



Brotherhood  
of St Laurence

Working for an Australia free of poverty

# Submission on ParentsNext to the Select Committee on Workforce Australia Employment Services

November 2022

## Recommendations

The Brotherhood of St. Laurence believes the ParentsNext program is fundamentally flawed. It has become pernicious and compliance-focused. We recommend that the Australian Government take the following actions:

- Cease the ParentsNext program and replace it with a voluntary program for low-income parents with young children who want to enter or re-enter the workforce, or access more financially secure employment
- Consider the Sustaining Economic Empowerment and Dignity for Women (SEED) Project being trialled in Seymour, Victoria, as an early example of what a replacement program might look like.

## Shaping a new, refocused program

- Adopt long-term economic security of low-income parents as a core policy objective of the program
- Ensure the program is designed, implemented, monitored and evaluated together with low-income parents
- Target the new program towards all low-income parents with young children, while providing more intense and sustained support for single parents and parents experiencing greater levels of disadvantage
- Design the program to include the following evidence-informed model elements:
  - voluntary participation
  - quality pre-employment and employment support
  - employer engagement and activation
  - flexible, person-centred service delivery and support
  - extended support
  - connection to complementary services

- gender awareness and cultural safety, and
- monitoring, evaluation and learning.

## Commissioning and funding

- Commission one provider per region to minimise competition between providers and maximise collaboration and sharing of practice expertise
- Require providers to demonstrate embedded knowledge of and access to relevant opportunities, resources, networks and services in their communities
- Require a commitment to professional development of staff in relation to labour market intelligence and understanding of work and family issues.
- Fund development of a high-quality workforce through
  - dedicated funding for professional development in the program budget
  - funding to support a national Community of Practice to share learning and resources across providers
  - competitive salaries for frontline staff.

## Complementary policies

- Embed the new program within a wider policy strategy to build the long-term economic security of low-income parents. The proposed program must be supported by a suite of complementary policies to tackle structural barriers to workforce participation and economic security over the life course, particularly for women.

## About the Brotherhood of St. Laurence

The Brotherhood of St. Laurence (BSL) is a social justice organisation working alongside people experiencing disadvantage to prevent and alleviate poverty across Australia. Our mission is to pursue lasting change, to create a more compassionate and just society where everyone can thrive. Our approach is informed directly by people experiencing disadvantage and uses evidence drawn from our own and others' research, together with insights from our programs and services, to develop practical solutions that work. We have a long history of helping to build better pathways to participate in our economy and society through our service delivery, policy work and research.

The Jobs & Skills Summit and the establishment of the Women's Economic Equality Taskforce underlined the government's renewed focus on women's economic security over the life course and the associated productivity gains. There is now great opportunity to recast policy and program responses in support of this agenda.

## Historical content for ParentsNext

The Australian Government has provided targeted income support for single parents for fifty years, beginning with the Supporting Mother's Benefit which was introduced in 1973 by the Whitlam Labor Government. This payment was later known as the Sole Parent Pension and then Parenting Payment Single (PPS).

Targeted programs to support single parents into employment pathways began with the introduction of the Jobs, Education and Training program (JET) by the Hawke Labor Government in 1989. JET provided single parents with a pathway to employment through voluntary access to specialist education and employment advice and support, and highly subsidised child care. In the late 1990s, under the Howard Coalition Government, the program became compulsory, with attendance at interviews required as part of mutual obligation for income support. The shift from voluntary to compulsory participation reflected the Howard Government's concern about the risk of 'welfare dependency' of single parents, leading to long-term reliance on income support and 'intergenerational transmission of welfare dependence' (Newman 1999, p.3). The Howard Government reinforced this shift in its 2001–02 Australians Working Together (AWT) budget package, which introduced new mutual obligation requirements for parents. The Howard Government subsequently abolished the JET program and made substantial changes to Parenting Payment as part of the Welfare to Work reforms of 2006.

From 1 July 2006, the participation requirements for Parent Payment Single (PPS) and Parenting Payment Partnered (PPP) were:

- single parents claiming PPS after 1 July 2006 could receive the payment while their youngest child was aged less than eight years. However, they would have participation requirements once that child turned eight years of age and would have to claim another income support payment, mainly Newstart Allowance (NSA).
- partnered parents claiming PPP after 1 July 2006 could receive the payment while their youngest child was aged less than six years of age and would then be required to claim another income support payment, mainly Newstart Allowance.

Existing PPS and PPP recipients were ‘grandfathered’, meaning they could continue to receive PPS or PPP without participation requirements. However, this ‘grandfathering’ ceased in the 2012–13 Budget of the Gillard Labor Government (Crawford 2014).

These national income support and pre-employment policies for women in receipt of Parenting Payment provide the context for the development of various pilot programs, the ParentsNext trial in 2016 by the Turnbull Coalition Government and the nation-wide ParentsNext program implemented in 2018 by the Morrison Coalition Government. This program and policy history shows a shift from a focus on the enabling conditions that support workforce participation to a narrower focus on preventing ‘welfare dependency’. Please refer to the Appendix for a more complete history.

## **BSL’s history with ParentsNext**

In 2016, BSL was invited to take part in the ParentsNext pilot. Despite concerns about the origins and nature of the program, we elected to deliver the program so we could influence future design and delivery to advance our longstanding efforts to build the economic security of low-income women. We delivered the ParentsNext program during its pilot phase for three years between 2016 and 2018 in Broadmeadows, Craigieburn and Sunbury in Victoria.

