

Family Payments: Critical Supports



The National Council & of Single Mothers Their Children Inc.

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Who we are

The National Council of Single Mothers and their Children Incorporated (NCSMC) is an organisation dedicated to single mothers. The Council has become a platform whereby both the community and the government can communicate; it has led the way in obtaining a range of beneficial outcomes; has actively sought to reduce systemic prejudice; continually challenges existing norms, and over many years has achieved improved opportunities and outcomes for single mother families.

One of our greatest strengths is our expertise and commitment in working with, and for, the advancement of women and children impacted by poverty, violence, exclusion and gender inequality.

Standing Committee on Community Affairs Legislation Committee

NCSMC welcomes the *Inquiry into the Social Services Legislation Amendment (Family Payments Structural Reform and Participation Measures) Bill 2015* and trust that our submission and attendance will have an impact and influence upon the Committee's findings.

Sole parent families are in deep distress about this measure and it is our role to convey this distress which is grounded in the 'lived reality'. It is our greatest hope that the Committee will react, review and insist that the predictable outcome of these measures, great harm to vulnerable families, will be rejected outright. These families are not in a position to manage further cuts.

*'I say 'no' so many
times that she
knows that we are
poor' (daughter 10yrs).
I have nothing more
to give'*

Guiding Statements

The submission is guided by the following statements:

1. Sole parents have borne the brunt of harsh cuts in successive budgets, and as a consequence they are ill-equipped to manage any further reductions.
2. Child Poverty has grown 15% in the last decade and it's concentrated in sole parent families.
3. Australia has the most tightly targeted income support systems in the OECD and therefore any cuts directly impact upon struggling families.
4. 'Family Payments' is an expenditure that has reduced over the years and therefore does not require further reductions.
5. Seeking and staying safe costs money. We can't cut critical support to women and children impacted by family violence.
6. We have failed to undertake any comprehensive review of what is an adequate income for sole parents; we cannot make further cuts in a vacuum of knowledge.
7. We have not set any anti-poverty targets or measures to ensure that all children have the same opportunities as their peers to safety, to learn, thrive and develop.
8. An absence of any population impact review of this measure. NCSMC is concerned that cuts will be sharply felt in remote, rural and regional areas. Areas where employment options are limited and the cost of essential services are high. We are fearful that it will compound disadvantage.
9. No consideration to the interactions of child support and family payments with the measure, potentially instituting a contradiction in the Government's position regarding the cost of children. Child Support formula is premised upon the cost of children is higher for 13+.
10. This measure fails the objective of 'simplification' as there will still be Family Payments Part A&B. It may well be more 'complex' such as the recent (and welcomed) announcements for grandparent exemption.
11. Changes to family payments must be structural, with clear targets and that changes seek to address disadvantage.

Our expertise is derived from our own research, collaboration with others and steeped in the rich but often tragic experience of women who have sought our service. It is from this unique, but clear vantage point that we present our submission and recommendations.

Our Recommendations

1. Reject the measures in the Legislation that will reduce critical assistance to sole parent families.

Family Payments are a critical support – and not a savings measure. *The Social Services Legislation Amendment (Family Payments Structural Reform and Participation Measures) Bill 2015* will result in the removing of \$4.8 billion, over the forward estimates. As Australia has one of the most targeted systems in the world the impact will be felt by the families who are in the greatest need¹.

NCSMC shares the distress of the families who will be most affected, and that it is families with children over the age of 13. Ironically, the cuts hit when assistance is needed the most. We also raise our concerns that access to payments for children who are finishing their secondary schooling (17, 18, 19 years) will be completely abolished.

ACOSS analysis states that when all the changes are fully phased in the losses will be:

- A sole parent with one child over 13 will lose roughly \$2,500 per year.
- Those with two children over 13 will lose around \$3,000 per year.²

We call upon the Committee to reject the measures in *The Social Services Legislation Amendment (Family Payments Structural Reform and Participation Measures) Bill 2015*. For sole parents this is not an isolated reduction. Low income sole parents have repeatedly borne the brunt of successive cuts. Struggling sole parent families, mostly headed up by a mother, have no financial capacity to absorb any further reductions. It is a crippling blow, most notably for the families forced from a family payment and onto Newstart once the youngest child is 8 years (2006 & 2013). The families reported unrecoverable losses of amounts of up to \$140 per week. This remains an unresolved issue and it would be reckless for a Committee to support further cuts to this demographic.

