



3rd July 2023
Committee Secretary
Community Affairs Legislation Committee for inquiry
PO Box 6100, Parliament House Canberra

legcon.sen@aph.gov.au

Dear Committee,

Re: Social Services and Other Legislation Amendment (Strengthening the Safety Net) Bill 2023

Thank you for the opportunity to comment on this legislation. It is deeply important to both our organisations.

Single Mother Families Australia (formerly National Council of Single Mothers & their Children) was one of few if not the only national organisation with a long-term (since 2006) and contemporary position on Parenting Payment Single. Restoring Parenting Payment Single was a fundamental policy platform on which we campaigned during and after the Federal Election, with prominence in all policy submissions and public commentary. Our expertise is embedded in our connection with and working for single mother families across Australia. We know the transformative power of policies is at its highest when it is personal. It arrives with validity and is sustained and formed from dedication and knowledge.

If all our recommendations are accepted, this will not be an over-investment, as the last time single mothers received positive and targeted social assistance was in 1989 (an amalgamation of Supporting Parents' Benefit and Widows' Pension creating the Sole Parents Pension).

Who we are.

Council of Single Mothers and their Children Inc. (CSMC) was founded in 1969 by single mothers to improve their lives and those of their children. Based in Victoria, we achieve change by championing the voices of single mother families and providing specialist support services.

Single Mother Families Australia (SMFA) was formed in 1973 as a lead national voice with policy acumen and expertise. SMFA also assists single mothers in navigating complex systems to gain the information that best supports and protects their families.

We are grateful to the Women's Economic Equality Taskforce, which, from inception, agreed that the Taskforce would prioritise women in Australia experiencing significant disadvantage and vulnerability. The Taskforce's advice was presented through an intersectional lens, with recommendations grounded in evidence and women's lived experiences across the country. The six priority recommendations were provided to the government ahead of the Federal Budget.

The Women's Economic Equality Taskforce emphasised that one of the smartest investments that can be made is in women's equality. Their first recommendation was "the reinstatement of the Parenting Payment (Single) for women with children over eight, more appropriately classifying single mothers as doing parenting work, rather than as being unemployed".



We appreciate the support from the Paul Ramsey Foundation, which provided the capacity for women living in hardship to speak with politicians and be central in the policy discussions that influence and affect their lives. Single mothers are too often reduced to policy targets, forced in times of crisis to navigate brutal systems with systemic deficiencies that include gender blindness and a lack of appreciation of the enormity of the sole caring role. Women's strength, resilience, and determination to be all they can be and to protect, nurture and intensively parent has not been celebrated for a long time. Instead, since the onset of welfare to work, they have been reclassified as underachievers with obligations to fulfil. Opportunities to reclaim our true contributions and voice are pivotal, and we trust that this will be a sustained outcome of these current policy shifts.

Finally, we thank Dr Anne Summers, who has provided clear and emphatic evidence that speaks to the intersectionality of gender violence and women's access to and reliance upon social assistance. Too many women are harmed by gender violence, and support systems and responses are often too little and too late. The awful result is that women do not leave and/or return to those who use violence because they find only poverty, homelessness, and social opprobrium in support systems. It is time to readjust the scales.

Finally, in presenting this submission, we extend our profound respect to the single mothers who, since 2006, have bravely spoken against the harshness of the system, the ingrained prejudice, and the residual stigma. For many of these women, this policy change will be too late for their families, and our thanks won't make a positive dent in their sustained harm. Mindful of this, we are nevertheless ecstatic that a parenting payment is no longer denied when a child celebrates their 8th birthday.

We will continue to press and make a case for full reinstatement to 16 years. We hope that this Committee will support our ambition.

We thank you for inviting us to engage in this critical Inquiry and look forward to speaking in person.

