

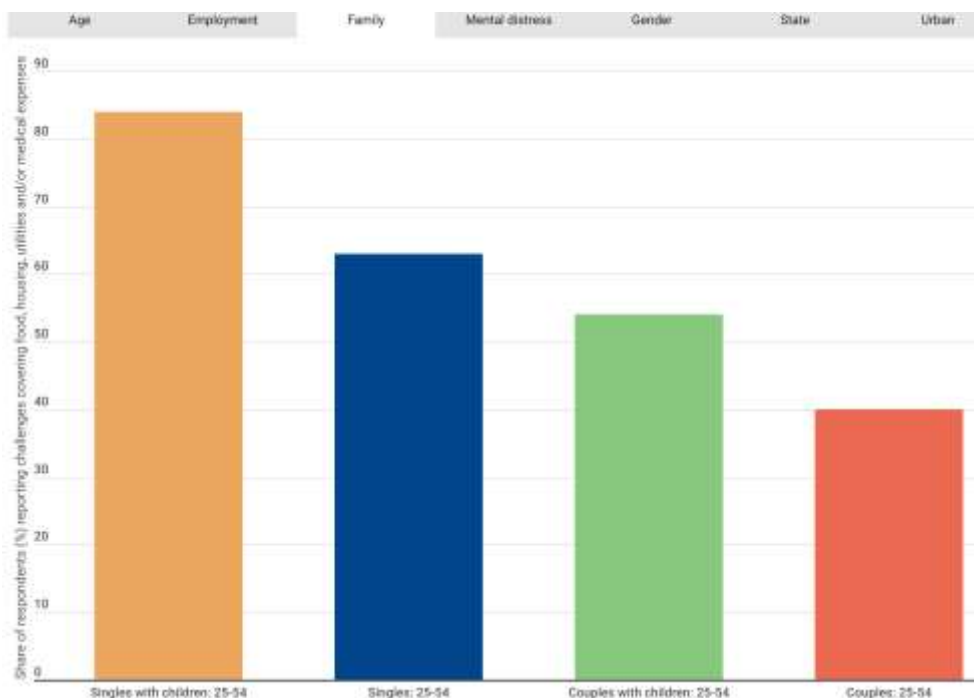


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In a cost of living crisis, single mother families face the greatest challenges, Briefing Note 10/5/23 ahead of the Federal Budget

The Melbourne Institute has been surveying Australians on cost of living since 2020. The latest data from their [Taking the Pulse of the Nation survey](#) conducted in August 2023 and published in November 2023 found on every indicator surveyed, **single parents faced the highest challenges** in terms of putting food on the table and covering housing costs. When paying utility and medical bills are added, single parents again had the biggest challenges.

- More than 8 in 10 (84%) of single parents aged 25 to 54 years reported challenges paying for food, housing, utility bill and/or health finance challenges.



- More than 2 in 5 (43.5%) single parents were skipping meals and eating less due to financial constraints.
- More than 2 in 5 (41%) single parents faced challenges paying for food and/or housing in August 2022 and this increased to nearly 1 in 2 (47%) in August 2023.

- Their [TTP August 2022 survey](#) that found among single-parent households with children.... almost 64% had sought out cheaper food options, compared with 56% of all Australians. Almost 34% deferred bills or negotiated payment plans, a quarter have borrowed from friends or relatives, 24% cancelled or deferred medical appointments and 15% have pawned or sold possessions. *“Although these strategies are also present among partnered households with children, the prevalence is much lower in comparison to single-parent households with children.”*
- The latest [HILDA report released in December 2023](#) found that women who are partnered and then become single mothers have a 20% reduction in their income (measured over 3 time periods between 2001 and 2021 and single parenthood is the factor most associated with persistently low income (of all family types; and single parents have the highest poverty rate (after deductions for housing and then adjusted for size and composition of household).
- This confirms research from ACOSS/UNSW as part of the Poverty and Inequality Partnership, [Poverty in Australia 2023: Who is affected?](#) found, using 2019-20 data, that the people facing the highest risk of poverty were those receiving Parenting Payment Single (72%). Others facing high risks of poverty were recipients of Newstart Allowance /JobSeeker Payment (60%), Disability Support Pension (43%), Carer Payment (39%), Youth Allowance (34%).
- In 2022, [Anti-Poverty Week published analysis](#) by academics at the [Life Course Centre](#) which found the risk of financial hardship for single mothers is at least double that of partnered mothers. This has been the case for the past 20 years. The proportion of single mothers in financial hardship has not dropped below approximately 30% in the past 10 years, (2010-2020), except for a brief period when the Coronavirus Supplement was paid.
- The percentage of Parenting Payment Single recipients who owned outright or were buying their own home has nearly halved from 21% in 2002 to 11% in 2022.

Home ownership rates for people receiving income support, 2002 - 2022

Home Ownership	June 2002	June 2022
Age pensioners	73.4%	72.7%
Disability Support Pensioners	27%	23.5%
JobSeeker	?	19.6%
Parenting Payment Single	20.8%	10.8%

Source: [FACS Annual Report 2001-02](#) and [DSS Demographics](#) June 2022.

- Approximately 1.3 million households receive Commonwealth Rent Assistance, nearly 1 in 3 (400,000) have children in their care. Single parents make up the majority of CRA households with children – 2 in 3 or 265,000. ([DSS Demographics](#) December 2023).