



Submission to the Senate Standing Committees on Community Affairs – Community Affairs Referencing Committee

Response to the Inquiry into *ParentsNext*, including its trial and subsequent broader rollout

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1. About Uniting Communities

Uniting Communities works with South Australians across metropolitan, regional and remote South Australia through more than 90 community service programs. The organisation is made up of a team of more than 1,500 staff and volunteers who support and engage with more than 20,000 South Australians each year.

We work with children, young people and families to support them through difficult times. Our services include family and relationship support including support for single parent families with accompanying children, domestic violence services, support for families new to Australia, financial and legal services, advice with social security issues, homelessness services, and alcohol and other drug support.

Uniting Communities supports the submission to this same Inquiry as provided by the Accountable Income Management Network (AIMN), of which we are a founding member organisation. AIMN is a nation-wide group of community members; representatives of national, state and local non-government organisations and community bodies; academics; social researchers and public policy experts. The Network is concerned about the provision of equitable and appropriate social security support to economically marginalised Australians, with particular reference to the effects of compulsory income management and welfare conditionality.

2. Introduction

Uniting Communities welcomes the opportunity to comment on the *ParentsNext* program, including its trial and subsequent broader rollout.

This submission provides responses to a number of the Inquiry's Terms of Reference, with an emphasis on the disadvantaging effects that the *ParentsNext* program has on children and their parents, with particular reference to First Nations families and to sole-parenting mothers. It is argued that the mandatory requirement for participation in the Program discriminates against parents and their children, exacerbates their existing hardship, and undermines their sense of agency and right to access social security in order to meet their basic needs.

While Uniting Communities is not opposed to the idea of a programs that offer assistance on a voluntary and flexible basis to people who receive parenting payments in order to support them in developing their skills and improving their employment eligibility, we believe that targeting mothers of young children using an inflexible, punitive and mandatory approach is detrimental and unproductive. Providing access to employment opportunities or skills development should not give the Government license to disregard people's agency and choice or to penalise them for 'non-compliance'.

Punishing a parent by cancelling or suspending their income support payment because of their lack of compliance with a set of conditions which they were not involved in designing or agreeing to, only serves to alienate them and exacerbate their existing hardship; we know that poverty in early childhood leads to poorer outcomes later in life. *ParentsNext*, as a form of conditional and compulsory income management, is compounding the existing levels of financial and emotional stress experienced by low-income households.

Uniting Communities' experience of working with parents and their children has taught us that working in interactive, client-centred and collaborative ways achieves better outcomes and enables people's sense of agency, autonomy and choice to be respected.

3. Commentary on *ParentsNext*

Uniting Communities wishes to provide comment on the Inquiry's terms of reference, as set out below. Our emphasis is on *Terms of Reference (a)* and the appropriateness of the aims of *ParentsNext*, having regard to the interests of participating parents, their children, and the community.

Uniting Communities supports the provision of early intervention programs for parents with young children as well as opportunities for parents to identify their education and employment aspirations. However, an approach to providing such programs that is mandatory and that includes punitive sanctions for non-compliance is rejected by our organisation.

Uniting Communities believes that the *ParentsNext* program includes a number of inherent contradictions and problems, and that the effort and resources allocated to *ParentsNext* are inappropriate to the needs of participating parents and their children. The Program is misdirected and its resources could be better used by providing more responsive and supportive programs that are not mandatory.

The following highlight our key concerns regarding the appropriateness of *ParentsNext*:

Lack of recognition of the contribution of parenting

While espousing family values and the importance of supporting young families, the Program contradicts itself by devaluing the importance of parenting and the time needed for parents and children to bond within an environment that is supportive and enabling.

The Program fails to recognise that women with young children are effectively working to take care of their children and to maintain their households. Typecasting this role and relegating it to the status of being unproductive work – when women are effectively working in full-time roles doing unpaid work taking care of their children – disregards the contribution that women of young children are making to Australia's economy.

The need to focus on barriers to employment

Access to educational opportunities and decently paid and meaningful employment is essential if we are to overcome the existing status quo of gender inequality in employment and the financial insecurity experienced by many women.

However, *ParentsNext* does not recognise the day-to-day challenges and barriers faced by women in accessing employment. In particular, the lack of recognition that there is a thin labour market and a lack of job opportunities, is compounded by the structural barriers experienced by mothers with young children when attempting to access employment.

If young mothers are being prompted to engage in the labour market, it is essential that consideration is given to the wellbeing of their children and that parents have access to affordable child-care that is close to where they live or work.