¹ Peter Whiteford, Nov 2015 pp9, *Assistance for families in context*, Social Policy Institute Australian National University.

² ACOSS, Nov 2015, *Reform of the child care and family payments*, The Australian Council of Social Services

2. Do not remove Annual Supplements

The reconciling of end of year supplements is factored into household budgets and provides a much required capacity to enable families to pay those large costs that often cannot be met within the weekly budget. Such items may include outstanding school fees, car registration, and replacement of household appliances. The measure that seeks to 'revise', 'reduce' or 'revert' the end-of-year supplements should be abandoned. We urge the Committee to understand the particular importance of the end of year supplements for struggling families and reject this proposal within the legislation. NCSMC has no faith in the capacity of IT to respond to over-payments. NCSMC was recently informed that mothers must report their earnings both to DHS-CSA and DHS-Centrelink as this IT system within the same department does not have the capacity to share this data.

3. Institute a targeted and sustainable social security system that quarantines Australian children from poverty

In March 2013 the reputable longitudinal study; the Household, Income and Labour Dynamics in Australia (HILDA) survey found that 24% of children in sole-parent households are living in poverty, compared with 7.6% of those living with two parents and that child poverty in sole parent families had increased over the last decade by 15%³. The increase has occurred throughout Australia's prosperous years, indicating a failure of policy settings. Family Payment Part B was a deliberate action to reduce child poverty in sole parent families. Successive governments have curbed its' value through changes and pauses to indexation as well as tightening eligibility, which is now available for families with an income below \$100,000 per year. There is no capacity or reason for further reductions. A wholesale reduction is inconceivable for sole parents' resultant in increased harm and the amount of Australian children doing it tough and/or living in poverty.

With an absence of any national targets and a vacuum of contemporary research into what is the most effective income support for sole parent families, we urge the Committee to:

- Reject further cuts; and
- Make a recommendation to ensure that our social security system that quarantines Australian children from poverty.

³ Household, Income and Labour Dynamics in Australia (HILDA) Survey, 2013 *Sounds the alarm on child poverty*, Melbourne Institute

4. Family & Domestic violence: Keeping Mothers and Children Safe

The prospect of reducing critical financial support to mothers and children impacted by family violence is inconsistent with the *National Plan to Reduce Violence against Women and Children*. Sadly, it is single mother families who are overwhelmingly subjected and impacted by family violence. These families endure the additional direct cost associated with seeking and staying safe and as well as increased parental demands. Committee members need to take into account that separation does not equate to safety. In a recent national survey conducted by NCSMC only 12% indicated that they were not subjected to post-separation violence.

5. Legislation and Policy Feedback

Rich Legislation and policy deliberations incorporate the wisdom of the 'lived experience'. The National Council of Single Mothers and their Children Inc. ensures that the 'lived experience' is heard in critical processes including the Standing Committee on Community Affairs. It is a unique and authentic vantage perspective and it captures learnings from our service delivery, research, and the operation of email lists as well as platforms for peer discussions. However, it is challenge for NCSMC to undertake this high level and critical engagement under out current contract. Clearly, we place great value upon this dialogue and trust that it is replicated by the Committee. We hope that the value of this engagement could be translated in a recommendation that NCSMC is formally supported to undertake this work.

Fix the Flaws

NCSMC seeks that the current flaws are addressed and that any changes to family payments are structural, with clear targets and that changes seek to address disadvantage.

1. Child Support Debt \$1.3 BILLION

Child support debt; non-payments, late payments, sporadic payments and partial payments are a phenomenon for families which creates financial uncertainty, distress and poverty. The Committee needs to be cognisant of this current and ever increasing debt and the children, who are missing out because of the failings in our current system. Furthermore, the 'real' debt is higher and unknown as the stated debt does not include debt for customers who have a private collect, and this is a sizeable and growing population the debt is underrepresented. The Ombudsman stated that the actual percentage of private collect cases in 2012-13 was 54%⁴.

The child support scheme is designed to interact with family benefits and therefore any changes to family payments will produce consequences to child support customers which include 1.1 million children.⁵ The Interactions include.

