I am a statistic, a single mother seeking employment, I want to contribute! Sole parents need to be able to contribute to society with dignity not discrimination, achieve independence not co-dependence and financial wellbeing not reliance, the government need to find ways of helping achieve this and not further reducing our status within the community.

Submission to the Senate

Education, Employment and Workplace Relations Committee
regarding the
Social Security Amendment
(Fair Incentives to Work)
Bill (2012)

July 2012

It is not news that the majority of lone parents are women, "There were 780 thousand single mother families in June 2011, making up the vast majority of lone parent families (83%)" (Australian Bureau Statistics)ⁱ. Since the introduction of the Howard government's 'Welfare to Work' Legislation 2006ⁱⁱ, changing single parents from 'Parenting Payment Single' to the lesser 'Newstart Allowance'ⁱⁱⁱ, it would appear that more single mothers are now attempting to return to the work force.

Research by Xiaodong Gong, supports this and suggests that, more single mothers are now feeling "forced" to return to the labour market in response to these reforms. Professor Gongs research, 'Labour Supply Responses to Policy Changes with Hours Constraint' suggests that the "5 per cent increase in the employment rate of single mothers was largely attributed to changes which tightened eligibility criteria for parenting payments in 2006" (Gong 2011)^{iv}.

Indeed there is no shortage of statistical and research evidence proving that single parent households are struggling to survive. 'Life on Struggle street' released by ABS March 2012, which looked at the "characteristics of people in households with both relatively low income and relatively low wealth (low economic resources)", confirms that "Among households comprising one parent with dependent children, three in five (59%) were classified as having low economic resources" and that the majority of low resourced single parent families, "(74%) relied on government pensions and allowances as their main source of household income" (ABS 2012)v. The report identifies the importance of employment to "household economic wellbeing" particularly for "those with young children" (ABS 2012) v.

However, returning to work for single mothers poses many challenges, such as;

1. Lack of income, opportunity and security to improve on that already provided by the welfare system. The following quote from a 1996 discussion paper 'Sole mothers in Australia: Supporting mothers to seek work' (McHugh & Millar 1996)

".....they hardly provide a satisfactory or successful outcome for sole mothers, when little is achieved but a movement from dependency on a minimal but secure income support from benefits to minimal income from an insecure labour market job with all the associated costs involved" (McHugh & Millar 1996).

Eighteen years later and there is still an imbalance in the opportunity for sole mothers to gain skilled, well paid, permanent employment.

Ged Kearney, President ACTU, addressed some of these short falls in her recent 2012 'International Women's Day' address;

"Women returning from parental leave in particular are often unable to return to their job on a part-time basis- and are forced to choose between leaving their baby in full-time care or to accept a lower status, lower paid, and often casual or contract job instead.

Cases of discrimination against mothers, often hidden by making their jobs 'redundant' whilst they are on parental leave are an almost daily occurrence. So the right to equal opportunity in education and to a career falters once a woman takes on family or caring responsibilities.

Australia is almost unique in that the solution to meeting the needs of working parents is almost exclusively limited to part-time and casual work. Insecure work, with inferior conditions and wages."

Ged Kearney 2012 International Women's Day Address^{vii}

2. Inadequate training, resulting in loss of time and resources and not able to provide real employment opportunities.

An example is the over saturation of Cert II Courses such as 'Teacher's Aide' where there are few actual vacancies or available opportunities.

"Teachers, lecturers and school support staff told us they were hired on sessional, rolling and casual contracts without job security or basic entitlements such as paid leave."

Ged Kearney 2012.vii

Andrew Forrest spoke about this in his recent 'National Press Club' Address when he referred to it as "training for trainings sake" (Forrest 2012) viii

3. Unequal wages

"but the 17.6% difference between a man and woman's income is a very real beast preying on women's lives."

Ged Kearney 2012vii

- **4. Casual employment** –from 'Casual attitude lets rights slide' SMH columnist and reporter Adele Horin, 24 March 2012^{ix}
 - "Some sole mothers have been pushed from the welfare rolls into precarious low-paid jobs with no way up".
 - "The ACTU estimates precarious employment affects about 40 per cent of the workforce. The Australian Bureau of Statistics says one in five workers is a casual - one of the highest rates in the developed world."
 - "Casuals usually lack union representation, and legislated work rights, and their solidarity is undermined by competition for extra hours." (Horin, 2012) ix.

5. Lack of flexibility by industry

• Ass. Prof Gong's findings reveals "that generally only women who changed jobs were able to take on more hours" and that this suggested a "rigidity" in the labour market" (Gong 2011) iv.

6. Inequality.

 "The sum of the parts is that lack of family friendly work arrangements, forcing many women into insecure work and the lack of rights that goes along with it, is a real driver of inequality". (Kearney 2012))vii

Despite the challenges, the prospects for single mothers returning to the work force have the ability to provide real benefits, not just for the women, but the broader community.

