

Centrelink, Child Support, and Family Homelessness

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Because of the links between the Child Support Agency and Centrelink, parenting payments to single mothers can be reduced without warning. Mothers are in a particularly precarious position and can easily fall into homelessness, especially where separation of parents has occurred as a result of domestic violence and there is confusion about child support payments. The following case should serve as more than a warning.

A single mother with four children separated in August 1999 from a violent partner. Before the separation the male partner had paid for the mortgage on the house the couple were living in and that he was buying, but for little else. After the separation he made no direct payments to the mother. She obtained private rental housing for herself and her children at a monthly cost of \$780.00. Her income was from a parenting payment. She had also made a claim for child support from former partner who was the father of the three younger children (the father of eldest child was deceased).

In October 1999, the mother's parenting payment was dramatically reduced. She was then advised by Centrelink that she would need to repay the Child Support Agency via her parenting payment because it had been calculated that she had received a large amount of maintenance already from her former partner and had therefore been overpaid her benefit. The Child Support Agency had reported to Centrelink that \$9,000.00 had been paid to the mother by the partner since their separation.

How did this happen? The Child Support Agency had rung the partner, who had told them that he had paid for everything while she had been living at his house, and had quoted \$108,000 to Centrelink. The Child Support agency had then phoned the mother and told her that her partner had stated that he had been supporting her for some time. The mother, not knowing the details (and immediately following an incident when he had come to her house and had severely assaulted her, leaving her with significant injuries, as well as damaging the house) said what ever he stated was right. She did not recall being told the figure for what was claimed. She never signed any document and, as far as we know, the partner never made a signed declaration.

Two weeks later, the mother received a very small parenting payment from Centrelink. When the mother rang Centrelink, she was told that Child Support Agency was reclaiming money from her parenting payment. Two lump sum amounts were to be taken out of the next two fortnightly payments, leaving her with virtually no income in those fortnights to pay rent. This occurred without warning, and without any attempt to negotiate with the mother about the best way to recover what they believed they were owed. She fell behind substantially on her rent. Our workers had to seek food hampers and provide financial support for the mother and her children.

Many calls were made by our workers to Centrelink, who said they could do nothing and that the responsibility lay with Child Support. Child Support said they could do nothing. We sent an appeal to the Child Support Agency Office of Appeals in October 1999, which still remained unresolved fourteen months later.

The mother never was able to catch up with the rental arrears and eventually was evicted and the family became homeless. She also had to pay for repairs to the house, which had been damaged by the partner at the time he had assaulted her. The family moved into transitional housing. In June 2001 they were still in transitional housing.

The Child Support Agency and Centrelink appear to be growing more bullish of late. We know of two other recent incidents where benefits have been reduced without warning because, it was claimed, the mother had not been making sufficient efforts to obtain child support from the separated father.

Decisions which could lead to family homelessness should surely not be made until after a proper investigation and a face-to-face interview has taken place. Many women find the system confronting and are unsure of what is required of them. Their literacy skills are often not sufficient to make sense of written information, particularly when it involves Child Support and Centrelink forms and the connections between the two offices.

Women in this situation are typically wary when receiving phone calls and are often uncomfortable about providing personal information to a stranger over the phone. In situations where there has been violence, the woman is often afraid to make statements that contradict her former partner. It is therefore important for investigators to create situations where the woman can be confident that her statements will be respected and her safety will not be jeopardised.

Clearly, better protocols are needed in situations involving single mothers and domestic violence. Proper liaison between Centrelink and Child Support, especially with respect to their shared responsibilities, is essential. The Appeals procedure has taken far too long and also needs to be simplified. A further increase in family homelessness is inevitable unless these issues are addressed.

MacKillop Family Services would like to hear from family support workers who find the same story repeated in their own services so as to present a broadly based submission to remedy the current situation. Contact John Honner at john.honner@mackillop.org.au.