

Women's Budget Summary

2016/17

The absence of gender responsive budgeting and a women's budget statement continues to conceal the impacts of Budget decisions on women.

Women's Economic Security

Policy Area	Budget Proposals	Gender Analysis
<p>Housing Affordability</p>	<p>No proposed changes to negative gearing or capital gains tax arrangements.</p> <p>The National Partnership Agreement on Homelessness (NPAH) funding continues on until July 2017. No further funding in forward estimates.</p>	<p>If Budget 2016 is about jobs, growth and implementing a <i>national economic plan</i>, then the virtual silence on housing affordability represents yet another missed opportunity to address the ongoing chronic problem of the nation's unaffordable housing. Community expectations are high for action on affordable housing and yet again we're seeing business as usual.</p>

Equality Rights Alliance

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	<p>National Affordable Housing Agreement (NAHA) funding continues on into the forward estimates with 1.4% indexation.</p> <p>The National Partnership Agreement on Remote Indigenous Housing will be replaced with a new Remote Indigenous Housing Strategy over three years.</p> <p>Funding for AHURI and housing and homelessness research ceases from 1 July 2017.</p> <p>There is also a proposed compulsory rent deduction scheme for public and community housing tenants, which is subject to State and Territory negotiations and therefore funding is not yet attached.</p>	<p>In relation to the tax treatment of housing, Grattan Institute analysis of ATO data on negative gearing shows that male-dominated occupations get the highest tax benefit from negative gearing. Occupations include Surgeons (84% male), Anaesthetists, Mining Engineers (less than 15% of overall mining workforce) and Finance Managers.</p> <p>There remains a real lack of clarity around the relationship of NPAH to the National Plan to Reduce Violence against Women and their Children and previous announcements to prioritise women's services within the Agreement. We need to better understand how much of NPAH funding goes to family, domestic and sexual violence and women's specialist services. Women make up 64% of unassisted requests for service in specialist homelessness services.</p> <p>The fact that NPAH funding comes to an end on 1 July 2017 is an ongoing issue of short-term funding</p>
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		<p>cycles is a concern and continues to make it impossible for the sector to plan beyond the next year.</p> <p>Women are the majority of public and community housing tenants and will be disproportionately impacted by the proposed rent deduction scheme. These gendered dimensions must be incorporated into any assessment of this proposal.</p> <p>ERA advocated for NAHA to incorporate funding provisions to States and Territories based on improvements to universal design through the Silver Design Standard. There are no proposals in the Budget to improve the universality or accessibility of housing design. Furthermore, the proposed cut of \$62.1 over 5 years from the Disability Support Pension through the additional review of DSP recipients will have serious housing implications.</p>
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		<p>Women continue to face the biggest housing challenges in our community. Inaction on the housing crisis has huge implications for women's economic security, safety and workforce participation.</p>
<p>Superannuation</p>	<p>There are four key superannuation reforms:</p> <ol style="list-style-type: none"> 1. Low Income Superannuation Tax Offset (LISTO) to reduce any tax paid by the fund by up to \$500 as long as a concessional contribution has been made during the year. 2. The concessional contributions cap has been reduced to \$25 000 from \$30 000 for under-50s. 3. Non-concessional contributions are being completely restructured with a new lifetime cap of \$500 000. 	<p>The reforms to superannuation put us on a path to a fairer system. The combination of scaling back the tax concessions available to people with super balances and/or capacity to make substantial contributions to super and the restoration of a tax offset for low income earners is good news for women.</p> <p>1) The Low Income Superannuation Contribution (LISC) was due to expire in June 2017. This would have impacted 1 in 2 working women. This will now be replaced with the similar LISTO.</p>

	<p>4. The income threshold for the 30% tax rate on superannuation contributions has been lowered to \$250 000 from \$300 000.</p>	<p>2) People with broken work patterns and under \$500 000 in super can utilise 'catch-up super contributions' allowing concessional contribution to be rolled over. This will particularly benefit women.</p> <p>The government has estimated a net increase of \$2.9bn after redistributing \$3bn to low income earners. ERA has advocated for savings from super reform to go to affordable housing provision, however, this will not be the case.</p> <p>Further information on superannuation will be available in the forthcoming National Foundation for Australian Women Budget Gender Lens. You can also read more of Associate Professor Helen Hodgson's analysis here.</p>
<p>Tax Cuts</p>	<p>A move on bracket creep will increase the upper limit for the middle income tax bracket that pays 37 cents in the dollar from \$80 000 to \$87 000 per year.</p>	<p>The Treasurer's Media Release states:</p> <p><i>The Government will prevent average full time wage earners moving into the second top tax bracket until 2019-20 by increasing the middle tax bracket threshold from \$80,000 to \$87,000 from 1 July 2016.</i></p>

