

Committee Secretary  
Senate Standing Committees on Community Affairs  
PO Box 6100 Parliament House  
Canberra ACT 2600  
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## **Submission to the Senate Inquiry into the Adequacy of Newstart and related payments and alternative mechanisms to determine the level of income support payments in Australia**

Thank you for the opportunity to make a submission in response to the Senate Inquiry into the adequacy of Newstart and related payments and alternative mechanisms to determine the level of income support payments in Australia.

AWAVA endorses the submission jointly made by Equality Rights Alliance and Economic Security for Women.

### **About Australian Women Against Violence Alliance**

Australian Women Against Violence Alliance (AWAVA) is one of the six National Women's Alliances funded by the Australian Government to bring together women's organisations and individuals across Australia to share information, identify issues and contribute to solutions. AWAVA's focus is on responding to and preventing violence against women and their children. AWAVA's role is to ensure that women's voices and particularly marginalised women's voices are heard by Government, and to amplify the work of its member organisations and Friends and Supporters. AWAVA's members include organisations from every State and Territory in Australia, representing domestic and family violence services, sexual assault services, services for women in the sex industry and women's legal services, as well as organisations representing Aboriginal and Torres Strait Islander women, young women, women educators and other groups. AWAVA's contract manager is the Women's Services Network (WESNET).

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## Summary of Recommendations:

1. That the Australian Government increase Newstart payment and other related payments by at least \$75 per week to be consistent with a living wage.
2. That the Australian Government apply an intersectional gender lens to this review of Newstart, and its role in an acceptable standard of living.
3. That the Australian Government reviews the eligibility criteria for the Disability Support Pension to allow greater access for people with disability.
4. That the Australian Government ensure mandatory training and ongoing professional development on the nature and dynamic of domestic and family violence to all relevant workers within the Department of Social Services, Department of Human Services, Centrelink and Medicare.
5. That the Australian Government exempts women on temporary visas and women seeking asylum who have experienced domestic and family violence from meeting residency requirements for the purposes of full access to Centrelink and Medicare while their visa is being processed.
6. That the Australian Government exempts women who have experienced domestic, family and sexual violence and have been granted permanent residency from Centrelink newly arrived resident's waiting period (NARWP) similar to existing waiting period exemptions in place for people recognised as refugees.
7. That the Australian Government expands eligibility for Special Benefit to include people who are on all types of temporary visas and have experienced domestic and family violence. The rates of Special Benefit should be increased to make it liveable.
8. That the Australian Government ensure that victims/survivors of domestic and family violence are not disempowered or put at further risk through applying gender, intersectionality and family lens to social security policy.
9. That the Australian Government amends the Guide to Social Security Law:
  - o to allow a claim for Crisis Payment within 14 days;
  - o to allow Crisis Payment to be paid to any person suffering severe financial hardship who has recently experienced family and domestic violence: removing the nexus of 'home';
  - o that Crisis Payment be extended to victims of family and domestic violence who are not receiving income support but are experiencing or anticipating severe financial hardship resulting from their efforts to leave a violent relationship;
  - o that Crisis Payment be increased to the equivalent of 'four weeks' single rate pension: approximately \$1640; and
  - o that eligibility for Crisis Payment be extended to allow Crisis Payment to be paid up to six times per year.
10. That the Australian Government undertake a comprehensive review of the appropriateness and efficacy of the social security system as a whole, including:
  - o the adequacy and interaction of various payments and supplements; and
  - o the efficacy of compliance requirements and activation methods as summarised in previous parliamentary inquiries including overhaul of the ParentsNext Program and abandoning the Cashless Debit Cards trials;
  - o the appropriateness of Newstart as a measure for the long-term unemployed and other recipients experiencing severe financial hardship.
11. That the Australian Government extends the Exemptions from Mutual Obligation Requirements for single principal carer to include woman affected by domestic violence granting the same payment levels that are available for single principal carer foster caring, non-parent relative caring under a court order, home schooling distance education and large family provisions.

## Introduction

We call on the government to increase the rate of Newstart allowance and other related payments by at least \$75 a week<sup>1</sup> and apply gender and intersectionality lenses in undertaking improvements of the social security system. In this submission we are responding to the following terms of reference:

- e. The current approach to setting income support payments in Australia; and
- f. The impact of the current approach to setting income support payments on older unemployed workers, families, single parents, people with disability, jobseekers, students, First Nations peoples, people from culturally and linguistically diverse backgrounds, people living in regional and remote areas, and any others affected by the process;
- l. the interactions with other payments and services, including the loss of any increased payments through higher rents and costs;

In the sections to follow we unpack the role of the access and eligibility to social security in assisting victims/survivors of domestic and family violence in rebuilding their lives free from violence and regaining financial independence. Many people placed on the Newstart payments are not able to engage in the employment because they are being or have been subjected to domestic and family violence. We will further exemplify inequalities arising from people's identities and experiences of multiple forms of discrimination and oppression to reiterate the need of gender and intersectional lenses in social security.

We are referring to family violence as a gendered crime in which women are the majority of victim/survivors and men are the majority of perpetrators (Royal Commission into Family Violence). For the purposes of this document we are focusing on women predominantly as being at risk within the system.

We also address the increasingly punitive nature of the social security system such income management via the Cashless Debit Card and compulsory engagement with ParentsNext providers, which instead of supporting people in precarious situations that are beyond their control, is punishing them and creating more barriers.

