Budget Fast Facts

In this 2017 Edition you will find:

Budget Overview by Executive Director Kasy Chambers

It was a mood of mooted surprise in the Budget lock up tonight as we uncovered measure after measure that "wasn't as bad as we thought it would have been".

Talking to colleagues, each one made that same comment in one way or another. So as I write I am wondering why, as we come to the end of exploring this year's social contract with between the people and their Government, I am feeling quite so sad and disheartened.

Overall this Budget is as memorable for its revenue measures as its spending. Taking money from the higher end of the spectrum and delivering it to the big ticket items of housing and the NDIS. However its punitive, nasty and unforgiving approach to those on welfare is leaving an unpleasant taste behind.

Once again we see a disproportionate amount of savings sought from those on welfare. Under the guise of increased integrity of the Centrelink system (one would have to be an irony free zone not to bridle at this in the light of the "Robodebt" scandal) this Budget contains measures that punish job seekers who miss appointments, fail to fulfil job seeking activities or form job plans.

The demerit system will penalise 'deliberate non-compliance' with Centrelink requirements. Racking up four demerit points in six months will put recipients on an 'Intensive Compliance Phase,' with three strikes. One strike will see recipients lose half their fortnightly payment; two strikes will see recipients lose 100 percent of the payment; and three strikes will see payments cancelled for a month.

The Budget papers do not offer any consideration of how vulnerable welfare recipients would be able to survive having their payments cut off for a month, and the Budget papers don't outline what support will be available to those who lose regular payments.

All of this will raise alarm bells for many Anglicare agencies. We know that Centrelink's procedures are convoluted and highly prone to error, leaving people who rely on payments vulnerable to simple mistakes or system errors.

As a final insult, this Budget retains income support payments at dangerously low levels, ignoring calls from the business and community sectors to increase them as a matter of urgency. Support payments for job seekers, pensioners, and people with disabilities have become a poverty trap. They're so low that paying rent means you can't then afford to buy food, clothing, transport or go to the doctor.

In all of this only the individual is considered. The circumstances in which they find themselves are conveniently ignored. Our Jobs Availability Snapshot found that there are more than six disadvantaged job seekers for every vacancy at their skill level. In some parts of the country, that number is as high as ten. There are not nearly enough jobs – or enough hours – to cater for the number of people who are looking for work.

Further an ominous throwaway line at the end of the Treasurer's speech "denying welfare for a disability caused solely by their own substance abuse" sends shivers down the spines of those of us with a little more forgiveness in our soul. Or maybe knowledge of the foolish actions taken by many young people while "under the influence". The vast majority of these people survive to fight another day and shake their heads at their own craziness years down the track. Not so now if you happen to sustain a disability causing injury and be poor.

Three employment programmes in the Budget are welcome recognition that people often need assistance before they get to the job stage. The programmes targeting parents, older people and indigenous Jobseekers will offer welcome engagement with training, education and work. However once again this takes little notice of the simple numbers of jobs and people looking for those jobs.

Much will have been said tonight of the Major Bank Levy. The clue was there at the very beginning of the Budget Lock up this evening when the official welcomed us and told us there were two help desks where we could ask questions. One for Banks and Housing and one for everything else.

It would be hard for us to see anything wrong with this levy– it truly targets the top end of the corporate town, raising money and levelling the playing field perhaps for smaller banks at the same time. However without wanting to appear too churlish the $4.315 billion savings found in Family Tax Benefit in tonight's Budget comes close to the $6.2 billion raised through the Bank Levy over the same period.

Housing continues to be a major priority for Anglicare Australia. Everybody needs a home – and in the lead-up to the Budget, Anglicare called on the Government to tackle housing inequality head-on with a comprehensive plan. We didn't quite get there, but there are promising signs. The Government has committed to raising money from some of the right places and funding measures that make a good start on making housing more affordable and tackling homelessness.

The bond aggregator for community housing provides some good news. This measure will use Government bonds to raise cheaper, long-term finance for affordable housing, to be deployed through an affordable housing finance corporation. The bond aggregator will provide a long-term funding source of up to 20 years, and allow for securitisation of debt used in the construction and maintenance of housing for low-income families.

The Government will end the National Affordable Housing Agreement, redirecting $1.3 billion a year to the states and territories and replace it with a new set of agreements, with the same funding, that requires them to deliver on housing supply targets and reform their planning systems. The onus is now on all levels of Government to work together to negotiate an agreement that delivers a desperately needed funding increase.

The new Managed Investment Trusts encouraging investment in affordable housing by offering a concessional taxation treatment; comes wonderfully close to Anglicare Australia's ongoing call for negative gearing concessions to be linked to affordable housing. The Government will increase the capital gains tax discount from 50% to 60% for residents who choose to invest in affordable housing.

On the revenue side, investors will pay at least $5,000 for leaving their properties empty for over six months a year. The capital gains tax withholding threshold for foreign tax residents will be reduced from $2m to $750,000, from 1 July 2017. The Government will also apply the principal asset test on an associate inclusive basis from 9 May 2017 for foreign tax residents with indirect interests in Australian property. It means foreign tax residents will not avoid a CGT liability by breaking up their indirect interests in Australian property.

Disappointingly, the Government will leave negative gearing in place, yet simple minor adjustments will generate $540m in revenue over four years. This shows what a gold mine for Budget repair negative gearing actually is. The Government should be proud enough to declare the small start made as a change to negative gearing rather than the budgetary euphemism of "disallowing the deduction of travel expenses for residential rental property".

Anglicare had also called for investment in public housing, a plan to improve renter's rights, and more flexible community housing options that meet everyone's needs. This is a start and we look forward to continued conversations in this regard.

Another area to smile about is the funding of the NDIS through an increase to the Medicare levy. This is pleasing in two ways – it means that the scheme is fully funded without resorting to raiding other social services; and it is coming from those at the highest end of the income scale. Other good news in the area of disability is the establishment of an NDIS Quality and Safeguards Commission; sand a measure to boost the workforce outside the capital cities; and generally the improvements to the Disability Employment Services.

There was a smattering of other goodies too, many small and tentative but steps in the right direction nonetheless. Recognition of the workforce issues faced by aged care; investigations of social impact investments to prevent homelessness with young people leaving care specifically mentioned; money for those experiencing mental illness but not eligible for the NDIS; and more exploration of social investment bonds generally.

What is deeply saddening then as we review the" good stuff" is that we could not find it in ourselves to extend the ancient virtues, those of charity, kindness, patience and forgiveness, to all Australians. It is sad that our empathy is not total; it is conditional on you being in certain groups. It is sadder still that the Government feels that they must make scapegoats not only of those people down on their luck but also of their children and their communities.

Maybe there could have been more from some of those sources – negative gearing, the bank levy, and maybe more could have flowed to those most in need. Maybe it wasn't as bad as it could have been. But maybe it wasn't as good as it should have been.

Key Area: Aged Care

There is very little in reality on aged care in this Budget. Aged care funding, such as through the ACFI, remains un-indexed. The legislated review of the Aged Care Act may result in a suite of measures mid-year or in the next Budget.