- **Maintenance Action.** This is the process of having an agreement approved by the Child Support Agency. 'Failing' to undertake a Maintenance Action will result in the recipient receiving the base rate of family payments irrespective of eligibility.
- **Family Payment levels.** A fair way to 'reduce' family payments would be to commit to addressing, reducing and eliminating Child Support debt. Family Payments are reduced when child support is paid on time and in full. However, we note an absence of recovering this significant debt or in investigating,

⁴ Colin Neave Commonwealth Ombudsman, June 2014 pp10, Submission to the House of Representatives Standing Committee on Social Policy and Legal Affairs Inquiry into the Child Support Program July 2014

⁵ Department of Social Services and Department of Human Services, July 2014 pp 6,

Joint submission to the House of Representatives Standing Committee on Social Policy and Legal Affairs Inquiry into the Child Support Program July 2014

engaging with, or taking enforcement action against these non-payers who blatantly refuse to support their own children.

- **Changes to FTB in 2008.** Changes to FTB were made to complement the design of the new child support formula:
 - Parents with 10 to less than 14 per cent care were excluded from eligibility to receive a share of FTB.
 - Parents with 14 to less than 35 per cent care ('regular care') were excluded from eligibility to receive a share of 'child component' amounts of FTB.
 - Parents with 35 to less than 45 per cent care had their rates of FTB reduced.
 - Parents with 46 to less than 55 per cent care had a range of small changes to their rates of FTB.
 - Parents with 56 to 90 per cent care had their rates of FTB increased.⁶
- **The Costs of Children table** provides broad average costs at the level of the parents' combined child support income. It includes costs associated with care such as infrastructure costs (accommodation, bedding) and consumption costs (food, entertainment, transport) and is net of the **average levels of FTB that families at particular income levels are assumed to receive**. They take into account a number of assumptions about the differences between couple families and separated parents, **FTB policy settings at a point in time**, administrative simplicity and the need for certainty for families⁷.

In addition to family payments influencing the cost of children table, the current measure has the potential to institute a contradiction in the Governments position regarding the recognised cost of children. Child Support legislation is premised upon children 12 to 18 years costing more than children less than 12 years. In the DHS Cost of table (2015) they state that the calculation for a one child below 13 years is \$21,603 while a child + 13 years are \$26,914. In arriving at the Costs of Children table⁸ DHS states;

⁶ Department of Social Services and Department of Human Services, July 2014 pp 10,

Joint submission to the House of Representatives Standing Committee on Social Policy and Legal Affairs Inquiry into the Child Support Program, July 2014

⁷ Department of Social Services and Department of Human Services, July 2014 pp16 ,

⁸ <http://guides.dss.gov.au/child-support-guide/2/4/2>

The Ministerial Taskforce produced consensus estimates of the gross costs of children by averaging together the different sets of estimates developed by experts in costs of children research. It then produced agreed gross costs of children figures as a percentage of gross family income for middle-income families across two broad age ranges (0–12 and 13+) and for different numbers of children.⁹

NCSMC urges the Committee not to make further cuts to family payments especially as it had not taken into consideration the interactions between Family Payments and Child Support and that it will compound the current consequences of Child Support debt.

I. A new approach

A more sophisticated and well-targeted social security system would provide a safety net that accurately considers the needs of sole parent, that quarantines children from poverty, and provides assistance that reflects the employment patterns of sole parents so they can combine sole-parenting and employment.

Sole parent families in receipt of Newstart and are low paid or have insecure and/or part-time work are harmed due to the Newstart earning thresholds. For example, a sole parent with three children can earn and retain \$118.00 per week on Parenting Payment Single but when on Newstart it reduces to \$51 per week. Consequently, families who were forced from a parenting payment reported non-recoupable losses of up to \$140.00 per week. As stated by National Welfare Rights, a mother working 15 hours per week on minimal wage and in receipt of Parenting Payment Single, would need to work 28 hours per week once on Newstart to retain the same earnings¹⁰.