In the 2017–18 federal Budget, the government announced it would invest \$263 million to expand ParentsNext nationally from 1 July 2018. BSL successfully tendered to deliver the program in four regions and nine sites in Victoria: Hume (Broadmeadows, Craigieburn and Sunbury), North Eastern Melbourne (Epping and Reservoir); Inner Metropolitan Melbourne (Fitzroy); and South-Eastern Melbourne and Peninsula (Dandenong, Frankston North and Pakenham). BSL’s delivery of ParentsNext in Hume came under the intensive stream.<sup>1</sup>

The Targeted Compliance Framework, introduced in 2018, was a key component of the national rollout of ParentsNext. Despite concerns about the framework, we believed we would be able to influence change if we were a part of the system. BSL staff made a considerable effort to design and implement a compassionate and high-quality service, within the constraints of the contract. We worked tirelessly to avoid and reduce the negative impact of the onerous compliance system on our participants.

In early 2021, when we were invited to extend the contract to 30 June 2024, we decided not to proceed given our continuing concerns about the compulsory and punitive nature of program, and the Targeted Compliance Framework in particular. Throughout this time, to secure real time reforms to the program and broader policy change, we have undertaken:

- research and evaluation to refine our practice approach and better understand the opportunities and challenges presented by the program (Bowman & Wickramasinghe 2018 unpub.)
- policy analysis and submissions: [ParentsNext Submission to the Senate’s Community Affairs References Committee Inquiry 2019](#); [ParentsNext: examination of Social Security \(Parenting Payment participation requirements – class of persons\) instrument 2021](#); and

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<sup>1</sup> See Appendix for a description of the two streams.

- sustained advocacy, including working closely with Mission Australia and other not-for-profit peaks and organisations to call on the Department of Education, Skills and Employment for administrative changes including increasing the time to report before suspension.

While we achieved some changes to the program's guidelines, these did not alter the underlying compliance framework which limited the level and type of support we could offer. This submission is based on this history as well as our broader involvement in developing and delivering programs for people experiencing disadvantage.

## What needs to change and why

### Problem definition and policy objectives

The design and implementation of ParentsNext is guided by the stated objectives and target population.<sup>2</sup> According to the most recent [Guide to Social Security Law](#), the objectives of ParentsNext are to:

- target early intervention assistance to parents at risk of long-term welfare dependency
- help parents identify their education and employment related goals and participate in activities that help them achieve their goals, and
- connect parents to local services that can help them address any barriers to employment.

ParentsNext is targeted at parents receiving Parenting Payment (partnered or single) with very young children, who are deemed to be most at risk of long-term disadvantage.<sup>3</sup>

The aim of helping parents to identify education and employment goals and supporting them to achieve these has a clear logic for an employment service designed to advance workforce participation. It recognises that many in the target population may lack access to such necessary assistance. Equally the objective to connect parents to local services that can help them address barriers also recognises engagement in employment is conditional on personal and family wellbeing. Without access to these supports it can be difficult, if not impossible, to pursue employment pathways.

However, the objective of reducing long-term welfare dependency casts the problem as adult dependence on welfare payments, rather than as disadvantage or lack of opportunity to pursue education, training and employment goals. Such framing presents participants as the problem,

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<sup>2</sup> The Appendix details the evolution of ParentsNext from its roots in small, targeted pilots to a national program. Over the eleven years since the *Helping Young Parents* pilot the aims and objectives of the program have shifted, focusing variously on increasing educational participation, reducing welfare dependency, increasing women's workforce participation, 'closing the gap in Indigenous employment' and decreasing intergenerational joblessness.

New iterations of the program were rolled out before publication of evaluations, which, in any case, were widely criticised as lacking rigour.

<sup>3</sup> See Appendix for full eligibility criteria.

and they are cast as lacking capability, motivation and agency to improve their circumstances. This framing has resulted in program design and practice that causes stigma and harm.

The poor problem definition expressed in the program objectives is compounded by the lack of recognition of the essential enabling structural conditions for parents, and especially single parent participation in pre-employment activities. These include adequate income to support family needs, stable housing, affordable and accessible childcare, access to transport and affordable and timely health services.

### Reframing of the problem is required

We recognise that long periods out of the workforce can make it difficult to engage or re-engage in the labour market. There is value in providing support to parents to overcome this challenge. However, rather than focusing just on workforce participation, a more appropriate framing is the need to address economic insecurity, especially for mothers. This is because:

- Mothers face significant structural barriers to decent work, including high effective marginal tax rates due to the interactions between policies (Stewart 2017), and a lack of family-friendly, inclusive employment.
- While some progress has been made, employment does not guarantee economic security, with high rates of low-paid, casualised and part-time work for mothers of young children at times exacerbating insecurity and time poverty.
- In Australia the modified breadwinner model is the common pattern of managing work and care, with a full-time breadwinner, generally the father, and a part-time worker, generally the mother, who has most of the responsibility for child care. Sole parents of young children often also work part-time, reflecting this broader work/care regime.
- Around a third of those who receive Parenting Payment Single also have earnings from employment (Department of Social Services 2022).
- Around 60% of single parents have experienced violence by a previous partner (Summers 2022). They and their children need time to recover from family violence and rebuild their lives.

The JET program in its early iteration showed how investment and support could help parents – mainly women – establish sound foundations (see Appendix). In contrast, punitive compliance measures over recent decades have been found to be ineffective and to increase financial stress (Tennant & Bowey 2019; Welfare Conditionality Project 2018).

BSL proposes the Australian Government replace ParentsNext with a new program which adopts advancing the long-term economic security of parents as a core policy objective. This objective reframes the problem away from welfare dependency to the structural and systemic barriers faced by parents, especially women. Such an objective is consistent with the government's wellbeing agenda, as economic security is foundational to wellbeing, and will have broad benefits, not only for supported families, but for government and the community, in the short and longer term (Jimenez & Roig 2021).