Initiative	**Commonwealth Home Support Program Funding Arrangements — extension.** $5,5b over two years from 2018-19 to extend the *Commonwealth Home Support Program* (CHSP) and Regional Assessment Services (RAS) funding arrangements. The CHSP and RAS contribute to essential home support services, such as meals (Meals on Wheels), personal care, nursing, domestic assistance, home maintenance, and community transport, and a range of respite services, to assist older people to keep living independently in their own home Funding for these programs has already been included in the forward estimates.
Expenditure	$5.5b over two years
Anglicare comment	*This is a continuation of existing funding, already budgeted for. It will become more challenging when the Home Support and the Home Care programs are integrated, starting towards the end of next year. This Budget is in a holding pattern for aged care with the assumption that after the legislated Review of the Act (to be completed this August) Government will need to work with stakeholders on the next iteration.*

Initiative	**Developing an Aged Care Workforce Strategy.** The Government will provide $1.9 million over two years from 1 July 2017 to establish and support an industry-led aged care workforce taskforce. The taskforce will explore options to improve productivity in the aged care workforce and contribute to the development of an aged care workforce strategy, including for regional and remote areas.
Expenditure	$1.9m over two years
Anglicare comment	*The Government will fund the sector, or industry, representatives to develop a workforce strategy. Any real public investment in workforce development, if there is any, would need to come later.*

Initiative	**My Aged Care — operations.** $3.1 million in 2017-18 to support the operations of the My Aged Care platform that provides advice and assistance to aged care consumers and providers.
Expenditure	$3.1
Anglicare comment	*This funding will be used to bed down the existing portal. A much larger investment will be needed if and when the Home Support and Home Care programs are integrated.*

Initiative	**Greater Choice for At Home Palliative Care** The Government will provide $8.3 million over three years from 2017-18 to provide palliative care services for people who would prefer to be cared for in their homes rather than in a hospital or hospice setting. Funding will be provided through the Primary Health Care Networks. This measure will support greater choice for end-of-life care for Australians.
Expenditure	$8.3
Anglicare comment	*While not limited to aged care, this expansion is a welcome addition to the resources available to high level Home Care.*

Key Area: Children and Young People

This Budget targets young people, who will disproportionately bear the brunt of a more punitive welfare system. University students will also face a 7.5 per cent tuition fee hike, phased in over four years starting in 2018, and will be forced to repay tuition fee loans as soon as they reach an income of $42,000.

The Budget does provide funding for a small number of programs aimed at improving housing and welfare outcomes for young people at risk of homelessness, which Anglicare welcomes as a good initiative albeit a very small fund.

Initiative	**Commonwealth Redress Scheme for Survivors of Institutional Child Sexual Abuse** The Government will provide $33.4 million in 2017-18 to establish the Commonwealth Redress Scheme for Survivors of Institutional Child Sexual Abuse (the Scheme). The Scheme has been designed in close consultation with the Independent Advisory Council on Redress appointed by the Prime Minister in December 2016. The Scheme will commence in March 2018 and start receiving applications from 1 July 2018 from people who were sexually abused as children in Commonwealth institutions. The Commonwealth will continue to engage with States, Territories and non-Government institutions to encourage them to join the Scheme to promote a nationally consistent approach to redress. Redress payments will be exempt from income tax. The expenditure beyond 2017-18 is not for publication (nfp) due to legal sensitivities.
Expenditure	$33.4 million
Anglicare comment	*It will be important to see how organisations like Anglicare members can participate, we currently understand that this would be dependent on the state in which they operate joining.*

Initiative	**Australian Longitudinal Studies — additional funding** The Government will provide additional funding of $40.9 million over four years from 2017-18 to continue four major Australian longitudinal studies: Longitudinal Study of Australian Children; Longitudinal Study of Indigenous Children; Household, Income and Labour Dynamics in Australia Study; and Building a New Life in Australia — the Longitudinal Study of Humanitarian Migrants.
Expenditure	$40.9 million

Initiative	**Family Day Care — further improving integrity** The Government has achieved savings of $251.5 million over two years from 2016-17 by introducing changes to family assistance law to further improve the integrity and sustainability of the family day care sector. The changes took effect on 13 March 2017. Under the changes, family day care educators are no longer eligible to receive Commonwealth child care fee assistance for child care provided to children aged 14 years or older, or children who attend secondary school, unless an exemption applies. The changes will also set a maximum hourly subsidy rate of $12.67 per hour for the Grandparent Child Care Benefit and the Special Child Care Benefit.
Savings	$251.5 million over 2 years

Initiative	**National Partnership Agreement on Universal Access to Early Childhood Education — extension** The Government will provide $429.4 million over two years from 2017-18 to extend the National Partnership Agreement on Universal Access to Early Childhood Education for the 2018 calendar year, and to undertake the related National Early Childhood Education and Care Collection in early 2019. The extension will give a further cohort of preschool children the opportunity to participate in 15 hours of early childhood education and care through accredited preschool programs each week (600 hours per year) in the year before school.
Expenditure	$429.4 million
Anglicare comment	*Anglicare had called for a 20 hour minimum for children from disadvantaged backgrounds.*

Initiative	**Child Dental Benefits Schedule — increased cap** The Government will provide $163.6 million over five years from 1 January 2017 to increase the two year cap on benefits available for eligible families under the Child Dental Benefits Schedule (CDBS) from $700 to $1,000, and to maintain prices for items on the CDBS for a further two years to 31 December 2020.
Expenditure	$163.6 million over five years from 1 January 2017

Initiative	**Reducing Pressure on Housing Affordability — Social Impact Investments** The Government will provide $10.2 million over 10 years from 2017-18 to partner with State and Territory Governments to trial the use of Social Impact Investments to fund a small number of innovative programs aimed at improving housing and welfare outcomes for young people at risk of homelessness. The trial would target priority groups, including those supported by specialist homelessness services, exiting the out-of-home care system or exiting institutions such as juvenile detention
Expense	$10.2 million over 10 years from 2017-18
Anglicare comment	*This is a good initiative albeit a very small fund; and the key will be also how it interacts with broader funding guaranteed for homelessness services, and the larger affordable housing package.*

Key Area: Disability

Anglicare is pleased to see that the NDIS will be funded from a revenue raising measure rather than, as previously proposed, through cuts to other service areas. This means that it is funded from the highest income earners, as it should be.

Measures on the Disability Employment Services offer steps in the right direction for this sector. While there is an absence of detail about these measures in the Budget papers, they seem to be broadly in line with changes flagged through consultation. We hope that the detail reveals sensible changes to incentivising longer term outcomes.

Initiative	**Personal income tax — increase in the Medicare levy — National Disability Insurance Scheme** The Government will increase the Medicare levy by half a percentage point from 2.0 to 2.5 per cent of taxable income from 1 July 2019 to ensure the National Disability Insurance Scheme (NDIS) is fully funded. Other tax rates that are linked to the top personal tax rate, such as the fringe benefits tax rate, will also be increased. This measure is estimated to have a gain to tax revenue of $8.2 billion over the forward estimates period. This is the net impact across all heads of revenue, not just the Medicare levy. The Government will use all revenue generated by the Medicare levy to support the NDIS and to guarantee Medicare. In particular, the Government will credit $9.1 billion over the forward estimates period to the NDIS Savings Fund Special Account when it is established. Further details are set out in Budget Statements 3 and 5 of Budget Paper No. 1. Low-income earners will continue to receive relief from the Medicare levy through the low-income thresholds for singles, families, seniors and pensioners. The current exemptions from the Medicare levy will also remain in place. *See also the related revenue measure titled Personal income tax — increasing the Medicare levy low-income thresholds.* *See also the related expense measure titled Guaranteeing Medicare — establishing the Medicare Guarantee Fund.*
Savings	$9.1 million to be raised through revenue
Anglicare comment	*It is good to see that the NDIS will be funded from a revenue raising measure rather than, as previously proposed, through cuts to other service areas. This means that it is funded from the highest income earners, as it should be.*

