Budget 2021 – Social infrastructure

Social infrastructure: the care sector

Overall, NFAW welcomes additional funding for industries in the care sector, but regards Budget 2021 as a missed opportunity to address the structural reforms necessary to ensure the money is used effectively.

The funding for the female-dominated care sector in the 2021 Budget is not measured in terms of employment, as were the stimulus packages for male-dominated industries in the October 2020 budget. In practice the employment impact may be muted: employers across the sector report staff ongoing shortages and difficulty attracting and retaining well-skilled staff due to low wages, poor employment conditions, lack of investment in staff training, and no career pathways. The Budget targets payments to operators, who have an established record of approaching workforce management as a cost-cutting opportunity.

This is a systemic problem, driven by funding levels combined with the proportion of care operators using a commercial business model, and enabled by the continued undervaluation of women's work. Despite industry urging, the government has put no strategy in place to lift wages and address the risk of shortages and skill gaps that undermine the quality of care.

Social Infrastructure

The Budget

There are a number of measures in the 2021 budget that should have a positive impact on employment in female-dominated industries which are not counted as outlays in the Women's Budget Statement (WBS). These include new spending in the care economy such as childcare ($1.7 billion over four years), aged care ($17.7 billion over five years), mental health ($2 billion over four years) and support services for victims of family violence ($998.1 million over four years). The NDIS will continue to expand in line with existing projections ($13.2 billion).

There is some additional training money to support service delivery in aged care and mental health services (see Aged Care, Health, and Vocational Education and Training).

There is one initiative to support the undervaluation of care work. The Government will provide $124.7 million over two years from 2021-22 under the National Housing and Homelessness Agreement to assist in bolstering public housing stocks, or in meeting wage requirements under the 2011 Fair Work Australia decision on social and community services wages, where that requirement has not already been met (2021 Budget Paper No 2, p. 183).

Gender implications

Why is this an issue for women?

The Health Care and Social Assistance industry is the largest industry by employment in Australia, taking in sectors such as hospitals, GPs and aged and child care. It now accounts for 12.6 per cent of Australia's working population, and is 77.9% female.

What is more, the sector is forecast to grow: aged care has been estimated to require an additional 100,000 workers over the next 20 years (p 8); in child care 39,000 additional educators, including 9,000 additional Early Childhood Teachers will be wanted by 2023 (p.4); in disability care the current shortage is estimated at 120,000.

Recent reports on aged care (p. 76) child care, (p. 31), and disability care (p. 5), have all found, however, that employers in the sector are having difficulty attracting and retaining well-skilled people due to low wages, employment conditions configured to further cut costs, lack of investment in staff and, in particular, staff training, and no career pathways.

This is a systemic problem, driven by funding levels combined with the proportion of care operators using a commercial business model, and enabled by the continued undervaluation of women's work. We have documented its characteristics at length in our recent submission to the Senate Select Committee on Job Security, but it is best summed up in Per Capita's Case for a Care-led Recovery:

> The systemic insecurity of employment in the care economy has been pursued by providers, and allowed under government policy, in the pursuit of cost savings and profit growth for private, for-profit operators of both residential and in-home care. This workforce 'flexibility' reduces the cost of labour for providers by eliminating on-costs such as sick leave and other workplace entitlements, and often, by keeping monthly hours for each employee below the mandated threshold, even negates the requirement to pay superannuation to care workers. (p. 12)

It is clear why employers report difficulty attracting and retaining staff. Many workers in the fields of aged care, disability care and early childhood education and care, who are required to have at least Certificate III level qualifications, are paid little more than the minimum wage available to workers with no skills or qualifications:

> Retail sales assistant (Aldi) – average hourly pay $25.58
>
> Gas meter reader – average hourly pay $22.97
>
> Average personal care worker – $22.87
>
> Certificate III in Children's Services – $21.99

Rather than address the problem the sector has relied, for more than a third of its workforce (p. 10), on migrant women who are not protected by employment law due to temporary visa status, and who risk deportation or other legal immigration issues if they are not compliant (Joseph 2019, p. 12).

What are the 2021 Budget impacts on women?

The funding for the female-dominated care sector in the 2021 Budget is not measured in terms of employment, as were the stimulus packages for male-dominated industries in the October 2020 budget. This budget focuses largely on services delivered rather than service deliverers, ignoring repeated findings in the sector that the quality of care and the quality of jobs are inextricably linked.