Investment in early intervention and timely support for parents to prepare for and gain employment as a step towards economic security is consistent with this objective. However, a

program alone is insufficient to achieve equitable employment outcomes for parents. A suite of complementary policies and programs is also needed.

## A new program

BSL's view is that ParentsNext is a fundamentally flawed program that needs to be ceased. In this section, we outline what an alternative voluntary program could look like. We have drawn on our extensive involvement in designing, delivering, evaluating and scaling programs to diverse people experiencing disadvantage.

We recommend that government use this program outline as a starting point and engage in co-design with potential participants to refine it prior to roll-out.

## Guiding framework

BSL believes that the Capabilities Approach, proposed by Amartya Sen and later elaborated by Martha Nussbaum, is the most effective guiding framework for the development of human services. It focuses on 'substantive freedom', that is, expanding the real opportunities people have 'to live a life they have reason to value' (Nussbaum 2003). The role of policy within a capabilities approach is to enable people to choose what constitutes a flourishing life.

By focusing on what people can be and do, the capabilities approach emphasises people's potential, rather than their deficits. However, it cannot be reduced to 'strengths-based' practice. Critically, the capabilities approach focuses on the structures, policies and processes that enable people to – or constrain them from – making choices they value, and the real opportunities available in the community to achieve their goals.

Figure 1 steps out how the Capabilities Approach directs practice and the evaluation of social change efforts.

Figure 1 Stepping out the Capabilities Approach

## The Capabilities Approach directs both the practice and assessment of our social change efforts



In the employment context, this involves empowering people to develop capabilities to engage freely in employment of their choosing, that would contribute to a life they have reason to value (Orton 2011).

## Principles

The following principles must be embedded in program design, delivery and evaluation:

- long-term investment
- fostering respect and upholding the dignity, autonomy and capability of parents
- valuing parenting and the best interests of children.

## Purpose and objectives

Clarity of purpose is essential as it enables a program to scaffold expectations with participants and ensure that the provider and participant can work together to achieve the program objectives.

### Purpose

- To improve the long-term economic security of low-income parents with young children who want to enter or re-enter the workforce, or access more financially secure employment by providing voluntary pre-employment and employment support.

### Objectives

- Build the capability of low-income parents to identify and enact employment, education and training goals that will lead to decent work
- Support parents to access suitable education, training and employment opportunities
- Support parents to access other services that will assist them to advance their employment goals and improve their economic security.

## Scope

The voluntary program would extend from pre-employment through to employment support, for those who are ready, and would seek to address barriers to employment in a manner consistent with each parent's goals. The program should facilitate referrals to child and family services and parenting supports where these are identified as a need, but the program itself would not provide these supports or expect parents to engage in them.

## Target population

The Committee's Terms of Reference describe a goal of the employment services system as one that 'leaves no-one behind'. A service should be able to support anyone who comes through the door even if they need to work alongside other services to do so successfully. Eligibility requirements make systems difficult for people to navigate and complicate promotion and advertising.



BSL recommends that the program support parents and carers of young children on low incomes. It should be designed to provide more intense and sustained support for single parents and parents experiencing greater levels of disadvantage.

### Box 1 – Description of the SEED Project

#### Sustaining Economic Empowerment and Dignity for women (SEED)

SEED (Sustaining Empowerment and Economic Dignity for women) is designed to respond to local conditions and increase collective capability to tackle barriers to women's economic security and financial wellbeing, promoting positive change from a local to national level. SEED currently operates in Seymour, Victoria.

#### Key elements

- **Place-based:** The model is designed to respond to local conditions and increase collective capability to tackle barriers to women's economic security and financial wellbeing and create positive change.
- **Underpinned by Amartya Sen's Capability Approach and the concept of economic dignity,** the SEED model works at multiple levels – individual, community and systems – to foster individual and collective financial capability to increase real opportunities for women.
- **Adopting an intersectional gender lens, the model recognises that employment is a means to women's economic security and financial wellbeing, not an end in itself.** It seeks to address the intersecting barriers that undermine women's financial wellbeing such as lack of child care, transport and job opportunities; punitive rather than enabling employment services; lack of access to relevant training and education; shortage of quality housing; lack of family violence support and adequate social security.
- **Research informed and based on evidenced practice approaches.**

Since early 2020, the SEED Project has developed and piloted a new approach, Based on the concepts of economic dignity and empowerment. It centres on a **Women's Financial Wellbeing Hub** and provides:

- a 6-week Empowerment Pathways Program
- mentoring, leadership opportunities, wrap-around personal and economic support, and referrals to other relevant services
- a Community Investment Committee (CIC) to tackle locally identified barriers such as a lack of child care or insufficient flexible work opportunities
- ongoing research and policy analysis relating to women's economic security and financial wellbeing
- rigorous monitoring and evaluation frameworks to enable tracking of multidimensional needs and outcomes at an individual and local level
- development of a National Community of Policy and Practice to unite local CICs (service providers and stakeholders) in a collaborative effort to support effective practice and campaigning for change.

## Key model elements

Drawing on our research and practice expertise and experience including delivery of ParentsNext during the pilot and national roll-out, the development and delivery of SEED (see Box)<sup>4</sup>, research into pre-employment programs and women's economic participation, together with international research, we have identified the following evidence-informed program elements as essential to success:

- voluntary participation
- quality pre-employment and employment support
- employer engagement and activation
- flexible, person-centred service delivery and support
- extended support
- connection to complementary services
- gender awareness and cultural safety, and
- monitoring, evaluation and learning.

Many of these elements address the flaws of ParentsNext, which we have outlined extensively in our past submissions.