## Need for a gender and intersectionality lenses in social security policy

Any changes to social security policy need to be done applying gender and intersectionality lenses that allow to take into account how multiple and intersecting factors may place women at greater risk of exploitation, violence and abuse and thus take appropriate action to empower them through access to social security as an enabler to regain financial independence.<sup>2</sup>

## Feminisation of poverty in Australia and gender pay gap

Current rates of poverty for people in Australia are \$433 a week for a single adult (calculated as 50% of median income before housing costs and \$909 a week for a couple with two children).<sup>3</sup> Poverty is a gendered phenomenon whereby women are more likely to live in "households below the poverty line than men (13.4% as against 13.0% for men based on the 50% poverty line)"<sup>4</sup>.

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<sup>1</sup> ACOSS [https://www.acoss.org.au/media-releases/?media\\_release=from-kerryn-to-derryn-bob-to-bandt-entire-lower-house-crossbench-and-key-senate-crossbenchers-support-increase-to-newstart](https://www.acoss.org.au/media-releases/?media_release=from-kerryn-to-derryn-bob-to-bandt-entire-lower-house-crossbench-and-key-senate-crossbenchers-support-increase-to-newstart); Social Services Legislation Amendment (Ending the Poverty Trap) Bill 2018  
[https://www.aph.gov.au/Parliamentary\\_Business/Bills\\_Legislation/Bills\\_Search\\_Results/Result?bld=s1144](https://www.aph.gov.au/Parliamentary_Business/Bills_Legislation/Bills_Search_Results/Result?bld=s1144); Deloitte Access Economic (2018) for ACOSS, Analysis of the impact for raising benefit rates, available online at: <https://www.acoss.org.au/wp-content/uploads/2018/09/DAE-Analysis-of-the-impact-of-raising-benefit-rates-FINAL-4-September-...-1.pdf>

<sup>2</sup> (2017, A/RES/71/170, United Nations General Assembly Resolution 71/170, Intensification of efforts to prevent and eliminate all forms of violence against women and girls: domestic violence, OP.11)

<sup>3</sup> Good Shepard Australia and New Zealand FACT SHEET How does poverty impact women in Australia?  
[https://www.goodshep.org.au/media/2168/poverty-in-australia-2018-report\\_fact-sheet\\_finaldocx.pdf](https://www.goodshep.org.au/media/2168/poverty-in-australia-2018-report_fact-sheet_finaldocx.pdf)

<sup>4</sup> Ibid.

The rates of poverty for people with disability is estimated by various report to be between 17% and 34%<sup>5</sup> with some reports showing that 45% of people with disability experience poverty.<sup>6</sup>

The ABS Survey of Income and Housing does not disaggregate their data on poverty rates by Indigenous status. ACOSS drawing on a study by Markham & Biddle<sup>7</sup> estimates that the poverty rate for Aboriginal and Torres Strait Islander people is 31%, while poverty is twice as high in very remote communities (54%) as in major cities (24%).<sup>8</sup> While Aboriginal and Torres Strait Islander people comprise 3% of the population, they represent 13% of those receiving Newstart Allowance and Youth Allowance (other) and 15% of Parenting Payment Single recipients.<sup>9</sup> ACOSS also notes that the complexity of family structures most likely result in the severe under-reporting of poverty rates among Aboriginal and Torres Strait Islander peoples. Women's higher rates of poverty result from poorer employment opportunities, women's over-representation in lower level positions, the gendered pay gap, women's increased likelihood of performing unpaid caring roles and as a result women's lower financial security in retirement.<sup>10</sup> In 2012, 38.7% of elderly single women compared to 33.8% of elderly single men were living in poverty<sup>11</sup>.

Women more than men are engaged in unpaid domestic work. Mothers spend on average twice as many hours (8 hours and 33 minutes) each week looking after children aged under 15, compared to fathers (3 hours and 55 minutes)<sup>12</sup>. Furthermore, Australian women account for 92 per cent of primary carers for children with disabilities, 70 per cent of primary carers for parents and 52 per cent of primary carers for partners.<sup>13</sup> The traditional division of labour means that women and men are more likely to work in certain industries and that female dominated industries generally provide lower salaries than male dominated industries.<sup>14</sup>

Current full-time gender pay gap reaches 14%, meaning that women on average are earning \$241.50 less a week than men.<sup>15</sup> Gender pay gap is a result of bias and discriminatory practices in employment (that is often compounded by bias related to people's race, sexual orientation, migration status etc), disproportionate women's share of domestic and unpaid care work, lack of opportunities for flexible workplace arrangements especially on senior roles, longer time out of the workforce that impacts on career progression and opportunities.

The gender pay gap results in the superannuation gap meaning that women retire with less superannuation benefits than men. The median super balance for a woman in the 55-64 age group is \$80,000 compared to \$150,000 for men. This represents a super gender gap of 47%.<sup>16</sup> As a result, women are more likely to experience poverty in their retirement years and be far more reliant on the Age Pension.<sup>17</sup>

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<sup>5</sup> Davidson, P., Saunders, P., Bradbury, B. and Wong, M. (2018), Poverty in Australia, 2018. ACOSS/UNSW Poverty and Inequality Partnership Report No. 2, Sydney: ACOSS.

<sup>6</sup> Price Waterhouse Coopers (PWC) (2011) Disability expectations: Investing in a better life, a stronger Australia

<sup>7</sup> Markham F & Biddle N (2018): Income, poverty and inequality - Census Paper 2, Centre for Aboriginal Economic Policy Research, Australian National University, Canberra

<sup>8</sup> Davidson, P., Saunders, P., Bradbury, B. and Wong, M. (2018), Poverty in Australia, 2018. ACOSS/UNSW Poverty and Inequality Partnership Report No. 2, Sydney: ACOSS.

