

Committee Secretary
Senate Standing Committees on Community Affairs
via email, 25/11/20

Re: Social Services and Other Legislation Amendment (Extension of Coronavirus Support) Bill 2020

Please find below further evidence on the number of children and adults affected by the Bill currently before the Committee as well as additional child poverty research as indicated in today's hearing. Best Toni Wren, Expert Policy Adviser to National Council for Single Mothers and Their Children. Contact: ed@antipovertyweek.org.au

Number of children and adults affected

The Coronavirus Supplement was paid to around **2.2 million social security recipients** on 9/10/20 including 1.578 million relying on unemployment payments – 1.414 million receiving JobSeeker and 163,645 receiving Youth Allowance Other. Other payments receiving the Supplement include Parenting Payment Single and Partnered; AUSTUDY and Youth Allowance for students and apprentices.¹ The Department of Social Services has said they expect the number of people who will need unemployment payments to increase to 1.8 million by December.² That will mean there will be close to **2.5 million adults and more than 1.1 million children** affected by 1/1/21. We expect the majority of adults (~55%) will be women.³

Coronavirus Supplement recipients and children by State/Territory, June-July 2020⁴

State/Territory	Number of CVS recipients, 26/6/20	Estimated number of children, 26/6/20	Estimated total CVS and children per State/Territory, 26/6/20
NSW	658,378	290,000	~950,000
VIC	545,563	240,000	~786,000
QLD	510,570	230,000	~740,000
WA	242,963	110,000	~350,000
SA	173,442	80,000	~250,000
TAS	54,031	24,000	~78,000
NT	33,761	15,000	~48,000
ACT	22,680	10,000	~32,000

¹ Department of Social Services data provided 16/10/20 as #32 [Additional Documents to Senate Select Committee on COVID-19](#).

² Department of Social Services evidence to Senate Estimates 28/10/20.

³ See Appendix for the June 2020 Coronavirus Supplement recipients by gender.

⁴ CVS recipients By State/Territory from [Senate Committee on COVID-19 Answers to Questions on Notice](#) #174 and Anti-Poverty Week estimates of children, subsequently supported by [Senate Committee on COVID-19 Answers to Questions on Notice](#) #269.

TOTAL	2,242,392	~1 million	~3.24 million
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Anti-Poverty Week and the National Council of Single Mothers and Their Children released estimates that there were [at least 1 million children with a parent receiving CVS](#) on 13/7/20 in the absence of published government data. The [Senate Committee on COVID-19 Answers to Questions on Notice #269](#) released 18/8/20 confirmed that there were 1,143,916 children with a parent receiving the Coronavirus Supplement at 31/7/20 (over half a million with a parent on JobSeeker and another nearly half a million on Parenting Payment Single). That is more than 1 in 5 children under 15 years living in Australia according to Australian Institute of Health and Welfare.⁵

Concerns re inability for families to pay their rent

According to [DSS Demographics June 2020](#), there were more than 1.7 million households relying on Commonwealth Rent Assistance (CRA), including many who have become unemployed due to the COVID-19 pandemic and subsequent economic shut-downs. This includes 236,561 single parent households with 1 or 2 children. For a single parent with two children, the median rent paid in June was \$300 per week, the median CRA received was \$73 per week. The full Coronavirus Supplement of \$275 per week was helping fill the gap.

Additional child poverty research

Please see **Anti-Poverty Week Child Poverty Fast Fact** sent separately for a summary to 20/9/20 including the respected long-standing analysis undertaken by the University of New South Wales Social Policy Research Centre and the Australian Council of Social Service [Poverty in Australia](#) series. Also note:

1. [ARACY research](#) which shows “*Children in monetary poverty (that is children living below the poverty line) suffered effects far wider than just their material basics. For example, they are more than 1.7 times more likely to face food insecurity, nearly twice as likely to lack good relationships with friends and almost two and a half times more likely to be missing out on learning at home*”.
2. Melbourne University research published in October 2020: [Does poverty in childhood beget poverty in adulthood in Australia?](#) by Dr Esperanza Vera-Toscano & Professor Roger Wilkins) “*Experiencing just a single year of poverty during childhood is associated with poorer socio-economic outcomes in terms of educational attainment, labour market performance and even overall life satisfaction in early adulthood. Children from poor households are 3.3 times more likely to suffer adult poverty than those who grew up in never poor households.* It also confirmed the longer the period of time spent in poverty as a child, the poorer the outcomes in adulthood.
3. The [2020 Hilda Survey](#) report was published on 19 November 2020. The Household, Income and Labour Dynamics in Australia Survey, or Hilda, tracks 17,500 people about various aspects of their lives, from employment and income, to wellbeing and lifestyle. The study is funded by the Australian Government Department of Social Services and is managed by the Melbourne Institute of Applied Economic and Social Research at the University of