### **Voluntary participation**

Our experience is that voluntary programs build agency and generate greater impact. Parents we work with welcome support that is empowering, and that advances their aspirations for themselves and their children, in a manner and timeframe that works for their family circumstances.

There is little evidence that compulsory participation improves parents' employment readiness and long-term employment outcomes. In contrast, there is much evidence of the harms caused by payment suspensions, including creating further barriers to employment (Tennant & Bowey 2019; Welfare Conditionality Project 2018).

Our research found that many participants in ParentsNext recognised the value of employment and had existing incentives and intentions to re-enter the workforce when they are able. The parents we interviewed valued the time spent on parenting for their child's development (Bowman & Wickramasinghe 2018 unpub.). While they wanted to work when they could, many needed or wanted to prioritise parenting, and/or recovery from the trauma of family violence (Bowman & Wickramasinghe 2020).

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<sup>4</sup> We recommend the SEED Project be considered as an early example of what a replacement program could look like.

## **Quality pre-employment and employment support**

Consistent with the evidence on high quality pre/employment services, the new program would support parents to prepare to enter or re-enter the workforce, and where relevant retrain for a more financially secure career.

The program would offer:

- coaching to build confidence and self-esteem as well as set and realise employment goals
- empowerment pathways support
- access to literacy and numeracy support
- vocational and career guidance to expand understanding of employment, education and training in sectors of interest, as well as the job prospects in these sectors
- networking opportunities with employers and social activities with other parents to build social capital and connections
- job preparation workshops and support with digital skills
- support to navigate pathways from pre-accredited to accredited training
- information on and connection to relevant accredited courses/training institutions
- curated work taster and work experience opportunities
- interview preparation and résumé writing services
- finding local jobs, job placements and connecting with local employers/agencies
- post-placement support
- flexible funds to provide child care and education subsidies that enable parents to take up study and employment opportunities.<sup>5</sup>

Providers need to have sound knowledge and understanding of labour market conditions and trends in their areas and strong local networks to expand opportunities for participants.

## **Employer engagement and activation**

The new program would work locally to build employers' awareness of the economic and social value of having family-friendly workplaces and inclusive employment practices, through mechanisms such as local employer networks. Instead of 'matching' jobseekers with employers and jobs, providers would adopt a 'change-making' approach to service delivery which attempts to influence the quality and sustainability of jobs and create positive change in the labour market, using mechanisms such as social procurement (Bowman & Wickramasinghe 2018 unpub.). At the same time, policy reform is also required to foster inclusive employment practices.

BSL has a long history of working effectively with employers through our programs and can provide more information to the Committee about how we undertake this work if needed.

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<sup>5</sup> See key features of the JET program in Appendix.

### **Flexible, person-centred service delivery and support**

The program would provide person-centred case management support to parents with flexible, tailored services in relation to:

- frequency of appointments and method of contact
- ability to choose goals and supports that match needs, interests and circumstances.

BSL's programs for parents run workshops within school hours and provide child care. Digital delivery, and some after-hours workshops, are also offered to give parents choice and to align with their caring responsibilities.

Provision of support at a time and pace that suits the parent is important, along with flexibility as circumstances change. Parents value the ability to choose their preferred method of contact, whether face-to-face, online, or a combination and with flexible appointment times, and appreciate drop-in services that don't require appointments (Bowman & Wickramasinghe 2018 unpub.).

### **Extended support**

Investment is required in longer term support to enable participants to build sound foundations for secure work in the future. For example, the JET program provided financial support to sole parents over months or even years to undertake quality education and training, including university degrees (Banks 2011).

The new program would provide extended support in recognition of the complexity of people's lives, the fluidity of their pathways and the barriers they face. For example, it takes time to overcome barriers such as low proficiency in English and disrupted education.

### **Connection to complementary services**

Program providers will need strong social capital and local networks so they can leverage a wide range of services, resources and opportunities for participants. They also need to have complementary knowledge of family and child entitlements to provide tailored support for parents.

Providers would be encouraged to develop Community Investment Committees (CICs). CICs are a local collaborative, multisectoral mechanism that brings together key local actors to create and strengthen pathways and services. Collective capabilities are harnessed when stakeholders come together to challenge systems and norms through collective action, influencing individual or household financial wellbeing. The aim of a CIC is to share local knowledge, and to leverage community support and partnerships to co-develop opportunities that add value to work already taking place in the community.

### **Gender-awareness and cultural safety**

Providers and frontline practitioners will need capacity to deliver a culturally safe and responsive program. This could be achieved through the commissioning process as well as by mandatory training. Staff will need an in-depth understanding of the tensions between work and care

commitments and issues relating to women and work, especially for women experiencing disadvantage.

### **Monitoring, evaluation and learning**

The program would need:

- a strong impact framework
- data access at the local level to inform practice, action learning and research
- independent evaluation capacity
- a Community of Practice with other providers to build a common understanding of good practice.

Parents and carers would be actively involved in shaping the delivery and ongoing development of the service.

### **Engagement**

Our long history of delivering voluntary programs for people experiencing disadvantage is that incentives, rather than the threat of punishment, work to enlist participation. For example, state employment services (like our [Jobs Victoria Employment Services](#) and [Work and Learning Centres](#)) are voluntary and have no difficulty engaging participants who would be considered 'hard to reach'. Adopting a partnership approach to working with participants in setting goals and building a pathways plan ensures dignity and choice.

While the new program would be voluntary, 'the deal' is a practice approach that BSL has developed to make clear what each party will commit to doing to achieve the participant's goals. Further information has been provided to the Committee in response to a Question on Notice.

Parents will also be more likely to participate if the enabling conditions exist, such as available child care.

