

Income Support for Individuals

Economic response to the Coronavirus

The Government is providing support for individuals to assist them during the next six months

Increased and accelerated income support

Summary

The Government is temporarily expanding eligibility to income support payments and establishing a new, time-limited Coronavirus supplement to be paid at a rate of \$550 per fortnight. This supplement will be paid to both existing and new recipients of the eligible payment categories. These changes will apply for the next six months.

Eligibility payment categories

The income support payment categories eligible to receive the Coronavirus supplement are:

- Jobseekers Payment 1 (and all payments progressively transitioning to Jobseeker Payment; those currently receiving Partner Allowance, Widow Allowance, Sickness Allowance and Wife Pension).
- Youth Allowance Jobseeker.
- Parenting Payment (Partnered and Single).
- Farm Household Allowance.
- Special Benefit recipients.

Anyone who is eligible for the Coronavirus supplement will receive the full rate of the supplement of \$550 per fortnight.

Expanded access

For the period of the Coronavirus supplement, there will be expanded access to the income support payments listed above.

- Expanded access: Jobseeker Payment and Youth Allowance Jobseeker criteria will provide payment access for permanent employees who are stood down or lose their employment; sole traders; the self-employed; casual workers; and contract workers who meet the income tests as a result of the economic downturn due to the Coronavirus. This could also include a person required to care for someone who is affected by the Coronavirus.
- Reduced means testing: Asset testing for Jobseeker Payment, Youth Allowance Jobseeker and Parenting Payment will be waived for the period of the Coronavirus supplement. Income testing will still apply to the person's other payments, consistent with current arrangements.
- Reduced waiting time: The week-one Ordinary Waiting Period has already been waived.
 - To further accelerate access to payments, the Liquid Asset test Waiting Period (LAWP) and the Seasonal Work Preclusion Period (SWPP) will also be waived for recipients eligible for the Coronavirus supplement.

- The Newly Arrived Residents Waiting Period (NARWP) will be temporarily waived for recipients eligible for the Coronavirus supplement. When the Coronavirus supplement ceases, those people that were serving a NARWP will continue to serve the remainder of their waiting period, though the time the person was receiving the Coronavirus supplement will count towards their NARWP, Residency requirements still apply.
- Income Maintenance Periods and Compensation Preclusion Periods will continue to apply, as payments under these arrangements are treated as income.

People will not be permitted, and will need to declare that they are not, accessing employer entitlements (such as annual leave and/or sick leave) or Income Protection Insurance, at the same time as receiving Jobseeker Payment and Youth Allowance Jobseeker under these arrangements.

From the 20 March 2020, Sickness Allowance was closed to new entrants and was replaced by the Jobseeker Payment. This does not mean that people who previously may have been eligible for Sickness Allowance are now unable to access income support. Jobseeker Payment better accommodates individual circumstances, including assisting people who are sick or bereaved.

Faster claim process

Accelerated claim process: To ensure timely access to payments, new applicants are encouraged to claim through on-line and mobile channels. If applicants do not have internet access, they can claim over the phone.

- From April 2020, Services Australia will allow new applicants to call to verify their identity to reduce the need to visit a Services Australia office.
- To claim online, people who do not already deal with Services Australia will need to set up their myGov account, call to verify their identity, and get a link to their Centrelink online account.
- Applications for Jobseeker Payment and Youth Allowance Jobseeker will: Make an initial declaration about their identity, residency status, income and that they have been made redundant, or had their hours reduced (including zero) as a result of the economic downturn due to Coronavirus. In the case of sole traders and the self-employed, applicants will make a declaration that their business has been suspended or had turnover reduced significantly.
- Applications may also declare the amount of rent they pay in this declaration to qualify for Rent Assistance.
- Services Australia has effective measures in place to detect those seeking to defraud the social security system. Anyone fraudulently claiming a payment will need to pay the money back and may face imprisonment.

Streamlined application process

A number of simplified arrangements will be put in place to make it easier to claim, including removing the requirements for:

- Employment Separation Certificates, proof of rental arrangements and verification of relationship status;
- Job Seeker Classification Instrument assessment for those people who have recently left jobs recognising they are job ready; and

- Job seekers to make an appointment with an employment service provider before they can be paid.

Flexible job-seeking arrangements

- Those receiving Jobseeker Payment have an obligation to actively look for work or build their skills, but the Government is making sure this can be done flexibly and safely.
- Jobseekers who have caring responsibilities, or who need to self-isolate, are able to seek an exemption from their mutual obligation requirements without the need for medical evidence.
- Activities can be rescheduled if the job seeker is unable to attend as a result of the Coronavirus.

Job Plans will be adjusted to a default requirement of four job searches a month (or one a week) to reflect softening labour market conditions. Mutual obligations can be tailored for each individual to suit not only their needs but also the needs of the community.

In some circumstances, job seekers can undertake training or volunteer within their community to meet their mutual obligation requirements. Sole traders that become eligible for the Jobseeker Payment will automatically meet their mutual obligation requirements during this period by continuing to develop and sustain their business.

Job seekers are encouraged to stay job ready, connected to their employment services provider and up to date on potential job opportunities in their local area. These changes ensure that job seekers can reliably access income support, safely look for work, fill critical vacancies as they emerge, develop their skills and job preparedness, contribute to their community and help the economy to bounce back.

Timing

The Coronavirus Supplement and expanded access for payments will commence from 27 April 2020.

The Englehardt Team

Englehardt Superannuation & Accounting
552 Englehardt Street
PO Box 272
ALBURY NSW 2640