

Submission to the Senate Standing
Committees on Community Affairs
regarding ParentsNext, including its trial
and subsequent broader rollout

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Introduction

The Accountable Income Management Network welcomes the opportunity to comment on ParentsNext, including its trial and subsequent broader rollout. We have developed a submission in response to several of the Terms of Reference (TOR) stipulated by the committee, maintaining focus on the detrimental effects of welfare conditionality in the ParentsNext program, and the impacts that these have on parents and their children.

The AIMN notes human rights concerns related to two demographics disproportionately targeted by the program: single mothers and Aboriginal and Torres Strait Islander families. We are also concerned about how welfare conditionality programs like ParentsNext intersect with other punitive programs such as compulsory income management.

This submission responds to TOR a, b (i, vii and viii), c and e.

About the Accountable Income Management Network

The Accountable Income Management Network (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. Our members have a strong commitment to social justice and human rights and are concerned about the provision of equitable and appropriate social security support to economically marginalised Australians. The AIMN is concerned in particular with the issues raised by compulsory income management and welfare conditionality.

Key concerns about ParentsNext, including its trial and subsequent broader rollout

The AIMN frames this response in recognition that ParentsNext is another iteration of welfare conditionality within the Australian social security system. The AIMN has had long-standing concerns about the creeping conditionality that increasingly characterises Australia's responses to disadvantaged persons, and ParentsNext is yet another example of this trend. The Centre for Excellence in Child and Family Welfare makes this connection in their response to the Government's ParentsNext Discussion Paper, referring to ParentsNext as a form of conditionality which 'can become an additional source of stress for low income families already battling with complex needs, causing or exacerbating existing vulnerability, disadvantage or both'¹.

Concerns regarding TOR a) the aims of ParentsNext, and the extent to which those aims are appropriate, having regard to the interests of participating parents, their children, and the community.

ParentsNext is a 'pre-employment program' designed primarily to target women with children under the age of 6 years who have been receiving the Parenting Payment for six consecutive months, and who have not earned any income during the past 6 months². It has operated in 10 'Intensive Stream' locations since the 4th of April 2016 and, from the 2nd of July 2018, was rolled out to all non-remote areas in Australia³. The 'Intensive Stream' now operates in the 10 original locations and 20 new locations, all of which have a high proportion of Aboriginal and Torres Strait Islander participants⁴. ParentsNext also has both compulsory and voluntary participation pathways.

Targeting of Aboriginal and Torres Strait Islander Parents and Single Mothers

As of June 2018, the Department of Social Services (DSS) identified that the overwhelming majority of Single Parenting Payment recipients Australia-wide are women - 231,706 out of 244,296 recipients⁵. Further, approximately 15% of Single Parenting Payment recipients identified as being of Aboriginal and/or Torres Strait Islander descent⁶. This is echoed in the former Department of Employment's late 2017 Discussion Paper on the national expansion of ParentsNext, where it is predicted that approximately '96 per cent of participants [are]

¹ <https://www.cfecfw.asn.au/wp-content/uploads/2017/09/CFECFW-Feedback-on-ParentsNext-national-expansion.pdf> p. 1

² <https://www.humanservices.gov.au/individuals/services/centrelink/parentsnext>

³ <http://guides.dss.gov.au/guide-social-security-law/3/5/1/167>

⁴ <https://www.jobs.gov.au/parentsnext>

⁵ <https://data.gov.au/dataset/ds-dga-cff2ae8a-55e4-47db-a66d-e177fe0ac6a0/details?q=>

⁶ <https://data.gov.au/dataset/ds-dga-cff2ae8a-55e4-47db-a66d-e177fe0ac6a0/details?q=>

expected to be women, including around 10,000 Indigenous women...'⁷. It is therefore clear that this program assumes the need to enforce behavioural change in these specific population groups. However, an independent human rights analysis of the program has identified that ParentsNext does not appear to have sufficient grounds to target participants in this way⁸. ParentsNext perpetrates both direct racial discrimination against Aboriginal and Torres Strait Islander recipients of parenting payments, as well as indirect gender discrimination against female participants. While this has been vaguely rationalised in relation to disadvantage faced by both the aforementioned groups, 'there has been no justification for the proposition that supporting the individuals identified as disadvantaged must (or can only) be done through linking their parenting payments to compliance with the program'⁹.