The 2021 budget assumes that in spite of low pay and poor conditions – in spite even of current restrictions on migration – women will be found to do the additional jobs, although it does not estimate how many of those the funding will generate. We estimate that around 11,000 will be required in residential aged care[1] and 10,000 in childcare[2]; and the disability care workforce is estimated to require an additional 90,000 full-time equivalent workers to meet current funding projections consistent with budget commitments (p. 1). Workforce supply may, however, continue to lag behind demand. The government has no plan to address the issue of undervaluation of work in the care sector, which – since it is the key funder in the sector – means that undervaluation will not be addressed.

- Noting that the only Equal Remuneration claim successfully brought to the Fair Work Commission (FWC) under the present legislation was a claim endorsed by the government of the day, the Royal Commission recommended that the principal funder, the Australian Government join in the current application for a work value pay increase in the sector (Aged Care Royal Commission 2021, Vol 1, p. 263, recommendation 84). The government's response was that 'decisions made by the FWC are independent of Government' (p. 56). The Royal Commission's view was that while 'issues relating to remuneration and working conditions are matters for providers as employers, …the way the Australian Government funds the aged care sector directly impacts on how employers can negotiate pay and conditions' (vol 2, p. 124).
- A five-year equal remuneration case for childcare workers was rejected by the Fair Work Commission in 2018 on technical grounds. Again, the main funder of the services did not support the claim.

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[1] Based on modelling commissioned by the Health Services Union recalculated for actual budget commitments. The HSU model incorporated a $5 per hour wage increase, which makes this a conservative estimate.

[2] The Minister's media release pointed to Treasury modelling suggesting up to 40,000 additional women joining the workforce. Then there will be current women increasing their days of work as well. An additional 40,000 families could mean an increase of around 5% in attendances in long day care. Over a workforce of around 200,000 ECEC workers, that would be another 10,000 workers needed.

- The government looks set again to wash its hands of responsibility for the undervaluation of caring work, this time in response to the FWC's invitation to comment on the implementation of a work value decision reached after eight years and the rejection of an equal pay claim (again on technical grounds) affecting 12,000 early childhood educators.
- Fortunately, those in the family violence and mental health support sector were largely given equal remuneration in the 2012 case cited by the Aged Care Royal Commission, where the claim was supported by the government of the day.

The budget does allocate $216.7 million for a package of scholarships and bonuses for eligible registered nurses (Budget Paper No 2, p. 103). Otherwise, there is currently no strategy in place to lift wages and address the undervaluing of the workforce and the risk of shortages and skill gaps that undermine the quality of care. The problem is that in workforce planning, skills identification, integration and development, as well as career development and working patterns are tied to work value and tied also to service outcomes. These are works in progress in the different parts of the sector and bid fair to be works in progress for some considerable time:

- The government's response to the relevant recommendations of the aged care RC (75 and 76), released on budget night, has been to refer the matter to the 'Aged Care Workforce Industry Council [which] will work in collaboration with the Human Services Skills Organisation who will lead on work in relation to qualifications and career pathways'.
- In childcare, since the introduction of the National Quality Framework (NQF) in 2012, there have been tensions between the push for quality ECEC and the extent and cost of regulation for services and families. At the same time, childcare workers have not seen wage growth.

There are fragments of plans to increase the numbers in the care workforce in the absence of lifting wages and improving conditions. However, these do not amount to a strategy.

The situation with aged care is typical. There is funding for an additional 33,800 training places provided through JobTrainer to enable new and existing aged care providers to upgrade their qualifications. However, in 2018 the Aged Care Workforce Strategy Taskforce reported that 'when benchmarked against a globally robust job framework, there is inconsistency and variable quality in the way jobs are defined and sized across the industry … it is also clear that the current education and training skills and qualification framework is not aligned with the nature of the work' (p. 24). Training will therefore proceed in the absence of a skills and qualification framework.

There is, unsurprisingly, funding for a media campaign to build the aged care workforce: $9.8 million over two years from 2021-22 to extend the Care and Support Workforce national campaign (Budget Paper No 2, p. 103).

There is also a commitment of $105.6 million to introduce nationally consistent worker screening, register and code-of-conduct for care sector workers including aged care, disability and veterans sectors (Budget Paper No 2, p. 103) – a welcome development for workers moving to less badly paid sectors, but likely to put even more pressure on industries where undervaluation is worst (p. 18).

Meanwhile, the Budget targets payments to operators, who have an established record of approaching workforce management as a cost-cutting opportunity.

Overall, NFAW welcomes additional funding for industries in the care sector, but regards Budget 2021 as a missed opportunity to address the structural reforms necessary to ensure the money has the full impact intended.

