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Single Mother Families Australia welcomes report of landmark Parliamentary Inquiry into financial abuse and focus on child support

Single Mother Families Australia congratulates the Parliamentary Joint Committee on Corporations and Financial Services Committee on tabling of its report <u>Financial Abuse: an insidious form of domestic violence</u>.

CEO Terese Edwards said: "We thank the Member for Swan Ms Zaneta Mascarenhas MP who initiated the Inquiry and Chair Senator Deb O'Neill for her leadership. The voices of women have been heard loud and clear. This is reflected in the Committee's finding that government services and systems such as child support, Centrelink and the tax system are being "widely manipulated and weaponised by perpetrators to commit financial abuse against victim-survivors."

"Single Mother Families Australia strongly welcomes the Committee's focus on child support, a scheme which affects around one million Australian children and in too many cases, is being weaponised against them and their mothers. Leaving an abusive relationship does not mean that violence ends; former partners can use the child support scheme to perpetuate economic abuse and control them from afar.

Ms Edwards said: "We welcome the Committee's recommendation to transfer child support back to the ATO and that women receive refundable tax credits for any child support debts owed to them. The debts would then become a debt owed to the Commonwealth and collected using the full power of the ATO. It means that women and children would not be left waiting for child support, sometimes for years.

"We also note that the debt figure of \$1.7 billion cited by the Committee only accounts for half of the scheme (and that it has now blown out to \$1.83 billion). More than \$2 billion a year should be transferred privately to another 500,000 children yet remains unaccounted for.

"The Committee's response to this issue is to require annual acquittals and to move private collections to the ATO if they do not align. This would ensure women received the child support they are owed."

Single Mother Families Australia wholeheartedly backs the Committee's recommendation to review the child support formula ensure that the review is informed by the lived experience of victim-survivors; improve access to Centrelink crisis payments and introduce a standing inter-departmental taskforce to oversee the implementation of safety-by-design principles into all government services. These recommendations resonate with the experiences and needs of women striving for safety and stability.

MEDIA CONTACT: Terese Edwards 0439 211 493; <u>Terese@SMFA.com.au</u> or Toni Wren 0405 705 442; <u>Toni@smfa.com.au</u>. See our campaign website: <u>Fix Child Support | It's Time To End The</u> <u>Financial Abuse</u> which we <u>launched</u> alongside research "<u>Opening the Black Box of Child Support:</u> <u>Shining a Light on Financial Abuse</u>" on 8/10/24. See also <u>SMFA's submission to the Inquiry</u>, June 2024 and <u>SMFA Answer to Question on Notice</u>, November 2024.