

The Senate

Community Affairs
References Committee

ParentsNext, including its trial and
subsequent broader rollout

March 2019

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Terms of Reference

ParentsNext, including its trial and subsequent broader rollout, with particular reference to:

- (a) the aims of ParentsNext, and the extent to which those aims are appropriate, having regard to the interests of participating parents, their children, and the community;
- (b) the design and implementation of ParentsNext, including, without limitation:
 - (i) the appropriateness of eligibility for compulsory and voluntary participation,
 - (ii) the protocol for providers' conduct of Capability Interviews with participants,
 - (iii) the design of participation plans, including the range of economic and social participation requirements,
 - (iv) the selection of ParentsNext providers,
 - (v) the interaction between ParentsNext, business, education and training providers, and health, community and social services,
 - (vi) the effectiveness of the communication between:
 - (A) participants,
 - (B) the Department of Jobs and Small Business,
 - (C) Centrelink, and
 - (D) ParentsNext providers,
 - (vii) the measures, if any, in place to avoid causing risk or harm to vulnerable participants and their children, including participants and children who are victims and/or survivors of family violence,
 - (viii) the appropriateness of the aspects of the program specifically aimed at communities with high Aboriginal and Torres Strait Islander population, and the appropriateness of the broader program for Aboriginal and Torres Strait Islander parents outside target communities,
 - (ix) the effectiveness of the program in supporting the long-term wellbeing of parents and children, and the longer term skills and earning capacity of parents, and
 - (x) best practice pre-employment programs for parents;
- (c) the appropriateness of the application of the Targeted Compliance Framework (TCF) to ParentsNext, and the impact of the TCF on participants;
- (d) the oversight of ParentsNext, including:
 - (i) the oversight of determinations of non-compliance, and

- (ii) the fairness and efficiency of any complaint handling processes,
including protocols around changing providers; and
- (e) any other related matters the committee considers relevant.

Abbreviations

CALD	Culturally and Linguistically Diverse
committee	Senate Community Affairs References Committee
DHS	Department of Human Services
FECCA	Federation of Ethnic Communities' Councils of Australia
HIPPY	Home Interaction Program for Parents and Youngsters
HLRC/SNAICC/NFVPLS	Human Rights Law Centre, SNAICC – National Voice for our Children and National Family Violence Prevention Legal Services
HYP	Helping Young Parents
ICESCR	International Covenant on Economic, Social and Cultural Rights
JSCI	Job Seeker Classification Instrument
LGA	local government area
NCSMC/CSMC	National Council of Single Mothers and their Children and Council of Single Mothers and their Children (Victoria)
NCSMC/CSMC Survey	survey of ParentsNext participants conducted by the National Council of Single Mothers and their Children and the Council of Single Mothers and their Children (Victoria)
privacy waiver	Privacy Notification and Consent form
SJF	Supporting Jobless Families
Statement of Compatibility	Statement of Compatibility with Human Rights
TCF	Targeted Compliance Framework

List of Recommendations

Recommendation 1

- 4.5 The committee recommends that the ParentsNext program should not continue in its current form.**

Recommendation 2

- 4.14 The committee recommends that ParentsNext be reshaped, through a process of co-design with parents and experts, into a more supportive pre-employment program which meets the needs of parents and acknowledges and addresses the structural barriers to employment which they face.**

Recommendation 3

- 4.21 The committee recommends that Centrelink, the Department of Jobs and Small Business and all ParentsNext providers review their strategies for communication with ParentsNext participants to ensure that messaging is consistent and clearly sets out what the program is, what is required of participants and participants' rights under the program.**

Recommendation 4

- 4.24 The committee recommends that the Department of Jobs and Small Business consider sanctions against ParentsNext providers who are found to have pressured or coerced participants into signing the Privacy Notification and Consent form, or have suspended a participant's payment by recording 'Misconduct' for an appointment when they refused to sign the form.**

Recommendation 5

- 4.27 The committee recommends that ParentsNext providers ensure that their employees are trained in areas such as disability awareness, cultural sensitivity and domestic and family violence to ensure that the services they deliver and the activities to which they refer participants are appropriate, sensitive and suitable to the needs of the individual.**

Recommendation 6

- 4.28 The committee further recommends that where a ParentsNext provider does not have the specialised knowledge to provide appropriate pre-employment services to a participant with specific needs, participants should be referred to another ParentsNext provider, or an alternative pre-employment or social service program, which does.**

Chapter 1

Introduction

- 1.1 ParentsNext is a pre-employment program for people receiving government income support in the form of Parenting Payment.
- 1.2 ParentsNext has been designed with the aim of assisting disadvantaged parents, particularly early school leavers and those assessed to have high barriers to employment, to plan and prepare for future study or work before their youngest child commences school. Parents participating in the program are required to complete and report on activities in a participation plan agreed with a ParentsNext provider.¹
- 1.3 After a 26-month trial in 10 locations around Australia, the ParentsNext program was rolled out nationally on 1 July 2018. However, in late 2018, media reports started to emerge which questioned whether ParentsNext was meeting its stated aims.²
- 1.4 Some parents reported that they had been forced by their ParentsNext provider to attend activities such as library-run 'story time', playgroup or swimming lessons with their children, or instructed to undertake further education at their own expense when they already hold qualifications.³ Other parents described their frustrations in trying to exit the program after being incorrectly referred.⁴ Further reports detailed how parents had their income support payments cut-off unexpectedly under the program's compliance model, including over the Christmas period, placing them and their children at risk and requiring emergency relief.⁵
- 1.5 Half of all households in Australia which receive Parenting Payment live in poverty, with single mothers, who are overrepresented in this cohort, particularly at risk of financial stress.⁶ Children living in single parent households are more than three times more likely to grow up in poverty than

¹ Department of Employment, *Discussion Paper–ParentsNext National Expansion*, pp. 8 and 11.

² Luke Henriques-Gomes, ['Single parents forced to attend "story time" or lose Centrelink payments'](#), *The Guardian*, 6 November 2018.

³ Luke Henriques-Gomes, ['Single parents forced to attend "story time" or lose Centrelink payments'](#), *The Guardian*, 6 November 2018; Nama Winston, ['"What else should I be doing" Parents respond to threats of welfare suspensions'](#), *MamaMia*, 7 November 2018.

⁴ Renee Meier, ['My ParentsNext Centrelink nightmare'](#), *Kidspot*, 9 January 2019.

⁵ Luke Henriques-Gomes, ['Service providers call for Parents Next overhaul after families left without food'](#), *The Guardian*, 19 December 2018; Luke Henriques-Gomes, ['Happy Christmas from Centrelink – your welfare payments have been stopped'](#), *The Guardian*, 28 December 2018.

⁶ Centre for Excellence in Child and Family Welfare, *Submission 23*, p. 4.

children in couple families.⁷ While placing conditions on recipients of Parenting Payment is not a new concept, these media reports suggest that the design and implementation of the new ParentsNext program has resulted in unintended consequences for these vulnerable parents, particularly single mothers, and their children.

- 1.6 These and other concerns raised by parents and their advocates have been explored by the Senate Community Affairs References Committee (committee) during its examination of the aims, design and implementation of the ParentsNext program.

Report structure

- 1.7 This report is presented in four chapters:

- This chapter provides background and context to the committee's inquiry, outlining the experience of participants in ParentsNext and highlighting the concerns which will be examined in the report.
- Chapter 2 examines the history, aims and design of ParentsNext, including human rights concerns and its suitability for vulnerable participants, and discusses the program's pre-employment focus.
- Chapter 3 addresses evidence about the administration and implementation of ParentsNext by government departments and contracted service providers.
- Chapter 4 provides the committee's conclusion and recommendations.

How ParentsNext works

- 1.8 ParentsNext was first introduced as a trial pre-employment program to provide early intervention assistance to parents with young children. The Explanatory Memorandum for the Social Security Specification which defined who would be eligible for the trial program described that:

ParentsNext will target a cohort of parents identified as having high levels of labour market disadvantage... ParentsNext aims to assist this new cohort to prepare for and ultimately participate in the labour market to help prevent long-term and intergenerational welfare reliance.⁸

- 1.9 The trial of ParentsNext ran from 4 April 2016 to 30 June 2018 in 10 local government areas (LGAs), during which participants were required to attend scheduled appointments with a ParentsNext provider, contracted by the then Department of Employment, and agree on and complete activities in a participation plan in order to receive their Parenting Payment.⁹

⁷ Good Shepherd Australia New Zealand, *Submission 15*, p. 20.

⁸ Social Security (Parenting payment participation requirements – classes of persons) Specification 2016 (No. 1), Explanatory Statement, p. 2.

⁹ Department of Jobs and Small Business, *ParentsNext Evaluation Report*, 2018, p. 22.

- 1.10 In the 2017–18 Budget, it was announced that the Australian Government would provide \$238 million over four years to expand the ParentsNext program nationally.¹⁰
- 1.11 The Australian Government has outlined that the three aims for the national expansion of ParentsNext are to:
- reduce welfare reliance and intergenerational welfare dependency;
 - increase female labour force participation; and
 - help close the gap in Aboriginal and Torres Strait Islander employment.¹¹
- 1.12 The national expansion of ParentsNext began on 1 July 2018, following introduction of the Social Security (Parenting payment participation requirements – classes of persons) Instrument 2018. Following debate, a motion to disallow this instrument was negatived by the Senate on 13 September 2018.¹²
- 1.13 The instrument specified two new classes of ParentsNext participants: Targeted Participants, who would receive tailored pre-employment services, and Intensive Participants, who would receive the same services but with greater financial assistance in 30 specified locations.¹³
- 1.14 At 31 December 2018, six months into the national program, there were 75 259 participants in ParentsNext. Across the two streams of the program, approximately 95 per cent of participants are women, 68 per cent are single parents, and 19 per cent identify as Aboriginal or Torres Strait Islander.¹⁴
- 1.15 As with the ParentsNext trial, participants in the national ParentsNext program are required to attend scheduled appointments with a ParentsNext provider, contracted by the Department of Jobs and Small Business, and agree on and complete activities in a participation plan in order to receive their Parenting Payment. Participants in the national expansion of ParentsNext are

¹⁰ Commonwealth of Australia, *Budget Measures: Budget Paper No. 2 2017–18*, p. 93.

¹¹ Department of Jobs and Small Business, *Submission 67*, p. 2.

¹² *Journals of the Senate*, No. 117, 13 September 2018, p. 3751.

¹³ Social Security (Parenting payment participation requirements – classes of persons) Instrument 2018 (No. 1), Explanatory Statement, p. 1.

¹⁴ Department of Jobs and Small Business, *Submission 67*, p. 3; Department of Jobs and Small Business, answers to questions on notice, 27 February 2019 (received 8 March 2019). Note: Up-to-date data is not available to compare participant numbers or demographics between the Intensive and Targeted Streams, however at 31 October 2018 approximately 46 per cent of participants were in the Intensive Stream and 54 per cent in the Targeted Stream; see Department of Jobs and Small Business, Answer to Question on Notice EMSQ18-000457, 24 October 2018, Senate Education and Employment Supplementary Budget Estimates 2018–19.

also subject to the Targeted Compliance Framework, described below, to record their participation.¹⁵

Criteria for participation

1.16 Participation in ParentsNext is compulsory for parents who:

- have been receiving Parenting Payment for six months or more; and
- have not had any employment in the past six months; and
- have a youngest child aged under six years old; and
- meet other specific criteria based on their participation stream.¹⁶

1.17 In the Intensive Stream, parents who meet the eligibility criteria are required to participate if they live in an Intensive Stream LGA and they are also:

- an early school leaver and have a youngest child aged at least six months old; or
- assessed as highly disadvantaged and have a youngest child aged at least six months old; or
- have a youngest child at least five years old.¹⁷

1.18 The Intensive Stream is intended to increase labour force participation of Aboriginal and Torres Strait Islander parents and support the Closing the Gap employment target; the Intensive Stream locations therefore include the 10 LGAs which were subject to the ParentsNext trial plus 20 new locations chosen for their higher proportion of Parenting Payment recipients who identify as Aboriginal or Torres Strait Islander.¹⁸ These LGAs include:

- Bankstown, Wyong, Shellharbour, Dubbo, Sydney-Central, Mid Coast, Orange, North Coast, and Tamworth in New South Wales;
- Darwin-Palmerston and Alice Springs in the Northern Territory;
- Playford, Port Adelaide, Port Augusta and Whyalla in South Australia;
- Cairns, Logan, Rockhampton, Toowoomba, Mackay and Townsville in Queensland;
- Kwinana, Perth-South, Perth-East, Geraldton and Broome in Western Australia;
- Burnie and Brighton in Tasmania; and
- Greater Shepparton, Hume and Mildura in Victoria.¹⁹

1.19 Parents living in Intensive Stream locations who meet the eligibility criteria but not the additional specific criteria for the stream may choose to volunteer for

¹⁵ Department of Jobs and Small Business, *Submission 67*, p. 11.

¹⁶ Department of Employment, *Discussion Paper for ParentsNext National Expansion*, 2017, p. 11.

¹⁷ Department of Employment, *Discussion Paper for ParentsNext National Expansion*, 2017, p. 11.

¹⁸ Department of Employment, *Discussion Paper for ParentsNext National Expansion*, 2017, p. 12.

¹⁹ Department of Employment, *Discussion Paper for ParentsNext National Expansion*, 2017, p. 13.

ParentsNext. As voluntary participants are not legally required to meet participation requirements, they are not subject to the Targeted Compliance Framework.²⁰

1.20 The Targeted Stream is for eligible parents in all jobactive employment regions, i.e. all non-remote areas across Australia, who are not otherwise living in one of the LGAs in the Intensive Stream.²¹ The additional specific criteria in Targeted Stream locations are slightly different to those for the Intensive Stream, with parents being required to participate if they are:

- an early school leaver and have a youngest child aged at least one year old; or
- assessed as highly disadvantaged and have a youngest child aged at least three years old; or
- from a jobless family and have a youngest child at least five years old.²²

1.21 Compulsory participants can be granted an exemption from ParentsNext in certain situations such as domestic and family violence, temporary incapacity, pregnancy, illness, or if they have particular caring or family responsibilities.²³

The Targeted Compliance Framework

1.22 Since 1 July 2018, all compulsory participants in ParentsNext are subject to the Targeted Compliance Framework (TCF), which also applies to employment programs such as jobactive and Disability Employment Services. According to the Department of Jobs and Small Business:

The TCF is designed to ensure that only people who persistently and wilfully fail to meet their mutual obligations incur financial penalties. It is also designed to offer additional protections to vulnerable people, recognising that most people do the right thing.²⁴

1.23 The TCF is primarily administered by participants self-reporting in an online system, however a ParentsNext provider can also report on behalf of a participant if they assess that the participant is unable to self-report.²⁵

²⁰ [Australian Government, *Social Security Guide: 3.5.1.167 ParentsNext Summary & Participation Requirements \(PP\)*, Version 1.252, 4 February 2019.](#)

²¹ Department of Employment, *Discussion Paper for ParentsNext National Expansion*, 2017, p. 13; Social Security (Parenting payment participation requirements – classes of persons) Instrument 2018 (No. 1), Explanatory Statement, p. 1.

²² Department of Employment, *Discussion Paper for ParentsNext National Expansion*, 2017, p. 11.

²³ Department of Jobs and Small Business, *Submission 67*, pp. 13–15. See also: Australian Government, *ParentsNext: Exemptions and Suspensions Guideline*.

²⁴ Department of Jobs and Small Business, *Submission 67*, p. 11.

²⁵ Ms Janine Pitt, Group Manager, Activation and Work for the Dole Group, Department of Jobs and Small Business, *Committee Hansard*, 27 February 2019, p. 63.

- 1.24 Under the TCF, ParentsNext participants who fail to meet a requirement in their participation plan, such as attending a meeting with a provider or recording participation in an activity, have their Parenting Payment temporarily suspended until they re-engage with their ParentsNext provider. Any payments missed during a suspension are back-paid.²⁶
- 1.25 If a participant does not have a valid reason for failing to meet a requirement, they may be subject to demerit points under the TCF. Once a participant receives more than 5 demerit points, they may be subject to financial penalties up to and including total cancellation of their Parenting Payment. As at 31 December 2018, 967 ParentsNext participants had at least one demerit point and one participant had incurred a financial penalty of the loss of one weeks' Parenting Payment.²⁷
- 1.26 The use of the TCF in ParentsNext was subject to significant criticism from participants, advocates and ParentsNext providers during this inquiry.

The experience of participants

- 1.27 The committee has heard many distressing and disturbing accounts from participants and their advocates about their experiences with ParentsNext. While some parents were excited about the prospect of pre-employment support under ParentsNext,²⁸ the majority described the frustrations, fears and negative impacts they had experienced after being referred to the program.²⁹
- 1.28 Concerns raised by participants and their advocates, which are outlined in this section, are broad ranging and include:
- questions about participants' eligibility and referral to ParentsNext;
 - participants' rights under the program;
 - the content of participation plans; and
 - the punitive nature of the TCF, in particular the payment suspensions to which participants have been subjected.

Referrals to ParentsNext

- 1.29 The committee heard that many parents do not understand how or why they have been referred to ParentsNext. In a survey of ParentsNext participants conducted by the National Council of Single Mothers and their Children and the Council of Single Mothers and their Children Victoria (NCSMC/CSMC

²⁶ Department of Jobs and Small Business, *Submission 67*, p. 12.

²⁷ Department of Jobs and Small Business, *Submission 67*, p. 12.

²⁸ See, for example: Name withheld, *Submission 45*, [p. 3].

²⁹ See, for example: Name withheld, *Submissions 45 and 46*; Centrelink and Other Info Facebook Group, *Submission 54*.

Survey), less than 20 per cent of respondents agreed that Centrelink had made clear to them why they had been selected to attend ParentsNext.³⁰

- 1.30 Parents explained their frustrations in not understanding whether they would be required to participate in ParentsNext after their referral interviews with Centrelink. In comments collected by the Centrelink and Other Info Facebook Group, one parent described that they had been told that they had to attend ParentsNext, only to find out that they were a voluntary participant, while another had been told during a phone interview that they were ineligible, only to be later referred to a provider.³¹ Another parent described her referral process to the committee:

I received a letter from Centrelink informing me that I would be required to participate in a phone interview to assess my eligibility for the ParentsNext program. I felt that I would be exempt after the interview only to be told that I have to participate and would from then on be required to report fortnightly to Centrelink, as well as meet with a ParentsNext provider to organise and complete required activities to continue receiving my payments.³²

- 1.31 Many participants and their advocates told the committee that parents are being referred to ParentsNext as compulsory participants even if they do not meet the criteria for participation or have circumstances which should make them exempt, and that the process around how exemptions are applied is confusing and distressing for participants.³³
- 1.32 Advocates described situations where parents had been incorrectly referred to ParentsNext despite having children younger than six months of age.³⁴ Some shared examples of parents with newborn babies required by providers to attend activities and appointments in order to continue receiving their Parenting Payment.³⁵

³⁰ National Council of Single Mothers and their Children and Council of Single Mothers and their Children (Victoria) (NCSMC/CSMC), *ParentsNext Survey*, January 2019, p. 4. In: National Council of Single Mothers and their Children, *Submission 20*.

³¹ Centrelink and Other Info Facebook Group, *Submission 54*, [pp. 4 and 9].

³² Council of Single Mothers and their Children, *Submission 25*, Appendix 1.

³³ See, for example: Ms Kym Mercer, Centrelink and Other Info, *Committee Hansard*, 27 February 2019, p. 16; Ms Terese Edwards, Chief Executive Officer, National Council of Single Mothers and their Children, *Committee Hansard*, 27 February 2019, p. 6; National Council of Single Mothers and their Children, *Submission 20*; Australian Unemployed Workers Union, *Submission 70*; Human Rights Law Centre, SNAICC – National Voice for our Children and National Family Violence Prevention Legal Services (HLRC/SNAICC/NFVPLS), *Submission 29.2*.

³⁴ National Council of Single Mothers and their Children, *Submission 20*, p. 9; Australian Unemployed Workers Union, *Submission 70*, p. 14.

³⁵ Australian Unemployed Workers Union, *Submission 70*, p. 14; Ms Ella Buckland, Private capacity, *Committee Hansard*, 27 February 2019, p. 17.

- 1.33 Other participants and advocates explained how, even when parents understood that they may be eligible for an exemption, actually seeking that exemption from a ParentsNext provider was fraught with difficulty, as most exemptions are granted on a case-by-case basis at the provider's discretion.³⁶ One advocate described how participants she had spoken with had not been granted exemptions on medical grounds, even for their own surgery,³⁷ while another told the committee:

[A participant] didn't want to speak to the ParentsNext provider about what was going on medically for them and/or their family and got their GP to write a doctor's certificate, as per the ParentsNext requirements, with a start date and an end date for the time that the parent would need to be exempt. The parent went into the ParentsNext provider and produced this document from the GP, and the ParentsNext provider laughed and said, 'Oh, you don't seem that sick!'³⁸

- 1.34 Most alarmingly, there is evidence that parents who have informed Centrelink that they are experiencing domestic and family violence, which should be grounds for either delayed referral or exemption under the program,³⁹ have been referred to service providers who require them to explain and prove their circumstances over and over again.⁴⁰ A parent described how she had been deemed ineligible for exemption because the violence against her had 'occurred in the past' and she therefore did not qualify for an exemption now:

I had to recount the whole emotional trauma of my experience as a [domestic violence] survivor and my ongoing battle with PTSD...I could tell they were totally unqualified to deal with this sort of thing, as they didn't know what to say to me over the phone, but said I'd likely qualify for an exemption but they would need "to check with someone" and get back to me...I received a call later that day from the same person who told me they were "very sorry" but I "did meet the criteria for ParentsNext". How can a [domestic violence] survivor...and someone still fearing for their and their children's life, not qualify for an exemption?⁴¹

- 1.35 The committee also heard that ParentsNext providers are not considering the needs of survivors of domestic and family violence in their administration of the program. One parent illustrated her experience:

I have had to see a different staff member at each appointment, and have been asked to explain in extensive detail particulars surrounding family court, domestic violence etc. This is done without regard for the personal

³⁶ See, for example: HLRC/SNAICC/NFVPLS, *Submission 29.2*.

³⁷ Ms Mercer, Centrelink and Other Info, *Committee Hansard*, 27 February 2019, p. 19.

³⁸ Ms Buckland, Private capacity, *Committee Hansard*, 27 February 2019, p. 19.

³⁹ Department of Jobs and Small Business, *Submission 67*, p. 14.

⁴⁰ See, for example: Australian Unemployed Workers Union, *Submission 70*, p. 7; HLRC/SNAICC/NFVPLS, *Submission 29.2*.

⁴¹ Australian Unemployed Workers Union, *Submission 70*, p. 7.

and sensitive subject nature involved, or the fact that it is inappropriate to [discuss] in front of or within hearing distance of my children. A lot of the questioning is completely irrelevant, and none of the staff seem to have any knowledge of the family court system or domestic violence issues.⁴²

- 1.36 Issues around the application of eligibility criteria and exemptions in the ParentsNext program are examined in detail in Chapter 3 of this report, while discussion about whether ParentsNext is an appropriate program for vulnerable parents, such as those experiencing domestic and family violence, is included in Chapter 2.

Privacy and personal information

- 1.37 The committee heard that there was confusion among participants about their rights in relation to the Privacy Notification and Consent form (privacy waiver) because of inadequate information or misinformation given by ParentsNext providers at their initial appointment.
- 1.38 According to the Department of Jobs and Small Business, this privacy waiver allows ParentsNext providers to facilitate the referral of participants to certain pre-employment services or activities, as this might require the disclosure of personal information. A participant can choose not to sign this form and not give the provider consent, but they will still be required to participate in the program and their provider will still be required to deliver services to them.⁴³
- 1.39 However, many parents have reported that they were told by their ParentsNext provider that signing the privacy waiver was mandatory, and that not signing would result in their Parenting Payment being suspended or demerit points being given.⁴⁴ One participant explained:

I know the privacy statement is not mandatory but the manager told me I HAD to sign it or they couldn't sign me up to their ParentsNext program as not signing they couldn't help me get access to programs and I was going to be referred back to Centrelink if I refused to sign so I told them and showed them proof I didn't have to sign but they still wouldn't accept

⁴² NCSMC/CSMC, *ParentsNext Survey*, January 2019, p. 17.