		<p><i>This will stop around 500,000 taxpayers facing the 37 per cent marginal tax rate this coming financial year.</i></p> <p>Looking at ATO data, we estimate that women make up approximately 38% of the 500 000 who will no longer face the 37% tax.</p> <p>The tax cut will benefit everyone earning over \$80 000, with tax ranging from \$4.32 to \$120. There are approximately 705 013 women earning over \$80 000, compared with 1 782 119 men. Women make up 28% of those who will benefit from the tax cuts.</p> <p>The distribution of these tax cuts speaks to the need for gender analysis in the Budget.</p>
<p>Paid Parental Leave, Childcare &</p>	<p>The Budget papers are silent on the last year's "double dipping" savings measures. The forward estimates are slightly higher than the FE for the previous Budget, but not</p>	<p>Funding for PPL still reflects savings from the proposed "double dipping" changes. The families package has been deferred, meaning no</p>

<p>Family Tax Benefits</p>	<p>high enough to cover the projected savings of \$967.7m over the FE from last year's Budget.</p> <p>Last year's Families Package, which bundled together cuts from FTB A supplements and FTB payments to fund the child care, including subsidies. The \$1.1 billion child care package is deferred for another year pending 'legislative change.'</p>	<p>substantive changes to child care or family tax benefits.</p> <p>With the recent release of A Husband is not a Retirement Plan, there was a level of expectation around a superannuation guarantee on the Commonwealth Paid Parental Leave Scheme which didn't eventuate.</p> <p>Further analysis of these areas is available in the National Foundation for Australian Women's gender lens analysis, due from the 10th of May.</p>
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Women's Safety

Policy Area	Budget Proposals	Gender Analysis
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<p>Violence Against Women</p>	<p>“\$100 million over three years” for Domestic and Family Violence – New Initiatives to Break the Cycle of Violence:</p> <p>This should, more accurately be expressed as a commitment of \$33m (mostly) new money in 2016-17 to implement the Third Action Plan under the National Plan. The \$33 million per year in the following two years is actually only \$23.3m per year, as \$10m p.a. for two years is being cut out of Office for Women’s work on violence¹. Another \$12.2M in 2019-20 period.</p> <p>The initiatives will draw on recommendations of the Third Action Plan 2016-19 under the <i>National Plan to Reduce Violence Against Women and their Children 2010-2022</i>.</p> <p>No reinstatement of funding for Community Legal Centres, which will lose 30% of their funding from 1 July 2017.</p>	<p>Social Services has stated this first \$33.3 Mill is new funding. While DSS have told us that the “\$100million over three years” does not include any of the \$30m allocated for the COAG funded awareness campaign² that recently commenced it is also possible that the money announced may include other funding that we already know about, or which appears elsewhere.</p> <p>Ongoing confusion about how the Budget articulates domestic, family and sexual violence funding persists. The identification of family, domestic and sexual violence specific funding across program and policy areas (such as the National Partnership Agreement on Homelessness, as previously mentioned) would help address this confusion. The investment falls well-short of the funding needed. The Victorian Government recently recognised the scale and urgency of family violence as a problem and</p>
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¹ See Social Services Portfolio Budget Statement (PBS) Table 1.2: Department of Social Services 201617 Budget measures Part 1: Measures announced since the 201516 Mid-Year Economic and Fiscal Outlook (MYEFO) pg 21.

² Funding for the national attitude change campaign is in the Social Services Portfolio Budget Statement (PBS) under 2.1 – Special Accounts – Other services – Services for Other Entities and Trust Moneys on Page 61.

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		<p>responded accordingly. Fair Agenda has estimated that \$4 billion over two years is required to match the Victorian response.</p> <p>The sector is awaiting clarity regarding how the Break the Cycle money will actually be spent as the Third Action Plan hasn't been developed.</p> <p>Baseline funding for National Plan initiatives (such as 1800 RESPECT) is captured in the Social Services portfolio statement under "National Initiatives". This line of funding also includes non-National Plan measures.</p> <p>Funding for the COAG funded-section of the prevention campaign is captured under line "Services for Other Entities and Trust Moneys" with forward estimates over 4 years.</p> <p>Further analysis is available from AWAVA. See NACLC for further information regarding the Community Legal Sector funding shortfall.</p>
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