childhood Program to deliver a range of disability-specific information, workshops and supported playgroups for young children aged 0 to 8 years with disability or developmental needs
- The cost of this measure will be partially met from existing funding within the Social Services portfolio

Aligning Provider Regulation Across the Care and Support Sector

- \$12.3m over 2 years to improve alignment of regulation across the care and support sector
- This includes facilitating greater information sharing between regulators, alignment of auditing arrangements and compliance and enforcement powers, review of the NDIS Quality and Safeguard Framework and consultation with the sector around options for further reform to align regulation and safeguards

NDIS Jobs and Market Fund – extension

- The Government will extend the National Disability Insurance Scheme Jobs and Market Fund (JMF) to 30 June 2024, and expand the scope of the JMF to implement initiatives that support the broader care and support sector market and workforce
- This measure builds on the 2020-21 Budget measure titled Australia's Care and Support Workforce Package
- The cost of this measure will be met from within the existing resources of the Department of Social Services

Commentary / Analysis

- There is no indication in the Budget as to whether the Disability Royal Commission will be extended
- There was also no mention of funding for the new National Disability Strategy or the actions plans that will sit under it
- There was also no new funding for disability advocacy
- Women's Safety: In the Women's Budget Statement, a separate budget document, it indicates that there is \$9.3m over three years for preventing and responding to violence against women and girls with disability and that the funding will be used to develop resources that will help drive a reduction in violence against women and girls with disability and improve responses when violence occurs. We assume that this \$9.3m is part of the \$34.1m above.

The aligning of provider regulation across the care and support sector reflects the findings of the Aged Care Royal Commission, which highlighted the differences in safety and quality frameworks for aged care and the NDIS

FIRST PEOPLES

Key Measures

Employment, skills and training

- \$111.0m over 5 years from 2020-21 to develop a new Remote Jobs Program pilot in selected regions across Australia, and to provide servicing to Community Development Program (CDP) recipients who have lost their job as a result of the COVID-19 pandemic. The Remote Jobs Program will replace the CDP and be co-designed with Indigenous Australians to support remote communities by targeting job creation and skills development. As part of this measure, certain mutual obligation requirements for CDP job seekers will be paused while the new Remote Jobs Program is developed.
- \$128.4m over 3 years for a new Indigenous Skills and Employment Program, which will replace existing programs, including the Employment Parity Initiative, Vocational Training and Employment Centres, and Tailored Assistance Employment Grants.
- \$63.5m over four years from 2020-21 to support an additional 2,700 places in Indigenous girls academies.

Aged care

- \$630.2m to improve access to quality aged care services for consumers in regional, rural and remote areas including those with Indigenous backgrounds and special needs groups.
- A range of measures to support the delivery of aged care to First Peoples are detailed under the Ageing and Aged care section, above; specific measures to support the delivery of aged care services in rural and remote Australia are also outlined in the section Regional, Rural and Remote.

Health

- \$11.2m to continue the health response to the COVID-19 pandemic among regional and remote Indigenous communities throughout Australia.
- \$79m for Aboriginal and Torres Strait Islander mental health national crisis services and support.
- \$22.6m to redesign the Practice Incentives Program — Indigenous Health Incentive.
- \$31.1m over 4 years to extend Agreements on improving trachoma control services and rheumatic fever strategy with the NT, Queensland, Western Australia and South Australia for detection, monitoring and management of these diseases.
- \$16.1m to the states and territories for programs to improve the health of Indigenous Australians (under a National Partnership payment arrangement).

Housing

- \$542m over 3 years to support the provision of remote housing for Indigenous Australian in the Northern Territory and Queensland.

Other measures

- \$36.7m over 4 years from 2020-21 to supplement funding for the Prescribed Body Corporate Capacity Building program, which will support recent reforms to the Native Title Act 1993.
- \$10m over 2 years for Indigenous enterprises and community organisations to improve their access to off-grid solar power systems, stockyards, greenhouses and water security equipment.
- \$30m in 2021-22 for two key projects in the Northern Territory to deliver reliable and affordable energy, reduce emissions and support economic recovery.
- \$5m in 2021-22 for grants to improve the food security of remote Indigenous communities.
- \$4.7m in 2021-22 to fund a detailed business case exploring options for the establishment of the Ngurra Cultural Precinct in Canberra, which will include a National Resting Place for the respectful holding of repatriated ancestral remains.
- \$99.3m over 4 years for Services Australia to deliver government payments and services in remote locations. The funding will enable Services Australia to continue to provide direct access to remote customers through a mix of agents, access points, remote service centres, visits by remote servicing teams, and technology-enabled services such as virtual servicing.
- \$28.1m over 5 years from 2020-21 to deliver the Indigenous Visual Arts Industry Action Plan.
- \$0.5m over 2 years for improved Indigenous heritage protection and Indigenous involvement in Environment Protection and Biodiversity Conservation Act 1999 decision-making processes.
- \$11.6m over 4 years to expand and create new Indigenous Protected Areas that provide greater coverage of Sea Country, protect marine biodiversity and create additional employment opportunities for First Peoples.
- \$16.6m in 2021-22 to assist boarding providers with a high proportion of Indigenous students to remain financially sustainable during the COVID-19 recovery.
- \$13.9m over 4 years to establish an Early Stage Social Enterprise Foundation focused on providing capacity building and financial support for early stage social enterprises that improve the safety and economic security of Indigenous women.
- Funding for settlement costs relating to claims brought by former residents of the Garden Point Mission in the Northern Territory during the period 1940 to 1969.
- \$768m in funding to state and territory governments over two years to support increased participation in early childhood education for Indigenous and disadvantaged children.

Commentary / Analysis

Despite some welcome measures, this year's Budget continues the familiar pattern of missed opportunities and disappointment in relation to First Peoples policy. It ultimately lacks the scale and scope of investment needed to deliver tangible and lasting outcomes.

In addition to some positive investments in health and aged care, the phasing out of the Community Develop Program (CDP) and its replacement with a new Remote Jobs Program pilot is a welcome development and aligns with one of the recommendations made by UnitingCare Australia in its Pre-Budget submission. The CDP Program has been long criticised as a punitive, top-down measure that has contributed to significant numbers of unemployed First Peoples disengaging altogether from the social security system in remote areas. A remote employment program that is genuinely community-led and codesigned has the potential to generate jobs and strengthen local community infrastructure.