Warm Regards,

Terese Edwards

Andi Sebastian

CEO, SMFA

Acting CEO, CSMC



Recommendations

Parenting payment single (PPS):

1. The Committee supports and welcomes provisions in the **Social Services and Other Legislation Amendment (Strengthening the Safety Net) Bill 2023**, resulting in women accessing the Parenting Payment Single until their youngest child turns 14. This will benefit 57,000 single parent families, 80% of whom are led by a single mother.
 - a. Support the amendment moved by Kylea Tink MP that the current start date of 20 September 2023 be forward the start date to 1 July 2023. Benefiting 8000 families whose children turn eight in the interim period and will lose over \$200 a fortnight, as well as tighter income and work tests. The most effective response would be to grant all identified recipients an exemption using the current provisions or to implement a 'pause'. Mitigating avoidable financial stress, duplication of administration, and reflecting sentiments expressed by various Members of Parliament.
2. The Committee supports the provisions in the **Social Services and Other Legislation Amendment (Strengthening the Safety Net) Bill 2023**, resulting in non-pension income support payment rates increasing by \$40 per fortnight. We welcome the increase to the maximum rates of Rent Assistance and changes to claimants on JobSeeker Payment aged 55 to 59. However, we remain dismayed by the manifestly inadequate rate of Jobseeker (under 55 years) and Youth Allowance.
3. The Committee supports the full reinstatement of the Parenting Payment Single, providing access to single parents until their youngest child turns 16. We understand this will benefit a further 72,000 single parent families, 80% of whom are led by a single mother¹.
4. The Parenting Payment Single to be indexed and again linked to pensions (delinked 2009), enacted in a timeframe aligned to gender equality strategies and ambitions.
5. That a participatory co-research evaluation is undertaken within twelve months of the impact of the changes to the Parenting Payment Single. That the evaluation methodology includes an examination of the following:

¹ DSS Impact Analysis, May 2023, p15, Additional Support for Single Parents OIA23-04851
https://oia.pmc.gov.au/sites/default/files/posts/2023/05/Impact%20Analysis_0.pdf



- Economic security for single-mother families receiving PPS, including women affected by gendered violence.
- Study completion outcome and employment patterns.

We further request that the evaluation include a control group of single mothers whose children are 14 to 16 years old if they have not been subject to the increase.

Mutual Obligation Settings

We know of the Workforce Inquiry and trust that it will recommend abolishing mutual obligations. Mutual obligations and the Targeted Compliance Framework are punitive and costly. A dynamic that endorses demonising women locked out of the labour market, who cycle in and out of insecure work or who need to prioritise parenting.

Surveillance and control do not enrich a single mother family. Raising, protecting, parenting, and future planning should be considered enough of a mutual obligation.

Single mothers are not bereft of ambition. Constantly juggling insufficient resources to raise their children and time spent in punitive and often pointless obligations dims their confidence, motivation, and light. Mutual obligations create another challenge and stress.

Acknowledging that the Workforce Inquiry is still underway, we propose some recommendations that do not have a monetary cost but are beneficial. We present these here as women do not live in policy silos, and getting a jump start on good ideas seems prudent.

6. Calculate voluntary work for social security claimants under 55 years. This would be particularly helpful for victims-survivors of gender violence and women absent from the labour market. Volunteering where women have career aspirations allows them to gain insight and experience with an opportunity to form workplace relationships, all possible stepping stones to paid work.
7. Immediately extend the Domestic Violence Mutual Obligations Exemptions from 16 weeks to an automatic 12-month exemption as recommended by the Participation Review Taskforce (2008)²

² Ms Patricia Faulkner AO, 2008, Participation Review Taskforce Report. Department of Education Employment and Workplace Relations (Australia).

<https://apo.org.au/sites/default/files/resource-files/2009-05/apo-nid14441.pdf>



Parenting Payment Single recipients will not receive a rate increase.

We conclude our recommendations by acknowledging that the 2023–24 budget measure will see most non-pension income support payment rates increased by \$40 per fortnight. Still, Parenting Payment Single rates will not be improved. A break with protocol and standard practice, and for example, when the Coalition provided a \$50 per fortnight increase to non-pension payments in April 2021, Parenting Payment Single was included, as were the highly welcomed coronavirus-enhanced payments enacted in March 2020. We understand this decision in the context of the 2023 Federal Budget but remain concerned about future implications and point out that the last time single mothers received a positive investment was in 1989. We don't believe that we have overused any financial and policy goodwill.