⁴³ Department of Jobs and Small Business, *Submission 67*, p. 8; Mr Greg Manning, Group Manager, Youth and Programs Group, Department of Jobs and Small Business, *Committee Hansard*, 27 February 2019, p. 68.

⁴⁴ See, for example: Name withheld, *Submission 46*; Ms Jenny Davidson, Chief Executive Officer, Council of Single Mothers and their Children, *Committee Hansard*, 27 February 2019, p. 14; Ms Edwards, National Council of Single Mothers and their Children, *Committee Hansard*, 27 February 2019, p. 14; Ms Buckland, Private capacity, *Committee Hansard*, 27 February 2019, pp. 18–19; Ms Mercer, Centrelink and Other Info, *Committee Hansard*, 27 February 2019, p. 19; Good Shepherd Australia New Zealand, *Submission 15*, p. 30; HLRC/SNAICC/NFVPLS, *Submission 29.1*, p. 16.

that information so I felt I had no option but to sign it in case I get a [demerit] point.⁴⁵

- 1.40 There are also significant concerns that the personal information collected by providers is being used for purposes other than referral to pre-employment services and activities, such as booking medical appointments on behalf of participants or contacting health professionals to ask questions about a participant's health.⁴⁶ One advocate told the committee that:

I had a call this week from a woman who said that, when talking to her, her ParentsNext provider had asked for a copy of her Medicare card and a copy of her health care card, and suddenly on her activity appeared medical appointments for her children that she's not even received information about yet, and specialist and hospital appointments that the woman involved did not tell the agency about. So somehow they're managing to get information about medical appointments and specialist appointments.⁴⁷

- 1.41 These troubling accounts about the behaviour of ParentsNext providers in relation to privacy waivers and the use of participant's personal and sensitive information are examined in Chapter 3 of this report.

Participation plans

- 1.42 A key feature of the ParentsNext program is the participation plan, which is supposed to be developed and decided on collaboratively by participating parents and their provider. The Department of Jobs and Small Business submitted that:

The participation plan is a document in which a parent sets out their goals and commits to undertake provider appointments and agreed activities to achieve those goals. The focus of a plan is supporting the parent to achieve their employment goals. Before drafting a plan, the provider and the parent discuss the parent's goals, strengths and skills, as well as barriers and how they can achieve their goals. Where the parent does not have clear goals, the provider helps them work out what their goals are. The ParentsNext guidelines require plans to be tailored and take into account the parent's circumstances, particularly caring responsibilities, their goals and their capacity to comply.⁴⁸

- 1.43 Under the guidelines for ParentsNext, providers are required to give parents 10 days to consider their participation plan before agreeing to it.⁴⁹ In practice, the committee heard that most parents did not know that they had this right,

⁴⁵ NCSMC/CSMC, *ParentsNext Survey*, January 2019, p. 16.

⁴⁶ See, for example: Ms Edwards, National Council of Single Mothers and their Children, *Committee Hansard*, 27 February 2019, p. 6.

⁴⁷ Ms Mercer, Centrelink and Other Info, *Committee Hansard*, 27 February 2019, p. 19.

⁴⁸ Department of Jobs and Small Business, *Submission 67*, p. 6.

⁴⁹ Department of Jobs and Small Business, *Submission 67*, p. 6.

with the NCSMC/CSMC Survey finding that only three per cent of their respondents knew about the 10 day 'thinking time'.⁵⁰

- 1.44 Many participants and their advocates also told the committee that, in their experience, providers were not taking into account parents' circumstances, responsibilities or pre-employment goals when developing participation plans. One father submitted that:

The plan I was provided had none of my or my daughters needs included nor did it recognise the information I had provided. I was given a generic plan which included a goal of returning to full time work. I have not stated this as a goal, nor is it possible for me to achieve currently. Even more concerning is the activity that was assigned to my daughter, she was assigned to a reading program at a library in a neighbouring LGA. My [daughter's] diagnosis means this is poorly suited to her...My daughter could benefit from participating in other programs that have been recommended by her specialists which I explained to the interviewer which were ignored.⁵¹

- 1.45 Some parents felt that the activities their providers had included in their plan, such as attending swimming lessons, library programs or playgroup with their children, were not preparing them for the workforce and that they were already undertaking these activities before starting ParentsNext.⁵² In some instances, parents were required by their provider to take their child out of kindergarten to attend these activities.⁵³ One parent observed:

I believe parents who...already have their child in preschool/day-care, already do activities with their child and are already doing things to prepare themselves for employment should not be required to...participate in ParentsNext.⁵⁴

- 1.46 Another parent described:

My child is 3.5 years old and we were already going to do fun and educational activities before [ParentsNext], sometimes as much as twice a day. Now I feel like I'm being forced to do this activity with my child, it doesn't seem so enjoyable. I am having to spend more money on petrol to go and do the approved activity that is further away, rather than doing our own ones or ones that are closer in my community.⁵⁵

⁵⁰ NCSMC/CSMC, *ParentsNext Survey*, January 2019, p. 4.

⁵¹ Name withheld, *Submission 45*, [p. 2].

⁵² Ms Davidson, Council of Single Mothers and their Children, *Committee Hansard*, 27 February 2019, p. 7.

⁵³ Anglicare Victoria, *Submission 7*, pp. 3–4.

⁵⁴ Centrelink and Other Info Facebook Group, *Submission 54*, [p. 5].

⁵⁵ Centrelink and Other Info Facebook Group, *Submission 54*, [p. 8].

- 1.47 For some parents who were already undertaking study at TAFE or university, or had plans for going back to work, meeting with their ParentsNext provider is an added administrative burden to mandate what they are already doing:⁵⁶

I was already studying full time yet made to attend [ParentsNext] compulsory appointments for them to write on a piece of paper that my participation ... is full time study. Total waste of time as I get no help, I get no assistance towards my university course or transport costs and it means I lose a day of study to attend a pointless appointment.⁵⁷

- 1.48 One mother, who was on maternity leave from a position she was returning to, commented that:

I was treated like an uninformed and uneducated woman. [The provider] dismissed all of my questions and queries and forced me to sign the consent waiver and job plan straight away! I'm on maternity leave and have a job I'm returning to in February as a nurse!!⁵⁸

- 1.49 There have been reports that some providers were instructing parents to drop or change their current courses of study for other activities the provider wished for them to do, or did not otherwise recognise their study as an activity.⁵⁹ The National Social Security Rights network submitted that:

A mother who was assisted by our member centre in Queensland told us that she was undertaking studies and interning but this was not recognised by ParentsNext providers...During this time, the mother told us she was so stressed by the ParentsNext program that she stopped interning. In order to fulfil her study obligations at TAFE she had to seek extensions for her assignments.⁶⁰

- 1.50 The committee also heard reports that providers were making changes to the activities on a parent's participation plan without their knowledge or consent.⁶¹
- 1.51 The significant concerns about the content of participation plans, including what activities are appropriate to include in a pre-employment program for parents, are explored in Chapter 2 of this report. The behaviour of providers in relation to the development and enforcement of participation plans is addressed in Chapter 3.

⁵⁶ NCSMC/CSMC, *ParentsNext Survey*, January 2019, p. 15; Council of Single Mothers and their Children, *Submission 25*, Appendix 1; Ms Edwards, National Council of Single Mothers and their Children, *Committee Hansard*, 27 February 2019, p. 7.

⁵⁷ Council of Single Mothers and their Children, *Submission 25*, p. 12.

⁵⁸ NCSMC/CSMC, *ParentsNext Survey*, January 2019, p. 6.

⁵⁹ Australian Unemployed Workers Union, *Submission 70*, p. 13; Ms Mercer, Centrelink and Other Info, *Committee Hansard*, 27 February 2019, p. 20.

⁶⁰ National Social Security Rights Network, *Submission 14*, p. 6.

⁶¹ See, for example: Ms Edwards, National Council of Single Mothers and their Children, *Committee Hansard*, 27 February 2019, p. 6.

Reporting using the TCF

- 1.52 One of the most distressing aspects of ParentsNext for many parents is the threat of their payment being suspended or cut off because of how participation reporting operates under the TCF. It is estimated that one in five participants in ParentsNext have been subject to a payment suspension since the introduction of the TCF.⁶²
- 1.53 Ms Terese Edwards from the National Council of Single Mothers and their Children told the committee that suspensions under the TCF are 'so blunt and so fierce that one error on anybody's part can result in a suspension'.⁶³
- 1.54 A survey conducted by the Centrelink and Other Info Facebook Group found that 70 per cent of responding participants in ParentsNext had had their payment suspended through no fault of their own,⁶⁴ while the NCSMC/CSMC Survey found that 68 per cent of its respondents who had received a suspension had done so because of an error made by Centrelink or a ParentsNext provider.⁶⁵
- 1.55 The committee heard that for parents who are responsible for their own self-reporting through the online application, system outages and computer or internet problems can result in automatic payment suspensions which can have major financial consequences:
- If they report late on the day that they need to report, because the app's been down or there have been issues getting online, then their payments are delayed by a day, which can then upset the whole financial balance and cause late fees and issues with direct debits.⁶⁶
- 1.56 Some parents have who are required to contact their ParentsNext provider to have their compliance recorded reported that, even after informing their provider that they had completed an activity on time, their payments had been suspended due to errors or failures by that provider. The committee heard about a participant whose provider had failed to record her activity, causing serious distress:
- She texted the provider on the Friday, which was their agreement, that she had gone to the swimming lessons. On Saturday she received a text message saying her payment was suspended. She had no-one to talk to, of course, over the weekend. She was fearful that her automatic payment to her rent would default. She had a family engagement that she couldn't go

⁶² Mrs Nicole Steers, Chief Operating Officer, Jobs Australia, *Committee Hansard*, 27 February 2019, p. 38.

⁶³ Ms Edwards, National Council of Single Mothers and their Children, *Committee Hansard*, 27 February 2019, p. 11.

⁶⁴ Centrelink and Other Info Facebook Group, *Submission 54*, [p. 3].

⁶⁵ NCSMC/CSMC, *ParentsNext Survey*, January 2019, p. 5.

⁶⁶ Ms Mercer, Centrelink and Other Info, *Committee Hansard*, 27 February 2019, p. 17.

to because she was scared that she needed to keep the money that she would normally spend on petrol to go. She spent the weekend in great fear. On Monday, she contacted the provider. Again, it was via a text message, and he just said, 'I didn't put in that you attended.'⁶⁷

1.57 Other parents have reported that they were required to send text messages, and in some instances photographic evidence, that they had attended each activity, leading to feelings of being under surveillance from their provider.⁶⁸

1.58 Many participants have reported the frustrations in trying to re-engage with their ParentsNext provider to have their payments reinstated.⁶⁹ One parent described her experience in trying to resolve a miscommunication which resulted in a suspension:

What a stuff up. I was sure that I told [provider] that there was a change in the date. Bang, without knowing I was 'non-compliant'. The stress of trying to understand what I did wrong was hard as my [provider] worked part-time. No one really knew, or even believed that it was just a mess up regarding the dates. I spent three days stressed, heading into the weekend with my son's [sic] who is 18 months old...I was nervous about this program and now I hate it.⁷⁰

1.59 The committee was particularly concerned to hear evidence that a number of participants had needed to be directed to emergency relief services by their ParentsNext provider due to payment suspensions which occurred and could not be resolved over weekends and holiday periods.⁷¹

1.60 Issues with the application and administration of the TCF, as well as its suitability for a pre-employment program such as ParentsNext, are explored in Chapter 3.

Conduct of the inquiry

1.61 On 4 December 2018, the Senate referred ParentsNext, including its trial and subsequent broader rollout, for inquiry and report by 31 March 2019.⁷²

1.62 The inquiry was advertised on the committee's website and the committee wrote to relevant organisations inviting submissions by 1 February 2019. The

⁶⁷ Ms Edwards, National Council of Single Mothers and their Children, *Committee Hansard*, 27 February 2019, p. 11.

⁶⁸ Ms Buckland, Private capacity, *Committee Hansard*, 27 February 2019, pp. 16 and 24; Ms Davidson, Council of Single Mothers and their Children, *Committee Hansard*, 27 February 2019, p. 7; National Council of Single Mothers and their Children, *Submission 20*, p. 15; Equality Rights Alliance, *Submission 36*, [p. 3].

⁶⁹ See, for example: Centrelink and Other Info Facebook Group, *Submission 54*, [p. 9].

⁷⁰ National Council of Single Mothers and their Children, *Submission 20*, p. 8.

⁷¹ See, for example: Benevolent Society, *Submission 19*, [p. 4]; Brotherhood of St Laurence, *Submission 63*, p. 10; National Social Security Rights Network, *Submission 14*, p. 7.

⁷² *Journals of the Senate*, No. 135, 4 December 2018, p. 4404.

committee continued to receive submissions after this date. The committee also published a media release calling for submissions to the inquiry.

- 1.63 The committee received a total of 60 public submissions. A further 13 submissions were accepted as confidential. A list of submissions received by the committee is available at Appendix 1 and copies of public submissions can be accessed on the committee's website.
- 1.64 The committee held one public hearing in Melbourne on 27 February 2019. A list of witnesses who provided evidence at the public hearing is available at Appendix 2.

Acknowledgements

- 1.65 The committee thanks all of the individuals and organisations who submitted to the inquiry and appeared as witnesses.

Note on references

- 1.66 References to *Committee Hansard* in this report are to the proof transcripts. Page numbers may vary between the proof and official transcripts.

Chapter 2

Aims and design

The stated aims of the Parents Next Program looked very positive to me and I looked forward to starting the program and being supported in returning to work. My experience of the program was not in line with the stated aims.¹

- 2.1 Throughout this inquiry, the committee heard from a significant number of submitters and witnesses who broadly supported the idea of a program which assists parents to develop the skills needed to re-enter the workforce but did not support the design of ParentsNext as a compulsory program with a punitive compliance framework. Many witnesses expressed particular concerns about the human rights implications of the aims and design of ParentsNext, and whether the compulsory activities which parents are required to complete are appropriate for a pre-employment program.²
- 2.2 This chapter examines the development of ParentsNext, how its aims and design engage with certain human rights, the suitability of the program for vulnerable subgroups in the cohort, and best practice in pre-employment programs and activities for parents.

What came before ParentsNext?

- 2.3 ParentsNext is based on elements of the Helping Young Parents (HYP) and Supporting Jobless Families (SJF) measures that were introduced by the Australian Government in 2012, as part of the Building Australia's Future Workforce package in the 2011–12 Budget.³
- 2.4 HYP was designed to improve the education of young parents and the development outcomes of their children by providing support for parents aged 19 years or younger to undertake education or training leading to the attainment of a Year 12 or equivalent qualification. The measure also included

¹ Name withheld, *Submission 45*, [p. 3].

² See, for example: Australian Human Rights Commission, *Submission 16*; Human Rights Law Centre, SNAICC – National Voice for our Children and National Family Violence Prevention Legal Services (HLRC/SNAICC/NFVPLS), *Submission 29.1*; National Council of Single Mothers and their Children, *Submission 20*; Good Shepherd Australia New Zealand, *Submission 15*.

³ Department of Employment, Answer to Question on Notice EMSQ17-004079, 29 May 2017, Senate Education and Employment Budget Estimates 2017–18; Department of Employment, *Helping Young Parents and Supporting Jobless Families Research Report*, 2015, p. 2.

required activities that focused on the health and early childhood development of participants' children.⁴

- 2.5 SJF was designed to assist parents to prepare to return to the workforce once their youngest child was of school age, and to help ensure their children were ready to start school. SJF targeted parents aged under 23 years or in receipt of income support for two or more years to participate in compulsory workshops when their child was four or five years old, as well as voluntary participation in employment, education, parenting and childhood development activities.⁵
- 2.6 Ten place-based trials for HYP and SJF were conducted by the then Department of Employment between January 2012 and June 2015, in:
- Bankstown, Shellharbour and Wyong in New South Wales;
 - Logan and Rockhampton in Queensland;
 - Playford in South Australia;
 - Burnie in Tasmania;
 - Hume and Greater Shepparton in Victoria; and
 - Kwinana in Western Australia.
- 2.7 These trials were subject to evaluation in 2015, the report of which was published in August 2017.⁶ The evaluation found that HYP and SJF had 'demonstrated positive outcomes for parents through regular contact with the Department of Human Services and participation in activities'.⁷ As a result, the Australian Government provided funding in the 2015–16 Budget, under the Growing Jobs and Small Business Package, 'to establish projects that build on the strengths of the trials and reach a larger target group'.⁸ HYP and SJF trials were extended in the 10 trial sites through to March 2016, at which point they were superseded by the ParentsNext trial.⁹

The ParentsNext trial, evaluation and expansion

- 2.8 The ParentsNext trial ran from 4 April 2016 to 30 June 2018 in the 10 LGAs which had been subject to the HYP and SJF trials. During this period,

⁴ Department of Employment, *Helping Young Parents and Supporting Jobless Families Research Report*, 2015, pp. 3–4.

⁵ Department of Employment, *Helping Young Parents and Supporting Jobless Families Research Report*, 2015, pp. 3–4.

⁶ Department of Employment, *Helping Young Parents and Supporting Jobless Families Research Report*, 2015.

⁷ Department of Employment, *Grant Guidelines for ParentsNext*, January 2016, p. 2.

⁸ Department of Employment, *Grant Guidelines for ParentsNext*, January 2016, p. 2.

⁹ Department of Employment, *Helping Young Parents and Supporting Jobless Families Research Report*, 2015, p. 3.

participation in the program was generally compulsory for parents living in these LGAs who:

- had been receiving Parenting Payment for six months or more; and
- had not had any employment in the past six months; and
- had a youngest child aged between six months and six years old; and
- met one of following three priority criteria:
 - was an early school leaver (i.e. aged under 22 and not completed the final year of secondary school or an equivalent qualification);
 - was assessed as highly disadvantaged based on a Job Seeker Classification Instrument assessment; or
 - had a youngest child aged five years old.¹⁰

2.9 Participants in the ParentsNext trial were required to attend scheduled appointments with their ParentsNext provider and agree on and complete activities in a participation plan in order to receive their Parenting Payment.¹¹

Evaluation of the trial

2.10 The Department of Jobs and Small Business conducted an evaluation of the early impact of ParentsNext in the 10 trial sites after the first 14 months of the program (i.e. for the period April 2016 to June 2017). The evaluation found that, during the trial period assessed, ParentsNext had improved parents' attitudes to workforce participation, wellbeing, and chances of studying or training. Participants in ParentsNext also appeared to demonstrate higher levels of study, training and job-seeking compared to non-participants.¹²

2.11 However, the evaluation of the ParentsNext trial has been subject to significant criticism. The evaluation report was not published until September 2018,¹³ two months after the national roll-out of the program commenced; this meant that evidence of the program's efficacy was not available before it was implemented nationally.¹⁴

2.12 Furthermore, the data which was referenced in the evaluation report was not published in a complete form – for example, it is not clear what questions were asked, how many participants or providers were surveyed, or the circumstances in which the survey was completed – and did not assess all 10

¹⁰ Department of Jobs and Small Business, *ParentsNext Evaluation Report*, 2018, pp. 9, 11, 22.

¹¹ Department of Jobs and Small Business, *ParentsNext Evaluation Report*, 2018, p. 22.

¹² Department of Jobs and Small Business, *ParentsNext Evaluation Report*, 2018, pp. 12–13.

¹³ Department of Jobs and Small Business, *ParentsNext Evaluation Report*, 2018.

¹⁴ See, for example: Ms Stella Avramopoulos, Chief Executive Officer, Good Shepherd Australia New Zealand, *Committee Hansard*, 27 February 2019, p. 4; Dr Sarah Squire, Head of Women's Research, Advocacy and Policy Centre, Good Shepherd Australia New Zealand, *Committee Hansard*, 27 February 2019, p. 9; Centre for Excellence in Child and Family Welfare, *Submission 23*, p. 6.

trial locations, which has raised concerns about the accuracy of the quantitative trial evaluation.¹⁵ The Australian Human Rights Commission told the committee that the successes of ParentsNext reported in the evaluation were therefore not appropriately evidence-based:

On the basis of the evaluation of the program to date, it is not possible to conclude that the program is achieving its aims or that it has had a positive effect which outweighs the detriment of undermining the right to social security.¹⁶

- 2.13 The committee recognises that many of these submitters have called for the full evaluation data to be made publically available to allow for greater scrutiny of the reported outcomes of the ParentsNext trial and to inform future changes to the program.¹⁷

Consultations ahead of the national expansion

- 2.14 Following the 2017–18 Budget announcement that ParentsNext would be expanded nationally, the then Department of Employment released a discussion paper and conducted consultations with service providers and other key stakeholders in late 2017.¹⁸ The committee heard a number of concerns about the quality of the consultations which were undertaken during this period.
- 2.15 The Northern Territory Government submitted that ParentsNext had been introduced in the Northern Territory with 'a lack of networking, consultation and communication' with the social and community sector.¹⁹
- 2.16 Others submitted that they were unaware of any consultation with affected parents, their advocates or child development experts before the development and implementation of ParentsNext.²⁰ The Council of Single Mothers and their Children (Victoria) told the committee that:

There is no evidence of co-design, or that groups such as ourselves were ever consulted in the creation of the program. Indeed, our contributions prior to the national rollout of the program were to no avail, as the pilot

¹⁵ See, for example: Australian Human Rights Commission, *Submission 16*, p. 5; Centre for Excellence in Child and Family Welfare, *Submission 23*, p. 6; Jobs Australia, *Submission 35*, p. 8; Dr Squire, Good Shepherd Australia New Zealand, *Committee Hansard*, 27 February 2019, p. 9.

¹⁶ Emeritus Professor Rosalind Croucher, AM, President, Australian Human Rights Commission, *Committee Hansard*, 27 February 2019, p. 21.

¹⁷ See, for example: Australian Human Rights Commission, *Submission 16*, p. 5.

¹⁸ Department of Employment, *Discussion Paper for ParentsNext National Expansion*, 2017. See also: Department of Jobs and Small Business, answers to written questions on notice (received 26 March 2019).

¹⁹ Northern Territory Government, *Submission 27*, p. 3.

²⁰ HLRC/SNAICC/NFVPLS, *Submission 29.1*, p. 9; Uniting Communities, *Submission 57*, p. 4; FamilyCare, *Submission 65*, p. 2; Women's Legal Service NSW, *Submission 66*, p. 3.

program was already set to be expanded and our recommendations, (including vital improvements in the quality and training of staff, ways to improve the power imbalance, and raising the minimum age of children whose parents were to attend), were not taken up. Furthermore, there is no evidence that child development experts were consulted or asked about the possible negative impacts of compulsory participation on parental stress and the cascading impact of these on the well-being of babies, toddlers and pre-schoolers.²¹

- 2.17 Although the Department of Jobs and Small Business informed the committee that Aboriginal and Torres Strait Islander peoples had provided advice during the consultation period about the need for supports for this cohort,²² the joint submission from the Human Rights Law Centre, SNAICC and the National Family Violence Prevention Legal Services noted that:

Despite the Discussion Paper for the ParentsNext National Expansion raising concerns about the cultural competency of service providers, there is no evidence that there has been consultation with Aboriginal and Torres Strait Islander people and communities about improving the situation. In addition, the ParentsNext Evaluation Report offers limited insight into the impact of the ParentsNext program on Aboriginal and Torres Strait Islander women and more generally fails to offer a robust and/or independent assessment of the efficacy of the program.²³

- 2.18 The issues around the suitability of ParentsNext for Aboriginal and Torres Strait Islander participants are discussed in detail later in this chapter.
- 2.19 The committee has also received evidence that the Australian Government did not seek the advice of human rights experts before the national rollout.²⁴ This is particularly concerning, given the significant ways in which ParentsNext engages a number of human rights.