Recommendations

- NFAW strongly urges the government to change its position on recommendation 84 of the Aged Care Royal Commission on Aging, and as *principal funder, join in the current application for a work value increase in the aged care sector.*
- We recommend that the Commonwealth respond constructively to the Fair Work Commission's invitation to comment on the implementation of a work value decision affecting 12,000 early childhood educators, and that it work with the relevant unions to address undervaluation of the work of delivering childcare services see recommendations relating to Early Childhood Education and Care.
- Noting the technical difficulties that beset applications under the current equal remuneration provisions of the Fair Work Act, we recommend that the government amend its legislation to clarify that undervaluation in the basis of sex, and not the identification of a male comparator group, is the criterion to be applied by the Fair Work Commission in establishing a claim.

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National Foundation for Australian Women
REAL WOMEN. VISIONARY LEADERSHIP

Budget 2021 – Infrastructure

Overview

More of the same this year in infrastructure with investments in so called “shovel ready” projects and grant programs. There are some passenger rail and freight investments however there are no significant or transformational infrastructure investments. The total infrastructure investment across more than 45 individual measures is $15.2bn over 10 years. This reflects a decrease of $189m from the 2019-20 budget.

There are also further funding rounds for regional grant programs.

Infrastructure

Shovel-ready Infrastructure

The Budget

The budget papers reveal that spending on infrastructure is $118.7m lower in this Budget, commencing a downward trajectory of $3.3bn over the four years to 2023-24 due to delays in projects to date.

Further rounds of funding for three regional grant programmes are also included – the Building Better Regions Programme, the Community Development Grants Programme and the Regional Connectivity Programme.

Table 2: Payment measures since the 2020-21 MYEFO[(a)] (continued)

	2020-21	2021-22	2022-23	2023-24	2024-25
	$m	$m	$m	$m	$m
INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND COMMUNICATIONS					
Infrastructure Investment — Australian Capital Territory					
Infrastructure Investment — New South Wales					
Infrastructure Investment --- Northern Territory	-	-	-	-	-
Infrastructure Investment — Queensland	-	-	-	-	-
Infrastructure Investment — South Australia	-	20.0	20.0	-	-
Infrastructure Investment — Tasmania	-	-	-	-	-
Infrastructure Investment — Victoria	-	-	-	-	-
Infrastructure Investment — Western Australia	-	-	-	-	-
Local Roads and Community Infrastructure — extension	-	400.7	600.7	-	-

National Water Grid — new projects	-	-	-	-	-
Supporting Infrastructure Investment	-	26.0	70.6	33.9	-
Supporting Regional Australia	-1.1	51.3	143.7	76.0	75.7
National Capital Authority					
Commonwealth Avenue Bridge Upgrade	-	-	-	-	-

2021-22 Budget Paper No 2, Table 2 pp. 41- 42, abridged

National Capital Authority

The Government will provide $137.0 million over five years from 2020 21 (including $131.9 million in capital funding) to upgrade the Commonwealth Avenue Bridge in the Australian Capital Territory to maintain its function and safety through: increasing the load bearing capacity to manage the increasing volume and weight of traffic into the future, and widening the pedestrian pathways and replacing vehicle and pedestrian safety barriers to meet modern design standards (2021-22 Budget Paper No 2, Part 2, p. 147).

Gender implications

Why is this an issue for women?

Infrastructure supports economic growth and equal opportunities by connecting people and increasing access to services. The impacts of infrastructure investment manifest differently for women and men. Investments in road infrastructure to increase road safety improve outcomes principally for men as men are at greater risk of injury and death from road accidents than women. Road design and improvements that focus not just on improving road safety but also improving bicycle and pedestrian safety and experience are inclusive investments as they target women directly. Women are less likely to cycle given perceptions and experiences of being unsafe so road safety infrastructure investments incorporating cycle ways increase the potential for women to access cycle ways. For pedestrians, safe and separated wide walking paths (for prams or with children) with good lighting and visibility enhance perceptions of safety and improve access and connection to services, including public transport waiting areas. This is important for individuals in lower income brackets (the majority of whom are women) who are less likely to own their own car and rely on public transport and walking.

What are the 2020 Budget impacts on women?

These measures could have a beneficial impact on women where investments are in public transport and incorporate gender sensitive design. Unfortunately only two of the state and territory infrastructure investments listed are for public transport. Gender sensitive design is not a mandatory element of Australian Government infrastructure investment. The Department of Infrastructure does not apply an explicit gender and inclusion policy to its investments unlike the Australian Government's *Australian Infrastructure Financing Facility for the Pacific,* with its investment principles that require infrastructure investments to address gender equality. Instead, the specifications for design of shovel ready infrastructure is left to third parties, including local governments. Gender equality and inclusion requirements are yet to be incorporated in a coherent and comprehensive way.