Enforcing punitive welfare conditionality

While ParentsNext uses soft language around stated activities such as providing 'assistance to parents', 'help[ing] parents identify their education and employment related goals and participate in activities that help them achieve their goals' and 'help[ing] them address any barriers to employment', this program clearly operates with the same emphasis on punitive compliance as other welfare conditionality programs such as *jobactive* and income management. Though the claimed intention of ParentsNext is to support parents to become ready for employment, 'a more accurate description is that the parents are being mandated to do so, and this is the limitation that has not been justified'¹⁰. The presence of sanctions and the linkage of the Parenting Payment to participation in the program indicate inherent flaws in ParentsNext's underlying objectives - enforcing compliance in this way undermines the agency of participants. For further discussion on the Targeted Compliance Framework, see the response to TOR c below.

Reproductive labour is work!

The rationale underpinning ParentsNext highlights a fundamental misrecognition of the amount of labour that single mothers engage in on a daily basis. ParentsNext is premised on a devaluation of reproductive labour as work - indeed, this is a structuring principle of the program. As noted by the Australian Institute of Family Studies, 'new mothers go from spending a weekly average of 2 hours caring for others to a whopping 51 hours'¹¹. While this is clearly time during which new mothers are not available to engage in pre-employment activity, the ParentsNext program fails to take this into consideration.

As well as this, if single parents are to be supported into employment, there should be a guarantee that this employment is not precarious in itself- as noted by Juanita McLaren and

⁷ <https://apo.org.au/node/110926>

⁸ <https://medium.com/@ellabuckland/human-rights-implications-of-the-parentsnext-program-162a96e84b8f>

⁹ <https://medium.com/@ellabuckland/human-rights-implications-of-the-parentsnext-program-162a96e84b8f>

¹⁰ <https://medium.com/@ellabuckland/human-rights-implications-of-the-parentsnext-program-162a96e84b8f>

¹¹ <https://aifs.gov.au/publications/mothers-still-do-lions-share-housework>

Susan Maury of Good Shepherd, ParentsNext may 'encourag[e] women with young children to accept employment opportunities that lack security, adequate remuneration, or a long-term career pathway that will lead to financial security'¹². This principle must apply to all pre-employment and employment programs available to Australian jobseekers.

Moreover, ParentsNext marks a further shift away from policy appreciating the importance of unpaid work to the Australian economy. A report by PricewaterhouseCoopers shows that unpaid work is Australia's largest industry valued at over AUD \$2.2 trillion, and 72% of this work is carried out by women¹³. Unpaid work includes childcare, domestic household tasks, care of the elderly or people with disabilities, and volunteering.

Concerns regarding TOR b) the design and implementation of ParentsNext.

(i) the appropriateness of eligibility for compulsory and voluntary participation

Section 501A (6) of the Social Security Act (1991) refers to the terms of a Parenting Payment Employment Pathway Plan, stating that the Secretary must have regard to both '(a) the person's capacity to comply with the requirements; and (b) the person's needs'. 501A (7) extends this by requiring the Secretary to take into account factors such as the participant's 'education, experience, skills and age', 'the impact of any disability, illness, mental condition or physical condition on the person's ability to work, look for work or to participate in training activities', 'the state of the local labour market and the transport options available to the person in accessing that market', 'the family and caring responsibilities of the person', and 'the financial costs (such as travel costs) of complying with the requirements, and the person's capacity to pay for such costs', among others.

However, it has been noted by both participants and providers that this is not the case in practice. Some parents have suffered under suspensions which have jeopardised their ability to pay for food, rent and utilities¹⁴. Rural parents have had payments suspended because they could not access the technology to report to Centrelink¹⁵. Still others have faced sanctions for failing to attend mandated parenting activities that are hard to relate to pre-employment preparation, such as 'story time' or swimming lessons¹⁶. There are also examples of failures to take emergency situations into account - in one extreme case, a pregnant participant had her payments suspended because she was admitted to hospital

¹² <http://www.powertopersuade.org.au/blog/parents-vexed-parentsnext-is-poorly-designed-to-support-mothers-into-work/18/10/2017>

¹³ PricewaterhouseCoopers (2017), *Understanding the unpaid economy*, <https://www.pwc.com.au/australia-in-transition/publications/understanding-the-unpaid-economy-mar17.pdf>

