

**Key Policy in discussion**

**WELFARE REFORM**

**Portfolio and or agency  
Employment**

**Social Services, Services Australia, Education, Training and**

**Date Issued**

**3 April 2022**

**Key authors of this budget analysis:**

**Frances Davies, Dr Susan Maury, Dr Liz Allen**

**Chair, Social Policy Committee NFAW: Prof. Helen Hodgson 0418 906 162 h.hodgson@tpg.com.au**

---

## **Budget Measures**

Women are over 50% cent of welfare recipients in Australia. Hostile welfare policies are driven by an ideology which sees supporting vulnerable populations as a liability to the bottom line, rather than a way to reduce poverty and uphold human rights. COVID disproportionately affected women negatively. However, the introduction of the Coronavirus Supplement shows the effect that adequate payments can have on the poverty rate, which effectively reduced poverty in Australia by an astounding 33%.

---

In our pre-budget briefing on welfare reform we raised a number of questions around priority policies for women that need to be addressed. Some of these are not budget matters. Of those that are, how effective was the budget response? Is there a corresponding Opposition measure?

### **1. If elected, will your government support an increase in the JobSeeker rate and by how much?**

As part of the \$8.6 billion package to address cost of living pressures the budget includes a \$250 bonus payment to people on pensions and allowances. This legislation has already been passed with the agreement of the opposition. A single person on JobSeeker receives \$46 per day, which is well below the poverty line. This bonus is a little over 5 days of Jobseeker and provides very little temporary relief for the people who have the least. Sole parents and their children and older women who rent, the two poorest groups in Australia, have to pay rent, growing at exponential rates, every week.

### **2. If elected what steps will your government take to address the lack of social housing for people on welfare and affordable housing for other low income households?**

The Government has doubled the number of places in the Home Guarantee Scheme available across three schemes. The number of places in the First Home Guarantee Scheme, have increased to 35,000;

---

The National Foundation for Australian Women is dedicated to promoting and protecting the interests of Australian women, including intellectual, cultural, political, social, economic, legal, industrial and domestic spheres, and ensuring that the aims and ideals of the women's movement and its collective wisdom are handed on to new generations of women. NFAW is a feminist organisation, independent of party politics and working in partnership with other women's organisations.

Authorised by the National Foundation for Australian Women, Canberra: President Ms Jane Madden.

and the new Rural Guarantee Scheme offers another 10,000 places with a 5% deposit. The number of places in the Family Home Guarantee Scheme has been halved each year to 30 June 2025. The Family Guarantee Scheme enables eligible sole parents to borrow for a home with a deposit as low as 2%.

The Government has boosted the National Housing Finance Investment Corporation liability cap from \$2 billion to \$3.5 billion.

The Opposition will build 20,000 social housing properties, including delivering \$1.6 billion to build at least 4,000 new social housing properties for women and children fleeing domestic and family violence.

\$100 million will be allocated by the Government for crisis and transitional housing for women and children fleeing domestic violence and older women on low incomes who are at risk of homelessness.

The massive increase in the cost of renting has not been addressed by either party. A third of Australians rent their homes and the numbers are growing. Older women who rent suffer significant rental stress. First home buyer schemes affect modest numbers but contribute to increased house and rent prices.

Commonwealth Rent Assistance has also not been addressed by either party. It needs to be significantly increased and indexed to changes in rent levels.

More details are available in the NFAW Gender Lens on the Election Budget Housing and Homelessness paper.

**3. What steps will your government take to improve jobseeker services which are currently provided by disconnected and outsourced services?**

The Government's significant reforms to JobActive continue with the introduction of Workforce Australia in July 2022. It continues the introduction of the digital platform for job ready clients with a refocused network of providers to deliver tailored case management for more disadvantaged clients. The new arrangements were cost neutral. Senate Committee findings indicated how poorly the previous system performed for multiple groups including disabled people, those with tertiary qualifications, women, those over 50 and Indigenous people. Mutual obligations and the compliance regime, which the Senate report found to be extremely harsh and counterproductive, however, is retained. Penalties cause severe financial difficulties or limit access to services as occurs in ParentsNext or income management for those most marginalised from the employment market.

The Opposition will introduce a White Paper on Full Employment that will address barriers to employment.

**4. There is a wealth of data on how women are disadvantaged under the current system. What steps will your government take to apply a gender based approach and needs based approach to welfare reform?**

The Government reintroduced the Women's Budget Statement last year; however, there remains no Gender Responsive Budgeting, as discussed in the NFAW Gender Lens on the Election Budget paper: Integrity, Gender and the Just Use of Power.

Outlays in the Government's Women's Budget Statement of \$2.1 billion over six years, including employment initiatives, represent well under .3% of total outlays. The quantum is small in comparison with investments in areas such as defence, cyber security or fast rail.

The Opposition intends to produce a women's budget statement that will assess the impact of new budget measures on women and how the allocation of public resources effects gender equity. They will also re-introduce gender impact assessments on relevant cabinet submissions.

What NFAW would add to these commitments are the need for formalised consultations with women in the while budget proposals are still in development, and the need for the annual WBS to be in independent hands, most eligibly those of the Parliamentary Budget Office.

---

#### **Questions that still need to be raised in the run up to the election.**

- 5. Will your government urgently address the adequacy of allowances and indexation rates?**
- 6. Will your government set up an independent body tasked with deciding welfare parameters reporting to Parliament?**

All income support payments should be adequate to pay for life's essentials. [These payments should be adjusted for inflation using a viable metric](#), rather than utilising two distinct adjustment systems, one for pensions and another for unemployment-related payments resulting in payments below the poverty line. People with extra costs, including the costs of a disability, the costs of care, and the extra costs of caring for a child alone, should receive supplementary payments in addition to any entitlement they may have to the common income support payment.

The adequacy of allowance payments needs to be addressed urgently. It should be followed by formal welfare reform to overhaul our social security system to make it fit for purpose. The reforms must support women who are performing unpaid work that contributes to the social good by [supporting a healthy economy](#), as well as health, wellbeing, and community engagement. Family violence victim-survivors [require adequate and secure financial support](#) to rebuild their lives and care for their children, [without a punitive compliance framework that reproduces or facilitates abuse tactics](#). An appropriate family violence payment must be part of government's family violence plan.