For example, the investment in the Commonwealth Avenue bridge to *inter alia* widen pedestrian pathways and upgrade safety barriers is a welcome inclusion of gender considerations in design with its wider paths (not just for the large numbers of users but to accommodate prams and cycles) and safety barriers. The project should also include an upgrade the adjacent Commonwealth Avenue underpass to enhance the efficiency of the investment, as this location is known safety hazard for women. [1]

Recommendations

The Department of Infrastructure should implement a gender and inclusion policy to guide and apply to all infrastructure investments.

Infrastructure grants

The Budget

Community Development Grants Programme — new projects

Payments ($m)

	2020-21	2021-22	2022-23	2023-24	2024-25
Department of Infrastructure, Transport, Regional Development and Communications	-12.5	0.5	12.5	12.5	-

2021-22 Budget Paper No 2, Part 2 p. 147

Supporting Regional Australia	51.3	143.7	76.0	75.7

2021-22 Budget Paper No 2, Part 2 p. 169

The *Community Development Grants Programme* supports investments in regional projects including museums, sports centres and regional economic infrastructure to promote the social and economic viability of communities.

The Supporting Regional Australia measure includes $256m over four years for a further round of the *Building Better Regions Fund* to support investment in community infrastructure and capacity building projects in regional areas. A further $84.8m over two years is allocated to the *Regional Connectivity Program* for increased access to digital services in regional and remote Australia.

Gender implications

Why is this an issue for women?

One third of Australian women live in regional or remote communities where access to services and other community infrastructure is limited. Women in regions and remote areas face greater

[1] The Canberra Women's Health Matters safety map, [Canberra Safety Map (crowdspot.com.au)]

challenges dealing with natural disasters, access to education, health and medical care, jobs and child care.

What are the 2020 Budget impacts on women?

These measures can be assessed as positive for women if a gender analysis informs the objectives of the further funding rounds and gender equality is an element for funding eligibility. The significant disadvantages for women in regional and remote Australia mean that investment in digital technology and access to services should be an overall positive benefit from the Regional Connectivity Program. However given the recent significant criticism of the Building Better Regions Fund and the *Community Development Grants Programme*, as well as the requirement for Community Development Grants Programme projects to be pre-identified by Government, these measures are at best neutral for women.

Recommendations

A gender analysis should inform the grant criteria, and grant eligibility should be determined by the extent to which the application addresses gender gaps.

Budget 2021 – Infrastructure

Climate change and energy overview

The budget is a missed opportunity to accelerate action on climate change, aligned with the actions announced recently by the USA and other major trading partners, and to prioritise a 'green' recovery from the pandemic. Funding for the Technology Investment Roadmap priority areas must be supported by more ambitious Government targets, including a commitment to Net Zero by 2050, and stronger regulation of large polluters. The Budget also does not address other areas where significant investment for emission reduction is required, such as incentives to promote the uptake of electric vehicles or investment to support the development of charging infrastructure.

Climate change and energy

The Budget

Budget measures relating to climate change and energy are found in the Industry, Science, Energy and Resources portfolio. The measures announced in the Budget reflect the commitments announced by the Prime Minister and the Minister for Energy and Emissions Reduction in April 2021 and previously in the Government's Technology Investment Roadmap and Low Emissions Technology Statements. They are also a continuation of measures announced in the 2020-21 Budget's JobMaker Plan.

Investment under the technology investment roadmap

The Government will provide $1.6 billion over ten years from 2021-22 (including $761.9 million over four years from 2021-22) to incentivise private investment in technologies identified in the Government's Technology Investment Roadmap and Low Emissions Technology Statements (Budget Paper No.2, p. 138, 2021).

Of this, $1.2 billion over ten years from 2021-22 (including $643.4 million over four years from 2021-22) will be used to create a technology co-investment facility that supports the development of regional hydrogen hubs, carbon capture, use and storage technologies, soil carbon measurement and agricultural feed technologies consistent with the priorities identified under the Technology Investment Roadmap (Budget Paper No.2, p. 138, 2021).

Other allocations relate to encouraging business to reduce emissions and energy costs through $279.9 million over ten years from 2021-22 (including $81.7 million over four years from 2021-22) to establish the below baseline crediting mechanism, as recommended by the King Review (2020), $26.4 million over four years to support the uptake of more energy efficient industrial equipment and business practices and $10.4 million over four years to expand the range certifications for businesses voluntarily reducing emissions (Budget Paper No.2, p. 138, 2021).