¹⁴ <https://www.theguardian.com/australia-news/2018/dec/28/happy-christmas-from-centrelink-our-welfare-payments-have-been-stopped>

¹⁵ <https://www.theguardian.com/australia-news/2018/dec/19/service-providers-call-for-parents-next-overhaul-after-families-left-without-food>

¹⁶ <https://www.theguardian.com/australia-news/2018/nov/06/single-parents-forced-to-attend-story-time-or-lose-centrelink-payments>

and was unable to report¹⁷. These examples suggest that the design of the program is not based on employability but rather on the assumption of individual participant inadequacies, an assumption rooted in a lack of understanding of the complexity of participants' circumstances.

With a general consensus between providers and participants about the inadequacy of the program itself to allow flexibility for varied circumstances¹⁸, the onus is on Government to shift the harmful assumptions underpinning both ParentsNext policy and service delivery.

(vii) the measures, if any, in place to avoid causing risk or harm to vulnerable participants and their children, including participants and children who are victims and/or survivors of family violence

ParentsNext may compound intergenerational disadvantage

In an analysis of the Human Rights Statement of Compatibility that was prepared as part of the *Social Services Legislation Amendment (Welfare Reform) Bill 2017*, it has been noted that 'participants are frequently reluctant to participate in programs like ParentsNext', and participants 'often come from families that were subject to intergenerational disadvantage and had barriers to employment and education'¹⁹. However, ParentsNext is based on a model that frames intergenerational disadvantage as a 'social problem' resulting in a drain on public resources in the form of so-called 'intergenerational welfare dependency'. ParentsNext has been introduced in an effort to 'correct' this problem through enforced behavioural change, an approach which fails to account for the external structural barriers and prejudices affecting socio-economically disadvantaged families.

Because of this, there has been no clear justification made by the Government regarding the need for a compliance framework to enforce the program, or an explanation of how ParentsNext might intersect with intergenerational *disadvantage* as opposed to intergenerational 'welfare dependency'. This indicates a lack of understanding of the context within which ParentsNext participants are situated - particularly participants with intersecting experiences of acute stress caused by past or ongoing family violence, racism, or other forms of discrimination. These stressors, along with personal issues such as undiagnosed or untreated health conditions, require expert support rather than the conditionality of ParentsNext, which can exacerbate underlying difficulties.

Further, without adequate attention to the reasons why a person may be reluctant to participate, the emphasis on 'reluctance' in the statement of compatibility implies that

¹⁷ <https://www.theguardian.com/australia-news/2018/dec/19/service-providers-call-for-parents-next-overhaul-after-families-left-without-food>

¹⁸ <https://www.ja.com.au/news/jobs-australia-welcomes-senate-inquiry-parentsnext-media-release>

¹⁹ <https://medium.com/@ellabuckland/human-rights-implications-of-the-parentsnext-program-162a96e84b8f>

people are unmotivated to make positive changes in their lives. It appears that this assumption has led to a decision to force people to participate, further compromising any motivation a person may have had. An appropriate response to this apparent issue would have been to explore respectful engagement strategies that address the barriers people face to participation.

Good Shepherd Australia New Zealand have noted the lack of requirement for providers to have specialist expertise to assist clients with ‘highly complex needs, including those who experience family violence or those with physical or mental disabilities’²⁰. This is highly concerning as, in combination with the Targeted Compliance Framework (discussed further in response to TOR c), this creates the possibility for highly vulnerable individuals to be made subject to inappropriate or unsafe participation plans/activities.

ParentsNext undermines participants’ ability to give free, prior and informed consent
ParentsNext participants have also recently identified disturbing issues with their ability to provide free, prior and informed consent for the collection of sensitive information by private providers. It is highly concerning that the ability to access social security payments is conditional on the provision of this information, with some participants noting that their case workers have threatened to cut their payments if they refuse to sign the form²¹. Terese Edwards, Chief Executive of the National Council of Single Mothers and their Children, has reiterated these concerns with particular reference to the security issues that this forced disclosure may raise for women who have experienced family violence²². An inability to provide free, prior and informed consent (FPIC) is a further infringement on the rights of parents forced to participate in ParentsNext. This is particularly concerning in the case of Aboriginal and Torres Strait Islander participants, more so as Australia is a signatory to the United Nations Declaration on the Rights of Indigenous Peoples, a document which enshrines Indigenous peoples’ right to FPIC²³.

