



Parenting Payment Single

2022 Priority Investment Approach Factsheet

Overview

This factsheet provides insights on the 226,000 peopleⁱ receiving Parenting Payment Single (PPS) at 30 June 2022. These figures come from the 2022 Priority Investment Approach actuarial model. For more information, please refer to the [2022 Valuation Report](#).

Highlights

- Of those who **started** receiving PPS in 2021-22 (38,900 people), 67.1% were not previously receiving any form of income support and 21.5% were receiving JobSeeker Payment at 30 June 2021.
- Of those who **stopped** receiving PPS in 2021-22 (49,100 people), 60.3% were not receiving any income support, 29.4% were receiving JobSeeker Payment, and 8.0% were receiving Carer Payment at 30 June 2022.
- The projected **average Lifetime Cost** for people receiving PPS at 30 June 2022 is \$666,000. The **total future Lifetime Cost** is \$151 billion (2.7% of the total cost for all Australians).
* **Lifetime Cost** is the net present value of all **future** in-scope social security payments.

The Parenting Payment Single 25-34 year old cohort

The following insights focus on future **Lifetime Cost** for people on PPS aged 25-34:

Figure 1: Average Lifetime Cost for people aged 25-34 receiving Parenting Payment Single



- The average age of people receiving PPS at 30 June 2022 was 32 years.

- **Lifetime Cost** varies depending on gender. For men, the projected **Lifetime Cost** is \$432,000, whereas for women the projections are almost 60% higher at \$685,000.
 - For women, 30.4% of this cost is for Supplementary Family payments (such as Family Tax Benefit, Child Care Subsidy, Parental Leave Pay). For men, these payments represent 19% of future costs.

Table 1: Projected Lifetime Cost and percentage of time on income support before retirement for people aged 25-34 receiving Parenting Payment Single

Outcome Drivers	Number of people as % of cohort	Average Lifetime Cost	Average % of time on income support before retirement
Total	100.0%	\$676,000	43.5%
Age of youngest child			
- Newborn	14.8%	\$806,000	51.2%
- 1-6 Years old	78.6%	\$662,000	42.5%
- 7-8 Years old	6.5%	\$542,000	37.8%
Number of children			
- 1 child	30.0%	\$575,000	36.2%
- 2 children	33.1%	\$640,000	40.4%
- 3+ children	36.9%	\$790,000	52.2%
Earnings			
- No earnings	52.8%	\$758,000	52.5%
- Has earnings	47.2%	\$583,000	33.3%
Socio-economic area grouping			
- Lowest 20%	38.2%	\$717,000	48.1%
- 20% to 40%	27.1%	\$676,000	43.2%
- 40% to 60%	18.9%	\$644,000	40.0%
- 60% to 80%	11.5%	\$618,000	37.5%
- Highest 20%	4.3%	\$597,000	35.8%
Consecutive years receiving income support			
- 1 Year	7.0%	\$538,000	28.5%
- 2-5 Years	30.2%	\$573,000	32.2%
- 6+ Years	62.8%	\$740,000	50.6%

*Figures may not add to 100% due to rounding. [Table 1 accessible version](#).

- People with more than 3 children (\$790,000) have a future average Lifetime Cost 37.4% higher than those with only one child (\$575,000). Those with more than 3 children are expected to receive income support for just over half the time before retirement (52.2%), while people with only one child are expected to spend just over a third of this time receiving income support (36.2%).
- People with no reported employment earnings are expected to spend almost half their time before retirement on income support (52.5%), whereas people with earnings are expected to spend a third of their time on income support (33.3%).
- Previous receipt of income support is also a strong driver of future cost. People who have received income support for 6 or more consecutive years are expected to receive further income support for just over half the time before retirement (50.6%). People who have received income support only in the 2021-22 financial year are expected to spend just under a third of the time before retirement receiving income support (28.5%).

ⁱ Note: These figures are from the Priority Investment Approach 2022 actuarial model. They will not match official or published recipient data due to different data extraction rules and timing. For official figures please refer to the [DSS Benefit and Payment Recipients Demographics reports](#) or [DSS Income Support Recipients – Monthly Time Series](#) published on data.gov.au.