The Government will also provide $50.0 million over ten years from 2021-22 to establish an early stage seed capital financing function within the Australian Renewable Energy Agency (ARENA). However, the cost of this measure will be met from within the existing resources of ARENA (Budget Paper No.2, p. 138, 2021).

Investment in gas infrastructure

To support a 'gas-fired' recovery, the Government announced $58.6 million of measures over four years from 2021-22 that build on the 2020-21 Budget measure titled *JobMaker Plan — gas fired recovery* (Budget Paper No.2, p.135, 2021).

This includes $38.7 million over two years from 2021-22 for gas infrastructure projects, $6.2 million over three years to develop the Wallumbilla Gas Hub, $5.6 million over two years from 2021-22 to fund the development of the 2022 National Gas Infrastructure Plan , and $3.5 million in 2021-22 to design a framework to facilitate Commonwealth investment in critical gas infrastructure projects (Budget Paper No.2, p.135, 2021).

There is also $4.6 million over four years from 2021-22 to develop initiatives businesses to better negotiate competitive outcomes in gas contracts (Budget Paper No.2, p.135, 2021).

Disaster response

The Government is providing $1.2 billion over five years from 2020-21 to improve Australia's capability to better prepare for, respond to, and recover from natural disasters.

Building Australia's Resilience

Payments ($m)

	2020-21	2021-22	2022-23	2023-24	2024-25
Department of Infrastructure, Transport, Regional Development and Communications	0.1	0.7	-	-	-
National Recovery and Resilience Agency	-	206.8	242.7	248.3	201.8
Bureau of Meteorology	-	45.6	65.0	52.1	43.2
Department of Home Affairs	-	37.1	21.7	16.2	16.3
Department of the Treasury	-	8.0	20.0	12.0	-
Department of Agriculture, Water and the Environment	-	0.9	0.9	0.7	0.7
Department of Finance	-	0.1	0.1	0.1	0.1
Total — Payments	0.1	299.3	350.5	329.5	262.1
Related receipts ($m)					
National Recovery and Resilience Agency	-	*4.7*	-	-	-

2021-22 Budget Paper No 2, p. 65.

As part of this measure, the Government will establish a new National Recovery and Resilience Agency (NRRA) to lead resilience to and recovery from hazards and to manage:

- $615.5 million over six years from 2021-22 for the Preparing Australia program to provide grants for projects that support public and private disaster risk reduction and resilience, and

- $280.0 million over three years from 2021-22 for grants for projects in bushfire affected areas as part of the $2 billion National Bushfire Recovery Fund.

Gender implications

Why is this an issue for women?

Women are more likely than men to suffer the adverse health consequences of extreme climate events (WHO, 2011). Women are also disproportionally affected by climate change disasters (UN Women, 2016; IUCN, 2015). In Australia, disasters increase women's economic insecurity: women lose or forgo employment opportunities on taking up additional community and care responsibilities. Evidence shows this pattern has recurred in the 2009 Black Saturday bushfires, and the 2011 floods in Queensland and Victoria. There is also a strong Australian body of evidence that disasters increase rates of gender-based violence, including from the 2009 Black Saturday Bushfires, a pattern replicated after the 2020 fires.

With climate change impacts disproportionally affecting women, failing to take action on climate change and emissions abatement can exacerbate gender inequality and reduce women's ability to adapt.

Women and men tend to have different views on climate change, with a greater proportion of women worrying about global warming and supporting certain climate change mitigation policies than men. Notably women are more in favour of stronger regulation of large polluters, something the Government has been hesitant to do (Ballew et al., 2018).

Efforts to increase energy affordability should be lauded as access to affordable and reliable energy can have transformative effects for women and families. However, energy affordability and decarbonisation must work hand in hand to mitigate the adverse impacts of climate change.

What are the 2021 Budget impacts on women?

The budget is a missed opportunity to accelerate action on climate change, aligned with the actions announced recently by the USA and other major trading partners, and to prioritise a 'green' recovery from the pandemic.

Mitigating gendered climate impacts requires that the incentives funding the Technology Investment Roadmap priority areas announced are supported by more ambitious Government targets, including a commitment to Net Zero by 2050, and stronger regulation of large polluters. The Budget also does not address other areas where significant investment for emission reduction is required, such as incentives to promote the uptake of electric vehicles or investment to support the development of charging infrastructure.

Investment in the creation of regional hydrogen hubs in areas such as the Latrobe and Hunter Valleys that have legacy fossil fuel industries can be expected to have a positive impact on job creation in these regions. This could support women's employment in new industries: 32 per cent of workers in renewable energy are women, compared to 22 per cent in energy overall (IRENA, 2020). Any gains are, however, mixed given the Government's focus on a 'gas-led' recovery continues to favour male-dominated industries.