(viii) the appropriateness of the aspects of the program specifically aimed at communities with high Aboriginal and Torres Strait Islander populations, and the appropriateness of the broader program for Aboriginal and Torres Strait Islander parents outside target communities
The disproportionate targeting of Aboriginal and Torres Strait Islander parents receiving income support payments fits into a long legacy of welfare restrictions and conditions being imposed on First Nations Australians. This includes the discriminatory application of

²⁰ <https://www.goodshep.org.au/media/1929/g sanz-submission-response-to-parents-next-discussion-paper-final.pdf> p. 11

²¹ <https://www.theguardian.com/australia-news/2019/jan/28/parentsnext-single-mothers-say-they-were-forced-to-allow-sensitive-data-to-be-collected>

²² <https://www.theguardian.com/australia-news/2019/jan/28/parentsnext-single-mothers-say-they-were-forced-to-allow-sensitive-data-to-be-collected>

²³ <https://www.humanrights.gov.au/publications/un-declaration-rights-indigenous-peoples-1>, see Article 19.

compulsory income management programs such as the BasicsCard and Cashless Debit Card, which involve the partial quarantining of income support payments²⁴, which initially targeted areas with proportionally larger Indigenous populations. These programs operate on the assumption that behavioural change is required to address issues of intergenerational disadvantage faced by First Nations Australians that in reality stem from the damage caused by the myriad social, economic, cultural and political impacts of colonisation²⁵.

The Department of Jobs and Small Business acknowledges that the Intensive Stream of ParentsNext operates in 30 locations 'with a high proportion of Parenting Payment recipients who are Indigenous'²⁶. The Intensive Stream has a lower threshold for eligibility, capturing Aboriginal and Torres Strait Islander parents with younger children, some as young as six months old - parents who will still be primarily engaged in a significant amount of reproductive labour²⁷. This raises key concerns around the program's infringement upon Aboriginal and Torres Strait Islander participants' right to equality and non-discrimination²⁸.

The justification for decisions relating to the intensive stream is that early intervention for people experiencing the highest levels of disadvantage will have the most significant positive impact. While early intervention is of great importance, the way in which it has been implemented under ParentsNext is instead counter-productive and harmful. The fact that the ParentsNext evaluation contained no assessment of whether the program was culturally safe or appropriate adds to this concern.

Concerns regarding TOR c) the appropriateness of the application of the Targeted Compliance Framework (TCF) to ParentsNext, and the impact of the TCF on participants.

Despite the DSS' statement that 'the purpose of the targeted compliance framework is to *encourage* job seekers to meet their mutual obligation requirements'²⁹, the TCF is clearly an inappropriately harsh punishment for social security recipients. Jobs Australia noted that member organisations have raised issues with the implementation of the TCF as part of ParentsNext. Concerns include 'delays getting through to customer service lines; default system codes making online reporting mandatory, and; confusion between employment

²⁴ <https://www.dss.gov.au/our-responsibilities/families-and-children/programmes-services/welfare-quarantining>

²⁵ <http://www.powertopersuade.org.au/blog/the-mounting-human-costs-of-the-cashless-debit-card/15/3/2018>

²⁶ <https://www.jobs.gov.au/parentsnext>

²⁷ <http://guides.dss.gov.au/guide-social-security-law/3/5/1/167>

²⁸ <https://medium.com/@ellabuckland/human-rights-implications-of-the-parentsnext-program-162a96e84b8f>

²⁹ <http://guides.dss.gov.au/guide-social-security-law/3/1/14>, emphasis added.

service agencies and DHS over system accountabilities³⁰. Further, that the TCF applies to ParentsNext is policy slippage – it should not apply to parents who are not in the labour force.

Most concerning is the fact that application of payment suspensions under the TCF have a *direct* impact upon the children of ParentsNext participants. It is nonsensical to assume that suspending the payments of impoverished parents will not have an effect on these parents' ability to pay for necessities such as food, clothing, transport and medical costs for themselves and their children. As noted in a human rights analysis of the program, while the right to social security is enshrined in the United Nations Convention on the Rights of the Child, it is being violated by the application of the TCF³¹, as it directly jeopardises parents' ability to provide their children with the necessities for survival, including food and shelter.

