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Waiting out the Pandemic?

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CONTENT OVERVIEW

LIST OF ABBREVIATIONS

AAT ---Administrative Appeals Tribunal

ABS --- Australian Bureau of Statistics

ATO ---Australian Taxation Office

AUD---Australian Dollar

GDP -- Gross Domestic Product

CPI --- Consumer Price Index

MPISOC --Max Planck Institute for Social Law and Social Policy

MYEFO --- Mid-Year Economic and Fiscal Outlook

NDIS --- National Disability Insurance Scheme

NSW --- New South Wales

pf---per fortnight

RBA -- Reserve Bank of Australia

Sch ---Schedule

1. THE CURRENT ECONOMIC, POLITICAL AND SOCIAL SITUATION

1.1. Overview

The 2021 calendar year continued to be dominated by the need for special social protection measures and fiscal stimulus to address the ongoing impact of the COVID-19 pandemic, while the national government also kept its eye on the expected close contest for the Federal Election due to be held not later than May 2022.

To that end, the May 2021 Budget not only maintained strong fiscal stimulus measures but also invested extensively in women's safety, mental health and aged care to counter a perceived neglect of women and social issues in the previous Budget. The December 2021 mid-point of fiscal year Budget update (MYEFO) also revealed nearly AUD$16 billion of yet to be announced new expenditure, only half of which is anticipated to be for vaccine purchases, with the rest likely to be pre-Election sweeteners (MYEFO 2021: 174).

Social protection initiatives were few during the year in review, other than welcome boosts in real terms to funding of mental health and aged care, and meeting forecast increased costs associated with the National Disability Insurance Scheme (NDIS). Although the final quarter economic performance is unknown at the time of writing, the nation appears to have avoided more than a single quarter of recession during calendar 2021. However, the future may prove less rosy than the very optimistic official projections for economic growth, low unemployment and a return to wages growth.

Treasury's own risk model of less optimistic projections in face of renewed COVID-19 impacts or international headwinds is for GDP growth to be 1 per cent lower and unemployment 1 percentage point higher than its preferred assumptions (MYEFO 2021: 29). Employment income has also fallen short of matching the rise in the cost of living for much of the last decade, falling behind by 2.3 percentage points in 2020-21 and another half a point in 2021-22, with at best a 0.25 per cent rise forecast in 2022-23. Consequently, living standards have plateaued.

1.2. Statistical Measures

Economic conditions in Australia continued to be under the thrall of COVID-19 lockdowns, especially in the two larger states of Victoria and New South Wales (NSW). Indeed the cumulative 262 days of lockdown over six periods in the second largest state of Victoria was the longest in the world, surpassing Buenos Aires.

1.2.1. Monetary Policy

The Reserve Bank of Australia (RBA) kept the official interest rate at the 0.1 per cent set in November 2020 and committed to maintaining stimulus through quantitative easing (buying up bonds) throughout the year and into at least the first two months of 2022. From the third quarter of calendar 2021 the RBA moved from a large fixed target to a flexible bond target of 100 billion and then 4-5 billion a week from November (Wright 2021). By spending twice as much on bond purchases as the value of bonds on issue, quantitative easing essentially funded all of the increased government outlays on provision of COVID-19 support.

1.2.2. National Accounts

The national accounts remained heavily in deficit, although at lower levels than anticipated. This was due to higher prices for mineral exports and a rise in consumer spending boosted by factors such as inability to travel overseas because national borders remained closed. The December 2021 mid-year economic review predicted a deficit of AUD$99.2 billion (or 4.5% GDP) for fiscal 2021-22 accounts, $7.5 billion lower than the $106.6 billion anticipated in the May Budget (Budget 2021-22: 7; MYEFO 2021: 2, 43, 47). Deficits forecast over the following three years are for $98.9 billion, $84.5 billion and $57.5 billion – almost identical to the end-point projected in the May Budget (MYEFO 2021: 2). Net debt is now expected to peak in June 2025 at 37.4 per cent of GDP (MYEFO 2021: 65).

1.2.3. Economic Growth

Economic growth was impacted by extended COVID-19 lockdowns in the major states of NSW and Victoria, but a technical recession of two quarters of negative growth did not eventuate as anticipated in the June quarter (instead reporting a seasonally adjusted positive 0.7 percent), though a downturn of 1.9 per cent did occur in the September quarter (ABS 2021a). While this was the third largest GDP fall on record, it would have been 0.7 points greater without the special government support payments.