<sup>9</sup> Ibid.

<sup>10</sup> Australian Council of Social Service (2014) *Poverty in Australia: 2014*, p. 17, Available at

[http://www.acoss.org.au/images/uploads/ACOSS\\_Poverty\\_in\\_Australia\\_2014.pdf](http://www.acoss.org.au/images/uploads/ACOSS_Poverty_in_Australia_2014.pdf)

<sup>11</sup> Wilkins, R (2015), The Household, Income and Labour Dynamics in Australia Survey: Selected findings from Waves 1-12.

Melbourne Institute of Applied Economic and Social Research, viewed 21 September 2016, available:

[https://www.melbourneinstitute.com/downloads/hilda/Stat\\_Report/statreport\\_2015.pdf](https://www.melbourneinstitute.com/downloads/hilda/Stat_Report/statreport_2015.pdf)

<sup>12</sup> Australian Bureau of Statistics, 4125.0 - Gender Indicators, Australia, Jan 2012: Caring for Children (February 2012).

<sup>13</sup> Australian Bureau of Statistics, 4153.0-How Australians Use Their Time, 2006 (February 2008).

<sup>14</sup> Workplace Gender Equality Agency (2015) *Gender Pay Gap Statistics*, Available at

[https://www.wgea.gov.au/sites/default/files/Gender\\_Pay\\_Gap\\_Factsheet.pdf](https://www.wgea.gov.au/sites/default/files/Gender_Pay_Gap_Factsheet.pdf)

<sup>15</sup> Workplace Gender Equality Agency <https://www.wgea.gov.au/data/fact-sheets/australias-gender-pay-gap-statistics>

<sup>16</sup> Australian Institute of Superannuation Trustees, Women in Super (2016) Women's Super Summit 2016

<sup>17</sup> R Tanton, Y Vidyattama, J McNamara, Q Ngu Vu & A Harding, Old Single and Poor: Using Microsimulation and Microdata to Analyse Poverty and the Impact of Policy Change Among Older Australians (2008) p 15.

In summary, current structural conditions create more barriers for women to achieve financial equality and independence. Existing rates of poverty and gender pay gap result in more women accessing social security, thus reaffirms the need to apply gender and intersectionality lenses to social security policy.

### Current rates of the Newstart payment

Current rates for a fortnightly payment are:

- Single, no children - \$555.70
- Single, with a dependent child or children - \$601.10
- Single, aged 60 or over, after 9 continuous months on payment - \$601.10
- Partnered - \$501.70 each
- Single principal carer granted an exemption from commitments for any of the following (foster caring, non-parent relative caring under a court order, home schooling, distance education and large family) - \$776.10<sup>18</sup>

Comparing with data above on the rates of poverty, current rates of Newstart are pushing people to live below the poverty line. While we understand that the purpose of Newstart is to only provide a safety net for people experiencing unemployment, at its current rate it fails to do that. We recommend to increase Newstart, Youth Allowance and related payments for single people by at least \$75 a week<sup>19</sup>, and encourage the Committee to bring a gender and intersectionality lenses to its review of Newstart.

Equality Rights Alliance reports that women make up 49.3% of people in receipt of Newstart and are more likely to be in receipt of Newstart for longer periods.<sup>20</sup> This can be explained by women's overrepresentation in casual, part-time and low income employment.

Applying gender and intersectional lenses to social security policy makes it clear how an intersection of gender with other identities (such as race, sexual orientation, disability etc) and other systemic forms of oppression (such as racism, homophobia, ableism etc) exacerbates economic disempowerment, excludes people from and limits their employment opportunities. Having elucidated those connections, government will be better enabled to take active steps to ensure just and fair outcomes for all.<sup>21</sup>

Applying an intersectionality lens highlights disturbing trends. For example, the 2019 report on the access of LGBTIQ+ parented families to government services has found that a lack of training around sexuality and gender identity creates unjust outcomes.<sup>22</sup> One quarter of surveyed participants indicated that they have experienced difficulties dealing with Centrelink and being discriminated against. This was especially true for victims/survivors of domestic and family violence where experiences of violence were not recognised. In one specific instance there was an outstanding debt incurred by an alleged perpetrator. Given that Centrelink staff did not recognise separation due to family violence, a victim/survivor was not able to receive any payment being made liable for this outstanding debt.

The National Social Security Rights Network estimates that one in four recipients of Newstart have disability.<sup>23</sup> We are concerned that eligibility for disability support pension (DSP) has been tightened to a degree that 25-30% of people with disability are receiving Newstart payments instead which are lower in

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<sup>18</sup> Department of Human Services, Newstart Allowance, <https://www.humanservices.gov.au/individuals/services/centrelink/newstart-allowance> (accessed 03/09/19)

<sup>19</sup> ACOSS, "Myth Busting Newstart," 2018 <http://www.acoss.org.au/raisetherate/> (accessed 15/11/18)

<sup>20</sup> Equality Rights Alliance 2018 data on Newstart.

<sup>21</sup> Equality Rights Alliance, Australian Women Against Violence Alliance, 'Unpacking the Women's Economic Security Statement', 21 January 2019, available at <http://www.equalityrightsalliance.org.au/unpacking-the-womens-economic-security-statement/> (Accessed 8 August 2019).

<sup>22</sup> Rainbow Families (2019) Love (still) makes a family. A report into discrimination faced by LGBTIQ+ parented families when accessing Australian Government services.

