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WELFARE INCREASES A STEP TOWARDS STEMMING WIDENING INEQUALITY GAP

- **Actuaries Institute welcomes increased JobSeeker, Rent Assistance and Parenting payments as measures to help reduce Australia's widening inequality gap**
- **Managing transition risk in decarbonisation gives much needed policy certainty**

The Federal Government's 2023-24 Budget delivered tonight by Treasurer Jim Chalmers strikes a balance between the need to provide well targeted cost-of-living relief for the most vulnerable with fiscal restraint to contain inflationary pressures.

Actuaries Institute President, Naomi Edwards, said: "This is a budget that provides extra support and delivers greater relief for those most in need, seeks to fund it responsibly, while not exacerbating inflationary pressures."

The Institute welcomes the centrepiece announcement of an across-the-board increase to the base rate of JobSeeker, as well as an extension of the higher base rate to people aged over 55. As highlighted in the Institute's recent Green Paper, [Not a level playing field](#), income inequality is a significant issue in Australia and likely to worsen without any policy intervention.

Chief Executive, Elayne Grace, said: "The changes to JobSeeker are an important first step to stemming the growing inequality gap in Australia, which is at its highest point since the 1950s. As our Green Paper showed, big gaps in inequality have translated into poorer social outcomes for low-income households.

"We encourage the Government to build on the suite of welfare reforms announced tonight with further policy changes to the tax and transfer system, Age Pension means test and superannuation to address equity issues. Continued investment in improved data collection, linkage and modelling to support effective targeted government assistance would also be welcomed."

The Institute also supports the 15% increase in Commonwealth Rent Assistance for all ages given the outlook for continued widespread housing stress, the extra financial support for single parents, and other measures that aim to improve education, skills, health and housing outcomes for Aboriginal and Torres Strait Islander people.

Ms Edwards said: "It has been a longstanding Institute policy to support increasing the rate of Commonwealth Rent Assistance or any alternative approaches that aim to improve outcomes for renters, and acknowledge the importance of housing in retirement. The increase will also help address the widening inequality gap among some of the most income poor in our society.

The Institute supports the Government's emphasis on managing the significant transition risks in the move to decarbonise the economy. The implementation of corporate climate disclosure requirements and developing comprehensive Sustainable Finance Strategy are both positive steps needed to address the movement towards Australia's new energy transition and build on measures the government has already taken on climate action.

The Institute also supports the Government's \$200 million investment to help communities strengthen their resilience and preparedness in the face of more frequent and severe natural disasters.

Ms Grace said: "Clean energy measures, sustainable finance and disaster resilience and adaptation are all needed to manage the energy transition and impact of climate change. While more still needs to be done to strengthen resilience to the changing climate and the effects of increased natural hazards, we welcome the growing policy certainty in this space."



On superannuation, the Institute reiterates its support for better targeted superannuation concessions that make the retirement income system more equitable and sustainable.

"In the context of an overall super system of over \$3 trillion that is growing strongly and an ageing population, it is appropriate to continue discussing sustainable settings for the superannuation and retirement income systems," Ms Grace said.

Actuaries Institute CEO Elayne Grace and other experts on inequality/social welfare, climate and superannuation/retirement incomes are available for interview.

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Actuaries use data for good by harnessing the evidence to navigate into the future and make a positive impact. They think deeply about the issue at hand, whether it's advising on commercial strategy, influencing policy, or designing new products. Actuaries are adept at balancing interests of stakeholders, clients, and communities. They're called upon to give insight on complex problems, they'll look at the full picture. Actuaries analyse the data and model scenarios to form robust and outcome-centred advice.