Critical and Contemporary Findings

In addition to our recommendations above, we would like to bring to the attention of the Committee relevant recommendations from others we regard as critical and fully support.

Dr Anne Summers' report – The Choice Violence or Poverty: Domestic Violence and its Consequences in Australia, today, July 2022³

Dr Summers' recommendations. We have included four of the six and are below:

- i. The Australian Government should change the eligibility rules so that the Parenting Payment Single allowance is available to all single parents until their youngest child reaches 16 or is still in high school.
- ii. The Australian Government should increase the Parenting Payment Single allowance rate to equal the age pension single rate.
- iii. The Australian Government should change the indexation and benchmarking of the Parenting Payment Single, so they align with how pensions are indexed. In practice, this will mean that the Parenting Payment Single would always equal 27.7% of male total Average Weekly Earnings (MTAWE) rather than the current benchmark of 25% of MTAWE.
- iv. The Australian Government should abolish the Mutual Obligations requirements for recipients of the Parenting Payment Single (currently imposed once the youngest child turns six) and provide optional job training and job-seeking opportunities to those parents who want them.

³ Dr Anne Summers, July 2025, The Choice of Violence or Poverty A Report into Domestic Violence And Its Consequences In Australia Today. Paul Ramsay Foundation Fellow 2021-22
https://assets.website-files.com/62b998c0c9af9f65bba26051/63228540ce74a60866ee4e98_TheChoice-violence-or-poverty-web.pdf



council of
single mothers
and their
children

Women's Economic Equality Taskforce advice for May 2023 Budget⁴

Reinstatement of the Parenting Payment (Single) for women with children over eight. This will more appropriately classify single mothers as doing parenting work, rather than as being unemployed.

Furthermore, the Taskforce recommends the raising of the base rate of income support and review of the current system of indexation of payments and analysis as to their adequacy.

Snapshots: Research Findings

We bring to the committee's attention insights into relevant and contemporary research.

Does decreasing the generosity of payments to single parents have employment and earnings effects? Evidence from Australian administrative data 2023⁵.

The results (2011 and 2016) reveal that single mothers were financially worse off, in terms of total income, following the reform. This study also considered whether ever-received PPS recipients were better off financially, in terms of total gross income, following the reform. The results suggest that single mothers were, on average, worse-off.

Income Trends for Selected Single Parent Families⁶

We find that for a family with no private income and two children over the age of 8, policy changes since 2005 have left them around \$5,750 a year worse off, or about 17.2 per cent by 2018. Where the single parent works three days per week on the minimum wage, they will be \$6,391 worse off or 14.8 per cent.

Overall, due to lower government benefits and lower payment indexation, many single parent families are considerably worse off as a direct result of policy change enacted by various governments since 2005."

From Partnered to Single: Financial Security Over a Lifetime⁷

⁴Women's Economic Equality Taskforce, 24 March 2023, Women's Economic Equality Taskforce advice for May 2023 Budget. <https://www.pmc.gov.au/office-women/womens-economic-equality/womens-economic-equality-taskforce/letter-minister-women>

⁵ Kristen Sobeck and Robert Breunig, *Does decreasing the generosity of payments to single parents have employment and earnings effects? Evidence from Australian administrative data 2023*. <https://sites.google.com/view/kristensobeck/home>.