<sup>23</sup> <https://www.nssrn.org.au/social-security-rights-review/1-in-4-on-newstart-has-a-significant-disability/>

their rate.<sup>24</sup> The DSP fortnight payment for a single adult over 21 year old is \$926.20 (including supplements) compared to the \$555.70 of Newstart.<sup>25</sup> People with disability have higher health and medical costs. In many cases, these situations are complicated by the lack of access to appropriate housing. Being denied DSP makes it difficult for many people with disability to meet their basic needs.<sup>26</sup> In addition, for people with disability being on the Newstart payment instead of DSP also means being subject to meeting mutual obligations with regard to the job search. Taking into account that women with disability make up to 20% of the population of Australian women, it is imperative that gender and intersectionality lenses are embedded within the social security policy.

#### Recommendations:

1. That the Australian Government increase Newstart payment and other related payments by at least \$75 per week to be consistent with a living wage.
2. That the Australian Government apply an intersectional gender lens to this review of Newstart, and its role in an acceptable standard of living.
3. That the Australian Government reviews the eligibility criteria for the Disability Support Pension to allow greater access for people with disability.

## Interaction with the social security system when experiencing domestic and family violence

### Impact of domestic and family violence and cost of leaving partners who are use violence

It is widely recognised that family, domestic and sexual violence is an endemic problem in Australian society.<sup>27</sup> Australian Institute of Health and Welfare reports that:

- o One in 6 (17%, or 1.6 million) women have experienced physical and/or sexual violence by a current or previous cohabiting partner since the age of 15;
- o Almost 1 in 4 (23%, or 2.2 million) women have experienced emotional abuse by a current or previous partner since the age of 15;
- o Almost 1 in 5 (18%, or 1.7 million) women have experienced sexual violence since the age of 15.<sup>28</sup>

Australian police deal with 5,000 family violence matters on average every week, which averages to one matter every two minutes.<sup>29</sup> It has been recognised that family violence is a gendered crime with the vast majority of family violence perpetrated against women, usually by a man.<sup>30</sup>

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<sup>24</sup> National Social Security Rights Network; also see: <https://www.theguardian.com/australia-news/2019/apr/10/record-number-of-sick-or-disabled-newstart-recipients-as-coalition-seeks-savings>

<sup>25</sup> <https://www.humanservices.gov.au/individuals/services/centrelink/disability-support-pension/how-much-you-can-get/payment-rates>

<sup>26</sup> <https://www.theguardian.com/australia-news/2019/apr/10/record-number-of-sick-or-disabled-newstart-recipients-as-coalition-seeks-savings>

<sup>27</sup> Australian Institute of Health and Welfare 2018. Family, domestic and sexual violence in Australia 2018. Cat. no. FDV 2. Canberra: AIHW; ABS 2017b. Personal Safety Survey 2016. ABS cat. no. 4906.0. Canberra: ABS; Bryant & Bricknell 2017. Homicide in Australia 2012–13 to 2013–14: National Homicide Monitoring Program Report. Canberra: AIC; <https://anrows.org.au/resources/media/media-releases/intimate-partner-violence-contributes-highest-health-risk-women-aged>; <https://www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services-2016-17/contents/clients-services-and-outcomes>

<sup>28</sup> Australian Institute of Health and Welfare 2018. Family, domestic and sexual violence in Australia 2018. Cat. no. FDV 2. Canberra: AIHW.

<sup>29</sup> Clare Blumer, 'Australian police deal with domestic violence every two minutes' ABC News 21 April 2016 <http://www.abc.net.au/news/2016-04-21/domestic-violence/7341716>

<sup>30</sup> See eg ABS, Crime victimisation, Australia, 2012–13 cat no 4530.0 December 2014 <http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/4530.0main+features100022012-13> .



Almost eight women were hospitalised each day after being assaulted by their spouse or partner in 2014-2015 which amounts to 2800 women in total. 72,000 women, 34,000 children and 9,000 men sought homelessness services in 2016–17 due to family/domestic violence.<sup>31</sup>

The impact of domestic and family violence is severe and long-lasting. This includes, but not limited to the following:

### 1. Worsened health outcomes:

- Intimate partner violence is the leading contributor to death, disability illness and injury among women aged 18 to 44.<sup>32</sup>
- Mental health conditions were the largest contributor to the burden due to physical/sexual intimate partner violence, with anxiety disorders making up the greatest proportion (35%), followed by depressive disorders (32%).<sup>33</sup>
- Other diseases linked to physical/sexual intimate partner violence are early pregnancy loss, homicide and violence, suicide and self-inflicted injuries, pre-term and low birth weight, and alcohol use disorders.
- A consequent need to attend a range of medical and counselling appointments increases the costs.

### 2. A need to **navigate multiple legal systems** that not only result in loss of time but also incur high fees:

- A victim/survivor may be simultaneously navigating seven different legal processes. This includes: “(1) Children and property matters in the Federal Circuit Court, as well as, urgent interim applications in relation to the same proceedings; (2) Divorce proceedings in the Federal Circuit Court or Family Court; (3) Intervention order proceedings in the Magistrates Court; (4) Criminal proceedings; (5) Victim of Crime assistance proceedings; and (6) Debt issues that require resolution through the relevant agencies;”<sup>34</sup> and (7) Migration matters, for example applying for family violence provisions to secure permanent residency after relationships breakdown.

### 3. Homelessness

- Domestic and family violence is the single largest reason for people to seek homelessness services.<sup>35</sup>
- More females than males presented to agencies homeless in 2017–18; the number of females presenting homeless in 2017–18 (57,000) has overtaken the number of males (52,100), up from 41,900 for females and 41,100 for males in 2013–14.<sup>36</sup>

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<sup>31</sup> Australian Institute of Health and Welfare 2018. Family, domestic and sexual violence in Australia 2018. Cat. no. FDV 2. Canberra: AIHW.

