



PARLIAMENT OF AUSTRALIA

Your Future Planning

Interim Report on ParentsNext

House of Representatives

Select Committee on Workforce Australia Employment Services

February 2023

CANBERRA

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Contents

Foreword	vii
Membership of the Committee	xi
Terms of Reference	xiii
Abbreviations	xv
List of recommendations	xvii

Report

Introduction	1
Background to ParentsNext.....	2
Eligibility.....	3
Mutual obligations and compliance	5
Key facts and figures	5
Other relevant inquiries and reviews	6
Previous parliamentary inquiries into ParentsNext.....	6
Senate Community Affairs References Committee	7
Parliamentary Joint Committee on Human Rights	8
Other Parliamentary inquiries and reports.....	9
Select Committee on Intergenerational Welfare Dependence.....	9
Select Committee on Work and Care	10
Employment White Paper	10
Women’s Economic Equality Taskforce	11
Productivity Commission inquiries.....	11
Productivity inquiry.....	11
Steering Committee for Review of Government Service Provision	12
About the inquiry	12
Conduct of the inquiry.....	13
Report structure.....	13
Matters to be addressed in the final report.....	14

Notes on terminology.....	14
Acknowledgements	15
Policy objectives	17
Policy drivers for pre-employment programs	18
Poverty and intergenerational disadvantage	18
Barriers to labour force participation.....	21
Roles and functions of pre-employment programs	23
Identifying and realising education and employment goals.....	24
Preparing participants to transition to Workforce Australia	25
The role of a pre-vocational program	26
Connecting parents to services and supports	27
Addressing poverty and disadvantage	28
Valuing the role of parenting.....	30
The current ParentsNext program	31
Alternative programs	35
Designing a replacement service	37
Co-designing the service	37
Monitoring and evaluation	38
Supporting young and teenage parents.....	39
Committee view	41
Program design	47
Eligibility, assessment and referrals	48
Initial contact by Services Australia.....	49
Application of current eligibility criteria	51
Eligibility for voluntary participation.....	53
Compulsory participation	54
Arguments against compulsory participation	54
Arguments for compulsory participation	56
Age of the youngest child	58
A 'lighter touch' approach to compulsory participation	59
Granting of exemptions	60
Incentives to participate.....	62

The Participation Plan.....	63
Participation Plans in the context of a compulsory program	63
Tailoring of the Participation Plan to the individual participant	64
Appropriateness of the activities in the Participation Plan.....	66
Funding and investment	66
Outcome payments	67
Participation Fund.....	68
Supporting participants to obtain driver licences	70
Committee view	72
Compliance and enforcement	81
The Targeted Compliance Framework	82
Harms caused to participants	83
Impact on participant engagement	85
Automation of compliance and enforcement	87
Reducing impacts on participants.....	88
Reporting requirements	89
Committee view	91
Service delivery	95
Information and engagement	96
Public-facing information on ParentsNext	96
Advice for parents and carers.....	97
Interactions between providers and Services Australia.....	98
Commissioning and service delivery	101
Supporting specific cohorts.....	103
First Nations peoples.....	104
People from Culturally and Linguistically Diverse backgrounds	106
Parents who have experienced family violence	108
Frontline staff: training, qualifications, and experience.....	111
Supporting innovation and experimentation	115
Hub-based service delivery models.....	115
Providing continuity of assistance	117
Committee view	118

Implementation and transition arrangements125
Consideration in the 2023–24 Budget126
Ongoing co-design, trialling, and continual improvement.....127

Appendixes

Appendix A. Submissions129
Appendix B. Public hearings.....135



Foreword

The people we met, spoke with, and learned from over many months were consistently inspiring. Parents who loved and hated ParentsNext and everything in between, and the workers who choose their often difficult and usually low-paid jobs to support parents. We thank them for their time and, at times raw, honesty. Those conversations directly inform our report and will stay with us as we continue our work.

At times over many months, it felt like we would never find a way forward, as ParentsNext is polarising. More so than any other aspect of employment services that the Committee has grappled with so far. ParentsNext has been the subject of considerable controversy. Indeed, while our inquiry is a first principles review, there have been two parliamentary inquiries since the national rollout of the program in 2018.

Many people love ParentsNext, think it's the best and most flexible program, and want to keep it as is. Numerous parents we met with explained that ParentsNext has helped them to build confidence, connect with employers, and find paid work. Yet many others think it's something close to evil and must be scrapped, describing the compliance process as re-traumatising and akin to coercive control. With such strongly and genuinely held views it's proven uncommon for people to see the perspectives of others with different views or engage in the middle.

The Committee's conclusions are nuanced, and its recommendations comprehensive. This report is genuinely and thoughtfully made, faithful to the evidence and the result of deep shared reflection by all members of the Committee.

The Australian Government has a responsibility to support and empower parents to achieve full social and economic participation. This is not merely a moral imperative, but an economic priority. ParentsNext grew out of earlier efforts to help young teenage parents, and then highly disadvantaged single mums with positive net outcomes. The Committee's conclusion is that the continuation of a 'program' (we say pre-vocational service) to support vulnerable parents is essential.

ParentsNext, however, is now locked into a punitive frame and does too much harm for the good it also does. Unfortunately, the positive experiences were overshadowed by evidence of harms caused by onerous participation requirements and a harsh compliance regime. The Committee also heard that the program has an undue focus on paid employment, which may not be appropriate for many parents who have made the reasonable choice to focus on caring for their young children.

The Committee is clear in our view that parents (usually though not always mothers) have a right to choose to actively parent their babies and very young children, and this

right should not just be available to wealthy parents. Caring for young children is work which used to be valued in its own right and a mandatory focus on preparing parents of very young children for future employment is a very patriarchal view of caring and doesn't take account of enormous diversity in the needs of families and children.

We therefore make 30 recommendations, including that:

- ParentsNext be abolished at the end of its current contracts and replaced with a supportive pre-vocational service developed via a co-design process and called 'Your Future Planning'.
- To allow sufficient time for a co-design process and not leave vulnerable parents without support, the current contracts be extended for the shortest time necessary.
- In the interim, significant changes be made to ParentsNext to address the most serious concerns identified, predominantly in relation to the participation, reporting and compliance regimes and how Services Australia engages with people and providers.

The recommendations and Committee comments set out proposed *draft* design parameters to inform both a replacement service and more immediate interim changes to the current program including that:

- Where funding is limited, prioritise a better-quality service to fewer people rather than compromise on core design principles.
- There should be much greater use of support and incentives to encourage voluntary participation, including possible cash payments and a new 'Skills Passport'.
- Onerous reporting rules should be scrapped for all participants. Participation requirements should be radically reduced, as it is unreasonable to require parents caring for very young children to engage in a pre-employment program. Compelling evidence was received though that if there are no participation requirements at all, many of the most vulnerable parents would not engage. This brings a high risk of long-term unemployment and poverty including later in life.