Initiative	**Improving Disability Employment Services** The Government will provide $24.0 million over four years from 2017-18 to implement a new framework and funding model for the *Disability Employment Services* (DES) program from 1 July 2018. The new framework aims to improve the DES program performance by: - making it easier for DES participants to choose and change providers, with funding to follow participants; - providing greater incentives for providers to achieve employment outcomes for job seekers, including longer term employment outcomes and outcomes for those with significant employment barriers; - indexing provider payments from 1 July 2019 to ensure that cost increases for DES providers will not impact on the services they deliver to DES participants; and - undertaking a trial to expand DES to a broader group of school leavers with less significant disability, to assist them to successfully transition from school to work.
Expenditure	$24 million over 4 years from 2017-18
Anglicare comment	*Overall a welcome initiative that takes steps in the right direction for this sector. While there is an absence of detail about these measures in the Budget papers, they seem to be broadly in line with changes flagged through consultation. We hope that the detail reveals sensible changes to incentivising longer term outcomes.*

Key Area: Employment

This Budget misses a major opportunity to take action on stable work. Anglicare's latest Jobs Availability Snapshot found that there are more than six disadvantaged job seekers for every vacancy at their skill level. In some parts of the country, that number is as high as ten. There are not nearly enough jobs – or enough hours – to cater for the number of people who are looking for work.

Instead of programs that punish people, we need holistic services that help overcome the obstacles to finding stable work. We also need to change how vocational education is funded to prioritise outcomes for job seekers. On both fronts, this Budget fails to deliver.

Initiative	**Better Targeting of Assistance to Support Jobseekers** The Government will refocus Work for the Dole and introduce a new Jobseeker Compliance Framework (the Framework) that strengthens penalties for deliberate non-compliance while providing additional help for genuine job seekers to meet their requirements. The new Framework will include a Personal Responsibility Phase where each failure without a reasonable excuse will result in payment suspension until re-engagement, and accrual of demerit points. Individuals who accrue four demerits in six months will enter a three-strike Intensive Compliance Phase, in which they will face escalating penalties. They will: - lose 50 per cent of their fortnightly payment for their first strike without a reasonable excuse; - lose 100 per cent of their fortnightly payment for their second strike; and - have their payment cancelled for four weeks for their third strike. The new process will simplify the compliance system and provide vulnerable people with support by ensuring appropriate, individualised assessments are undertaken by providers and the Department of Human Services before any financial penalties are incurred for not meeting obligations. These assessments will take into account individual circumstances to ensure that people with genuine issues are not unfairly penalised. This will achieve efficiencies of $632.0 million over five years from 2016-17. The new Compliance Framework will include initiatives aimed at reducing substance misuse among welfare recipients. It will also include initiatives that will encourage claimants to provide information and meet their responsibilities in a timely manner, including the removal of backdating provisions. The relationship status verification process will also be streamlined for new and existing single parent claimants. Efficiencies from this measure will be redirected by the Government to repair the Budget and fund policy priorities. Expenditure for elements of this measure are not for publication (nfp) due to commercial-in-confidence sensitivities.
Savings	$632 million over five years from 2016-17

Anglicare comment	*This measure is highly punitive and unnecessary, and the fact that the Government sees it as a revenue raiser over the next 5 years is deeply concerning. The cancellation payments for people if they attract enough demerit points means they will have to reapply and be subject once again to the waiting periods which already cause severe hardship. This is again relying on punishing the most vulnerable in our society for circumstances beyond their control for the sake of it, and a few dollars.* *Equally concerning is the detail given on the plan to introduce mandatory random drug testing for new income payment recipients in three unspecified locations – participants who fail a first test will be placed on income management, and failing more than one test will see people referred for medical assessment of their 'substance abuse'.*

Initiative	**ParentsNext — national expansion** The Government will provide $263.0 million over four years from 2017-18 to expand the *ParentsNext* program. The *ParentsNext* expansion will be delivered in two streams providing different levels of support across specific *jobactive* regions: - $150.1 million over four years to expand *ParentsNext* nationally to the 51 employment regions covered by *jobactive* providers. Services will include participants meeting with a *ParentsNext* provider every six months, developing a Participation Plan and participating in activities that will help prepare them for employment. - $113.0 million over four years to provide an intensive service offering to all *ParentsNext* participants in 30 locations where a high number of Parenting Payment recipients are Indigenous. Expanding the program to these locations will provide intensive support to help boost the participation of Indigenous parents in the labour market and help achieve the Closing the Gap employment targets. The increased services will include additional pre-employment training and outcome fees to encourage successful placements.
Expense	$263 million over 4 years from 2017-18
Anglicare comment	*While Anglicare Australia is glad to see decent funding to help parents prepare for return to the workforce that participation for people on parenting payments is mandatory is concerning. It once again speaks of an attitude in Government the devalues vital care work, and only values employment.*

Key Area: Families

This Budget continues the trend of targeting low income and disadvantaged families. We're disappointed to see another attempt to cut family tax benefits from families already experiencing financial stress (see page 27). The initiatives below are fairly small but important measures dealing with the law and family breakdown.

Initiative	**Family Law Courts — improving risk identification and management** The Government will provide $10.7 million over four years from 2017-18 (with $2.7 million ongoing) to the Family Court of Australia, the Federal Circuit Court of Australia and the Family Court of Western Australia to employ additional family consultants at court locations across Australia. The family consultants (which include qualified social workers and psychologists) will provide child-focused interventions to assist families and the courts where there are allegations of family violence or child abuse. This measure will address the recommendations from the Family Law Council's 2016 final report on *Families with Complex Needs and the Intersection of the Family Law and Child Protection Systems*, which recognised the need to address the risk of harm to vulnerable parties.
Expenditure	$10.7 million over 4 years

Initiative	**Parenting Management Hearings — establishment** The Government will provide $12.7 million over four years from 2017-18 to establish Parenting Management Hearings (PMHs) — a new forum for resolving family law disputes between self-represented litigants. The PMHs will be a fast, informal, non-adversarial dispute resolution mechanism. PMHs will be given powers to make binding determinations on simple family law matters, which would otherwise require consideration by the family law courts.
Expenditure	$12.7 million over four years.

Initiative	**Specialist Domestic Violence Units — expansion** The Government will provide $3.4 million over two years from 2017-18 to expand the trial of Domestic Violence Units (DVUs) in legal centres around Australia. The DVUs provide legal and other assistance to women who are experiencing, or at risk of, domestic or family violence. The services assist women to access other services such as financial counselling, tenancy assistance, trauma counselling, emergency accommodation, family law services and employment services. The locations of the DVUs will be determined based on areas of need, in consultation with State and Territory Governments.
Expenditure	$3.4 Million over 2 years.

Initiative	**Government Response to the Parliamentary Inquiry into the Child Support Program — implementation** The Government will provide $12.4 million over five years from 2016-17 to implement three priority recommendations of the report of the House of Representatives Standing Committee on Social Policy and Legal Affairs, *From conflict to cooperation — Inquiry into the Child Support Program*, including: - extending the time period before determining when to adjust the amount of child care support payable, including Family Tax Benefit and other payments, in interim care determinations; - enabling simpler and more flexible court processes to set aside and modify child support arrangements, in particular Child Support Agreements made before 1 July 1998; and - adopting a more equitable approach to collecting child support debts and overpayments, taking into account the best interests of the child.
Expenditure	$12.4 million over five years

Key Area: Housing

There are promising signs on housing in this Budget. The Government has committed to raising money from the right places and funding measures that are a good start on making housing more affordable and tackling homelessness. For example, the bond aggregator for community housing is good news. The onus is now on all levels of Government to work together to negotiate an agreement that delivers a desperately needed funding increase.