The recessionary September quarter preceded an expected return to post-lockdown growth over the balance of calendar 2021, based on indicators such as high consumer confidence and a rapid rise in the household saving ratio (up from 11.8% to 19.8% over the previous two quarters). Economic growth for 2021-22 is projected by MYEFO to run at 3.75 per cent and then 3.5 per cent in 2022-23 (MYEFO 2021: 2, 15, 25), followed by 2.5 per cent and 2.25 per cent in the following two fiscal years. Demonstrating the unpredictability of COVID-19 impacts on economic performance, however, the 2021-22 growth was one full point lower that the 4.75 per cent anticipated in the 2020 Budget or the 4.5 per cent forecast in October 2020 (Budget 2020-21: p 1-8; MYEFO 2020: 1, 12, 19).

1.2.4. Unemployment

Seasonally adjusted unemployment in October 2021 stood at 5.2 per cent (ABS 2021e) after peaking at 7 per cent at the same time in the previous year (ABS 2020c), returning to a level close to the pre-pandemic 5.3 per cent of October 2019 (ABS 2019b). Despite further lockdowns in the major states of NSW and Victoria, official unemployment had initially declined over the course of the calendar year, mainly because the internationally agreed measure is ill-suited to tracking real employment trends during a pandemic and associated lockdowns.

Employees losing most or all of their hours do not qualify as 'unemployed' and the headline figures do not account for those temporarily no longer seeking work due to its unavailability or having a job to return to after COVID-19 stand downs (depressing the participation rate). Nor do they reflect the rise in under-employment. For example, the monthly unemployment rate for August 2021 declined 0.1 percentage points (to 4.5%) compared to the previous month (a 13-year low). This concealed the 0.8 point decline from the previous month in the participation rate (down from 66% to 65.2%), the loss of 66 million in hours worked, and a rise from 8.3 to 9.3 per cent in the rate of under-employment (ABS 2021d; Wade & Wright 2021).

The mid-year economic review anticipates unemployment to fall to 4.5 per cent by the June quarter 2022 and to 4.25 per cent by June 2023 (MYEFO 2021: 15-16, 36). But as is common during a recession, the stock of long-term unemployed increased significantly due to COVID-19, with 887,000 (80%) on income support for more than 12 months and 547,000 (49%) for more than two years. Compared to the 1991 recession, the long-term unemployed have almost doubled, from 4 to 7 per cent of the labour force (Davidson 2021: 5, 20). The seasonally adjusted participation rate in October 2021 was 64.7 per cent (ABS 2021e), a point lower than in the previous year.

Under-employment in October was 9.5 per cent, compared to 10.4 per cent the previous year (ABS 2020c). The participation rate is forecast to improve but hover around or fractionally above 66 per cent over the next four years (MYEFO 2021: 28, 36). Employment growth is forecast in the 2021 MYEFO to be just 1 per cent in 2021-22 and 2 per cent in the following year.

1.2.5. Inflation and Wage Growth

Inflation measured by the consumer price index came in as 3.0 per cent for the period September 2020 to September 2021, 0.8 points of that in the final quarter (ABS 2021c). This is 2.3 percentage points higher over the 12 months than the 0.7 per cent for the equivalent period in 2019-2020 (ABS 2020b). The December 2021 mid-year forecast for inflation is for 2.75 per cent in 2021-22, dropping to 2.5 percent in the remaining three years of Treasury forecasts (MYEFO 2021: 2, 23, 38).

Over comparative May to May periods, wage growth measured by full-time adult average weekly total earnings rose by just 1.6 per cent for 2020-2021 (ABS 2021b) against 4.8 per cent for 2019-2020 before the pandemic hit and 2.7 in the year prior to that. Earnings rose by just 0.1 per cent for 2020-2021 on the all earnings measure, compared to 5.4 per cent in 2019-2020 (ABS 2019a; 2020a).

The December MYEFO forecasts a wage price index growth of 2.25 per cent in 2021-22 (still half a point lower than the forecast in inflation) but anticipates 2.75 per cent for the following year, based on questionably optimistic assumptions about economic fundamentals (MYEFO 2021: 2, 37).