⁶ Ben Phillips and Cukkoo Joseph, November 2016, Income Trends for Selected Single Parent Families ANU Centre for Social Research and Methods <https://csrcm.cass.anu.edu.au/sites/default/files/rsss/Cameo%20analysis%20of%20single%20parents.pdf>

⁷ Dr Barbara Broadway, Professor Guyonne Kalb, Ms Dhanya Maheswaran, June 2022, From Partnered to Single: Financial Security Over a Lifetime. Melbourne Institute research https://melbourneinstitute.unimelb.edu.au/_data/assets/pdf_file/0011/4134467/Breaking-Down-Barriers-Report-5-June-2022.pdf



Unfortunately, this trap looks worse for older women. While women with young children who had no job before separation have usually only been out of the labour force for a short time, women with older children and no job at separation have typically been disconnected from the labour market for longer, meaning their job prospects are lower.

While the immediate increase in poverty risk is especially large for women with children below school age (0 to 4 years), the same group also experiences the fastest decline in additional poverty risk: three years later, the poverty risk for women who had children in this age group when they separated is still higher than for women who remained partnered, but only by 3 percentage points. The effect is most persistent for women with older children: their elevated poverty risk declines much less, only to 8 percentage points, over the next three years.

Taking the Pulse of the Nation⁸

Single-parent households with children are struggling. Among single-parent households with children, just under half report using savings to cope with rising prices and almost 64% have sought cheaper food options. Worryingly, nearly 15% have pawned or sold possessions, 24% have cancelled or deferred medical appointments, 34% delayed bills or negotiated payment plans and a quarter have borrowed from friends or relatives. Although these strategies are also present among partnered households with children, the prevalence is much lower than in single-parent families.

Overview and Changes to Parenting Payment Single

Parenting Payment Single (PPS) is an income support payment that provides financial support to single parents. Most claimants are women reflecting Australia's deeply gendered care constructs whilst bringing forth the motherhood penalty, the location and prevalence of gendered violence and the intersection of poverty.

1973: The payment has a rich history, and in 2023 we celebrate a 50-year milestone. The payment commenced as a Supporting Mothers Benefit (SMB) enacted by the Whitlam Government on 3 July 1973. Immediately challenging and ending the practice of forced adoption (for white women) as it provided the means for economic survival, addressing entrenched disadvantage, discrimination, and cultural and payment prejudice. The Supporting Mothers Benefit provided the means for a single mother with an ex-nuptial child to access a national universal payment enacted at the same level as Widow Class A until the young child turned 18 or 24 if dependent and studying⁹. Access for fathers commenced in 1977.

⁸ Taking the Pulse of the Nation, September 2022, Single-parent households with children are struggling. Informing Australian economic & social policy. A Melbourne Institute & Roy Morgan partnership <https://melbourneinstitute.unimelb.edu.au/data/taking-the-pulse-of-the-nation-2022/cost-of-living>

⁹ Terese Edwards, 2023, Out of wedlock, out of luck: Single mothers and ex-nuptial babies. In M Arrow, *Women and Whitlam. Revisiting the Revolution* pp 169, NewSouth Publishing.



1989: The Social Security Review, with its genesis in tackling single mother and child poverty and workforce barriers, resulted in the establishment of the Sole Parent Pension. Further initiatives of the Hawke Government were increased (voluntary & free) pre-employment services (Jobs Education & Training) and more resources for families, successfully reducing child poverty by 30%¹⁰. Access to the Sole Parent Pension was until the youngest child turned 16 years.

The Sole Parent Pension was implemented in 1989, and it was the last time single mothers were benefactors of government support and broad investment.

1 July 2006: Access for the single parent receiving PPS was reduced from 16 to 8 years old for the youngest child. Part-time work or study requirements were introduced once their youngest child reached age 6, replacing and expanding the previous mutual obligations, which commenced in September 2002. The 2002 obligations required recipients to attend an annual interview once their youngest child was six and undertake the part-time activity (150 hours over six months) when their youngest child reached 13 years old. Again, necessary background as misinformation circulates the 2006 'reforms' with incorrect claims that single mothers did not have prior mutual obligations¹¹

Once the youngest child turned 8, single parents locked out of secure paid work were forced to lower-paid unemployment benefits and immediately reclassified not as single parents but unemployed and onto a payment that was never structured to support single mother families. The policy also arrived with accumulative disadvantages, including reduced retained earnings from paid work, whether it was low-paid, short-term or casual employment. It was always a harsh budget-saving mechanism underpinned by ideology. Single mother hardship grew, and it occurred in the context of record-low unemployment, consecutive budget surpluses and a mining boom.