Initiative	**Reducing Pressure on Housing Affordability — a new National Housing and Homelessness Agreement** The Government will work with the States and Territories to reform the National Affordable Housing Agreement and provide ongoing, indexed funding for a new National Housing and Homelessness Agreement (NHHA) from 2018-19. The NHHA will combine funding currently provisioned under the National Affordable Housing Specific Purpose Payment (NAHSPP) and the National Partnership Agreement on Homelessness (NPAH). As part of the NHHA, the Government will provide an additional $375.3 million over three years from 2018-19 to fund ongoing homelessness support services, with funding to be matched by the State and Territory Governments. The Government will also provide $6.5 million over four years from 2017-18 to the National Competition Council to assist with the implementation and ongoing assessment of performance under the NHHA.
Expense	$375.3 million over 3 years from 2018-19 for homelessness services; $6.5 million over 4 years for 2017-18 for ongoing assessment of performance of new Affordable Housing and Homelessness Agreement
Anglicare comment	*This flags the rolling of affordable housing and homeless services into a new single agreement between the Commonwealth and States and Territories.* *Funding through to 2017-18 already earmarked for the existing National Affordable Housing Agreement and National Homelessness Partnership Program are confirmed; then a new agreement will be negotiated between Governments and be in place from 2018-19. The funding for NAHA by state and territory is reconfirmed and will roll into the new agreement (so happily no reduction); and the Commonwealth is also committing $125 million a year for the three years from 2018-19 for homelessness services – an increase of $10 million per year. It is noted that the new Agreement includes homelessness but specifies it separate from affordable housing.* *The Commonwealth is clear that they want better outcomes from the States & Territories (see the extra funding for the National Competition Council to monitor and evaluate outcomes); and that they will tailor the agreements to be jurisdiction-specific. So 'planning and zoning reforms' are listed along with renewal of public housing stock as examples of things that might be included.* *While this announcement is not the cuts to NAHA that we feared, it doesn't offer desperately needed increased funding for public and community housing.*

Initiative	**Reducing Pressure on Housing Affordability — establishment of the National Housing Finance and Investment Corporation** The Government will provide $63.1 million over four years from 2017-18 (including $4.8 million in capital) to the Department of the Treasury to establish the National Housing Finance and Investment Corporation (NHFIC). The NHFIC will operate an affordable housing bond aggregator. The function of the bond aggregator is to provide cheaper and longer term finance for community housing providers by aggregating their borrowing requirements and issuing bonds to the wholesale market at a lower cost and longer tenor than bank finance. The design of the affordable housing bond aggregator and the NHFIC will be informed by the Affordable Housing Implementation Taskforce. The NHFIC will also administer the National Housing Infrastructure Facility, which will provide financial assistance to local Government for related infrastructure.
Expenditure	$63.1 million over four years from 2017-18
Anglicare comment	*Flagged some time ago, it is pleasing to see this initiative funded as another important piece of the affordable housing puzzle.*

Initiative	**Reducing Pressure on Housing Affordability — support for the Homes for Homes Initiative** The Government will provide $6.0 million over four years from 2017-18 toward the national rollout of the Homes for Homes initiative, which has been established by *The Big Issue* to encourage property vendors to donate 0.1 per cent of the sale proceeds of their property to fund social and affordable housing projects across Australia.
Expense	$6 million over 4 years from 2017-18

Initiative	**Reducing Pressure on Housing Affordability — Western Sydney** Under the Western Sydney City Deal, the Government will offer incentive payments to State and Local Governments to support planning and zoning reform, accelerate housing supply and deliver affordable housing outcomes in Western Sydney. The funding will support the trial of incentive payments in the Western Sydney City Deal region, which is facing above average population growth and housing affordability pressures. The Western Sydney City Deal will provide a shared growth plan for the region, backed by funding and reform across all levels of Government.
Expense	The funding for this measure is not for publication (nfp) pending development of the Western Sydney City Deal with State and Local Governments. The final amount of funding provided will depend on the housing targets delivered and levels of reform agreed.
Anglicare comment	*The City Deals have great potential if they are tied into the social, health, employment and environmental outcomes of the UN Sustainable Development Goals (to which Australia is a signatory).*

Initiative	**Reducing Pressure on Housing Affordability — National Housing Infrastructure Facility** The Government will establish a $1 billion National Housing Infrastructure Facility (NHIF) that will provide financial assistance to local Government from 2018-19 for infrastructure that supports new housing, particularly affordable housing. The NHIF will provide financial assistance of up to $1 billion over five years from 2018-19, including concessional loans, grants, and other financial instruments. The expense for this measure of $118.0 million over three years from 2018-19 includes the grants component and the fiscal balance impact of the concessional loans. The revenue component of this measure relates to interest earned on the concessional loans and is not for publication (nfp) due to commercial sensitivities. The facility will be administered by the National Housing Finance and Investment Corporation.
Expenditure	$118 million over 3 years for the grants and concessional loans
Anglicare comment	*This measure allows local Government to bid for which infrastructure that fosters affordable housing. A potentially helpful measure but the devil will be in the detail. Refer to the comment on Sustainable Development Goals above.*

Initiative	**Social Impact Investing Market — trials** The Government will provide $20.2 million over 10 years from 2017-18 to encourage the development of the Australian market for social impact investments. Social impact investing is an innovative, outcomes-based approach that brings together Governments, service providers, investors and communities to deliver a range of social and environmental outcomes. This measure includes: - $12.2 million over 10 years from 2017-18 to partner with State and Territory Governments to trial social impact investing initiatives; and - $8.0 million over 4 years from 2017-18 to establish a Social Impact Investment Readiness Fund to build capacity in the non-Government and private sector to develop social impact investment proposals. The Government will continue to work with stakeholders to also address regulatory barriers impeding the development and sustainability of the Social Impact Investing Market.
Expense	$20.2 million over 10 years from 2017-18
Anglicare comment	*We would be pleased to see these trails properly evaluated and followed up with more substantial investment where warranted.*

Initiative	**Reducing Pressure on Housing Affordability — Social Impact Investments** The Government will provide $10.2 million over 10 years from 2017-18 to partner with State and Territory Governments to trial the use of Social Impact Investments to fund a small number of innovative programs aimed at improving housing and welfare outcomes for young people at risk of homelessness. The trial would target priority groups, including those supported by specialist homelessness services, exiting the out-of-home care system or exiting institutions such as juvenile detention.
Expense	$10.2 million over 10 years from 2017-18

Anglicare comment	*As above. This could prove to be a great chance to develop local place based and needs based paths out of homelessness.*

Initiative	**Reducing Pressure on Housing Affordability — annual charge on foreign owners of underutilised residential property** The Government will introduce a charge on foreign owners of residential property where the property is not occupied or genuinely available on the rental market for at least six months per year. The charge will be levied annually and will be equivalent to the relevant foreign investment application fee imposed on the property at the time it was acquired by the foreign investor. This measure will apply to foreign persons who make a foreign investment application for residential property from 7:30PM (AEST) on 9 May 2017. This measure is estimated to have a gain to Budget of $16.3 million over the forward estimates period. This measure is intended to encourage foreign owners of residential property to make their properties available for rent where they are not used as a residence and so increase the number of dwellings available for Australians to live in. Funding of $3.7 million over four years from 2017-18 will be provided to the Australian Taxation Office to implement this measure.
Revenue	$16.3 million over 4 years from 2017-18

