

Parliamentary Joint Committee on Human Rights
PO Box 6100,
Parliament House
Canberra ACT 2600

30 April 2021

Dear Committee members,

Re: ParentsNext: examination of Social Security (Parenting Payment participation requirements – class of persons) instrument 2021

We welcome the opportunity to contribute to this inquiry. BSL delivered the ParentsNext program in its pilot phase in 2016–17. We currently deliver the program in nine sites in metropolitan Melbourne: Broadmeadows, Craigieburn, Dandenong, Epping, Fitzroy, Frankston North, Pakenham, Preston and Sunbury.

The parents we work with overwhelmingly welcome support that is empowering and meaningful, that advances their aspirations for themselves and their children, in a manner and timeframe that works for their family circumstances.

Our [submission](#) to the Senate’s Community Affairs References Committee Inquiry on ParentsNext in 2019 evidenced the adverse impacts that the Targeted Compliance Framework had on families. Our concerns about the application of the Targeted Compliance Framework to the ParentsNext program remain.

Compulsion and punitive compliance measures are not working well

The compulsory nature of the program, coupled with the overlay of compliance measures designed for jobactive, creates unintended consequences. Participants with low English skills, poor digital skills, poor digital access (unreliable internet connection, irregular access to a device), Aboriginal and Torres Strait Islander families or those facing additional challenges (e.g. family violence) are particularly vulnerable to being suspended and having their payments cancelled.

In our submission to the Senate Inquiry into ParentsNext, we called for the Australian Parliament to legislate to remove ParentsNext from the Targeted Compliance Framework (TCF). Following this inquiry, the Australian Government introduced several safeguards to the TCF including a two – business day resolution period and lifting of suspensions with full back-pay for mutual obligation failures with valid reasons. Despite these measures, our staff report ongoing challenges with the TCF. Our experience tells us that these punitive compliance measures adversely affect parents and their children, diverting our skilled

staff from meaningful front-line support and undermining potential benefits of the program. The focus on compliance is at odds with the aim of supporting parents.

The TCF risks breaching human rights

BSL is concerned that the application of the Targeted Compliance Framework impedes the realisation of Australia's human rights obligations, including the right to an adequate and equitable social security system that avoids stigmatisation of beneficiaries.¹ In particular, we are concerned that:

- **The eligibility criteria for ParentsNext participants are discriminatory**

Because of its demographic and geographic selection criteria, the current program disproportionately impacts on people from certain cultural backgrounds.² While the program's new contract consolidates the intensive and targeted streams, ParentsNext continues to unfairly target certain groups of parents, especially Aboriginal and Torres Strait Islander parents and parents who are new to Australia and face language and cultural barriers. While the program is presented as offering extra support for parents, in practice it imposes additional administrative and activity burdens on people who already face multiple challenges. Almost all participants (95%) are women. At 28 February 2021, 18% of participants nationally were parents from Aboriginal and Torres Strait Islander backgrounds, 21% were from a culturally and linguistically diverse background and 15% had some form of disability.³

The strict conditions attached to their income support payments could also be characterised as discriminatory.

- **The limitation of rights is disproportionate to the intention**

Payment suspensions are occurring for numerous arbitrary reasons, including missing appointments due to administrative errors, family emergencies, miscommunication or the postponement or cancellation of scheduled activities. The largely automated reporting undermines the flexibility and responsiveness required of a program that should suit parents of young children.

The threat of sanction under TCF creates fear and anxiety that undermines the program's intention to support these parents. Nationally, between July 2018 and February 2021, 156,000 parents participated in the program. Of these, 52,343 had payment suspensions, 10 had payment reductions and 1,072 had their payment cancelled.⁴

- **Unwarranted punitive compliance measures limit parents' right to an adequate standard of living**

Attaching conditions of compulsory participation and the TCF to social security payments limits the right to social security and the right to an adequate standard of living. Placing conditions on the

¹ The right to social security – article 9 of the International Covenant on Economic, Social and Cultural Rights (ICESCR) and article 26 of the Convention on the Rights of the Child (CRC); the right to an adequate standard of living – article 11 of ICESCR and article 27 of the CRC; the right to work – article 6 of ICESCR and article 11 of the Convention on the Elimination of all Forms of Discrimination against Women (CEDAW); the right to education – article 13 of ICESCR, article 10 of CEDAW and article 28 of the CRC; the right to equality and non-discrimination – articles 2, 16 and 26 of the International Covenant on Civil and Political Rights (ICCPR), article 2 of the CRC and article 5 of the International Convention on all Forms of Racial Discrimination (CERD); the obligation to consider the best interests of the child in all actions concerning children – article 3 of the CRC.