2. POLICY AND PROGRAM CHANGES

Due to the ongoing impact of the COVID-19 pandemic, most initiatives during the year in review continued to be directed at stimulus and temporary boosts to social protection.

2.1. COVID-19 Pandemic Economic Responses

Over the first year of the COVID-19 pandemic in 2020, two quite generous measures had protected those who were stood down from work due to COVID-19 (the JobKeeper wage subsidy of $1,500pf) as well as those already unemployed (the COVID Supplement of an additional $550pf: Carney 2021a).

2.1.1. Initial Phasing out of Income Support in Early 2021

During an Indian summer of negligible infections over the first half of 2021, these payments were rapidly scaled back before ceasing in March 2021 (Carney 2021c). In April 2021, the base rate of the unemployment payment (Jobseeker) was raised by a modest $50 pf and the 'free of income test' amount of earnings which do not affect the rate was increased from its pre-COVID $106 pf to $150 pf (half the $300 pf paid during temporary COVID measures in 2020): *Social Services Legislation Amendment (Strengthening Income Support) Act 2021* (Cth).

In mid-June 2021, in the depth of winter, this lack of support was exposed by rising number of infections from the Delta and Alpha variants of COVID-19 and consequential extended further lockdowns of over 100 and 150 days in the two most populous States of Victoria and NSW. This forced the reintroduction of support schemes, but they were redesigned due to actual or perceived flaws in the 2020 measures. The rushed JobKeeper wage subsidies to employers for retaining stood-down workers unforgivably had failed to include any legal basis for recovering monies from businesses not experiencing the forecast level of decline in turnover (or even enjoying windfall increased profitability). Treasury analysis found that AUD$27 billion was expended on businesses not experiencing their anticipated downturn, while arguing that JobKeeper nevertheless served its broader purpose of preserving jobs, retaining business viability and providing economic stimulus (Treasury 2021). Other analysis suggests that JobKeeper underperformed even in ensuring labour force re-connection for temporary workers, with only 100,000 (one in three of those stood down) reconnecting in the initial post-COVID economic recovery in 2020 (Borland & Hunt 2021: 23, 28). The COVID Supplement for its part was initially judged unnecessary and then as overgenerous.

2.1.2. The 2021 New Income Support Measures

The principal income support measure during stay at home lockdowns in 2021 was a hurriedly designed 'COVID Disaster payment' paid directly to stood-down workers rather than their employers. Initially announced at $500 a week for those usually working at least 20 hours a week, it was almost immediately lifted to $600 (on 13 July 2021) and then $750 (on 28 July). The rate for those working under 20 hours was $325 per week, then $375 (mid-July) and ultimately $450. The payment was not Australia-wide, applying only to those living or working in geographic 'hotspots' as declared by the national government, for lockdowns of more than 7 days, and only to adult permanent residents or visa holders with rights to employment. JobKeeper's policy objective of maintaining worker-business connections shifted to a new scheme called JobSaver – a jointly-funded initiative of the federal and state governments.

People already unemployed prior to lockdowns in 2020 had received the COVID Supplement that nearly doubled their social security income. To partially replicate that now ended support for those losing the ability to top up social security from casual employment income due to stand downs, from late July 2021 recipients losing at least eight hours of casual work a week received an additional payment of $200 a week. As with COVID Disaster payments, this was subject to meeting the geographic hotspot and other conditions of that payment. Loss of fewer hours of employment, or loss of work outside declared hotspots, did not qualify for any additional payment.

2.1.3. The 2021 Phasing out of Income Support

Towards the end of 2021 these payments were phased out, as had been the case with the predecessor payments in late 2020 when the pandemic had then appeared to be easing (Carney 2021a). In 2021 the trigger for phasing out was the rate of vaccination of the adult population over age 16.

The COVID Disaster payment was altered to require weekly reapplication once a State or Territory reached 70 per cent vaccination of the population over age 16. On reaching 80 per cent vaccination the payments tapered away over a two-week period. For those normally employed for 20 hours or more, the payment dropped from $750 to $450 in the first week and then $350 in the second week (the unemployment payment rate). For those losing 8 or more hours of casual work, the $200 supplement to social security dropped to $100 in week 1 and stopped entirely in week 2 following reaching the vaccination trigger target of 80 per cent (Martin 2021b), with no future disaster payments or social security top-ups even in the event of subsequent lockdowns (further, Carney 2022 forthcoming). Due to differential rates of vaccination, the 80 per cent targets were reached in mid-October in NSW; mid-November in Victoria; and mid-December in Queensland.

