



BROTHERHOOD
of St LAURENCE

*Submission to the
Senate Community Affairs
References Committee*

Inquiry into participation requirements and
penalties

Brotherhood of St Laurence
July 2002

Contents

- EXECUTIVE SUMMARY AND RECOMMENDATIONS..... 1**

- COMMENTS ON THE PROPOSED LEGISLATION..... 3**

- 1. Introduction of participation agreements and requirements for parents..... 3**
 - The value and importance of parenting 3
 - Effectiveness of participation plans and requirements 5
 - Supporting parents to find paid employment 6
 - Exemptions 7
 - Breaching..... 8

- 2. Language, literacy and numeracy supplement..... 8**

- 3. Personal Support Programme..... 8**

- 4. Closure of access to mature age allowance and partner allowance..... 9**

- 5. Flexible participation requirements for mature age Newstart allowees 9**

- 6. Working credit..... 9**

- REPORT OF THE INDEPENDENT INQUIRY 10**

- Simplification of income reporting 10

- Level of penalties for breaching..... 11

- REFERENCES 12**

Executive summary and recommendations

Introduction of participation agreements and requirements for parents

The Brotherhood of St Laurence believes that parents are best placed to make decisions about the relative importance of employment and parenting, and ensuring that parents are free to choose among alternatives is vital to any encouragement to enter paid work. The participation agreement is more likely to be helpful if it is not tied to eligibility for payments since parents are more likely to see it as being primarily for their benefit, rather than imposed bureaucratic red tape. We oppose the extension of compulsory participation requirements, and breach penalties to parenting payment recipients as we do not believe this is either necessary or helpful.

We believe that problems with breaching, including the harsh rates of penalty, need to be fixed before any consideration is given to extending these provisions to new groups. If greater requirements are introduced, a range of exemptions incorporated into the legislation will be necessary for those for whom extra requirements would be unreasonable or harmful.

More effective strategies to improve the opportunities for parents to enter paid employment include the provision of substantial additional resources for the Jobs, Education and Training (JET) program, introduction of after-school care for teenagers, increased provision of public transport in outer suburban and regional areas, and fostering family-friendly work practices by employers.

- R1. That the committee affirm the view that parents are best placed to make decisions about the relative importance of paid employment and caring responsibilities and that those receiving parenting payment should not be required to undertake compulsory participation activities.
- R2. That participation agreements be a voluntary process principally designed to assist parents develop goals in line with their own aspirations, and not be a condition of entitlement to parenting payment.
- R3. That if participation plans are made compulsory, complying with them should not be a condition of eligibility for income support.
- R4. That funding for the JET program be increased by at least 20 per cent.
- R5. That, to assist parents wishing to enter paid employment, the government explore strategies for the provision of after-school care for teenage children, and increased provision of public transport in outer suburban and rural areas.
- R6. That the exemptions for participation in the Bill be extended to include those who have:
 - separated in the past 12 months
 - a major health problem
 - teenage children with behavioural, health or learning problems
 - current or recent experience of trauma including domestic or post-separation violence.

Language, literacy and numeracy supplement

We support the introduction of the literacy, numeracy and training supplement, and believe that it should be indexed to ensure that its value is not diminished over time.

- R7. That the rate of language, literacy and numeracy supplement be indexed each year in line with movements in average male total weekly earnings.

Personal Support Programme

The Brotherhood of St Laurence supports the introduction of the Personal Support Programme (PSP) but we are concerned that the inclusion of PSP as a 'mutual obligation' requirement may work against its effectiveness.

R8. That a person participating in the Personal Support Programme is considered to be meeting the 'activity test', but that such participation remains voluntary and is not included as a mutual obligation activity.

Flexible participation requirements for mature age Newstart allowees

We support greater flexibility of the application of the activity test to mature age Newstart allowees. We believe that exemptions from the activity test will still be necessary, since some people will not be able to participate in activities at all due to homelessness, illness, psychiatric disability, substance abuse and a range of other circumstances.

R9. That exemptions from the activity test for mature age Newstart recipients be incorporated in the amended legislation and should include homelessness, illness, psychiatric disability and substance abuse, and those with a significant caring responsibility (for example for an elderly parent).

Working credit

We support the introduction of the working credit. It could be made more effective, and less confusing, by setting the 'carry over' amount each fortnight equal to the current income free area for Newstart.

R10. That the amount at which the Working Credit can be accumulated each fortnight be set at the same level of the adult Newstart income 'free area', currently \$62 per fortnight.