In relation to disaster management, it is important to note that a significant proportion of the funding that has been committed is to be in the form of grants. It will be important to ensure that decision-making process around the allocation of these funds are transparent, gender aware, and responsive to the full range of negative impacts on women that have been identified, including physical and mental health, employment, family violence.

Recommendations

- Being faced with a gendered climate crisis, NFAW recommends that the government takes serious action on climate change by committing to net-zero emissions by 2050, phasing and increasing Australia's 2030 Nationally Determined Contributions (NDCs) in line with the recent actions of major trading partners.
- NFAW recommends that the government prioritises a 'green recovery' over a 'gas led' recovery and diverts investments from fossil fuels towards accelerating the uptake of renewable energy technologies.
- NFAW recommends that budget stimulus measures target solutions that provide win-win opportunities for abating climate change and reducing gender inequality. This requires more alternatives to fossil fuels (beyond hydrogen), investments in the renewable energy sector, and support for female apprenticeships and jobs in the energy sector.
- From its inception, the National Recovery and Resilience Agency should put in processes to ensure that decision-making process around the allocation of grants associated with the Preparing Australia program and the National Bushfire Recovery Fund is transparent, gender aware, and responsive to the full range of negative impacts on women that have been identified, including physical and mental health, unemployment and family violence.

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Budget 2021 – Housing

Housing and homelessness overview

The 2021-22 budget supports home purchasers and eligible owner-occupiers building or renovating a home. Single parents seeking to enter or re-enter home ownership are a new inclusion in this group. Older downsizers may benefit from superannuation contribution changes.

Women living on low incomes and experiencing housing insecurity and homelessness gain little support. State supports through the National Housing and Homelessness Agreement are maintained, however, the absence of funding outside the agreement is a missed opportunity to contribute to the national supply of affordable housing. This is particularly stark in light of the focus on other forms of infrastructure elsewhere in the budget.

Women outside of home ownership will continue to struggle, particularly the growing number heading low-income households or entering retirement without the security of owning their home. Despite evidence to indicate the inadequate funding for CRA, there has been no change to funding.

Further information is also required in relation to how shared custody arrangements interact with the Single Parent Family Home Guarantee. For example, is a parent with a low proportion of care responsibilities eligible for the scheme -- a scenario which may favour the non-custodial, often male, parent.

Housing and homelessness

The Budget

Affordable housing and homelessness

National Housing and Homelessness Agreement

The indexed National Housing and Homelessness Agreement (NHHA) with state and territories is maintained with no increase at approximately $1.6 billion per annum committed to improve access to affordable housing and prevent and address homelessness (Budget Paper 3, p. 50).

Social and Community Services Supplementation Funding: $124.7 million over two years from 2021-22 (with no commitment after that time) provided to states and territories 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", or increase public housing stocks (Budget Paper 2, p, 183).

Table 2.7: Payments to support state affordable housing services

$million	2020-21	2021-22	2022-23	2023-24	2024-25
National Housing and Homelessness Agreement	1,594.5	1,616.2	1,639.8	1,598.6	1,619.4
National Partnership payments					
HomeBuilder	680.0	1,515.5	459.6	-	-
Northern Territory Remote Aboriginal Investment					
Remote Australia strategies component	3.7	3.7	-	-	-
Remote housing	237.2	185.0	110.0	-	-
Social Impact Investments					
Vulnerable priority groups	0.5	1.1	0.5	0.5	0.5
Youth at risk of homelessness	0.5	1.1	0.5	0.5	0.5
Total National Partnership payments	921.9	1,706.3	570.7	1.1	1.1
Total	**2,516.5**	**3,322.5**	**2,210.5**	**1,599.7**	**1,620.5**

National Housing and Homelessness Agreement (a)(b)

$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2020-21	488.8	413.6	327.9	171.0	111.3	34.6	27.1	20.3	1,594.5
2021-22	493.2	419.8	333.7	173.8	112.6	35.1	27.5	20.4	1,616.2
2022-23	498.6	427.0	339.7	176.6	113.9	35.6	27.8	20.6	1,639.8
2023-24	495.5	412.0	331.9	169.8	110.0	34.0	26.1	19.3	1,598.6
2024-25	500.8	419.3	336.3	172.0	110.8	34.3	26.4	19.4	1,619.4
Total	**2,476.9**	**2,091.8**	**1,669.4**	**863.1**	**558.6**	**173.7**	**135.0**	**100.0**	**8,068.6**

Source: Modified from Budget Paper No 3, Table 2.7 Payments to support state affordable housing services.