Some State and Territory governments also maintained or reintroduced some of the 2020 temporary protections against rental evictions, rent increases and rent variations, with

Victoria, Western Australia and Tasmania rated as strongest, but their actual protective effect remains hard to assess (Martin 2021a; Carney 2022 forthcoming).

2.2. Report of the Royal Commission Inquiry Into Aged Care

Aged care is a national rather than a state or territory responsibility. Currently around one fifth of all national government expenditure is directed to the health, welfare and income support of the aged, of which 16 per cent is for residential care or support to remain at home (Australia 2021a: 11). The prevailing 1997 model of residential care established rather basic levels of funding for a 'market' of aged care providers, with 'efficiency dividends' reducing the adjusted real value of that funding by about a quarter in the ensuing decades from 1997. As the Royal Commission found in its interim report, widespread neglect and inadequacy of care ensued (Australia 2020), as previously summarised (Carney 2021a: part 2.3.).

The Final Report of the Aged Care Quality and Safety Royal Commission made the anticipated scathing assessment of those current arrangements. But the two remaining commissioners (following the death of Commissioner Tracey) were split on some key reform issues, essentially between renovating existing governance and oversight machinery (a 'government leadership model') and the more radical alternative of establishing an external 'Independent Commission' model (Australia 2021a: Vol 1, pp 2, 84-91). Reconceptualising aged care as a universal entitlement (not, as previously, a parsimonious protection for the more impoverished) and significantly increased funding though a tax surcharge or levy to meet costs set or recommended by an independent pricing authority were however two areas of common ground in the Report (Australia 2021a: 149-160; 164-168).

The May 2021 Budget announced additional investment of AUD$17.7 billion spread over five years (Budget 2021-22: 2, 21). The lion's share of that funding ($14.3 billion) is allocated to two measures: AUD$6.5 billion over two years to add an additional 80,000 home care packages; and $7.8 billion on a new funding model paying $10 more per resident per day for residential care, with a new expectation of 200 minutes of care per resident per day (Budget 2021-22: 21). However the much criticised 'cap' on the number and value of home care packages, consistent with the 1997 government favouring of fiscal rectitude and restrain over meeting health and care needs (Australia 2021a: 1, 8, 13), still remains in place; so demand for home care will continue to outstrip supply. The grossly underfunded and consequently understaffed (in numbers and levels of expertise) residential aged care sector thus continues to remain seriously underfunded despite the findings of the Royal Commission (Australia 2021a: 8-9).

Legislation was enacted to support three high priority recommendations of the Commission, including strengthening controls over the excessive use of physical or chemical restraints and other restrictive practices (bringing it into line with those for disability under the NDIS), expansion of the powers of the Aged Care Quality and Safety Commissioner, and an ability for the head of the responsible Department to order efficiency and effectiveness reviews of home care (see part 5.1. below).

However promised new 'governance structures' and a new overarching Aged Care Act honouring the recommendations of the Royal Commission remain to be designed (Budget 2021-22: 22).

2.3. Child Care Subsidies

Child care affordability is one of the greatest areas of political contestation around social protection in the lead up to the 2022 national election. The Opposition Labor Party has detailed an ambitious plan to remove the $10,560 'cap' on child care subsidies (currently causing some women to lose money when increasing days worked) and to lift the maximum subsidy to 90 per cent of costs (boosting subsidies for all families earning less than $530,00 a year, at which point the subsidy tapers away) (ALP 2021).

The Government sought to counter the appeal of this policy in the May 2021 Budget with a modest commitment of AUD$1.7 billion over five years for 'more affordable childcare for growing families' (Budget 2021-22: 12). The announcement involved increasing the child care subsidy for families with two or more children under six years of age (ibid 17). The legislation giving effect to this promise removed the cap on the annual *amount* payable to families and boosted subsidies for the second or further children under six by 30 per cent (capped at a 95 per cent subsidy overall). The rate for the first child continues to be based on family combined income.

In October 2021 the date of effect of the increased rate of subsidy for a second or later child was advanced from the originally announced date of July 2022 to instead begin in March 2022 (see part 5.1.).

