



Federal Budget 2020-21 Summary Analysis

6 October 2020

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About us

Early Childhood Australia (ECA) is a not-for-profit organisation that has been a voice for children since 1938. We have a federated structure with branches in every state and territory in Australia; our National Office is in Canberra. Our vision is that every young child is thriving and learning. To achieve this, we champion the rights of young children to thrive and learn at home, in the community, within early learning settings and through the early years of school.

Our work builds the capacity of our society and the early childhood sector to realise the potential of every child during the critical early years from birth to the age of eight. ECA specifically acknowledges the rights of Aboriginal and Torres Strait Islander children and their families, and the past and current injustices and realities for them around Australia.

For more information visit: www.earlychildhood.org.au or email eca@earlychildhood.org.au

Overview

In a Budget focused on business support, personal tax cuts and the impact of COVID-19; early childhood education and care was largely overlooked as a potential contributor to economic recovery. This is disappointing because there was strong consensus amongst economists and policy experts that investing in early education (child care in the public discourse) was an effective and appropriate response to COVID-19 – an investment that could be easily deployed to secure jobs and support families with young children who have been impacted by job losses or reduced earnings.

Ahead of Budget 2020-21, Early Childhood Australia (ECA) had presented the Government with a detailed list of priorities for investment in early childhood education and care. This included:

- A **10–15% increase to the Child Care Subsidy** to address affordability.
- **Suspension of the activity test** until at least 30 June 2021.
- **Additional funding to Aboriginal and Torres Strait Islander** community-controlled early learning and family support services.
- A five-year **national funding agreement for universal preschool**.
- Increased **funding for children with disability and additional needs**.
- **Professional development to help teachers/educators** support children through the pandemic.

The Government did not fully deliver on any of ECA’s policy recommendations, although the relaxation of the activity test for Australian families whose activity level has been impacted by COVID-19 has been extended for six months until 4 April 2021.

Particularly disappointing was the Government’s failure to guarantee ongoing funding for the National Partnership Agreement on Universal Access to Early Childhood Education and Care which funds 15 hrs/week of preschool and kindergarten for children in the year before school. ECA recognises the additional ‘top up’ of funding extended the existing National Partnership for six months (until December 2021), however a stronger and long-term commitment is needed to provide certainty for the sector and for families.

The key spending for early learning was announced prior to the Budget speech. See: <https://ministers.dese.gov.au/tehan/child-care-support-continues-aid-covid-recovery>. This included:

- Specific assistance to support Victorian Early Childhood Education and Care Services to manage the impacts of the COVID-19 pandemic.
- Easing of Activity Test requirements for all Australian families until 4 April 2021.
- Reduce red tape for early childhood education and care providers and services.

While ECA welcomes the COVID-19 Response Package to support early education services struggling to manage the impacts of the pandemic, including additional support for Victorian services and an extension to the easing of the Child Care Subsidy (CCS) Activity Test, this does not go far enough. It does nothing to reduce the cost burden on families or improve access for children at risk of long-term disadvantage.

General economic outlook

Why does this matter?

- The Child Care Subsidy is linked to the Consumer Price Index.
- Wage price growth is usually higher than inflation, and wages make up a high proportion (60-70%) of the costs of delivering early childhood services.
- Economic growth affects the early childhood market, including the demand for early childhood services.
- Early childhood education and care services contribute to productivity growth through workforce participation and human capital development.

Major economic parameters^(a)

| | Outcome | Forecasts | | | |
|----------------------|---------|-----------|---------|---------|---------|
| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
| Real GDP | -0.2 | -1 ½ | 4 ¾ | 2 ¾ | 3 |
| Employment | -4.3 | 2 ¾ | 1 ¾ | 1 | 1 ¾ |
| Unemployment rate | 7.0 | 7 ¼ | 6 ½ | 6 | 5 ½ |
| Consumer price index | -0.3 | 1 ¾ | 1 ½ | 1 ¾ | 2 |
| Wage price index | 1.8 | 1 ¼ | 1 ½ | 2 | 2 ¼ |
| Nominal GDP | 1.7 | -1 ¾ | 3 ¼ | 4 ½ | 5 |

(a) Real GDP and nominal GDP are percentage change on preceding year. The consumer price index, employment, and the wage price index are through the year growth to the June quarter. The unemployment rate is the rate for the June quarter. Source: ABS Australian National Accounts: National Income, Expenditure and Product; Labour Force, Australia; Wage Price Index, Australia; Consumer Price Index, Australia; and Treasury.