<sup>32</sup> <http://media.aomx.com/anrows.org.au/s3fs-public/28%2010%2016%20BOD%20Compass.pdf>

<sup>33</sup> Julie Ayre, Miriam Lum On, Kim Webster, Michelle Gourley and Lynelle Moon (2016) Examination of the burden of disease of intimate partner violence against women in 2011: Final report, Sydney: ANROWS <https://dh2wpaq0gtxwe.cloudfront.net/s3fs-public/BoD%20Horizons.pdf>

<sup>34</sup> Australian Council of Trade Unions submission on the Family and Domestic Violence Leave to the Fair Work Commission. <https://www.actu.org.au/media/886617/actu-submission-to-fwc-family-and-domestic-violence-leave.pdf>

<sup>35</sup> Australian Institute of Health and Welfare 2015, Specialist Homelessness Services 2014-15: Clients, Services and Outcomes, Australian Government, Canberra <http://www.aihw.gov.au/homelessness/specialist-homelessness-services-2014-15/clients-services-outcomes/>

<sup>36</sup> Australian Institute of Health and Welfare (2018) Specialist Homelessness Services Annual Report 2017-2018 <https://www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services-2017-18/contents/clients-services-and-outcomes>



- Homelessness may also increase risk of gender-based violence in particular sexual violence. In addition, when intertwined with poverty and lack of social security support, many women are forced to engage in survival sex to obtain any accommodation or general ‘protection’.
- A general lack of affordable housing and social and public housing may push women to stay with a violent partner. In addition, in most states of Australia only Australian citizens and permanent residents are able to access social and public housing, further excluding women who are on temporary visas and are experiencing domestic and family violence.
- Available government programs designed to support women to stay in their homes post separation are not able to support all women in this need. For example, in NSW there are capped amounts of places that can be supported given the requirement of case management.<sup>37</sup>

#### **Case study, Women’s Safety NSW<sup>38</sup>**

In 2017-18, Staying Home Leaving Violence Program supported 2,464 women with 4,270 accompanying children to remain safely in their homes in NSW. However, specialist women’s services, member of Women’s Safety NSW, as the first responders following a police incident advise that the demand for this program is significantly higher than the capacity of the program to accept referrals.

A specialist women’s service in regional NSW suggests it would be at least 50 per cent of women and their children who would want to be supported to stay home safely- and not have to leave their homes, families, communities and all their possessions and connections if this were an option. At current client numbers, this would translate to 23,951 women and 21,417 children being supported to remain home safely after experiencing violence rather than having to flee their homes to achieve safety in NSW.

#### **4. Economic cost**

- Price Waterhouse Coopers has estimated that violence against women in Australia imposes a financial cost of \$21.7 billion a year, with victims/survivors bearing the main burden of this cost.<sup>39</sup> If appropriate action is not taken, this toll could rise to \$323.4 billion by 2045.
- It costs \$18000 for a victim/survivor to leave violent relationship and establish safety. This would include costs associated with reallocation, safety upgrades, legal costs and medical costs.<sup>40</sup>
- It takes an average of six years for women to recover financially from a divorce.<sup>41</sup>
- Separation for victim/survivors of domestic and family violence results in significantly reduced assets.<sup>42</sup>
- Perpetrators of domestic and family violence leave victim/survivors responsible for repaying jointly accumulated debts.<sup>43</sup>

<sup>37</sup> NSW Government, Program Guidelines for Staying Home Leaving Violence Program.

<sup>38</sup> Case study provided by Women’s Safety NSW, a member of AWAVA’s Advisory Group.

<sup>39</sup> PWC (2015) Economic case for preventing violence against women. A high price to pay. <https://www.pwc.com.au/pdf/a-high-price-to-pay.pdf>

<sup>40</sup> Australian Council of Trade Unions submission on the Family and Domestic Violence Leave to the Fair Work Commission. <https://www.actu.org.au/media/886617/actu-submission-to-fwc-family-and-domestic-violence-leave.pdf>

<sup>41</sup> De Vaus, D., Gray, M., & Stanton, D. (2014). The Economic Consequences of Divorce in Australia. *International Journal of Law, Policy and Family* 28(1), 26-47.

<sup>42</sup> Braff, R. & Myering, I. B. (2011). Seeking security: Promoting women’s economic wellbeing following domestic violence. Department of Families, housing, Community services and Indigenous Affairs, University of New South Wales. Australian Domestic and Family Violence Clearinghouse.

<sup>43</sup> Corrie, T. & McGuire, M. (2013). Economic abuse: Searching for solutions. A Spotlight on Economic Abuse research report. Collingwood: Good Shepherd Youth & Family Service. Retrieved from [https://www.goodshep.org.au/media/1223/economic-abuse\\_final-report.pdf](https://www.goodshep.org.au/media/1223/economic-abuse_final-report.pdf)

## Eligibility and access to social security payments in situations of domestic and family violence

Eligibility and access to social security payments in situations of domestic and family violence enables victims/survivors to re-establish their lives and gain financial independence. While there has been some attention to improve the access and responses of the social security system for victims/survivors<sup>44</sup>, still there are barriers existing in this area, some of which are connected to policies and some to their application. These include:

