Did Tough Love Work For Sole Parents?

By Eva Cox 18/4/13

The Government's much-maligned decision to cut benefits for sole parents was meant to get people into jobs. Now Labor claims almost 4000 more are drawing a wage - but Eva Cox remains sceptical

Labor's decision to cut parenting payments for sole parents, and shift them to Newstart, has been much maligned. But is the Government's "tough love" working? According to Bill Shorten, speaking to The Australian **last week**, "the Government has always said our priority is getting people into work." Now 3800 more parents are drawing an income instead of being benefits-reliant.

My main criticism of the Government's claim was that the 11 per cent rise in the number of sole parents with earnings after January was caused by the Newstart move. Common sense and my experience as a sole parent made me question the causality; many sole parents are not employed over the Christmas holidays and return to jobs by March/April.

I contend that the 11 per cent rise in participation is mostly explicable by the holiday versus term time factor, as is shown by data in Shorten's office's email to me, which shows comparable figures from 2012. Last year, 5.8 per cent of the extra "grandfathered" parenting payment recipients were earning an income, versus 10.2 per cent this year, a difference of only 4.4 per cent. Given their children are now a year older, and participation rates increase with the ages of children, this may also be a factor. The conclusion I come to is that there is no conclusive trend to show that the "tough love" shift to Newstart was responsible for any significant increase in working sole parents.

The figures available to us are limited (and a bit suspect). It is unacceptable for the government to claim that such data show "unambiguous ... positive shifts in unemployment participation". All we know is that an additional 3861 sole parents reported earnings after the school holidays finished. That's a meagre result in the grand scheme of things.

With 63,254 single principal carer parents being transitioned to Newstart, a few hundred finding jobs isn't a great success. Supporting those sole parents to help raise their children to be healthy, happy and successful people would be.

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The above piece is a summarisation of the article. To read the full article, please go to: http://newmatilda.com/2013/04/17/did-tough-love-work-sole-parents