Education and Training Portfolio

Child Care Spending

Budgeted expenses for Outcome 1

This table shows how much DESE intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by administered and departmental funding sources.

Outcome 1: Improved early learning, schooling, student educational outcomes and transitions to and from school through access to quality child care, support, parent engagement, quality teaching and learning environments.

| | 2019–20 Estimated actual \$'000 | 2020–21 Budget \$'000 | 2021–22 Forward estimate \$'000 | 2022–23 Forward estimate \$'000 | 2023–24 Forward estimate \$'000 |
|---|--|-----------------------------|--|--|--|
| Program 1.1: Support for the Child Care System | | | | | |
| Administered expenses | | | | | |
| Ordinary annual services (Appropriation Bill No. 1) | 317,511 | 266,902 | 270,613 | 273,769 | 272,381 |
| Special appropriations | | | | | |
| <i>A New Tax System (Family Assistance) (Administration) Act 1999</i> | - | 1,074,119 | 138,465 | 149,755 | 159,300 |
| Special accounts | | | | | |
| <i>Early Years Quality Fund Special Account Act 2013</i> | (230) | - | - | - | - |
| SOETM - Child Care | 138 | - | - | - | - |
| Total expenses for program 1.1 | 317,419 | 1,341,021 | 409,078 | 423,524 | 431,681 |
| Program 1.2: Child Care Subsidy | | | | | |
| Special appropriations | | | | | |
| <i>A New Tax System (Family Assistance) (Administration) Act 1999</i> | 8,049,485 | 8,978,491 | 9,330,766 | 9,843,269 | 10,291,939 |
| Total expenses for program 1.2 | 8,049,485 | 8,978,491 | 9,330,766 | 9,843,269 | 10,291,939 |
| Program 1.3: Government Schools National Support | | | | | |
| Administered expenses | | | | | |
| Other services (Appropriation Bill No. 2) | 3,358 | 12,804 | 14,242 | 12,263 | 10,035 |
| Special appropriations | | | | | |
| <i>Australian Education Act 2013</i> | 8,383,852 | 9,054,634 | 9,733,641 | 10,434,468 | 11,016,472 |
| Total expenses for program 1.3 | 8,387,210 | 9,067,438 | 9,747,883 | 10,446,731 | 11,026,507 |
| Program 1.4: Non-Government Schools National Support | | | | | |
| Administered expenses | | | | | |
| Other services (Appropriation Bill No. 2) | 74,639 | 205,189 | 149,371 | 125,407 | 114,240 |
| Special appropriations | | | | | |
| <i>Australian Education Act 2013</i> | 13,843,303 | 12,639,164 | 14,507,409 | 15,324,689 | 16,017,433 |
| Total expenses for program 1.4 | 13,917,942 | 12,844,353 | 14,656,780 | 15,450,096 | 16,131,673 |

| COVID-19 Response Package — child care — 2020-21 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|---|----------------|-------------------------|-------------------------|-------------------------|
| Estimated actual \$'000 | Budget \$'000 | Forward estimate \$'000 | Forward estimate \$'000 | Forward estimate \$'000 |
| Program 1.5: Early Learning and Schools Support | | | | |
| Administered expenses | | | | |
| Ordinary annual services (Appropriation Bill No. 1) | 139,069 | 126,420 | 136,784 | 111,037 |
| Other services (Appropriation Bill No. 2) | 32,200 | 2,000 | 2,000 | 2,000 |
| Special accounts | | | | |
| SOETM - Students with Disabilities | 203 | - | - | - |
| SOETM - NSRA State Contributions | 416 | - | - | - |
| Total expenses for program 1.5 | 171,888 | 128,420 | 138,784 | 113,037 |

ery payments and other support measures

| Payments (\$m) | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|--|--------------|------------|------------|------------|
| Department of Education, Skills and Employment | 365.9 | - | - | - |
| Services Australia | 5.7 | 0.5 | 0.4 | 0.4 |
| Total — Payments | 371.6 | 0.5 | 0.4 | 0.4 |