Despite these commendable measures, and a scattering of measures across a range of policy domains, there remain substantial gaps. The lack of significant and sustained investment toward Closing the Gap targets are a significant omission. This includes a lack of funding for measures to address the overincarceration of First Peoples, including support for justice reinvestment and additional support for the under-resourced and overstretched Indigenous legal assistance services. Despite modest funding announced for community-controlled organisations in certain areas of service delivery, some of this funding is not new but merely reallocated from previously appropriated funds, and it ultimately falls short of what is needed to achieve the real and lasting change envisaged under Closing the Gap.

While some additional funding has been provided for childcare services, the measures announced will not be sufficient to overcome existing barriers to access for many First Nations families and do not provide the funding needed for the wrap-around supports and holistic care that would support all First Nations families and children to thrive. Apart from the continuation of some reduced funding for remote Indigenous Housing in the Northern Territory and Queensland, the now defunct National Partnership on Remote Housing has also not been restored.

It is critical the Federal Government commits to Closing the Gap with long-term funding and tangible actions. This includes dedicating significant new funding to community-controlled services and community-led programs across all key areas of policy including health, mental health, justice, employment, disability, early childhood care and development, and families.

The continuation of programs such as compulsory income management are also at odds with the Government's stated commitment to working in partnership with First Peoples. Those unable to secure employment should have access to a social security system that does not entail compulsory income management, and that allows them to pursue other valuable activities, such as parenting, culture and care work, without relegating them to poverty. However, the strengthening of mutual obligations associated with income support payment will disproportionately affect First Peoples, who are consistently over-represented among those recipients who are financially penalised due to non-compliance with these obligations.

HOUSING AND HOMELESSNESS

Key Measures

- \$124.7m over 2 years to support workers in the housing and homelessness sector, replacing the **Equal Remuneration Order** (ERO) Supplement. The funding will be provided to states and territories under the National Housing and Homelessness Agreement, to assist them to bolster public housing stocks, or to meet wage requirements under the 2011 Fair Work Australia decision on social and community services wages, where that requirement has not already been met.

The Government will provide \$782.1m over 4 years to support a range of housing-related measures, including:

- Establishing the **Family Home Guarantee for single parents**, with 10,000 places to support single parents with dependents to enter, or re-enter, the housing market. Only 2 per cent of the price of the home will be required by an eligible single parent for a mortgage deposit under this scheme, not the general minimum 5 per cent or the more usual 20 per cent if the borrower wants to avoid the steep costs of LMI.
- Extending the **First Home Loan Deposit Scheme** to provide an additional 10,000 New Home Guarantees in 2021-22 to allow eligible first home buyers to build a new home or purchase a newly constructed home sooner with a deposit of as little as 5 per cent.
- \$774.8m over 2 years for the **HomeBuilder** program to extend the construction commencement requirement from 6 to 18 months for existing applicants.
- \$5.8m over 3 years to continue to support AHURI to deliver the National Housing and Urban Research Program.
- \$1.2m over 4 years for AHURI to maintain & enhance the Housing Data Dashboard website, with costs partially offset by National Housing Finance & Investment Corporation research funding.
- \$532m over 2 years for Indigenous housing in remote communities in the Northern Territory and Queensland.
- \$3.2m over 5 years to trial social impact investments which aim to help young people at risk of homelessness.

Commentary / Analysis

It is reassuring that the Government has extended supplementary funding to housing and homelessness services to support the continuation of wages under the Equal Remuneration Order (ERO). However, despite the funding for the ERO and a range of housing measures, this year's Budget ultimately fails to provide the social and affordable housing investment needed to tackle the growing housing affordability crisis and persistently high levels of homelessness.

After a year of volatility and shock, the rental market has never been less affordable, with the recent Anglicare Rental Affordability Snapshot showing that rental affordability has

crashed to record lows. House prices have surged 12 percent across Australia over the past 12 months, and the cost of rental houses have increased by 16 per cent over the same period.

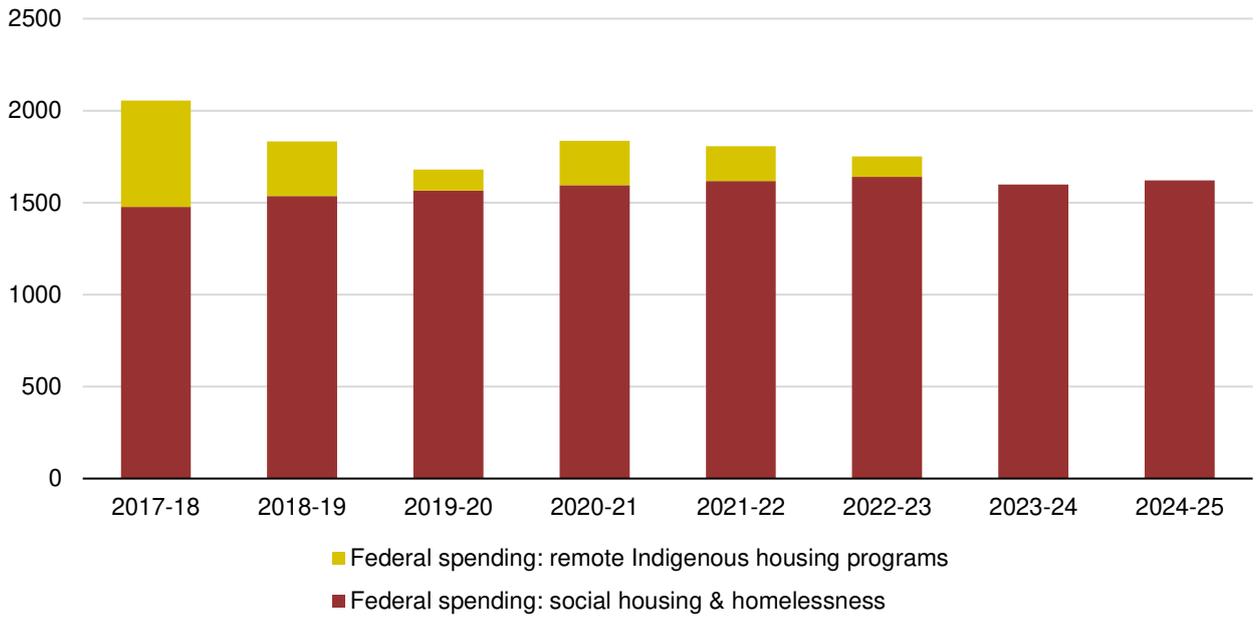
With the end of the COVID moratorium on evictions, housing stress has further worsened in many regions and homelessness services have reported an increase in demand. At the same time, the Federal Government has discontinued funding for the National Rental Affordability Scheme (NRAS), a program provided incentives to housing providers to rent properties out for at least 20 per cent below market rates. As agreements that were covered under this scheme expire in the coming years, many of these properties will cease to be affordable. Almost 33,000 properties will exit the scheme over the next five years. Tenants who are currently in rentals provided under the Scheme will need to renegotiate their lease agreements and face large increases in rents, only further adding to the large and growing number of people competing for a shrinking number of affordable homes.