Initiative	**Reducing Pressure on Housing Affordability — capital gains tax changes for foreign investors** The Government will extend Australia's foreign resident capital gains tax (CGT) regime by: • denying foreign and temporary tax residents access to the CGT main residence exemption from 7:30PM (AEST) on 9 May 2017, however existing properties held prior to this date will be grandfathered until 30 June 2019; • increasing the CGT withholding rate for foreign tax residents from 10.0 per cent to 12.5 per cent, from 1 July 2017; and • reducing the CGT withholding threshold for foreign tax residents from $2m to $750,000, from 1 July 2017.
Revenue	$ 581.0 million over 4 years, from now except for grandfathering arrangements
Anglicare comment	*A welcome revenue measure and an interesting insight into how these concessions and arrangements operate.*

Initiative	**Reducing Pressure on Housing Affordability — contributing the proceeds of downsizing to superannuation** The Government will allow a person aged 65 or over to make a non-concessional contribution of up to $300,000 from the proceeds of selling their home from 1 July 2018. These contributions will be in addition to those currently permitted under existing rules and caps and they will be exempt from the existing age test, work test and the $1.6 million balance test for making non-concessional contributions. This measure will apply to sales of a principal residence owned for the past ten or more years and both members of a couple will be able to take advantage of this measure for the same home. This measure reduces a barrier to downsizing for older people. Encouraging downsizing may enable more effective use of the housing stock by freeing up larger homes for younger, growing families.

Expenditure	$30 million over 4 years from 2017-18
Anglicare comment	*This measure unfortunately simply gives a tax break to those who were already going to downsize.*

Initiative	**Reducing Pressure on Housing Affordability — disallow the deduction of travel expenses for residential rental property** From 1 July 2017, the Government will disallow deductions for travel expenses related to inspecting, maintaining or collecting rent for a residential rental property. This is an integrity measure to address concerns that many taxpayers have been claiming travel deductions without correctly apportioning costs, or have claimed travel costs that were for private travel purposes. As part of the Government's strategy to improve housing outcomes, this measure will provide confidence in the tax system by ensuring tax concessions are better targeted. This measure will not prevent investors from engaging third parties such as real estate agents for property management services. These expenses will remain deductible.
Revenue	$540 million over 4 years from 2017-18
Anglicare comment	*A good first step towards reigning in the unsustainable and unhelpful tax concessions associated with negative gearing.*

Initiative	**Reducing Pressure on Housing Affordability — expanding tax incentives for investments in affordable housing** From 1 January 2018, the Government will provide an additional ten percentage points capital gains tax discount, increasing the discount from 50 per cent to 60 per cent, to resident individuals who elect to invest in qualifying affordable housing. To qualify for the higher discount, housing must be provided to low to moderate income tenants, with rent charged at a discount below the private rental market rate. The affordable housing must be managed through a registered community housing provider and the investment held for a minimum period of three years. The higher discount would flow through to resident individuals investing in qualifying affordable housing Managed Investment Trusts (see *Reducing Pressure on Housing Affordability — affordable housing through Managed Investment Trusts*).
Revenue	$15 million over 4 years from 2017-18
Anglicare comment	*This may be a toe in the water for greater investment in 'affordable' housing.*

Initiative	**Reducing Pressure on Housing Affordability — first home super saver scheme** The Government will encourage home ownership by allowing future voluntary contributions to superannuation made by first home buyers from 1 July 2017 to be withdrawn for a first home deposit, along with associated deemed earnings. Concessional contributions and earnings that are withdrawn will be taxed at marginal rates less a 30 per cent offset. Combined with the existing concessional tax treatment of contributions and earnings, this will incentivise first home buyers to save more quickly for a home deposit. Under the measure up to $15,000 per year and $30,000 in total can be contributed, within existing caps. Contributions can be made from 1 July 2017. Withdrawals will be allowed from 1 July 2018 onwards. Both members of a couple can take advantage of this measure to buy their first home together.
Expenditure	$250 million over 4 years from 2017-18
Anglicare comment	*This initiative only favours those who are already in a position to make salary sacrifices, so not those most in need of housing, and is likely to add inflationary pressure to the housing market. It is a reshaped version of a previous Labor Government program which may be simpler for the account holder but not for the super fund.*

Initiative	**Reducing Pressure on Housing Affordability — limit plant and equipment depreciation deductions to outlays actually incurred by investors** From 1 July 2017, the Government will limit plant and equipment depreciation deductions to outlays actually incurred by investors in residential real estate properties. Plant and equipment items are usually mechanical fixtures or those which can be 'easily' removed from a property such as dishwashers and ceiling fans. This is an integrity measure to address concerns that some plant and equipment items are being depreciated by successive investors in excess of their actual value. Acquisitions of existing plant and equipment items will be reflected in the cost base for capital gains tax purposes for subsequent investors. These changes will apply on a prospective basis, with existing investments grandfathered. Plant and equipment forming part of residential investment properties as of 9 May 2017 (including contracts already entered into at 7:30PM (AEST) on 9 May 2017) will continue to give rise to deductions for depreciation until either the investor no longer owns the asset, or the asset reaches the end of its effective life. Investors who purchase plant and equipment for their residential investment property after 9 May 2017 will be able to claim a deduction over the effective life of the asset. However, subsequent owners of a property will be unable to claim deductions for plant and equipment purchased by a previous owner of that property.
Revenue	$260 million over 4 years from 2017-18

Anglicare comment	*Another good first step to removing disproportionate and unnecessary tax concessions for property investors.* *However it is also a missed opportunity. It would make sense to encourage property owners to modify their rental properties so they suit the frail aged and people with disabilities, and to make them more energy efficient.*

Key Area: Indigenous

Anglicare Australia is disappointed to find that the Budget does not take action on the extensive recommendations outlined in the Redfern Statement. The Budget should have seen funding for National Congress of Australia's First Peoples restored, and a commitment to work with Congress to progress the calls of the Statement.

In the wake of the latest Closing the Gap report which finds that only one of the targets is on track to be achieved, we do not believe that the measures listed below are adequate or well designed.

Initiative	**Closing the Gap — Employment Services — additional funding** The Government will provide $55.7 million over five years from 2016-17 to help meet the Government's Closing the Gap employment target for Indigenous Australians. This measure will enable stronger engagement by employment services providers with Indigenous communities and provide enhanced support for Indigenous participants. This measure includes: - $33.2 million over five years from 2016-17 to deliver pre-employment training and mentoring for Indigenous participants, and to expand access to the *Transition to Work* program to all Indigenous job seekers aged 21 years or under; - $17.6 million over five years from 2016-17 to trial additional employment assistance to Indigenous prisoners to ensure they are provided with better preparation and assistance to transition from prison to an employment assistance program after their release, including additional support in the immediate post-release period. This measure forms part of the Government's response to COAG's 2016 *Prison to Work Report*; - $5.0 million over four years from 2017-18 to support the implementation of community-designed and delivered employment services in Yarrabah, Queensland; and - allowing immediate access to increased wage subsidies (from $6,500 to $10,000) for Indigenous participants to better support their employment outcomes, with funding to be met from within the existing Wage Subsidies Funding Pool.
Expense	$55.7 million over five years from 2016-17
Anglicare comments	*These measures may go a small way towards undoing the damage done by closing down the CDEP programs and implementing a work for the dole scheme in Aboriginal and Torres Strait Islander communities.*