The Government will provide \$314.2 million in 2020-21 to support Victorian Early Childhood Education and Care (ECEC) services to remain viable as COVID-19 restrictions ease in the state. Support will be in addition to Child Care Subsidy (CCS) payments and continue from 28 September 2020 until 31 January 2021, and includes:

- \$269.0 million in recovery payments of 25% pre-COVID revenue for all Victorian ECEC services (except Outside School Hours Care (OSHC) and Vacation Care services)
- \$8.6 million for existing support arrangements for Victorian OSHC and Vacation Care services to be extended until school returns to normal.
- \$36.6 million in recovery payments of 40% of pre-COVID revenue for Victorian OSHC and Vacation Care services after school returns to normal, with Vacation Care services to receive payments for the number of weeks they operate over the period.

The recovery payments follow \$51.7 million provided by the Government in 2020-21 for services during the Stage Four lockdown restrictions. Under the Stage Four restrictions, only vulnerable children and those of permitted workers could attend child care in metropolitan Melbourne for eight weeks until 27 September 2020. To assist services to stay operational and keep workers employed over this period, the Government provided:

- \$21.7 million to fund a higher Transition Payment of 30% of pre-COVID revenue for child care services in Melbourne.
- \$21.3 million to fund an additional top-up payment for eligible services in Melbourne that receive low CCS payments and which experienced very low attendance.

- \$8.7 million to fund OSHC and Vacation Care services 15% of their pre-COVID revenue, when they experienced low attendance.

The Government will also continue the easing of CCS activity test requirements until 4 April 2021, to support eligible families whose employment has been impacted by COVID-19.

National Partnership on Universal Access to Early Childhood Education – further extension

The Government will provide \$458.3 million over two years from 2020-21 to further extend the National Partnership Agreement on Universal Access to Early Childhood Education for the 2021 calendar year and to undertake the related National Early Childhood Education and Care Collection in early 2022. The extension will support 15 hours of preschool each week (600 hours per year) for children attending preschool in 2021 before starting school in 2022. This measure extends the 2019-20 Budget measure titled *National Partnership Agreement on Universal Access to Early Childhood Education – further extension*.

The funding is designed to top up arrangements which the states already have in place for preschool provision. The funding supports increased participation for Indigenous and disadvantaged children, and also aims to ensure national consistency in terms of quality and the availability of hours per week.

Universal access to early childhood education

| \$million | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|--------------|--------------|--------------|--------------|-------------|-------------|-------------|-------------|------------|--------------|
| 2020-21 | 138.0 | 130.2 | 83.1 | 46.5 | 28.7 | 9.9 | 9.6 | 4.7 | 450.6 |
| 2021-22 | 98.6 | 90.0 | 59.5 | 32.5 | 19.8 | 6.9 | 6.8 | 3.3 | 317.2 |
| 2022-23 | - | - | - | - | - | - | - | - | - |
| 2023-24 | - | - | - | - | - | - | - | - | - |
| Total | 236.5 | 220.2 | 142.6 | 79.0 | 48.5 | 16.8 | 16.4 | 8.0 | 767.8 |

National Bushfire Recovery Fund

The Government committed \$2.0 billion to a National Bushfire Recovery Fund (NBRF) to assist communities and businesses to recover and rebuild following the 2019-20 bushfires. The NBRF is in addition to funding provided through existing disaster recovery assistance arrangements. The NBRF includes support to individuals and families, including:

- a back to school payment of \$400 for each child.
- \$82.1 million for mental health support services for individuals, families and communities impacted by the bushfires.
- exempting families in declared LGAs from the Child Care Subsidy (CCS) activity test debt in the 2019-20 financial year.

- reprioritising funding within the Community Child Care Fund to support the continuity of child care in bushfire affected areas.