Against this backdrop, measures to support first home owners risk further inflating house prices in an already overheated residential housing market. The increase in house prices also risks a further contraction in affordable rentals as investors seek capitalise on historically high housing prices. This includes the First Home Loan Deposit Scheme (New Homes), rebranded as the New Home Guarantee, which provides an additional 10,000 places, allowing first-home buyers to build a new home or buy a newly built home on as little as five per cent deposit, with the government acting as guarantor on the loan, freeing the buyer from incurring lender's mortgage insurance (LMI). In addition, the expansion of First Home Super Saver Scheme will see an increase from \$30,000 to \$50,000 in the maximum amount of voluntary contributions aspiring home buyers can take from the First Home Super Saver Scheme. In a context where property prices are already skyrocketing, these measures risk further increasing housing prices, while at the same time locking people into very large loans that they may struggle to repay if interest rates rise down the track.

While the focus on housing for single parents targets a cohort who have low rates of home ownership and high levels of housing stress, the Family Home Guarantee for single parents will do little to address the needs of the majority of single parents experiencing housing stress. This measure will provide welcome support for a small niche of single parents on middle incomes. However, most single parents will simply not have enough secure income from employment to get a loan, including the 300,000 single parents who had received the coronavirus supplement. In addition, those who access the scheme will potentially be taking on very high levels of debt. While the government guarantee covers 18 per cent of the loan amount (meaning those who access the scheme avoid the cost of LMI), that 18 per cent won't be paid for by the government but will be added to the loan and will need to be repaid. This issue could be compounded once interest rates increase.

Ultimately, one of the most significant omissions in this Budget is the ongoing failure to increase investment in social and affordable housing. Since 2017, Federal expenditure on social and Indigenous housing has steadily declined, with a 12 percent drop between the 2017-18 budget to the 2021-22 Budget.

Federal spending on social and Indigenous housing and homelessness (\$mil)



MENTAL HEALTH, SUICIDE PREVENTION, AOD

Key Measures

\$2.0b over 4 years for the National Mental Health and Suicide Prevention Plan including:

Prevention and Early Intervention

- \$111.2m over 4 years to expand and enhance digital mental health services to provide Australians easier access to high quality digital mental health services
- \$77.1m over 4 years for the National Legal Assistance Partnership
- \$47.4m over 4 years to contribute to working with states and territories to achieve universal perinatal mental health screening across public antenatal and postnatal care settings
- \$6.3m over 3 years to increase support services for fly-in fly-out and drive-in drive-out workers
- \$5.7m over 3 years to build on the Individual Placement and Support (IPS) program to assist people with mental illness to participate in the workforce

Suicide Prevention

- \$158.6m over 4 years to work with states and territories to achieve universal aftercare services for all Australians discharged from hospital following a suicide attempt and to trial initiatives to provide aftercare services to those that may not have presented to a hospital
- \$61.6m over 4 years to expand the *National Suicide Prevention Leadership and Support Program*
- \$31.2m over 4 years to work with states and territories to establish a national Distress Intervention Program trial and to develop national accreditation and standards for safe space services
- \$22.0m over 4 years to work with states and territories to continue postvention services nationally to support people who are bereaved by suicide
- \$12.8m over 4 years to establish the National Suicide Prevention Office which will oversee the national approach to suicide prevention
- \$12.0m in 2021-22 to extend the National Suicide Prevention Trial for one year to continue the delivery of local suicide prevention initiatives across Australia.

Treatment

- \$487.2m over 4 years to establish a network of Head to Health adult mental health centres and satellites to provide accessible, coordinated, multidisciplinary care.
- \$278.6m over 4 years to expand and enhance headspace youth mental health services
- \$112.4m over 4 years for continuity of psychosocial support services for people with a severe psychosocial disability who are not eligible for the National Disability Insurance Scheme
- \$111.4m over 3 years from 2022-23 to support the take up of group therapy sessions and participation of family and carers in treatment provided under the Better Access initiative
- \$54.2m over 4 years to work with the states and territories to establish child mental health and wellbeing hubs to provide multidisciplinary care and preventive services
- \$46.6m over 4 years for parenting education and support to parents and carers with children aged under 12 years and to develop national guidelines to assist with early identification of emerging emotional difficulties
- \$34.2m over 4 years to expand and implement the Initial Assessment and Referral tool to assist health practitioners to consistently assess and refer consumers in the mental health system
- \$26.9m over 4 years to provide additional support for people with eating disorders and their families, and to establish a National Eating Disorder Research Centre
- \$4.0m in 2021-22 to continue to provide up to ten free trauma and distress counselling sessions for those impacted by the bushfires.

Supporting the Vulnerable

- \$79.0m over 4 years to implement initiatives under the National Aboriginal and Torres Strait Islander Suicide Prevention Strategy providing crisis and support services for Aboriginal and Torres Strait Islander people
- \$16.9m over 4 years to provide mental health services and support to Australians from culturally and linguistically diverse communities, including for survivors of torture and trauma
- \$11.1m over 2 years to improve outcomes for people with complex mental health needs including people with cognitive disabilities and autism spectrum disorder.