Report of the Independent Inquiry

The Brotherhood endorses the findings and recommendations of the Independent Review of Breaches and Penalties in the Social Security System. We believe the government should implement all of the recommendations made by the Pearce committee before any consideration of extending breach penalties to new groups. In particular, we believe simplifying the reporting of income and reduction in the level of penalties for breaching would make the system fairer and more effective.

R11. That the policy and procedures for reporting of income from work be simplified in line with the recommendations of the Pearce review.

R12. That the penalty levels for breaching for unemployed people be reduced to \$20 for a first activity test breach, \$50 for a second breach, and \$75 for a third breach.

R13. That no changes be made to extend breaching to recipients of parenting payment unless and until the penalty levels are reduced as per the previous recommendation.

Comments on the proposed legislation

This submission from the Brotherhood of St Laurence addresses the terms of reference of the inquiry by providing a response to each of the six schedules in the order they appear in the Family and Community Services Legislation Amendment (Australians Working Together and other 2001 Budget Measures) Bill 2002. We have provided substantial comment on the first schedule - the extension activity testing to those on parenting payment – because we feel that this is the most potentially harmful change and requires detailed consideration by the committee.

We then raise some unresolved issues relating to the findings of the Independent Review of Breaches and Penalties in the Social Security System (the Pearce review) which we believe need to be considered in conjunction with the proposed legislative changes.

1. Introduction of participation agreements and requirements for parents

The bill proposes the introduction of a compulsory ‘participation agreement’ to be made a condition of eligibility for parenting payment for parents with a youngest child between 13 and 15 years of age. Parents will have to complete up to 150 hours of approved activities over a 6 month period. The only exemptions appear to be for those with a profoundly disabled child or 2 or more children with disabilities requiring an equivalent level of care. Parents who do not complete an agreement or comply with the conditions of their agreement will be subject to breach penalties.

While the procedures by which penalties will be imposed is a little different, the percentage reduction of payments are the same as those which currently apply to Newstart allowees. However, since parenting payment is paid at a higher rate than Newstart, the actual amount of the penalty for parents will be greater. For example, a first activity test breach for a Newstart recipient (18 per cent reduction for 26 weeks) amounts to \$863, while the same penalty applied to someone on parenting would amount to \$987 reduction in benefits. In addition, Family Tax Benefit will not be payable when someone is subject to a breach penalty, so the total penalty will be even greater.

The value and importance of parenting

The welfare reform debate has focussed almost exclusively on how to get parents into work, to the unfortunate exclusion of the caring role of parents. We have a declining birth rate (McDonald 2000) and mounting concern about children and young people at risk of unemployment, harmful drug use and suicide. These suggest we should be providing greater support to parents to care for their children.

The absence of this consideration from the reform of parenting payment is curious, since it appears to apply, at least implicitly, in other areas of social security policy. Family Tax Benefit (B), for example, is available to families where one or both parents are not in the workforce. There is no means test on the income of the working parent, so that even relatively well-off families can receive some payments. This policy at least appears to reflect a belief that the State should support parenting as an activity in its own right. There is certainly proposals to force parents from families with one partner working to develop agreements and participate in State-mandated activities.

A research project by the Brotherhood of St Laurence (1999) asked sole parents about their experiences of sole parenthood, working and income support payments. Most of the parents saw

parenting on their own as very stressful, and that they felt the lack of support from a partner very strongly:

‘You don’t get to have a break, you’re doing it all on your own and it seems twice as hard as it was before [separation], very stressful. That’s because you don’t get any time to yourself. You can’t just walk out the door and say I’ve had enough of this, I am going for a walk because they all follow behind you.’ (Sole parent with three children, part-time paid work)

Most of the people interviewed say parenting as a higher priority than obtaining paid work. Employment decisions were usually made after considering its impact on parenting responsibilities:

‘It’s hard trying to find a job in the [school] hours and also with my daughter and her eczema. Is an employer going to allow me to have time off to take her to the hospital, or to do her medication?...As a single parent, I’ve got no-one else to rely on because there’s no grandparent.’ (Parent with two children, no paid work)

Most parents also believed that teenagers require as much supervision and support as do younger children, if they are to be guided to a stable and well-adjusted maturity:

I really think when kids are teenagers and there’s no other adult around, they need just as much looking after as what the little ones do. I feel very strongly about it because kids can get up to all sorts of things, especially in this day and age, when there’s a lot of pressures after school...there’s drugs and there’s all these serious issues. And so I think there’s a lot of pressure placed on single parents. (Parent working part-time with two children, aged 9 and 17)

Parenting has benefits, or ‘positive externalities’ for the community as a whole. Children who are well cared for are likely to have fewer social problems, and to be healthier and better educated, with consequent benefits for employers (Gray & Stanton 2002). A short-term focus on getting parents off benefits as quickly as possible may have much more costly long term effects if children’s care suffers as a result.