Initiative	**Closing the Gap — English language learning for Indigenous children trial** The Government will provide $5.9 million over four years from 2017-18 to trial the use of digital applications to improve English literacy outcomes for Aboriginal and Torres Strait Islander children. The trial will be undertaken over two years, 2019 and 2020, in 20 preschools around Australia. The trial supports the Government's commitment to Closing the Gap in literacy achievement between Indigenous and non-Indigenous children
Expense	$5.9 million over 4 years from 2017-18
Anglicare comments	*If this trial applies to non-English speaking Aboriginal communities, we would hope it has been designed in response to specific requests from those communities.*

Initiative	**Jobs for Families Package — Budget Based Funded services — continuation** The Government will provide $61.8 million per year from 2017-18 from within the Community Child Care Fund to ensure continued support for the existing Budget *Based Funded Program* and to increase the participation of Indigenous children in early learning and care. The Budget *Based Funded Program* provides child care in regional, remote and Aboriginal and Torres Strait Islander communities where the market might otherwise fail to deliver services to children and families. The cost of this measure will be met from within the existing resources of the Community Child Care Fund within the Department of Education and Training.
Expense	$61.8 million per year ongoing

Initiative	**Extension and expansion of Cashless Debit Card** The Government will extend current cashless debit card trials in Ceduna (South Australia) and the East Kimberley (Western Australia) until 30 June 2018. The Government will also expand to a further two locations from 1 September 2017. This measure extends the 2015-16 Budget measure titled *New Income Management Arrangements — trial and industry consultation*.
Expense	Not specified
Anglicare comment	*No figures have been released on the costs of the trials in this Budget, nor the details of the new communities. Given the strong targeting of the cashless debit card towards Indigenous communities including the continuation of the trial in Ceduna and East Kimberley it is included here.* *Anglicare Australia believes that the evaluations of the current trials are seriously flawed and there is little evidence to justify the expense and mandatory nature of these trials. For a good analysis of the issues with the cashless debit card see - http://caepr.anu.edu.au/Publications/topical/2017TI1.php*

Key Area: Tax and Superannuation

While there is a long way to create a truly fair and progressive tax system, this Budget takes some positive steps to raise revenue from the right places, targeting the major banks, superannuation tax avoidance, and strenghtening overall tax system integrity.

Initiative	**Major bank levy** From 1 July 2017, the Government will impose a major bank levy on Australia's largest banks. The levy will raise around $6.2 billion over four years, net of interactions with other taxes. This represents a fair additional contribution from our major banks and will assist with Budget repair. The levy will apply to all ADIs with licensed entity liabilities of at least $100 billion. To ensure that only banks that are large relative to the economy continue to be liable to pay the levy, the $100 billion threshold will be indexed to grow in line with nominal Gross Domestic Product.
Savings	$6.2b over forward estimates
Anglicare comment	*A welcome principle of fairness in Budget repair.*

Initiative	**Integrity of non-arm's length arrangements** This reduces opportunities for members to use related party transactions on non-commercial terms to increase superannuation savings.
Savings	$20 over forward estimates
Anglicare comment	*This is a welcome step in a project to stop superannuation being used as a vehicle for tax avoidance and wealth accumulation, however more work is needed.*
Initiative	**Limited recourse borrowing arrangements**
Savings	From 1 July 2017, the Government will include the use of limited recourse borrowing arrangements (LRBA) in a member's total superannuation balance and transfer balance cap.
Anglicare comment	*This is a welcome step in a project to stop superannuation being used as a vehicle for tax avoidance and wealth accumulation.*

Initiative	**Aligning the tax treatment of roll your own tobacco and cigarettes** The Government will adjust the taxation of roll your own (RYO) tobacco and other products such as cigars, so that manufactured cigarettes and RYO tobacco cigarettes receive comparable tax treatment.
Savings	$360.0 million extra revenue over the forward estimates.
Anglicare comment	*Increases to tobacco taxation have a disproportionate impact on low-income households.*

Key Area: Welfare, Income Payments and Supplements

Instead of offering relief to people who need help, income support recipients are being scapegoated with the Budget targeting Centrelink recipients with a demerit scheme and expanding the cashless welfare trial. This approach will raise alarm bells for many Anglicare agencies. We know that Centrelink's procedures are convoluted and highly prone to error, leaving people who rely on payments vulnerable to simple mistakes or system errors.

<table>
<tr><td>Initiative</td><td>Working age payments reform
The Government will provide $84.1 million over five years from 2016-17 to consolidate seven working age payments and allowances into a new JobSeeker Payment and to strengthen the participation requirements.

On 20 March 2020, Newstart Allowance and Sickness Allowance recipients will transition to the new JobSeeker Payment to better reflect the expectation that working age people with a capacity to work should be in employment, looking for work or improving their skills to gain employment. The new JobSeeker Payment will be set at the same rate as Newstart Allowance and current mutual obligation exemptions for Sickness Allowance will be retained.

In addition:
- Widow Allowance will be closed to new recipients from 1 January 2018 and will cease on 1 January 2022, when all remaining recipients have reached Age Pension eligibility age. Widow Allowees transferring to the Age Pension will receive a higher payment rate.
- Partner Allowance, which has been closed to new recipients since 20 September 2003, will cease on 1 January 2022, when all remaining recipients have reached the eligibility age for the higher payment Age Pension.
- Widow B Pension, which has been closed to new recipients since 20 March 1997, will cease on 20 March 2020. Recipients will transition to the Age Pension with no change to their payment rate.
- Wife Pension, which has been closed to new recipients since 1 July 1995, will cease on 20 March 2020. Most recipients will transition to the Age Pension or Carer Payment at the same payment rate.
- Bereavement Allowance will be closed to new recipients from 20 March 2020 and will be replaced by the new JobSeeker Payment.
- Eligibility for the Pensioner Concession Card and the Health Care Card will not be affected by these changes.

A new participation framework will apply from 20 September 2018. Key elements include aligning the participation requirements for recipients aged 30 to 49 with those for recipients under 30, and recipients aged 55 to 59 will only be able to meet up to half of their participation requirements through volunteering.

Recipients aged between 60 and Age Pension age will have a new activity requirement of 10 hours per fortnight that can be met through volunteering. The current jobactive program will be enhanced to support both mature age and inexperienced job seekers to increase their chances of finding employment, including through a new Career Transition Assistance Program.</td></tr>
<tr><td>Expenditure</td><td>$84.1 million over five years</td></tr>
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Anglicare comment	*It's hard to see why this is an expense item, and certainly one of this magnitude. Most of the benefits being folded in are outdated, were designed to meet a particular need (either real or political)which has now passed. There are small numbers of people on these benefits and they are naturally ageing off them. The largest one is the sickness benefit and this is marginally more than the Newstart rate which should deliver savings over the long run.* *It is tempting then to think that the majority of this expense is for departmental administration which may be being spent in preparation for greater payment realignment in subsequent budgets.*

Initiative	**Pensioner Concession Card — reinstatement** The Government will provide $3.1 million in 2017-18 to reinstate the Pensioner Concession Card for pensioners who were no longer entitled to the pension following changes to the pension assets test from 1 January 2017. Reinstating the Pensioner Concession Card will enable pensioners to access Commonwealth subsidised hearing services.
Expenditure	$3.1 million