Expansion informed by neither evaluation nor consultation

- 2.20 The committee heard concerns that issues raised in the ParentsNext trial and during consultations, such as the merit of referring parents with children as young as six months old and the cultural safety of the program, had not been addressed before the national rollout.²⁵

²¹ Council of Single Mothers and their Children, *Submission 25*, p. 9.

²² Mr Nathan Smyth, Deputy Secretary, Employment, Department of Jobs and Small Business, *Committee Hansard*, 27 February 2019, p. 58.

²³ HLRC/SNAICC/NFVPLS, *Submission 29.1*, pp. 14–15.

²⁴ Ms Antoinette Braybrook, National Convenor, National Family Violence Prevention Legal Services Forum; Ms Adrienne Walters, Senior Lawyer, Human Rights Law Centre; Professor Croucher, Australian Human Rights Commission; and Associate Professor Beth Goldblatt, Private capacity, *Committee Hansard*, 27 February 2019, pp. 24–25.

²⁵ Ms Kelly Bowey, Senior Policy and Research Officer, Centre for Excellence in Child and Family Welfare, *Committee Hansard*, 27 February 2019, p. 10. See also: Centre for Excellence in Child and

- 2.21 Additionally, the national program has some significant differences to the trial program, particularly in relation to compliance and participation requirements, which were not evaluated before their widespread implementation. Good Shepherd Australia and New Zealand told the committee:

The evaluation itself is of limited use in determining the quality of the program because it was conducted prior to the linking of ParentsNext with the targeted compliance framework.²⁶

- 2.22 Settlement Services International told the committee that, in fact, evaluation of the trial had not shown a need for a more rigorous compliance framework in order to achieve the program's outcomes, explaining in its submission that:

The trial phase was successful in delivering many of the program's intended outcomes without a need for [the TCF], so the value added by implementing it is unclear to us. The evaluation of the trial phase did not recommend the introduction of a targeted compliance framework and found, in fact, in the trial phase that the compliance levels were largely appropriate.²⁷

Committee view

- 2.23 The committee recognises the concerns raised by submitters about the quality of evidence included in the published evaluation of the ParentsNext trial and supports the call for the full evaluation data to be made available for public scrutiny.
- 2.24 The committee has serious concerns that the national rollout of ParentsNext, particularly its use of compliance mechanisms, appears not to have been informed by either the evaluation of the trial or by proper consultation with expert stakeholders.

Aims, objectives and human rights implications

- 2.25 As outlined in Chapter 1, the aims of ParentsNext are to reduce reliance and intergenerational dependency on social security; increase female labour force participation; and close the gap in Aboriginal and Torres Strait Islander peoples' employment. According to the Department of Jobs and Small Business, ParentsNext has been designed to meet these aims by providing pre-employment support to parents of young children while they are 'out of the workforce' through the following objectives:

Family Welfare, *Submission 23*, p. 6; Settlement Services International, *Submission 31*, pp. 4, 6; FamilyCare, *Submission 65*, pp. 5–6.

²⁶ Ms Avramopoulos, Good Shepherd Australia New Zealand, *Committee Hansard*, 27 February 2019, p. 4. See also: Mission Australia, *Submission 60*, p. 11.

²⁷ Ms Karen Bevan, General Manager, Service Delivery, Community, Settlement Services International, *Committee Hansard*, 27 February 2019, p. 47.

- targeting early intervention assistance to parents at risk of long-term social security dependency;
 - helping parents identify and reach their education and employment goals; and
 - connecting parents to local services and activities to help them meet their goals.²⁸
- 2.26 A large number of submitters and witnesses have raised concerns about how these aims and objectives, which target particular groups of parents and engage with Australia's human rights obligations, have significant unintended consequences for the wellbeing of participants and their children.²⁹
- 2.27 The Statement of Compatibility with Human Rights (Statement of Compatibility) for the instrument which specified participants for the national rollout states that while ParentsNext promotes rights to work and education, it engages and limits the rights to:
- social security;
 - an adequate standard of living; and
 - equality and non-discrimination.³⁰
- 2.28 ParentsNext also engages the obligation to consider the best interests of the child in all actions concerning children.³¹

Social security and an adequate standard of living

- 2.29 Article 9 of the International Covenant on Economic, Social and Cultural Rights (ICESCR), to which Australia is a party, provides that everyone has a right to social security, including social insurance.³² The Australian Human Rights Commission summarises this as follows:

The right to social security encompasses the right to access and maintain benefits in order to secure protection from social risks and contingencies. It includes the right not to be subject to arbitrary and unreasonable restrictions of existing social security coverage.³³

²⁸ Department of Jobs and Small Business, *Submission 67*, pp. 2–3.

²⁹ See, for example: Australian Human Rights Commission, *Submission 16*; HLRC/SNAICC/NFVPLS, *Submission 29.1*; National Council of Single Mothers and their Children, *Submission 20*; Good Shepherd Australia New Zealand, *Submission 15*.

³⁰ Social Security (Parenting payment participation requirements – classes of persons) Instrument 2018, Attachment A: Statement of Compatibility with Human Rights, p. 8.

³¹ Social Security (Parenting payment participation requirements – classes of persons) Instrument 2018, Attachment A: Statement of Compatibility with Human Rights, p. 8.

³² *International Covenant on Economic, Social and Cultural Rights*, 16 December 1966, entry into force 3 January 1976, Part 1, Article 9.

³³ Australian Human Rights Commission, *Submission 16*, p. 12.

2.30 Article 11 of the ICESCR provides that everyone has a right to an adequate standard of living for themselves and their family, including adequate food, clothing and housing.³⁴

2.31 These rights are also provided in the Convention on the Rights of the Child.³⁵

2.32 The Statement of Compatibility notes that compliance actions in ParentsNext, taken when a participant fails to meet their participation requirements under the TCF, impact these rights. The Statement of Compatibility contends that the use of the TCF is a reasonable limitation on these rights, describing how compliance actions lead to engagement with the program:

The risk of compliance action has proved to be effective in ensuring participants engage with providers delivering ParentsNext and similar programs, and are able to benefit from the services that they offer... Linking participation requirements to the continued receipt of income support payments also acts as a re-engagement mechanism to ensure participants continue to actively participate and are focussing on the long term outcomes for themselves and their children.

...Any limitations there may be to the right to social security and the right to an adequate standard of living, due to imposing requirements directed at overcoming barriers to employment, are reasonable and necessary in view of the evidence outlined above.³⁶

2.33 However, submitters and witnesses have described how the conditionality placed on Parenting Payment, through the use of compulsory participation plans and the TCF in ParentsNext, breaches these rights.³⁷ Furthermore, by placing conditions on the social security of parents and potentially reducing their income, the program does not appear to consider the best interests of children.³⁸ The Australian Human Rights Commission summarised these concerns in its submission:

...the compulsory and punitive nature of the program breaches the right to social security. The compliance framework permits social security to be reduced below the minimum essential level for parents caring for young

³⁴ *International Covenant on Economic, Social and Cultural Rights*, 16 December 1966, entry into force 3 January 1976, Part 1, Article 11.

³⁵ Social Security (Parenting payment participation requirements – classes of persons) Instrument 2018, Attachment A: Statement of Compatibility with Human Rights, p. 8.

³⁶ Social Security (Parenting payment participation requirements – classes of persons) Instrument 2018, Attachment A: Statement of Compatibility with Human Rights, pp. 9–10.

³⁷ See, for example: Australian Human Rights Commission, *Submission 16*; Associate Professor Beth Goldblatt, *Submission 3*, p. 2; Playgroup Australia, *Submission 13*, [p. 6]; Jobs Australia, *Submission 35*, pp. 9–10; Equality Rights Alliance, *Submission 36*, [p. 3]; Accountable Income Management Network, *Submission 37*, [p. 10]; Brotherhood of St Laurence, *Submission 63*, pp. 13–14.

³⁸ Women's Legal Service NSW, *Submission 66*, p. 3; Associate Professor Beth Goldblatt, *Submission 3*, p. 3.

children. This retrogressive measure affects some of the most vulnerable families in Australia, with severe detrimental impacts on their financial security and human rights. It also risks entrenching and exacerbating poverty and inequality among program participants.³⁹

- 2.34 Submitters and witnesses have argued that using a punitive compliance mechanism to meet the aims of the program is not a proportionate limitation on the rights to social security and an adequate standard of living, as there is no evidence that such a mechanism is the only way to achieve these aims.⁴⁰ The Centre for Excellence in Child and Family Welfare told the committee:

It is still not clear to us why the government chose mandatory participation as an engagement mechanism...We disagree with the argument that limiting the right to social security and an adequate standard of living are necessary, as we have seen no evidence that other less restrictive and punitive alternatives have been explored...the design of ParentsNext assumes that parents are not able to decide what is best for their family, that they lack capacity and motivation and that they must be coerced in order to engage in support.⁴¹

- 2.35 In fact, evidence to the committee suggests that placing conditions on social security through compliance programs, such as ParentsNext, is likely to result in negative outcomes for participants.⁴² Good Shepherd Australia New Zealand submitted that international evidence does not support conditionality in social security as a rational method of encouraging people to participate in programs, noting that:

...longitudinal evidence collected in the United Kingdom shows that a harsh regime of welfare conditionality is largely ineffective and rarely results in shifts from income support into secure employment.⁴³

- 2.36 Although there has been no evaluation of the impact of social security conditionality in the national expansion of ParentsNext to date, a survey conducted by the Centrelink and Other Info Facebook Group found that nearly 68 per cent of responding participants were 'worse off' under ParentsNext and 42 per cent reported that participating had specifically caused financial hardship.⁴⁴

³⁹ Australian Human Rights Commission, *Submission 16*, p. 3.

⁴⁰ See, for example: HLRC/SNAICC/NFVPLS, *Submission 29.1*, p. 9; Women's Legal Service NSW, *Submission 66*, p. 3; Associate Professor Beth Goldblatt, *Submission 3*, pp. 2–3; Ms Jenny Davidson, Chief Executive Officer, Council of Single Mothers and their Children, *Committee Hansard*, 27 February 2019, p. 3; National Council of Single Mothers and their Children, *Submission 20*, p. 15.

⁴¹ Ms Bowey, Centre for Excellence in Child and Family Welfare, *Committee Hansard*, 27 February 2019, p. 3.

⁴² HLRC/SNAICC/NFVPLS, *Submission 29.1*, pp. 9–10; Associate Professor Beth Goldblatt, *Submission 3*, pp. 2–3; Good Shepherd Australia New Zealand, *Submission 15*, p. 29.

⁴³ Good Shepherd Australia New Zealand, *Submission 15*, p. 29.

⁴⁴ Centrelink and Other Info Facebook Group, *Submission 54*, [p. 3].

- 2.37 Because of the serious limitations on human rights and the substantial concerns about the impact of these on the wellbeing of parents and their children, advocates, human rights experts and ParentsNext providers alike have almost universally recommended to the committee that a punitive, automatic compliance mechanism like the TCF should not be attached to ParentsNext.⁴⁵
- 2.38 Furthermore, some submitters have recommended that, rather than relying on the threat of compliance action, ParentsNext should use alternative avenues of engagement which are more appropriate to the supportive aims of the program.⁴⁶ The Centre for Excellence in Child and Family Welfare told the committee:
- There are many ways that engagement can be respectfully encouraged without having to resort to coercion or sanctions, including addressing the individual and structural barriers that can affect a person's ability or willingness to engage.⁴⁷
- 2.39 The ways in which pre-employment programs can engage with participants by addressing these structural barriers to employment are explored later in this chapter.

Equality and non-discrimination

- 2.40 The ICESCR provides that the rights to social security and an adequate standard of living 'be exercised without discrimination of any kind as to race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status'.⁴⁸

⁴⁵ See, for example: Brotherhood of St Laurence, *Submission 63*, p. 5; Australian Unemployed Workers Union, *Submission 70*, p. 6; YFS Ltd, *Submission 5*, [p. 3]; National Social Security Rights Network, *Submission 14*, p. 2; Good Shepherd Australia New Zealand, *Submission 15*, pp. 6–7; Australian Human Rights Commission, *Submission 16*, p. 4; National Council of Single Mothers and their Children, *Submission 20*, p. 3; CatholicCare Sandhurst, *Submission 24*, [p. 3]; Council of Single Mothers and their Children, *Submission 25*, p. 4; HLRC/SNAICC/NFVPLS, *Submission 29*, p. 6; Settlement Services International, *Submission 31*, p. 1; Anglicare Australia, *Submission 33*, p. 5; Jobs Australia, *Submission 35*, p. 4; Australian Council of Social Service, *Submission 38*, p. 4; Volunteering Australia, *Submission 39*, p. 2; Ms Ella Buckland, *Submission 52*, p. 2; Goodstart Early Learning, *Submission 58*, [p. 3]; Mission Australia, *Submission 60*, p. 2.

⁴⁶ See, for example: YFS Ltd, *Submission 5*, [pp. 1–2]; Uniting Vic.Tas, *Submission 8*, [p. 2]; Wesley Mission, *Submission 12*, [p. 5]; Playgroup Australia, *Submission 13*, [p. 6]; Centre for Excellence in Child and Family Welfare, *Submission 23*, p. 8; CatholicCare Sandhurst, *Submission 24*, [p. 3]; Settlement Services International, *Submission 31*, p. 1; Uniting Communities, *Submission 57*, p. 5.

⁴⁷ Ms Bowey, Centre for Excellence in Child and Family Welfare, *Committee Hansard*, 27 February 2019, p. 3.

⁴⁸ *International Covenant on Economic, Social and Cultural Rights*, 16 December 1966, entry into force 3 January 1976, Part 1, Article 2.

- 2.41 The rights to equality and non-discrimination are also protected by the International Covenant on Civil and Political Rights, the Convention of the Rights of the Child, the International Convention on all Forms of Racial Discrimination, and the Convention on the Elimination of All Forms of Discrimination against Women.⁴⁹
- 2.42 ParentsNext impacts on the right to equality and non-discrimination as it aims specifically target women and Aboriginal and Torres Strait Islander peoples as groups in particular need of pre-employment assistance. The Statement of Compatibility maintains:
- It is appropriate to restrict the eligibility for ParentsNext to particular groups of parents as the program is designed to provide those groups with support to address the specific disadvantage they face.⁵⁰
- 2.43 Evidence received by the committee does not support this view, and is discussed below.

Indirect discrimination against women

- 2.44 One of the aims of ParentsNext is to increase female labour force participation. As at 31 December 2018, six months after the commencement of the national program, 95 per cent of all participants were women.⁵¹
- 2.45 The Department of Jobs and Small Business told the committee that Australia 'is at the lower end of OECD countries in terms of the employment rate of women aged between 25 and 54 years and of mothers with very young children',⁵² further stating that:
- Research from the OECD notes that one of the most important factors which can contribute to child poverty is whether or not children are living with parents who are jobless.⁵³
- 2.46 The Statement of Compatibility explains that the majority of parents in jobless families in Australia are women and that, therefore, ParentsNext could be considered 'indirectly discriminatory on the basis of sex, as the vast majority of those affected by the Instrument will be female'. Indirect discrimination occurs

⁴⁹ See: Social Security (Parenting payment participation requirements – classes of persons) Instrument 2018, Attachment A: Statement of Compatibility with Human Rights, p. 8; Australian Human Rights Commission, *Submission 16*, p. 30.

⁵⁰ Social Security (Parenting payment participation requirements – classes of persons) Instrument 2018, Attachment A: Statement of Compatibility with Human Rights, p. 12.

⁵¹ Department of Jobs and Small Business, answers to questions on notice, 27 February 2019 (received 8 March 2019).

⁵² Mr Smyth, Department of Jobs and Small Business, *Committee Hansard*, 27 February 2019, p. 57.

⁵³ Mr Smyth, Department of Jobs and Small Business, *Committee Hansard*, 27 February 2019, p. 57.

when rule or policy is the same for everyone but exclusively has an unfair effect on people with a particular personal attribute.⁵⁴

- 2.47 The Australian Human Rights Commission has criticised whether the indirect discrimination against women is justified in ParentsNext, stating that the explanation offered in the Statement of Compatibility:

...only goes so far as to identify the disadvantage facing [women], rather than adequately justifying how the imposition of ParentsNext will resolve this disadvantage. An underlying assumption of this analysis is that the program is a net benefit to all participants and therefore selecting participants based on...sex does not amount to unlawful discrimination.

- 2.48 Several submitters have also noted that, in January 2018, the United Nations registered a complaint concerning Australia's treatment of single mothers in relation to Parenting Payment and that the Special Rapporteurs on extreme poverty and human rights have written to the Australian Government about cuts to Parenting Payments, noting that these are retrogressive measures that undermine women's human rights.⁵⁵ Associate Professor Beth Goldblatt commented:

The ParentsNext program with its compulsory element and capacity to remove income entitlements to needy parents and their children is likely to face further criticism from UN bodies.⁵⁶

- 2.49 Witnesses and submitters have contended that the targeted aims of ParentsNext do not represent a reasonable limitation on women's right to equality and do not take into account the reasons why women, particularly single mothers, are overrepresented in the cohort of Parenting Payment recipients and have lower labour force participation rates than men.⁵⁷
- 2.50 In particular, many pointed to the lack of recognition of the unpaid work which is carried out by mothers of young children as a major contributing factor in labour force participation.⁵⁸ The National Social Security Rights Network submitted:

⁵⁴ Social Security (Parenting payment participation requirements – classes of persons) Instrument 2018, Attachment A: Statement of Compatibility with Human Rights, pp. 11–12. See also: Australian Human Rights Commission, *Quick Guide: Indirect Discrimination*, <https://www.humanrights.gov.au/quick-guide/12049> (accessed 15 March 2019).

⁵⁵ National Council of Single Mothers and their Children, *Submission 20*, p. 16; Associate Professor Beth Goldblatt, *Submission 3*, p. 3; HLRC/SNAICC/NFVPLS, *Submission 29.1*, p. 10.

⁵⁶ Associate Professor Beth Goldblatt, *Submission 3*, p. 3.

⁵⁷ See, for example: Australian Human Rights Commission, *Submission 16*; HLRC/SNAICC/NFVPLS, *Submission 29.1*; National Council of Single Mothers and their Children, *Submission 20*.

⁵⁸ See, for example: Equality Rights Alliance, *Submission 36*; Associate Professor Beth Goldblatt, *Submission 3*; Australian Unemployed Workers Union, *Submission 70*; National Social Security Rights Network, *Submission 14*; Good Shepherd Australia New Zealand, *Submission 15*; National Council of Single Mothers and their Children, *Submission 20*.

Women spend 16 hours per week on housework prior to becoming a parent, which jumps to 30 hours per week when their youngest child starts school, while caring duties jump from 2 hours per week to 51 hours when a baby is born. It is unhelpful to view mothers of young children as unemployed workers when they are in fact working longer hours than men in full-time positions, but largely without remuneration.⁵⁹

- 2.51 Furthermore, Good Shepherd Australia New Zealand submitted that the aims and design of ParentsNext assume that mothers will become dependent on social security in the long term, despite evidence that social security reliance in women is generally limited to four years or less, coinciding 'with the prime child-bearing and child-rearing years'.⁶⁰
- 2.52 The issues of unpaid labour, assumptions about women receiving Parenting Payment and other barriers to employment faced by mothers are explored later in this chapter.

Direct discrimination against Aboriginal and Torres Strait Islander peoples

- 2.53 Another one of the aims of ParentsNext is to close the gap in Aboriginal and Torres Strait Islander peoples' employment. A total of 19 per cent of participants in ParentsNext identify as Aboriginal or Torres Strait Islander, 94 per cent of whom are women and 69 per cent of whom are single mothers.⁶¹
- 2.54 As discussed in Chapter 1, 20 of the 30 Intensive Stream locations have been selected specifically for their high rate of Aboriginal and Torres Strait Islander recipients of Parenting Payment in order to achieve this aim. The Statement of Compatibility provides a rationale for this direct discrimination on the basis of race:

Given the high level of need amongst Indigenous parents, it is appropriate that the Australian Government identify locations to deliver the Intensive Stream of ParentsNext where a high proportion of parenting payment recipients are Indigenous. This will result in Indigenous parents being more likely to receive assistance from ParentsNext, receiving that assistance sooner, and receiving a higher level of assistance than if they had been in the Targeted stream.⁶²

- 2.55 The Statement of Compatibility further rationalises that direct discrimination in ParentsNext:

...is reasonable, necessary and sufficiently precise to assist those parents to improve their family wellbeing, educational attainment and employment

⁵⁹ National Social Security Rights Network, *Submission 14*, p. 3. See also: Good Shepherd Australia New Zealand, *Submission 15*, p. 9.

⁶⁰ Good Shepherd Australia New Zealand, *Submission 15*, p. 10.

⁶¹ Department of Jobs and Small Business, answers to questions on notice, 27 February 2019 (received 8 March 2019).

⁶² Social Security (Parenting payment participation requirements – classes of persons) Instrument 2018, Attachment A: Statement of Compatibility with Human Rights, p. 13.

prospects and to begin to disrupt the intergenerational disadvantage from which many suffer.⁶³

2.56 Human rights experts do not believe that this direct discrimination, which specifically targets Aboriginal and Torres Strait Islander people to participate in a scheme which limits their rights to social security, has a rational connection to the program's aims. As with the issue of indirect discrimination against women, the Australian Human Rights Commission submitted that the Statement of Compatibility's explanation of why Aboriginal and Torres Strait Islander people had been targeted only identifies their disadvantage, but does not explain how ParentsNext will address it.⁶⁴ Human rights experts noted that this direct discrimination could be permitted if it constituted a 'special measure'—that is, a positive measure introduced to achieve substantive equality—but that the Australian Government had not designed ParentsNext as such.⁶⁵

2.57 Furthermore, submitters drew similarities between ParentsNext and other programs which impose social security conditionality on Aboriginal and Torres Strait Islander peoples, such as the Community Development Program and Cashless Debit Card, noting ongoing concerns about programs that undermine the autonomy of Aboriginal and Torres Strait Islander people and communities.⁶⁶

2.58 Witnesses and submitters have also questioned whether ParentsNext is appropriately designed to meet the specific needs of Aboriginal and Torres Strait Islander parents, who may experience higher levels of vulnerability than other cohorts.⁶⁷ Good Shephard Australia New Zealand described that:

This includes lower rates of education and literacy, higher rates of victimisation due to family violence, poorer physical and mental health and other effects of dispossession and colonisation. Caring responsibilities for Aboriginal and Torres Strait Islander people also extend beyond the nuclear family structure while cultural and community responsibilities may limit time available for compliance activities.⁶⁸

⁶³ Social Security (Parenting payment participation requirements – classes of persons) Instrument 2018, Attachment A: Statement of Compatibility with Human Rights, p. 13.

⁶⁴ Australian Human Rights Commission, *Submission 16*, pp. 32–33.

⁶⁵ Australian Human Rights Commission, *Submission 16*, p. 34; HLRC/SNAICC/NFVPLS, *Submission 29.1*, p. 9.

⁶⁶ Good Shepherd Australia New Zealand, *Submission 15*, p. 18; Domestic Violence Victoria, *Submission 21*, [p. 2]; Jobs Australia, *Submission 35*, p. 8; Accountable Income Management Network, *Submission 37*, p. 8. See also, Northern Territory Government, *Submission 27*; Kimberley Community Legal Services, *Submission 72*.

⁶⁷ See, for example: Kimberley Community Legal Services, *Submission 72*; CatholicCare Sandhurst, *Submission 24*; Jobs Australia, *Submission 35*.

⁶⁸ Good Shepherd Australia New Zealand, *Submission 15*, p. 25.

