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New research estimates that since the pandemic, a further 100,000 children are living in poverty, confirms single parent families are the worst affected, and details the impact of the rental crisis on children, 23 August 2024

- New child poverty data finds more than 820,000 Australian children are living in poverty and that this has increased by over 100,000 since the pandemic. The authors state poverty is expected to be even higher now, given increased essential living costs since 2022 when the data was collected.
- The report, [Child Poverty in Australia in 2024: The lifelong impacts of financial deprivation and poor-quality housing on child development](#), was commissioned by the [Valuing Children Initiative](#) for the [End Child Poverty campaign](#) and undertaken by Bankwest Curtin Economics Centre. Single Mother Families is a signatory to the End Child Poverty campaign.
- The report found that children who experience poverty and housing stress are significantly more likely to suffer nervousness or feel unhappy with their lives for up to ten years after leaving home. *“Poverty scars people. It gets under the skin. Children growing up in poverty often carry these scars with them for life.”*
- The research confirms that children living in single parent households are much more likely to be living in poverty than children in couple households.
- Their analysis shows that the rate of poverty in single parent households with children (33%) is more than three times that for couple family households (10%), when poverty is defined as living below 50% of median household income. Rates for severe and extreme poverty were also much higher. The study uses 2022 data from the Household Income and Labour Dynamics in Australia (HILDA) survey.

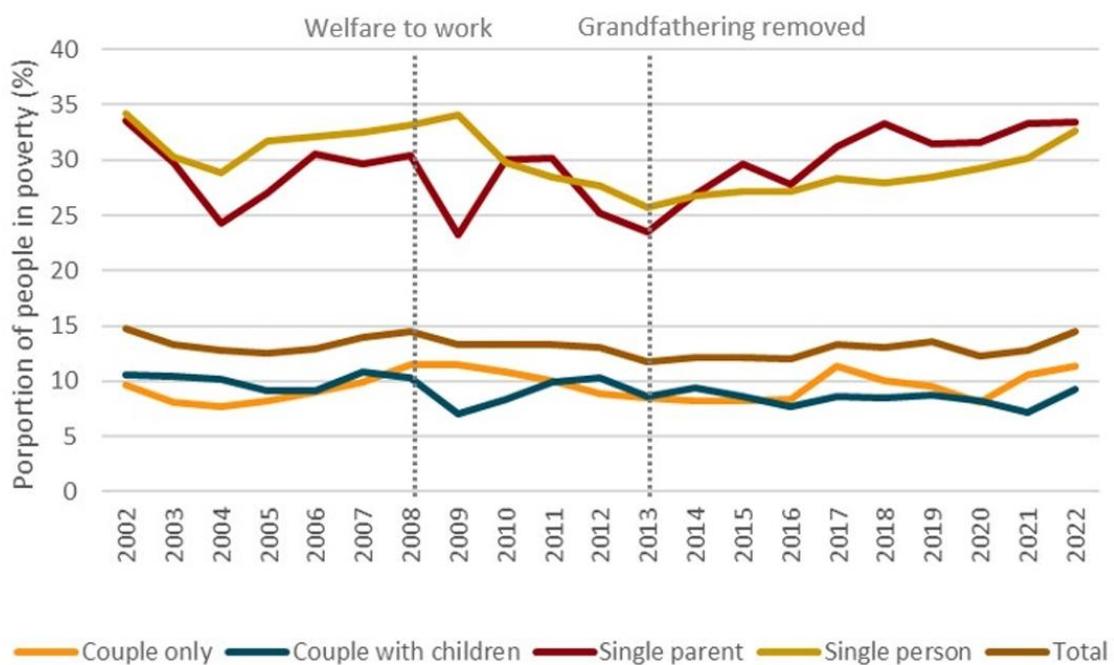
	Single parent households with children	Couple households with children
Below 50% poverty line	>1 in 3 (33.4%)	<1 in 10 (9.3%)
Below 40% of poverty line	>1 in 5 (20.6%)	>1 in 20 (5.4%)
Below 30% of poverty line	>1 in 10 (11.2%)	<1 in 40 (2.7%)

The report states *“policy measures that increase incomes and provide targeted support to single parent households will hence have a greater impact on child poverty and wellbeing outcomes.”*

The report also documents “*the rising trend in poverty for single parent households over the last decade, with the gains made in reducing poverty between 2008 and 2013 largely eroded in recent years. Poverty rates for single parent households rise consistently from around 23% in 2013 up to 33% in 2022.*”

It charts the increase in poverty resulting from parents with a child as young as 8 years being transferred to Newstart/JobSeeker Payment. This underscores the important positive effect of the changes to Parenting Payment Single (PPS) in September 2023 which increased the eligibility of the youngest child from 8 to 14 years. However, being in receipt of Parenting Payment Single instead of JobSeeker does not protect single parent families and their children from poverty. Earlier analysis from ACOSS/UNSW [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%).