National Partnership payments for affordable housing

$1.7 billion is allocated to affordable housing over the financial year through:

Homebuilder: Part of the COVID-19 Response package, the six-month construction commencement period was extended in April 2021 from six months to 18 months to ensure existing applicants were not denied participation for circumstances outside their control (Budget Paper No 3, p.51.). Payments through the scheme are expected to increase from $680 million in 2020-2021 to $774.8 million in 2021-22 (Budget Paper 1, p. 83).

Remote housing: $185.0 million in 2021-22, is allocated to the "delivery of new houses, housing refurbishments and housing-related infrastructure" and incentivise "more sustainable housing systems" in the Northern Territory (Budget Paper No 3, p52). In addition, as part of the **Remote Australia strategies component**, $3.7m is allocated to the Northern Territory Remote Aboriginal Investment to improve public housing in remote communities (Budget Paper 3, p. 52)

Social impact investments: $2.2 million has been assigned to trial impact investments to assist vulnerable groups, particularly youths at risk of homelessness (Budget Paper No 3, p. 53).

Indigenous Home Ownership Program

The three-year commitment of $150 million to Indigenous Business Australia for new housing construction loans in regional Australia (announced in the 2020-21 budget) is continued.

National Housing Finance and Investment Corporation

The National Housing Finance and Investment Corporation guarantee is unchanged (Budget Paper No 1, p. 256 Table 9.2). NHFIC will administer two schemes designed to support home ownership among first home buyers and single parents entering or re-entering the ownership market.

- **The First Home Loan Deposit Scheme (FHLDS)**: Extended by an additional 10,000 places under the **New Homes Guarantee** in 2021-22. These allow eligible first home buyers to build or purchase a newly constructed home with a 5 per cent deposit (Budget Paper No 1, p. 287). Home price caps vary by capital city and state (for example, $700,000 NSW capital city and regional centre; $450,000 rest of state; $600,000 Vic capital city and regional centre; $375,000 rest of state).
- **Family Home Guarantee:** New program allowing up to 10,000 "single parents with dependents to enter, or re-enter, the housing market with a deposit of as little as 2 per cent." (Budget Paper 2, p. 188). Scheduled to commence 1 July 2021, subject to the passage of legislation (Budget Paper No 1, p. 287

First Home Super Saver Scheme (see Superannuation)

The maximum voluntary contribution that can be released under the First Home Super Saver Scheme will be increased from $30,000 to $50,000 from 1 July 2022 (Budget Paper 2, p. 17).

Commonwealth Rent Assistance

Commonwealth Rent Assistance (CRA) rate is unchanged (Department of Social Services 2021 Budget Statements, pp. 52 and 60). A partial subsidy, based on household composition, it is capped at $140.80 for singles and $187.04 for couples with three or more children.

Other measures affecting housing

Downsizer contribution: The eligible age for downsizer contributions will decrease from 65 to 60 years of age (2021 Budget Paper No. 2, Budget Measures p. 18). This measure allows those downsizing their family home to make a one-off, post-tax contribution to their superannuation of up to $300,000 per individual from the processed from selling their home, without it counting towards non-concessional contribution caps.

Gender implications

Why is this an issue for women?

Secure, affordable housing is a human right. Housing is also an essential care infrastructure. Without secure housing, access to education and employment are disrupted. It is also more difficult to access Home Care Packages to enable aging in place. Women are amongst the most vulnerable in the housing system, with lower average incomes and less savings and superannuation than men, making it difficult for many to achieve secure housing through the private housing market.

Nationally, homelessness is increasing faster amongst women compared to men and women and children aged under 10 are overrepresented amongst people seeking homelessness support. Women account for 60% of clients accessing specialist homelessness services (despite being only 50.7% of the population), while 17% of clients are children aged under 10 (despite being only 12.7% of the Australian population). Single older women are one of the fastest growing groups of homeless people nationally. 245,000 women aged 55 and over, and 430,000 women aged 45 years and over are at risk of homelessness. Women aged 45-55 have nearly double the risk of homelessness compared to men and older women who rent have more than two times the risk of homelessness as those with a mortgage. Women are also at higher risk of losing their housing due to domestic violence, rates of which have increased since COVID-19. In 2020 1 in 3 women and girls experiencing family violence who approached specialist homelessness services needing accommodation were unable to be housed. Migrant and refugee women are disproportionately affected by domestic family and sexual violence and consequently at greater risk of homelessness. The Women's Budget Statement notes that "in 2016-17, Indigenous women aged 15 and over were 34 times as likely to be hospitalized due to family violence as non-Indigenous women." Housing support is vital for women leaving family violence.