As draft principles, we propose that participation be fully voluntary when a parent's youngest child is under three, with a face-to-face check-in by Services Australia in the months after the youngest child turns two. In the years between three and six years old, there only be minimal requirements to attend periodic appointments and meaningfully participate (this does *not* mean activity reporting).

- There should be a more intensive targeted service for vulnerable teenage and very young parents.
- The Targeted Compliance Framework should be scrapped for parent participants. Payment penalties, cancellations and full payment suspensions should be removed entirely as parents should never be left with no money. Government needs a new mechanism to underpin requirements, proposed to be a partial payment withholding ('holdback') of a small percentage of a payment (which should not apply to Family Tax or other payments).

- As a matter of principle, decisions impacting a participant's income support should only be made by a government official, not by a staff member of a provider agency or automated via an IT system.
- Government should seriously consider reducing competition between providers in a replacement service and having a public sector agency (probably Services Australia) deliver the service in at least a few Employment Regions.
- Skills and competency standards to re-professionalise the sector should be introduced in the replacement service in a sensible, realistic way that values lived experience.

ParentsNext is not as bad as many say, but not as great as others claim. The Committee encourages those who may be involved in designing a replacement service to accept the values and key design principles outlined in this report, to respect the wisdom and positive intentions of the incredibly diverse range of stakeholders involved with the program, and not to let the perfect be the enemy of the good.

The Committee also thanks the Department of Employment and Workplace Relations, the Department of Social Services, and Services Australia for their constructive engagement with the inquiry.

We urge the Government to carefully consider this report and to act on the Committee's recommendations, including the release of a transition plan by July 2023.

There has not been a shred of partisanship in this inquiry or this report, and I thank all my colleagues on the Committee for their engagement and for their collegial approach to this inquiry.

Mr Julian Hill MP
Committee Chair



Membership of the Committee

Chair

Mr Julian Hill MP

Bruce, VIC

Deputy Chair

Mr Russell Broadbent MP

Monash, VIC

Members

Dr Andrew Charlton MP

Parramatta, NSW

Ms Louise Miller-Frost MP

Boothby, SA

Dr Daniel Mulino MP

Fraser, VIC

Ms Rebekha Sharkie MP

Mayo, SA

Mr Aaron Violi MP

Casey, VIC



Terms of Reference

The House of Representatives resolved that a Select Committee on Workforce Australia Employment Services be appointed to inquiry into and report on:

- (a) the implementation, performance and appropriateness of Workforce Australia Employment Services;
- (b) the extent to which Workforce Australia Employment Services delivers services in a way that is fair, leaves no one behind, respects individuals' diverse needs, and supports job seekers into secure work, in particular, its support for long term unemployed and young people; and
- (c) other matters in relation to Workforce Australia Employment Services.

On 20 September 2022, the Committee resolved to:

- (a) include relevant pre-employment and complementary programs within the scope of the Inquiry into Workforce Australia Employment Services;
- (b) specifically consider the role of ParentsNext in providing early intervention services to disadvantaged parents as part of the employment services system; and
- (c) make any recommendations on ParentsNext before the end of February 2023.

Abbreviations

ABS	Australian Bureau of Statistics
ACOSS	Australian Council of Social Services
AHRC	Australian Human Rights Commission
AIHW	Australian Institute of Health and Welfare
ANROWS	Australia's National Research Organisation for Women's Safety
ARACY	The Australian Research Alliance for Children and Youth
atWork	atWork Australia
AWAVA	Australian Women Against Violence Alliance
BRQ	Basic Rights Queensland
BSL	Brotherhood of St Laurence
CALD	Culturally and Linguistically Diverse
CCS	Child Care Subsidy
CECFW	The Centre for Excellence in Child and Family Welfare
CORE	CORE Community Services
CSMC	The Council of Single Mothers and their Children
CVGT	CVGT Employment
DEWR	Department of Employment and Workplace Relations
DJSB	Department of Jobs and Small Business
DSS	Department of Social Services
DVNSW	Domestic Violence New South Wales
EJA	Economic Justice Australia
ERA	Equality Rights Alliance
FRSA	Family and Relationships Services Australia
Goodstart	GoodStart Early Learning
HYP	Helping Young Parents
JET	Jobs, Education and Training
Jobfind	Jobfind Centres Australia
JSCF	Job Seeker Compliance Framework
JSCI	Job Seeker Classification Instrument
KRCIC	Kullarri Regional Communities Indigenous Corporation

LGAs	Local Government Areas
NESA	National Employment Services Association
NCSMC	National Council of Single Mothers and their Children
NWSA	The National Women's Safety Alliance
OECD	Organisation for Economic Cooperation and Development
OCTEC	OCTEC Limited
PJCHR	The Parliamentary Joint Committee on Human Rights
PP	Parenting Payment
PPS	People Power Services
Roseberry	Roseberry Queensland
SAEP	Salvation Army Employment Plus
SCoA	The Settlement Council of Australia
SEED	Sustaining Empowerment and Economic Dignity
SEPT	Supporting Expecting and Pregnant Teens
SJP	Supporting Jobless Families
SRJA	Sarina Russo Job Access
SSI	Settlement Services International
STP	Single Touch Payroll
SYC	SYC Ltd
TCF	Targeted Compliance Framework
The Commission	The Productivity Commission
WACOSS	Western Australia Council of Social Services
WHFS	Women's Health and Family Services
White Paper	The Australian Government's Employment White Paper
Workskil	Workskil Australia
Workways	Workways Australia Ltd
YFS	YFS Limited

List of recommendations

Recommendation 1

2.114 The Committee recommends that ParentsNext be abolished at the end of its current contract and be replaced with a new pre-vocational service.

Recommendation 2

2.117 The Committee recommends that the Australian Government:

- extend existing ParentsNext contracts for the shortest time possible to allow for the co-design and implementation of a replacement service; and
- make significant changes on an interim basis to the current ParentsNext program to address the serious concerns outlined in this report, with a particular focus on limiting participation and reporting requirements and reducing the impacts of the unreasonably harsh compliance regime.

Recommendation 3

2.126 The Committee recommends that the service which replaces ParentsNext value caring for children as important, and focus on:

- assisting parents to identify future aspirations and education and employment goals that will lead to secure, meaningful work that fits with their caring responsibilities;
- supporting parents to progress towards their skills and education goals and to access suitable employment opportunities; and
- supporting parents to access other services and supports to help them to care for their family and advance and address barriers to their education and employment goals, taking account of caring responsibilities.

Recommendation 4

2.127 The Committee recommends that complementary and alternative programs delivered by not-for-profit entities be recognised as fulfilling participation requirements for ParentsNext and for any service which replaces it. Participants should also be enabled to use the Participation Fund, as well as funding allocated to the proposed 'Skills Passport', to support participation in programs deemed appropriate and beneficial.