2.4. Other Measures

Few other measures in 2021 proved to be significant in policy terms (for details of all changes implemented see part 5.1. below).

Fiscal stimulus maintained during calendar 2021 included the May 2021 Budget decision to continue for another 12 months the 'income tax offset' from the previous year (delivering an estimated AUD$7.8 billion to around 10 million low to middle income taxpayers: Budget 2021-22: 13) and continuation of the 2020 temporary 'full expensing' and 'loss carry-back' tax dispensations for businesses with less than 5 billion turnover, projected to deliver $20.7 billion to business over the four year forward estimates (Budget 2021-22: 14). Among other measures, targeted support was continued for industries such as aviation and tourism (adding $1.2 billion to the 2.7 billion in the previous year) and $15 billion was added to an existing 10 year $110 billion pipeline of major infrastructure investment (Budget 2021-22: 14, 18).

The false and unlawful social security debt saga known as robo-debt ultimately cost government around AUD$1.8 billion in repayments to approximately 400,000 victims of the scheme following the November 2020 class action settlement, posing important questions about public administration and denuding of policy expertise in the public service (Podger 2021; Whiteford 2021). In late December the government settled, for $2 million plus costs, another class action brought on behalf of 10 indigenous communities in remote areas who were subjected to a harsher 'work for the dole' program from 2015 (Community Development Program) challenged as racially discriminatory (Henriques-Gomes 2021). The settlement had been anticipated in the May Budget announcement of a redesign of the program, and later passage of legislation providing for co-design with indigenous communities and a participation payment for volunteers assisting in that design process (Part 5.1. below).

Plans to have independent assessors determine eligibility for the National Disability Insurance Scheme, based on scores from newly developed impairment tables, and then have those scores generate one of 400 presumptive personal budgets, in place of caseworker individualised assessments of both eligibility and budgets, were abandoned by Government in the middle of 2021. This followed widespread opposition from the disability sector at perceived 'robo-planning' (Barbaschow 2021; Carney 2021d; Dickinson & Yates et al. 2021).

The Disability Royal Commission has continued to release important research reports and other interim pronouncements as it moves towards its extended final reporting date of September 2023 (Australia 2021b).

3. MAJOR POLICY CHANGES IN PROSPECT

No policy changes of any real significance are in prospect, given little appetite for reform pending an expected tight national election in 2022.

4. CONCLUSION

Calendar year 2021 continued to be dominated by responses to the COVID-19 pandemic. The direct investment in social protection and the indirect stimulus from monetary easing and fiscal stimulus effectively cushioned those at risk of poverty or hardship during lockdowns, leaving an economic legacy of domestic savings and general economic liquidity auguring well for quick post-pandemic economic recovery. But it missed the opportunity to bake in the anti-poverty gains obtained prior to ending boosted social protection once lockdowns were lifted (Carney 2022 forthcoming).

The short-lived hopes back in 2016 for a possible policy reset around admittedly controversial ideas of the 'investment' welfare state, built around evidence-based early and substantial support to reduce risks of lifetime vulnerability and future reliance on welfare (Carney 2017), have continued to dwindle, vindicating concerns that fiscal cost-cutting would debase the policy. As evidenced by programs such as the previously discussed cashless welfare card, or ParentsNext for young single parents (Carney 2021a: part [2.5]), data analytics have instead compounded surveillance and sanctioning of more vulnerable segments of Australian social security recipients (Carney 2021b; Staines & Moore et al. 2021), shifting compliance burdens to the vulnerable (Bielefeld 2021a; Bielefeld 2021b).

The year in review thus appears to be one where social policy initiatives have been placed on hold as the country waits for the COVID-19 pandemic to pass.

5. THE LEGISLATIVE FRAMEWORK

No change has been made in the basic architecture of the legislation governing social security payments (for details of all payments, see: Carney 2013). The legislation continues to be administered by the Agency now called Services Australia, operating through another statutory agency called Centrelink.

Decisions made by officers of Centrelink are reviewable on their merits, with two levels of merits review. The first tier (since July 2015 the Social Services and Child Support Division of the Administrative Appeals Tribunal) now schedules single member rather than panel hearings for the vast majority of appeals (98% in 2017: Carney & Bigby 2018), with a further level of merits review to the General Division of the Administrative Appeals Tribunal (further, Pearce 2015).