2013: Single parents eligible for PPS were grandfathered in 2006 under the pre-existing policy requirements before the change. 1 January 2013, however, grandfathering arrangements were removed, effectively forcing 85,000 single mother families into poverty, with many more to follow.

Comparison table Parenting Payment Single & Jobseeker

Parenting Payment Single	JobSeeker Payment
\$967.90 per fortnight	\$761.30 per fortnight
Income free area of \$202.60 per fortnight plus \$24.60 for each additional child. Each dollar over the free area reduces payment rate by 40 cents.	Income free area of \$150 per fortnight. Each dollar of income over the free area reduces payment rate by 40 cents.
\$2,622.35 per fortnight (with one child) The cut-off point increases by \$24.60 per child.	\$2,053.25 per fortnight

¹⁰ Australian Council of Social Service, May 2019, ACOSS tribute to Bob Hawke.

https://www.acoss.org.au/media_release/acoss-tribute-to-bob-hawke/

¹¹ Kristen Sobek and Robert Breunig, *Does decreasing the generosity of payments to single parents have employment and earnings effects? Evidence from Australian administrative data 2023.*

<https://sites.google.com/view/kristensobek/home>.



Additional information

Single primary carers granted an exemption from mutual obligation requirements for foster caring, being non-parent relatives under a court order, home-schooling, providing distance education or having a large family are paid the same rate as Parenting Payment Single. **No** exemption exists for single mothers affected and harmed by **gendered violence**, elevating the importance of Dr Anne Summers's research.

Why not 16?

The 2023–24 budget measure will not fully reverse the 2006 changes as it will lift the youngest child cut-off age to 14 rather than 16 years. No research evidence has been offered to demonstrate why age 14 is significant in allowing parents to undertake more work or how it differs from earlier ages in terms of the level of parental supervision required or the level of income support needed by single parents¹². In reading the DSS Analysis Impact, we believe that it left some key questions unanswered. We aim for the Committee to recommend a staged increase and return access to 16 years. We urge the Committee to recognise that important background information was and remains missing. Such concerns include the following.

- A complete picture would have sought to understand the number of women who had paid reported earnings in the different age bands to ascertain the role that the more generous earning thresholds offered PPS claimants in providing financial security and how this will either detract (single mothers with children aged 14 & 15 years) or enhance (single mothers with 8 to 13 years) and its alignment with Gender Equality Statement and aims.
- Safety gap: We are concerned that the decision not to restore PPS up to 16 years was undertaken without analysing and considering current and future single mother jobseeker claimants who are victim-survivors of family and domestic violence. Social security assistance provides limited protections, and the deficit will compound the disadvantage for single-mother families affected by gendered violence and with children in their early to middle secondary school (14 and 15 years).
- Analysis of completed and incomplete studies for single mothers who access the Pension Education Supplement needs to be understood. Narrative data finds a correlation between losing the Parenting Payment Single and stopping studies. Women raising children can't afford to study on Jobseeker. Supporting women to achieve study completion has broad and intergenerational benefits, and this should encompass women with children aged 14 and 15 years.
- Furthermore, a focus on the impacts on children and their education when their mothers lost access to the PPS to ascertain if this could have been mitigated by restoring payments until the age of 16. This would provide an intergenerational impact assessment, particularly

¹² Michael Klapdor and Dr Matthew Thomas, Expanding eligibility for Parenting Payment Single and ending ParentsNext. Budget Resources
https://www.aph.gov.au/About_Parliament/Parliamentary_departments/Parliamentary_Library/Budget/reviews/2023-24/ExpandingEligibilityParentingPayment



relevant if young teenagers work for money while undertaking critical learning and examination periods.

We conclude that the 14-year threshold was a premature and ill-informed decision with such critical questions needing to be answered.