New Arrangements for the Child Care Subsidy (CCS) and the Additional Child Care Subsidy (ACCS)

| Payment (\$m) | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|--|------------|-------------|-------------|-------------|-------------|
| Services Australia | 5.0 | 16.4 | 0.9 | - | - |
| Department of Education, Skills and Employment | - | -5.6 | -5.9 | -6.1 | -6.5 |
| Total — Payment | 5.0 | 10.8 | -4.9 | -6.1 | -6.5 |

The Government is improving the administration of the Child Care Subsidy (CCS) and Additional Child Care Subsidy (ACCS) (child wellbeing) to ensure that families' child care entitlements better reflect their circumstances.

The method of reconciling income against CCS entitlements will be amended for individuals who have changed their relationship status due to partnering, separation or death within a financial year. This will include:

- separately recognising income for periods over the year in which an individual is partnered and when they are not, to achieve fairer and more consistent end-of-year reconciliation outcomes.
- adjusting how the annual CCS cap is applied at reconciliation, to align with this approach.
- a new exceptional circumstances provision, so individuals can avoid CCS debts where an ex-partner has underestimated their income.
- applying an Australian Tax Office determined income amount for deceased individuals, so that partners of deceased individuals do not receive an inflated income which leads to CCS debts.

The changes to ACCS (child wellbeing) administrative arrangements will improve access to child care for children at risk of serious abuse or neglect by:

- extending the backdating of ACCS (child wellbeing) determination from 28 days to up to 13 weeks in defined circumstances.
- extending the length of ACCS (child wellbeing) determination from 13 weeks to up to 12 months for children on child protection orders or in foster care.
- enabling providers to enrol a child at risk and receive ACCS (child wellbeing) payments from the Commonwealth for the period over which the foster family finalised its CCS and ACCS claims. The savings of \$1.7 million over five years from 2019-20 from this measure will be redirected by the Government to fund policy priorities.

Students Support Package Payments

The Government will provide \$146.3 million over five years from 2020-21 for a package of initiatives to improve education outcomes of young Australians, particularly disadvantaged students and those most impacted by the COVID-19 pandemic, and to contribute to social cohesion. The package includes \$27.3 million over five years from 2020-21 to enhance the science, technology, engineering and mathematics (STEM) skills of young Australians, including:

- \$9.6 million over five years from 2020-21 to the Australian Academy of Science to deliver curriculum resources and professional learning for Foundation to Year 10 teachers.
- \$5.7 million over five years from 2020-21 to expand the Early Learning STEM Australia (ELSA) program to Foundation to Year 2 classrooms.
- \$4.8 million over five years from 2020-21 to enhance teaching practices through partnering teachers with STEM professionals.
- \$4.4 million over five years from 2020-21 to support approximately 120,000 disadvantaged 3 to 5-year olds through The Smith Family’s Let’s Count program.
- \$2.8 million over five years from 2020-21 to Froebel Australia (Little Scientists) to build the skills of early learning educators to deliver STEM learning in preschool and child care settings.

Streamlined child care approvals

From 2023, the Government will reduce red tape for early childhood education and care providers and services by requiring only one application for assessment by both Commonwealth and state/territory regulatory authorities. See:

<https://ministers.dese.gov.au/streamlined-child-care-approvals-to-cut-red-tape-and-fraud#:~:text=Ministers%3A,providing%20greater%20protection%20against%20fraud.>

Health Portfolio

Preventive Health

Payments (\$m)

| | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|--|-------------|-------------|------------|------------|
| Department of Health | 25.0 | 25.0 | - | - |
| National Health and Medical Research Council | - | - | - | - |
| Australian Organ and Tissue Donation and Transplantation Authority | 1.0 | 1.0 | 1.0 | 1.0 |
| Cancer Australia | - | - | - | - |
| Total — Payments | 26.0 | 26.0 | 1.0 | 1.0 |

The Government will improve health outcomes through preventive and other health initiatives, including:

- \$21.2 million over four years from 2020-21 (and \$0.1 million in 2024-25) to support delivery of a number of initiatives under the Roadmap for Hearing Health. This includes piloting initiatives in the aged care sector, initiatives to improve access to hearing services for Aboriginal and Torres Strait Islander children, the development of nationally consistent clinical tele-audiology standards, research, and a national hearing health awareness and prevention campaign.

