

## **MEDIA RELEASE**

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### **Budget Reply 2019:**

### **350,000 older job seekers will still be left in poverty under Labor**

The Opposition's Budget Reply, like the government's Budget, still leaves 350,000 job seekers older than 45 years out in the cold by failing to commit to increased Newstart payments, COTA Australia, said today.

COTA CEO Ian Yates called on the Opposition to commit to increasing Newstart by \$75 a week before the election campaign begins.

Mr Yates said there are 183,000 people older than 50 on Newstart who have been on Newstart for longer than 12 months. Research shows if you're unemployed longer than 12 months after age 50, you might not ever return to the workforce, in a large part because of ageist attitudes of employers.

"There are more unemployed workers between 55 and 64 than any other group of Australians and they receive Newstart income support payments longer than any other group as well," Mr Yates said.

"Older workers face chronic age discrimination in the workforce, which makes finding work after 50 far more difficult, particularly in industries where workforce needs have changed over the decades.

"\$40 a day – or \$15,000 a year – is just not enough to survive on while people are actively seeking to return to the workforce. If people don't have enough to cover the basics, people will be dealing with financial stress rather than working to build a future."

COTA's recent survey 'State of the (Older) Nation' report showed that Australians who are unemployed and renting between the age of 50 and 64 face the greatest level of financial stress, with 1 in 4 identifying energy bills as overdue because of difficulties paying on time.

"At the same time losing a job, often after nearly a lifetime of work, means the loss of savings and assets that would otherwise provide a degree of financial protection in retirement.

"The inadequacy of Newstart contributes to undermining Australia's retirement income system, setting up too many older workers for poverty in retirement. We need to review the assets test for Newstart for people over the age of 50, as well as the rate."

Mr Yates said it was inexplicable that with the Oppositions' commendable commitment to weighting tax cuts to those on lower incomes, it has promised nothing to those on the lowest income of all - Newstart recipients.

"Surviving on Newstart and looking for work after a lifetime of employment is soul destroying enough. Being told that lower income earners will receive a significant tax break but as an unemployed older person you won't get a cent is not a fair go." Mr Yates said.

**Media contact: Ian Yates 0418 835 439, Bronte Kerr 0411 676 269**