Workforce and Governance

- \$117.2m over 4 years to establish a national database on service delivery, performance and outcomes across the mental health system and conduct longitudinal surveys on the mental health of children and Aboriginal and Torres Strait Islander Australians
- \$58.8m over 2 years to fund initiatives to attract, upskill and re-distribute mental health professionals and increase the number of Aboriginal and Torres Strait Islander mental health workers

- \$15.9m over 4 years from to better equip General Practitioners in primary mental health care
- \$7.3m over 4 years to enhance the capacity of the National Mental Health Commission
- \$2.6m over three years to support frontline mental health workers and address the stigma around medical professionals seeking support
- Funding to conduct a scoping study to investigate options to improve consumer and carer engagement in the mental health sector.

Alcohol and Other Drugs

- \$16.8m over 2 years to continue financial support to AOD services currently funded under the Social and Community Services Wage Supplementation, which ceases on 30 June 2021

Commentary / Analysis

This is a very welcome and significant investment in mental health and suicide prevention. The Budget has responded to many of the recommendations from the Productivity Commission and advice provided by the First National Suicide Prevention Adviser, including: the establishment of a National Suicide Prevention Office, targeting groups that are disproportionately affected by suicide and connecting people to compassionate services and supports.

The funding to continue the SACS supplementation for AOD services is pleasing, however, it should be noted that this is only for a two-year period.

REGIONAL, RURAL AND REMOTE

Key Measures

Aged care

- \$216.7m over 3 years to grow and upskill the aged care workforce and to recruit aged care workers in regional, rural and remote areas and to provide eligible registered nurses with additional financial support.
- \$630.2m to improve access to quality aged care services for consumers in regional, rural and remote areas including those with indigenous backgrounds and special needs groups.
- Over \$668m in aged care reforms (including in home care, residential aged care services and sustainability, residential aged care quality and safety, workforce, and governance) to deliver improvements to rural, regional and remote communities, including:
 - A new residential aged care funding model – Australian national aged care classification
 - A new \$10 per resident per day government basic daily fee supplement for residential aged care
 - A one-off lump sum payment of \$1,145 per residential aged care resident in non-metropolitan areas
 - \$630 million to enable equitable access to aged care for first nations people and other special needs groups, including:
 - \$396.9m to enable aged care providers to improve or build new buildings, including staff housing, in areas with limited access to services.
 - \$13m to strengthen regional aged care stewardship, and
 - An additional \$25m to expand the rural locum assistance program, ensuring continuity of clinical care and strong clinical leadership, so aged care providers in rural and regional areas will have increased access to a surge workforce.

Health

To continue the health response to the covid-19 pandemic, to support access to health care services and reduce the risk of community transmission of covid-19:

- \$11.2m to continue the remote response to covid-19 to support regional and remote indigenous communities throughout Australia
- \$9.6m to expand the allied health rural generalist pathway to support more allied health professionals to train in rural and remote Australia

- \$3.8m to continue development of the bonded return of service system to support implementation of the bonded medical program
- \$1.8m to fund community supported rural primary care trials.

\$80.9 million will be provided over five years to support the delivery of primary care and the health workforce in rural and remote Australia. Funding includes:

- \$65.8m to increase the rural bulk billing incentive for rural and remote medical practice (over 4 years, from 1 January 2022).
- Streamlined program for the Rural Procedural Grants Program (RPGP) and the Practice Incentives Program (PIP) procedural GP payments
- \$20.7m for a one-off funding pool to assist rural and remote private diagnostic imaging providers replace older diagnostic imaging equipment providing up to 50% of the replacement cost

\$13.7m for allied health case conferencing to better support multidisciplinary care for the government's rural and regional health investments include:

- \$3b to continue the critical services rural and regional Australians have relied on during the covid-19 pandemic, including:
 - Supporting the covid-19 vaccination rollout, with priority given to residents of remote communities of fewer than 5,000 people, and
 - \$204.6m to continue MBS-subsidised telehealth services.
- Investment in mental health and suicide prevention in regional communities, including:
 - \$171.3m for psychosocial support services, including a regional loading, for people with a severe psychosocial disability who are currently not supported by the national disability insurance scheme
 - \$111.2m for digital mental health services, including in regional, rural and remote areas
 - \$79m for aboriginal and Torres Strait Islander mental health national crisis services and support
 - \$9.6m to expand the allied health rural generalist pathway in regional and rural Australia
 - \$2.2m over 5 years, to trial local approaches to alleviate workforce shortages through an expansion of the delivering innovative rural health models
 - \$12.4m through the John Flynn Prevocational Doctor Training Program to almost double the number of rural primary care rotations for prevocational doctors
 - \$29.5m to increase non-GP medical specialist training, in areas facing workforce shortages

Infrastructure and employment

The Government will provide \$348.0m over 4 years from 2021-22 (and \$0.1m in 2025-26) for a package of measures to support regional Australia's sustainability, resilience and job creation. Funding includes:

- \$256.5m over 4 years for round six of the Building Better Regions Fund to support investment in community infrastructure and capacity building projects in regional areas.
- \$84.8m over 2 years to the Regional Connectivity Program to support the delivery of reliable and affordable digital services and technologies in regional and remote Australia.
- \$6.1m over 2 years to establish the Rebuilding Regional Communities program to assist community organisations and small enterprises in regional Australia to recover from the impacts of COVID-19.
- \$0.6m in 2021-22 to undertake a scoping study into establishing Australian Public Service Hubs in regional Australia.
- support to undertake an independent study to identify the regulatory barriers to business relocation into regional Australia.

Other

- \$10m over 2 years for Indigenous enterprises and community organisations to improve their access to off-grid solar power systems, stockyards, greenhouses and water security equipment
- \$5m in 2021-22 for grants to improve the food security of remote Indigenous communities.
- The Government will provide \$99.3m over 4 years (and \$24.9m per year ongoing) for Services Australia to deliver government payments and services in remote locations, particularly in the Northern Territory, Western Australia, Northern Queensland, South Australia and Tasmania. The funding will enable Services Australia to continue to provide direct access to remote customers through a mix of agents, access points, remote service centres, visits by remote servicing teams, and technology-enabled services such as virtual servicing.
- A new National Recovery and Resilience Agency to lead our response to natural disasters.
- A \$10b government guarantee to make insurance more affordable in Northern Australia.
- Funding from our \$3.5b National Water Grid Fund to make regional Australia more resilient to drought, building dams and irrigation projects.
- More than \$600m for community and household projects to mitigate the impact of natural disasters.
- \$170m to strengthen internet and mobile coverage in regional Australia, particularly in bushfire prone areas.