Mental Health

COVID-19 Response Package — additional mental health and crisis support for Victoria

| Payments (\$m) | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|----------------------|---------|---------|---------|---------|
| Department of Health | 46.1 | 1.2 | - | - |
| Services Australia | - | - | - | - |
| Total — Payments | 46.1 | 1.2 | - | - |

The Government will provide \$47.3 million over two years from 2020-21 in additional mental health and crisis support services for people experiencing mental illness and distress as a result of the COVID-19 pandemic in Victoria, including:

- \$26.9 million in 2020-21 to establish 15 enhanced mental health clinics within six Primary Health Networks, to provide immediate coordinated mental health care.
- \$7.0 million for Beyond Blue, Lifeline and Kids Helpline to expand capacity to manage increased demand for crisis support services in Victoria.
- \$5.0 million in 2020-21 to support digital and telephone services for vulnerable populations including new and expecting parents, people with eating disorders and culturally and linguistically diverse communities.
- \$5.0 million in 2020-21 for *headspace* to increase outreach services to young people in the community who are in severe distress.
- \$3.4 million over two years from 2020-21 to undertake an evaluation of these initiatives, and to provide additional support to the Victorian Mental Health Taskforce.

This measure builds on the July 2020 Economic and Fiscal Update measure titled *COVID-19 Response Package — prioritising mental health and preventive health*.

COVID-19 Response Package — supporting mental health

| Payments (\$m) | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|----------------------|---------|---------|---------|---------|
| Department of Health | 43.9 | 54.4 | 1.8 | - |
| Services Australia | 0.3 | 0.4 | - | - |
| Total — Payments | 44.2 | 54.8 | 1.8 | - |

The Government will provide \$100.8 million over two years from 2020-21 to provide up to 10 additional psychological therapy sessions each calendar year nationally under the *Better Access to Psychiatrists, Psychologists and General Practitioners through the Medicare Benefits Schedule* (Better

Access) initiative. This will increase access to mental health care for all Australians who are experiencing more severe or enduring mental health impacts from the COVID-19 pandemic.

Prioritising Mental Health — continued support

Payments (\$m)

| | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|-------------------------------|-------------|-------------|-------------|-------------|
| Department of Health | 7.1 | - | - | - |
| Department of Social Services | 5.4 | 13.3 | 13.4 | 13.6 |
| Total — Payments | 12.6 | 13.3 | 13.4 | 13.6 |

The Government will provide an additional \$62.1 million over four years from 2020-21 (including \$0.6 million per year ongoing) to improve access to mental health services, including:

- \$45.7 million over four years from 2020-21 to expand the *Individual Placement and Support* program under the Youth Employment Strategy to assist vulnerable young people with mental illness to participate in the workforce.
- \$6.9 million over two years from 2020-21 to support digital mental health services including the Australian Government’s mental health gateway Head to Health.
- \$5.0 million in 2020-21 to provide parents, guardians and carers with mental health and career information for students in the context of the COVID-19 pandemic.
- \$2.3 million over four years from 2020-21 to enhance the National *headspace* network by upgrading the Mount Barker service in South Australia to a full centre.
- \$2.1 million in 2020-21 for the Prevention Hub led by the Black Dog Institute and Everymind to continue to advance research that targets people at heightened risk of mental ill-health and suicide.

Partial funding for this measure has already been provided for by Government.

This measure builds on the July 2020 Economic and Fiscal Update measure titled *Prioritising Mental Health and Preventive Health — continued support* and the 2019-20 Budget measure titled *Prioritising Mental Health — national headspace network*.

Infrastructure, Transport, Regional Development and Communications Portfolio

Office of the eSafety Commissioner — additional funding

Payments (\$m)

| | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|---|---------|---------|---------|---------|
| Australian Communications and Media Authority | 0.4 | 17.6 | 21.5 | - |

The Government will provide \$39.4 million over three years from 2020-21 for the Office of the eSafety Commissioner to continue its work keeping Australian families safe.