Recommendation 5

2.130 The Committee recommends that the Australian Government design and implement a specific program focused on young and teenage parents. The program should have the objective of assisting young and teenage parents to complete their studies and improve their long-term prospects, as well as the long-term prospects of their children.

Recommendation 6

2.133 The Committee recommends that the program to replace ParentsNext, as well as the program to support teenage parents, be co-designed with key stakeholders, including:

- parents, carers, and their advocates;
- service providers, including in family and domestic violence support;
- employer organisations;
- policy experts;
- First Nations communities and First Nations-led organisations; and
- people from culturally and linguistically diverse (CALD) backgrounds and multicultural organisations.

Recommendation 7

2.136 The Committee recommends that where budget limitations restrict the ability to implement key recommendations, the Australian Government prioritise, at least initially, a higher quality service to a narrower group of parents rather than compromise on critical service design principles.

Recommendation 8

2.139 The Committee recommends that the service to replace ParentsNext, as well as the program to support young and teenage parents, be subject to robust and transparent monitoring and evaluation, accompanied by open data sharing, which also enables external scrutiny and evaluation.

Recommendation 9

3.134 The Committee recommends that the co-design process for the service to replace ParentsNext expressly consider eligibility criteria that:

- capture the needs of parents and carers, and ensure that parents and carers are not referred to the program where they have no capacity to benefit; and

- enable opt-in (voluntary) participation in the program by individuals who are not in receipt of Parenting Payment, such as:
 - individuals in receipt of Carer Payment; and
 - over time, low income or unemployed parents who are not in receipt of either Parenting Payment or Carer Payment.

Recommendation 10

3.135 The Committee recommends that Services Australia immediately reframe its initial contact with prospective participants, so when people are referred to ParentsNext they understand the objectives, role and benefits of the program and do not suffer undue stress and anxiety. This should include ensuring that:

- letters to prospective participants clearly set out the reason for the contact and explain the role, function, and benefits of the program;
- text messages to parents notifying an interview with Services Australia are unambiguous as to the reason for the contact and explain the purpose of the interview;
- if possible, outbound calls show a dedicated phone number, so that the recipient knows who it is from, acknowledging that there may be concerns regarding spoofing, spam and fraud that make this impractical at present; and
- the initial interview conducted by Services Australia explains the purpose and benefits of ParentsNext, and accurately and comprehensively assess the participant's needs and circumstances.

Recommendation 11

3.136 The Committee recommends that the Australian Government amend the criteria for exemptions from ParentsNext, to provide a broad discretion to both Services Australia and providers to exempt a person from the program if it is determined that they have no capacity to benefit. Providers and Services Australia should also provide additional training to their frontline staff to ensure that this discretion is exercised appropriately and effectively.

Recommendation 12

3.153 The Committee recommends that the service which replaces ParentsNext include graduated requirements depending on the age of the participant's youngest child. The Committee proposes the following draft design components for refinement:

- Participation in the service be fully voluntary for parents with young children under a specified age (such as three years old).

- Participation requirements for parents with a youngest child aged three years or over should simply be to:
 - attend regular appointments; and
 - participate meaningfully in the program.
- Services Australia conduct an interview with a parent around six to 12 months before participation requirements begin to apply, to explain the service and its benefits, promote the incentives and supports which are available, and screen for key risk factors.

Recommendation 13

3.154 The Committee recommends that the development of a ‘Skills Passport’ be considered as part of the service which replaces ParentsNext. This ‘Skills Passport’ should be tied to the individual participant (not pooled) and given on a ‘use it or lose it’ basis. The ‘Skills Passport’ should be an annual credit, for example \$500-\$1,000, which could be used to assist with out-of-pocket expenses such as fees, books, and licences essential to the attainment of skills, including soft-skills and formal qualifications.

Recommendation 14

3.163 The Committee recommends that funding and payment structures be reviewed as part of the co-design process for a service to replace ParentsNext, to ensure they represent appropriate incentives for a pre-vocational program.

Recommendation 15

3.164 The Committee recommends that the rules governing the Participation Fund be reviewed to ensure they are not acting as a barrier to participants accessing necessary resources.

Recommendation 16

3.165 The Committee recommends the Australian Government urgently pursue systemic action by State and Territory Governments so that the varying rules requiring minimum hours for Learner drivers stop being a barrier for disadvantaged people.

Recommendation 17

3.166 The Committee recommends that a clear default principle be established that providers are not permitted to use the Participation Fund to pay for activities, services, or programs that they deliver, or which are delivered by a related entity, except with express approval from the department. Guidelines should

also be developed to clarify the circumstances in which approvals may be given.

Recommendation 18

4.53 The Committee recommends that the Australian Government amend legislation and adjust IT systems to enable a partial payment withholding ('holdback') as an alternative to the blunt instrument of harsh payment cancellations or suspensions. This 'holdback' should apply to only a small percentage (for example, 25 to 30 per cent) of the participant's payment.

Recommendation 19

4.54 The Committee recommends that the Australian Government:

- end automatic payment cancellations where a person has:
 - failed to re-engage with ParentsNext after their payments have been suspended (or provide a valid reason for the compliance failure); or
 - failed to meet their income reporting requirements;
- require Services Australia to formally inform the person of the intention to cancel the person's payments, subject to a reasonable notice period (for example, 28 days); and
- retain these safeguards in the service which replaces ParentsNext.

Recommendation 20

4.55 The Committee recommends that the Targeted Compliance Framework not apply to participants in the service which replaces ParentsNext. A new framework should be implemented that includes the following suggested features:

- Income support payments for parents will no longer be cancelled or suspended.
- If a participant does not meet a participation requirement, the time to re-engage be substantially longer than the current two business days (seven business days suggested).
- If a participant does not re-engage then a provider does not have the power to impact their payment. The provider will simply make a report to Services Australia.
- All decisions that affect income support payments must be made by a staff member within Services Australia, and not automatically by the system.
- A partial payment withholding ('holdback') of a small percentage (for example 25 to 30 per cent) of a person's payment be the maximum sanction

available to Services Australia, with the holdback paid back to the participant in full as soon as re-engagement occurs.

Recommendation 21

4.58 The Committee recommends that the Australian Government consider options to allow parents caring for very young children and who do not intend to work to report their employment income less frequently (for example, every two or three months rather than fortnightly).

Recommendation 22

5.112 The Committee recommends that—in relation to both ParentsNext and any replacement service—the Department of Employment and Workplace Relations, the Department of Social Services, and Services Australia review the information on their websites and in any promotional material, to ensure that:

- the information is comprehensive and accurate, and is consistent across all government agencies; and
- the information fully explains the role and operation of the program and its potential benefits.

Recommendation 23

5.117 The Committee recommends that Services Australia consider the establishment of a dedicated advice and information service for parents.