• **Financial** – Improve living standards, not reliant on welfare, less financial stress, better quality of life.

Self Esteem and Mental Health Issues

"A person's ability to sustain themselves and to be a productive member of society, may impact on their mental health and wellbeing. Being unemployed may increase the likelihood of developing mental disorders (Fryers et al, 2005)" (ABS 2007).

Independence

"Some parents who were not "required" to work due to caring responsibilities also noted the importance of working for their own wellbeing and future independence." (Hand, Gray, Higgins, Lohoar and Deblaquiere, 2011). xi

Social interaction and connection

I am one of these statistics, an unemployed, single parent currently seeking employment and have been for the past several months. It is not an easy situation which forced me recently to send an email to Minister of Employment, highlighting some actual examples of my real life situation.

(extract from email)

For example, I recently attended a job interview with one of the government's Job Service Agency's', Sarina Russo Job Access at their Logan office. This office has been selected as one of the agencies receiving funding for a Pilot project, specifically to assist 'disadvantaged' job seekers in South East Queensland find employment.

I drove up from the Gold Coast for an interview, I met with the interviewer and within 5 minutes he began discussing my commitment to my child and how would I manage the full time role of $8.30 \, \mathrm{am} - 5.00 \, \mathrm{pm}$, Monday to Friday. I explained that with after school care, I would be able to manage a $9.00 \, \mathrm{am} - 5.00 \, \mathrm{pm}$ position, it was at this point my interview ended. The interviewer explained that he required someone from $8.30 \, \mathrm{am}$ and not $9.00 \, \mathrm{am}$ and while I am prepared to have my daughter(5) in long periods of care, I was not prepared to put her in 'before' and 'after' school care arrangements at this time.

While I appreciate business has its needs, it is this lack of flexibility by industry that Prof Gong highlights in his research, 'Labour Supply Responses to Policy Changes with Hours Constraint', suggesting a "rigidity" in the labour market". (Gong 2011).

As I continue to face such challenges, I recently sought assistance from Centrelink requesting the services of a local JSA.

I was assigned to 'Jobcare'; however I was told that assistance would be limited as I was only a stream '1', that is, I was a 'voluntary' job seeker.

At my appointment with the Employment Advisor, I expressed I felt I was experiencing some discrimination due to my single mother status, "Oh really" she said, "I have two children and I've never had any problems", at this point I asked her if she was a sole parent, to which she replied "No".

If the agencies' the government entrusts with their more vulnerable and 'disadvantaged' job seekers are not empathetic or flexible, then I would seriously question how effective they can really be to help find genuine solutions for very real people's problems.

As a consequence of my email and concerns, I have received some correspondence highlighting the various departments I can contact, such as Discrimination and Centrelink to change my job service provider, however, while these individual and personal scenarios can be rectified, I draw attention to the real problem that underlies the situation.

That there is an underlying culture of discrimination, lack of flexibility, low wages and low opportunity for single women returning to the workforce. Surely this is enough pain without the government further pushing women off the cliff into a future of uncertainty.

Government should be looking at finding possible real solutions, such as

- More flexible work environment, lobby government to subsidise and help create more flexible work options including increasing job share, part time and more flexible employment arrangements.
 - Organise training and employment programs specifically targeting and meeting the needs of lone mothers.
- Take the statistic from paper and out into industry e.g. ensuring companies' register and collect data genuinely reflecting the real employment situation of women
- Lobby industry to create training and employment designed to meet this target group's needs and provide potential trade-offs, E.g. in Queensland the retail sector is lobbying for extended trading hours perhaps a negotiated trade off with government to ensure specific percentages of single parents be given opportunities
- Researching labour market needs, aimed specifically to identify needs and opportunities so that training and resources can directly be designed to target these.
- 'Grandparent' or alternative carer incentives (without compromising pensions) additional funds and resources made available to 'older' pension workforce to offer at home care for working mothers

- Offer low % loans for lone mothers to 'get on their feet'
- Holden Car Deal! Federal government grants for small vehicles.
- Increase lower and basic wages for carer industry, teachers, nurses, teachers' aides and child and aged care workers.
- Revisit the tax system, incorporating flexible tax credits
- Allow single mothers / parents' opportunity to "get ahead" financially and independently, e.g. savings account scheme incentives, utilities credits. Currently single mothers cannot get a bank loan!

While finding employment may not be the answer for every sole mother, it needs to, at the very least, provide a framework with incentives and support, so single mothers may contribute with <u>dignity not discrimination</u>, achieve <u>independence not co-dependence</u> and <u>financial wellbeing not reliance</u>.

I have a Communications Degree, and A Double Diploma of Hospitality and Event Management and it has now been several months and some many hundreds of job applications later and I am still unable to find employment to support myself and my daughter.

Please consider this submission and look for a more productive outcome that will not send single mothers back in time, but help them, and in doing so, our country to move forward.

Sincerely

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