The additional funding will enable the Office of the eSafety Commissioner to respond to a sustained increase in demand for its existing programs and fulfil additional functions and responsibilities, including overseeing a new adult cyber abuse takedown scheme under the new Online Safety Act.

This measure builds on the July 2020 Economic and Fiscal Update measure titled *COVID-19 Response Package — Communications, Cyber Safety and the Arts*.

Social Services Portfolio

Second Women’s Economic Security Package - ParentsNext

The Government will provide \$231.0 million over four years from 2020-21 for the Second Women’s Economic Security Package. This measure builds on the 2019-20 Budget measure titled Improving STEM Gender Equity in Australia. Of the \$231.0 million, \$24.7 million will be provided over four years from 2020-21 to streamline the servicing arrangement of ParentsNext and modify the eligibility to provide assistance to parents most in need.

The enhancements to ParentsNext will better support parents to plan and prepare for employment before their youngest child starts school. From 1 July 2021, changes include:

- streamlining eligibility requirements to better support those most in need.
- allowing participants to access financial assistance through the Participation Fund to help them meet their education and employment goals.
- extending participant eligibility for relocation assistance and employer wage subsidies to help them achieve their employment goals.

The ParentsNext program will continue under the current arrangements until 30 June 2021. For more information about the enhancements to ParentsNext from 1 July 2021, see the [Frequently Asked Questions](#).

Extension of Children and Parenting Support Services – additional services

Payments (\$m)

| | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|-------------------------------|---------|---------|---------|---------|
| Department of Social Services | - | 13.3 | 13.3 | 13.5 |

The Government will provide \$40.1 million over three years from 2021-22 to continue Children and Parenting Support Services — Additional Services on an ongoing basis. This measure offers specialised early intervention and prevention support to at-risk children and families with complex needs, including culturally and linguistically diverse families and Indigenous families.

COVID-19 Domestic Violence Support

| \$million | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|--------------|-------------|-------------|-------------|-------------|------------|------------|------------|------------|-------------|
| 2020-21 | 30.8 | 24.4 | 19.7 | 10.6 | 7.0 | 2.1 | 1.6 | 1.2 | 97.5 |
| 2021-22 | - | - | - | - | - | - | - | - | - |
| 2022-23 | - | - | - | - | - | - | - | - | - |
| 2023-24 | - | - | - | - | - | - | - | - | - |
| Total | 30.8 | 24.4 | 19.7 | 10.6 | 7.0 | 2.1 | 1.6 | 1.2 | 97.5 |

The Australian Government will provide funding to ensure the safety of women and their children experiencing, or at risk of experiencing, domestic, family and sexual violence during the COVID-19 pandemic.

This funding agreement supports the states to respond immediately to increases in domestic, family and sexual violence as a result of COVID-19, and to ensure services can continue to support those who need it most.

Northern Territory Remote Aboriginal investment — community safety implementation plan

| \$million | NSW | VIC | QLD | WA | SA | TAS | ACT | NT | Total |
|--------------|-----|-----|-----|----|----|-----|-----|-------------|-------------|
| 2020-21 | - | - | - | - | - | - | - | 34.6 | 34.6 |
| 2021-22 | - | - | - | - | - | - | - | 35.7 | 35.7 |
| 2022-23 | - | - | - | - | - | - | - | - | - |
| 2023-24 | - | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | 70.3 | 70.3 |

The Australian Government is providing funding to the Northern Territory to make remote communities safer, improve child and family safety and address alcohol-related harm through this implementation plan. This funding supports the Northern Territory to improve schooling for Indigenous children, to make communities safer and healthier, and increase access to interpreter services and job opportunities for Indigenous Australians.