1. Delays in payment for people in crisis and debts often results from administrative error and/or opaque Centrelink correspondence regarding reporting obligations.<sup>45</sup>
2. Women in situations of domestic and family violence often are not able to meet residency requirements making them ineligible to access payments.
  - The majority of women on temporary visas<sup>46</sup> are not eligible to access social security payments through Centrelink as well as Medicare in some instances.<sup>47</sup>
  - From July 2018, the government has increased waiting periods for newly arrived migrants to access most of the social security benefits to 4 years.<sup>48</sup> This measure disproportionately affects women, especially those experiencing domestic and family violence.
  - Women who utilized family violence provisions under Migration Regulations and obtained permanent residency after their relationships broke down with an Australian partner due to domestic and family violence, are still subject to the 4 years waiting period before they can access social security.
  - Women who experienced family violence and were successful with their application for family violence provisions i.e. obtained their own permanent residency, are only eligible to access parenting payment when they have become a solo parent after the visa grant;
  - Residency rules also apply to access childcare subsidy.
  - In situations when residency requirements are not met means that women are unable to secure independent income and secure housing, thus are forced to stay with a violent perpetrator.<sup>49</sup>
2. Holders of the New Zealand special category visa, while being able to remain in Australia indefinitely, are not eligible for any social security apart from Family Tax Benefit.
3. In cases where large amounts of financial compensation were received (rendering people ineligible for social security payments) but where this money was subsequently appropriated by abusive partners, there is a lack of recognition of the history of domestic and family violence by the Centrelink.
4. Centrelink expectations for couples to share income neglects to acknowledge the complex nature and dynamics of domestic and family violence and to account for financial abuse.
5. Restrictive policies are in place in relation to crisis payments such as time limit on application, the necessity to permanently leave the 'family home', insufficient amount of the payment and limitations of the access to such payment. Additionally, it is "not available to victims of family and domestic violence

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<sup>44</sup> In 2019 the Department of Human Services has organised a consultation to enhance support for people living with and affected by family and domestic violence

<sup>45</sup> National Social Security Rights Network (2018) How well does Australia's social security system support victims of family and domestic violence? Available at <http://www.nssrn.org.au/briefing-paper/family-violence-research/>

<sup>46</sup> "Temporary visas" includes both Bridging visas and substantive temporary visas.

<sup>47</sup> <sup>47</sup>

<sup>48</sup> See more at:

[https://www.aph.gov.au/About\\_Parliament/Parliamentary\\_Departments/Parliamentary\\_Library/FlagPost/2017/December/Waiting\\_period\\_for\\_migrants](https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/FlagPost/2017/December/Waiting_period_for_migrants) and <https://www.humanservices.gov.au/individuals/enablers/newly-arrived-residents-waiting-period>

<sup>49</sup> National Social Security Rights Network (2018) How well does Australia's social security system support victims of family and domestic violence? Available at <http://www.nssrn.org.au/briefing-paper/family-violence-research/>

who are not receiving income support but are experiencing or anticipating severe financial hardship resulting from their efforts to leave a violent relationship”<sup>50</sup>.

6. Only a small number of temporary visa categories may be eligible to access Special Benefit.
7. Some government funding agreements and modes of operation of housing service providers prevent them from accommodating women who are not eligible to access Centrelink and are otherwise unable to contribute payments towards rent.
8. Anecdotal evidence suggests that little support is provided by the Centrelink staff when domestic and family violence is disclosed. In many instances, when a woman is requesting a change in circumstances to be made (eg. to delink her partner from her Medicare card), this does not necessary trigger DFV assessment. If such is not done, a partner will be notified by the Centrelink that they were delinked. In DFV situation this would pose a significant safety risk to a victim/survivor.

### Crisis Payments

Crisis payment are available to people in the range of circumstance including those who have experienced domestic and family violence. It amounts to one week of a regular payment an applicant is receiving, falls under the requirement to meet residency rules and must be lodged within 7 days of the event occurring. Currently, crisis payment can be accessed up to 4 times a year. This payment is not available to victims/survivors who should be eligible because they meet the requirement of “not currently receiving income support but are experiencing or anticipating severe financial hardship resulting from their efforts to leave a violent relationship”<sup>51</sup>.

We are concerned that in situations of domestic and family violence, the rate of the payment and the lodgment timeframe are unworkable. The research indicates that victim/survivors of domestic and family violence are more likely to be reliant on income support after the experience of violence and/or separation.<sup>52</sup> We have also indicated the impact of domestic and family violence in the [section](#) above. In instances where there is an injury as a result of domestic and family violence, a potential applicant may not have a possibility to lodge an application and gather all necessary documentation. In addition, due to the traumatic nature of an event and an immediate requirement to secure safety and other arrangements, a victim/survivor may not think of Centrelink as one of the first points of contact. They may use their personal savings or borrow money instead. A limitation of 7 days application limits their opportunity to utilise this resort.

We are also concerned that there is a requirement for a victim/survivor to either leave their family home or to have an alleged perpetrator removed from their family home. Financial dependence on the perpetrator and lack of access to social security, as well as risk of homelessness may prevent victims/survivors from meeting this requirement. In addition, the definition of home used by Centrelink precludes people living in substandard accommodation or being otherwise homeless from applying. We refer you to the report by the National Social Security Rights Network for more details.<sup>53</sup> We echo their recommendations.

Increasing a Newstart payment will increase the rates of crisis payment available to victims/survivors of domestic and family violence.

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<sup>50</sup> Ibid.