⁵ [Australia's children](#) says “As at 30 June 2018, an estimated 4.7 million children aged 0–14 lived in Australia.”

Melbourne. In releasing the report, Co-Author Prof Roger Wilkins said *“To my eye, the results for single parents are a cause for concern.”* Single parent families have the highest poverty rates on all measures used including:

- **50% median income after housing costs⁶ poverty measure** – *“single-parent families have, since 2010, had the highest poverty rate of all the family types.”* And *“that between 2016 and 2018 poverty among single-parent families increased from 15% to 25%.”*
 - **Material deprivation⁷ measure:** *“Single-parent families have the highest rate of deprivation when comparing across family types”* (over 20.6% deprived of 3 or more items in 2018 compared with 6.3% for all households.). When looking at persistent material deprivation (materially deprived in 2014 and 2018), single parents are also highest.
 - It also found single-parent families saw a large drop in their median incomes, from approximately \$38,000 to approximately \$34,000 between 2016 and 2018.
4. [ANU research by Phillips, Gray and Biddle \(August 2020\)](#), found that *“pre-COVID poverty rates are dominated by single parents with a rate around 20.2 per cent, much higher than all other family types. In the absence of policy change and the advent of COVID-19 this rate increases to 27.9 per cent.”* They estimated that the policy interventions prevented over 2.2 million Australians from falling into poverty.
5. [Living on the Edge, Final Report of Parliamentary Inquiry into Intergenerational Welfare Dependency](#), February 2019
- A House of Representatives Committee of the Federal Parliament recommended that *“the Australian Government review the effects of government policy, including the adequacy of payments, on young people and single parent families in the 46th Parliament.”* It also recommended considering delaying single parents moving onto Newstart (from the higher Parenting Payment) until their youngest child reaches 12 years old, (rather than 8 as it is currently).
 - *“Australian communities have people that are really doing it tough, particularly people in remote and regional areas of Australia and in many instances, single mothers and their children.”* Committee Chair Liberal MP Russell Broadbent in Forward to the Report.

⁶ From Hilda 2020 report p35: “Consistent with the approach of the Organisation for Economic Co-operation and Development (OECD) and other international bodies, we define **relative income poverty as having a household income below 50% of median income.**” Note this is also the measure used by the ACOSS/UNSW Poverty in Australia series.

⁷ From Hilda 2020 report p 51: the ‘**material deprivation**’ measure means when people do not have and cannot afford to buy items or undertake activities that are widely regarded in society as things that everyone should have (Townsend, 1979; Mack and Lansley, 1985) as ‘necessary or essential for all Australians—something that no-one in Australia should have to go without today’ (examples are medical treatment when needed; medicines when prescribed by a doctor; warm clothes and bedding, if it’s cold; a decent and secure home; a substantial meal at least once a day.)

Appendix: Coronavirus Supplement recipients by gender, 26 June 2020

DSS Payments CVS eligible	Total	Females	Males	Female %
JobSeeker Payment	1,441,287	667,908	773,379	46
Youth Allowance (Other)	173,125	83,812	89,313	48
Parenting Payment Single	243,433	231,220	12,213	94
Parenting Payment Partnered	92,022	82,875	9,147	90
Partner Allowance	652	610	42	94
Widow Allowance	5,549	5,549	0	100
Special Benefit	9,638	4,306	5,332	45
Sickness Allowance	6			
Youth Allowance (student and apprentice)	225,483	129,970	95,513	58
Austudy	41,391	22,770	18,621	55
ABSTUDY Living Allowance	9,806	5,880	3,926	60
TOTAL	2,242,386	1,234,900	1,007,486	55

Source: [DSS Demographics June 2020](#)