- 2.59 While some providers have described the steps taken to ensure their provision of ParentsNext is culturally appropriate and partnered with community organisations,⁶⁹ the committee has heard serious concerns that many service providers do not have an appropriate level of cultural competency or experience in working with Aboriginal and Torres Strait Islander peoples.⁷⁰ The NCSMC/CSMC Survey found that only 7 per cent of Aboriginal or Torres Strait Islander respondents agreed that services suggested culturally appropriate activities and employed Indigenous case workers.⁷¹
- 2.60 Several submitters have recommended that the design and aims of ParentsNext be revisited to better consider the needs of Aboriginal and Torres Strait Islander people.⁷² Further ways in which ParentsNext could be adjusted to consider these and the specific needs of other vulnerable parents are considered in later sections of this chapter.

Targeting and the inclusion of other vulnerable populations

- 2.61 ParentsNext, by virtue of being a program which targets highly disadvantaged parents, also includes participants from a number of other vulnerable populations, including people with disability, people from culturally and linguistically diverse backgrounds, and people who have experienced domestic and family violence.
- 2.62 It is unclear how many participants in ParentsNext may experience the intersection of multiple vulnerabilities.⁷³

People with disability

- 2.63 According to the Department of Jobs and Small Business, approximately 14 per cent of participants in ParentsNext are people with disability.⁷⁴

⁶⁹ Wesley Mission, *Submission 12*, [p. 7]; Uniting SA, *Submission 18*, p. 8; CatholicCare Sandhurst, *Submission 24*, [pp. 1–2]; National Employment Services Association, *Submission 30*, p. 10.

⁷⁰ Benevolent Society, *Submission 19*, p. 3; Ms Antoinette Braybrook, National Family Violence Prevention Legal Services Forum, *Committee Hansard*, 27 February 2019, p. 22; HLRC/SNAICC/NFVPLS, *Submission 29.1*, pp. 14–15.

⁷¹ National Council of Single Mothers and their Children and Council of Single Mothers and their Children (Victoria) (NCSMC/CSMC), *ParentsNext Survey*, January 2019, p. 9.

⁷² Kimberley Community Legal Services, *Submission 72*, pp. 9–14; Good Shepherd Australia New Zealand, *Submission 15*, p. 7; Australian Human Rights Commission, *Submission 16*, p. 5; HLRC/SNAICC/NFVPLS, *Submission 29.1*, p. 6; Accountable Income Management Network, *Submission 37*, [p.12]; Australian Council of Social Service, *Submission 38*, p. 5; Mission Australia, *Submission 60*, p. 13.

⁷³ See, for example: Ms Joanna Leece, Executive Officer, Kildonan and Lentara Cluster, Uniting (Victoria & Tasmania), *Committee Hansard*, 27 February 2019, p. 51.

⁷⁴ Department of Jobs and Small Business, answers to questions on notice, 27 February 2019 (received 8 March 2019).

- 2.64 The committee heard that a number of parents with disability, as well as parents of children with disability, who have been referred to ParentsNext have found that the program does not meet their needs.⁷⁵ One parent commented that:

I'm a disabled single parent. They assume every parent is able bodied and don't factor in disability.⁷⁶

- 2.65 The NCSMC/CSMC Survey found that 67 per cent of responding participants with disability did not believe that their needs and access requirements were understood and included in the service they received from their provider.⁷⁷ The National Social Security Rights Network also told the committee:

...a single mother who was in receipt of Mobility Allowance for her physical disabilities and Carer Allowance in recognition of the care she provided for her severely disabled son...was made a compulsory participant of ParentsNext. She contacted our member centre when her payments were cancelled because she refused to sign her participation plan due to the plan not taking account of her physical disabilities and caring responsibilities for her child with disabilities. We were advised that the mother felt pressured into signing the participation plan.⁷⁸

- 2.66 Meanwhile, some parents with disability, or who have children with disability, who wish to volunteer to receive pre-employment supports under ParentsNext have been unable to do so. The committee heard complaints from providers who could not assist these parents because they were receiving Disability Support Pension or Carer Payment, rather than Parenting Payment.⁷⁹ The National Employment Services Association submitted that:

The...stated aims are to assist parents at risk of long-term welfare dependency. As such, it is inconsistent to exclude parents on [disability support pensions] from ParentsNext given the labour market disadvantaged faced by people with a disability, higher risk of poverty and social exclusion. ParentsNext offers a unique parent friendly and focused environment that is not available in other programs such as Disability Employment Services or jobactive.⁸⁰

- 2.67 However, despite interest from ParentsNext providers in servicing participants with disability, it appears that there is no clear requirement for contracted

⁷⁵ See, for example: Centrelink and Other Info Facebook Group, *Submission 54*, [pp. 6, 8]; Name withheld, *Submission 45*, [p. 2].

⁷⁶ Centrelink and Other Info Facebook Group, *Submission 54*, [p. 8].

⁷⁷ NCSMC/CSMC, *ParentsNext Survey*, January 2019, pp. 8–9. In: National Council of Single Mothers and their Children, *Submission 20*.

⁷⁸ National Social Security Rights Network, *Submission 14*, p. 6.

⁷⁹ National Employment Services Association, *Submission 30*, p. 4; Mission Australia, *Submission 60*, p. 5; Joblink Plus, *Submission 53*, p. 3.

⁸⁰ National Employment Services Association, *Submission 30*, p. 4.

providers to have expertise or training in providing these services for people with physical or mental disability.⁸¹ The Council of Single Mothers and their Children (Victoria) recommended in its submission that ParentsNext providers' staff should be trained in disability awareness and meeting the requirements of the Disability Discrimination Act 1992.⁸²

Culturally and Linguistically Diverse groups

- 2.68 A number of submitters and witnesses described the challenges faced by parents from Culturally and Linguistically Diverse (CALD) backgrounds, particularly new migrants, when participating in ParentsNext. People from CALD backgrounds account for approximately 19 per cent of total participants in ParentsNext.⁸³
- 2.69 Evidence received by the committee has shown that ParentsNext, particularly during its trial phase, has had positive outcomes in connecting CALD participants with important services to assist them in finding work in Australia, such as English language programs, exposure to the Australian labour force and helping them to have overseas qualifications recognised.⁸⁴
- 2.70 However, the Federation of Ethnic Communities' Councils of Australia (FECCA) contended that these positive aspects are at risk because of the high burden of the reporting system on participants,⁸⁵ as has been the experience of providers working with CALD parents in the program since the national expansion.⁸⁶
- 2.71 Advocates explained that it can be hard for people with limited English language skills to understand what ParentsNext is and what their requirements are, and that any communications issues experienced by other participants in the program are likely to be exacerbated for people whose first language isn't English.⁸⁷ The focus on self-reporting through digital technology is also a challenge for CALD people who may have limited digital literacy, or

⁸¹ Accountable Income Management Network, *Submission 37*, [p. 8].

⁸² Council of Single Mothers and their Children, *Submission 25*, p. 5.

⁸³ Department of Jobs and Small Business, answers to questions on notice, 27 February 2019 (received 8 March 2019).

⁸⁴ See, for example: Ms Bevan, Settlement Services International, *Committee Hansard*, 27 February 2019, p. 51; Federation of Ethnic Communities' Councils of Australia, *Submission 59*, p. 2.

⁸⁵ Federation of Ethnic Communities' Councils of Australia, *Submission 59*, p. 2.

⁸⁶ Ms Bevan, Settlement Services International, *Committee Hansard*, 27 February 2019, p. 47.

⁸⁷ Settlement Services International, *Submission 31*, p. 7; Jobs Australia, *Submission 35*, p. 7; Uniting Vic.Tas, *Submission 8*, [p. 1]; Volunteering Australia, *Submission 39*, p. 1; Federation of Ethnic Communities' Councils of Australia, *Submission 59*, p. 2; Anglicare Australia, *Submission 33*, p. 4.

limited access to computers, phones and internet.⁸⁸ FECCA submitted that the availability of translation services to address these issues is 'currently unclear and must be communicated with the participants of the program'.⁸⁹

- 2.72 While the committee did receive evidence of some providers proactively considering the language needs of their clients, such as the Brotherhood of St Laurence employing bilingual staff to improve communication and engagement with participants, it appears that there is no funding for providers to provide translated participation plans and the TCF requires reporting to be completed in English.⁹⁰

Domestic and Family Violence

- 2.73 With the overrepresentation of women from vulnerable backgrounds in ParentsNext comes an increased likelihood that participants have experienced domestic and family violence. According to the Australian Institute of Health and Welfare:

Some groups of people are at greater risk of family, domestic and sexual violence, particularly Indigenous women, young women, pregnant women, women separating from their partners, women with disability and women experiencing financial hardship.⁹¹

- 2.74 It is unclear how many people referred to ParentsNext may have experienced domestic and family violence, as participants are not required to disclose this information. However, the Department of Jobs and Small Business reported that in the first six months of the national ParentsNext program, 1805 participants (approximately 2 per cent of all participants) indicated to Centrelink or to their provider that they have experienced or are experiencing domestic violence. In total, 621 participants were temporarily exempted from the program for domestic violence or relationship breakdown, representing 4 per cent of all exemptions.⁹²
- 2.75 Evidence received by the committee suggests that the number of participants who have experienced domestic and family violence is far higher than that recorded by the Department of Jobs and Small Business. The NCSMC/CSMC

⁸⁸ Volunteering Australia, *Submission 39*, p. 1; Federation of Ethnic Communities' Councils of Australia, *Submission 59*, p. 2; Anglicare Australia, *Submission 33*, p. 4; Mission Australia, *Submission 60*, p. 15.

⁸⁹ Federation of Ethnic Communities' Councils of Australia, *Submission 59*, p. 2.

⁹⁰ Uniting SA, *Submission 18*, p. 9; Brotherhood of St Laurence, *Submission 63*, p. 14.

⁹¹ Australian Institute of Health and Welfare, *Family, domestic and sexual violence in Australia, 2018*, 28 February 2018, <https://www.aihw.gov.au/reports/domestic-violence/family-domestic-sexual-violence-in-australia-2018/contents/summary> (accessed 12 March 2019).

⁹² Department of Jobs and Small Business, answers to questions on notice, 27 February 2019 (received 13 March 2019). Discretion to grant exemptions under the program, such as exemptions for domestic violence or relationship breakdown, is discussed in Chapter 3.

Survey identified that 48 per cent of respondents were affected by violence,⁹³ while some providers had reported that up to 80 per cent of their participants were in such situations.⁹⁴

- 2.76 Submitters have told the committee that they are seriously concerned that many ParentsNext providers do not have the specialised training or experience to work with this cohort.⁹⁵ The Australian Unemployed Workers Union summarised that:

Private ParentsNext providers are not social workers or violence counsellors; they are not equipped to deal with the incredibly complex issues surrounding family violence. ParentsNext providers are not appropriately placed or trained to engage with women fleeing violence, and compliance activities can create more danger for participants and their families.⁹⁶

- 2.77 The committee heard that the way ParentsNext is conducted by providers who do not have proper training and experience in this area can be re-traumatising or potentially dangerous for participants who have experienced or are currently experiencing domestic and family violence.⁹⁷ In particular, the committee heard several reports that providers have required participants to retell their experience to multiple officers, often in front of their children, in order to receive exemption, which is not necessarily granted.⁹⁸
- 2.78 The committee notes that while some ParentsNext providers, particularly those already working in social services and domestic and family violence support spaces, do have the expertise and experience to service this cohort,⁹⁹ there are still inherent structural issues within the program which may have negative impacts on parents who have experienced violence. The committee heard:

⁹³ NCSMC/CSMC, *ParentsNext Survey*, January 2019, p. 9.

⁹⁴ National Employment Services Association, *Submission 30*, p. 9. See also: Joblink Plus, *Submission 53*, p. 4.

⁹⁵ Good Shepherd Australia New Zealand, *Submission 15*, p. 24; National Council of Single Mothers and their Children, *Submission 20*, p. 12.

⁹⁶ Australian Unemployed Workers Union, *Submission 70*, p. 4.

⁹⁷ Good Shepherd Australia New Zealand, *Submission 15*, p. 26; The Hive Mount Druitt, *Submission 34*, p. 7; Ms Ella Buckland, *Submission 52*, p. 2.

⁹⁸ Australian Unemployed Workers Union, *Submission 70*, p. 4; Good Shepherd Australia New Zealand, *Submission 15*, p. 24; Australian Council of Social Service, *Submission 38*, p. 2; Australian Motherhood Initiative for Research and Community Involvement, *Submission 68*, p. 1.

⁹⁹ Wesley Mission, *Submission 12*, [pp. 6–7]; National Employment Services Association, *Submission 30*, pp. 10–11; Ms Laura Clarke, Advocacy and Policy Lead, yourtown, *Committee Hansard*, 27 February 2019, pp. 50–51.

- domestic and family violence can be a barrier to meeting compliance requirements under the program, which may increase the likelihood of payments being suspended;¹⁰⁰
- reporting compliance with activities in order to receive Parenting Payment may feel similar to controlling and coercive behaviour, such as economic abuse, that participants have experienced from ex-partners;¹⁰¹
- experiencing financial sanctions may make escaping violent situations more difficult for participants;¹⁰² and
- concerns about privacy, including that ex-partners may be able to track a participant's whereabouts based on their requirement to be at certain places at certain times to meet their participation plan.¹⁰³

2.79 Many have also submitted that ParentsNext is not addressing how domestic and family violence can be a structural barrier to education, training and workforce participation.¹⁰⁴ Structural barriers to workforce participation are discussed in further detail below.

2.80 The committee notes evidence received that some parents experiencing domestic and family violence may find benefits from ParentsNext,¹⁰⁵ including providers reporting that they have been able to link parents who have disclosed domestic violence (including those with exemptions) into specialist support programs.¹⁰⁶ Some providers have argued that ParentsNext may even

¹⁰⁰ Australian Unemployed Workers Union, *Submission 70*, p. 13; Uniting Vic.Tas, *Submission 8*, [p. 1]; National Social Security Rights Network, *Submission 14*, p. 8; Good Shepherd Australia New Zealand, *Submission 15*, p. 25; Domestic Violence Victoria, *Submission 21*, [pp. 3–4]; Anglicare Australia, *Submission 33*, p. 4; Jobs Australia, *Submission 35*, pp. 5–6; Equality Rights Alliance, *Submission 36*, [p. 5]; Australian Council of Social Service, *Submission 38*, p. 2; Brotherhood of St Laurence, *Submission 63*, p. 10.

¹⁰¹ Good Shepherd Australia New Zealand, *Submission 15*, p. 24; Council of Single Mothers and their Children, *Submission 25*, p. 10; Feminist Legal Clinic Inc, *Submission 6*, p. 2. See also: Centre for Excellence in Child and Family Welfare, *Submission 23*, p. 5.

¹⁰² HLRC/SNAICC/NFVPLS, *Submission 29.1*, p. 10; Anglicare Australia, *Submission 33*, p. 4.

¹⁰³ Australian Unemployed Workers Union, *Submission 70*, p. 13; Good Shepherd Australia New Zealand, *Submission 15*, p. 30.

¹⁰⁴ Australian Unemployed Workers Union, *Submission 70*, p. 10; Australian Human Rights Commission, *Submission 16*, p. 21; HLRC/SNAICC/NFVPLS, *Submission 29.1*, p. 10.

¹⁰⁵ Uniting SA, *Submission 18*, p. ??; Domestic Violence Victoria, *Submission 21*, [p. 5]; Federation of Ethnic Communities' Councils of Australia, *Submission 59*, p. 2; Ms Chelsea Fraser, ParentsNext Coordinator, The Personnel Group, *Committee Hansard*, 27 February 2019, p. 49.

¹⁰⁶ Wesley Mission, *Submission 12*, [p. 7]; National Employment Services Association, *Submission 30*, p. 10. The Department of Jobs and Small Business reported that only 39 participants were referred to activities conducted by specialist services for or relating to family violence in the first six months of the program; Department of Jobs and Small Business, answers to questions on notice, 27 February 2019 (received 13 March 2019).

offer an opportunity to assist participants out of domestic violence situations.¹⁰⁷

- 2.81 Submitters and witnesses have recommended that the design and aims of ParentsNext be revisited to have greater sensitivity for the complexity of domestic and family violence experienced by recipients of Parenting Payment and how this may impact their work-readiness and their ability to participate in pre-employment activities.¹⁰⁸

Committee view

- 2.82 The committee has serious concerns about the human rights implications of ParentsNext due to its compliance mechanism and its discrimination against some of the most vulnerable people in our community.
- 2.83 The committee considers that placing overly onerous limitations on the rights to social security and an adequate standard of living for parents and their young children is unacceptable. No parent should need to live in fear of being unable to feed their baby because of potential compliance actions against them.
- 2.84 The committee notes the overwhelming recommendation from witnesses and submitters that the Targeted Compliance Framework should be removed from ParentsNext, thereby removing these limitations on human rights.
- 2.85 The committee also has serious concerns about the high number of participants who are experiencing or have experienced domestic and family violence that have been referred to ParentsNext despite their eligibility for exemption from the program. The committee received substantial evidence that the program is re-traumatising for victims and that most providers have little to no expertise in meeting the needs of these vulnerable parents. The committee notes that several providers have presented stories about how ParentsNext has assisted people in domestic and family situations.
- 2.86 No matter the vulnerable group in question, the clear message received by the committee was that many ParentsNext providers do not have the kind of specialist knowledge and training to provide services which are safe and supportive for these people. Rather than helping parents, untrained providers risk harming parents and further entrenching their disadvantage.

The efficacy of ParentsNext as a pre-employment program

ParentsNext is neither an employment agency, training centre, nor a parenting program, despite claiming to facilitate all three.¹⁰⁹

¹⁰⁷ National Employment Services Association, *Submission 30*, p. 11.

¹⁰⁸ See, for example: Jobs Australia, *Submission 35*, p. 7; Australian Human Rights Commission, *Submission 16*, p. 5; HLRC/SNAICC/NFVPLS, *Submission 29.1*, p. 6.

¹⁰⁹ Good Shepherd Australia New Zealand, *Submission 15*, pp. 22–23.

2.87 The committee has received evidence from witnesses and submitters that there is broad support for pre-employment programs which support and assist parents in achieving their educational and employment goals as a pathway to long-term economic security.¹¹⁰ Mission Australia submitted that:

Effective pre-employment skills development strategies and programs are critical in preparing individuals with relevant labour market skills and competencies. Pre-employment programs can incorporate networking, education, work placements and career planning in supporting individuals to build confidence, relevant employment networks and qualifications for future employment.¹¹¹

2.88 However, many submitters have contended that the pre-employment goals of ParentsNext have been confused and overshadowed by the program's measurement of success through employment outcomes and use of parenting-focused activities in compulsory participation plans.¹¹²

2.89 Furthermore, witnesses and submitters highlighted that ParentsNext is failing to address the structural barriers to employment which affect parents, particularly single mothers and people from vulnerable populations, who receive income support.¹¹³

A program with a confused focus

2.90 The Department of Jobs and Small Business submitted that, as a pre-employment program:

ParentsNext was designed and implemented with a focus on meeting the needs of parents. It is flexible, recognises parents' caring responsibilities, does not require them to look for work, and incorporates family friendly sites and activities.¹¹⁴

2.91 The activities included in a participation plan for ParentsNext are intended to 'help parents overcome barriers to gaining employment, build work readiness¹¹⁵ and meet their goals'.¹¹⁶ ParentsNext providers are required to

¹¹⁰ See, for example: Good Shepherd Australia New Zealand, *Submission 15*, p. 8; Jobs Australia, *Submission 35*, p. 3; National Social Security Rights Network, *Submission 14*, p. 3; Council of Single Mothers and their Children, *Submission 25*, p. 4; Settlement Services International, *Submission 31*, p. 1.

¹¹¹ Mission Australia, *Submission 60*, p. 3.

¹¹² See, for example: Good Shepherd Australia New Zealand, *Submission 15*, p. 8; Domestic Violence Victoria, *Submission 21*; [p. 5].

¹¹³ See, for example: Australian Human Rights Commission, *Submission 16*; Domestic Violence Victoria, *Submission 21*; Centre for Excellence in Child and Family Welfare, *Submission 23*.

¹¹⁴ Department of Jobs and Small Business, *Submission 67*, p. 2.

¹¹⁵ Work readiness is defined as possessing the core skills and behaviours required by employers, including team work skills; communication skills and a positive attitude and work ethic, including motivation, reliability and a willingness to work. See: Department of Jobs and Small Business, answers to questions on notice, 27 February 2019 (received 8 March 2019).

ensure that participants undertake activities which 'help [them] achieve their education and employment goals' and 'take into account their individual and family circumstances'.¹¹⁷

2.92 The Department of Jobs and Small Business reported that the most common activities included in ParentsNext participation plans are:

- non-vocational assistance, such as career counselling, interpersonal skills development, parenting courses and personal development (a total of 7004 placements);
- child playgroup (6729 placements);
- accredited education and training (6017 placements); and
- non-accredited education and training (3618 placements).¹¹⁸

2.93 Evidence received by the committee showed that many parents are confused about how the assistance offered by ParentsNext will help them to overcome the barriers to employment and are dissatisfied with the quality and appropriateness of the activities included in their plan. Many reported that they feel forced to undertake activities which do not meet their pre-employment objectives or their personal needs.¹¹⁹ This section addresses these concerns.

Is ParentsNext an employment or pre-employment program?

2.94 Although ParentsNext is not an employment program and therefore does not require parents to look for work, the committee received evidence from participants and providers alike that this message has not been clearly articulated by the Department of Jobs and Small Business, Centrelink and some ParentsNext providers. The National Employment Services Association submitted that:

...many participants report they were advised [by Centrelink] ParentsNext was an employment program, rather than pre-employment preparation resulting in their assumption they needed to find a job.¹²⁰

2.95 Settlement Services International, a ParentsNext provider involved in both the trial and the national program, also described how:

¹¹⁶ Department of Jobs and Small Business, *Submission 67*, p. 6.

¹¹⁷ Department of Jobs and Small Business, *ParentsNext Deed 2018–2021*, p. 79.

¹¹⁸ Department of Jobs and Small Business, *Submission 67*, p. 6. Although it has been reported that there are over 75 000 participants in ParentsNext, it is unclear how many participants have agreed to participation plans and have been placed in activities, and therefore what proportion of participants are represented in these figures.

¹¹⁹ For examples, see Chapter 1, paras. 1.44–1.49.

¹²⁰ National Employment Services Association, *Submission 30*, p. 8. See also: Mission Australia, *Submission 60*, p. 6.

Our experience shows that the changes in the move to the national rollout shift ParentsNext away from its original focus as a pre-employment program designed to support disadvantaged parents of young children, mostly women, to engage in pre-employment activities and make social ties in their local communities. We see it as having created an implied expectation of an employment outcome as the primary valued outcome rather than the pre-employment and social connection focus.¹²¹

- 2.96 The committee received comments from several participants who felt that they were being forced by their providers to look for work, or to work towards returning to full-time work even if that did not suit their personal situation.¹²² The Human Rights Law Centre provided the following case study of one parent referred to the program (emphasis added):

She had to attend an appointment and was **told that she had to start looking for work again** because her baby is more than 6 months old. She was told that she should keep looking for work up until 6 weeks before the due date for her second pregnancy.¹²³

- 2.97 The way ParentsNext has been designed and implemented may be exacerbating this perception. Witnesses and submitters pointed to several aspects of the ParentsNext program as evidence that the program has placed employment, rather than pre-employment, at its focus:

- The ParentsNext trial evaluation report includes a comment that 'given the study period, it was probably too soon to expect participants would have moved off income support'. This has been interpreted by advocates that participants are expected to move off income support and into employment while engaged in ParentsNext.¹²⁴
- ParentsNext offers financial incentives in the Intensive Stream for employment outcomes, including wage subsidies to increase employment prospects for parents who choose to return to work and outcome payments to providers who help parents find and retain a job.¹²⁵
- Co-location with jobactive, an employment program that requires compulsory job search, attendance and compliance activities, has led to some employment service providers operating ParentsNext in a similar fashion rather than focusing on pre-employment.¹²⁶

¹²¹ Ms Bevan, Settlement Services International, *Committee Hansard*, 27 February 2019, p. 47.