<sup>51</sup> National Social Security Rights Network (2018) How well does Australia’s social security system support victims of family and domestic violence? Available at <http://www.nssrn.org.au/briefing-paper/family-violence-research/>

<sup>52</sup> Sharp, N. (2008). ‘What’s your is mine’: The different forms of economic abuse and its impact on women and children experiencing domestic violence. London: Refuge. Retrieved from <https://www.refuge.org.uk/wp-content/uploads/2016/11/Whats-yours-is-mine-Full-Report.pdf>

<sup>53</sup> National Social Security Rights Network (2018) How well does Australia’s social security system support victims of family and domestic violence? Available at <http://www.nssrn.org.au/briefing-paper/family-violence-research/>

### Recommendations:

4. That the Australian Government ensure mandatory training and ongoing professional development on the nature and dynamic of domestic and family violence to all relevant workers within the Department of Social Services, Department of Human Services, Centrelink and Medicare.
5. That the Australian Government exempts women on temporary visas and women seeking asylum who have experienced domestic and family violence from meeting residency requirements for the purposes of full access to Centrelink and Medicare while their visa is being processed.
6. That the Australian Government exempts women who have experienced domestic, family and sexual violence and have been granted permanent residency from Centrelink newly arrived resident's waiting period (NARWP) similar to existing waiting period exemptions in place for people recognised as refugees.
7. That the Australian Government expands eligibility for Special Benefit to include people who are on all types of temporary visas and have experienced domestic and family violence. The rates of Special Benefit should be increased to make it liveable.
8. That the Australian Government ensure that victims/survivors of domestic and family violence are not disempowered or put at further risk through applying gender, intersectionality and family lens to social security policy.
9. That the Australian Government amends the Guide to Social Security Law:
  - o to allow a claim for Crisis Payment within 14 days;
  - o to allow Crisis Payment to be paid to any person suffering severe financial hardship who has recently experienced family and domestic violence: removing the nexus of 'home';
  - o that Crisis Payment be extended to victims of family and domestic violence who are not receiving income support but are experiencing or anticipating severe financial hardship resulting from their efforts to leave a violent relationship;
  - o that Crisis Payment be increased to the equivalent of 'four weeks' single rate pension: approximately \$1640; and
  - o that eligibility for Crisis Payment be extended to allow Crisis Payment to be paid up to six times per year.

### Punitive approach of some social security system measures

Increasingly, social security system is taking punitive approaches towards those requiring its assistance and support. This includes:

#### 1. Expansion of the Cashless Debit Cards trial

- o We have previously recommended against the expansion of the cashless debit cards trials in light of the absence of the evidence of their positive impact.<sup>54</sup> We reiterate concerns previously raised about the connection between family violence and cashless debit cards. Receiving welfare support predominantly through cashless debit cards may impact the ability of victims/survivors to leave violent relationships given there is no disposable cash. Cashless debit cards also have strong gendered and racial implications, especially for Aboriginal and Torres Strait Islander women many of whom are placed on this card.
- o We strongly believe, and it is enshrined in both domestic and international human rights law, that all women have a fundamental right to live free from violence. This also means being able to leave violent relationships and achieve their own economic independence. Having only 20% of a social security

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<sup>54</sup> AWAVA (2019) Submission on Cashless Debit Card Trials [https://awava.org.au/2019/03/07/submissions/submission-on-cashless-debit-card-trials?doing\\_wp\\_cron=1567556560.1884140968322753906250](https://awava.org.au/2019/03/07/submissions/submission-on-cashless-debit-card-trials?doing_wp_cron=1567556560.1884140968322753906250)

payment untagged to a particular type of an expense and being available for a cash withdrawal significantly limits the ability to do so. If a woman has children, this available 20% may be even further reduced considering all necessary school and other children related expenses that cannot be paid via direct debit.

- Cashless debit cards may therefore significantly limit women’s ability to leave violent relationships and force women back into violent relationship. Under financial hardship, women may return to perpetrators not having other options for their financial security.
- The list of exemptions at it stands at present does not foresee any exemptions for women experiencing family violence.
- All other types of payment including a crisis payment and a disability payment are sent on this card.
- There is no evidence to suggest any positive outcomes from the compulsory punitive welfare policies. The Auditor General concluded that in the absence of effective evaluation and monitoring mechanism, it is difficult to conclude whether any positive impacts or reduction of social harm has occurred.<sup>55</sup>

## 2. Pre-employment program ParentsNext

- The development of a pre-employment program known as ParentNext<sup>56</sup> does not provide legislative exemptions for women affected by DFV. If a woman meets the ‘eligibility’, they need to talk to the provider and the exemptions and reporting obligations will be agreed at the meeting. There is no automatic exemption or exiting the program. The program can suspend payments.

## 3. A new scheme of encouraging lawful behaviour of income support recipients<sup>57</sup>

- This scheme has been announced a 2018-2019 Federal budget measure and came into effect from March 2019 without any consultation with the civil society.
- Under the scheme, the Government will be able to make compulsory deductions from the welfare payments of serial fine defaulters who have outstanding State and Territory court-imposed fines. The Government will also be able to suspend or cancel the welfare payments of individuals who have outstanding State and Territory arrest warrant for indictable criminal offenses.
- We are concerned that this measure can disproportionately affect women who are fleeing or living with family violence in particular Aboriginal and Torres Strait Islander women and women with an intellectual disability.

### Recommendations:

10. That the Australian Government undertake a comprehensive review of the appropriateness and efficacy of the social security system as a whole, including:

- the adequacy and interaction of various payments and supplements; and
- the efficacy of compliance requirements and activation methods as summarised in previous parliamentary inquiries including overhaul of the ParentsNext Program and abandoning the Cashless Debit Cards trials;
- the appropriateness of Newstart as a measure for the long-term unemployed and other recipients experiencing severe financial hardship.