II. Family and Domestic Violence

On 13 October 2015 NCSMC released a national survey to gain an understanding of Domestic Violence and Income Security. Single mother families impacted by family and domestic violence stated that Family Payments were 'essential' as they exhausted their savings and borrowed money. We further learned through this survey that single mother families encountered ongoing cost to protect themselves and their children and that it continued way beyond separation. The results from the survey are

⁹ Department of Social Services and Department of Human Services, July 2014 pp 16,

Joint submission to the House of Representatives Standing Committee on Social Policy and Legal Affairs Inquiry into the Child Support Program July 2014

¹⁰ National Welfare Rights, analysis Senate Community Affairs Committee, released 24 January 2014, Answers to Questions on Notice, Social Security Portfolio, 2013-14 Supplementary Estimates Hearing, Question: No. M0090_14.
www.aph.gov.au/Parliamentary_Business/Senate_Estimates/clacctte/estimates/sup1314/DSS/index

both harrowing and informative. All of the respondents indicated that their income is reduced and/or significantly reduced due to their exposure to family and domestic Violence. Family Payments play a crucial role in supporting women to seek and stay safe.

NCSMC also brings to the Committee concerns for New Zealand women residing in Australia who have fled a violent relationship. Depending upon the on the visa, New Zealand citizens residing in Australia may not claim Parenting Payment or Newstart. Women exposed to Domestic Violence, and with primary care of their child, may not be court ordered to stay in Australia, and therefore they rely greatly upon family payments.

III. Simplification of Payment System

Much has been reported about the complexity of family payments. This in itself should not be a green light to reduce payments. We further point out that in 2000 six payments/tax rebates were rolled into the current Family Tax Benefits Parts A and B¹¹. Struggling families 'scrape' together every piece of assistance and constantly search for every saving just to access the basics and to balance the family budget. This measure does not seek to simplify the system but to cut and further reduce the critical supports.

IV. Breadth of Harm

NCSMC submission and evidence is on behalf of and for single mother families as this is our role and focus. We welcome the exemption for grandparents but remain concerned about the impacts on low income two-parent households, foster carers and young people older than 16 years. *The Social Services Legislation Amendment (Family Payments Structural Reform and Participation Measures) Bill 2015* will result in the removing of \$4.8 billion, over the forward estimates. As Australia has one of the most targeted systems in the world the impact will be felt by the families who are in the greatest need impacting upon vulnerable children.

¹¹ Peter Whiteford, Nov 2015, Assistance for families in context, Social Policy Institute Australian National University.

Tell it like it is: The experience of Children

NCSMC asked women to provide their stories in response to this Inquiry:

"My son never passes on school notes regarding anything that costs money. I've found them ripped up in his school bag, hidden in his room, etc. I think he has noticed my hands shaking so many times from monetary stress that he will do anything to keep things like this from me. He's 13 and has desperately wanted to get a job since he was 11. He constantly asks why I hardly ever eat dinner but, fortunately, he still seems to believe that I absolutely love toast and 2 minute noodles when I do eat".

"Sometimes I wish I wasn't here. I suppose we all do".

"I had to send my daughter's rented flute back and she dropped out of the school music program because she was so demoralized and embarrassed that her father stopped paying child support and we could no longer afford a decent flute.

'My daughter thought I did not 'like' her grandmother, my mum, as we stopped our weekly visits. Just could not afford the trips'.

'Lucy, our 8 year old Lab (pet) was 'given' to another loving family. We could not afford her, we still cry and miss her..... so sad.'

'Benny, he is 14 and is begging me to let him give up school and work.... he knows that we just don't have enough. I am on call and work whenever they need me but it's mostly 10 hours a week. Just can't get ahead'.

'When I forced onto Newstart I did not think that I could keep my son and daughter together. Can you believe that! Somehow I get through but this..... this next cut will kill us'.

'Please Please Please tell them... all the pollies that we will go over the edge if there are any more cuts. My luxury is our 18 year old Corolla'.

'We fall behind every year at school, they are kind, we often get the jump on the 'lost and found' basket, my kids pretend that they don't mind but they are so embarrassed... they are beautiful and I keep embarrassing them'.

'Why would they do this, how dare they say they worry about domestic violence. I left and ran. I left when the violence became more intensive and it was in front of the kids. My 10 years old is so happy that we left and now doesn't get why he can't play footy. What the hell! Do they want me to go back to him!'

'Jessie, is 12 and told me that she want to become a vegetarian and to pack biscuits with vegemite for school. Found out she is worried about our money and wants to help with eating less and cheaper'.