Single parent families face particular challenges. They are overrepresented in homelessness data, representing 34 per cent of clients (91,700) seeking homelessness support despite being only 15.8 per cent of families in Australia. Women head 82.4 per cent of single parent families. 38.4 per cent of single parent households are in the lowest income quintile (Q1) and 31.2 per cent in the second quintile (Q2). There is a national shortage of affordable and available rental housing for Q1 and Q2 households. In 2016, 4 in 5 Q1 households paid unaffordable levels of rent. The rental market does not generate housing affordable to Q1 households and homeownership is out of reach.

Specialist Homelessness Services play a critical role in managing homelessness risks. However, to be sustainable, they must be supported by affordable, suitable housing across the housing system to enable women to prosper longer-term. Assistance and access to affordable and appropriate housing along the housing continuum - from crisis care to social housing, from the private rental sector through to home ownership – is essential to mitigate the risk of homelessness.

What are the 2021 Budget impacts on women?

Women with low incomes and experiencing housing insecurity or homelessness gain little support from the budget, which primarily maintains existing agreements in the NHHA. The large numbers of women requiring secure social housing including older women and single parents on low incomes will continue to face an elevated risk of homelessness. The growing incidence of domestic violence observed during the pandemic heightens these risks. Lack of alternative housing options, including crisis care, may hinder women leaving dangerous domestic contexts.

This budget supports home ownership. Middle- and higher-income women planning to buy a first home, to build or undertake substantial renovations to a home, may benefit from the extension of the First Home Loan Deposit Scheme or HomeBuilder. Single parents with sufficient income to sustain mortgage payments may access home ownership through the new Family Home Guarantee. Significantly, this program supports re-entry to homeownership, providing women who have previously been homeowners with an opportunity to re-enter the housing market if they have sufficient income. The government indicates that 125,000 single parent families would be eligible. However, in practice only a very small number of families are likely to benefit. Analysis suggests that only 7.4 per cent of single parent renters are likely to take advantage of the program and the majority will pay more in repayments than they currently do on rent. Accelerating house prices also mean that these programs may be insufficient, and bring economic risk through encouraging home buyers to become over leveraged.

Further information is also required in regard to shared custody arrangements. For example, is a parent with a low proportion of care responsibilities eligible for the scheme -- a scenario which may favour the non-custodial, often male, parent.

There are also many more single parents who receive income support payments who would be unable, or face substantial barriers, to accessing the program (estimated 340,000 receiving Parenting Payment Single, Jobseeker and Youth Allowance Other). These families would benefit from access to social housing and better support in the private rental market. Housing economists have recently identified the economic benefits of investment in affordable and social housing, suggesting this as a housing-led economic recovery strategy in response to COVID-19.

There is no change to Commonwealth Rent Assistance (CRA). Women now make up over half of CRA recipients nationally. Older renters are especially vulnerable, with 21 per cent paying more than 60 per cent of their income, including CRA, towards rent. 56 per cent of women receiving JobSeeker are aged 45 years and over, and 27 per cent are primary carers of dependent children. The inadequacy of CRA is highlighted in the 2021 Anglicare Rental Affordability Snapshot which found only "just three rentals (0 percent) … were affordable for a single person on the JobSeeker payment" and less than one percent were affordable for a single Aged Pension recipient. Private renters are the fastest growing part of the Australian housing system. The opportunity to support households struggling in this sector was missed in the budget.

Older women

Older female homeowners seeking to downsize can benefit from changes to the downsizer superannuation contribution. Targeted to with surplus funds after selling their main residence, we expect it to be more accessible to those women in the higher income and asset range.

Migrant and Refugee Women

The visa and economic situation of migrant and refugee women prevents them from having equal access to the housing market. The budget does not address these structural barriers.

Aboriginal and Torres Strait Islander Women

Aboriginal and Torres Strait Islander Women and their children continue to experience acute shortages in housing support and culturally safe service in remote and regional areas, despite housing being one socio-economic target established to improve outcomes for Aboriginal and Torres Strait Islander peoples. The budget directs some funding to Indigenous households. However, it geographically limited, short-term and disparate to the scale of the housing gap.

Recommendations

- Increase direct investment in social housing to support the growing number of women in need of secure, affordable housing. Investment in social housing has broader economic benefits, supporting employment and income growth. Every dollar invested in social housing is estimated to boost GDP by $1.30.
- Raise Commonwealth Rent Assistance rates to immediately support very low-income households to access the rental sector. Single older women who are not homeowners and single mothers and their children will be supported through this measure.
- National funding to address the housing needs of Aboriginal and Torres Strait Islander women through programs that support self-determination and address the known housing gap, in all housing sectors.