### **Commissioning and funding**

The program would be delivered by organisations based locally, as they are best positioned to employ community knowledge and networks.

The commissioning process needs to support collaboration rather than competition. BSL recommends that government:

- fund one provider per region to minimise competition between providers and maximise collaboration and sharing of practice expertise
- require providers to demonstrate embedded knowledge of and access to relevant opportunities, resources, networks and services in their communities
- require a commitment to professional development of staff in relation to labour market intelligence and understanding of work and family issues.

We would be pleased to provide further details on quality commissioning to the Committee on request.

Long-term contracts to support staff retention and program viability are strongly encouraged (Considine et al. 2020).

We recommend the program be funded to develop a high-quality workforce through:

- dedicated funding for professional development in the budget
- funding to support a national Community of Practice to share learning and resources across providers
- competitive salaries for frontline staff.

### **Workforce capability**

The de-professionalisation of staff in employment services and its consequences for effective outcomes for participants, community and government have been well documented (O'Sullivan, McGann & Considine 2021). To ensure the capability of the workforce, government needs to fund program providers to employ suitably qualified staff at a decent wage with manageable caseloads.

It must also invest in ongoing, evidence-informed professional development. There are multiple levers for this, including structured payments for professional development in contracts, online resources and tools, communities of practice, and annual workshops to enable sharing across the national network of providers.

### **Composition of the workforce**

Services should demonstrate that they have endeavoured to employ program staff who reflect the diversity of the parents and carers using the service. Bilingual staff are particularly valuable. Parents we interviewed identified the benefits of speaking with staff with similar life and parenting experiences (Bowman & Wickramasinghe 2018 unpub.). We recommend that qualified roles be complemented by peer mentoring roles that bring lived experience of balancing work and care on a low-income to program delivery.

Government should encourage providers to employ staff with relevant qualifications. However, it will be important to design for thick and thin markets, recognising the scarcity of potential staff in regional areas, for example, by setting timelines for on-the-job upskilling of staff.

### **Complementary policies**

Beyond any single program, other policies are needed to build the enabling conditions that support long-term economic security, address structural barriers and support parents to successfully combine work and care (Bowman & Wickramasinghe 2020).

Given the government's interest in women's economic security, it is timely to direct attention to policy settings that impede women's workforce participation, including but not limited to:

#### **Early learning and care**

- Removal of the Child Care Subsidy Activity Test which can lock out low-income families with low engagement from adequate access to early learning and childcare.

### Family-friendly, inclusive employment

- Demand-side interventions including increasing the number of suitable jobs that are inclusive and family-friendly.

### Fair and adequate social security

- Social security reform to deliver adequate payment rates and fair conditions
- Addressing the intersections of policies in the tax and transfer system that discourage women's employment, for example by creating high effective marginal tax rates
- Improved access to social workers in Centrelink offices to support parents with complex needs.

### Other enabling conditions

- Action to prevent and respond to family violence
- Affordable housing
- Access to health and other support services
- Affordable, accessible transport especially in the regions.

Additionally, BSL recommends that policy development in this space be guided by the findings of the Select Committee into Work and Care.

**For further information or to discuss this submission, please contact:**

<p><b>Prof. Shelley Mallett</b> Director, Social Policy and Research Centre Professorial Fellow, Social Policy, University of Melbourne Email: <a href="mailto:smallett@bsl.org.au">smallett@bsl.org.au</a> M: 0438 022 985</p>	<p><b>Dr Dina Bowman</b> Principal Research Fellow, Work and Economic Security Email: <a href="mailto:dbowman@bsl.org.au">dbowman@bsl.org.au</a> M: 0418 310 551</p>
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Brotherhood of St. Laurence  
67 Brunswick Street  
Fitzroy Vic. 3065

ABN 24 603 467 024  
ARBN 100 042 822

Ph. (03) 9483 1183  
[www.bsl.org.au](http://www.bsl.org.au)

## Appendix: History of past programs aiming to support the workforce participation of parents

Jobs, Education and Training Program (JET) (1989–1996) [voluntary phase]	
<b>Target population</b>	<ul style="list-style-type: none"> <li>• Open to all sole parent pensioners*, with three main target groups:               <ul style="list-style-type: none"> <li>○ Teenage single parents</li> <li>○ Those in receipt of the sole parent pension (SPP) for more than a year and with a youngest child 6 years or older</li> <li>○ Those with a youngest child aged 14 years or older and therefore in the final years of eligibility for SPP</li> </ul> </li> <li>• Extended to Widow Class B and Carer pensioners (1993) and Widow Allowees (1995).</li> </ul> <p>*Single parents who met income and assets tests could receive a pension payment, Parenting Payment Single (PPS), until their youngest child turned 16 without having to fulfil any activity requirements.</p>
<b>Problem definition and objectives</b>	<p>JET had two objectives:</p> <ul style="list-style-type: none"> <li>• to improve the labour force participation of sole parents</li> <li>• to reduce outlays on social security pensions and benefits (consistent with the Accord-defined problem but maintained focus on social objectives).</li> </ul> <p>The aim was to assist sole parents into paid work and the problem it sought to address was the disadvantaged faced by single parents in the labour market.</p>
<b>Engagement mechanism/s</b>	<ul style="list-style-type: none"> <li>• Voluntary participation</li> <li>• Financial incentives</li> <li>• Support that addressed barriers to work.</li> </ul>
<b>Key features</b>	<ul style="list-style-type: none"> <li>• Eight years of free child care if parents were studying or training</li> <li>• Highly subsidised child care for 26 weeks for single parents starting work</li> <li>• JET Child Care Workers in the Department of Community Services and Health supported single parents by finding and paying for family day care, occasional care and long day care places</li> <li>• Long-term subsidies for study and education expenses</li> <li>• \$100 Employment Entry Payment for parents</li> <li>• \$200 Education Entry Payment for parents</li> <li>• Sustained individual case management support and specialist employment and education advice over months and even years from JET Advisers (JAs) employed by the Department of Social Security</li> <li>• Referrals to a range of services</li> <li>• Connections to vocational training, subsidised employment, job searching techniques, and skills training, personal support and enterprise activities</li> <li>• Jointly administered by three departments</li> <li>• Support from JET Contact Officers, whose role was to promote JET, identify eligible clients who may not know about the program and advise them of JET services, book JA interviews and link those interested to Commonwealth Employment Service (CES) programs.</li> </ul>