'Jack is great at sports; he pretended that he was injured, so he would not get picked for the inter-school competition. It was \$35. We just don't have spare cash.'

'I watch my daughter and her two girls wrap themselves in blankets to keep warm as they don't run the heating'

'Yes, my son hasn't brought an excursion note home in 5 years, even when I've told him it's ok we'll find a way to pay he refuses to attend'

'My daughter is 14, and in an accelerated learning program for gifted kids. We can't afford printer ink, so her assignments are not printed out and usually late'

'We regularly have our phone and Internet disconnected, so she cannot do her assignments for school which require research and submission via the Internet'

'We cannot afford the compulsory school laptop for her next year, so she is wanting to drop out. She misses excursions because we can't afford the fees. She is often out of uniform as I can't afford a 2nd uniform. She is dropping out of netball as I can't afford the \$6 for a game. Last year she received awards for best player'

'She wants to get a job so she can afford to help pay the rent. She never has lunch and often skips other meals as there is very little left in stock. I no longer pay the school fees as I can't afford them...and it's a public school! Every year there are text books I can't buy, even 2nd hand so they go without'

'I am unwell and have stopped the blood test.... I am now worried that my 16 year old hides when he is unwell. In our house a tip to the doctor is unplanned bill'

'Two beautiful, bubbly, social, energetic boys. Stopped soccer we go for a 'kick' in the park. They miss their friends'

'No sleepovers at our house, can't afford the extra food (it's just popcorn) but still...'

Background Information

In March 2013 the reputable longitudinal study; the Household, Income and Labour Dynamics in Australia (HILDA) survey found that 24% of children in sole-parent households are living in poverty, compared with 7.6% of those living with two parents and that child poverty in sole parent families had increased over the last decade by 15%¹²¹³. The increase has occurred throughout Australia prosperous years indicating a failure of policy settings¹⁴.

The changes made to eligibility for parenting payments have to be part of the causes. Despite some increases in workforce participation of sole parents over the past two decades, reducing the payments targeting those with sole parental time demands has not increased but decreased the incomes of the majority of sole parents. The details of the changes are below.

- Parenting Payment Single maximum rate per fortnight is \$731.20 (includes pension supplement), Newstart is \$566.30.
- Australian Institute of Family Studies found that 67 % of sole mums who had a child aged 6 to 9 years were employed, which increased to 74% for children aged 10 to 14 years, Indicating employment capacity increases with the child's age. (This includes sole parents who are not on payments).¹⁵

This is not about jobs. Parents in employment are the most financially disadvantaged by these 'reforms'. They incurred losses up \$140.00 per week, as financial returns from paid work are much less on Newstart¹⁶. For example, a sole parent with three children can earn and retain \$118.00 per week on Parenting Payment Single but when on Newstart it reduces to \$51 per week. As reported by National Welfare Rights, a mother working 15 hours per week on minimal wage would need to work 28 hours per week to retain the same earnings.

There were already more than 40,000 sole parents on the inadequate Newstart allowance in 2012. Yet there was a deliberate decision to add around 63,000 more sole parents in January 2013, despite many studies showing that most sole parents do a good parenting job and are ready to contribute through paid or unpaid work.

There is no logic in the assumption that by reducing sole parents' already sparse income they will then bounce into secure time employment. There is no supporting evidence for this claim from the initial decision in 2006 to stop paying the more generous Parenting Payment to new applicant sole parents, once their child turned eight. This lack of data undermines the claim for the latter including the 140,000 'grandfathered' recipients. The

¹³ Household, Income and Labour Dynamics in Australia (HILDA) Survey, 2013 Sounds the alarm on child poverty, Melbourne Institute

¹⁵ Jennifer Baxter, November 2013, Australian mothers' participation in employment

then Government failed to offer any valid evidence that the earlier move onto the lower Newstart payment, in itself, had increased the proportion of sole parents who were in paid work.

There is a deep contradiction in the rhetoric and the push onto lower payments with tighter means tests on extra income. The policy recognises that sole parenting imposes both time and other demands that make full time work very difficult. It even states that sole parents would not be expected to take on jobs that either interfere with their parental responsibilities or leave them financially worse off, once costs of working are deducted. Yet the new policies set up a payment that undermines the possibility of both holding a part time jobs and retaining an ongoing adequate subsidy so both roles can 'fit' in the time demands of children.

