

4 June 2023

Committee Secretary Senate Standing Committees on Community Affairs PO Box 6100 Parliament House Canberra ACT 2600

Dear Committee Secretary

Social Services and Other Legislation Amendment (Strengthening the Safety Net) Bill 2023

National Seniors Australia (NSA) welcomes the opportunity to make a submission to the **Social Services and Other Legislation Amendment (Strengthening the Safety Net) Bill 2023**. As the peak body representing older people, NSA has a key stake in policies affecting older people.

Given renters are affected most by rising living costs, we welcome the proposal to increase the maximum rate of Commonwealth Rent Assistance (CRA) by 15 per cent. NSA has long campaigned for an increase to CRA as part of our <u>Fix Pension Poverty</u> campaign. We believe there is scope to increase the maximum rate in the future and to urgently look at policies to build seniors' specific housing. Increasing the supply of affordable housing will improve housing options and reduce supply pressures forcing up private rental costs.

NSA welcomes the move to increase Job Seeker payments for people over 55 who have been unemployed for more than 9 months to match the rate for those over 60. Later life poverty is a significant problem for people struggling to work. We know the main reason for exiting the workforce later in life is poor health, and we must ensure people in this, and other situations are supported to stay out of poverty when they cannot work.

We support the increase of \$40 per fortnight for government payments as this is long overdue. However, future increases beyond indexation will likely be required to offset rapidly rising living costs. Changes to income test rules are also needed to encourage workforce participation. As argued in our submission to the <u>Employment White Paper</u>, we should reduce taper rates for all government payments to promote workforce participation throughout the lifecycle rather than punishing people as they transition into and out of work.

Your Sincerely

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