¹²² See, for example: HLRC/SNAICC/NFVPLS, *Submission 29.2*; Name Withheld, *Submission 45*; Centrelink and Other Info Facebook Group, *Submission 54*, [pp. 4–5 and 8].

¹²³ HLRC/SNAICC/NFVPLS, *Submission 29.2*, [p. 1].

¹²⁴ See, for example: Centre for Excellence in Child and Family Welfare, *Submission 23*, p. 2.

¹²⁵ Ms Avramopoulos, Good Shepherd Australia New Zealand, *Committee Hansard*, 27 February 2019, p. 4; Ms Ella Buckland, Private capacity, *Committee Hansard*, 27 February 2019, pp. 15–16.

¹²⁶ Uniting SA, *Submission 18*, p. 5.

- The use of the WorkStar work readiness assessment tool, described by one provider as 'very employment focused' and creating 'the impression to the Participant that the program is about finding work'.¹²⁷
- The use of the TCF, which was designed for jobactive and other employment programs and is accessed through the jobactive mobile app and website, also creates an impression that ParentsNext is an employment program.¹²⁸
- The only exit criteria for ParentsNext compulsory participants, other than no longer being eligible, is achieving stable employment of 15 hours per week or 30 hours per fortnight for at least 12 weeks, which a provider expects to be ongoing.¹²⁹

2.98 There is no way to exit people from ParentsNext if they are assessed by their provider as not needing pre-employment assistance. These parents may include those on parental leave who are due to return to work on a set date, those who are currently employed fewer than 15 hours per week due to their caring responsibilities, or those who are highly qualified and have clear plans to re-enter the workforce when their children return to school.¹³⁰ A representative from the Personnel Group, a ParentsNext provider based in Canberra and the surrounding regions, told the committee that nearly one third of referred participants to their centres did not need pre-employment assistance:

Something we certainly know is that, being in Canberra, we've got participants who are starting a PhD who are on a parenting payment while they're raising their children. We look at some of them and go, 'Well, you're more qualified to help yourself than we ever could be.' ... [A third of participants] are well on their way themselves and don't need our support.¹³¹

2.99 The Department of Jobs and Small Business explained to the committee that:

Having qualifications and searching for work are not grounds for an exemption. However, if a participant wants to search for work and does not need additional support from their provider to improve their work

¹²⁷ Joblink Plus, *Submission 53*, p. 8.

¹²⁸ Mission Australia, *Submission 60*, p. 11; Brotherhood of St Laurence, *Submission 63*, p. 3; Australian Human Rights Commission, *Submission 16*, p. 10; Accountable Income Management Network, *Submission 37*, [p. 5]. See also: YFS Ltd, *Submission 5*, [p. 2]; Australian Council of Social Service, *Submission 38*, p. 8.

¹²⁹ Department of Jobs and Small Business, *ParentsNext Guideline: Transfers and Exits*, 25 June 2018, pp. 6–7.

¹³⁰ See, for example: Ms Fraser, The Personnel Group, *Committee Hansard*, 27 February 2019, p. 54; NCSMC/CSMC, *ParentsNext Survey*, January 2019, pp. 6, 15 and 16; Centrelink and Other Info Facebook Group, *Submission 54*, [pp. 5 and 7].

¹³¹ Ms Fraser, The Personnel Group, *Committee Hansard*, 27 February 2019, p. 54.

readiness or find employment, they can have their job search counted as their ParentsNext activity.¹³²

2.100 The committee is of the view that mandating job search as an activity further contradicts the pre-employment focus of the program.

2.101 Submitters and witnesses have also raised concerns that ParentsNext appears to push parents into insecure, low-paying work rather than developing their ability to secure longer term employment.¹³³ Uniting Vic.Tas submitted that, due to the need for flexibility in working hours to accommodate caring responsibilities, 'many participants are forced to accept casual jobs lacking security, adequate pay, or a long-term career pathway'.¹³⁴

2.102 The joint submission from the Human Rights Law Centre, SNAICC and the National Family Violence Prevention Legal Services pointed to evidence from the United Kingdom that welfare conditionality was more likely to result in 'recurrent movements between one short-term, low-paid, insecure job to another' rather than facilitating the long-term workforce participation that is the aim of ParentsNext.¹³⁵

Is it a parenting program?

2.103 In contrast to evidence which contends that ParentsNext has an employment focus, advocates have also submitted that ParentsNext, whether intended or not, appears to have developed a focus on improving parenting skills, which have no bearing on labour market outcomes or work readiness.¹³⁶ The National Social Security Rights Network observed that:

If ParentsNext is intended to be a pre-employment program, participation plans should only contain activities related to enhancing employment prospects.¹³⁷

2.104 As noted in Chapter 1, parents participating in the program have reported that providers have required them to attend activities, such as swimming lessons, playgroup or library sessions. Many of these parents were already undertaking these kinds of activities with their children and did not feel that this would help them to become work ready.¹³⁸

¹³² Department of Jobs and Small Business, answers to questions on notice, 27 February 2019 (received 13 March 2019).

¹³³ See, for example: HLRC/SNAICC/NFVPLS, *Submission 29.1*, p. 13; Women's Legal Service NSW, *Submission 66*, p. 5; National Social Security Rights Network, *Submission 14*, p. 4; Equality Rights Alliance, *Submission 36*, [p. 2]; Uniting Communities, *Submission 57*, p. 4.

¹³⁴ Uniting Vic.Tas, *Submission 8*, [p. 2].

¹³⁵ HLRC/SNAICC/NFVPLS, *Submission 29.1*, p. 13.

¹³⁶ Good Shepherd Australia New Zealand, *Submission 15*, p. 4.

¹³⁷ National Social Security Rights Network, *Submission 14*, p. 6.

¹³⁸ See Chapter 1, paras. 1.45–1.46.

- 2.105 While the Department of Jobs and Small Business explained in its submission that activities such as playgroup 'can help parents who have experienced social isolation to build core soft skills, such as communication, socialisation and self-confidence',¹³⁹ the Brotherhood of St Laurence submitted that, for families that do not require targeted family or parenting supports, making these activities compulsory is intrusive and has left parents feeling 'unduly controlled, monitored and degraded' in their parenting.¹⁴⁰
- 2.106 Submitters have proposed that, for parents who do request assistance with their parenting, or who require support with socialisation and self-confidence, these activities should not be included as compulsory pre-employment activities but rather those parents should be referred to existing social services programs which address those needs, such as the Home Interaction Program for Parents and Youngsters (HIPPY) funded by the Department of Social Services.¹⁴¹

Is it an education and training program?

- 2.107 As noted above, accredited and non-accredited education and training account for a significant number of activities included in ParentsNext participation plans.
- 2.108 As discussed in Chapter 1, many parents were already undertaking education and training activities before they were referred to ParentsNext and have not found any benefit to the program.¹⁴² The National Council of Single Mothers and their Children told the committee that ParentsNext represented a major change in the way parents undertaking education receive social security:
- Before July 2018, if you were in receipt of the pension education supplement you didn't even have to connect with ParentsNext providers. Now, not only do you have to connect with them but also you have to respond to the reporting as determined by them.¹⁴³
- 2.109 Furthermore, despite the objective of ParentsNext to help 'parents identify and reach their education and employment goals', advocates and providers have noted that there is no financial support available to assist parents in the Targeted Stream who undertake education and training activities as part of

¹³⁹ Department of Jobs and Small Business, *Submission 67*, p. 7.

¹⁴⁰ Brotherhood of St Laurence, *Submission 63*, p. 10.

¹⁴¹ Good Shepherd Australia New Zealand, *Submission 15*, p. 20; Brotherhood of St Laurence, *Submission 63*, p. 2; The Hive Mount Druitt, *Submission 34*, p. 6; Dr Peter Davidson, Senior Advisor, Australian Council of Social Service, *Committee Hansard*, 27 February 2019, p. 35.

¹⁴² See Chapter 1, paras. 1.47–1.49.

¹⁴³ Ms Terese Edwards, Chief Executive Officer, National Council of Single Mothers and their Children, *Committee Hansard*, 27 February 2019, p. 8.

their participation plan, such as assistance with course fees or childcare costs.¹⁴⁴

2.110 For those in the Intensive Stream, many participants reported that they were not aware that any financial assistance was available to them and what financial assistance is available appears to be insufficient to meet their educational or training needs.¹⁴⁵ In the words of Ms Davidson from the Council of Single Mothers and their Children (Victoria): 'There is not even enough money for TAFE courses, let alone a Bachelor of Arts'.¹⁴⁶

2.111 The lack of an across-the-board participation fund has been considered by a number of witnesses and submitters as one of the major failings in the ParentsNext program, as it fails to recognise that any parent assessed as eligible for the program is unlikely to have the additional resources to fund their own compulsory pre-employment activities.¹⁴⁷ Jobs Australia told the committee:

...there needs to be more equitable availability of funding so that, for participants in all the streams of the program, there can be better investment in skills and training so that they can be looking further ahead into their careers and developing a long-term pathway into a sustainable career when they're ready to enter the labour force and employment.¹⁴⁸

2.112 The lack of financial resources for education and training is only one of many barriers faced by parents seeking to re-enter the workforce after caring for young children.

Addressing the structural barriers to employment

2.113 An ongoing theme in evidence received by the committee was the concern that ParentsNext, in focusing on the completion of discrete tasks by individuals to meet 'mutual obligations' under a compliance model, is failing to address the systemic, structural barriers which face this cohort in entering, or re-entering,

¹⁴⁴ NCSMC/CSMC, *ParentsNext Survey*, January 2019, p. 15. See also: Uniting SA, *Submission 18*, p. 3; CatholicCare Sandhurst, *Submission 24*, [p. 4]; Settlement Services International, *Submission 31*, p. 1; Mission Australia, *Submission 60*, p. 2; Name withheld, *Submission 46*, [pp. 1–2].

¹⁴⁵ Wesley Mission, *Submission 12*, [p. 3]. See also: Good Shepherd Australia New Zealand, *Submission 15*, p. 6; Council of Single Mothers and their Children, *Submission 25*, p. 4.

¹⁴⁶ Ms Davidson, Council of Single Mothers and their Children, *Committee Hansard*, 27 February 2019, p. 9.

¹⁴⁷ See, for example: Mr Peter Defteros, Acting Senior Policy Manager, Jobs Australia, *Committee Hansard*, 27 February 2019, p. 40; Ms Annette Gill, Principal Policy Adviser, National Employment Services Association, *Committee Hansard*, 27 February 2019, p. 40.

¹⁴⁸ Mr Defteros, Jobs Australia, *Committee Hansard*, 27 February 2019, p. 40.

the workforce after the birth of a child.¹⁴⁹ The Centre for Excellence in Child and Family Welfare submitted that:

The design of ParentsNext assumes that individual behaviour is the source of a family's often complex problems, ignoring structural barriers such as family breakdown and the child support system, and more urgent systemic concerns such as child poverty and homelessness.¹⁵⁰

2.114 Some of the key structural barriers raised by submitters and witnesses include:

- the significant, unpaid work required to care for very young children, particularly for single parents who do not have additional support from a partner;¹⁵¹
- situations such as intergenerational trauma, domestic and family violence (both current and past), relationship breakdowns, child custody negotiations, homelessness or unstable accommodation;¹⁵²
- cultural and language barriers, and racial discrimination;¹⁵³
- the costs of undertaking training, education or employment, such as fees, child care and transport;¹⁵⁴
- lack of affordable child care;¹⁵⁵
- lack of suitable, flexible and stable employment for people with caring responsibilities;¹⁵⁶ and
- discrimination against parents, particularly single mothers, in the workplace.¹⁵⁷

¹⁴⁹ See, for example: Ms Monique Hurley, Lawyer, Human Rights Law Centre, *Committee Hansard*, 27 February 2019, p. 23.

¹⁵⁰ Centre for Excellence in Child and Family Welfare, *Submission 23*, p. 8. See also: National Council of Single Mothers and their Children, *Submission 20*, p. 15.

¹⁵¹ See, for example: Equality Rights Alliance, *Submission 36*; Associate Professor Beth Goldblatt, *Submission 3*; Australian Unemployed Workers Union, *Submission 70*; National Social Security Rights Network, *Submission 14*; Good Shepherd Australia New Zealand, *Submission 15*; National Council of Single Mothers and their Children, *Submission 20*; Domestic Violence Victoria, *Submission 21*.

¹⁵² See, for example: HLRC/SNAICC/NFVPLS, *Submission 29.1*, p. 12; Centre for Excellence in Child and Family Welfare, *Submission 23*, p. 8; Domestic Violence Victoria, *Submission 21*, [p. 4].

¹⁵³ See, for example: HLRC/SNAICC/NFVPLS, *Submission 29.1*, p. 11; Women's Legal Service NSW, *Submission 66*, p. 3; Domestic Violence Victoria, *Submission 21*, [p. 4]; Federation of Ethnic Communities' Councils of Australia, *Submission 59*, pp. 1–2.

¹⁵⁴ See, for example: National Social Security Rights Network, *Submission 14*, p. 6; Good Shepherd Australia New Zealand, *Submission 15*, p. 12; National Council of Single Mothers and their Children, *Submission 20*, p. 10; Domestic Violence Victoria, *Submission 21*, [p. 4].

¹⁵⁵ See, for example: National Social Security Rights Network, *Submission 14*, p. 4; Centre for Excellence in Child and Family Welfare, *Submission 23*, p. 7.

¹⁵⁶ See, for example: National Social Security Rights Network, *Submission 14*, p. 4; Domestic Violence Victoria, *Submission 21*, [p. 4]; Uniting Vic.Tas, *Submission 7*, [p. 2]; Good Shepherd Australia New Zealand, *Submission 15*, p. 31.

2.115 Submitters and witnesses have recommended that, rather than punishing parents who are unable to engage in employment, ParentsNext should be refocused to acknowledge and address these structural barriers.¹⁵⁸ For example, the Brotherhood of St Laurence submitted that the program should be considered:

...as part of a broader National Employment Strategy to align efforts and resources to address structural barriers to economic participation of mothers with young children including access to early learning and care; employment practices; parental leave policies and tax.¹⁵⁹

2.116 The committee was also presented with a number of recommendations on how ParentsNext could be redesigned or refocused to address these barriers, meet the individual needs of parents, and have a better focus on positive, long-term outcomes:

- Compulsory reporting using the TCF should be removed, allowing parents to engage with the program in a flexible way which meets their pre-employment goals and the needs of their family.¹⁶⁰
- Engagement with the program should be voluntary. Parents who have complex barriers to their participation or who do not require pre-employment support should not be forced to participate in a program which does not meet their needs.¹⁶¹

¹⁵⁷ See, for example: Australian Human Rights Commission, *Submission 16*, p. 25; Domestic Violence Victoria, *Submission 21*, [pp. 2, 4]; HLRC/SNAICC/NFVPLS, *Submission 29.1*, p. 11; Accountable Income Management Network, *Submission 37*, [p. 9]; National Social Security Rights Network, *Submission 14*, p. 4.

¹⁵⁸ See, for example: Good Shepherd Australia New Zealand, *Submission 15*, p. 6; Australian Human Rights Commission, *Submission 16*, p. 5; The Hive Mount Druitt, *Submission 34*, p. 1.

¹⁵⁹ Brotherhood of St Laurence, *Submission 63*, p. 6.

¹⁶⁰ Brotherhood of St Laurence, *Submission 63*, p. 5; Australian Unemployed Workers Union, *Submission 70*, p. 6; YFS Ltd, *Submission 5*, [p. 3]; National Social Security Rights Network, *Submission 14*, p. 2; Good Shepherd Australia New Zealand, *Submission 15*, pp. 6–7; Australian Human Rights Commission, *Submission 16*, p. 4; National Council of Single Mothers and their Children, *Submission 20*, p. 3; CatholicCare Sandhurst, *Submission 24*, [p. 3]; Council of Single Mothers and their Children, *Submission 25*, p. 4; HLRC/SNAICC/NFVPLS, *Submission 29.1*, p. 6; Settlement Services International, *Submission 31*, p. 1; Anglicare Australia, *Submission 33*, p. 5; Jobs Australia, *Submission 35*, p. 4; Australian Council of Social Service, *Submission 38*, p. 4; Volunteering Australia, *Submission 39*, p. 2; Ms Ella Buckland, *Submission 52*, p. 2; Goodstart Early Learning, *Submission 58*, [p. 3]; Mission Australia, *Submission 60*, p. 2.

¹⁶¹ Australian Unemployed Workers Union, *Submission 70*, p. 5; Associate Professor Beth Goldblatt, *Submission 3*, p. 1; National Social Security Rights Network, *Submission 14*, p. 2; Good Shepherd Australia New Zealand, *Submission 15*, pp. 6–7; Australian Human Rights Commission, *Submission 16*, p. 4; Council of Single Mothers and their Children, *Submission 25*, p. 4; HLRC/SNAICC/NFVPLS, *Submission 29.1*, p. 6; The Hive Mount Druitt, *Submission 34*, p. 1; Australian Council of Social Service, *Submission 38*, p. 4; Volunteering Australia, *Submission 39*, p. 2; Goodstart Early Learning, *Submission 58*, [p. 3]; FamilyCare, *Submission 65*, p. 2.

- The program's participation planning and goal-setting should respect the decisions of parents to provide full-time care for their young children and note that taking time out of the workforce does not mean that parents are incapable of planning for their future or making pre-employment decisions that suit the needs of their family.¹⁶²
- The program should be person-centred and participation plans should meet the needs of the individual, only including activities which are genuinely supportive of their pre-employment goals; plans should only contain activities related to parenting if requested by the participant.¹⁶³
- Adjustments to the participation fund and other incentive funding should be considered, such as:
 - providing greater assistance for the out-of-pocket costs of participating in ParentsNext;¹⁶⁴
 - removing the funding distinction between the two streams altogether, as disadvantage is not restricted by postcode and some participants in the Targeted Stream may require as much assistance as those in Intensive Stream areas;¹⁶⁵ and
 - making incentive funding available directly to participants, rather than to providers.¹⁶⁶
- There should be better linkages between ParentsNext and existing, specialist programs and services which meet the varied, complex needs of participants.¹⁶⁷

¹⁶² National Council of Single Mothers and their Children, *Submission 20*, p. 15; National Social Security Rights Network, *Submission 14*, p. 2; Good Shepherd Australia New Zealand, *Submission 15*, p. 6; See also CatholicCare Sandhurst, *Submission 24*, [p. 3]; HLRC/SNAICC/NFVPLS, *Submission 29.1*, p. 6; The Hive Mount Druitt, *Submission 34*, p. 1; Brotherhood of St Laurence, *Submission 63*, p. 5; FamilyCare, *Submission 65*, p. 2; Australian Motherhood Initiative for Research and Community Involvement, *Submission 68*, p. 2.

¹⁶³ National Social Security Rights Network, *Submission 14*, p. 2; National Council of Single Mothers and their Children, *Submission 20*, p. 3; Council of Single Mothers and their Children, *Submission 25*, pp. 4–5; HLRC/SNAICC/NFVPLS, *Submission 29.1*, p. 6; The Hive Mount Druitt, *Submission 34*, p. 1; Australian Council of Social Service, *Submission 38*, p. 4; See also: Good Shepherd Australia New Zealand, *Submission 15*, p. 6; Volunteering Australia, *Submission 39*, p. 2; FamilyCare, *Submission 65*, p. 2.

¹⁶⁴ Good Shepherd Australia New Zealand, *Submission 15*, p. 6; Wesley Mission, *Submission 12*, [p. 3]; Council of Single Mothers and their Children, *Submission 25*, p. 4.

¹⁶⁵ Uniting SA, *Submission 18*, p. 3; CatholicCare Sandhurst, *Submission 24*, [p. 4]; Settlement Services International, *Submission 31*, p. 1; Mission Australia, *Submission 60*, p. 2.

¹⁶⁶ Australian Unemployed Workers Union, *Submission 70*, p. 14. See also: National Council of Single Mothers and their Children, *Submission 20*, p. 3.

¹⁶⁷ Brotherhood of St Laurence, *Submission 63*, p. 6; Good Shepherd Australia New Zealand, *Submission 15*, p. 6; Settlement Services International, *Submission 31*, p. 1.

- ParentsNext could be replaced with a voluntary pre-employment program not only for parents but also for other highly disadvantaged groups receiving social security and in need of pre-employment training and assistance, such as carers, people with disability, or older workers.¹⁶⁸

2.117 The committee has considered these recommendations, among others, in Chapter 4 of this report.

Committee view

2.118 ParentsNext, despite its pre-employment aims, is a program with a confused set of goals. It appears to be dually focussed on parenting skills and employment outcomes, and what little support there is for education and training is insufficient and inappropriate for those parents who wish to access it.

2.119 The committee is of the view that ParentsNext is not an appropriate setting in which to mandate parenting-related activities, as the methods by which parents raise their children have no direct bearing on work-readiness. The social activities which a parent undertakes with their children should not be used as a measure of that parent's work readiness and should not be subject to punitive compliance requirements.

2.120 Receiving social security in the form of Parenting Payment should not call into question the quality of a recipient's parenting. ParentsNext providers and the Australian Government need to trust that parents know what is best for their children. The committee notes that there are established programs and pathways for social service intervention where there is evidence that a parent needs help with their parenting.

2.121 The committee strongly considers that, if ParentsNext is designed to be a pre-employment program, its activities and incentives should not be geared solely towards employment outcomes. The committee holds serious concerns about the number of aspects of the program, intended or not, which suggest to participants and providers that ParentsNext is about seeking employment.

2.122 The committee also questions why parents who are engaged in education or training or have clear plans to return to the workforce and who are not in need of additional support are required to participate in ParentsNext.

2.123 The committee considers that any pre-employment program for parents should be flexible and meet the education, training and pre-employment needs of the individual parent, while being respectful and considerate of the complexities and responsibilities that come with caring for young children.

¹⁶⁸ Good Shepherd Australia New Zealand, *Submission 15*, p. 6; Australian Human Rights Commission, *Submission 16*, p. 4; Australian Council of Social Service, *Submission 38*, p. 4; Mission Australia, *Submission 60*, p. 5.

2.124 The committee is especially worried about how the implementation of ParentsNext by the Department of Jobs and Small Business, the Department of Human Services and contracted service providers has exacerbated some of the more problematic aspects of the program's designs and aims. These issues are discussed in next chapter.

Chapter 3

Issues in implementation

...we are focusing more on compliance than the actual purpose of the ParentsNext program.¹

- 3.1 Throughout the inquiry, the committee heard how the implementation of the ParentsNext program, particularly since the national rollout, had negatively impacted the capacity of the program to meet its stated aims.
- 3.2 Providers who had delivered ParentsNext during the trial phase described how the program had been flexible, supportive and allowed providers to help participants develop participation plans that supported their education and employment goals.²
- 3.3 However, many providers and advocates submitted that changes to the program's administration, particularly the introduction of the Targeted Compliance Framework (TCF), have caused a fundamental shift in the nature of the program from one of flexible support to one of strict compliance.³
- 3.4 Additionally, the committee has received extensive evidence of issues with communication between government agencies, providers and participants; the way in which referrals to, and exemptions and exits from the program are handled by government agencies and providers; and the behaviour of providers towards participants. This chapter outlines these concerns.

Use of the Targeted Compliance Framework

- 3.5 During the ParentsNext trial, payment suspensions were not automatic for non-compliance with participation plans. Instead, providers had discretion to lodge a compliance report to the Department of Human Services (DHS) for any parents who did not meet their requirements, and DHS would investigate and determine whether to issue a temporary payment suspension until a parent agreed to re-engage. During the trial, 22 per cent of participants received a

¹ Brotherhood of St Laurence, *Submission 63*, p. 11.