Weatherburn (2001) points out that there is a wealth of evidence linking socio-economic disadvantage, poor parenting and crime. He argues that ‘there is an intrinsic tension between the demands of employment and those of effective parenting’ (p. 7), and this is much more pronounced in sole parent families. As one participant in the Brotherhood research commented:

I suppose if you’re looking at the bigger picture, it’s really, it’s wrong that you’ve got to be pushed out to the workforce and pushed away from parenting. Something is going to suffer. Society will suffer if parents aren’t at home and the kids get up to all sorts of mischief. If there isn’t enough problems out there at 16, what if you’ve got to go out when your kids are 12? (Sole parent with two children, no paid work)

Research on US welfare reform also provides some unsettling findings relating to children. A considerable body of research suggests that welfare reform has increased employment among sole parents, but had little effect on rates of poverty and may have had a detrimental effect for teenage children (Gennetian, Duncan et al 2002). While both the policy and social settings differ quite substantially, these results warn of the possible harmful effects of forcing parents away from caring for their children.

Parents are best placed to make decisions about the relative importance of employment and parenting, and ensuring that parents are free to choose among alternatives is vital to any encouragement to enter paid work. The idea that those receiving parenting payments should be forced to ‘participate’ diminishes their choices and may undermine care for children.

Recommendation 1

That the committee affirm the view that parents are best placed to make decisions about the relative importance of paid employment and caring responsibilities and that those receiving parenting payment should not be required to undertake compulsory participation activities.

Effectiveness of participation plans and requirements

The government's stated aim is to assist parents return to work. The primary reason for parents being unable to find work is that the supply of jobs has consistently been lower than the number of people seeking work for the last two decades. Amendments to social security legislation will do nothing to redress this situation.

There are often substantial barriers to work, including high effective marginal tax rates, lack of after-school care for teenagers, lack of family-friendly work practices, and difficulty in access to public transport.

Governments have an important role in expanding opportunities available to people who wish to find work, including the provision of programs aimed at increasing 'employability' (for example training, work experience, career planning). These programs are most likely to be taken up if they are in accord with a person's own goals rather than simply being forced on someone who is felt to need them. Reviews of research conducted over the last twenty years into work-related motivation (Ambrose & Kulik 1999; Ziguras forthcoming) show that people are motivated when they have:

- Specific, difficult but reachable goals.
- Are able to set their own goals, rather than having them set by others.
- Are committed to these goals and feel they have the capacity to reach them.
- Receive positive feedback about their progress in meeting these goals, especially if this is specific and practical.
- Receive some valued reward upon achieving their goals.
- Believe that results of their efforts (rewards) are fair.
- Receive positive reinforcement for their efforts rather than punishment for failure.
- Feel that their behaviour and rewards are based on their intrinsic goals and needs and not due to attempts by external agents to control their behaviour.

These research findings suggest that it could be helpful to assist parents in developing goals, and finding resources to support them in achieving their goals. To this end, the participation agreement could be helpful. However, since the participation agreement, and the activities included in it, will be compulsory, activities included may well be seen as enforced rather than reflecting an individual's desires. The participation agreement is more likely to be helpful if it is not tied to eligibility for payments; parents are more likely to see the process as being primarily for their benefit, rather than imposed bureaucratic red tape.

The Department of Family and Community Services conducted an experiment to assess the effect of requiring people receiving parenting payment to attend compulsory interviews to assist in planning to return to work. The evaluation of the scheme found that the take-up rate of interviews to develop such plans was higher when these interviews were made compulsory compared to voluntary interviews. (Barrett and Cobb-Clark 2000-01).

The evaluation also found that parents compelled to attend interviews were just as likely to believe that the interview was useful as those who attended voluntarily (Pearse 2000). However, there are some grounds to question this finding. The 'planning' interviews were conducted by Centrelink

officers, and these staff also collected the data on satisfaction with the interview process. Given that these staff have the power to determine eligibility for payments, it is likely that people interviewed may have felt some pressure to express positive opinions about the process.

