

MEDIA RELEASE

TUESDAY 2 MAY 2023

FEDERAL BUDGET 2023

EXPANDING ELIGIBILITY TO SINGLE RATE PARENTING PAYMENTS – AN IMPORTANT STEP TO EASIER ACCESS BY SINGLE PARENTS EXPERIENCING DOMESTIC VIOLENCE

Economic Justice Australia is encouraged by reports that changes are likely to be made in the Federal budget next week expanding access to the single rate of Parenting Payment until the youngest child turns 14. Currently the payment is only available until the youngest child turns 8. We know the impact of the choice to leave violence only to fall into desperate poverty, most recently highlighted in Anne Summers research which found that almost 60% of single mothers with children under the age of 18 had experienced physical or sexual abuse by a previous partner.

Also to be celebrated is the change to the policy on how Centrelink decides someone is a 'couple' under social security law. This will address another barrier to accessing Parenting Payment and other payments as a single parent when a victim-survivor of family and domestic violence may be assessed as being a member of a couple.

Economic Justice Australia welcomes changes to the Department of Social Services (DSS) Social Security Guide (the Guide) due to go live on 8 May 2023 which will say that Centrelink decision-makers should take into account the presence of family and domestic violence when making assessments about whether a person is a 'member of a couple' for social security purposes.

CEO of Economic Justice Australia, Leanne Ho, provided the case study of Mia (not her real name):

"When Mia got divorced from her violent husband, she applied for income support but was rejected by Centrelink, forcing her to remain in the same rented house as her abuser with her three children. She had no money at all. Her ex-husband worked but would not give her any money unless she begged and he would routinely humiliate her before he gave her a few dollars. In Centrelink's assessment, she was still a member of a couple and he was earning enough to knock out her entitlement to payment.

These changes to the Guide make it more likely that women like Mia will be able to avoid the terrible choice of either staying in a violent situation or leaving with no support for her and the children to fall into deep poverty".

The Guide now explicitly provides that the presence of family violence within a relationship may indicate that two people should not be defined as being a 'member of a couple' under section 4 the Social Security Act. It also provides that decision-makers should consider family and domestic violence as a special reason to use their discretion to treat someone as not being a member of a couple under section 24 of the Social Security Act, even when they technically meet the definition under section 4.



The policy in the Guide provides official guidance to social security decision-makers on how to interpret the social security law. The changes to the Guide are in response to feedback provided by Economic Justice Australia in its <u>legislative brief</u> and <u>research</u> reports on how to improve the support provided by the social security system to victims-survivors of family and domestic violence.

"Victims-survivors of family and domestic violence often do not have access or control over their finances and don't get their fair share of the resources within their relationship. They are essentially trapped in abusive relationships because they don't have financial support to leave.

Treating victim-survivors as though they are no longer a member of a couple so they can access the 'single' rate of payment, with their rate unaffected by their partner's income and assets, will give them the independent source of income they need to leave and rebuild a life in safety", said Ho.

While the updated Guide will provide greater flexibility to take domestic violence circumstances into account in Centrelink decision-making, there remains a need for legislative changes to fully address family and domestic violence concerns. In particular, Economic Justice Australia calls for amendments to the 'special circumstances waiver' provision in section 1237AAD of the *Social Security Act*, to protect victim-survivors from being pursued for debt that was caused by an abusive partner.

"We applaud DSS and Services Australia for working with us on these changes to the policy that will make such a difference in the lives of people who need income support to escape family and domestic violence, and look forward to continuing our work with the Government to finish the job with legislative reforms. We want to see these social security reforms as a priority in the first action plan of the National Plan to End Violence Against Women and their Children", said Ho.

MEDIA CONTACT:

Leanne Ho (Chief Executive Officer, Economic Justice Australia) M: 0448007201 E: <u>ceo@ejaustralia.org.au</u>