What we do know: Quick Key Points

The data below was lifted from a collaborative Briefing Paper with [Antipoverty Week](#), poverty experts who strongly advocated for the complete restoration of the Parenting Payment for Single (to age 16 years)

Correct as of 27th March 2023.

- As of 20 March 2023, a single parent with two children loses over \$100 a week (\$102.50) in payments once transferred from PPS to JobSeeker when their youngest child turns 8. If they were also earning \$300 per week from a part-time job (\$20 an hour for 15 hours a week), they also lost an additional \$57.14 per week due to the harsher Jobseeker income test, so a total loss of \$160 per week.
- While 80% of all Australian single parent families are female, more than 95% of the poorest single parent families, those who rely on inadequate income support payments, are headed by women. [Link](#)
- [The Choice: Violence or Poverty](#) found that most single mothers who lost access to the Parenting Payment were survivors of family violence and coercive control. It recommends immediate access to the Parenting Payment Single for single parents whose children are 16 and still at school and equitable indexing of the PPS with the Age Pension.
- The latest ACOSS/UNSW report shows the risk of poverty for children in sole parent families in 2019-20 was more than three times that in partnered families (39% compared with 12%). [Link](#)
- Approximately 16% of single parent families include a child with a disability, compared with about 8% of couple-parent families and 24% of single parents have moderate or severe disability compared with 9% of partnered parents [Link](#)
- Single parents were less likely to receive child support regularly (36% in 2020 compared with 40% in 2001-03). Of those who did, they received an average of 32% less in 2020 than in 2001-03 (\$2,360 in 2020 compared with \$3,490 in 2001-03 using December 2020 prices.) [Link](#)
- Economic disadvantage in the form of inadequate resources adversely affects children's social and educational opportunities and health outcomes in the short and long term. [Link](#)
- The policy decision to reduce frugal but critical income has never been subject to any research. All requests have been denied, including the Family Law Amendment (Review of Government Support for Single Parents) [Bill](#).
- In 2016, research [found](#) that the 'Welfare to Work' settings forced women into a low rate of unemployment payments, resulting in women accepting casual or part-time contract jobs



without paid sick leave or superannuation payments whilst inhibiting their ability to find long-term and meaningful employment.

- The policy settings penalise women who had part-time or low-paid employment. It was never about paid work but a harsh budget-saving mechanism. Unemployment payments were not designed for single parenting and the harsher income test means the family receives less income when paid work is undertaken. [Link](#)
- The Parenting Payment Single was not subject to the [Harmer Review](#) (2009). It, therefore, did not benefit from research to ascertain whether it is fit for purpose, nor were recipients able to access the remedies provided to pension claimants.
- The 2018 [Inquiry](#) into Intergenerational Welfare Dependence found the need to increase income support, but it was 'erased' from the recommendations by then Prime Minister Scott Morrison. Both our organisations appeared before the Committee. Media [link](#).

Social Assistance, a new contradiction.

The proposed legislation will deny access to a single mother when the youngest child reaches 14 years. It remains an arbitrary age minus evidence and contradicts the age thresholds of other social security and child support policies.

Family Tax Benefit Part A	Family Tax Benefit Part B	Child Support
<p>The maximum FTB Part A</p> <p>\$197.96 for a child 0 to 12 years</p> <p>Increasing to</p> <p>\$257.46 for a child 13 to 19 years (if meets the study requirements)</p>	<p>The maximum FTB Part B</p> <p>\$117.46 when the youngest child is 5 to 18 years of age.</p>	<p>The parents' incomes determine the costs of a child, the number of children and the age of the children. The prices are calculated using the Costs of the Children Table. The child support formulas then determine how these costs will be met.</p> <p>The Australian Child Support has a lower calculation level for children aged 0-12 years, with an increase for children 13 to 18.</p>

The Australian approach to the cost of children in both child and social security does not reduce when a child turns 14. Conversely, assistance typically increases, recognising the additional cost of goods and services for teenagers.