



Stimulus payments to households to support growth

This measure will assist around 6.5 million lower income Australians, including pensioners, other social security and veteran income support recipients and eligible concession card holders. Assistance for these households will support confidence and domestic demand in the economy.

STIMULUS PAYMENTS

Summary

The Government will provide a one-off \$750 payment to around 6.5 million social security, veteran and other income support recipients and eligible concession card holders. Around half of those that benefit are pensioners. This payment will help to support confidence and domestic demand in the economy.

There will be one payment per eligible recipient. That is, if a person qualifies for the one-off payment in multiple ways, they will only receive one payment.

The payment will be exempt from taxation and will not count as income for Social Security, Farm Household Allowance and Veteran payments.

Eligibility

To be eligible, you must be residing in Australia and be receiving one of the following payments or hold one of the following concession cards on 12 March 2020:

- Age Pension
- Disability Support Pension
- Carer Payment
- Parenting Payment
- Wife Pension
- Widow B Pension
- ABSTUDY (Living Allowance)
- Austudy
- Bereavement Allowance
- Newstart Allowance
- Youth Allowance
- Partner Allowance
- Sickness Allowance
- Special Benefit
- Widow Allowance
- Family Tax Benefit, including Double Orphan Pension
- Carer Allowance
- Pensioner Concession Card holders
- Commonwealth Seniors Health Card holders
- Veteran Service Pension; Veteran Income Support Supplement; Veteran Compensation payments, including lump sum payments; War Widow(er) Pension; and Veteran Payment.
- Veteran Gold Card holders
- Farm Household Allowance

Where someone has lodged a claim for one of the eligible payments or concession cards by 12 March 2020, and the claim is subsequently granted, they will also receive the one-off payment.

If you are a holder of a Commonwealth Seniors Health Card or Veteran Gold Card, we will contact you to confirm your account details, so the one-off payment can be made as soon as possible.

Timing

The one-off payment will be paid automatically from 31 March 2020 by Services Australia or the Department of Veterans' Affairs. Over 90 per cent of payments will be made by mid-April 2020.

Budget impact

This measure is expected to cost the Government \$4.8 billion in 2019-20.

Example

Emma receives both Newstart Allowance and Family Tax Benefit as at 12 March 2020. As part of the Government's economic response to Coronavirus, Emma is eligible for a single payment of \$750. Emma does not need to do anything, and this one-off payment will be made to her automatically from 31 March 2020 (subject to the passage of legislation).

Example

Kate and Angus are a couple and are both Age Pension recipients as at 12 March 2020. As part of the Government's economic response to Coronavirus, Kate and Angus will each receive \$750, so their household will receive \$1,500 in total. Payments to Kate and Angus will be made automatically from 31 March 2020 (subject to the passage of legislation).

The social security system has a number of existing features to assist people who are unable to support themselves in the context of Coronavirus.

Current income support recipients who cannot meet mutual obligation requirements due to isolation should call Services Australia and can be granted a Major Personal Crisis exemption for 14 days, without having to provide evidence such as a medical certificate (however, any requests to extend the 14 days will require evidence, such as a medical certificate).

At present, people who are aged 22 or over and under Age Pension qualification age, who are unable to attend work because they have been diagnosed with the Coronavirus or who are in isolation, may qualify for Sickness Allowance if they do not have any employer leave entitlements, such as sick leave, and they meet general eligibility requirements in respect of residency and income and asset tests.

From 20 March 2020, Sickness Allowance will close to new entrants and be 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 will better accommodate individual circumstances, including assisting people who are sick or bereaved.

Young people under the age of 22 who are unable to attend work because they have been diagnosed with the Coronavirus or who are in isolation may qualify for Youth Allowance if they do not have any employer leave entitlements, such as sick leave, and they meet general eligibility requirements in respect of residency and income and assets tests.

Students receiving Youth Allowance (student) or other study related payments who are in Australia but unable to attend studies due to the Coronavirus would be taken to have a reasonable excuse for not meeting study activity requirements for their payments. Individuals in this situation must contact Services Australia to advise them of the circumstances.

FOR MORE INFORMATION

For more information on the Australian Government's Economic Response to Coronavirus visit treasury.gov.au/coronavirus.