

**Question:**

The 2023 Budget included a \$3.6 billion package for cost-of-living relief measures. Can the Australian Government address the extent to which this package is targeted towards people who are currently in receipt of welfare payments vs those who are in employment?

**Response:**

The Australian Government's 2023-24 Budget provides cost-of-living relief that is responsible, affordable and prioritises those most in need.

The targeted relief plan (amounting to \$14.6 billion over 5 years, or \$3.6 billion in 2023-24) will benefit many Australians facing cost-of-living pressures, including but not limited to low-paid workers and their families.

It is a matter for the Expert Panel of the Fair Work Commission that is considering the 2023 Annual Wage Review to determine which measures should be factored into its decision.

Targeted changes to income support payments announced in the 2023-24 Budget will assist vulnerable Australians, especially those who face persistent barriers to work, such as carer responsibilities, age-discrimination or long-term unemployment:

- by expanding the eligibility for Parenting Payment (Single), benefitting around 57,000 single parents;
- by expanding eligibility for the existing higher rate of JobSeeker to recipients aged 55 and above who have been on the payment for 9 or more continuous months, benefitting around 52,000 recipients; and
- by increasing the base rate for eligible working age and student income support payments like JobSeeker, Austudy and Youth Allowance, benefitting around 1.1 million recipients.

The Government has also announced measures in the 2023-24 Budget that will ease cost of living pressures by providing additional income support to low-income households who rent and by providing immediate help with power bills.

- Around 1.1 million households will be better off under the 15 per cent increase to the maximum rates of Commonwealth Rent Assistance.
- More than five million households and one million small businesses will be eligible for Energy Price Relief rebates from 1 July this year. Households eligible for the rebate includes pensioners, Commonwealth Seniors Health Card holders, Family Tax Benefit A and B recipients, and recipients of electricity concessions under existing state and territory schemes.

Subject to meeting eligibility requirements, individuals that will benefit from these measures may be employed, unemployed or not in the labour force.

The Government does not have readily available access to a breakdown of recipients by employment status for the measures listed above. However, data on pension and income support payment recipients with reported earnings from employment can be accessed from the Department of Social Services' database of DSS Benefit and Payment Recipient Demographics.

The 2023-24 Budget also included measures to relieve cost-of-living pressures for vulnerable income support recipients as well as Australians families by reducing out-of-pocket health costs.

- The tripled bulk billing incentive will support GPs to bulk bill around 11.6 million eligible Australians, including 7.9 million Commonwealth concession card holders as well as Australians families with kids under 16.
- The Government will also deliver cheaper medicine by increasing the maximum dispensing quantity, benefitting at least 6 million Australians.