Recommendation 24

5.122 The Committee recommends that Services Australia establish a dedicated point of contact for providers, including a dedicated phone contact service, as a matter of urgency.

Recommendation 25

5.132 The Committee recommends that the co-design process for a pre-vocational service to replace ParentsNext expressly consider the commissioning model for providers, with the aim of minimising competition and promoting greater collaboration between providers.

Recommendation 26

5.133 The Committee recommends that, as part of the pre-vocational service to replace ParentsNext, government actively support communities of practice, and mandate participation by service providers to enable information-sharing

between stakeholders and to ensure that providers input into policy and program evaluation and design.

Recommendation 27

5.138 The Committee recommends that the Australian Government, as part of the design process for a new pre-vocational service to replace ParentsNext, seriously consider having a public sector agency deliver the service in at least a few Employment Regions.

Recommendation 28

5.146 The Committee recommends that the co-design process for any pre-vocational service to replace ParentsNext include development of minimum competency standards for frontline staff and a typology of staff capabilities for providers. The standards must require frontline staff to be culturally competent and able to respond to experiences of family violence, and should capture the following matters:

- Specific skills, qualifications, and competencies frontline staff are expected to hold.
- A typology of a broad ideal skills mix in a high-quality service region.
- The extent to which providers may recruit staff who do not possess formal qualifications, including measures to enable providers to:
 - recruit staff with lived experience in or experience delivering pre-employment or employment services; and
 - support staff to gain formal qualifications post-commencement.

Recommendation 29

5.151 The Committee recommends that the pre-vocational service which replaces ParentsNext has the built-in capacity to trial, experiment with and evaluate alternative service delivery arrangements. All such arrangements should be subject to rigorous co-design with key stakeholders including participants, providers, peak bodies, and academic and policy experts, and should be subject to robust monitoring and evaluation.

Recommendation 30

6.15 The Committee recommends that the Australian Government develop and publish a transition plan for ParentsNext by July 2023, outlining:

- changes that can be made immediately and in the short and medium term to the current ParentsNext program, pending a replacement service being implemented;

- **changes that cannot be made until a replacement service is in place;**
- **a timeframe for contract extensions to be determined; and**
- **the process and timelines for co-design process for a new ‘Your Future Planning’ pre-vocational service to replace ParentsNext.**



1. Introduction

The House of Representatives Select Committee on Workforce Australia Employment Services (the Committee) was established on 2 August 2022 to undertake a first principles review of the Workforce Australia employment services system.

On 14 September 2022, the Minister for Employment and Workplace Relations, the Hon Tony Burke MP, requested that the Committee include pre-employment and complementary programs in the scope of its inquiry. In particular, the Minister requested that the Committee examine the role of ParentsNext in providing early intervention to parents and carers as part of the overall employment services system. The Minister suggested that the Committee may wish to consider the program's:

- policy objectives;
- eligibility and compulsory participation requirements;
- impact on women's economic equality and workforce participation;
- efficacy in addressing structural and cultural barriers to accessing education and employment; and
- funding and service delivery arrangements.

The Committee considered these and other relevant matters as part of its examination of ParentsNext, including by taking evidence through written submissions and public hearings and by visiting sites where ParentsNext is delivered to meet with providers and participants. It was clear that many participants derive significant benefits from ParentsNext including increased confidence, connections to vital local services, and support achieving education and employment goals. However, these benefits can be overshadowed by the punitive nature of the current program, and by an emphasis on preparing for and finding employment which may not be appropriate for all participants.

This interim report puts forward the evidence obtained during the inquiry and sets out the Committee's views and recommendations.

The Committee's key recommendation is that ParentsNext as it currently exists be abolished at the end of its current contract. It should be replaced by a new service, co-designed with parents, carers, and their advocates, which focuses on building participants' capacity and which values raising children. The Committee has made recommendations relating to the design of the new service in subsequent chapters, as well as recommendations to improve the quality of supports available to participants and to lessen the impacts of compliance and enforcement.

In accordance with the Minister's request, the release of this interim report aims to give Government sufficient time to consider reforms to ParentsNext and the design and

implementation of a new service to replace that program based on the recommendations made by the Committee, within the 2023–24 Budget context.

The Committee’s final report will provide recommendations on the broader Workforce Australia employment services system.

Background to ParentsNext

- 1.1 ParentsNext is a targeted pre-employment program that aims to prepare parents in receipt of Parenting Payment to plan and prepare for employment before their youngest child begins school. ParentsNext became a national program in 2018, following trials in specified local government areas (LGAs).
- 1.2 Recent evaluations of ParentsNext note that while parenting can provide an avenue for the development of skills and social networks, sustained disconnection from the labour market may result in the loss of work-specific skills and the loss of confidence to enter or re-enter the workforce, and can result in existing qualifications losing currency or relevance.¹ Key policy drivers for ParentsNext—which reflect those issues as well as broader concerns relating to social security, income disparity, and social and economic disadvantage—are to:
 - reduce joblessness, welfare reliance, and intergenerational welfare dependency;
 - increase female labour force participation; and
 - help Close the Gap in First Nations peoples’ employment.²
- 1.3 The policy drivers for ParentsNext are reflected in the *ParentsNext Deed 2018–2024*. The Deed states that the objectives of ParentsNext are to:
 - target early intervention assistance to parents at risk of long-term welfare dependency;
 - help parents identify and reach their Education and Employment goals through participation in activities; and
 - connect parents to local services that can help them prepare for employment.³
- 1.4 ParentsNext evolved from two precursor programs:
 - Helping Young Parents (HYP), which sought to improve future employment prospects for young early school leaver parents.
 - Supporting Jobless Families (SJF), which sought to improve future employment prospects for parents under 23, and parents who had been in receipt of income support for more than two years who were not working or studying.⁴

¹ Department of Employment and Workplace Relations (DEWR), *Submission 77 (Attachment 2)*, p. 21.

² DEWR, *Submission 77 (Attachment 2)*, p. 21.

³ DEWR, *ParentsNext Deed 2018–2024*, p. 8, www.dewr.gov.au/parentsnext/parentsnext-deeds-and-deed-variations, viewed 14 February 2023.

⁴ DEWR, *Submission 77*, p. 2. See also DEWR, *Submission 77 (Attachment 1)*, p. 3.