Jobs Australia notes that many ParentsNext providers have recognised that the TCF 'increas[es] stress and financial difficulty for parents and their young children. It is contributing to negative outcomes for participants' physical and mental health, self-esteem, relationships and engagement with the labour market'³². The AIMN reiterates Jobs Australia's proposal that the TCF is immediately suspended from ParentsNext 'until an effective engagement framework can be developed in consultation with providers, peaks and participant stakeholder groups'³³. However, we extend this proposal to call for the removal of targeted compliance altogether – any subsequent engagement framework should have a clear human rights basis.

Concerns regarding TOR e) any other related matters the committee considers relevant.

The AIMN notes several further concerns with the ParentsNext program.

- ParentsNext participants have been classified and onboarded according to their geographic location rather than individual support requirements³⁴, raising issues around inappropriate targeting that are akin to those highlighted in push-back against compulsory income management under the Cashless Debit Card³⁵ and BasicsCard³⁶.

³⁰ <https://www.ja.com.au/news/jobs-australia-welcomes-senate-inquiry-parentsnext-media-release>

³¹ <https://medium.com/@ellabuckland/human-rights-implications-of-the-parentsnext-program-162a96e84b8f>

³² <https://www.ja.com.au/news/urgent-action-required-targeted-compliance-framework-parentsnext>

³³ <https://www.ja.com.au/news/urgent-action-required-targeted-compliance-framework-parentsnext>

³⁴ <https://medium.com/@ellabuckland/human-rights-implications-of-the-parentsnext-program-162a96e84b8f>

³⁵ <https://nacchocommunique.com/category/welfare-card-cashless/>

³⁶

https://www.sprc.unsw.edu.au/media/SPRCFile/Evaluation_of_New_Income_Management_in_the_Northern_Territory_full_report.pdf

- ParentsNext providers are concerned. Jobs Australia, the national peak body representing not-for-profit employment and community services, notes that some of its members have raised concerns about the ParentsNext program. Jobs Australia has heard from members that ‘current arrangements for ParentsNext are causing harm to vulnerable parents on income support’³⁷.
- The AIMN notes that there is a concerning lack of peer-reviewed analysis about the impacts of the overlap of compulsory income management programs such as Place-Based Income Management, the Basics Card, and the Cashless Debit card, and the ParentsNext program and Targeted Compliance Framework. This is particularly significant considering the recent rollout of the Cashless Debit Card in the Bundaberg and Hervey Bay areas, where the program’s mandate specifically includes addressing ‘intergenerational welfare dependence’ through the targeting of many young parents³⁸. We request that policy makers account for and address the potential overlap between these policies, as this may significantly compound disadvantage for participants.

³⁷ <https://www.ja.com.au/news/jobs-australia-welcomes-senate-inquiry-parentsnext-media-release>

³⁸ <https://www.dss.gov.au/families-and-children-programs-services-welfare-quarantining-cashless-debit-card/cashless-debit-card-bundaberg-and-hervey-bay-region>

Conclusion and Recommendations

Based on the above concerns, the AIMN has developed a list of recommendations regarding the ParentsNext program.

Recommendation 1: The ParentsNext program should be cancelled. Access to a pre-employment program must not be linked to punitive welfare conditionality that further marginalises socio-economically vulnerable families and undermines their already limited agency.

Recommendation 2: The positive aspects of the program, such as holistic support and flexibility, could be applied through an alternative, voluntary opt-in program that uses positive, respectful engagement and outreach strategies.

Recommendation 3: Programs supporting parents to prepare for future work should ensure that the support provided will enable them to access sustainable, fair and appropriate employment, rather than unsecure and casualised work.

Recommendation 4: Aboriginal and Torres Strait Islander community organisations should be supported to develop alternative pre-employment programs which are culturally competent and relevant to Indigenous families.

Recommendation 5: Pre-employment programs should be developed with a strong human rights foundation and in relation to Australia's obligations under the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, the Convention on the Rights of the Child, and any other relevant instruments.

Further, the AIMN reiterates the Centre for Excellence in Child and Family Welfare's statement that 'families respond better when recognised as experts in their own lives and when practitioners work alongside them to explore what is best for the family'³⁹.

³⁹ <https://www.cfecfw.asn.au/wp-content/uploads/2017/09/CFECFW-Feedback-on-ParentsNext-national-expansion.pdf> p. 2