² YFS Ltd, *Submission 5*, [p. 1]; Brotherhood of St Laurence, *Submission 63*, p. 8; Mission Australia, *Submission 60*, p. 1; National Employment Services Association, *Submission 30*, p. 9; CatholicCare Sandhurst, *Submission 24*, [p. 2]; Settlement Services International, *Submission 31*, p. 4.

³ Uniting Vic.Tas, *Submission 7*, [p. 1]; Logan Together, *Submission 10*, [p. 1]; Settlement Services International, *Submission 31*, p. 4; Uniting SA, *Submission 18*, p. 6; National Employment Services Association, *Submission 30*, p. 9; Goodstart Early Learning, *Submission 58*, [p. 3]; Mission Australia, *Submission 60*, pp. 1, 12; CatholicCare Sandhurst, *Submission 24*, [p. 2]; Federation of Ethnic Communities' Councils of Australia, *Submission 59*, p. 1; Anglicare Australia, *Submission 33*, p. 4.

compliance report, but only 9.1 per cent were actually subject to a payment suspension.⁴

- 3.6 The TCF was introduced as part of the national rollout of ParentsNext on 1 July 2018. Between the introduction of the TCF and 31 January 2019, 23 507 participants (approximately 31 per cent of all participants) received a payment suspension. Of those who had received a payment suspension, 98.5 per cent re-engaged with their provider.⁵
- 3.7 The Department of Jobs and Small Business submitted that the TCF has created greater consistency in regard to compliance action and that the TCF treats parents equally, regardless of their provider.⁶ However, service providers told the committee that the TCF acted as a blunt instrument and that since its introduction, providers had seen both their role and their relationship with participants change.⁷

Lack of justification for TCF

- 3.8 As discussed in Chapter 2, a number of submitters and witnesses informed the committee that the evaluation of the ParentsNext trial did not recommend or provide any justification for the introduction of the TCF and that it was unclear why it had been introduced at the national rollout stage.⁸
- 3.9 In light of this, several service providers queried the appropriateness of imposing the TCF, a compliance mechanism which was developed for the jobactive employment program, on a pre-employment program such as ParentsNext.⁹
- 3.10 YFS, a provider operating in Logan, Queensland, submitted that the TCF is not an appropriate compliance mechanism for ParentsNext:

⁴ Department of Jobs and Small Business, *ParentsNext Evaluation Report*, 2018, p. 14; Department of Jobs and Small Business, *Submission 67*, p. 13.

⁵ Department of Jobs and Small Business, answers to written questions on notice (received 14 March 2019).

⁶ Department of Jobs and Small Business, *Submission 67*, p. 13.

⁷ See, for example: Ms Sally Sinclair, Chief Executive Officer, National Employment Services Association, *Committee Hansard*, 27 February 2019, p. 39; YFS, *Submission 5*, [p. 2], Uniting Vic.Tas, *Submission 7*, [p. 1]; Logan Together, *Submission 10*, [p. 1]; Settlement Services International, *Submission 31*, p. 4; Uniting SA, *Submission 18*, p. 6; National Employment Services Association, *Submission 30*, p. 9; Goodstart Early Learning, *Submission 58*, [p. 3]; Mission Australia, *Submission 60*, pp. 1, 12; CatholicCare Sandhurst, *Submission 24*, [p. 2]; Federation of Ethnic Communities' Councils of Australia, *Submission 59*, p. 1; Anglicare Australia, *Submission 33*, p. 4.

⁸ See for example: Ms Karen Bevan, Settlement Services International, *Committee Hansard*, 27 February 2019, p. 47; Mission Australia, *Submission 60*, p. 11; Centre for Excellence in Child and Family Welfare, *Submission 23*, p. 6.

⁹ See, for example: Mission Australia, *Submission 60*, pp. 11–12; Brotherhood of St Laurence, *Submission 63*, pp. 3, 9; Accountable Income Management Network, *Submission 37*, [p. 5].

Parents are not jobseekers. They are not required to apply for jobs or to take up work unless they choose to do so. The Targeted Compliance Framework is designed for jobactive. Using it for parents is a clumsy attempt to impose mutual obligation monitoring on parents using a system targeting a different cohort.¹⁰

- 3.11 Mission Australia noted that participants of the Department of Jobs and Small Business' Transition to Work, another pre-employment program, are exempt from the TCF. The Transition to Work program targets young people aged 15–21 years old who face barriers to entering the workforce and aims to equip participants with practical skills and connect them to education and training opportunities. Mission Australia observed that as the Transition to Work program is a pre-employment program like ParentsNext, it appears inconsistent that participants in ParentsNext are subject to the TCF.¹¹

Impact of TCF on providers

- 3.12 The TCF includes more stringent and time-consuming administration requirements for both participants and providers in order to demonstrate compliance with a participation plan than were required during the ParentsNext trial.¹²

- 3.13 Several service providers informed the committee that the introduction of the TCF had greatly increased the administrative burden on providers.¹³ The Brotherhood of St Laurence explained that a significant amount of their staff's time was spent resolving issues with the TCF:

Our staff's time is being spent dealing with issues around TCF and participants' reporting, and they are not able to make those strong connections within the community and have a good understanding of what other services and programs are available for participants.¹⁴

- 3.14 Mission Australia agreed that the administrative burden created by the TCF was an inefficient use of their staff's expertise:

We are hearing from staff that they are now feeling that they are forced to be administrators, not case managers. It's not a good use of their skills and expertise to be undertaking a range of administrative tasks to comply with the requirements of the targeted compliance framework rather than letting them do what they do best, which is to work with vulnerable people to get

¹⁰ YFS, *Submission 5*, [p. 2].

¹¹ Mission Australia, *Submission 67*, p. 12.

¹² Ms Bevan, Settlement Services International, *Committee Hansard*, 27 February 2019, p. 47.

¹³ See, for example: YFS, *Submission 5*, [p. 2]; Roseberry Qld, *Submission 17*, [p. 2]; National Employment Services Association, *Submission 30*, p. 12; Settlement Services International, *Submission 31*, p. 7.

¹⁴ Ms Victoria Haggerston, ParentsNext Program Manager, Brotherhood of St Laurence, *Committee Hansard*, 27 February 2019, p. 31.

them to re-engage with the community and to be ready for work at the appropriate time.¹⁵

3.15 YFS suggested to the committee that the 'clunky' nature of the TCF had changed provider's behaviour to the extent that participation activities were chosen on the basis of whether they could be easily reported, rather than what would actually assist the parent.¹⁶

3.16 As noted in the ParentsNext guidelines, providers are expected to build rapport with their participants, however the committee heard that the punitive nature of the TCF had a negative impact on the ability of providers to maintain a positive relationship with participants.¹⁷ The National Employment Services Association explained:

...there's the administrative component, but there is also the impact on the nature of the relationship between the individual and the provider. It goes from one of being engaging and supportive to one of being the cop on the beat, so to speak. That's not what is optimal for supporting people who are disadvantaged in their journey back into the labour market.¹⁸

3.17 The Brotherhood of St Laurence agreed, noting its ParentsNext providers had seen participants who were enjoying the program experiencing compliance issues with the TCF then returning to the provider angry, the relationship between the participant and the provider completely changed.¹⁹

3.18 The committee also received reports that the eroding of productive relationships between participants and providers since the introduction of the TCF had seen a decrease in job satisfaction amongst employees of providers and in some cases had caused staff to leave providers:

We have actually had staff leave because they felt that it's now a policing role rather than a supportive role and that the balance between administration and actually working in a strength based and supportive way with vulnerable people has shifted. They're spending so much of their time on the administrative work of doing the reporting that they're not able to best use their skills in supporting the participants.²⁰

¹⁵ Ms Marion Bennett, Executive—Practice, Quality and Performance, Mission Australia *Committee Hansard*, 27 February 2019, p. 32.

¹⁶ YFS, *Submission 5*, [p. 2]. See also: The Hive Mount Druitt, *Submission 34*, p. 8.

¹⁷ See, for example: YFS, *Submission 5*, [p. 2]; Uniting Vic.Tas, *Submission 7*, [p. 1]; Logan Together, *Submission 10*, [p. 1]; Settlement Services International, *Submission 31*, p. 4; Uniting SA, *Submission 18*, p. 6; National Employment Services Association, *Submission 30*, p. 9.

¹⁸ Ms Sinclair, National Employment Services Association, *Committee Hansard*, 27 February 2019, p. 39.

¹⁹ Ms Haggerston, Brotherhood of St Laurence, *Committee Hansard*, 27 February 2019, p. 33.

²⁰ Ms Bennett, Mission Australia, *Committee Hansard*, 27 February 2019, p. 33. See also: Ms Haggerston, Brotherhood of St Laurence, *Committee Hansard*, 27 February 2019, p. 31;

Impact of TCF on participants

- 3.19 A common concern amongst participants, advocates and providers was the negative impact of the TCF on ParentsNext participants. In particular submitters and witnesses were concerned that the TCF was having a punitive effect on parents who were already vulnerable.
- 3.20 The automatic nature of the TCF means that a payment suspension is automatically triggered if a participant does not report their attendance at a meeting with their provider or a compulsory activity included in their participation plan.²¹ When a payment is suspended, the participant receives a text message notifying them of the reason for the payment suspension and advises participants to contact their provider in order have the payment restored.²²
- 3.21 The Brotherhood of St Laurence submitted that for parents of young children, the requirement to attend all provider appointments and compulsory activities and self-report through the TCF before 9.00pm that same day to avoid a payment suspension was particularly challenging.²³
- 3.22 An advocate explained that, for parents looking after young children, circumstances can often change within a matter of hours and the TCF does not have the flexibility to account for this:
- Anything can happen, especially with young children. The child could be sick; the child could have gastro. The way the current system is set up is: if you don't check in, even if you've been at your activity and for some reason the computer system is down or you can't get your phone to work, you'll receive a penalty. This is taking food out of people's mouths, especially at a time when they might have a sick child on their hands. Children's health can change within hours let alone days, and to penalise women because their child has a cold or shouldn't be leaving the house because they're contagious is not helping the child or the parent or our society in general.²⁴
- 3.23 In some instances providers assist parents who cannot self-report and instead report attendance at activities on behalf of participants. However, as outlined in Chapter 1, the committee heard some participants have received payment

Ms Sinclair, National Employment Services Association, *Committee Hansard*, 27 February 2019, p. 43.

²¹ Department of Jobs and Small Business, *Submission 67*, pp. 12–13. See also: Jobs Australia, *Submission 35*, pp. 8–9.

²² Department of Jobs and Small Business, answers to written questions on notice (received 14 March 2019).

²³ Brotherhood of St Laurence, *Submission 63*, p. 3.

²⁴ Ms Kym Mercer, Centrelink and Other Info, *Committee Hansard*, 27 February 2019, p. 17.

suspensions due to errors where the provider has failed to enter a report on time.²⁵

- 3.24 The Department of Jobs and Small Business advised the committee that payment suspensions under the TCF are intended to encourage participants to re-engage with their provider, with 75 per cent of payment suspensions lifted within two business days. Parents do not lose any of their parenting payment as a result of a payment suspension, as back-pay will be provided as soon as the participant re-engages with their provider and suspension is lifted.²⁶
- 3.25 However, advocates and service providers explained to the committee that for participants who are on a low income, and have already been identified as vulnerable or disadvantaged through their inclusion in the ParentsNext program, the possibility of not receiving the full amount of their income support payment on time has a significant effect on their budget.²⁷ The stress of potentially not being able to pay rent or feed their children due to a payment suspension is having a detrimental effect on participants' wellbeing and their ability to parent their children.²⁸
- 3.26 An Australian study, referenced by submitters, found that 45 per cent of people who had been subject to compliance policies also experienced very high levels of psychological distress, which interferes with their capacity for long-term planning and effective engagement with employment,²⁹ while another study of single mothers participating in jobactive, which also uses the TCF, found that these women 'were anxious and hypervigilant' and that 'they self-policed their behaviour as they were afraid of payments being cut suddenly if they stepped out of line'.³⁰
- 3.27 These results align with extensive evidence received by the committee about how parents have experienced psychological and financial distress after being referred to ParentsNext, with many experiencing significant fears about

²⁵ Ms Terese Edwards, Chief Executive Officer, National Council of Single Mothers and their Children, *Committee Hansard*, 27 February 2019, p. 11.

²⁶ Department of Jobs and Small Business, *Submission 67*, p. 12.

²⁷ See, for example: Brotherhood of St Laurence, *Submission 63*, p. 3.

²⁸ Ms Jenny Davidson, Chief Executive Officer, Council of Single Mothers and their Children, *Committee Hansard*, 27 February 2019, p. 11.

²⁹ E Helmes and MA Fudge, 'Psychological distress among Australian welfare recipient job seekers', *Australian Journal of Psychology*, vol. 69, no. 2, pp. 106–111. Cited in: Good Shepherd Australia New Zealand, *Submission 15*, p. 29.

³⁰ Good Shepherd Australia New Zealand, *Submission 15*, p. 29.

compliance actions being taken against them.³¹ The Brotherhood of St Laurence noted that:

Preoccupation with compliance diverts them from benefiting fully from the program. Parents experience constant stress, fearing they will inadvertently fail to meet rigid requirements:

One participant arriving at her appointment with her school-aged child explained she had to ration their petrol: her choice was either to take her child to school or to come to this appointment. She feared losing the payment so didn't take her child to school to make it to the appointment.³²

- 3.28 Another advocate also told the committee how the threat of a payment suspension doesn't just effect participants, but also their children:

This not only affects the parents in these situations; it also affects the children. The children pick up on their mum's stress levels. The children are affected by having limited food, because they need to make sure it's going to be stretched far enough. Children should not have to be involved in this.³³

- 3.29 Due to its negative impact on both providers and participants, the vast majority of submitters recommended to the committee that the TCF be removed from the ParentsNext program.³⁴

Committee view

- 3.30 The committee notes the considerable evidence that the TCF is causing great harm to participants and their families, creates an unnecessary administrative burden, and is affecting the capacity to develop a positive rapport between participants and their providers.

- 3.31 The committee questions the appropriateness of an ongoing punitive compliance framework like the TCF, which was designed for jobseekers in

³¹ See, for example: Logan Together, *Submission 10*, [p. 2]; Good Shepherd Australia New Zealand, *Submission 15*, p. 26; Roseberry Qld, *Submission 17*, [p. 1]; National Council of Single Mothers and their Children, *Submission 20*, p. 14; Council of Single Mothers and their Children, *Submission 25*, p. 14; The Hive Mount Druitt, *Submission 34*, p. 3.

³² Brotherhood of St Laurence, *Submission 63*, p. 10.

³³ Ms Mercer, Centrelink and Other Info, *Committee Hansard*, 27 February 2019, p. 16.

³⁴ See, for example: Brotherhood of St Laurence, *Submission 63*, p. 5; Australian Unemployed Workers Union, *Submission 70*, p. 6; YFS Ltd, *Submission 5*, [p. 3]; National Social Security Rights Network, *Submission 14*, p. 2; Good Shepherd Australia New Zealand, *Submission 15*, pp. 6–7; Australian Human Rights Commission, *Submission 16*, p. 4; National Council of Single Mothers and their Children, *Submission 20*, p. 3; CatholicCare Sandhurst, *Submission 24*, [p. 3]; Council of Single Mothers and their Children, *Submission 25*, p. 4; HLRC/SNAICC/NFVPLS, *Submission 29*, p. 6; Settlement Services International, *Submission 31*, p. 1; Anglicare Australia, *Submission 33*, p. 5; Jobs Australia, *Submission 35*, p. 4; Australian Council of Social Service, *Submission 38*, p. 4; Volunteering Australia, *Submission 39*, p. 2; Ms Ella Buckland, *Submission 52*, p. 2; Goodstart Early Learning, *Submission 58*, [p. 3]; Mission Australia, *Submission 60*, p. 2.

employment programs, to be used to force participation in a pre-employment program such as ParentsNext.

Referral of participants to ParentsNext

3.32 The committee received extensive evidence during the inquiry that raised concerns about the referral process for parents found to be eligible for ParentsNext, in particular communication with participants during the referrals process and the processes for exempting or exiting participants from ParentsNext.

Communication with participants

3.33 As at 29 June 2018, 278 000 parents with a child aged six years old or under were in receipt of Parenting Payment. Of those, more than 75 000 were referred to the ParentsNext program as at 31 December 2018.³⁵

3.34 Parents eligible for ParentsNext are identified by DHS using administrative data which is held by DHS through their role providing Parenting Payment and other income support payments.³⁶

3.35 According to Australian Government guidelines, recipients of Parenting Payment who are identified as eligible for ParentsNext undergo an initial interview, either face-to-face or over the phone, with Centrelink to confirm their eligibility.³⁷

3.36 DHS, through Centrelink, sends correspondence to parents notifying them of their eligibility, or potential eligibility, for the ParentsNext program. The correspondence advises the recipient of a phone appointment time with Centrelink to conduct their initial interview and an information brochure on the Parents Next program.³⁸

3.37 During the initial interview, a questionnaire known as the Job Seeker Classification Instrument (JSCI) is conducted to determine whether a parent is 'highly disadvantaged', one of the referral criteria for ParentsNext.³⁹ The JSCI is designed to indicate a person's relative level of disadvantage based on their expected difficulty in finding employment due to their personal circumstances and labour market skills.⁴⁰

³⁵ Department of Jobs and Small Business, *Submission 67*, p. 5.

³⁶ Department of Jobs and Small Business, *Submission 67*, p. 5.

³⁷ Australian Government, *ParentsNext: Eligibility, Referrals, Commencement and Caseload Guidelines*, p. 5.

³⁸ Department of Jobs and Small Business, *Submission 67*, p. 5, and Attachments A and B.

³⁹ Australian Government, *ParentsNext: Eligibility, Referrals, Commencement and Caseload Guidelines*, pp. 3, 5.

⁴⁰ Department of Jobs and Small Business, *Submission 67*, p. 4.

- 3.38 Once a parent is identified as a compulsory participant, they are referred by Centrelink to a ParentsNext Provider for an initial appointment, unless an exemption to the program has been identified which may delay their referral.⁴¹ The process to receive an exemption from ParentsNext is discussed later in this section.
- 3.39 The committee received evidence that many participants did not understand what ParentsNext was or how the referral process would work after their initial interview with Centrelink, which caused unnecessary stress and confusion for participants.⁴² The National Social Security Rights Network submitted that some parents did not understand why they were being interviewed by Centrelink or that a JSCI was being conducted and that they felt there was 'no context' to the questions they were being asked.⁴³
- 3.40 Several service providers told the committee that participants they had worked with did not receive information about ParentsNext when they were referred by Centrelink, with a number reporting that parents were attending their initial meetings with providers out of fear of their payments being suspended rather than with an understanding of the program.⁴⁴ The Benevolent Society submitted that its staff had reported:
- ... frustrated parents attending their services with little or no information about why they have been asked to attend, except the threat that they will lose their benefits.⁴⁵
- 3.41 Detailed information about the ParentsNext program, including the Service Guarantee, is given to parents at their first meeting with their provider.⁴⁶ The Service Guarantee outlines what participants can expect from providers, what is expected from participants, what to do if a participant cannot attend an appointment or activity and the complaints process.⁴⁷
- 3.42 However, a number of service providers told the committee that due to the lack of information, or misinformation, provided to parents before their initial appointment, participants arrive at their first interview stressed and confused

⁴¹ Australian Government, *ParentsNext: Eligibility, Referrals, Commencement and Caseload Guidelines*, p. 5.

⁴² Roseberry Qld, *Submission 17*, [p. 1]. See also: Ms Bevan, Settlement Services International, *Committee Hansard*, 27 February 2019, p. 48.

⁴³ National Social Security Rights Network, *Submission 14*, p. 5.

⁴⁴ See, for example: Settlement Services International, *Submission 31*; Jobs Australia, *Submission 35*; Wesley Mission, *Submission 12*; Mission Australia, *Submission 60*; Roseberry Qld, *Submission 17*.

⁴⁵ Benevolent Society, *Submission 19*, [p. 3].

⁴⁶ Department of Jobs and Small Business, *Submission 67*, p. 5.

⁴⁷ Department of Jobs and Small Business, *Submission 67*, Attachment 3.

and that this negatively impacts on the provider's ability to build a productive relationship with participants.⁴⁸

- 3.43 Providers have also reported situations where information which was provided by the participant to Centrelink, particularly relating to their eligibility for exemption, was not then communicated to the provider by Centrelink or the Department of Jobs and Small Business, which further impacts on their relationships with participants.⁴⁹

Processing exemptions and exits from the program

- 3.44 As noted in Chapter 1, there have been a number of reports that parents are being referred to ParentsNext as compulsory participants even if they do not meet the criteria for participation or have circumstances which should make them exempt. These participants have described the difficult and lengthy processes they face to have their exemption or removal from the program recognised or processed by Centrelink and/or their ParentsNext provider.⁵⁰
- 3.45 While some exemptions from ParentsNext, such as for situations of major personal crisis or disruption, domestic violence, or late pregnancy and post-childbirth, may be granted directly by Centrelink, most exemptions are applied on a case-by-case basis by service providers after a parent has been referred.⁵¹
- 3.46 According to the Australian Government guideline, when an exemption is granted by a provider, the participant is suspended from ParentsNext and is not required to meet any participation requirements, nor be subject to the Targeted Compliance Framework, until the end of the exemption period.⁵²
- 3.47 The maximum duration of an exemption period can range from six weeks to 52 weeks, depending on the circumstance, but is limited to the period of time that the circumstance is expected to exist. For example, temporary medical incapacity exemptions may be granted for up to 13 weeks in total, but the exemption may only be granted to a participant for the amount of time indicated that person is unfit to participate as stated on a medical certificate.⁵³
- 3.48 In the first six months of the national ParentsNext program, 12 798 participants received temporary exemptions from the program. Of these exemptions, the

⁴⁸ See, for example: Settlement Services International, *Submission 31*, p. 5; Wesley Mission, *Submission 12*, [p. 6].

⁴⁹ See, for example: National Social Security Rights Network, *Submission 14*, p. 7.

⁵⁰ See Chapter 1, paras. 1.29–1.36.

⁵¹ Department of Jobs and Small Business, *Submission 67*, p. 14; Australian Government, *ParentsNext: Exemptions and Suspensions Guideline*, p. 3.

⁵² Australian Government, *ParentsNext: Exemptions and Suspensions Guideline*, p. 14.

⁵³ Australian Government, *ParentsNext: Exemptions and Suspensions Guideline*, pp. 6–7.

most common were for large families (39 per cent), late pregnancy/childbirth (15 per cent), temporary medical incapacity (12 per cent), caring responsibilities (6 per cent), serious illness (4 per cent) and domestic violence/relationship breakdown (4 per cent).⁵⁴

3.49 The committee is concerned about the number of reports it received which suggest that some providers are not using their discretion and are failing to grant appropriate exemptions to participants.⁵⁵ For example, the committee has received reports that participants:

- receive inconsistent information from providers about grounds for exemption and what proof they are required to give;⁵⁶
- are not being informed of their eligibility for some of the longer-term exemptions such as for large families (more than four children) or home schooling;⁵⁷ and
- have found difficulties in seeking extension or renewal of existing exemptions.⁵⁸

3.50 Alarmingly, one staff member working for a ParentsNext provider reported to the Australian Unemployed Workers Union that:

... provider workers were pressured to 'read-between-the-lines' and to use their discretionary powers of exemption extremely sparingly, in favour of keeping participants 'on the books' and in the program.⁵⁹

3.51 The committee also received evidence that some ParentsNext providers are unsure how to action an exemption when it has been processed by Centrelink. The National Social Security Rights Network described the following situation:

...our member centre in Queensland assisted a mother who told us that she called ParentsNext and asked if they received her exemption. She told us that the ParentsNext provider could see that an exemption was granted but were unsure what to do. The mother then told us that she contacted the Department of Jobs and Small Businesses but was told that they were unsure what an exemption meant. The single mother told us that she spent hours on the phone trying to ensure that her exemption would be

⁵⁴ Department of Jobs and Small Business, *Submission 67*, p. 14.