The current changes and policy also breach possible human rights as well as common sense. The Joint Committee on Human Rights report on the Bill recommended:

- It be delayed.
- It accepted the then government claims that it seeks to provide greater incentives and opportunities for Parenting Payment recipients, particularly for single parents, to re-engage in the workforce
- Provide greater equity and consistency in the eligibility rules for Parenting Payments, but questioned whether the cuts in payments really provides the answer.
- It stated clearly: 'However, the Committee notes that it does not necessarily follow that the measures seeking equity are justified as it is not apparent to the Committee that the government has considered any alternative options in this regard.'

1.55 'The Committee considers that these are legitimate objectives. However, the Committee notes that it does not follow that the measures seeking to achieve equity are justified as an alternative and ostensibly fairer approach would be to give later recipients the same benefits as earlier recipients, rather than reducing the benefits of earlier recipients. It is not apparent to the Committee that the government considered any alternative options in this regard'. They conclude: 'The Committee notes, but is not convinced by, the department's assertion that this measure is fair and would promote workforce participation'¹⁷. It remains a concern that the United Nation concerns are un-answered.¹⁸

NCSMS impresses upon the Committee to understand what has 'gone before' and the continued harm as they deliberate upon making further cuts to this demographic. We therefore urge the Committee not to institute further cuts through the family payment

¹⁷ Parliamentary Joint Committee on Human Rights, 21 June 2012 Hansard, Social Security Legislation Amendment (Fair Incentives to Work) Bill 2012, Commonwealth of Australia.

¹⁸ Special Procedures Of The Human Rights Council, 19th of October 2012, REFERENCE: UA Poverty (1998-11) AUS 2/2012, The United Nations. [https://spdb.ohchr.org/hrdb/22nd/public_-_UA_Australie_19.10.12_\(2.2012\).pdf](https://spdb.ohchr.org/hrdb/22nd/public_-_UA_Australie_19.10.12_(2.2012).pdf)

assistance. We bring to the Committee the lived reality and entrenched hardship for sole parent families. The Sole Parent Alliance conducted a survey of a little under 1,000 single parents, mostly mothers and asked what had affected them in the past 12 months.

Q9: Which of the following have affected you in the last 12 months?

Have difficulty paying the mortgage	14.1%
Have been evicted	3.9%
Have difficulty in buying groceries each week	66.2%
Skipped meals or poor nutrition	48.6%
Child/children can no longer participate in sport or other activity as I cannot afford uniform/equipment/fees	58.5%
Have difficulty in paying utilities and had late payment fees	74.3%
Utilities have been disconnected	13.6%
Child/children missed medical appointments or other healthcare needs	26.8%
Struggle with school fees, books & uniform	63.9%
Cannot afford school camps or other school costs	44.7%
Inadequate clothing eg coat in winter, inappropriate footwear	37.2%
Reduced or ceased internet access	31.5%
Reduced or ceased mobile phone	30.1%
Difficulty in running and maintaining a roadworthy car	57.3%
Cannot afford health or household insurance	62.6%
Forced to change schools	7.3%
Other (please specify)	

18th July 2014

Inequality: Income Support vs Tax Cuts

The term 'welfare' is associated as a negative, a current expenditure that requires curbing. Single mother families who were already contending with hardship have been told that they need to 'do their share of heavy lifting' and that 'everyone needs to share some of the pain'. Single mothers have carried the burden of successive cuts in the past decade.

The deliberate policy decisions have overwhelmingly harmed women, mostly those who are low income, access income support and head-up a sole parent household. This practice to 'find' savings in the social security arena has been undertaken by successive government resultant in further entrenched gender inequality whilst tax cuts were found¹⁹.

¹⁹ Submission to the Senate Standing Committee on Economics, October 2015, Submission 8, *Economic security for women in retirement*: The Australian Institute.

Most recently, analysis undertaken by the Australian Institute shows that income tax cuts typically benefit men while cuts to government spending often impact more on women.

Reducing social security support overwhelmingly harms women and it further entrenches the economic disadvantage all of which erodes economic security for women in retirement. We need to cease viewing income support as a 'savings measure' and understand that it is essential in a society where we support our children to obtain their full potential.