- 1.5 Both HYP and SJF ran from 2012 to 2016 and required participants to complete activities associated with education and employment.
- 1.6 The ParentsNext trial operated from 2016 to 2018 in 10 LGAs. Compared to predecessor programs, the trial aimed to reach more disadvantaged parents and had a stronger focus on preparing for employment.⁵
- 1.7 When ParentsNext commenced as a national program on 1 July 2018, it was delivered in two streams: the Targeted Stream, where participants would receive tailored pre-employment services; and the Intensive Stream, where participants would receive the same services but with greater financial assistance.
- 1.8 From 1 July 2021, several changes were made to the program.⁶ These included consolidating the two streams and making associated changes to eligibility criteria and service delivery arrangements. In addition, parents with recent earnings were no longer required to participate in the program.⁷
- 1.9 Notwithstanding that significant changes have been implemented to ParentsNext—including in response to previous inquiries—many of the issues in previous inquiries persist. This was acknowledged in the evidence before the Committee.⁸

Eligibility

- 1.10 The *Social Security Act 1991* (Social Security Act) sets out the eligibility criteria for Parenting Payment (single and partnered), including conditions that must be satisfied for a person to qualify for the payment. Among other matters, the Act states that a person in a class specified by legislative instrument will qualify for Parenting Payment only if they satisfy the requirements of their Participation Plan.⁹
- 1.11 The *Social Security (Parenting payment participation requirements — class of persons) Instrument 2021* (2021 Instrument) specifies a class of persons for the purposes of the Social Security Act.¹⁰ A person falls within that class, and is accordingly required to participate in ParentsNext, if they:
 - reside in a Workforce Australia employment region;
 - have been receiving Parenting Payment for a continuous period of at least six months;

⁵ Department of Jobs and Small Business (DJSB), *ParentsNext Evaluation Report*, September 2018, p. 8. www.dewr.gov.au/parentsnext/resources/parentsnext-evaluation-report, viewed 14 February 2023.

⁶ See DEWR, *Submission 77*, pages 20–21.

⁷ DEWR, *Submission 77*, p. 2. The effect of changes in eligibility from 1 July 2021 saw 32,807 parents exited from the program and the total caseload drop to 72,992. The caseload has subsequently increased.

⁸ See, for example, Ms Rachel Siewert, Deputy Chief Executive Officer, Western Australian Council of Social Service (WACOSS), *Proof Committee Hansard*, 1 February 2023, p. 3.

⁹ *Social Security Act 1991*, sections 500(1)(ca), 500(2), 500(2B). The Participation Plan is referred to as an 'Employment Pathway Plan' in the Act.

¹⁰ In the absence of the specification by legislative instrument, a person's eligibility for parenting payment would be assessed according to the other qualification provisions set out in section 500 of the Social Security Act.

- care for a child between nine months and six years of age;
 - have not reported paid work to Centrelink for at least six months;
 - are under the age of 55; and
 - are either:
 - under 22 years of age and have not completed Year 12; or
 - at least 22 years of age, have not completed Year 12 and have been receiving income support continuously for between two and four years; or
 - at least 22 years of age, have completed Year 12 and have been receiving income support continuously for more than four years.
- 1.12 A person in receipt of Parenting Payment may also volunteer to participate in ParentsNext, provided they have a youngest child under six years of age and are not participating in another employment program.¹¹
- 1.13 Typically, Services Australia will identify individuals who meet eligibility requirements for ParentsNext based on information in the agency's IT system. Services Australia will contact the person by letter, and then send the person a text message to arrange an initial interview. The interview is typically undertaken by phone. The key purposes of the interview are to confirm the person's eligibility for ParentsNext and to explain the person's next steps in the program. Where the interview determines that a person is eligible for ParentsNext, the person will be referred to a provider.¹²
- 1.14 Participants do not always have their choice of provider but may change providers under certain conditions.¹³
- 1.15 Providers are contracted by the Australian Government to support participants to identify and work towards education and employment goals and are selected through an open tender process. Supports delivered by providers may include:
- help with arranging training;
 - help with job preparation and gaining employment;
 - help to develop skills that may increase employability;
 - help with personal development and financial management;
 - help that builds social connections for both parents and their children; and

¹¹ Department of Social Services (DSS), *Social Security Guide: 3.11.11 ParentsNext*, <https://guides.dss.gov.au/social-security-guide/3/11/11>, viewed 14 February 2023. DEWR, *Submission 77*, p. 9. DEWR noted that as of 30 September 2022, 0.8 per cent of participants (832 in total) were volunteers.

¹² Mr Jonathon Thorpe, Deputy Chief Executive Officer (Acting)—Customer Service Design, Services Australia, *Proof Committee Hansard*, 18 January 2023, p. 20.

¹³ See DEWR, *ParentsNext Frequently Asked Questions*, www.dewr.gov.au/parentsnext/parentsnext-frequently-asked-questions, viewed 14 February 2023. See also DEWR, *Submission 77.1*, p. [1]. DEWR notes that in the 2021-22 financial year, 1,754 participants exercised the chose to change providers. DEWR also noted that this does not necessarily reflect dissatisfaction with the services received. See Ms Samantha Robertson, Assistant Secretary—Employment Services Programs, DEWR, *Committee Hansard*, 11 November 2022, p. 37.

- help to connect to local support services (such as counselling).
- 1.16 Participants generally attend one appointment with their provider every three months. However, additional, voluntary appointments can be conducted more frequently if it will benefit the parent. Appointments can be conducted face-to-face or virtually.¹⁴
- 1.17 Requirements for providers are set out in the *ParentsNext Deed 2018–2024* and in relevant guidelines (in particular, *Delivering ParentsNext*).¹⁵

Mutual obligations and compliance

- 1.18 All ParentsNext participants are subject to mutual obligation requirements. These include attending appointments with a provider, agreeing to a Participation Plan and completing activities set out in the Plan. Activities are typically focused on preparing for employment or education. Participants must report completion of their obligations on a regular basis.
- 1.19 Since 2018, the Targeted Compliance Framework (TCF) has applied to all ParentsNext participants. The TCF sets out the consequences of failing to comply with mutual obligation requirements. Participants who fail to meet their obligations (for example by not agreeing to their Participation Plan or failing to undertake or report on the activities in the Plan) may have their payments suspended or may be subject to financial penalties.
- 1.20 All Parenting Payment recipients who have employment income, or whose partner has employment income, also need to report their income on a fortnightly basis. Income reporting is not linked to participation in ParentsNext.¹⁶

Key facts and figures

- 1.21 ParentsNext is a demand-driven program funded through an ongoing, annual appropriation, with forecast expenditure of \$484.0 million over the 2022–23 to 2025–26 period.¹⁷
- 1.22 There are 53 providers contracted to deliver ParentsNext across the 51 Employment Regions in metropolitan and regional areas of Australia. Of those providers:
- 42 are non-profit organisations;
 - six are operated by First Nations peoples; and
 - 17 also deliver Workforce Australia services.¹⁸

¹⁴ DEWR, *Submission 77*, p. 17.

¹⁵ See DEWR, *ParentsNext Deed 2018–2024*; DEWR, *Guideline: Delivering ParentsNext*, effective 1 July 2022. www.dewr.gov.au/parentsnext/resources/delivering-parentsnext-guideline, viewed 14 February 2023.