<p><b>Evidence and outcomes</b></p>	<p>The 1992 JET evaluation found an increase in the labour force participation rate of sole parents from 48 per cent in 1988 to 55 per cent in 1991.</p> <p>In 1995–96 total cumulative Sole Parent Pension savings equalled total cumulative JET program expenditure and savings seemed likely to exceed expenditure in future years.</p> <p>A 1996 AGB McNair evaluation commissioned by the Department of Social Security found that 80% of eligible participants were aware of the program and a similar percentage would recommend JET to others.</p> <p>The last JET evaluation released in 1997 found that:</p> <ul style="list-style-type: none"> <li>• 44% of sole parent pensioners were JET participants</li> <li>• JAs interviewed nearly 300,000 single parents in its first seven years, resulting in approximately 200,000 (mainly women) securing paid work, training or study (one third of whom were in paid work, another third looking for work and over 21% training or studying</li> <li>• JET participants were 1.34 times more likely to earn income and twice as likely to be studying when compared to their non-JET counterparts.</li> </ul>
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Source: 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)*.

### JET (late 1990s–2006) [compulsory phase]

<p><b>Target population</b></p>	<ul style="list-style-type: none"> <li>• As above</li> <li>• Extended to Partner Allowees in 1997</li> <li>• Extended to parents receiving Parenting Payment Partnered in 1998.</li> </ul>
<p><b>Problem definition and objectives</b></p>	<p>This phase of JET was driven by the Australian Working Together reforms of the Howard Government, which defined the problem as long-term unemployment and people needing to help themselves.</p>
<p><b>Engagement mechanism/s</b></p>	<p>Australian Working Together reforms included:</p> <ul style="list-style-type: none"> <li>• Parenting Payment recipients with a child aged 6 to 15 years were required to attend an annual Centrelink participation interview, and those with a youngest child aged 13 to 15 years needed to undertake 150 hours of an activity (job search, education, training or community work) in a six-month period</li> <li>• Payment suspensions for non-compliance</li> <li>• From 2003, JAs were required to ensure that parents met the extra compliance measures.</li> </ul>
<p><b>Key features</b></p>	<p>As above, except that program features and budget were eroded over time until the program was scrapped in 2006:</p> <ul style="list-style-type: none"> <li>• Delivery of JET split between the JET advisor and Personal Advisor (PA) roles</li> <li>• Welfare-to-Work changes in 2005 split the JET Child Care Fee funding from the rest of the program's funds</li> <li>• JET training budgets for parents reduced in 2003</li> <li>• JET Child Care Fee Assistance reduced from up to 8 years to a maximum of 12 months in 2006.</li> </ul>

<p><b>Evidence and outcomes</b></p>	<p>The last JET evaluation was published in 1997. No evaluation was completed during its compulsory period.</p> <p>Banks (2011) notes:  the 7-year trend suggests that the period when the JET Program was most active (2001-02 to 2004-05 – before JAs and PAs were gradually withdrawn in the year leading up to June 2006) unemployed single parents were more likely to start a new job compared to the subsequent two years. This therefore strongly suggests that the compulsory turn was less effective in its intent than the voluntary JET program was in its (p. 184).</p>
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Source: 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)*.

### Helping Young Parents (HYP) trial (2012-2016)

<p><b>Target population</b></p>	<ul style="list-style-type: none"> <li>• Receiving Parenting Payment</li> <li>• Being the principal carer of at least one child who is five years of age or younger</li> <li>• Residing in one of the ten trial locations</li> <li>• Being 19 years of age or younger</li> <li>• Not completed at least a Year 12 or equivalent level qualification.</li> </ul> <p>The selected Local Government Areas (LGAs) for the trials were:</p> <ul style="list-style-type: none"> <li>• Bankstown, Shellharbour and Wyong (New South Wales)</li> <li>• Logan and Rockhampton (Queensland)</li> <li>• Playford (South Australia)</li> <li>• Burnie (Tasmania)</li> <li>• Hume and Greater Shepparton (Victoria)</li> <li>• Kwinana (Western Australia).</li> </ul> <p>The locations were selected for reasons of high unemployment rates, low educational levels and high numbers of people receiving income support payments.</p>
<p><b>Problem definition and objectives</b></p>	<p>The objectives of HYP were to:</p> <ul style="list-style-type: none"> <li>• improve the education of young parents and the development outcomes of their children</li> <li>• address non-vocational barriers and improve future employment prospects of young parents</li> <li>• prevent intergenerational joblessness and reduce socio-economic disadvantage.</li> </ul> <p>The program was aimed at improving future employment prospects of teen parents receiving Parenting Payment (Single or Partnered) through attainment of education rather than increasing immediate employment outcomes.</p> <p>The design of the trial responded to evidence about the relationship between employment participation and educational attainment. The emphasis was on the achievement of at least a Year 12 or equivalent level qualification.</p> <p>It identified the problem as jobless families and the relative disadvantage experienced by teen and young mothers.</p>