A similar impact was also identified by the National Centre for Social and Economic Modelling (NATSEM). In their analysis of the 2015-16 Federal Budget (page 24) they found:

"For single income families we find that impacts of new policy are greatest. For a single income, single parent family with children aged 4 and 6 the loss of income is typically between \$1,500 per year for low income cases to \$2,000 per year for the higher income cases. The loss is substantially higher for families with older children here there is a loss of FTB B. In this case the losses over the income range are between \$4,000 and \$6,100 per year."²⁰

Domestic Violence and income security

On 13 October 2015 NCSMC released a national survey known as *Domestic Violence and income security in Retirement*. Our aim was to gain an understanding, and to start a dialogue regarding the financial impacts of family and domestic violence upon women's economic security. The results from the survey are both harrowing and informative. All of the respondents indicated that their income is reduced and/or significantly reduced due to their exposure to family and domestic violence. The financial consequences are deep. It's far-reaching and has a long-term application. Single mother families impacted by family and domestic violence stated that Family Payments were 'essential' and that only 12% of the respondents indicated that the family and domestic violence ceased at the point of separation. Indicating that income support that has a long application such as family payments are consistent with the needs of single mother families who have been subjected to family and domestic violence.

²⁰ Australian Catholic Council for Employment Relations and Catholic Social, 12th October 2015, Services Australia Proposal by the Federal Government to amend eligibility for Family Tax Benefit, Part B

Q5: Describe your experience of income support (tick as many as apply)

Crisis payment was helpful	18.03%
Did not know about crisis payment	45.90%
Parenting Payment Single: Can afford the basics (food, shelter, clothing, transport, health care, utilities)	39.34%
Parenting Payment Single: Cannot afford the basics	29.51%
Experienced hardship when forced from Parenting Payment onto Newstart	34.43%
Cannot cover daily living expenses	49.18%
Cannot cover housing expenses	32.79%
Newstart: can afford the basics (food, shelter, clothing, transport, health care, utilities)	8.20%
Newstart: cannot afford the basics (food, shelter, clothing, transport, health care, utilities)	32.79%
Don't access Family Payments	9.84%
Family Payment are helpful	14.75%
Family Payments are essential	68.85%
Income Support is inadequate and I am struggling with the costs of housing, utilities, vehicle expenses	54.10%
Income Support is inadequate and I skip meals and cannot afford health care	36.07%
Income Support is inadequate and I rely on charities for assistance with food and clothing	32.79%
Income support inadequate and have used all of our savings	44.26%
Responses Other (please specify)	27.87%

Q6: What has been the financial impact of Family and Domestic Violence?

No impact	0.00%
Borrowed money from family or friends	60.00%
Personal Loan from a bank or financial institution	27.27%
Sold or pawned items	50.91%
Borrowed money from a 'Pay Day' or 'Instant Cash' lender	10.91%
Increased costs in purchasing new household items	45.45%
Paid legal fees/court costs	38.18%
Used all my savings	65.45%
Accessed my superannuation	30.91%
Needed to cover cost of rent, bond and relocation (removalists/storage)	61.82%
Increased costs due to changing schools (uniforms, books, etc)	36.36%
Needed to purchase a car	27.27%
Medical and/or dental expenses due to violence	21.82%
Sought counselling for self and/or children	81.82%
Cost of installing security	12.73%
Needed to purchase a new mobile phone	36.36%

We are distressed to report that only 12% of the survey respondents stated that are not subjected to Post- Separation Violence. The comments are harrowing and it's clear that the social security system is critical. The system needs to support vulnerable families and be a safety net, underpinned by the knowledge that investment into families improves the wellbeing of children, their safety and opportunities to learn, thrive along with their peers

"Hidden where I hope he cannot find us."

"Threaten to shoot me, keep taking children to places for days without informing me... informing court about all the violenceCourt ordered him take children normally and for half school holidays as well..... "

"I live in fear".