Figure 2: Share of people in poverty by family type: 2002 to 2022



Source: BANKWEST CURTIN ECONOMICS CENTRE | Authors' calculations based on HILDA Survey waves 2 to 22.

Note also: According to the [Parliamentary Budget Office](#), more than \$5 billion was taken from single parent families between 2006-7 and 2018-19 alone (not including changes to family payments). Recently, PPS was effectively treated the same as JobSeeker and other non-pension working age payments and received the Coronavirus Supplement. While the 2023-24 Budget increased the age of child eligibility for PPS it did not extend the \$40 a fortnight increase paid to other working age payments to PPS. The PPS is now neither linked to pensions nor payments such as JobSeeker, so any increases above inflation do not automatically flow to them.

Poverty in single parent families is gendered

- In Australia, more than 540,000 (85%) of all single parent families with children aged 0-14 are headed by mothers. ([Labour Force Status of Families, June 2023 | Australian Bureau of Statistics \(abs.gov.au\)](#), 24/10/23). However, 94% of the poorest single parent families (those reliant on Parenting Payment Single), are headed by women. ([DSS Quarterly Demographics](#), March 2024). In single-parent families in which the primary earner is a woman, the rate of poverty (37%) is twice that in which the main earner is a man (18%). ([Poverty in Australia 2020: Who is affected?](#) ACOSS/UNSW Poverty and Inequality Partnership).
- The [2023 HILDA report](#) 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. Single parents have the highest poverty rate of all family types, after deductions for housing and then adjusted for size and composition of household.
- In 2022, the [Life Course Centre](#) analysed HILDA data for [Anti-Poverty Week's 20th anniversary](#) and found the risk of financial hardship for single mothers is *at least double* that of partnered mothers and that 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.

Housing, renting and children

DSS data confirms the increased prevalence of renting given declining single parent home ownership rates

- In March 2024, approximately 1.3 million households received Commonwealth Rent Assistance (CRA). Of these, nearly 1 in 3 (30% or 400,000) had children in their care. Single parent households make up the majority of CRA households with children – 2 in 3 or 263,000. ([DSS Demographics](#) March 2024).
- Department of Social Services data confirms 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. ([FACS Annual Report 2001-02](#) and [DSS Demographics](#) June 2022).

New Bankwest analysis details the impact of the rental crisis on children

- The 2024 Bankwest Curtin Economics Centre study states “*... the real housing crisis is that being experienced by lower-income households in the rental market. Lower income households with children are much more likely to be living in the private rental market. ... it means that they are likely to have experienced significant rises in their weekly rental costs, as rents have risen steeply in the post COVID period... it also means that their housing tenure may be precarious – with little guarantee of continuity of tenure and few protections for tenants' rights in Australia.*
- While average rents increased a total of 11.2% in 2021 and 2022, lower quartile rents increased by 17.8%. *“This means that the lowest income renters with children continue to endure the highest rental cost increases, despite having more limited incomes, less*

capacity for discretionary spending, and already being likely to spend a higher proportion of their weekly income on rent.”

- *“Families on lower incomes are also more likely to live in older and poorer quality housing. Over 2.5 million Australians are estimated to be living in unhealthy housing. Children and families are thus exposed to more extreme temperatures, while cold, damp and mold present major risks to child and family health. Cold and damp housing are directly linked to increased risk of asthma, allergy and respiratory conditions. Unhealthy housing in childhood increases the risk of chronic disease through the life course and undermines child development.”*
- *“Parents forced to move to cheaper housing show much higher levels of psychological distress, on average twice as high as those who did not move or moved for other reasons.”*
- It concludes: *“Security, continuity and a place to call home are critical to child development and wellbeing, hence improving the security of tenure and ensuring we are creating healthy homes, environments and communities in which children can grow, learn and thrive is a critical investment in our future prosperity and wellbeing.”*