



Australian Government
Department of Veterans' Affairs

Businessline

Action Required: For information on the changes to the Work Bonus

To:

Assistant Secretary Income Support Branch
Assistant Secretary Business Improvement and QA Branch
Assistant Secretary Client Access & Rehabilitation
Policy Development Branch Directors
Division Coordinators

Distribute to:

Client Contact and Support – all staff
Income Support – all staff
Business Improvement and QA Directors

For information:

Secretary
Deputy President
Deputy Secretaries
First Assistant Secretaries
Deputy Commissioners
Assistant Secretaries

SUBJECT: Changes to the Work Bonus as a result of the *Social Security and Other Legislation Amendment (Supporting the Transition to Work) Act 2023*

Purpose: To inform staff of changes to the Work Bonus commencing 1 January 2024 and 1 July 2024

Key Points:

- The *Social Security and Other Legislation Amendment (Supporting the Transition to Work) Bill 2023* received Royal Assent on 28 November 2023.
- From 1 January 2024, the maximum Work Bonus Bank (WBB) balance will permanently increase to \$11,800.
- From 1 January 2024, new entrants to the Work Bonus will receive a one-off credit of \$4,000 to their WBB upon joining the scheme.
- Commencing 1 July 2024, former Work Bonus clients who are returning to the scheme may be entitled to a “top-up” to their WBB balance.

- Returning clients who have a preserved WBB balance of less than \$4,000 and have not received a top-up or initial \$4,000 joining credit within 2 years prior to returning will have their WBB balance increased to \$4,000 on returning.
- There will be no changes to Work Bonus eligibility or the value of the Work Bonus concession amount, which remains at \$300 per fortnight.

Background:

On 1 December 2022, the Government introduced temporary changes to the Work Bonus which included increasing the maximum WBB balance from \$7,800 to \$11,800 and providing a one off credit of \$4,000 to the WBB balance of existing and new Work Bonus clients. The changes were set to end on 31 December 2023.

On 25 September 2023, the Government announced permanent changes to the Work Bonus which will take effect upon the cessation of the temporary measure.

The Work Bonus:

Under the Work Bonus income test concession, the first \$300 of the person's fortnightly Work Bonus income is excluded from the income test.

Where the fortnightly Work Bonus income is less than \$300 per fortnight, an eligible person will accrue the unused portion of the \$300 per fortnight income concession to a WBB to offset their income in the future.

Legislation:

Amendments to the *Social Security Act 1991* and the *Veterans' Entitlements Act 1986* to support these changes to the Work Bonus were included in the *Social Security and Other Legislation Amendment (Supporting the Transition to Work) Bill 2023*, which received Royal Assent on 28 November 2023.

Communication:

Articles regarding the measure will be published in eNews and Advocacy News, along with necessary updates to DVA Webpages and CLIK.

Question & Answers relating to the measure have been published in Vanqish to assist staff in answering questions from veterans and their families and advocates.



Adam Weiderman
Assistant Secretary
Benefits Policy Branch
Policy & Research Division
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