'Spent over 200,000 broke but need to keep us safe. He takes us to court to get 'time with the girls' they are petrifiend'

'On waiting list for public dental, he smashed my mouth, cant afford a private dentist'

'Have a spianl injury and headaches, most likely due to the violence, cant stand for long hours, cant get a disaiblity support pension. Have migranes managing everything'

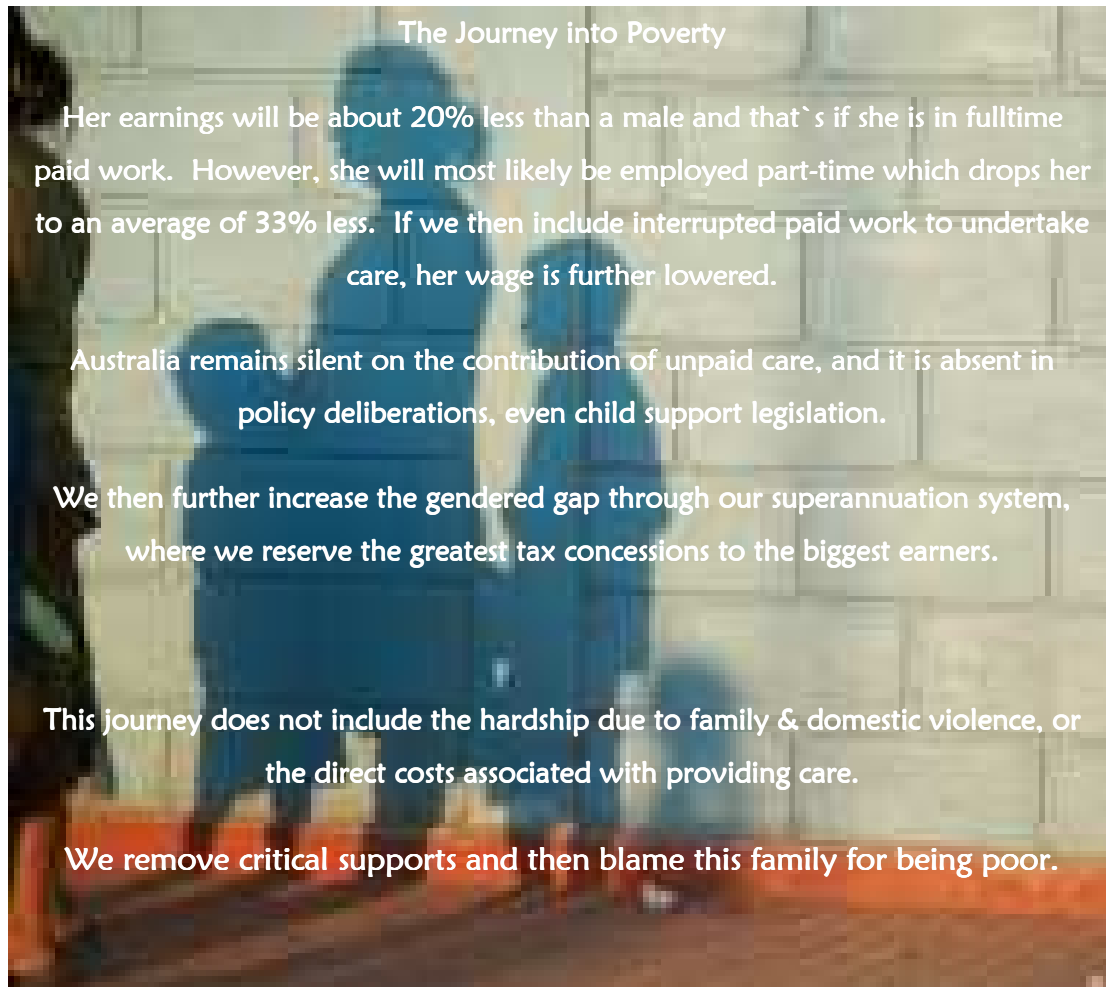
'Our car is not registered, its our 'get away' when he comes looking for us. Breakign the law but ... cant afford the registartion BUT cant let him get us'

'Have you tried to get security, it cost a fortune and he just keep breaking the sensor light'

The voices of women October 2015

Journey into Poverty

A woman's journey into poverty is not without assistance she would have encountered layers of inequality well before reaching retirement.



We share a collective frustration that policy that severely impacts upon women (and in particular vulnerable women) appears to be viewed as a source for possible 'savings'. It arrives at such a great cost and we cease this practice. It's too harmful to ignore.