Commentary / Analysis

It is encouraging to see that there has been some specific focus on rural, regional and remote measures in this Budget across a number of key areas, including aged care.

SOCIAL SERVICES AND INCOME SUPPORT

Key Measures

Getting Vulnerable Australians Back into Work – additional support for job seekers

- \$258.6m over 4 years to increase participation in the labour market and modify existing unemployment services to further increase support for job seekers, including:
 - \$213.5m over 4 years to expand the *Local Jobs Program* to 51 employment regions and to extend the program for three years from 30 June 2022 to 30 June 2025
 - \$15.6m in 2021-22 to increase all wage subsidies to \$10,000 for eligible participants in jobactive, Transition to Work, and ParentsNext to incentivise employers to hire eligible disadvantaged job seekers (This will align with wage subsidies commencing under the New Employment Services Model measure from 1 July 2022)
 - \$15.5m over 2 years from 2020-21 to provide more people the opportunity to explore and start their own small business, by providing an additional 1,000 places under the New Business Assistance with New Enterprise Incentive Scheme program and an additional 350 places under the Exploring Being My Own Boss Workshop program
 - \$7.9m over 3 years from 2020-21 to incentivise employment services providers to ensure job seekers referred from Online Employment Services before 30 June 2022 are appropriately supported into employment as quickly as possible. Employment services providers providing support to job seekers who transition to face-to-face services after three months or more in Online Employment Services will be eligible for outcome payments immediately, rather than after three months under existing arrangements
 - extending flexibility available within mutual obligation requirements enabling job seekers to satisfy these requirements through undertaking study, for an additional six months from 31 December 2021 to 30 June 2022, to align with the commencement of the New Employment Services Model measure from 1 July 2022
- Funding for this measure will be partially met from within the existing resources of the Department of Education, Skills and Employment

New Employment Services Model (NESM)

- Funding for this package includes \$699.4m over 5 years from 2020-21 to expand and strengthen specialist services to support job seekers, including:
 - \$481.2m over 4 years to ensure more young people have the best opportunity to secure employment by strengthening and continuing the *Transition to Work* program to provide specialist youth employment services (for young people aged 15 to 24)
 - \$80.8m over 5 years from 2020-21 to provide responsive and individualised assistance to job seekers in Digital Services through continued investment in the Digital Services Contact Centre
 - \$7.6m over 2 years to better enable young people to make informed decisions about their education, employment, and training pathways through extending the 1800 CAREER Information Service until 30 June 2023
- This package also includes efficiencies of \$1.1 billion over four years from 2021-22 by implementing the NESM and complementary reforms, to increase the efficacy of employment services, and better link education outcomes to skills shortages in the labour market. Efficiencies include:
 - \$860.4m over 4 years by transitioning from jobactive to NESM from 1 July 2022, which provides more efficient services through enabling job seekers to choose digital support services rather than face to face services, if they are eligible
 - \$191.6m over 4 years by more closely aligning rules regarding payment commencement arrangements across Digital Services and Enhanced Services to ensure all job seekers are treated equitably. Job seekers in Digital Services will be eligible for income support from the date they complete a Job Plan and job seekers in Enhanced Services will be eligible from the date of their first appointment with an employment services provider.

Apply a Consistent Four-Year Newly Arrived Resident's Waiting Period Across Payments

- Savings of \$671.1m over 5 years by applying a consistent four-year Newly Arrived Resident's Waiting Period across most welfare payments from 1 January 2022

Cashless Debit Card — Jobs Fund and Income Management extension

- Funding to support the continuation of the Cashless Debit Card (CDC) on an ongoing basis
- Funding provides for:
 - a Jobs Fund to create employment opportunities in existing CDC sites, including drug and alcohol residential rehabilitation facilities in these regions
 - information technology to support the continued roll-out of CDC
 - long-term data collection and an evaluation to measure the impact of CDC
 - extension of place-based income management in all 13 current locations across Australia until 31 December 2023

- operating CDC and income management concurrently in the Northern Territory and Cape York region, to reflect amendments made in the *Social Security (Administration) Amendment (Continuation of Cashless Welfare) Act 2020*
- The funding for this measure is, once again, not for publication

Enhancing Welfare Integrity Arrangements

- An additional \$27.6m over 5 years from 2020-21 to extend Taskforce Integrity and cease third party verification of parents claiming Parenting Payment and JobSeeker Payment
 - \$23.8m over 2 years from 2021-22 extending the operation of Taskforce Integrity, with the taskforce undertaking prevention, detection, investigation and recoveries of debts relating to complex fraud and serious non-compliance against the social security payments system, as well as enablers of fraud such as identity crime
 - \$3.8m over 5 years from 2020-21 to cease the third party relationship verification (TPV) process for single parents claiming Parenting Payment and JobSeeker Payment
- The costs of this measure will be partially met from recoveries of debts arising from fraud and serious non-compliance

Increased support for unemployed Australians

- \$9.5b over 5 years from 2020-21 to increase support for people eligible for working age payments including JobSeeker Payment, further strengthen mutual obligation requirements and maximise job seekers' ability to find and retain employment
 - \$9.3b over 5 years is to increase the base rate of working-age payments by \$50 per fortnight from 1 April 2021; increase the income-free area of certain working-age payments to \$150 per fortnight from 1 April 2021; extend the temporary waiver of the Ordinary Waiting Period for certain payments for a further three months to 30 June 2021 and expand the eligibility criteria for JobSeeker Payment and Youth Allowance (other) for those required to self-isolate or care for others as a result of COVID-19 for a further three months to 30 June 2021
 - \$197m to enable job seekers to participate in an intensive activity after six months of unemployment, including participating in approved intensive short courses, with some job seekers required to participate in *Work for the Dole*
 - \$12m to provide stronger incentives through *Relocation Assistance to Take Up a Job* by providing the \$2,000 incentive payment upfront and expanding eligibility to enable job seekers to access the incentive when they take up ongoing work for more than 20 hours per week
 - \$2.5m to establish an employer reporting line to refer job seekers who are not genuine in their job search and increase auditing of job applications to ensure job seekers are making genuine applications

- \$1.5m to better support job seekers by recommencing face-to-face servicing for job seekers, implementing a graduated return in job search requirements from 15 per month from April 2021 to 20 per month from July 2021, and mandating job seekers in online employment services to complete their career profile in the *jobactive* system, to allow better job matching