<sup>55</sup> Auditor-General Report No.1 2018–1 The Implementation and Performance of the Cashless Debit Card Trial

<sup>56</sup> For more information: <https://www.employment.gov.au/parentsnext-frequently-asked-questions>

<sup>57</sup> [https://www.dss.gov.au/sites/default/files/documents/02\\_2019/amended-budget2018-19-factsheet-encouraginglawfulbehaviourofincomesupportrecipients.pdf](https://www.dss.gov.au/sites/default/files/documents/02_2019/amended-budget2018-19-factsheet-encouraginglawfulbehaviourofincomesupportrecipients.pdf)

## Interaction with other payments

### Special Benefit and Status Resolution Support Service

Increase in the rate of Newstart allowance will increase other payments such as Special Benefit and Status Resolution Support Service (SRSS) payments (which is currently at 80% rate of the Newstart allowance). We have highlighted in the [sections](#) above that the access to Special Benefit is essential to support women on temporary visas who are experiencing domestic and family violence, noting that not all visa categories will be eligible for this payment. Status Resolution Support Service is the only payment available for people who are seeking asylum. Increase in the rates of Special Benefit and SRSS payments will help prevent people who are in precarious financial conditions from being driven to destitution.

### Student Payments

We also highlight the need to increase student payments such as Youth Allowance, Austudy and ABSTUDY. The basic fortnight rates for single persons with no children is as follows:

- **Youth Allowance** (eligibility for this payment is defined as being “16 to 24 and doing a full time Australian Apprenticeship; 18 to 24 and studying full time; 16 to 17, studying full time and either independent or need to live away from home to study; and 16 to 17, studying full time and have completed year 12 or equivalent”) is between \$249.20 and \$455.20 (depending on the circumstances).<sup>58</sup>
- **Austudy** (eligibility for this payment is defined as being “at least 25 years old, and a full time student in an approved course or Australian Apprenticeship, and under the income and assets test limits”) is \$455.20.<sup>59</sup>
- **ABSTUDY** (eligibility for this payment is defined as being “Aboriginal or Torres Strait Islander Australian, in an approved course, Australian Apprenticeship or traineeship; and not getting another payment to study or train”) is not disclosed and varies by the type of study.<sup>60</sup>

The 2018 report by the Universities Australia<sup>61</sup> estimates that one in seven, that is 15% of domestic undergraduate students regularly go without food or necessities because they can’t afford them. Some groups of students such as those living in regional area and Aboriginal and Torres Strait Islander peoples are more likely to experience financial difficulty. Most domestic undergraduate students (58 per cent) and out of them three-quarters (72 per cent) of Indigenous students are worried about their financial situation.

The Universities Australia report also states that 82% of students are employed because of the financial stress they experience with only 35% being satisfied their work and life balance. “One in two financially independent students said their paid work adversely affects their university performance.”<sup>62</sup>

In addition, experiencing violence and/or having a disability or health issues is likely to increase the chances for young women having to drop their study load which can result in losing payments due to the requirement to be studying full-time to receive a student payment. The 2016 NUS student wellbeing survey report states that “A substantial 63.9% reported difficulties balancing study and other commitments as the most common followed by health problems (50.0%). Notably 45.3% cited financial difficulties as a factor affecting their academic progress and almost half the students (47.8%) rated personal, family or relationship problems as a factor affecting their academic progress.”<sup>63</sup> Several groups of students such as international students, students from rural and regional areas, students from lower socio-economic

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<sup>58</sup> <https://www.humanservices.gov.au/individuals/services/centrelink/youth-allowance-students-and-australian-apprentices/how-much-you-can-get>

<sup>59</sup> <https://www.humanservices.gov.au/individuals/services/centrelink/austudy/payments/payment-rates>

<sup>60</sup> <https://www.humanservices.gov.au/individuals/services/centrelink/abstudy/eligibility/award-types>

<sup>61</sup> Universities Australia (2018) 2017 Universities Australia Student Finances Survey. Available at <https://www.universitiesaustralia.edu.au/wp-content/uploads/2019/06/180713-2017-UA-Student-Finance-Survey-Report.pdf>

<sup>62</sup> Ibid.

<sup>63</sup> Headspace, National Union of Students (2016) National Tertiary Student Wellbeing Survey. Available at <https://headspace.org.au/assets/Uploads/headspace-NUS-Publication-Digital.pdf>

backgrounds, students with disabilities, and students who are Aboriginal and Torres Strait Islander experience multiple stressors related to tertiary study.

### Single mothers

Currently single mothers affected by domestic and family violence can have 16 weeks of not undertaking mutual obligations. However, once their youngest child turns 8, they are transferred to the Newstart payment of \$601.10 per fortnight. The exemption to this would provide \$776.10 per fortnight. Alongside the increase in the Newstart payment rate, we also recommend extending exemptions from the Mutual Obligation Requirements for single principal carer to include women affected by domestic violence, granting the same payment levels that are available for single principal carer foster caring, non-parent relative caring under a court order, home schooling distance education and large family provisions.

#### Recommendations:

11. That the Australian Government extends the Exemptions from Mutual Obligation Requirements for single principal carer to include woman affected by domestic violence, granting the same payment levels that are available for single principal carer foster caring, non-parent relative caring under a court order, home schooling distance education and large family provisions.

We thank you for the opportunity to provide input to this consultation. If you would like to discuss the contents of the submission further, please contact Dr Merrindahl Andrew, AWAVA Program Manager, using the details below.

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