<b>Engagement mechanism/s</b>	<ul style="list-style-type: none"> <li>• Compulsory participation</li> <li>• Participants were required to attend interviews every six months with the Department of Human Services</li> <li>• Non-compliance could result in suspension of income support payments.</li> </ul>
<b>Key features</b>	<ul style="list-style-type: none"> <li>• Requirement to develop a participation plan with DHS, with educational/family goals and activities required to reach these goals when their youngest child was 12 months old</li> <li>• A minimum of two compulsory activities, one education/training activity and one early childhood/parenting activity</li> <li>• Greater access to child care.</li> </ul>
<b>Evidence and outcomes</b>	<p>An impact analysis of the trial was conducted by the Department of Employment in 2015 and released in 2017. Impacts were estimated by comparing the difference between the outcomes of a small sample of trial participants and the outcomes of parents in a comparison group both before and after the introduction of the trials. It found:</p> <ul style="list-style-type: none"> <li>• an approximate 30% higher chance of participating in education compared to young parents in the comparison group</li> <li>• an 11% higher chance of using approved child care services.</li> </ul> <p>The report did not consider how other interventions to support parents may have affected the findings.</p>

Source: Department of Employment 2017, *Helping Young Parents and Supporting Jobless Families research report*, Canberra.

### Supporting Jobless Families (SJF) trial (2012–2016)

<b>Target population</b>	<ul style="list-style-type: none"> <li>• Receiving Parenting Payment</li> <li>• Being the principal carer of at least one child who is five years of age or younger</li> <li>• Residing in one of the ten trial locations</li> <li>• In receipt of income support for at least 2 years, or less than 23 years of age</li> <li>• Not working or studying.</li> </ul> <p>The locations for the trials were the same as for HYP.</p>
<b>Problem definition and objectives</b>	<p>The objectives of SJF were to:</p> <ul style="list-style-type: none"> <li>• increase the ability of parents to find work by encouraging their early participation in education and employment related activities</li> <li>• engage children in preschool and other activities designed to improve their preparedness for school, and</li> <li>• improve linkages of jobless families with locally available services to support them to achieve their family goals.</li> </ul> <p>The program aimed to assist parents to prepare to return to the workforce once their youngest child reached school age and to help ensure their children were ready to start school.</p> <p>It identified the problem as jobless families and the relative disadvantage experienced by teen and young mothers.</p>

<b>Engagement mechanism/s</b>	<ul style="list-style-type: none"> <li>• Compulsory participation with some voluntary elements</li> <li>• Participants were required to attend interviews every six months with the Department of Human Services</li> <li>• Non-compliance could result in suspension of income support payments.</li> </ul>
<b>Key features</b>	<ul style="list-style-type: none"> <li>• Requirement to develop a participation plan with DHS including a minimum of one activity</li> <li>• Compulsory participation in interviews and workshops for parents when their youngest child was 4 or 5 years old</li> <li>• Voluntary participation in employment, education, parenting and childhood development activities</li> <li>• Greater access to child care.</li> </ul>
<b>Evidence and outcomes</b>	<p>An impact analysis of the trial was conducted by the Department of Employment in 2015 and released in 2017. Impacts were estimated by comparing the outcomes of a large sample of trial participants and the outcomes of parents in a comparison group both before and after the introduction of the trials. It found:</p> <ul style="list-style-type: none"> <li>• a 3% higher chance of engaging with work, study, or child care use compared to the jobless parents in the comparison group.</li> </ul> <p>The report sought to explain why the impact was so low by first noting that activities were voluntary but then stating, ‘participants with younger children may have had a primary focus of looking after their child rather than focussing on preparing for employment or even actively looking for work’ (p. 10).</p>

Source: Department of Employment 2017, Helping Young Parents and Supporting Jobless Families research report, Canberra.

## ParentsNext pilot (2016–2018)

<b>Target population</b>	<p>Parenting Payment recipients:</p> <ul style="list-style-type: none"> <li>• residing in one of the ten trial sites</li> <li>• had been receiving Parenting Payment for six months or more</li> <li>• had not had any employment income in the last six months, and</li> <li>• had a child aged between six months and six years.</li> </ul> <p>Access to assistance was available on a voluntary basis if parents:</p> <ul style="list-style-type: none"> <li>• lived in a ParentsNext Local Government Area (LGA)</li> <li>• received Parenting Payment</li> <li>• had a child aged under six, and</li> <li>• had not had employment earnings in the last 6 months.</li> </ul> <p>The ten trial site LGAs were:</p> <ul style="list-style-type: none"> <li>• Bankstown, Shellharbour and Wyong (New South Wales)</li> <li>• Greater Shepparton and Hume (Victoria)</li> <li>• Logan and Rockhampton (Queensland)</li> <li>• Playford (South Australia)</li> <li>• Kwinana (Western Australia)</li> <li>• Burnie (Tasmania).</li> </ul>
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<p><b>Problem definition and objectives</b></p>	<p>The purpose of the pilot was to assist participants to identify and pursue education and employment goals, with the aim of (re)entering the workforce.</p> <p>The policy objectives informing the program were to:</p> <ul style="list-style-type: none"> <li>• increase women’s participation in the labour force</li> <li>• reduce welfare dependency</li> <li>• decrease intergenerational joblessness.</li> </ul> <p>The problem was defined as the need to address were Australia’s significant gender gap in labour force participation and high proportion of children living in jobless households.</p>
<p><b>Engagement mechanism/s</b></p>	<ul style="list-style-type: none"> <li>• Compulsory participation (with voluntary participation for groups outside the compulsory criteria)</li> <li>• Non-compliance of participant resulting in a suspension of income support payments.</li> </ul>
<p><b>Key features</b></p>	<ul style="list-style-type: none"> <li>• A participation plan with educational/family goals and related activities</li> <li>• Service referrals</li> <li>• Financial assistance for childcare</li> <li>• A participation fund</li> <li>• One compulsory appointment at a minimum of every six months</li> <li>• At least one compulsory activity that addresses any vocational or non-vocational barriers to employment/training.</li> </ul>
<p><b>Evidence and outcomes</b></p>	<p>A ParentsNext Evaluation Report was released in 2018. It was conducted internally by the Department of Jobs and Small Business and was heavily criticised by academics and advocates. Key critiques included:</p> <ul style="list-style-type: none"> <li>• a lack of detail about how the study was conducted including the number of participants involved in surveys and focus groups</li> <li>• no investigation of the impacts of payment suspensions</li> <li>• the presentation of parenting as a problem</li> <li>• that findings are skewed towards the positive with little interrogation of negative feedback.</li> </ul> <p>The evaluation noted the following findings:</p> <ul style="list-style-type: none"> <li>• 60% of participants undertook study or training</li> <li>• 41% of participants were looking for work</li> <li>• Surveyed participants were significantly more likely to be studying or undertaking training than non-participants (28% to 19%)</li> <li>• 53% of surveyed participants stated that engagement with ParentsNext had improved their chances of a job.</li> </ul>