Social security law is currently found in five enactments, each of which is frequently amended:

- *Social Security Act* 1991 (Cth)
- *Social Security (Administration) Act* 1999 (Cth)
- *Social Security (International Agreements) Act* 1999 (Cth)
- *Family Assistance Act* 1999 (Cth)
- *Family Assistance (Administration) Act* 1999 (Cth)

5.1. Recent Amending Acts

- *Aged Care Legislation Amendment (Improved Home Care Payment Administration No. 2) Act 2021* (Act No 2 of 2021)

  This Act tightened arrangements for payment of subsidies to providers of home care of the aged, replacing previous monthly 'after the event' reporting of global information regarding available funds, how monies were spent and the unspent surplus. The new requirements cover information about the *actual* cost of home care services delivered to each recipient each month as the basis for calculation of the subsidy payable (with any unused surplus held by government for future drawdown).

- *Aged Care Legislation Amendment (Serious Incident Response Scheme and Other Measures) Act 2021* (Act No 9 of 2021)

  This Act introduced a serious incident response regime for instances of abuse or neglect in residential aged care, similar to that already in place for disability services under the 2013 National Disability Insurance Scheme, as recommended in 2017 by the Australian Law Reform Commission and other inquiries. Providers are required to manage incidents, take reasonable steps to prevent future instances, and report all serious incidents to the Aged Care Quality and Safety Commission. The legislation removes the previous exemption where the source of the abuse was another aged care resident with a cognitive impairment. Protections for people reporting incidents are also strengthened and the powers of the Commission expanded, including through a graduated range of regulatory and compliance powers.

- *Social Services Legislation Amendment (Strengthening Income Support) Act 2021* (Act No 23 of 2021)

  This Act increased working age social security payments by $50 per fortnight and increased the income-free area for jobseeker payment, youth allowance (other), parenting payment partnered and related payments to $150 per fortnight. It also extended to mid-2021 dispensations allowing qualification for unemployment payments when in quarantine or caring for someone in isolation for COVID-19, along with the waiver of the ordinary 7 day waiting period and eased portability rules for those unable to return to or leave Australia due to COVID-19.

- *Fair Work Amendment (Supporting Australia's Jobs and Economic Recovery) Act 2021* (Act No 25 of 2021)

  This Act, the product of sector-wide collaboration, made a series of comparatively uncontroversial changes to workplace laws. The changes include provision of a statutory 'pathway' for casual employees to elect to convert to permanent employment; extension of two temporary JobKeeper dispensations to other industries similarly impacted; eased the ability for employers to offer part-time work or additional hours; streamlined approval for enterprise agreements; extended 'greenfields' enterprise agreements for major projects so they cover its full life; and strengthened powers to deal with wage theft or underpayment.

- *Family Assistance Legislation Amendment (Early Childhood Education and Care Coronavirus Response and Other Measures) Act 2021* (Act No 26 of 2021)

This Act cushioned impacts of COVID on childcare and early childhood education in a number of ways. It expanded the grounds for making business continuity payments to providers (Sch 1 Part 1); ameliorated debt liabilities for families due to deadlines for lodging annual tax returns, by allowing later retrospective reconciliation of actual and estimated income (Part 7 of Sch 1); and provided a relief package for childhood education (Part 6 of Sch 1).

- *Social Services and Other Legislation Amendment (Student Assistance and Other Measures) Act 2021* (Act No 46 of 2021)

  This Act made mainly technical amendments to rules about obtaining and use of Tax File Number information as it relates to ABSTUDY and Isolated Children schemes.

- *Social Services Legislation Amendment (Portability Extensions) Act 2021* (Act No 53 of 2021)

  This Act in recognition of COVID-19 border closures and travel restrictions conferred a permanent discretion to allow extended portability periods for pensioners temporarily absent from Australia and unable to return within the expected 26 weeks due to serious illness, death of a family member, natural disaster or public health crisis.

- *Aged Care and Other Legislation Amendment (Royal Commission Response No. 1) Act 2021* (Act No 57 of 2021)

  This Act implemented three significant measures recommended by the Royal Commission into Aged Care Quality and Safety. The first measure strengthened controls over use of restraints and other restrictive practices to align with those for disability in the NDIS (Sch 1). The second measure expanded the powers of the Aged Care Quality and Safety Commissioner, while the third measure enables the Secretary of the Department to order efficiency and effectiveness reviews of home care (Sch 2).