Cross Portfolio Measures

JobMaker Plan — Second Women’s Economic Security Package

| Payments (\$m) | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|---|--------------|-------------|-------------|-------------|
| Department of Social Services | 105.4 | 23.9 | 1.1 | - |
| Department of the Prime Minister and Cabinet | 22.6 | 12.6 | 8.0 | 4.7 |
| Department of Industry, Science, Energy and Resources | 7.7 | 8.0 | 14.6 | 13.6 |
| Services Australia | 6.8 | -0.1 | -0.9 | -0.9 |
| Department of Education, Skills and Employment | 6.2 | 17.0 | 21.2 | 0.3 |
| Attorney-General’s Department | 0.6 | 1.1 | 0.5 | - |
| Total — Payments | 149.3 | 62.5 | 44.5 | 17.7 |
| <i>Related receipts (\$m)</i> | | | | |
| <i>Australian Taxation Office</i> | <i>35.0</i> | <i>8.0</i> | <i>-</i> | <i>-</i> |
| <i>Department of Education, Skills and Employment</i> | <i>-</i> | <i>-</i> | <i>..</i> | <i>..</i> |
| Total — Receipts | 35.0 | 8.0 | .. | .. |

The Government will provide \$231.0 million over four years from 2020-21 for the Second Women’s Economic Security Package. The package includes:

- \$90.3 million over three years from 2020-21 for concessional work test arrangements for Paid Parental Leave in response to COVID-19. Specifically, relaxing the Paid Parental Leave work test for births and adoptions that occur between 22 March 2020 and 31 March 2021 to

allow parents to qualify for the payment if they have worked in 10 of the last 20 months, instead of 10 of the last 13 months, preceding the birth or adoption of a child.

- \$47.9 million over four years from 2020-21 to increase grants for the *Women’s Leadership and Development Program*, including funding for the Academy of Enterprising Girls and Women Building Australia.
- \$35.9 million over five years from 2020-21 (including \$6.5 million in 2024-25) to increase the number of co-funded grants to women-founded start-ups under the *Boosting Female Founders Initiative* and to provide access to expert mentoring and advice for women entrepreneurs.
- \$25.1 million over five years from 2020-21 (including \$3.0 million in 2024-25) to establish a *Women in Science, Technology, Engineering and Mathematics (STEM) Industry Cadetship* program to support 500 women working in STEM industries to complete an Advanced Diploma through a combination of study and work-integrated learning experiences.
- \$24.7 million over four years from 2020-21 to streamline the servicing arrangement of ParentsNext and modify the eligibility to provide assistance to parents most in need.
- \$14.5 million over four years from 2020-21 to extend or expand existing initiatives that support girls and women to gain STEM skills and capabilities, including the *Women in STEM Ambassador*, the *Women in STEM Entrepreneurship Grants Program* and the *Girls in STEM Toolkit*.
- \$2.1 million over three years from 2020-21 to establish a Respect@Work Council to assist in addressing sexual harassment in Australian workplaces.

This measure builds on the 2019-20 Budget measure titled *Improving STEM Gender Equity in Australia*.

JobMaker Plan — boosting apprenticeships wage subsidy

| Payments (\$m) | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|--|---------|---------|---------|---------|
| Department of Education, Skills and Employment | 409.4 | 821.6 | -9.4 | -7.2 |

The Government will provide \$1.2 billion over four years from 2020-21 to increase the number of apprentices and trainees employed, and build a pipeline of skilled workers to support Australia’s economic recovery.

From 5 October 2020 to 30 September 2021, businesses of any size can claim the new Boosting Apprentices Wage Subsidy for new apprentices or trainees who commence during this period.

Eligible businesses will be reimbursed up to 50 per cent of an apprentice or trainee’s wages worth up to \$7,000 per quarter, capped at 100,000 places. The wage subsidy will support school leavers and workers displaced by the COVID-19 related downturn to secure sustainable employment.

The Government will further delay the commencement of the *Incentives for Australian Apprenticeships Program* from 1 January 2021 to 1 July 2021, which will minimise disruption to

employers and Australian apprentices and continue support through the existing *Australian Apprenticeships Incentives Program*.

This measure builds on the July 2020 Economic and Fiscal Update measure titled *COVID-19 Response Package — supporting apprentices and trainees*.

Conclusion

Overall there is little in this Budget to improve outcomes for young children or ensure that children are not impacted by poverty. ECA is disappointed that the government has chosen not to increase income support to vulnerable families on a permanent basis.

The budget also demonstrates little understanding of the challenges facing Australia in early childhood education and care, and fails to address affordability issues, workforce shortages or barriers for women wanting to return or increase their paid employment.

We will continue to advocate for more investment and policy improvements.