There was no evidence from the pilot scheme that the compulsory interviews made any difference to whether parents sought or gained access to education and training programs or paid work. Indeed, since the first results were published from this study, FaCS have not released any data on the long-term effectiveness of the strategy. If the scheme was successful in ensuring greater employment, it could be assumed that these results would have been publicly released. If there is no evidence about the long term outcomes of compulsory agreements, on what grounds are the legislative amendments being promoted?

If it is decided to make participation agreements compulsory, making activities identified in the agreement compulsory is potentially much more serious. There is no evidence that compulsory activities mandated by Centrelink will be of any benefit to parents, and there is ample evidence of the harm caused by the breach system for unemployed people. We believe that compulsory participation is not only unnecessary, but also potentially harmful; our own experience and the research evidence suggests that it will do little to assist parents, and that for some, it could be harmful in that it may simply provide a hurdle which some will fail to clear.

Recommendation 2

That participation agreements be a voluntary process principally designed to assist parents develop goals in line with their own aspirations, and not be a condition of entitlement to parenting payment.

Recommendation 3

That if participation plans are made compulsory, complying with them should not be a condition of eligibility for income support.

Supporting parents to find paid employment

There are a range of initiatives which the government could undertake which would be more effective in supporting sole parents to find paid employment than the changes proposed. The Jobs, Education and Training Program (JET) has been shown to be an effective and popular program for parents, but with the current resources, it cannot adequately meet demand. Feedback from some clients indicates that waiting times for an appointment with a JET adviser may be up to two or three months.

Previous evaluations of JET have indicated that voluntary take up among some groups, notably those clients with a Newstart partner and those on benefits for a long time, was low. Indeed this has been the rationale for the introduction of compulsory interviews and activity testing for parents. The Parenting Payment Intervention Pilot showed that compulsory interviews would pick up many clients who were eligible for JET (Pearse 2000). While not all of these parents may need to use the program, a substantial proportion could be expected to. The 1997 evaluation of the JET program showed that 20 per cent of non-JET clients at that time did not participate due only to a lack of knowledge of the program (Department of Social Security 1997).

If the introduction of requirements for parents is successful in its stated aim, it would lead to an increase in demand for JET of at least 20 percent among the eligible client group. Personal advisers

are not a substitute for JET, and we believe that substantial additional resources would be required for the JET program to remain effective.

In addition, diverting the JET training budget allocation to the new Transition to Work Program raises questions about the targeting of this expenditure. According to the 2001 Budget papers, the budget for the Transition to Work program will simply be the combination of the existing budgets for JET and the Return to Work program, with no new funding. With an increase in clients due to the addition of more clients eligible for JET (through compulsory interviews and activity testing) and a broader group who were eligible for Return to Work, there is some danger that resources allocated to the Transition to Work program will be spread too thin, and that the most disadvantaged group will miss out.

Recommendation 4

That funding for the JET program be increased by at least 20 per cent.

A major barrier for some parents with teenage children is the lack of after school care for teenagers. Further investigation of models and funding of such care is required. The more widespread introduction of family-friendly work practices by employers would also be a positive step. These could include the availability of part-time work during school hours, and flexible family leave to allow parents to attend to their children when they are ill.

Another key issue is the lack of public transport in many outer suburbs and regional towns. People on low incomes are more likely to live in such areas as the cost of housing is more affordable but access to work and education is hampered by poor public transport and the fact that many cannot afford the cost of their own car.

Recommendation 5

That, to assist parents wishing to enter paid employment, the government explore strategies for the provision of after-school care for teenage children, and increased provision of public transport in outer suburban and rural areas.

Exemptions

If greater requirements are introduced, a greater range of exemptions incorporated into the legislation will be necessary for those for whom extra requirements would be unreasonable or harmful.

Recommendation 6

That the exemptions for participation in the Bill be extended to include those who have:

- **separated in the past 12 months**
- **a major health problem**
- **teenage children with behavioural, health or learning problems**
- **current or recent experience of trauma including domestic or post-separation violence.**

Breaching

If the proposed legislation is passed in its current form, breach penalties will apply to sole parents who do not meet their participation requirements. Some aspects of the proposed breaching system represent an improvement on that which applies to Newstart recipients, but we have grave concerns about the extension of breaching to parents.

The experience of breaching of unemployed people has shown that breaching has, whatever the policy intention, had a severely detrimental effect on some of the most disadvantaged people in our community. While some people currently affected by breaching are parents (for example, receiving Newstart with a partner receiving parenting payment), the incomes of partners has at least not been reduced. The extension of breaching to sole parents raises the prospect of an even worse impact on children since there is no other income source available to the parents or children.