Source: Henderson, R, Mui, S, Radcliffe, J, Reinhard, A, Schmidli, P, Costanzo, K, Jankovic, C, Toohey, M, Chan, G, Mwesigye, D, Ray, D & Wu, Y 2018, *ParentsNext evaluation report*, Department of Jobs and Small Business, Canberra.

## ParentsNext national rollout (2018)

<p><b>Target population</b></p>	<p>It is compulsory for a person to participate in ParentsNext if they:</p> <ul style="list-style-type: none"> <li>• reside in a Workforce Australia Employment Region</li> <li>• have been in receipt of PP (partnered or single) continuously for the last 6 months</li> <li>• have a youngest child who is at least 9 months and under 6 years</li> <li>• have not reported any income or hours worked in employment in the previous 6 months</li> <li>• are under 55 years of age, and             <ul style="list-style-type: none"> <li>○ are under 22 years of age and have not completed the final year of school (or equivalent level of education)</li> <li>○ are 22 years of age or older and have not completed the final year of school (or equivalent level of education), and have been receiving income support continuously for more than 2 years, or</li> <li>○ have completed their final year of school and have been receiving income support continuously for more than 4 years.</li> </ul> </li> </ul> <p>Participation was initially divided into two streams:</p> <ul style="list-style-type: none"> <li>• Targeted Stream – Parenting Payment recipients in the 51 Employment Regions</li> <li>• Intensive Stream – 30 Locations across Australia (including the existing 10 trial locations) with a high proportion of Indigenous participants.</li> </ul> <p>Services Australia assesses whether a parent meets the criteria for a compulsory participant.</p> <p>To volunteer for ParentsNext a parent must:</p> <ul style="list-style-type: none"> <li>• be in receipt of PP</li> <li>• have a youngest child aged under 6 years old</li> <li>• reside in a Workforce Australia Employment Region, and</li> <li>• not be participating in another employment program.</li> </ul>
<p><b>Problem definition and objectives</b></p>	<p>The purpose of ParentsNext is to help eligible parents and carers of young children to plan and prepare for employment before their youngest child starts school.</p> <p>The 3 main objectives of ParentsNext are to:</p> <ul style="list-style-type: none"> <li>• target early intervention assistance to parents at risk of long-term welfare dependency</li> <li>• help parents identify their education and employment related goals and participate in activities that help them achieve their goals, and</li> <li>• connect parents to local services that can help them address any barriers to employment.</li> </ul>
<p><b>Engagement mechanism/s</b></p>	<ul style="list-style-type: none"> <li>• Compulsory participation</li> <li>• Application of the Targeted Compliance Framework which triggers the suspension of payments for non-compliance.</li> </ul>

<p><b>Key features</b></p>	<p>As above, with some changes.</p> <ul style="list-style-type: none"> <li>• Outcome payments for providers at the completion of an education course or sustainable employment outcome by participants in intensive locations</li> <li>• No hourly requirements for compulsory activities</li> <li>• A participation fund, wage subsidies and relocation assistance to take up a job for participants in the intensive stream</li> <li>• In 2018, reporting and attendance requirements were reduced to once a fortnight, with no reporting required where participants are engaged in full-time education</li> <li>• In response to the <a href="#">ParentsNext Senate Inquiry</a> in 2019, the Australian Government introduced several safeguards to the Targeted Compliance Framework including a two-business day resolution period and lifting of suspensions with full back-pay for mutual obligation failures with valid reasons. Changes also allowed Services Australia to apply all exemption types, potentially making it simpler for participants to obtain an exemption, though there is limited evidence suspension rates have reduced</li> <li>• Other more recent changes included consolidating the two streams (intensive and targeted) into one, making the participation fund available to all participants, and introducing SMS reminders for participants' reporting and attendance activities.</li> </ul>
<p><b>Evidence and outcomes</b></p>	<p>No further evaluation of ParentsNext has been undertaken, despite repeated calls by advocates for an independent evaluation.</p> <p>Payment suspensions have been <a href="#">found</a> to cause harm to single parents and their children.</p> <p>The problems with ParentsNext and its poor outcomes for parents and their children are extensively documented in the submissions to and reports of the <a href="#">2019 Senate inquiry</a> and the <a href="#">2021 Parliamentary Joint Committee on Human Rights inquiry</a>.</p>

Source: <https://guides.dss.gov.au/social-security-guide/3/11/11>

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