¹⁶ Mr Matt Flavel, Deputy Secretary—Social Security, DSS, *Proof Committee Hansard*, 18 January 2023, p. 26.

¹⁷ DEWR, *Submission 77*, p. 16.

¹⁸ Department of Employment and Workplace Relations, *Submission 77*, p. 17.

- 1.23 In 12 of the 51 employment regions, there is only one provider servicing all participants in the region.¹⁹
- 1.24 As of 30 September 2022, there were 98,718 participants in ParentsNext. A breakdown of the caseload data indicates that:
- 94,125 (95.3 per cent) were women;
 - 74,158 (75.1 per cent) were in receipt of Parenting Payment Single;
 - 6,739 (6.8 per cent) had a youngest child under one year of age;
 - 8,724 (8.8 per cent) were early school leavers (that is, under 22 years of age and have not completed the final year of high school or an equivalent);
 - 25,818 (26.2 per cent) were on income support for 2 years or more;
 - 19,942 (20.2 per cent) identified as First Nations peoples; and
 - 19,164 (19.4 per cent) were from Culturally and Linguistically Diverse (CALD) backgrounds.²⁰
- 1.25 From the rollout of the national program in 2018 to 30 September 2022, more than 220,000 participants have commenced in ParentsNext. Key participant outcomes include:
- 110,242 (approximately 50 per cent) had commenced education
 - 66,293 (approximately 30 per cent) had declared earnings.²¹
- 1.26 ParentsNext participants may achieve both an education and an employment outcome. Consequently, there may be overlap between those participants who commenced education and those who were in paid employment.

Other relevant inquiries and reviews

Previous parliamentary inquiries into ParentsNext

- 1.27 This is the third parliamentary inquiry into ParentsNext since the program commenced. The other inquiries are briefly summarised below, with many of the themes from those inquiries reflected in evidence to this inquiry.
- 1.28 This inquiry builds upon the previous inquiries. As a first principles review, the scope goes beyond what was reviewed in the past by exploring possible alternatives to the program and seeking to understanding the role of ParentsNext in the broader employment services context.

¹⁹ Ms Robyn Shannon, First Assistant Secretary—Workforce Australia Provider Support, DEWR, *Committee Hansard*, 11 November 2022, p. 37.

²⁰ DEWR, *Submission 77*, pages 2–3, 9.

²¹ DEWR, *Submission 77*, p. 12.

1.29 In addition, this inquiry focuses on the design and operation of ParentsNext as it exists approximately 18 months after commencement of the 2021 Instrument. By contrast, previous inquiries considered the previous version of the program as it existed from 2018 to 2021, and the 2021 Instrument itself.

Senate Community Affairs References Committee

1.30 The Senate Community Affairs References Committee conducted an inquiry into the ParentsNext trials and subsequent national rollout of the program in 2018. The report was tabled in March 2019.²²

1.31 Key concerns included:

- the national rollout of the program was not informed by evaluation of the trials or proper consultation with expert stakeholders;
- confusion around the objectives of ParentsNext, including whether the program was intended as an employment, pre-employment, parenting or education program, and associated issues with messaging to participants;
- issues around eligibility and referrals, including people experiencing family violence being referred to ParentsNext despite qualifying for an exemption; and
- lack of appropriate training and qualifications for frontline staff, including in key areas such as family violence.

1.32 Recommendations included that:

- ParentsNext not continue in its current form;
- ParentsNext be 'reshaped', through a process of co-design with parents and experts, into a more supportive pre-employment program;
- Centrelink, the (then) Department of Jobs and Small Business and all ParentsNext providers review their strategies for communication with participants to ensure consistent messaging about the program and about participants' rights and obligations;
- providers ensure that their employees are trained in areas such as disability awareness, cultural sensitivity and family violence; and
- where a provider does not have the specialised knowledge to provide appropriate pre-employment assistance to a participant with specific needs, participants should be referred to another provider or an alternative pre-employment or social service program.

1.33 The view of that committee was that:

[A]ny preemployment program for parents should be flexible and meet the education, training and preemployment needs of the individual parent, while

²² Senate Community Affairs Reference Committee, *ParentsNext, including its trial and subsequent broader rollout*, 2019.

being respectful and considerate of the complexities and responsibilities that come with caring for young children.²⁰

Parliamentary Joint Committee on Human Rights

1.34 The Parliamentary Joint Committee on Human Rights (PJCHR) conducted an inquiry relating to the 2021 Instrument. The inquiry assessed the human rights compatibility of the instrument and by extension the ParentsNext program. The report was tabled on 4 August 2021.²¹

1.35 Key concerns included:

- lack of consultation with key cohorts, particularly First Nations peoples, in relation to implementing compulsory participation in ParentsNext;
- insufficient evidence to establish the need for compulsory participation in the program;
- mixed success of the program in assisting participants to gain employment and educational outcomes;
- concerns with the appropriateness and relevance of certain activities to participants' employment and education goals;
- inflexibility of the TCF;
- limitations on several human rights including the right to social security and the right to an adequate standard of living;
- risks of harm to women and children who have experienced family violence; and
- disproportionate impacts on First Nations women and communities.

1.36 Ultimately, the PCJHR recommended that participation in ParentsNext should be voluntary:

[If] participation in ParentsNext were voluntary, no human rights concerns would arise. This is because voluntary participation in the program could promote a range of rights, such as the right to education and work, and would not appear to limit any rights. However, because the legislation provides that the class of persons specified in the instrument only qualify for parenting payment if they meet participation requirements, which potentially enables their payment to be reduced, suspended or cancelled, it also engages and limits a number of interrelated and intersecting human rights, such as: the rights to social security

²³ Senate Community Affairs Reference Committee (2019), *ParentsNext, including its trial and subsequent broader rollout*, p. 48.

²⁴ Parliamentary Joint Committee on Human Rights (2021), *ParentsNext; examination of Social Security (Parenting Payment participation requirement - class of person) Instrument*, August 2021.

and an adequate standard of living; the right to equality and non-discrimination; the right to a private life; and the rights of the child.²⁵

1.37 The PJCHR also made the following recommendations, to be implemented should it be determined that ParentsNext is to remain compulsory:

- a parent is only required to enter a Participation Plan after assessment of their individual circumstances and the best interests of any child;
- financial sanctions are only applied once an assessment has been made that to apply these sanctions would not result in the parent or any child being unable to meet their immediate basic needs; and
- further consultation be undertaken to obtain free, prior, and informed consent to participate in ParentsNext.

Other Parliamentary inquiries and reports

1.38 Although not specific to ParentsNext, several recent inquiries have also considered related issues, including welfare dependence and the interrelation of work and care for parents.

