



**mobilise**

# **Response to the Federal Budget 2021-22**

19 May 2021

by Ben Chapman, Policy Analyst at Mobilise

---

**Brought to you by Mobilise**

ACNC registered Charity

For more information please contact: [info@operationmobilise.com](mailto:info@operationmobilise.com)

**Summary**

Upon the release of the 2021-22 Australian Federal Budget, Mobilise was greatly disappointed to see that those that are in deep poverty, unemployed or homeless will not be seeing a cent. The \$7.8 billion tax offset for low and middle income earners will be received by people who already have employment for the next financial year, while those in unpaid positions fall further behind. With a failure to act on housing affordability, supply shortages and a worsening rental crisis, people living at or below the poverty line have effectively been silenced by the budget.

Notable in this year's budget was the shift away from a 'bloke-based' budget towards a more gender-sensitive budget regarding women's employment, domestic violence, and childcare. While it is a step to begin to remedy the imbalances of the past, the 2021-22 budget does not adequately secure women's economic futures, particularly with regard to the superannuation gap – which is significant given that older women are the fastest-growing cohort of people experiencing homelessness.

We were heartened to see investments in mental health, domestic and family violence, efforts to reduce unemployment, and funding for remote communities in the Northern Territory, though we have concerns on whether shallow investments across the board will make any real impact on systemic, societal issues.

## Housing Affordability

With more than 3.2 million Australians currently living below the poverty line, Mobilise sees the 2021-22 budget as a missed opportunity to address housing affordability and invest in social housing.

The recent property boom has subsequently squeezed more people out of the rental market, which will drive an increase in people experiencing homelessness, many of which will be doing so for the first time. There needs to be more done in the way of supporting all renters as well as older Australians, who represent the fastest growing cohort of people without a home.

A recurring trend over previous years highlights the government's desire to focus on enabling banks to loan money to those that are unable to secure a full home loan deposit. While we are supportive of measures that assist people into home ownership, particularly the 'Family Home Guarantee' incentives for single parents, we are greatly concerned these measures fail to address the areas of greatest need - people on low incomes. There are almost 500,000 households on low and very-low incomes that are currently in unaffordable rental housing. Commonwealth Rent Assistance (CRA) was devised to help alleviate this issue, however CRA payments have now fallen behind rental costs. The equation is simple; without affordable and attainable housing, people will continue to experience homelessness.

## Homelessness Sector Funding

The budget has included \$124.7 million for States and Territories to continue to deliver on their responsibilities under the Equal Remuneration Order supplementation for homelessness services, which is reflective of the 2011 Fair Work ruling.

This funding is welcomed, particularly after \$56.7 million in Federal funding was planned to end in June 2021. The continuation of this funding is estimated to keep at least 500 frontline workers in the sector, assisting in finding housing for people experiencing homelessness and supporting them into a variety of services.

Services within the homelessness sector face continued adversity as they deliver programs for those experiencing or at risk of homelessness. It is incredibly difficult to plan for the future when you are at the mercy of short-term federal funding. While an additional two years of funding is a very significant announcement, it restricts organisations from committing to longer-term plans to address the structural issues of homelessness, as funding is not guaranteed.

With JobKeeper and eviction moratoriums ceasing, as well as JobSeeker payments reduced to \$44 a day, services across the sector have been bracing for an uptrend in families and individuals that are in need of vital assistance.

## Domestic and Family Violence

We welcome the investment in measures to prevent and address domestic and family violence, as both forms of violence are key causal factors for women and their children becoming homeless. Due to the complexity of the individual circumstances surrounding domestic and family violence, we see women choosing to stay in a violent household because of a lack of longer-term housing options for themselves and their children; this is simply an unacceptable outcome.

We are hoping this investment reflects a governmental acknowledgment of the ubiquity of domestic and family violence within Australia and this initial small-scale contribution is the first step toward greater future investments around reducing and supporting victims of family violence.

## Young People

The budget has included \$2.3 billion for mental health and suicide prevention measures. A chunk of that will be specifically set aside for young people. Given the nature of the year we had in 2020 (and are continuing to have through 2021), we were encouraged to see a huge commitment to supporting mental health. COVID-19 has forced young Australians to demonstrate added resilience, with the pandemic contributing to isolation and distress given a range of future uncertainties.

