

Media Release

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SINGLE PARENTS HIT HARDEST AS COST OF LIVING PRESSURES BITE: NEW RESEARCH

Nine out of ten single parents on low incomes have gone without essentials over the past 12 months due to cost of living pressures, according to a new report by peak social services body NCOSS.

The report also revealed that 84 per cent of single parents could not afford quality meals for their kids, and 82 per cent had no savings set aside for emergencies.

The report, *Impossible Choices: Decisions NSW communities shouldn't have to make*, was undertaken by the University of Technology Sydney this year and surveyed a representative sample of more than 1,080 residents living on low incomes and below the poverty line in NSW.

NCOSS CEO Cara Varian said the research had demonstrated the extreme impacts being felt by households on low incomes and below the poverty line.

“Single parents are undoubtedly the hardest hit cohort in this research,” Ms Varian said.

“These impossible choices make every day a challenge and, most disturbingly, we are setting up intergenerational disadvantage. We must do better.

“Low-income families should not be forced to choose between paying for food or medication. The basics of life should not be considered a luxury that most low-income families cannot afford.”

Children are bearing the brunt of the growing cost of living pressures, with parents cutting back spending on meals, essential healthcare, and education resources.

Three in four households (74 per cent) sacrificed spending on their children, half of households (52 per cent) sacrificed spending on health and wellbeing essentials, and one in five delayed early childhood education.

“The ripple effects of these sacrifices are profound, causing increased stress and tension within households, affecting relationships, mental health and wellbeing, and child development outcomes.

“Most people on low incomes in this survey were working, many taking on additional jobs and hours but still going backwards. Even those who received a pay rise could not match the increase to their costs of living.”

Some of the key findings from the report include:

- 92 per cent of single parents had gone without essentials to make ends meet at least once in the past 12 months.
- 82 per cent of single parents had no money set aside for emergencies.
- One in five single parents had moved in with friends and family due to cost.
- 20 per cent of children under 15 had moved due to a rental termination or non-renewal.
- There is more housing stress in the city (75 per cent) than in the regions (66 per cent).
- 78 per cent of renters sought financial assistance at least once.

- 70 per cent of surveyed renters had an increase in rents.
- 77 per cent of employees attempted at least one change to their employment due to rising costs.

Ms Varian said the peak body had a set of recommendations for the NSW and Commonwealth Governments, developed in consultation with NCOSS members.

“These are complex issues, but governments have the power to change it,” she said.

“Implementing our recommendations would significantly ease the crushing pressure that is pushing people to breaking point.”

Some of the recommendations put forward include:

- Lift Commonwealth income support for Jobseeker, Youth Allowance and Parenting Payments.
- Increase the rate of Commonwealth Rent Assistance.
- Provide additional funding for NSW early childhood education centres.
- Ensure 10 per cent of all NSW housing is social and affordable, starting with building 5,000 social and affordable houses per annum.
- Make NSW rental increases fair and reasonable; urgently implement no grounds evictions for all lease types; and legislate rental bidding.
- Implement a universal school food program in NSW.
- Provide adequate funding for NSW emergency food relief services.
- Expand public transport concessions to better support people on low incomes.
- Improve bus networks in regional, rural and remote communities.

For more information, and to read the full report, visit ncoss.org.au

Definitions:

- **Below the poverty line:** defined as households living on less than 50 per cent of the median NSW household income after tax and housing costs (below \$560 per week).
- **Low-income households:** defined as households living on 50 – 80 per cent of the median NSW household income after tax and housing costs (\$560 - \$896 per week).
- **About the survey:** the research, undertaken by the University of Technology’s Institute of Public Policy and Governance, involved stratified random sampling to engage a statistically representative sample of 1,086 NSW residents, living on low incomes and below the poverty line, through an online survey. 23 people also participated in focus groups and interviews.

Media contact: Billy Briggs | 0474 697 235