Select Committee on Intergenerational Welfare Dependence

1.39 The House of Representatives Select Committee on Intergenerational Welfare Dependence considered matters relating to welfare dependence of families and outcomes for children. The report was tabled in February 2019.²⁶

1.40 A key finding of the report was the link between parents receiving welfare payments for extended periods and their children interacting with the welfare system. In this respect, the report stated:

In Australia, by the age of 25 years, 90 per cent of children who experienced childhood in a family of very high parental welfare dependence will have interacted with the welfare system in their own right.²⁷

1.41 The report also identified several barriers to participation in the labour market and recommended measures to address them. Key themes included entry-level employment opportunities; the work-readiness of jobseekers; appropriate, flexible working arrangements; and access to childcare.

1.42 Recommendations with direct relevance to this inquiry included:

- improving coordination at the federal, state, and local levels, to ensure that expenditure achieves the best possible outcomes and that duplication in programs is avoided;

²⁵ Parliamentary Joint Committee on Human Rights, *ParentsNext; examination of Social Security (Parenting Payment participation requirement – class of person) Instrument*, August 2021, pages 107–108.

²⁶ Select Committee on Intergenerational Welfare Dependence, *Living on the Edge*, February 2019.

²⁷ Select Committee on Intergenerational Welfare Dependence, *Living on the Edge*, February 2019, p. 63.

- changing the point at which single parents move to Newstart Allowance; and
- continuing efforts to increase the participation of parents in the workforce.

Select Committee on Work and Care

- 1.43 The Senate Select Committee on Work and Care is currently investigating work and care responsibilities. An interim report was tabled in October 2022, with a final report anticipated to be tabled in March 2023.²⁸
- 1.44 The inquiry covers, among other matters, the impact of care arrangements on labour force participation and the policies, practices and support services that have been effective in supporting the combination of work and care. The interim report states:
- [M]any of those with caring responsibilities who would like a job cannot work, while others work less hours than they would prefer or are subject to constant roster variations and the insecurity that brings to family life. For some, combining work and care creates stress, or puts pressure on grandparents or other unpaid carers, because work is inflexible, or the care system is inadequate or unaffordable.²⁹
- 1.45 The interim report highlights the significant impacts of unpaid care on workforce participation. These impacts are particularly significant for women, who continue to perform the majority of unpaid care work, including caring for young children. According to the report, these impacts are exacerbated by inadequacies in the childcare system, issues with parental leave, and an overall lack of flexibility in the employment framework.³⁰
- 1.46 The report also identifies ParentsNext as an element of the income support system around work and care. While the report does not focus on ParentsNext, it asserts that income and asset tests and mutual obligations associated with several programs and payment types are highly complex and difficult to access. It notes evidence that the system can be prohibitive to workforce participation for carers and can entrench disadvantage instead of acting as a support and safety net for people with informal caring roles.³¹

Employment White Paper

- 1.47 The Australian Government's Employment White Paper (White Paper) is due to be released by the end of September 2023. The White Paper aims to build on the findings of the recent Jobs and Skills Summit, to 'provide a roadmap for Australia to build a bigger, better-trained and more productive workforce'.³²

²⁸ See Senate Select Committee on Work and Care, www.apf.gov.au/Parliamentary_Business/Committees/Senate/Work_and_Care/workandcare, accessed 20 February 2023.

²⁹ Senate Select Committee on Work and Care, *Interim Report*, October 2022, p. xv.

³⁰ Senate Select Committee on Work and Care, *Interim Report*, October 2022, pages xvii, 14, 21–23.

³¹ Senate Select Committee on Work and Care, *Interim Report*, October 2022, pages 56, 59–60, 66.

³² See Treasury, *Employment White Paper*, <https://treasury.gov.au/review/employment-whitepaper>, viewed 14 February 2023.

- 1.48 Of relevance to this inquiry, the White Paper will examine labour force participation, improving employment opportunities and ‘[r]educing barriers and disincentives to work, including the role of childcare, social security settings and employment services’.³³

Women’s Economic Equality Taskforce

- 1.49 The Women’s Economic Equality Taskforce is an independent group of eminent women established to provide advice to Government support the advancement of women’s economic equality and achieve gender equality. The Taskforce was established in September 2022. The priority contributions of the Taskforce include:
- driving women’s economic equality as economic imperative;
 - informing the National Gender Equality Strategy; and
 - providing strategic advice on key issues arising from the Jobs and Skills Summit.
- 1.50 The Taskforce will have a leading role in the development of the National Strategy to Achieve Gender Equality and contribute to the White Paper.³⁴

Productivity Commission inquiries

- 1.51 There are relevant current and past inquiries, as well as ongoing reporting, undertaken by the Productivity Commission that the Committee has drawn upon for this inquiry. Key sources are referenced below.

Productivity inquiry

- 1.52 Every 5 years, the Productivity Commission (the Commission) undertakes a review into Australia’s productivity performance and makes recommendations to enhance Australia’s productivity. Recommendations cover a variety of areas including policy and governance, digital and data, and labour market reform.³⁵
- 1.53 As part of its latest review, the Commission released six interim reports between August and October 2022. The Commission provided its final report to Government on 7 February 2023.
- 1.54 The sixth interim report includes insights on the influence of tax and welfare systems on work decisions by parents:

For some people, the choice to provide care to young children or other family members in lieu of paid work is a reflection of personal preference. For others, choices about care, workforce participation, and hours of paid work are

³³ Treasury, *Employment White Paper: Terms of Reference*, 29 September 2022.

³⁴ See Department of the Prime Minister and Cabinet, *Women’s Economic Equality Taskforce*, www.pmc.gov.au/office-women/womens-economic-equality/womens-economic-equality-taskforce, viewed 14 February 2023.

³⁵ Productivity Commission, *Productivity Inquiry*, www.pc.gov.au/inquiries/current/productivity#report, viewed 14 February 2023.

influenced by the tax paid on additional hours worked and the rate of government assistance received (which can decline as household income rises).³⁶

Steering Committee for Review of Government Service Provision

- 1.55 The annual review of government services in Australia does not include employment services but does include information on Early Childhood Education and Care.
- 1.56 The overview provided highlights that preschool services and the foundation year at primary school have different names and age of entry by state, but generally preschool programs are aimed at children aged three or four at the start of the year and the transition to primary school occurs the following year.³⁷

About the inquiry

- 1.57 The Committee was established by a resolution of appointment which passed the House of Representatives on 2 August 2022.³⁸
- 1.58 The Committee was established to inquire into the implementation, performance, and appropriateness of Workforce Australia Employment Services and related matters. The Committee's resolution of appointment requires the Committee to present its final report by 29 September 2023.
- 1.59 On 14 September 2022, the Minister for Employment and Workplace Relations, the Hon Tony Burke MP, requested that the Committee include relevant pre-employment programs, in the scope of its inquiry. In particular, the Minister requested that the Committee consider the role of ParentsNext in providing early intervention to parents and carers as part of the broader employment services system.
- 1.60 The Minister requested that the Committee make its recommendations in relation to ParentsNext by the end of February 2023, to allow consideration of the Committee's recommendations in the 2023–24 Budget context. The Minister noted in this regard that the current ParentsNext contracts expire on 30 June 2024.
- 1.61 On 16 September 2022, the Committee resolved to examine ParentsNext as the first major component of its inquiry into Workforce Australia Employment Services, in accordance with the Minister's request.