Increasing the Flexibility of the Pension Loans Scheme

- \$21.2 million over 4 years to improve the uptake of the Pension Loans Scheme by:
 - allowing participants to access up to two lump sum advances in any 12 month period, up to a total value of 50 per cent of the maximum annual rate of the Age Pension
 - introducing a No Negative Equity Guarantee so borrowers will not have to repay more than the market value of their property
 - raising awareness of the Pension Loans Scheme through improved public messaging and branding

Provision of Remote Services — continuation

- \$99.3m over 4 years from 2021-22 (and \$24.9m per year ongoing) for Services Australia to deliver government payments and services in remote locations, particularly in the Northern Territory, Western Australia, Northern Queensland, South Australia and Tasmania

Supporting the delivery of the Volunteer Management Activity

- \$6.6m in 2021-22 to provide transitional support for organisations funded under the Volunteer Management Activity program to build the capacity of volunteer organisations and to support the implementation of new volunteer management activity

Transition Funding for Successful Try, Test and Learn Projects

- \$12.6m over 2 years from 1 July 2021 to further support a number of projects from the *Try, Test and Learn Fund* that have been successful in supporting vulnerable groups into employment

Commentary / Analysis

In summary, many of the measures in the Social Services portfolio will have a negative impact on the people that need the most support in our communities such as job seekers, newly arrived migrants, single parents and First Nations people. Applying a four-year newly arrived resident's waiting period on Family Tax Benefit, Carer Payment, Carer Allowance, and Paid Parental Leave adds to the trend towards cutting off support to a growing numbers of migrants.

TAX AND CHARITIES

Key Measures

Personal Income Tax — increasing the Medicare levy low-income thresholds

The Government will increase the Medicare levy low-income thresholds for singles, families, seniors and pensioners from 1 July 2020 so that low-income taxpayers generally continue to be exempt from paying the Medicare levy.

The threshold for singles will be increased from \$22,801 to \$23,226. The family threshold will be increased from \$38,474 to \$39,167. For single seniors and pensioners, the threshold will be increased from \$36,056 to \$36,705. The family threshold for seniors and pensioners will be increased from \$50,191 to \$51,094. For each dependent child or student, the family income thresholds increase by a further \$3,597 instead of the previous amount of \$3,533.

Removing the \$450 per month threshold for superannuation guarantee eligibility

The Government will remove the current \$450 per month minimum income threshold, under which employees do not have to be paid the superannuation guarantee by their employer. The Government expects this measure to take effect prior to 1 July 2022.

Retaining the low and middle income tax offset for the 2021-22 income year

The Government will retain the low and middle income tax offset (LMITO) for the 2021-22 income year. The LMITO provides a reduction in tax of up to \$1,080. Taxpayers with a taxable income of \$37,000 or less will benefit by up to \$255 in reduced tax. Between taxable incomes of \$37,000 and \$48,000, the value of the offset increases at a rate of 7.5 cents per dollar to the maximum offset of \$1,080. Taxpayers with taxable incomes between \$48,000 and \$90,000 are eligible for the maximum offset of \$1,080.

For taxable incomes of \$90,000 to \$126,000, the offset phases out at a rate of 3 cents per dollar. Consistent with current arrangements, the LMITO will be received on assessment after individuals lodge their tax returns for the 2021-22 income year.

Reducing compliance costs for individuals claiming self-education expense deductions

The Government will remove the exclusion of the first \$250 of deductions for prescribed courses of education. Removing the \$250 exclusion for prescribed courses of education will reduce compliance costs for individuals claiming self-education expense deductions.

The measure will have effect from the first income year after the date of Royal Assent of the enabling legislation.

Flexible Super — reducing the eligibility age for downsizer contributions

The Government will reduce the eligibility age to make downsizer contributions into superannuation from 65 to 60 years of age. The downsizer contribution allows people to make a one-off, post-tax contribution to their superannuation of up to \$300,000 per person from the proceeds of selling their home. Both members of a couple can contribute in respect of the same home, and contributions do not count towards non-concessional contribution caps. This measure will take effect prior to 1 July 2022.

Flexible Super — repealing the work test for voluntary superannuation contributions

Individuals aged 67 to 74 years (inclusive) will be able to make or receive non-concessional (including under the bring-forward rule) or salary sacrifice superannuation contributions without meeting the work test, subject to existing contribution caps.

Individuals aged 67 to 74 years will still have to meet the work test to make personal deductible contributions. The Government expects this measure to take effect prior to 1 July 2022.

Not-for-profits — enhancing the transparency of income tax exemptions

From 1 July 2023, the ATO will require income tax exempt NFPs with an active Australian Business Number (ABN) to submit online annual self-review forms with the information they ordinarily use to self-assess their eligibility for the exemption.

Commentary / Analysis

There are a number of positive measures targeting low-income earners contained in this Budget. The retention of the low and middle income tax offset and removing the \$450 per month threshold for superannuation guarantee eligibility are important measures to assist low paid workers. The changes to the superannuation guarantee eligibility will affect around 300,000 individuals who will receive additional superannuation guarantee payments each month, 63% of whom are women.

Measures to improve superannuation arrangements for older Australians are in keeping with other priorities of this Budget. Removing the requirement to meet the work test when making non-concessional or salary sacrifice contributions will simplify the rules governing superannuation contributions and will increase flexibility for older Australians to save for their retirement through superannuation. The downsizer contribution should allow more older Australians to consider downsizing to a home that better suits their needs. According to the Government this will have a positive flow on effect by freeing up the stock of larger homes for younger families.

WOMEN'S BUDGET MEASURES

Key Measures

The Budget has a separate Women's Budget Statement available at:

https://budget.gov.au/2021-22/content/womens-statement/download/womens_budget_statement_2021-22.pdf

The 2021-22 Women's Budget Statement provides a \$3.4 billion investment towards the safety and economic security of women. The aim of the policy response is to reflect the social and cultural diversity of Australian women, ensuring that opportunities and protections are available to all women.

Below is a summary of the key Budget measures clustered into two packages: Women's Economic Security and Women's Safety.