While the breaching system for unemployment payments is in such disarray, we believe it would be highly unwise to extend activity testing and breaching to those on Parenting Payment. The problems with breaching, including the harsh rates of penalty, need to be fixed before any consideration is given to extending these provisions to new groups. This is discussed in more detail at the end of the submission.

2. Language, literacy and numeracy supplement

The Brotherhood of St Laurence supports the introduction of the literacy, numeracy and training supplement, but we question how far the amount of \$20.80 per fortnight can be expected to support participation in training. For someone living in an outer suburb, the supplement may represent little more than the cost of public transport alone for one or two days, let alone other costs associated with training. It is not clear from the bill whether the supplement is intended to be indexed and if so, by what method. We believe that the supplement should be indexed in line with movements in average male total weekly earnings.

Recommendation 7

That the rate of language, literacy and numeracy supplement be indexed each year in line with movements in average male total weekly earnings.

3. Personal Support Programme

The Brotherhood of St Laurence supports the introduction of the Personal Support Programme (PSP), and the determination that someone attending the PSP will have satisfied the work test. The PSP was designed to assist people with serious personal obstacles to participating in the workforce or using employment services, and it is appropriate that they be exempted from other requirements while they attempt to deal with their personal problems through the PSP.

We are concerned that the inclusion of PSP as a 'mutual obligation' requirement may work against its effectiveness. An evaluation of its predecessor, the Community Support Program, found that the voluntary nature of the program was one aspect most valued by clients, and attributed to be part of the reason for its success by staff. People who participate in the PSP only because they feel that they are required to may get much less from the program, and where there are limited places, it would seem more logical to offer them to those who chose to participate.

Recommendation 8

That a person participating in the Personal Support Programme is considered to be meeting the ‘activity test’, but that such participation remains voluntary and is not included as a mutual obligation activity.

4. Closure of access to mature age allowance and partner allowance

In some ways, this is a logical change, as it continues a trend towards simplification of payments for this age group. Our concern is that those who are currently eligible for partner allowance are mainly women who have little or no previous work experience. It would be unfair if they were expected to comply with the same type and range of activity test requirements as people with a longer and more substantial attachment to the workforce. It will be necessary that the more flexible participation requirements for mature age Newstart allowees take this into account.

5. Flexible participation requirements for mature age Newstart allowees

We have similar concerns about the introduction of compulsory planning interviews and the extension of breaching for mature age Newstart allowees as for parents. We do not believe that compulsory plans and activities will assist mature age people gain paid employment and we do not believe that breaching should be extended to new groups while there are such problems with the breaching system for younger people in receipt of Newstart and Youth Allowance.

It is argued that requirements and compliance with them will also be made more flexible, and that exemptions from the activity test will not be necessary in future since the activity test will be able to accommodate individual circumstances more easily. We support greater flexibility of the application of the activity test. However, exemptions will still be necessary, since some people will not be able to participate in activities at all due to homelessness, illness, psychiatric disability, substance abuse and a range of other circumstances. These exemptions and a general exemption clause should be incorporated in the amended legislation.

Recommendation 9

That exemptions from the activity test for mature age Newstart recipients be incorporated in the amended legislation and should include homelessness, illness, psychiatric disability and substance abuse, and those with a significant caring responsibility (for example for an elderly parent).

6. Working credit

The Brotherhood of St Laurence supports the introduction of the working credit and notes that similar schemes operated in the past.

Previous schemes with similar aims accumulated the credit at the same level as the income ‘free area’ for an adult Newstart recipient, currently \$62 per fortnight. The working credit proposes a

lower accumulation level of \$48 per fortnight, which makes it less effective and unnecessarily complex. This may also result in considerable confusion for allowees as there is no logical connection between the \$48 accumulation level and the \$62 free area. We believe the new system would be both simpler and more effective if the 'carry over' level was set at this level of the adult Newstart income free area.

Recommendation 10

That the amount at which the Working Credit can be accumulated each fortnight be set at the same level of the adult Newstart income 'free area', currently \$62 per fortnight.

Report of the Independent Inquiry

The report by the Independent Review of Breaches and Penalties in the Social Security System (Pearce, Disney & Ridout 2002) made a substantial number of recommendations which it is beyond the scope of this submission to consider, but which the Brotherhood of St Laurence endorses in principle.