Initiative	**Enhanced Residency Requirements for Pensioners** The Government will achieve efficiencies of $119.1 million over five years from 2016-17 by revising the residency requirements for claimants of the Age Pension and the Disability Support Pension (DSP). From 1 July 2018, claimants will be required to have 15 years of continuous Australian residence before being eligible to receive the Age Pension or DSP unless they have either: - 10 years continuous Australian residence, with five years of this residence being during their working life (16 years of age to Age Pension age); or - 10 years continuous Australian residence, without having received an activity tested income support payment for a cumulative period of five years.
Savings	$119.1 million over five years.
Anglicare comment	*This is clearly part of the targeting of welfare benefits especially for migrants and likely to be popular with sectors of the electorate.*

Initiative	**Consistent Income Treatment for Families Receiving Family Tax Benefit Part A** The Government will achieve efficiencies of $415.4 million over five years by implementing a consistent 30 cents in the dollar income test taper for Family Tax Benefit Part A families with a household income in excess of the Higher Income Free Area (currently $94,316) from 1 July 2018. This will ensure that higher income families are subject to the same income test taper rates. This measure supports efforts by the Government to repair the Budget and fund policy priorities.
Savings	$415.4 million over five years
Anglicare comment	*We have struggled to understand the full impact of all the FTB (parts A and B) changes in tonight's Budget on the different family incomes. However it does seem clear that while we are supportive of removing welfare payments to well off families, $94,316 is not a huge salary for a family with children.*

Initiative	**Personal income tax — increasing the Medicare levy low-income thresholds** The Government will increase the Medicare levy low-income thresholds for singles, families and seniors and pensioners from the 2016-17 income year. The increases take account of movements in the CPI so that low-income taxpayers generally continue to be exempted from paying the Medicare levy. The threshold for singles will be increased to $21,655. The family threshold will be increased to $36,541 plus $3,356 for each dependent child or student. For single seniors and pensioners, the threshold will be increased to $34,244. The family threshold for seniors and pensioners will be increased to $47,670 plus $3,356 for each dependent child or student. This measure is estimated to have a cost to revenue of $180.0 million over the forward estimates period.
Expenditure	$180 million cost to revenue
Anglicare comment	*This seems a good measure to maintain the integrity of the low income Medicare levy.*

Initiative	**Department of Human Services — improving service delivery and reducing red tape** The Government will undertake a number of administrative processes to improve Department of Human Services (DHS) service delivery and reduce red tape. The administrative processes include: - piloting opportunities with existing accredited Government service providers to reduce call wait times by increasing Centrelink call centre capacity by 250 full-time equivalent roles; - more efficient information-sharing arrangements with the Australian Taxation Office by requiring welfare claimants to provide their Tax File Number (TFN) when first lodging claims; and - streamlining of referrals for welfare fraud prosecution by allowing information held by DHS to be used in respect to potential criminal proceedings. A total of $5.5 million over five years from 2016-17 will be invested to deliver on improvements to TFN and referrals processes. Funding to support efforts to improve call centre operations is not for publication (nfp) due to commercial-in-confidence sensitivities.
Expenditure	$5.5 million over five years
Anglicare comment	*The expansion of call centres addresses some of the concerns about waiting times raised during the recent "Robodebt" issue. However the increasing complexity that is suggested by the measure on demerit points would require experienced, suitably qualified staff. Outsourcing this function would need to take this into account.*

Initiative	**Extension and expansion of Cashless Debit Card** The Government will extend current cashless debit card trials in Ceduna (South Australia) and the East Kimberley (Western Australia) until 30 June 2018. The Government will also expand to a further two locations from 1 September 2017. This measure extends the 2015-16 Budget measure titled *New Income Management Arrangements — trial and industry consultation*. Further information can be found in the joint press release of 14 March 2017 issued by the Minister for Social Services and the Minister for Human Services.
Expenditure	This measure was marked with as an expense, amount "not for publication"
Anglicare comment	*Current evaluations of the scheme are bringing mixed results, and the cost of providing and administering the card is in excess of the benefits paid through it.*

Initiative	**Energy Assistance Payment** The Government will provide $268.9 million over two years to make a one-off Energy Assistance Payment in 2016-17 of $75 for single recipients and $125 per couple for those eligible for qualifying payments on 20 June 2017 and who are resident in Australia. Qualifying payments include the Age Pension, Disability Support Pension, Parenting Payment Single, the Veterans' Service Pension and the Veterans' Income Support Supplement, Veterans' disability payments, War Widow(er)s Pension, and permanent impairment payments under the *Military Rehabilitation and Compensation Act 2004* (including dependent partners) and the *Safety, Rehabilitation and Compensation Act 1988*.
Expenditure	$268.9 million over two years
Anglicare comment	*This is a one off payment significantly less than the discounted energy supplement, and will not be paid to those on the lowest benefits (NSA and Youth Allowance).*

Initiative	**Extension of Income Management** The Government will provide $145.5 million over three years from 2016-17 to extend Income Management (IM) in all current locations until 30 June 2019. IM was established in the Northern Territory in 2007, and has since been expanded to 13 other locations in New South Wales, Queensland, South Australia, Victoria and Western Australia. Under new arrangements, Financial Counselling, Capability and Resilience Hubs will be renamed Money Support Hubs, and funded for a further two years until 30 June 2019, ensuring continued access to Financial Wellbeing and Capability services in locations where IM and the Cashless Debit Card are operating. This measure extends the 2015-16 Budget measures titled *Income Management — two year extension* and *Financial Counselling, Capability and Resilience Services in Income Management Locations — continuation*.
Savings	$145.5 million over three years
Anglicare comment	*This extends the trial in until June 2019. The renaming of the hubs seems to narrow their focus though this remains to be seen with Government currently reviewing their purpose.*

Initiative	**Family Tax Benefit Part A rate increase — not proceeding** The Government will achieve savings of $1.9 billion over four years from 2017-18 by not increasing the maximum rate of Family Tax Benefit (FTB) Part A, which was announced as part of the 2015-16 MYEFO measure titled *Family Payment Reform — a new families package*. This measure supports efforts by the Government to repair the Budget and fund policy priorities. Further information can be found in the joint press release of 22 March 2017 issued by the Minister for Finance and the Minister for Social Services.
Savings	$1.9 billion over 4 years.
Anglicare comment	*We have struggled to understand the full impact of all the FTB (parts A and B) changes in tonight's Budget on the different family incomes.*

Initiative	**Funding the Jobs for Families Package** The Government will achieve savings of $2 billion over five years by maintaining the current Family Tax Benefit (FTB) payment rates for two years at their current levels from 1 July 2017. Indexation of the FTB payment rates will resume on 1 July 2019. This measure builds on the $6.3 billion in Budget improvements already achieved over the forward estimates through the first Omnibus Savings Bill. Further information can be found in the joint press release of 22 March 2017 issued by the Minister for Finance and the Minister for Social Services.
Savings	$2 billion over five years
Anglicare comment	*We have struggled to understand the full impact of all the FTB (parts A and B) changes in tonight's Budget on the different family incomes.*

Initiative	**Government Response to the Parliamentary Inquiry into the Child Support Program — implementation** The Government will provide $12.4 million over five years from 2016-17 to implement three priority recommendations of the report of the House of Representatives Standing Committee on Social Policy and Legal Affairs, *From conflict to cooperation — Inquiry into the Child Support Program*, including: - extending the time period before determining when to adjust the amount of child care support payable, including Family Tax Benefit and other payments, in interim care determinations; - enabling simpler and more flexible court processes to set aside and modify child support arrangements, in particular Child Support Agreements made before 1 July 1998; and adopting a more equitable approach to collecting child support debts and overpayments, taking into account the best interests of the child
Savings	$12.4 million over 5 years