² Goldblatt, B 2019, 'More than unpopular: how ParentsNext intrudes on single parents' human rights', *The Conversation*, 16 January.

³ Letter from the letter by the Minister of Employment Skills, Small and Family Business to the Parliamentary Joint Committee on Human Rights (2021).

⁴ *ibid.*

Parenting Payments of vulnerable families can potentially reduce parents' incomes, undermining their economic security, limiting their real freedoms and harming them and their children in the short and long term.⁵

- **Children's interests and wellbeing must be considered**

It is important to consider the rights of children and their needs for care and parental attention.⁶ A compliance driven approach to pre-employment programs creates risks for children. Support for participants' employment and education goals should not come at the expense of children's wellbeing.

- **Compulsory parenting activities are an intrusion into parents' privacy and cause stress**

Requiring participation in parenting-related programs and activities (such as playgroup, swimming lessons) is out of step with the program's pre-employment objectives, and intrusive for families who do not need targeted family services. Many participating parents, as noted in our previous submission, reported feeling unduly controlled, monitored and degraded. Olivia, a single mother who took part in a study conducted by BSL researchers⁷, found that having to comply with a plan added to her stress rather than diminishing it:

They wrote down that three times a week I had to go to the gym and I had to sign off on the app that I've done it and if you don't sign off, or if you didn't go, your payments are suspended. That was part of my plan.

While going to the gym might be helpful in dealing with stress, Olivia was worried that failing to meet the requirements would have serious financial consequences for her and her four-year old child with disabilities. In the BSL caseload, 123 participants reported having a mental health problem. The threat of payment suspensions can trigger and exacerbate negative health outcomes that not only undermine the wellbeing of these participants but also constrain their prospects of future employment. Numerous studies have shown that compliance measures are ineffective in moving people with mental health impairments into work.⁸

- **Lack of evidence that compulsory participation leads to improved labour market outcomes of parents**

There is little evidence that compulsory participation requirements improve parents' employment outcomes or economic security.⁹ Instead punitive sanctions can have negative consequences, including increased poverty and destitution, movement into survival crime and exacerbated ill health and impairments.¹⁰

⁵ Bowman, D & Wickramasinghe, S 2020, *Trampolines not traps: enabling economic security for single mothers and their children*, Brotherhood of St. Laurence, Fitzroy, Vic.

⁶ Bessell, S 2021, 'Rethinking child poverty', *Journal of Human Development and Capabilities*, DOI: 10.1080/19452829.2021.1911969.

⁷ Bowman & Wickramasinghe, op. cit. p. 27.

⁸ Dwyer, P, Scullion, L, Jones, K, McNeill, J & Stewart, ABR 2020, 'Work, welfare, and wellbeing: the impacts of welfare conditionality on people with mental health impairments in the UK', *Social Policy and Administration*, vol. 54, pp. 311–326.

⁹ Wright, S, Fletcher, D & Stewart, ABR 2020, 'Punitive benefit sanctions, welfare conditionality, and the social abuse of unemployed people in Britain: transforming claimants into offenders?', *Social Policy & Administration*, vol. 54, pp. 278–294.

¹⁰ Welfare Conditionality Project 2018, *Welfare Conditionality Project 2013–2018: final findings report*, Welfare Conditionality Project, University of York.

Rather than a compliance-driven approach, practical support and an investment in social infrastructure are required

Our research and that of others have shown that participants in ParentsNext have received limited appropriate assistance.¹¹ Respondents have explained that the program failed to recognise their aspirations or provide the support they needed to fulfil their goals.

