

# Budget 2020 – Social Services: Parenting payments

## Parenting Payments Overview

Women were already over-represented in reduced employment outcomes, levels of poverty, and reliance on income support payments prior to the COVID-19 pandemic and its attendant effects on the Australian economy. The recession and the overwhelming focus on male-dominated industries for stimulus support means Australia is facing a ‘shecession.’

The Coronavirus supplements and other short-term supports provided by the Government lifted women and children out of poverty. They should be retained, particularly as we enter a recession.

## Parenting payments

### The Budget

*Note: there is no budget statement concerning Parenting Payments.*

Parenting payment is the primary income support payment for the main carer of a young child (including job seekers who are main carers of young children). The child must be under eight for single people or younger than six for a couple.

2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Parenting Payment Partnered					
833,156	1,113,983 (Budget estimate was 809,330)	1,238,206	703,808	722,853	733,733
Parenting Payment Single					
4,421,759	5,183,559 (Budget estimate was 4,503,326)	5,910,828	4,250,723	4,317,993	4,383,554

Source: [Department of Social Services, 2020 Budget Related Paper No. 1.12](#), table 2.1.2, p. 43.

## Gender implications

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### Gender implications

Why is this an issue for women?

Over 90% of parenting payment recipients are women. Until this year, numbers on the payments were declining. Last year's budget estimates, contained in brackets in the above table, show how COVID has caused a sharp increase in the number of women accessing the payment. Taking the payments together, there appears to be a likely increase of over 900,000 recipients in 2019-20.

These are women among the poorest in Australia. The Poverty in Australia 2020 report part 2 ([UNSW and ACOSS, 2020](#)), shows that sole parent families have the highest poverty rate of all household types, at 35%. The planned removal of the Coronavirus Supplement in December appears unjustified. NFAW also questions the predicted drop in numbers in 2021/22.

## Recommendations

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1. The Coronavirus Supplement should be retained to stave off poverty for some of the poorest households in Australia.