

We hold the hand of the future.

Budget Submission

**The National Council
& of Single Mothers
Their Children Inc.**

February 2022

(www.ncsmc.org.au **)**

(ncsmc@ncsmc.com.au **)**



Eliminate and respond to violence, hardship and inequality for single mothers and their children.



The National Council of Single Mothers & their Children Inc (NCSMC)

An organisation dedicated to single mothers and a platform whereby both the community and the Government can communicate. NCSMC can comment on policy and legislation and ensure that the lived experience is heard. NCSMC provides information, referrals, and assistance to single mothers through our electronic platforms. In the past year we have responded to tens of thousands individual requests whilst our information post can reach up to 100,000+ per week. One of our greatest strengths is our expertise and commitment in working with and for the advancement of single mother families who are affected by poverty, hardship, and/or domestic violence.

Recovery - A long tail

Recent research that speaks to the impact of COVID-19 underlines the need to consider specific life circumstances for single parents, to which the majority are mothers. Single parents commonly held casual positions in retail and hospitality and were among the first to lose their jobs due to the pandemic. Furthermore, whilst the Job keeper was important only 13 per cent¹ of single parents received that assistance. [Hilda](#) and the [Gratin Institute](#) note the care penalty, and that single parents were also more likely than parents in couples to drop out of the workforce during the crisis responsibilities, and that access to affordability care remains problematic².

Wood D. Crowley T. pp 16 March 2021, Women's work the impact of the COVID crisis on Australian women, The Gratin Institute

Wood D. Crowley T. pp 22 March 2021, Women's work the impact of the COVID crisis on Australian women, The Gratin Institute

We must caution against confusing a wicked problem with a lack of concerted effort. To this end, NCSMC would like to congratulate the government on swift action, most specifically the Coronavirus Supplement, when implemented it was an extra \$550 per fortnight, as well as the Job Keeper Payment and the two Economic Support Payments. Unequivocally, the Coronavirus Supplement, at the original \$550 of per fortnight, made the most and significant and profound difference for single mother family in receipt of the Parenting Payment Single and the Jobseeker Allowance. We describe the payment as a life changer and life saver to the individuals who received the payment, their family, their local community, and our economy. Moreover, and on behalf of the 1.1 million children who had six months of living a childhood that was like their friends. The introduction of the coronavirus supplement and resulting increases in income saw child poverty rates for children of single parents more than halve, falling from 39% to just 17%.

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

Recommendations

1. Reinstate access to the Parenting Payment Single for single parents whose youngest child is 16 years. The unemployment payment was never structured for single parents, the low earning thresholds punish claimants of insecure and low paid employment.

Findings from the 2020 Hilda Statistical [report](#) confirm that that single mothers, were some of the hardest hits by the pandemic, and their road to recovery will be slower and require strategic measures. Single mothers won't overcome the extraordinary circumstances of the pandemic without specific, targeted and additional assistance.

1.1 Extend to 18 years if the family has been affected by gender violence

2. Immediately, and until the first recommendation is adopted, provide an exemption to the Parenting Payment Single for women affected by family and domestic violence to retain the current level of payment and an exemption from mutual obligations. Jobseeker is a horrendous outcome for women affected by family and domestic violence.

Findings from the Australian Institute of Criminology [survey](#) revealed that more than half of women who had experienced physical or sexual violence before the COVID-19 crisis said the violence had become more frequent or severe since the start of the pandemic whilst 33 per cent of women indicated that it was the first time, they had experienced physical or sexual violence in their relationship.
3. Call for an overall investment of 20% to income support that is accessed by single mothers, especially single mothers who live with a disability and or their dependent child has additional and substantive care. The increase will enhance financial security, increase future planning capacity, and reduce child poverty. Click [here](#) for the economic modelling and report
4. **Child Support.** Child support is not the key lever in reducing financial hardship but when paid on time and in full, it reduces poverty by 21% The minimising and or avoidance of child support is taxation avoidance as well as abrogating a parent's responsibility to care for their child. The scheme must work in the best interest of the child.
5. Every parent who is part of the Child Support Scheme must lodge an annual tax return and that provisional income is no longer an accepted or default arrangement. Currently there are [200,000](#) plus customers who have not lodged their tax return, eroding the efficacy of the scheme and indulging in taxation avoidance and child support avoidance.
6. Ensure that child support liability and payments are taken into consideration for credit ratings.
7. Superannuation should not be a haven that enables the avoidance of child support payments. In the circumstances where the Australian Government has confirmed an outstanding child support debt that the Child Support Agency can access superannuation to discharge that liability,

Cost neutral investment

8. Reimagine the ParentsNext program through transitioning it from a compulsory program to a voluntary program. All monies to be generated into a Career Brokerage Service. Moreover, the voluntary status is consistent with the key and first recommendation of the

Parliamentary Joint Committee on Human Rights [report](#) which stated that the ParentsNext program be voluntary, rather than compulsory.

Budget Savings

9. Abolish the Cashless Debit Card.