⁵⁵ See, for example: Australian Unemployed Workers Union, *Submission 70*, p. 4.

⁵⁶ Logan Together, *Submission 10*, [p. 1]; National Council of Single Mothers and their Children and Council of Single Mothers and their Children (Victoria) (NCSMC/CSMC), *ParentsNext Survey*, January 2019, p. 7; Domestic Violence Victoria, *Submission 21*; [pp. 2–3]; Council of Single Mothers and their Children, *Submission 25*, p. 11 and Appendix 1. See also: National Council of Single Mothers and their Children, *Submission 20*, pp. 9–10.

⁵⁷ Australian Unemployed Workers Union, *Submission 70*, p. 8. See also: National Council of Single Mothers and their Children, *Submission 20*, pp. 9–10.

⁵⁸ See, for example: Ms Mercer, Centrelink and Other Info, *Committee Hansard*, 27 February 2019, p. 20; NCSMC/CSMC, *ParentsNext Survey*, January 2019, p. 6.

⁵⁹ Australian Unemployed Workers Union, *Submission 70*, p. 8.

acknowledged. However, it was not until our member centre in Queensland contacted Centrelink on her behalf that DHS corrected their database and she was exempted from participating.⁶⁰

- 3.52 Several submitters have noted that, during the trial program, there was a dedicated ParentsNext team in Centrelink which had the capacity to respond quickly to issues such as these with a high level of subject matter expertise, but it was abolished before the national expansion of the program.⁶¹
- 3.53 Where exemptions are successfully granted, many advocates and some providers have described that the periods allowed under the ParentsNext guidelines are often not sufficient to meet the needs of parents.⁶² For example, ParentsNext provider yourtown described how exemptions of only a few months may be insufficient for people with 'longstanding, chronic issues that require long-term healing'.⁶³
- 3.54 Some submitters recommended that longer term exemptions should be considered more broadly,⁶⁴ with Mission Australia recommending that exemptions for participants experiencing 'complex and diverse challenges such as domestic and family violence, drug and alcohol issues, mental health and risks of homelessness' should be a minimum of 52 weeks with the option to allow participants to join the program when their issues have been resolved.⁶⁵
- 3.55 As discussed in Chapter 2, a significant number of participants are experiencing or have experienced domestic and family violence, but the number of exemptions granted for this cohort is low and many providers do not have expertise in this area to assess whether a participant requires this exemption.⁶⁶ Advocates have recommended that participants who are still experiencing trauma related to domestic and family violence be automatically

⁶⁰ National Social Security Rights Network, *Submission 14*, p. 7.

⁶¹ National Employment Services Association, *Submission 30*, p. 9; Wesley Mission, *Submission 12*, [p. 6].

⁶² See, for example: Equality Rights Alliance, *Submission 36*, [p. 5]; Anglicare Victoria, *Submission 7*, p. 3; National Council of Single Mothers and their Children, *Submission 20*, pp. 9–10.

⁶³ Ms Laura Clarke, Advocacy and Policy Lead, yourtown, *Committee Hansard*, 27 February 2019, p. 46.

⁶⁴ See, for example: Anglicare Victoria, *Submission 7*, p. 3.

⁶⁵ Mission Australia, *Submission 60*, p. 2. As noted in Chapter 2, people who have been identified by Centrelink as compulsory participants can only be exited from ParentsNext if they achieve stable employment of 15 hours per week or 30 hours per fortnight for at least 12 weeks, which a provider expects to be ongoing.

⁶⁶ See Chapter 2, paras. 2.73–2.75.

exempted from compulsory participation, rather than needing to prove their need for an exemption to providers who may not have expertise in this area.⁶⁷

- 3.56 There are also a high number of reports about parents being incorrectly referred to the program, despite not meeting the eligibility criteria, and being unable to exit from the program.⁶⁸ For example, Mission Australia submitted that its ParentsNext sites had been referred a number of parents who were self-employed or working part time, and therefore should have been ineligible for the program as they had received income in the past six months. However, despite the incorrect referral, these participants could not be exited from the program, under the stable employment exit criteria, until they had participated for 12 weeks.⁶⁹
- 3.57 Submitters and witnesses have recommended that, should ParentsNext continue as a compulsory program, the existing processes around both exemption and exit from the program should be revised to be straightforward and easier to administer for all parties involved, and that parents should be clearly informed of their rights to exemptions.⁷⁰
- 3.58 Jobs Australia further recommended to the committee that there should be mechanisms to exit parents from the program where they have been found eligible by Centrelink but are deemed by their ParentsNext provider to not require pre-employment support.⁷¹

Committee view

- 3.59 There appear to be serious issues in the quality, consistency and timeliness of communication with parents referred to ParentsNext. The committee is concerned by the department's advice that detailed information about the ParentsNext program is not provided to participants until they attend their first appointment with a ParentsNext provider.

⁶⁷ National Council of Single Mothers and their Children, *Submission 20*, p. 3; Australian Unemployed Workers Union, *Submission 70*, pp. 8, 13; Domestic Violence Victoria, *Submission 21*; [pp. 2–3]. See also: Anglicare Australia, *Submission 33*, p. 5; Women's Legal Service NSW, *Submission 66*, pp. 6–7.

⁶⁸ See, for example: Ms Mercer, Centrelink and Other Info, *Committee Hansard*, 27 February 2019, p. 16; NCSMC/CSMC, *ParentsNext Survey*, January 2019, p. 7; National Council of Single Mothers and their Children, *Submission 20*, p. 3; Council of Single Mothers and their Children, *Submission 25*, p. 5.

⁶⁹ Mission Australia, *Submission 60*, p. 17. See also: Australian Government, *ParentsNext: Transfers and Exits Guideline*, pp. 6–7.

⁷⁰ Australian Unemployed Workers Union, *Submission 70*, pp. 8, 13; Logan Together, *Submission 10*, [p. 2]; Council of Single Mothers and their Children, *Submission 25*, p. 5.

⁷¹ Jobs Australia, *Submission 35*, p. 5.

- 3.60 The committee is concerned about the processes for exempting parents from the program when they have legitimate reasons for not participating and was disturbed to hear reports from participants and their advocates about providers not using their discretion and failing to grant appropriate exemptions.
- 3.61 The committee is also concerned by the number of reports of parents being incorrectly referred to the program, despite not meeting the eligibility criteria, and being unable to exit from the program.
- 3.62 It appears that many of these issues stem from the ongoing compulsory nature of ParentsNext, its strict eligibility and exit criteria, and the inability of providers or Centrelink to apply discretion in either making referrals or managing the exit of participants.
- 3.63 The committee understands that the lack of information provided to participants, the confusion around exemptions and the inability to be exited from the program is causing unnecessary stress and anxiety for many parents and is deleterious to them establishing productive relationships with their providers.

Behaviour of providers towards participants

- 3.64 Evidence received by the committee has shown that some participants are experiencing concerning or inappropriate behaviour from their ParentsNext providers, particularly in relation to the development of participation plans and the collection and use of personal information.

Development of participation plans

- 3.65 Under the ParentsNext Guidelines, participants who have commenced the ParentsNext program enter a 20 business day 'initial period'.⁷² During the initial period, a provider must:
- discuss with the participant their short-term and long-term goals, taking the participant's circumstances into account;
 - assist the participant to identify appropriate activities;
 - assist the participant to identify local support services they may require and facilitate referrals where appropriate;
 - begin to prepare or update the participant's participation plan; and
 - conduct a JSCI assessment, if the participant has not had one completed within the past six months.⁷³

⁷² Australian Government, *ParentsNext: Eligibility, Referrals, Commencement and Caseload Guidelines*, p. 7.

⁷³ Australian Government, *ParentsNext: Eligibility, Referrals, Commencement and Caseload Guidelines*, p. 7.

- 3.66 The participant's participation plan must be developed by the provider and provided to the participant within the 20 day initial period. A participant then has 10 business days to consider the participation plan developed by the provider and agree to the plan.⁷⁴
- 3.67 However, as noted in Chapter 1, the committee received evidence that parents are not informed that they have 10 days to consider the plan and that participants feel pressured to agree to the participation plan immediately.⁷⁵
- 3.68 The survey of ParentsNext participants conducted by the National Council of Single Mothers and their Children and the Council of Single Mothers and their Children (Victoria) (NCSMC/CSMC Survey) found that 85 per cent of respondents were not aware that participants had 10 days to consider the participation plan prepared by their provider.⁷⁶ The National Council of Single Mothers and their Children explained to the committee that participants feel pressured to agree to their participation plans due to the power imbalance between participants and their provider:
- ...they would sign it in that meeting, and they would sign it because they were so compliant because the person they were sitting in front of had the power to affect their life, in terms of their payment but also in terms of their commitments.⁷⁷
- 3.69 One participant submitted to the committee that they signed a participation plan which did not meet their needs due to the stress they felt in attending an appointment with their provider:
- Post interview I signed feeling in state of stress because my daughter was running around the offices. I did not feel the interviewer took on board any of the information I provided and that I was given a generic plan.⁷⁸
- 3.70 Other participants and their advocates told the committee that the activities included in participation plans by providers are not meeting the individual needs of parents. In one instance, a parent refused to sign their participation plan, despite feeling pressured by the provider, as the plan did not take into account the parent's physical disabilities, or caring responsibilities for their child with disabilities.⁷⁹
- 3.71 Participants also reported being assigned activities which seemed irrelevant to their education needs or pre-employment goals, such as parenting programs,

⁷⁴ Department of Jobs and Small Business, *Submission 67*, p. 6.

⁷⁵ See Chapter 1, para. 1.43.

⁷⁶ NCSMC/CSMC, *ParentsNext Survey*, January 2019, p. 4.

⁷⁷ Ms Edwards, National Council of Single Mothers and their Children, *Committee Hansard*, 27 February 2019, p. 12.

⁷⁸ Name withheld, *Submission 45*, [p. 2].

⁷⁹ National Social Security Rights Network, *Submission 14*, p. 6.

or activities for their child including swimming lessons, story time or attending medical appointments.⁸⁰

3.72 Jobs Australia told the committee that while providers should negotiate appropriate activities with participants, 'it sounds like it doesn't always happen'.⁸¹

3.73 The National Social Security Rights Network submitted to the committee that some providers have limited resources and can only link parents with employers and industries they have existing relationships with, rather than customising participation plans to meet the needs and goals of parents.⁸²

3.74 However, the committee also received evidence that suggests that some providers are linking parents to third party activities, such as playgroups and library programs, without contacting the third party organisations in advance.⁸³ Playgroup Australia, the peak body for playgroup organisations, submitted that:

Playgroup Australia has had no contact with providers regarding the appropriateness of playgroups for ParentsNext participants prior to referral. Ensuring that participants are directed to appropriate playgroups would ensure maximum benefit to participants. For ParentsNext participants to gain the most from attending community playgroups and other such community activities, the ParentsNext approved providers should have agreements with the community organisations to which they refer. We are aware that this is a requirement in the guidelines for providers but agreements have not been sought with playgroup organisations.⁸⁴

3.75 The Australian Library and Information Association submitted that, following their similar complaints that library services are being used by ParentsNext providers without contacting the libraries involved, the Department of Jobs and Small Business wrote to ParentsNext providers in late January to 'remind them of the need to establish a relationship with services such as libraries before referring participants'.⁸⁵

⁸⁰ See, for example: National Social Security Rights Network, *Submission 14*, p. 6; FamilyCare, *Submission 65*, p. 7; Ms Stella Avramopoulos, Chief Executive Officer, Good Shepherd Australia New Zealand *Committee Hansard*, 27 February 2019, p. 4; Ms Edwards, National Council of Single Mothers and their Children, *Committee Hansard*, 27 February 2019, p. 6; Ms Mercer, Centrelink and Other Info, *Committee Hansard*, 27 February 2019, pp. 16, 19.

⁸¹ Mr Peter Defteros, Acting Senior Policy Manager, Jobs Australia, *Committee Hansard*, 27 February 2019, p. 44.

⁸² National Social Security Rights Network, *Submission 14*, p. 5.

⁸³ Australian Library and Information Association, *Submission 11*, p. 2; Playgroups Australia, *Submission 13*, [p. 5].

⁸⁴ Playgroups Australia, *Submission 13*, [p. 5].

⁸⁵ Australian Library and Information Association, *Submission 11*, pp. 2–3.

Privacy waiver

- 3.76 Participants in the ParentsNext program are asked to sign a Privacy Notification and Consent form (commonly referred to as a privacy waiver) at their initial appointment with their provider.⁸⁶ The privacy waiver provides consent for providers to collect personal and sensitive information from participants and provide the information to third parties in order to arrange activities for the participant.⁸⁷
- 3.77 ParentsNext providers are required to comply with the *Privacy Act 1988* (Cth) and the Australian Privacy Principles when requesting and using participant's personal and sensitive information.⁸⁸
- 3.78 Noting that participants are not required to sign the privacy waiver, Good Shepherd raised concerns that the form does not explicitly state that signing the privacy waiver is optional.⁸⁹
- 3.79 While parents are not required to sign the privacy waiver in order to participate in the ParentsNext program, the privacy waiver notes:
- If you do not provide some or all of your personal information, the Department may not be able to provide you with appropriate services and assistance.⁹⁰
- 3.80 However, the committee received reports (detailed in Chapter 1) that participants were told that it was mandatory to sign the privacy waiver and that participants felt coerced to sign following advice from the provider that their payment would be suspended if they did not sign the waiver.⁹¹
- 3.81 Submitters noted that victims of domestic and family violence were particularly fearful that information about their whereabouts, their current address or children's school could be accessed by third parties if they sign the privacy waiver.⁹² The National Council of Single Mothers and their Children provided an example of a participant who had ongoing concerns for her safety:

⁸⁶ Department of Jobs and Small Business, *Submission 67*, p. 8.

⁸⁷ Australian Government, *Employment Services Guideline: Privacy Guideline*, Attachment D – ParentsNext Privacy Notification and Consent Form, <https://docs.jobs.gov.au/documents/privacy-guideline> (accessed 21 March 2019).

⁸⁸ Department of Jobs and Small Business, *Submission 67*, p. 8.

⁸⁹ Good Shepherd Australia New Zealand, *Submission 15*, p. 30.

⁹⁰ Australian Government, *Employment Services Guideline: Privacy Guideline*, Attachment D – ParentsNext Privacy Notification and Consent Form, <https://docs.jobs.gov.au/documents/privacy-guideline> (accessed 21 March 2019). See, also: Department of Jobs and Small Business, *Submission 67*, p. 8.

⁹¹ See, for example: Australian Income Management Network, *Submission 37*, p. 8. NCSMC/CSMC, *ParentsNext Survey*, January 2019, p. 16 (emphasis in original). See also: Chapter 1, paras. 1.37–1.39.

⁹² Good Shepherd Australia New Zealand, *Submission 15*, p. 30.

The ParentsNext program she described as a 'private provider in a small location'. She did not want to tell the provider her children's names or her children's school. She was fearful that her ex-partner, who was still stalking her, would find that information out...She was also told that if she did not sign the privacy waiver, she would be breached.⁹³

- 3.82 The Australian Human Rights Commission expressed concern at reports that participants are forced to sign privacy waivers and questioned whether this interference with privacy was lawful, and whether adequate measures were being taken to ensure that providers are appropriately collecting, using, disclosing and storing the personal information of participants.⁹⁴
- 3.83 The Department of Jobs and Small Business informed the committee that it had written to all providers to reiterate that parents are not required to sign the privacy waiver in order to participate in the ParentsNext program, and told the committee it is 'unacceptable' that parents continue to feel pressured to sign the privacy waiver.⁹⁵
- 3.84 The Department of Jobs and Small Business advised that it had received two complaints regarding parents feeling pressured to sign privacy waivers.⁹⁶ This however does reflect the level of concern expressed to the committee that a high number of parents are forced to sign privacy waivers.

Complaints process

- 3.85 This chapter has identified a number of concerns with both the behaviour of ParentsNext providers, and the program itself. The committee understands that participants in the ParentsNext program can identify concerns or raise complaints in two ways: firstly through their provider, and secondly by phoning the Department of Jobs and Small Business' National Customer Service Line.⁹⁷
- 3.86 However, the committee heard that parents are unlikely to raise concerns with providers in the first instance.⁹⁸ The National Council of Single Mothers and

⁹³ Ms Edwards, National Council of Single Mothers and their Children, *Committee Hansard*, 27 February 2019, p. 5.

⁹⁴ Australian Human Rights Commission, *Submission 16*, p. 18.

⁹⁵ Mr Greg Manning, Group Manager, Youth and Programs Group, Department of Jobs and Small Business, *Committee Hansard*, 27 February 2019, p. 68.

⁹⁶ Mr Manning, Department of Jobs and Small Business, *Committee Hansard*, 27 February 2019, p. 68.

⁹⁷ Department of Jobs and Small Business, *Submission 67*, pp. 15–16; Department of Jobs and Small Business, *ParentsNext Complaints, Compliments and Suggestions*, 21 September 2018, <https://www.jobs.gov.au/complaints-compliments-and-suggestions-0> (accessed 26 March 2019).

⁹⁸ Ms Davidson, Council of Single Mothers and their Children, *Committee Hansard*, 27 February 2019, p. 12.

their Children attributed this to the power imbalance which exists in the relationship between participants and their providers:

If the participant disagrees with the breach, the person who umpires that is the provider—they decide whether they have operated appropriately or not. There is not one independent body that manages or oversees that process. So that is why women are compliant—they're in this, and it's like they've gone down this slippery slope into hell and the only way they can come out is if they sign and do what's required. They won't upset a provider.⁹⁹

- 3.87 Furthermore, 73 per cent of respondents to the NCSMC/CSMC Survey agreed, or strongly agreed, with the statement 'the possibility of payment suspension makes you less willing to speak your mind with the ParentsNext provider'. The survey also found that only 19 per cent of respondents knew that if they had concerns they could contact the National Customer Service Line, suggesting a severe lack of awareness of the complaints process among participants.¹⁰⁰
- 3.88 The Department of Jobs and Small Business advised the committee that it had received a total of 221 complaints between 1 July 2018 and 31 January 2019 relating to the ParentsNext program. The most common complaints were issues relating to provider service.¹⁰¹
- 3.89 National Customer Service Line complaints are often finalised during the initial telephone conversation, but are also referred to the provider with the participant's permission for resolution. The Department of Jobs and Small Business allows providers five business days to make contact with the participant, attempt to resolve the complaints, and report back to the National Customer Service Line.¹⁰²

Committee view

- 3.90 The committee is concerned by reports that ParentsNext providers are developing participation plans which do not meet the needs or goals of parents, as this appears to be in direct contravention of the stated aims and objectives of ParentsNext.
- 3.91 The committee notes the number of reports about providers not informing participants of their rights in the program, such as their right to 10 business

⁹⁹ Ms Edwards, National Council of Single Mothers and their Children, *Committee Hansard*, 27 February 2019, p. 12.

¹⁰⁰ NCSMC/CSMC, *ParentsNext Survey*, January 2019, p. 5.

¹⁰¹ Department of Jobs and Small Business, answers to questions on notice, 27 February 2019 (received 20 March 2019).

¹⁰² Department of Jobs and Small Business, answers to questions on notice, 27 February 2019 (received 20 March 2019).

days of 'thinking time' to consider their participation plan, or their right to withhold consent for providers to collect their personal and sensitive information. The committee is concerned that some providers appear to have coerced or pressured participants into agreeing to participation plans and signing privacy waivers.

- 3.92 The committee acknowledges that many parents who have been subjected to this behaviour from their providers do not feel comfortable raising concerns with the provider or through the customer service line due to fears of retribution in the form of payment suspension.
- 3.93 The committee is of the strong belief that the threat of payment suspension should not be used by ParentsNext providers as a way to intimidate parents into ongoing participation in the program, especially if this 'participation' does not reflect parents' education and employment goals or take into account their personal situation.

Chapter 4

Conclusion and recommendations

- 4.1 Although ParentsNext is asserted to be a supportive program that helps parents of young children work towards their education and employment goals, the Senate Community Affairs References Committee (the committee) has received extensive evidence that the program is causing anxiety, distress and harm for many of its participants. In fact, many have argued that ParentsNext is causing more harm than good.
- 4.2 At the heart of the issue are several key aspects, including the compulsory nature of ParentsNext, its use of the Targeted Compliance Framework to monitor and record participation, the sense of control it places over participants' lives, its gender bias, and the confusion around its purpose and aims.
- 4.3 The committee considers that these flaws indicate fundamental changes need to be made to ParentsNext and its approach.
- 4.4 The recommendations made in this chapter seek to address these concerns.

Recommendation 1

- 4.5 **The committee recommends that the ParentsNext program should not continue in its current form.**
- 4.6 Members of the committee have addressed their recommendations in relation to the Targeted Compliance Framework in the Additional Comments to the majority report.

Designing a pre-employment program for the future

- 4.7 The committee recognises that there is significant confusion about the purpose of the ParentsNext program and about what pre-employment support should be.
- 4.8 ParentsNext is not an employment program, nor is it a parenting program, but the committee acknowledges that elements of both may be appropriate and necessary in supporting parents to achieve their education and employment goals.
- 4.9 For many parents receiving Parenting Payment, undertaking or working towards paid employment while their children are young is complicated by factors such as single parenthood, relationship breakdowns, language barriers, access to child care, and the lack of suitable, flexible and ongoing employment for people with caring responsibilities.

- 4.10 The committee believes, based on evidence received in this inquiry, that ParentsNext has not been designed in a way which acknowledges or addresses these structural barriers to workforce participation.
- 4.11 Additionally, the committee is concerned about the significant evidence it received that the ParentsNext national expansion was not informed by the evaluation of the program's trial or by any meaningful consultation with expert stakeholders or the parents who the program would affect.
- 4.12 For this reason, the committee agrees with the recommendation from many experts and advocates that the design of ParentsNext needs to be reviewed and repositioned as part of broader Australian Government strategies to increase workforce participation of women and Aboriginal and Torres Strait Islander peoples.
- 4.13 The committee considers that pre-employment support for parents needs to be tailored to the needs of the participant and their family, should include activities appropriate for their circumstances and their goals, and be backed up with adequate financial support.

Recommendation 2

- 4.14 **The committee recommends that ParentsNext be reshaped, through a process of co-design with parents and experts, into a more supportive pre-employment program which meets the needs of parents and acknowledges and addresses the structural barriers to employment which they face.**
- 4.15 The committee suggests that some of the aspects to consider in designing a future pre-employment program include:
- what is required to support parents of young children, particularly women, in achieving their education and employment goals and how those supports might differ depending on factors such as personal circumstances, cultural background and stage of life;
 - what the criteria for identifying parents for referral to pre-employment services should be, including what the appropriate age for their youngest child should be at the time of the referral;
 - whether pre-employment support is a social service rather than an employment service, and therefore better suited to delivery by social services organisations with greater expertise in working with parents, children and vulnerable populations, rather than employment service providers;
 - how linkages to specialised services—such as parenting courses, programs for survivors of domestic violence, disability services, or English language courses—can be better leveraged by service providers to support participants' needs;

- what appropriate levels of financial support for participants should be, including for course fees, transport and childcare costs, and whether these should be based on the individual participants' needs rather than location;
- how pre-employment programs can ensure the privacy and safety of their participants; and
- whether a program like ParentsNext should be expanded to address structural barriers to employment and support pre-employment goals for other groups of disadvantaged and vulnerable recipients of social security payments, such as carers, people with disability, and older workers.