There are two specific areas which seem to us to require detailed consideration by the Senate – simplification of income reporting arrangements and reducing the harsh level of penalties for breaching.

Simplification of income reporting

One reason for considerable confusion and many breaches in the social security system is the complexity of requirements for reporting income. People must report when they have an entitlement to an income, even if it has not been received. For those working casually or intermittently, and even for full-time workers, income can vary from week to week and a person may not know how much income they have earned or derived. Although this primarily affects people receiving unemployment payments, it also causes significant distress to sole parents, and the complications with social security payments can be enough to pose a serious barrier to employment. For example a participant in the Brotherhood of St Laurence study (1999) commented:

I owe Centrelink money because when I started work I didn't get paid at first. I had to work two weeks before I got a paycheck. I didn't know what I was going to get paid...And then I have to pay more back [overpayment] and at the moment I have no idea of whether I'm ahead. I know I still owe this money, but now with Centrelink, I don't know what I am going to get next week. I've got no idea. (Parent with two children, part-time work)

The Pearce review recommended that the income reporting arrangements be simplified by focussing on income from work when it is actually received, rather than simply when it is earned or derived. We believe this would remove much unnecessary uncertainty and confusion for unemployed people, and also for parents attempting to balance part-time or casual work with caring and the receipt of parenting payment.

Recommendation 11

That the policy and procedures for reporting of income from work be simplified in line with the recommendations of the Pearce review.

Level of penalties for breaching

People who fail to comply with any activity test requirement without a 'reasonable excuse' are penalised by having their benefits reduced. For the first breach in a two-year period, the penalty is a reduction of 18 per cent of the base payment rate for 26 weeks. For the second breach, the penalty is a 24 per cent reduction for 26 weeks, and for the third breach, the penalty is non-payment for 8 weeks.

For an unemployed single adult receiving Newstart allowance and no other payments in June 2002, receiving \$185 per week, these amounted to reductions of \$863 for the first breach, \$1,151 for the second breach and \$1,476 for the third.

The number of breaches has risen dramatically over the last few years: activity test breaches increased from 60,981 during 1997-98 to 294,747 in 2000-01 (ACOSS 2001; Senate Community Affairs Legislation Committee 2002).

The impact of breaching is falling most heavily on the most disadvantaged job seekers. For example, Hanover Welfare Services found almost one-third of its clients had been breached in the previous 12 months (Hanover Welfare Services 2000). Similarly, the Salvation Army found that around one-quarter of its emergency relief clients had been breached. Even more concerning, it found that 11 per cent, or one in nine people, said they had to turn to crime to survive (Salvation Army 2001).

The Pearce Report recommended that the penalties for breaches be reduced. While arguing that some of the recommendations of the Pearce report had been already implemented, the Minister for Family and Community Services, Senator Amanda Vanstone, rejected recommendations to lower the level of penalties arguing that:

Such a softening of the penalty regime does not reflect the wider community's expectations. The current breach regime, which was extensively debated and passed in Parliament, is a proper reflection of the community's expectations...The penalty levels are designed to balance the need to provide a disincentive to non-compliance with the need to avoid putting people into undue hardship. (Vanstone 2002, p.2).

The Brotherhood of St Laurence conducted a national survey of public opinion to test this assertion and found that, to the contrary, the public nominated financial penalties dramatically lower than those which current exist (Ziguras and Flowers 2002).

The results clearly showed that a majority did not think the current penalties were fair. In detail, once 'don't know' responses were excluded:

- Almost two-thirds of people believed that the current penalties for a first breach were unfair.
- Around 95 per cent of respondents proposed penalties lower than the current level for all breaches.
- The median total penalties proposed were \$20 for a first breach, \$50 for a second breach and \$75 for a third.

Community opinion clearly does not support the current level of breach penalties.

The level of penalties proposed to apply to parenting payment recipients raises great concern because of the serious consequences for both children and parents if a parent is breached. It might be argued that the procedures for applying breach penalties are different enough to ensure that the breaching debacle for unemployed people is not repeated for those on parenting payment.

However no-one anticipated the damage which was caused, and is still being caused, by the current breach system. We believe that extending breaching to parents without amending the penalty levels poses serious risks to both parents and children.

Recommendation 12

That the penalty levels for breaching for unemployed people be reduced to \$20 for a first activity test breach, \$50 for a second breach, and \$75 for a third breach.

Recommendation 13

That no changes be made to extend breaching to recipients of parenting payment unless and until the penalty levels are reduced as per the previous recommendation.

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