Initiative	**Liquid Assets Waiting Period — increasing self-reliance** The Government will achieve efficiencies of $138.5 million over four years from 2017-18 by increasing self-reliance for income support recipients who have sufficient assets to support themselves. Under new arrangements, the maximum Liquid Assets Waiting Period will increase from 13 weeks to 26 weeks from 20 September 2018 when a claimant's liquid assets are equal to or exceed $18,000 for singles without dependants or $36,000 for couples and singles with dependants.
Savings	$138.5 million over four years
Anglicare comment	*This is a truly draconian measure – it will force people to bite into any savings before they are eligible for the inadequate Government benefits. Anglicare research with NATSEM showed that people on NSA typically spend 122% of their income meaning that if they are coming onto the benefit with little their situation will soon worsen.*

Initiative	**Better Targeting of Assistance to Support Jobseekers** The Government will refocus Work for the Dole and introduce a new Jobseeker Compliance Framework (the Framework) that strengthens penalties for deliberate non-compliance while providing additional help for genuine job seekers to meet their requirements. The new Framework will include a Personal Responsibility Phase where each failure without a reasonable excuse will result in payment suspension until re-engagement, and accrual of demerit points. Individuals who accrue four demerits in six months will enter a three-strike Intensive Compliance Phase, in which they will face escalating penalties. They will: - lose 50 per cent of their fortnightly payment for their first strike without a reasonable excuse; - lose 100 per cent of their fortnightly payment for their second strike; and - have their payment cancelled for four weeks for their third strike. The new process will simplify the compliance system and provide vulnerable people with support by ensuring appropriate, individualised assessments are undertaken by providers and the Department of Human Services before any financial penalties are incurred for not meeting obligations. These assessments will take into account individual circumstances to ensure that people with genuine issues are not unfairly penalised. This will achieve efficiencies of $632.0 million over five years from 2016-17. The new Compliance Framework will include initiatives aimed at reducing substance misuse among welfare recipients. It will also include initiatives that will encourage claimants to provide information and meet their responsibilities in a timely manner, including the removal of backdating provisions. The relationship status verification process will also be streamlined for new and existing single parent claimants. Expenditure for elements of this measure are not for publication (nfp) due to commercial-in-confidence sensitivities. Efficiencies from this measure will be redirected by the Government to repair the Budget and fund policy priorities.

Savings	$632 million over five years from 2016-17
Anglicare comment	*This measure is highly punitive and unnecessary, and the fact that the Government sees it as ultimately a significant revenue raiser over the next 5 years is deeply concerning. The cancellation payments for people if they attract enough demerit points means they will have to reapply and be subject once again to the waiting periods which already cause severe hardship. This is once again relying on punishing the most vulnerable in our society for circumstances.* *Equally concerning is the detail given on the plan to introduce mandatory random drug testing for new income payment recipients in three unspecified locations – participants who fail a first test will be placed on income management, and failing more than one test will see people referred for medical assessment of their 'substance abuse'.*

Initiative	**Extension of Income Management** The Government will provide $145.5 million over three years from 2016-17 to extend Income Management (IM) in all current locations until 30 June 2019. IM was established in the Northern Territory in 2007, and has since been expanded to 13 other locations in New South Wales, Queensland, South Australia, Victoria and Western Australia. Under new arrangements, Financial Counselling, Capability and Resilience Hubs will be renamed Money Support Hubs, and funded for a further two years until 30 June 2019, ensuring continued access to Financial Wellbeing and Capability services in locations where IM and the Cashless Debit Card are operating. This measure extends the 2015-16 Budget measures titled *Income Management — two year extension* and *Financial Counselling, Capability and Resilience Services in Income Management Locations — continuation*.
Expenditure	$145.5 million over three years from 2016-17
Anglicare comment	*Evaluation of income management, like the cashless debit card, has been inconsistent at best. Such measures should be voluntary, and instead the focus should be on increasing the manifestly inadequate Government income payments and providing essential community services.*

Other Areas

Mental health

The main business of the a health Budget appears to have been in shoring up Medicare and the and the Government's partnership with key health professional bodies such as the AMA , Pharmacists and the Division of General Practice. Many of the Mental Health advocates seem to take the view that the Government will deliver more in mental health next year.

Initiative	**Prioritising Mental Health — improving telehealth for psychological services in regional, rural and remote Australia** The Government will provide $9.1 million over four years from 2017-18 to improve access to psychological services through telehealth in regional, rural and remote Australia. The Government will amend Medicare Benefits Schedule items to allow psychologists to provide video consultations to clients living in eligible regions, improving access and outcomes for people who currently have to travel to access these services. This will mean people living in regional, rural and remote Australia will get the same access to psychologists as those living in major cities.
Expense	$9.1 million over 4 years
Anglicare comment	*Part reinstatement the 'Better Access' psychological services program, delivered online.*

Initiative	**Prioritising Mental Health — Psychosocial Support Services — funding** The Government will provide $80.0 million over four years from 2017-18 for psychosocial support services for people with mental illness who do not qualify for the National Disability Insurance Scheme (NDIS). This funding is contingent on a matching commitment from the States and Territories, which will secure a national approach to maintaining community mental health services outside the NDIS.
Expense	$80 million over 4 years from 2017-18
Anglicare comment	*This measure recognises the problem facing people outside the NDIS who needing psychosocial support. Requiring matching state funding will mean state Governments will need to retake some of that responsibility, or miss out altogether. It is expected to be managed through the Primary Health Networks, which are still a variable proposition.*

Initiative	**Prioritising Mental Health — research** The Government will provide $15.0 million over two years from 2017-18 to support research into mental health, including contributing to the National Centre for Excellence in Youth Mental Health (Orygen) for research infrastructure, and the Black Dog and Thompson Institutes for further work on prevention and early intervention.
Expense	$15 million over two years from 2017-18

Initiative	**Prioritising Mental Health — suicide prevention support programs** The Government will provide $11.1 million over three years from 2017-18 to help prevent suicide at high risk locations and provide additional support, including: - $9.0 million for the States and Territories to fund infrastructure projects aimed at preventing suicide by installing barriers, fencing and lighting; and - $2.1 million for Lifeline to further support its activities in preventing suicide.
Expense	$11.1 million over 3 years from 2017-18

Other initiatives

Initiative	**Social Impact Investing Market — trials** The Government will provide $20.2 million over 10 years from 2017-18 to encourage the development of the Australian market for social impact investments. Social impact investing is an innovative, outcomes-based approach that brings together Governments, service providers, investors and communities to deliver a range of social and environmental outcomes. This measure includes: - $12.2 million over 10 years from 2017-18 to partner with State and Territory Governments to trial social impact investing initiatives; and - $8.0 million over 4 years from 2017-18 to establish a Social Impact Investment Readiness Fund to build capacity in the non-Government and private sector to develop social impact investment proposals.
Expenditure	$20.2 million over 10 years
Anglicare comment	*This is not a lot of money at $2 million per year, but it is a welcome start.*

Initiative	**Stronger Communities Programme — round three** The Government will provide $27.7 million over two years from 2017-18 for round three of the *Stronger Communities Programme*. The *Stronger Communities Programme* provides funding of between $5,000 and $20,000 for small capital projects that deliver social benefits to local communities across Australia.
Expenditure	$27.7 million over two years