- *COVID-19 Disaster Payment (Funding Arrangements) Act 2021* (Act No 70 of 2021)

  This Act provided for the introduction of the COVID-19 Disaster payment to people living or working in a declared 'hotspot' zone and meeting other conditions described at Part 2.1. above.

- *Treasury Laws Amendment (COVID-19 Economic Response) Act 2021* (Act No 71 of 2021)

  This Act extended concessional tax treatment to businesses receiving COVID-19 recovery grants from a State or Territory government or agency (Sch 1) and amended tax secrecy provisions to allow tax information to be shared with Services Australia in the administration of the COVID-19 Disaster payment.

- *Farm Household Support Amendment (Debt Waiver) Act 2021* (Act No 75 of 2021)

  This Act addressed complications from the July 2020 removal of the annual reconciliation of the income estimate (on which payments used to be made) with the actual income for that period (as also applied to other social security payments). The July 2020 onwards design of Farm Household Support as a time-limited, means-tested, up to four year 'clock' of eligibility over any 10-year period did not lend itself to the previous reconciliation method because past debts at the date of the change remained recoverable. The Act therefore makes provision for waiver of such debts where appropriate (and without giving a double benefit due to restarting the new 'clock' concept enshrined in the 2020 reforms).

- *Treasury Laws Amendment (COVID-19 Economic Response No. 2) Act 2021* (Act No 79 of 2021)

  This Act enables support payments to be provided to businesses or other entities adversely impacted by State or Territory COVID-19 lockdown measures during the period 1 July 2021 to end December 2022 (Sch 1). It also amended tax secrecy provisions to enable tax information to be shared with Australian government agencies administering COVID-19 business support programs (Sch 2) and made those payments exempt from income tax (Sch 3). It also reintroduced until end 2022 a temporary measure which had expired in December 2020, allowing Ministers to change (ease) information and documentation requirements (Schs 4, 5).

- *Family Assistance Legislation Amendment (Child Care Subsidy) Act 2021* (Act No 86 0f 2021)

  This Act implemented 2021-22 Budget decisions to liberalise the rate of child care subsidy by removing, from July 2022, the previous 'cap' on the annual amount able to be received (Sch 1) and increasing from that date the subsidy for families with multiple children under six years of age by way of a 30% increase in the rate for a second or further child under six but capped at a 95% subsidy overall, with the rate for the first child continuing to be based on family combined income (Sch 2). The changes are implemented in two phases as system capacity is reached, with the July 2022 date able to be brought forward without the need for further legislation. In early October 2021 the date of effect of the increase for a second or later child was advanced to March 2022.

- *Paid Parental Leave Amendment (COVID-19 Work Test) Act 2021* (Act No 99 of 2021)

  This Act legitimised access to parental leave pay (and dad and partner pay) for people who did not meet the 'work test' qualification provisions because of COVID-19 stand downs.

- *National Disability Insurance Scheme Amendment (Improving Supports for At Risk Participants) Act 2021* (No 116 of 2021)

  This Act responded to the tragic death by neglect of an NDIS participant living in the community by softening privacy restrictions on sharing and communication of information and improving monitoring and other protections.

- *Social Security Legislation Amendment (Remote Engagement Program) Act 2021* (No 123 of 2021)

  This Act makes provision for pilot schemes for possible designs of the 2023 replacement of the Community Development Program (CDP) providing employment services to remote indigenous communities. The Act allows for additional 'engagement' payments of between $100 and $190 a fortnight for an estimated 200 voluntary participants in employment programs to be 'co-designed' between members of indigenous communities and the relevant government agency. It also repeals provisions that governed the former Community Development Program.

5.2. Significant Bills Awaiting Passage, or Defeated in the Senate

- *National Disability Insurance Scheme Amendment (Participant Service Guarantee and Other Measures) Bill 2021*

  This Bill implements various recommendations of a 2019 Review (the 'Tune Report') including a service guarantee in the form of timeframes and engagement principles for key processes and service performance standards; greater flexibility and ease of making changes to plans and support packages; clarification of eligibility for people with fluctuating psychosocial disabilities; and changes to ensure the governing Board reflects diversity and people with lived experience of disability, and that access to diverse markets and co-design of changes is respected.

No other proposed legislation of any real significance was awaiting passage at the end of the calendar year.

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