Women's Economic Security Package

\$1.8b over 5 years to improve women's workforce participation and economic security including:

- \$1.7b over 5 years from 2020-21 (and \$671.2 million per year ongoing) to assist families by reducing out of pocket costs and supporting parental choice through increasing the Child Care Subsidy (CCS) rate by 30 percentage points for the second child and subsequent children aged five years and under in care, up to a maximum CCS rate of 95 per cent for these children, commencing on 11 July 2022; and removing the CCS annual cap of \$10,560 per child per year commencing on 1 July 2022
- \$42.4m over 7 years to establish the Boosting the Next Generation of Women in Science, Technology, Engineering and Mathematics (STEM) Program by co-funding scholarships for women in STEM in partnership with industry
- \$38.3m over 5 years to increase grant funding available through the *Women's Leadership and Development Program*
- \$13.9m over 4 years to establish an Early Stage Social Enterprise Foundation focused on providing capacity building and financial support for early stage social enterprises that improve the safety and economic security of Indigenous women
- \$12.2m over 2 years from to fund an additional round of the *National Careers Institute Partnership Grants* program to support projects that facilitate career opportunities and career pathways for women
- \$10.7m over 2 years to extend the family law small claims property pilot and Legal Aid Commission family law property mediation trial for settlement of property of less than \$500,000 following a relationship breakdown
- \$2.6m over 3 years to expand the *Career Revive* program to support more medium to large regional businesses attract and retain women returning to work after a career break

- \$0.6m over 3 years for the Women in STEM Ambassador to develop an evaluation toolkit
- expanding the Mid-Career Checkpoint Program to Victoria, beyond existing pilots in Queensland and New South Wales, and expanding eligibility to include people who have been absent from work due to caring responsibilities for six months or more and existing workers at risk of unemployment, primarily targeting female dominated, COVID-19 affected industries.

Women's Safety Package

- \$998.1m over 4 years (and \$2.3 million in 2025-26) for initiatives to reduce, and support the victims of Family, Domestic and Sexual Violence (FDSV) against women and children. These proposals form the Government's transitional strategy ahead of the development of the new National Plan to replace the *National Plan to Reduce Violence against Women and their Children (2010-2022)*.
- \$507.3m over 4 years to implement and enhance a range of programs and initiatives that directly support women and children who have been subjected to FDSV including:
 - \$261.4m over 2 years to establish a new National Partnership with the states and territories to expand the funding of frontline FDSV support services
 - \$164.8m over 3 years for a two-year trial program to provide financial support of up to \$5,000 to women fleeing a violent relationship
 - \$29.3m over 3 years to support refugee women and other migrant women's safety and social economic inclusion
 - \$26.0m over 4 years to better support Aboriginal and Torres Strait Islander women and children who have experienced or are experiencing family violence
 - \$25.9m over 4 years for a range of further measures to support women affected by FDSV including expanding the Safe Places program, further supporting Temporary Visa holders experiencing FDSV and addressing technology-facilitated abuse of women and children.
- \$92.4m over 4 years to support programs aimed at the prevention of FDSV, to support education on consent and respectful relationships and to improve training outcomes for those who may encounter FDSV including:
 - \$24.4m over 2 years to extend the *Stop it at the Start* prevention campaign
 - \$23.2m over 2 years to address online harm to Australians, and inform the community of support available as part of the Government's online safety reforms
 - \$10.7m over 4 years for additional education resources for young Australians about respectful relationships
 - \$34.1m over 4 years for a range of further measures aimed at the prevention of FDSV

- \$320.1m over 4 years to further support services that assist vulnerable women and children to engage with the legal system, increase access to Children's Contact Services and support the development of improvements in the legal system in dealing with FDSV including:
 - \$129.0m over 4 years for additional legal assistance funding for women's legal centres under the National Legal Assistance Partnership
 - \$101.4m over 4 years (with \$29.5 million per year ongoing) to increase access to Children's Contact Services
 - \$85.0m over 3 years from 2022-23 to continue and enhance funding towards existing Family Advisory Support Services and to extend services to new locations
 - \$4.7m over 2 years to support national discussions with the states and territories on a joint program of work to strengthen the justice response to sexual assault, sexual harassment and coercive control.
- \$80.6m over 5 years will also be provided to improve data collection and to further enhance research capability into FDSV to better support the development of future policy responses including the development of the next National Plan to reduce Family, Domestic and Sexual Violence in Australia including:
 - \$31.6m over 5 years for a dedicated Aboriginal and Torres Strait Islander survey on safety and violence
 - \$30.0m for Australia's National Research Organisation for Women's Safety and the Australian Bureau of Statistics to continue collecting evidence and data on FDSV
 - \$11.6m over 4 years for the Australian Institute of Health and Welfare to expand its online services relating to FDSV
 - \$7.4m over 4 years to enhance performance monitoring and establish an evaluation framework for the new National Plan.

Commentary / Analysis

\$3.4b is a significant investment and acknowledgement of the need for urgent attention to these issues. It should be noted that the above is a summary of some of the measures. The full 80-page Women's Budget Statement (referenced above) is a surprising addition to the Budget pack.

WORKFORCE AND EMPLOYMENT

Key Measures

The Government will provide \$506m over 2 years to extend the JobTrainer Fund, with matching contributions from the states, to deliver 163,000 low fee and free training places in areas of skills need including aged care and digital skills.

An additional \$2.7b over 4 years will expand wage subsidies for new apprentices and trainees. The number of eligible places will be uncapped.

\$285m over 5 years and an ongoing commitment of \$74m per year to support skills reform including:

- Up to 15 industry-owned Skills Enterprises to collaborate with industry to align the VET system with employer skills needs
- Redesign and rebuilding of the National Training Register to improve transparency of training packages and information about work placements and assessment.

As part of the Health portfolio measures, workforce expansion and skills development have been targeted through:

- Up-skilling and expanding the aged care workforce (\$652.1m)
- Building on the Individual Placement and Support program to assist people with mental illness to participate in the workforce (\$5.7m)
- Workforce credentialing to guarantee access to high quality subsidised care for people with an eating disorder (\$2.5m)
- \$58.8m to grow the mental health workforce by providing:
 - More nurses, psychologists, and allied health practitioners in mental health settings through scholarships and clinical placements
 - More training places for the psychiatrist workforce, supporting regional and remote training pathways and promoting it as a career pathway
 - Increasing Aboriginal and Torres Strait Islander representation in the mental health workforce and offering training for culturally safe treatment
 - Boosting and supporting the mental health peer workforce through scholarships and professional collaboration
 - Continuing mental health training for practitioners in aged care and supporting collaboration through the Mental Health Professionals' Network
 - Supporting gps and other medical practitioners to provide primary mental health care
 - Additional staff resources for the National Mental Health Commission (NMHC) to support the Australian Government's mental health and suicide prevention reform agenda.