Noting that the majority of workers in precarious and casualised work are women, the *ParentsNext* Program may be contributing to exacerbating this situation by encouraging women with young children to accept insecure work that is, invariably, paid at a lower rate and that provides no ongoing employment pathway.

A punitive model with harsh compliance requirements

The Program is premised on a punitive model with harsh sanctions for non-compliance by women who are already time-poor and who have not been consulted about their needs or a possible model that would be of value and provide them with the supports they might need.

The application and administration of this Program disregards participants' rights regarding their granting of free, prior and informed consent for the collection and holding of their sensitive information and data by private providers.

Women with young children who receive Parenting Payments are already subjected to a number of conditions and compliance requirements. It is unnecessary to subject them to further conditions and sanctions through the imposition of the *ParentsNext* obligations. The existing conditional welfare-to-work and work-for the dole schemes (such as the Community Development Program, *JobActive* and the Cashless Debit Card) with their 'mutual obligation' requirements in order to qualify for income support payments do not appear to have created increased employment options for participants. Having an additional layer of obligation and compliance super-imposed on the existing schemes is not addressing the employment or child-caring needs of parents and only serves to compound the hardship and stress which they experience.

The Targeted Compliance Framework:

Requirements such as reporting to Centrelink or a service provider on time, or attending obligatory activities such as 'story-time sessions' or swimming lessons, irrespective of whether the parent and her child/children are interested or in need of the latter, lead to a loss of Parent Payment income payments in the event of non-compliance. The rigid nature of the Targeted Compliance Framework (TCF) does not cater for emergency situations (such as hospitalisation, attending funerals and sorry business) or times when participants are unable to report due to power-outages or being out of mobile range.

Far from 'encouraging job seekers to meet their mutual obligation requirements'¹ as stated by the Department of Social Services, the compliance measures, in the form of the TCF, are exacerbating the levels of stress and the financial hardship experienced by participants. There is nothing 'encouraging' about the TCF; it is effectively a mechanism of coercion and punishment.

The loss of income support payments resulting from non-compliance with the TCF requirements, has a direct impact on children and their families and their access to basic requirements such as food, medication, transport, utilities and clothing. Rather than

¹ <http://guides.dss.gov.au/guide-social-security-law/3/1/14>

enabling improved parenting, health and wellbeing, and positive relationships, the imposition of the TCF is eroding parents' capacities to cope and to provide for their children.

Withholding income support payments is an inappropriate and misdirected response to structural unemployment, a lack of affordable child-care or the needs of a parent to spend time and effort caring for her children without experiencing unnecessary additional pressures and financial stress.

The compliance framework and conditionalities applied through *ParentsNext* constitute a violation of the *International Covenant on Economic, Social and Cultural Rights*, to which Australia is a signatory. According to this Covenant, social security is an entitlement that is to be provided to those in need due to circumstances such as unemployment, illness, disability, old age or caring responsibilities – this entitlement is to be 'exercised without discrimination'.

The Program and its compliance framework are currently exercising discrimination, not only in terms of those who are unemployed but also towards those who are women and/or First Nations Australians (noting that approximately 15 per cent of people on the Single Parenting Payment identified as being of Aboriginal and/or Torres Strait Islander descent²).

4. Conclusions and Recommendations

Having highlighted our key concerns above, and also referring this Committee to the submission made by the Accountable Income Management Network (AIMN) of which we are a founding member, Uniting Communities urges the Inquiry to consider the following two key recommendations:

Recommendation 1: Abolition of *ParentsNext*

The Program is inappropriate to the needs of parents and does not address the issues to which it is ostensibly directed – the provision of pre-employment support for parents with young children. The coercive and punitive nature of *ParentsNext* serves to erode people's sense of agency and alienates recipients of the Parent Payment. The Program is not fit for purpose and should be abolished.

Recommendation 2: The co-design of appropriate programs and services

That consideration and resources are directed towards developing voluntary programs and services that are flexible and meet the needs of those receiving the Parenting Payment. The development of such a suite of responsive programs and services would need to be co-designed with those receiving parenting income support payments, based on a consultative process that includes a preponderance of women and First Nations community organisations so as to ensure that programs are gender sensitive, and culturally competent and relevant to First Nations families.

In conclusion, any program or service that is aimed at providing pre-employment support for parents with young children should be founded on the principles of constructive engagement, the entitlement of citizens to social security, the rights of children, and respect for parents' sense of agency and decision-making.

² <https://data.gov.au/dataset/ds-dga-cff2ae8a-55e4-47db-a66d-e177fe0ac6a0/details?q=>