Making immediate improvements to ParentsNext

- 4.16 The committee believes that it is vital that ParentsNext continues in a manner which is safe, appropriate and centred on the needs of the individual participant.
- 4.17 The committee is of the view that there are a small number of immediate changes which can be made to ParentsNext to improve the program both for those parents who are participating now and for those who participate in the future.
- 4.18 The committee believes that the practical implementation of ParentsNext by government agencies and contracted providers since the national rollout has only compounded some of the fears and concerns held by parents who have been referred to the program.
- 4.19 The committee is concerned about ongoing reports of the failure of government agencies and providers to clearly communicate to participants, what ParentsNext is, what their responsibilities are to participate in the program, and what their rights are in relation to exemptions, privacy, goal-setting and activity selection, particularly at the time of referral. The committee is also concerned that the information given to participants does not appear to be consistent between sources, leading to confusion and frustration in understanding how ParentsNext works.
- 4.20 The committee believes that is important to ensure that communication with participants is conducted in easy-to-understand language that clearly explains what the program is and what is required of participants. This may include, but is not limited to, information for participants which:
- identifies ParentsNext as a pre-employment program and explains what this means and how it is different to an employment service;
 - sets out what activities may be included in participation plans and emphasises the role of the participant in selecting those activities;
 - includes information about participants' rights to privacy, including their right to withhold consent to the collection of their personal information; and
 - gives guidance on how personal information may be used in the program.

Recommendation 3

- 4.21 The committee recommends that Centrelink, the Department of Jobs and Small Business and all ParentsNext providers review their strategies for communication with ParentsNext participants to ensure that messaging is consistent and clearly sets out what the program is, what is required of participants and participants' rights under the program.**
- 4.22 The committee recognises that the Department of Jobs and Small Business has taken steps to remind providers that parents are not required to sign a Privacy Notification and Consent form (privacy waiver) in order to participate in the ParentsNext.
- 4.23 However, the committee holds serious concerns about the number of reports received during the inquiry that providers have continued to pressure parents into signing a privacy waiver despite this advice, particularly through threats of payment suspensions.

Recommendation 4

- 4.24 The committee recommends that the Department of Jobs and Small Business consider sanctions against ParentsNext providers who are found to have pressured or coerced participants into signing the Privacy Notification and Consent form, or have suspended a participant's payment by recording 'Misconduct' for an appointment when they refused to sign the form.**
- 4.25 The committee also acknowledges that ParentsNext is likely to have a high number of participants from vulnerable backgrounds or who have specific needs. These participants may include Aboriginal and Torres Strait Islander peoples, parents who are experiencing or have experienced domestic and family violence, parents with disability or who care for someone who does, and parents who have language or other cultural barriers to participation.
- 4.26 The committee strongly believes that providers, now and into the future, have a responsibility to ensure that the services they provide to these participants are safe, supportive and appropriate to their needs. However, the committee recognises that not all ParentsNext providers may have the specialised knowledge required to help these participants.

Recommendation 5

- 4.27 The committee recommends that ParentsNext providers ensure that their employees are trained in areas such as disability awareness, cultural sensitivity and domestic and family violence to ensure that the services they deliver and the activities to which they refer participants are appropriate, sensitive and suitable to the needs of the individual.**

Recommendation 6

- 4.28 The committee further recommends that where a ParentsNext provider does not have the specialised knowledge to provide appropriate pre-employment services to a participant with specific needs, participants should be referred to another ParentsNext provider, or an alternative pre-employment or social service program, which does.**

**Senator Rachel Siewert
Chair**

Additional Comments by the Australian Greens

- 1.1 The Australian Greens reaffirm the committee's recommendation in the majority report that **the ParentsNext program should not continue in its current form.**
- 1.2 The Australian Greens are deeply concerned that the ParentsNext program is causing anxiety, distress and harm for many of its participants. We are particularly concerned by the number of ParentsNext participants who have received a payment suspension and reports of parents requiring emergency relief.
- 1.3 We support providing appropriate pre-employment and parenting supports for those parents who experience barriers to re-entering the workforce or seek assistance with parenting support. However we do not support the compulsory and punitive approach of the current ParentsNext program.
- 1.4 The Australian Greens strongly believe that, in addition to the recommendations made in the majority report, further changes are required to ParentsNext and its approach.

Abolishing the Targeted Compliance Framework

- 1.5 The Targeted Compliance Framework is a tool that was designed for employment services as a way to ensure job seekers comply with mutual obligations in order to receive their social security payments.
- 1.6 The parents of young children are not job seekers; they are some of the hardest working people in our society, putting in long, unremunerated hours to raise the next generation. For the majority of ParentsNext participants, this is done without the assistance of a partner.
- 1.7 Participants in ParentsNext, who already face the significant financial stress of raising their children on the limited income provided through Parenting Payment, live with the constant fear of their payment being cut off under the Targeted Compliance Framework. Payment suspensions, although designed not to be punitive in the same way as financial penalties, are a penalty in and of themselves for these parents. Any delay in receiving their Parenting Payment limits their ability to feed their children, pay their bills or their rent, or fill the car with petrol to get to the very activities they are required to attend in order to keep receiving their payment.
- 1.8 The Australian Greens are of the view that attaching punitive compliance requirements, including temporary payment suspensions, to a pre-employment program such as ParentsNext defeats its supportive, person-centred aim. Instead of assisting parents working towards education and employment goals, the application of the Targeted Compliance Framework

places the focus of ParentsNext on the completion of activities for compliance's sake.

- 1.9 Furthermore, the Australian Greens note that there is no evidence that a strict compliance framework is needed in order to achieve the aims and objectives of the program and that the flexible compliance measures used during the ParentsNext trial resulted in better outcomes and relationships for providers and participants alike.
- 1.10 The Australian Greens believe that the Targeted Compliance Framework is not an appropriate tool for the administration of ParentsNext.

Recommendation 1

- 1.11 **The Australian Greens recommend that the use of the Targeted Compliance Framework for recording and reporting participation in ParentsNext be ceased immediately and not included in any future redesign.**

Voluntary, not compulsory, participation

- 1.12 ParentsNext is a program which targets women and Aboriginal and Torres Strait Islander peoples with the objective of improving their workforce participation in the future, but does not seek to address the underlying reasons why their workforce participation is low.
- 1.13 The identification and referral of Parenting Payment recipients who have high levels of disadvantage means that ParentsNext also has a very high proportion of participants from vulnerable backgrounds or with particular needs, including survivors of domestic and family violence, people with disability and people from culturally and linguistically diverse communities.
- 1.14 ParentsNext in its current form does not allow parents to make their own decisions about whether they would like pre-employment support and what forms that support should take.
- 1.15 Many parents already have clear employment and education goals or plans to re-enter the workforce when their children start school and do not require the type of assistance offered by ParentsNext. These parents should not be forced to participate in a program which only adds an administrative burden to activities they are already doing.
- 1.16 We also believe that for participants who request support with parenting, this support should be addressed outside of a pre-employment program and instead be delivered through parenting support programs funded by the Department of Social Services.
- 1.17 The Australian Greens recognise that, for some current participants, ParentsNext may offer the pre-employment assistance that they require. However, given the significant proportion of parents from vulnerable backgrounds referred to the program, and in the absence of any clear evidence

that the program has been designed to meet the needs of those people, the Australian Greens strongly believe that referring people for compulsory participation in ParentsNext is totally inappropriate.

- 1.18 Furthermore, the Australian Greens have serious concerns about the number of participants who have legitimate reasons for exemption—such as medical issues, personal crises, and domestic and family violence situations—and have still been referred to ParentsNext by Centrelink or required to participate by their ParentsNext provider.

Recommendation 2

- 1.19 The Australian Greens recommend that the compulsory referral to ParentsNext of any eligible person receiving Parenting Payment be ceased immediately.**

Recommendation 3

- 1.20 The Australian Greens recommend that participation in ParentsNext be made voluntary for all current and future participants.**
- 1.21 With these recommendations in mind, the Australian Greens have chosen not to make any specific recommendations of changes to the eligibility criteria for ParentsNext, and are of the strong opinion that by eliminating mandatory referral and participation, the concerns raised about the eligibility criteria will also be eliminated.
- 1.22 The Australian Greens recognise that some parents identified through the ParentsNext eligibility criteria, such as early school leavers, parents of children about to return to school, and parents with very high levels of disadvantage, may find benefit from pre-employment support.
- 1.23 The Australian Greens consider that, rather than requiring these parents to participate in a compulsory program, they should be contacted by Centrelink and informed about ParentsNext and what it offers. They should then be allowed to make their own decision about whether volunteering to participate in the program is right for them and their family.
- 1.24 The Australian Greens note that it may be appropriate to revise the eligibility criteria for parents who are contacted about ParentsNext and that this could be considered as part of a broader redesign of the program.

Additional Comments by Coalition Senators

- 1.1 Coalition Senators appreciate the time people took to provide evidence to the committee as it considered the settings of the ParentsNext program. It is important to ensure that all Commonwealth programs are appropriately calibrated to deliver the stated goals.
- 1.2 Coalition Senators note that while the committee claims the stated ParentsNext program goals are unclear, the activities undertaken by participants support the stated goals of the program, that is – to assist parents to move towards their future employment goals; rather than forcing them into employment before they are ready.¹
- 1.3 We also note evidence presented to the committee which indicates that where providers have been inappropriately referring parents to activities this has been addressed by the Department and further clarification issued to all providers.²
- 1.4 Coalition Senators note some concerning reports from witnesses with regard to provider behaviour and implementation of the program. We recognise that the Government has been taking action to address inappropriate program delivery from providers – including clarifying the requirements and current flexibility in ParentsNext,³ and a direction from the Minister requiring her department to proactively monitor, and sanction where appropriate, providers who are not delivering the program as intended.⁴
- 1.5 We note commentary from the committee with regard to the appropriateness of certain activities but consider it is important that flexibility be retained in the settings in order for ParentsNext to cater for the different circumstances of individuals. Activities range from those which reduce social isolation and build confidence to more traditional pre-employment activities such as training and education. We also recognise that the support required by an individual may change over time as their child or children get older and they progress closer to their employment goal.

¹ Department of Jobs and Small Business, *Submission 67*, p. 7.

² Jenna Price, 'O'Dwyer to crack down on ParentsNext providers', *Sydney Morning Herald*, 1 March 2019, <https://www.smh.com.au/politics/federal/o-dwyer-to-crack-down-on-parentsnext-providers-20190228-p510z9.html> (accessed 29 March 2019).

³ Department of Jobs and Small Business, *Committee Hansard*, 27 February 2019.

⁴ Jenna Price, 'O'Dwyer to crack down on ParentsNext providers', *Sydney Morning Herald*, 1 March 2019, <https://www.smh.com.au/politics/federal/o-dwyer-to-crack-down-on-parentsnext-providers-20190228-p510z9.html> (accessed 29 March 2019).

- 1.6 Coalition Senators note that the Targeted Compliance Framework was introduced to ParentsNext as part of the Social Services Legislation Amendment (Welfare Reform) Bill 2017, which was passed with the support of a majority of the Parliament.
- 1.7 The committee was also presented with evidence from the Department of Jobs and Small Business that only three per cent of the caseload experience a payment delay as a result of the compliance framework,⁵ and that 98 per cent of the caseload was in full compliance with their requirements under the program.⁶
- 1.8 Evidence from the pilot program shows very low voluntary engagement from those who are eligible for the program, at three per cent of the entire caseload.⁷ This is despite feedback presented in the evaluation report suggesting that participants found value in the support provided by the program once they had engaged.⁸
- 1.9 We also note that evidence which was presented to the committee but failed to be reflected in the committee's report pointed to international evidence of the effectiveness of compulsory program settings in achieving outcomes.⁹

Recommendation 1

4.5 The committee recommends that the ParentsNext program should not continue in its current form.¹⁰

- 1.10 Coalition Senators recognise the benefits available to participants under ParentsNext.
- 1.11 While others on the committee may claim to be concerned about individual welfare, Coalition Senators understand that improving employment prospects is key to delivering a better standard of living for the parent and the family as a whole and improves future opportunities for children.
- 1.12 We know that children of parents who have a very high level of welfare dependency have a 90 per cent chance of interacting with the welfare system themselves by the age of 25.¹¹

⁵ Department of Jobs and Small Business, *Committee Hansard*, 27 February 2019.

⁶ Department of Jobs and Small Business, *Committee Hansard*, 27 February 2019.

⁷ Department of Jobs and Small Business, *ParentsNext Evaluation Report*, 2018.

⁸ Department of Jobs and Small Business, *ParentsNext Evaluation Report*, 2018.

⁹ Department of Jobs and Small Business, *Committee Hansard*, 27 February 2019, p. 66.

¹⁰ See majority report: Chapter 4, para. 4.5.

¹¹ The Hon Kelly O'Dwyer MP, Speech at Australian Chamber Business Leaders' Summit - Parliament House, Canberra, 19 September 2018, <https://ministers.jobs.gov.au/odwyer/australian-chamber-business-leaders-summit-parliament-house-canberra> (accessed 29 March 2019).

- 1.13 Coalition Senators have positive aspirations for all Australians and we are not content to ignore those who can most benefit from flexible, tailored assistance in planning and preparing for their future careers.
- 1.14 The committee has noted in its report that there are benefits to participants from the program. It is the view of Coalition Senators that the program should continue and for that to successfully occur; a compliance framework must apply to the program.

Senator Lucy Gichuhi

Senator Steve Martin

Additional Comments by Labor Senators

- 1.1 Labor Senators substantially agree with the findings of the majority report, but have additional comments and further recommendations to make.
- 1.2 Labor Senators were instrumental in establishing this Senate Inquiry following concerns raised about the Government's implementation of the ParentsNext program.
- 1.3 The evidence presented to the Senate inquiry revealed significant distress amongst the cohort of people that ParentsNext is intended to assist.¹
- 1.4 The source of the distress appears to be the manner in which the program has been implemented, including substantial compliance obligations imposed on participants.
- 1.5 Though the government sought to undertake an evaluation of the program prior to the national expansion in July 2018, this evaluation was based upon the ParentsNext trial which was significantly different from the program that was rolled out nationally.
- 1.6 In any program where parents are the participants, the interests of children must be paramount.
- 1.7 The interests of children are not well-served if their parents are facing higher incidences of income suspensions, even if back payment occurs after the suspension has been lifted.
- 1.8 Given the importance of increasing workforce participation,² there is utility in providing a program that supports parents to prepare for later paid work.
- 1.9 It is critical to ensure that the program supports parents to prepare for a future entry or re-entry into the workplace, rather than taking a punitive approach.³
- 1.10 Activities for the sake of activity should not be imposed upon parents. Story time and swimming lessons are important, but failure to attend these activities

¹ See, for examples: Wesley Mission, *Submission 12*; Good Shepherd Australia and New Zealand, *Submission 15*, p. 20; Uniting SA, *Submission 18*, p. 9; National Council for Single Mothers and their Children, *Submission 20*, p. 13; Centre for Excellence in Child and Family Welfare, *Submission 23*, p. 4; Joblink Plus, *Submission 63*, p. 5; Mission Australia, *Submission 60*; Kym Mercer for Centrelink and Other Info, *Submission 54*; among others.

² G20 Labour and Employment Ministers Meeting, Ministerial Declaration, *Towards an Inclusive Future: Shaping the World of Work*, 2017
<http://www.g20ewg.org/index.php/component/phocadownload/category/13-declarations?download=283:g20-labour-and-employment-ministerial-declaration-bad-neuenahr-18-19-may-2017> (accessed 27 March 2019).

³ Brotherhood of St Laurence, *Submission 63*, p. 10.

should not trigger the imposition of a financial suspension by the Commonwealth.

- 1.11 Reporting requirements should not be excessive, intrusive or unreasonable.
- 1.12 In supplementation to the majority's considerations regarding participation by women who are victims of domestic or family violence, Labor senators find that multiple points of entry into referral to domestic violence services and multiple opportunities for disclosure are important. At the same time, every door must be the right door.⁴
- 1.13 Accordingly, we make the following recommendations:

Recommendation 1

- 1.14 For participants, the first appointment with a ParentsNext provider should remain mandatory.

Recommendation 2

- 1.15 Participants who miss the first appointment should be given the opportunity to address their failure to attend before any suspension is imposed.

Recommendation 3

- 1.16 Continued participation in the program, following the first appointment, should be by agreement between the provider and the participant. Compliance obligations should not apply to activities undertaken by agreement.

Recommendation 4

- 1.17 Providers' staff should be trained in recognising disclosures of domestic and family violence and in referring victims and survivors to specialist services.

Senator Louise Pratt

Senator Murray Watt

⁴ Australia Institute of Family Studies, *Good and innovative practice in service delivery to vulnerable and disadvantaged families and children*, <https://aifs.gov.au/cfca/publications/good-and-innovative-practice-service-delivery-vulnerable-and-disadvantaged/export> (accessed 29 March 2019).

Appendix 1

Submissions and additional information

Submissions

- 1 *Confidential*
- 2 *Confidential*
- 3 Associate Professor Beth Goldblatt
- 4 *Confidential*
- 5 YFS Ltd
- 6 Feminist Legal Clinic Inc.
- 7 Anglicare Victoria
- 8 Uniting Vic.Tas
- 9 Community and Public Sector Union
- 10 Logan Together
- 11 Australian Library and Information Association
- 12 Wesley Community Services Limited
- 13 Playgroup Australia
- 14 National Social Security Rights Network
- 15 Good Shepherd Australia New Zealand
- 16 Australian Human Rights Commission
- 17 Roseberry Qld
- 18 UnitingSA
- 19 Benevolent Society
- 20 National Council of Single Mothers and their Children
 - 3 Attachments
- 21 DV Vic
- 22 *Confidential*
- 23 Centre for Excellence in Child and Family Welfare
- 24 CatholicCare Sandhurst
- 25 Council of Single Mothers and their Children
- 26 *Confidential*
- 27 Northern Territory Government
- 28 Personnel Group
- 29 Human Rights Law Centre; SNAICC – National Voice for Our Children; and
National Family Violence Prevention Legal Services Forum
 - Supplementary submission
- 30 National Employment Services Association
- 31 Settlement Services International
- 32 Ms Louisa Minney
- 33 Anglicare Australia
- 34 The Hive Mt Druitt

- 35 Jobs Australia
- 36 Equality Rights Alliance
- 37 Accountable Income Management Network
- 38 Australian Council of Social Service
- 39 Volunteering Australia
- 40 *Confidential*
- 41 *Name Withheld*
- 42 *Name Withheld*
- 43 WA Council of Social Service
- 44 *Name Withheld*
- 45 *Name Withheld*
- 46 *Name Withheld*
- 47 *Name Withheld*
- 48 *Confidential*
- 49 *Confidential*
- 50 *Confidential*
- 51 yourtown
- 52 Ms Ella Buckland
- 53 Joblink Plus Ltd
- 54 Centrelink and Other Info Facebook group
- 55 *Confidential*
- 56 *Confidential*
- 57 Uniting Communities
- 58 Goodstart Early Learning
- 59 Federation of Ethnic Communities' Councils of Australia
- 60 Mission Australia
- 61 *Name Withheld*
- 62 *Confidential*
- 63 Brotherhood of St Laurence
- 64 *Confidential*
- 65 FamilyCare
- 66 Women's Legal Service NSW
- 67 Department of Jobs and Small Business
 - 4 Attachments
- 68 Australian Motherhood Initiative for Research and Community Involvement
- 69 *Name Withheld*
- 70 Australian Unemployed Workers' Union
- 71 Victorian Government
 - Attachment
- 72 Kimberley Community Legal Services
- 73 *Name Withheld*

Additional Information

- 1 Briefing note, from Human Rights Law Centre, received 19 March 2019

Answer to Question on Notice

- 1 Answers to Questions taken on Notice during 27 February public hearing, received from Uniting Victoria and Tasmania, 7 March 2019
- 2 Answers to Questions taken on Notice during 27 February public hearing, received from Jobs Australia, 8 March 2019
- 3 Answers to Questions taken on Notice during 27 February public hearing, and answers to written Questions on Notice, received from Department of Jobs and Small Business, 8 March 2019
- 4 Answers to Questions taken on Notice during 27 February public hearing, and answers to written Questions on Notice, received from Department of Jobs and Small Business, 12 March 2019
- 5 Answers to written Questions on Notice, received from Department of Jobs and Small Business, 13 March 2019
- 6 Answers to Questions taken on Notice during 27 February public hearing, and answers to written Questions on Notice, received from Department of Jobs and Small Business, 14 March 2019
- 7 Answers to Questions taken on Notice during 27 February public hearing, received from Department of Jobs and Small Business, 20 March 2019
- 8 Answers to Questions taken on Notice during 27 February public hearing, received from Department of Jobs and Small Business, 25 March 2019
- 9 Answers to written Questions on Notice, received from Department of Jobs and Small Business, 26 March 2019

Tabled Documents

- 1 Opening Statement, tabled by Department of Jobs and Small Business, at Melbourne public hearing, 27 February 2019

Appendix 2

Public hearings

Wednesday, 27 February 2019

Flagstaff 1 and 2 Room

Radisson on Flagstaff Gardens Hotel

380 William Street

Melbourne

National Council of Single Mothers and their Children

- Ms Terese Edwards, Chief Executive Officer

Council of Single Mothers and their Children

- Ms Jenny Davidson, Chief Executive Officer

Good Shepherd Australia New Zealand

- Ms Stella Avramopoulos, Chief Executive Officer
- Dr Sarah Squire, Head of Women's Research, Advocacy and Policy (WRAP) Centre

Centre for Excellence in Child and Family Welfare

- Ms Kelly Bowey, Senior Policy and Research Officer

Ms Kym Mercer, Private capacity

Ms Ella Buckland, Private capacity

Associate Professor Beth Goldblatt, Private capacity

Australian Human Rights Commission

- Emeritus Professor Rosalind Croucher AM, President
- Mr Graeme Edgerton, Deputy General Counsel
- Ms Jennifer Lim, Senior Lawyer

Human Rights Law Centre

- Ms Adrienne Walters, Senior Lawyer, Human Rights Law Centre
- Ms Monique Hurley, Lawyer, Human Rights Law Centre

National Family Violence Prevention Legal Services Forum

- Ms Amanda Bresnan, Executive Officer, National Family Violence Prevention Legal Services Forum
- Ms Antoinette Braybrook, Convenor, National Family Violence Prevention Legal Services Forum

Australian Council of Social Service

- Dr Cassandra Goldie, Chief Executive Officer
- Dr Peter Davidson, Senior Advisor

Brotherhood of St Laurence

- Ms Victoria Haggerston, ParentsNext Program Manager
- Professor Shelley Mallett, Director, Research and Policy Centre

Mission Australia

- Ms Marion Bennett, Executive, Practice, Quality and Performance
- Ms Jacquelin Plummer, Head of Policy and Advocacy

National Employment Services Association

- Ms Sally Sinclair, Chief Executive Officer
- Ms Annette Gill, Principal Policy Advisor

Jobs Australia

- Mrs Nicole Steers, Chief Operating Officer
- Mr Peter Defteros, Acting Senior Policy Manager

yourtown

- Ms Laura Clarke, Advocacy and Policy Lead
- Mr Brendan Bourke, Head of Client Services

Settlement Services International

- Ms Karen Bevan, General Manager Service Delivery, Community

Uniting Victoria and Tasmania

- Ms Joanna Leece, Executive Officer, Kildonan and Lentara Cluster

Personnel Group

- Ms Chelsea Fraser, ParentsNext Coordinator

Department of Jobs and Small Business

- Mr Nathan Smyth, Deputy Secretary, Employment
- Mr Greg Manning, Group Manager, Youth and Programmes Group
- Ms Janine Pitt, Group Manager, Activation and Work for the Dole Group
- Mr Ali Jalayer, Branch Manager, Specialist Programmes (ParentsNext)
- Mr Ty Emerson, Branch Manager, Job Seeker Participation and Compliance
- Ms Carmel O'Regan, Branch Manager
- Ms Robyn Shannon, Branch Manager

Department of Human Services

- Mr Michael Robinson, National Manager, Student and Parenting Programmes

- Ms Rosemary Deininger, General Manager, Participation and Disability Division

Department of Social Services

- Mr Shane Bennett, Group Manager, Payments Policy Group
- Ms Emmakate McGuirk, Branch Manager, Work and Study Payments, Payments Policy Group
- Mr James Kemp, A/g Branch Manager, Payment Conditionality Design and Policy, Welfare and Housing Policy Group