Suicide prevention programs, the enhancement and expansion of headspace facilities, extending telehealth, and the rolling out of digital services reflect a step forward in the government's understanding and acknowledgement of the vulnerability and importance of mental wellbeing in young people. Youths in low-income families generally experience a disproportionately greater impact on their mental health, making pathways into meaningful employment much more difficult. Mobilise hopes this investment will see preventative measures start to positively impact the structural and systemic issues that pair mental health and homelessness.

We support the efforts from the government to commit to reducing rates of unemployment across the country. \$481.2 million for the youth Transition to Work Program and \$506.3 million over two years to extend the JobTrainer fund will be invested into increasing the skills of young jobseekers, in a time where long-term youth unemployment is at a 26-year high. Many youths are currently in volatile casual and part-time positions where shifts are often irregular and their income fluctuates, with many forced to live paycheck-to-paycheck.

In a win-win, the continuation of the Equal Remuneration Order supplementation will see greater resources for services to be able to facilitate the entry of at-risk youths or youths experiencing homelessness into these employment programs.

This is theoretically a great outcome from the budget, though it leaves room for conjecture around requirements and eligibility for those that can access the training. We will wait on the government to see if there is an impending announcement regarding an employment plan that addresses how training will be administered, as well as its contribution to mitigating the broader issues of youth unemployment, such as job security, underemployment, and a general lack of available jobs.

We are disappointed the budget has not provided anything in the way of relief for young people trying to rent or attain social housing. Further, the meagre income support allowance in company of the youth allowance rate means that a distressing amount of young people will be attempting to enter the workforce from well below the poverty line.

## First Nations People

We welcome a number of investments toward First Nations People. Particularly encouraging was the acknowledgment of the need to address women's safety, which is reflected in a \$1 billion commitment to improving women's safety and economic participation. Areas of funding include violence against women and children, suicide prevention, mental health support programs, and crisis and support services.

We are big proponents of the planned mental health surveys of children and First Nations people, as well as a personal safety survey to be conducted through the Australian Bureau of Statistics to assess the prevalence of violence against indigenous women and girls.

We do note that health and wellbeing is directly related to the basic needs of stable income, adequate food accessibility and long-term housing. We are concerned that the budget does not do enough to address this on a large enough scale to be truly impactful across the board.

We are encouraged to see remote communities in the Northern Territory will receive a long-awaited boost with the government committing \$185 million for new housing, refurbishments, and infrastructure. \$35.8 million will go towards improving the safety of children and families within communities, as well as measures to address community-based harm as a result of alcohol. While this is a great housing and safety outcome for remote communities in the Northern Territory, we are saddened that funding was not set aside for remote communities in other parts of the country.

A key recommendation from the Inquiry into the Incarceration Rate of Aboriginal and Torres Strait Islander Peoples was for the implementation of a national justice reinvestment body. This is to address the mass-incarceration of the indigenous population, including youths, that is resultant of the continued effects of colonialism and intergenerational trauma. Unfortunately, there was no funding set aside to address mass incarceration of First Nations people.

The alarming reality is that rates of people released from prison into homelessness is considerably higher than rates of people experiencing homelessness in the six months prior to incarceration. Studies also suggest that people released from incarceration are more than twice as likely to return to carceral settings if they are homeless. We perceive this to be a very avoidable cycle that is desperately in need of governmental attention.

## Migrants

The biggest budget saving measure has been implemented at the expense of migrants granted permanent residency from 1 January 2022 onwards. The government asserts that they will save \$671 million by forcing new migrants to wait four years before they are eligible to access government welfare payments. The move aligns previously exempt visa classes with current four-year wait periods to access JobSeeker, youth allowance payments and Austudy.

The most recent census showed that 30% of people experiencing homelessness were born overseas, with the greatest proportion of that likely to be in the form of severely inadequate or overcrowded dwellings. We find it incredulous that the government will assess individuals, couples and families as worthy of being granted residency, yet apparently undeserving of all the entitlements that come with it.

***For further information or enquiries contact [info@operationmobilise.com](mailto:info@operationmobilise.com)***