- Investments in rural and regional health workforce:
 - \$12.4m to expand opportunities for early-career doctors to work in rural communities while they complete their medical training through the new John Flynn Prevocational Doctor Program
 - \$9.6m to add 90 workplace training packages through the Allied Health Rural Generalist Pathway, with 30 allocated to Aboriginal Community Controlled Health Organisations, and to introduce 30 new Allied Health Assistant packages
 - \$29.5m to establish an innovative funding pool for non-GP medical specialist training from 1 January 2022, and
 - \$1.8m to expand the trial of collaborative primary care models that has been running in five rural communities in western and southern NSW into other states and territories.

A new Remote Jobs program will inject \$111m to replace the Community Development Program and be co-designed with First Australians to support remote communities by targeting job creation and skills development.

Commentary / Analysis

Jobs creation is central to this year's Budget and the Government has seemingly recognised the potential of the care workforce to contribute to long term economic growth.

Workforce issues dominate the challenges for organisations across the spectrum of care and support services. Attracting and retaining suitable staff to the industry will require a more cohesive approach that addresses not only training places, but enables improvements in wages and conditions, addresses inconsistencies in the industrial relations system, and confronts the competition for workers between parts of the industry. None of these issues has been addressed at this stage, though there are signals that the Government recognises inefficiencies (and potential sources of risk) such as inconsistent worker screening and registration of workers.

There is very positive recognition of the importance of specific elements of workforce development, such as Aboriginal and Torres Strait Islander representation and the growing recognition of workers with lived experience as contributors to community services delivery. Implementation of the recommendations of the aged care Royal Commission on First Peoples-led services and other specialist services will drive demand for workers equipped to meet specialised need in aged care delivery, and similar needs exist across the industry.

It is important to note that the low level of the JobSeeker payment is itself a barrier to re-entry into the workforce.

CHURCH-RELATED MEASURES

Key Measures

National Strategy to Prevent and Respond to Child Sexual Abuse

- \$146m over 4 years from 2021-22 for initiatives to prevent child sexual abuse
- The initiatives will form part of the First Commonwealth Action Plan (2021-2025) under the Strategy
- \$139.1m will be for initiatives to prevent, detect, and disrupt child sexual abuse and prosecute perpetrators
- \$2.3m is to expand the evidence base around the perpetration of child sexual abuse, including studies to identify methods to reduce opportunities for offending and increase detection of child sexual abuse
- \$4.6m is for the National Office for Child Safety to provide national leadership to enhance child safety and prevent child sexual abuse, including implementing the Strategy and the Action Plan
- Costs of the measure will be partially met from with existing resources

Child Migrant Litigation Claims – contribution

- The Government will provide a contribution to the resolution of litigation brought forward by former child migrants against the Commonwealth relating to institutional child sexual abuse consistent with the recommendations of the *Royal Commission into Institutional Responses to Child Sexual Abuse*
- The financial implications for this measure are not for publication due to legal sensitivities
- Funding has already been provided for by the Government

National Redress Scheme – further support

- Additional funding to further support delivery of the National Redress Scheme for survivors of institutional child sexual abuse, including for initial and immediate actions in response to the recommendations of the Second Anniversary Review of the National Redress Scheme
- Payments for this measure are currently not for publication as negotiations are ongoing with the states and territories
- This measure builds on 2020-21 Budget measure *Future National Redress Funding*

Women's Safety

- \$507.3m over 4 years to implement and enhance a range of programs and initiatives to support women and children who have been subjected to family, domestic and sexual violence
- This includes \$29.3m over 3 years to support refugee women and other migrant women's safety and social economic inclusion

Migration Litigation and Merits Review

- \$54.8m over 4 years to address the backlog of cases within the Migration and Refugee Division (MRD) of the Administrative Appeals Tribunal
- The Government will also amend *the Migration Act 1958* to strengthen migrant worker protection in response to recommendations of the *Report of the Migrant Workers' Taskforce*
- The cost of this measure will be partially met by an increase to the application fee payable for review of non-protection visa decisions in the MRD

Commentary / Analysis

- National Strategy to Prevent and Response to Child Sexual Abuse measure forms part of the Government's response to the recommendation of the *Final Report of the Royal Commission into Institutional Responses to Child Sexual Abuse*
- For additional information on the Women's Safety package, see the section of this document on Women specific measures

APPENDIX 1: MEDIA RELEASE

11 May 2021



UnitingCare Australia welcomes historic investment in aged care and key services

UnitingCare Australia welcomes the Morrison Government's Budget tonight, acknowledging the historic investment across aged care, mental health, safety, training and jobs.

"Tonight the Morrison Government has delivered record investment in services that are vital for so many of the people we serve. Across areas including aged care, homelessness services and mental health, this Budget includes measures that will support thousands of families, individuals and communities", said National Director, Ms Claerwen Little.

"As part of the Australian Aged Care Collaboration, we are pleased to see the \$17.7 billion investment in aged care over 5 years and commend the Government's commitment to transformation. We are now on the pathway to address many of the challenges facing aged care.

"UnitingCare Australia has long called for an investment in the care workforce and we are pleased to see the Government has announced a range of initiatives tonight.

"We especially welcome measures that support women's economic security, safety and participation.

"However, until every child, young person, family and individual is out of poverty and has a roof over their head, we will remain focussed on those who are left out.

"This Budget sets us on the right path and we look forward to working with the Morrison Government to deliver for everyone", said Ms Little.

The UnitingCare network is one of the largest networks of community services in Australia, supporting 1.4 million people every year across 1,600 sites in urban, rural, and remote communities, with over 50,000 staff and 30,000 volunteers.

UnitingCare Australia is the national body for the Uniting Church's community services network and an agency of the Assembly of the Uniting Church in Australia.

The UnitingCare Aged Care Network supports approximately 97,000 older people, comprising 8.5% of total residential beds and 10% of Home Care Packages nationally.

Media Contact

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