



Australia's 2021 budget includes benefit and employment changes

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Australia's 2021 Federal Budget, announced on 11 May 2021, includes measures and funding concerning retirement, health, workforce and aged care.

Retirement

- The Superannuation Guarantee (SG) rate will increase from 9.5% to 10% on 1 Jul 2021.
- Changes to the Super system — most of which are slated to take effect on 1 Jul 2022 — include removal of the minimum monthly earnings threshold for SG (AU\$450); increased flexibility for individuals to contribute to their Super and to access their housing assets; removal of the Work Test for voluntary nonconcessional and salary sacrifice superannuation contributions for individuals aged 67 to 74 years; and an increase to the amount that can be released under the First Home Super Savers Scheme — to AU\$50,000 — up from AU\$30,000.
- Industry levies will increase the funds for the Australian Prudential Authority to implement transparency and accountability measures under Your Future Your Super, and Super Consumers Australia to support the consumers' voice in superannuation matters.

Health

Measures include AU\$2.3 billion of funds to support mental health and combat suicide; increased bulk billing payments to improve rural health, which could benefit employees who work remotely; improvements to private health insurance affordability and sustainability; continuation for a further two-year period of the current income tiers for the Medicare Levy Surcharge and Private Health Insurance Rebate (and an in-depth study to review the current thresholds); and a six-month extension of telehealth services.

Workforce

A budget spending program includes measures to finance additional childcare, vocational and leadership training to support women, and a Job Trainer Fund to improve workforce skills.

Aged care

AU\$17.7 billion will be allocated over a five-year period to implement the recommendations issued by the Royal Commission into Aged Care Quality and Safety. The measures include funding for 80,000 new home care packages over the next two years, and the provision of respite care and support services for informal and family carers of older Australians

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