The ability to find and retain employment is dependent on a variety of factors such as access to affordable and accessible childcare; opportunities for training, education and skill building; engagement with local employers to expand family-friendly employment options; and flexible support and referrals to complementary services where needed. Without a well-coordinated service system and enabling infrastructure, participants have limited opportunity to strengthen their prospects of work and economic security in the long term.

ParentsNext does not address the structural causes of women's low labour force participation

While ParentsNext aims to increase women's labour force participation, multiple structural barriers confront mothers who want to find employment. Insecure work, low pay, inadequate social safety nets, inequitable childcare and child support systems, unaffordable housing and a lack of gender-responsive policies all work together to disadvantage women.

Adequate investment is needed to address employment barriers for parents participating in ParentsNext. The new contract from July 2021 extends a participation fund (\$600 for flexible use) to compulsory and new voluntary participants (commencing on or after 1 July 2021) and provides wage subsidies attached to employment services. However, there is a need for greater assistance with out-of-pocket costs for participation, including child care, and for referral to support services for participants with complex needs.

Redesign the program to recognise and address the systemic nature of barriers to employment for parents of young children

A comprehensive and multi-dimensional approach is required, with a focus on job creation, skills assessment, career guidance and support, and vocational education and training. Flexible delivery of affordable education and training is important to enable women to complete qualifications that will increase their employment opportunities. Local responses are needed to recognise the variation in labour markets, which can also directly affect women's opportunity to enter the workforce and gain suitable decent work.

Redirect investment to enable and support parents

Existing investment could be reoriented to create an enabling program that makes a tangible difference to the opportunities, work prospects and longer term economic security of families in need. BSL proposes the following key elements and principles for a future approach. It draws from the BSL's service experience (including delivery of ParentsNext during pilot and national roll-out) and research.

Key elements include:

- career advice and vocational guidance (attuned to local labour markets)
- opportunities for training, education and skill building
- engagement with local employers to expand family-friendly employment

¹¹ National Council of Single Mothers and their Children & the Council of Single Mothers and their Children 2019, *ParentsNext: help or hindrance?*, NCSMC & CSMC, viewed 3 May 2021, <https://www.csmc.org.au/wp-content/uploads/2019/08/ParentsNext-Survey-Report-August-2019.docx.pdf>

- access to early learning and care
- flexible support and referrals to complementary services where needed.

These should be underpinned by the following principles:

- trust, motivation and voluntary engagement
- accountability: reframe the current one-way notion of mutual obligation as mutual accountability, to foster reciprocity
- dignity and autonomy: focus on advancing parents' aspirations and strengthening their capabilities and opportunities
- flexibility and responsiveness: enable providers to respond to the distinctive needs of individuals and of different groups of parents
- engagement: appoint organisations with the expertise and capacity to engage their community, by requiring them to demonstrate this in the tender process (as in the Transition to Work tender process).

Accordingly, we recommend:

- **A voluntary and enabling program that makes a tangible difference to the opportunities, work prospects and longer term economic security of families in need**

A strengths-based approach that gives people agency, voice and choice is intrinsically motivating. Evidence on motivation shows that people are more engaged, and more persistent in pursuing a goal, if they have chosen the goal and it is linked to their interests and aspirations. Programs like the early iteration of Jobs Education and Training (JET) program in the late 1980s supported women to gain qualifications to help them get good jobs. JET aimed to improve the circumstances of Sole Parenting Payment recipients and to support their (re)entry into paid work.¹² We urge the Inquiry to revisit the learnings from the successful JET program (1989–2009).¹³

Any future program must be underpinned with respect for the critical safety net that Parenting Payment provides for those caring for their children—which should not be frayed by undue compulsion and conditionality.

We welcome the opportunity to discuss this submission with the committee.

Yours sincerely

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¹² Department of Social Services, Department of Jobs, Education and Training & Department of Health, Housing and Community Services 1992, *Evaluation of the Jobs, Education and Training (JET) program*, Social Policy Research Paper no. 62.

¹³ Banks, M 2011, *One side of the workfare desk: a history of the Jobs, Education and Training Program in the political economy of Australian 'welfare reform' (1989–2006)*, PhD thesis, RMIT University, Melbourne.