³⁶ Productivity Commission, *Interim Report 6: 5 Year Productivity Inquiry: A more productive labour market*, p. 5. www.pc.gov.au/inquiries/current/productivity/interim6-labour

³⁷ Productivity Commission: Steering Committee for the Review of Government Service Provision, *Report on Government Services 2022, Part B, Section 3 - Early childhood education and care*, www.pc.gov.au/research/ongoing/report-on-government-services/2022, viewed 14 February 2023.

³⁸ House of Representatives, *Votes and Proceedings*, No. 5, 2 August 2022, pages 92–93.

Conduct of the inquiry

- 1.62 The Committee called for submissions on 14 October 2022 and published information about the inquiry on its website. The Committee also invited parent and child advocates, academic and policy experts, providers of ParentsNext and Workforce Australia Services and other key stakeholders to make a submission. Submissions were requested by 30 November 2022.
- 1.63 The Committee has received 103 submissions to date. The majority of these relate to the ParentsNext program. The Committee also considered 12 supplementary submissions, including responses to questions on notice. The submissions are listed in Appendix A and are available on the Committee's website.³⁹
- 1.64 The Committee held six public hearings for this component of the inquiry:
- Canberra on 3 November 2022
 - Canberra on 11 November 2022
 - Melbourne on 6 December 2022
 - Sydney on 7 December 2022
 - Melbourne on 18 January 2023
 - Perth on 1 February 2023.
- 1.65 Witnesses who appeared at the hearings are listed in Appendix B. Hansard transcripts and presentation materials used during the hearings are available on the Committee's website.
- 1.66 Evidence received through submissions and public hearings was augmented through 11 site visits to ParentsNext providers and providers of alternative service models in:
- Sydney and regional New South Wales
 - Melbourne and regional Victoria
 - Perth and regional Western Australia.
- 1.67 The Committee is planning public hearings and visits to other States and Territories through 2023 as part of the broader Workforce Australian inquiry.

Report structure

- 1.68 This report contains six chapters.
- Chapter 1 (this chapter) provides background to ParentsNext and sets out the context and conduct of this component of the inquiry.

³⁹ Submissions relating to the ParentsNext component of the inquiry are denoted by the word 'ParentsNext' in the name of the submitter as it appears on the website. A small number of submissions included evidence in relation to ParentsNext and the broader Workforce Australia employment services system.

- Chapter 2 assesses the benefits of pre-employment or pre-vocational assistance for parents and the appropriateness of ParentsNext in that context.
- Chapter 3 details the features that should underpin design of a pre-vocational service for parents, and benefits and drawbacks associated with the design and implementation of the current program.
- Chapter 4 considers compliance and enforcement arrangements for the current ParentsNext program, with a focus on the impacts of the TCF, and outlines changes that should be made now and in the future.
- Chapter 5 examines specific issues associated with service delivery, including who delivers services, the assistance provided to key cohorts, and staff training.
- Chapter 6 provides for transitional arrangements, including setting out indicative timeframes for implementing the Committee's recommendations.

Matters to be addressed in the final report

- 1.69 Key matters that the Committee may examine in its final report are set out in the *Submission Guide*⁴⁰ published on the Committee's website.
- 1.70 A number of critical elements around the delivery of employment services that are also relevant to ParentsNext and any successor services that government may implement will be addressed in the Committee's final report, including:
- system design and operating structure;
 - assessment and referral process;
 - enabling choice and personal agency;
 - regulation, assurance, and evaluation strategies;
 - the role of trialling alternate approaches;
 - the application and administration of the TCF across employment services, including suspensions and penalties; and
 - minimum standards for providers, including qualification for staff.
- 1.71 Where appropriate, observations from the Committee around these issues have been included in this report. However, generally recommendations relating to the broader employment services system will be included in the Committee's final report.

Notes on terminology

- 1.72 All references to Committee Hansard in this report are to official transcripts unless otherwise indicated. Page numbers may vary between proof and official transcripts.

⁴⁰ Select Committee on Workforce Australia Employment Services (2022), *Submission Guide*. www.aph.gov.au/Parliamentary_Business/Committees/House/Workforce_Australia_Employment_Services/WorkforceAustralia/Submission_Guide viewed 14 February 2023.

- 1.73 The Committee acknowledges that there are a variety of terms used to reflect the diversity of Aboriginal and Torres Strait Islander cultures and identities.⁴¹ In this report, the term ‘First Nations peoples’ is used.
- 1.74 In this report, workforce participation refers to those who are engaged in work, while labour market participation refers to those who are working or willing to work.
- 1.75 Centrelink and Services Australia are often used interchangeably. Centrelink delivers social security payments and services, including assessment and referral to employment services, under the governance of Services Australia.

Acknowledgements

- 1.76 The Committee thanks organisations and individuals who assisted and contributed to the inquiry by making submissions, giving evidence at public hearings, participating in site visits, and providing additional information.
- 1.77 In particular, the Committee thanks those participants and frontline staff who shared their lived experience of ParentsNext.

⁴¹ See Reconciliation Australia (2021), *Demonstrating inclusive and respectful language*. www.reconciliation.org.au/wp-content/uploads/2021/10/inclusive-and-respectful-language.pdf viewed 14 February 2023.



2. Policy objectives

ParentsNext has become highly controversial.

Most stakeholders, including critics of ParentsNext, agree that there is value in a service that supports parents to build their skills and capacity and addresses barriers to future workforce participation. Many also argue that ParentsNext has been at least moderately successful in achieving these goals.

However, many stakeholders consider that ParentsNext has become too tarnished to continue. They assert that ParentsNext and its objectives are poorly understood, and that any benefits to participants are overshadowed by onerous participation and reporting requirements and significant consequences for noncompliance. Many of the benefits of ParentsNext could also be realised via alternative, less punitive, services.

The Committee's view is that there is a need for a supportive pre-vocational service to help disadvantaged parents. However, ParentsNext, at least as currently designed and delivered, should not continue beyond the end of the current contracts. It should be replaced by a new, re-branded pre-vocational service. The Committee's suggested name for a replacement service is 'Your Future Planning', making clear that the focus of the service is the participant as an individual person, not only as a parent, and that the service will support participants to plan for their future rather than pushing them into immediate employment.

This new service should have clear, consistent objectives, focused on empowering parents, building their capacity, and supporting them to realise their individual goals, and must genuinely value caring for children. In addition, the service must be framed within the broader employment services and social assistance systems, so that it complements and progresses a coherent, connected, and beneficial continuum of services for parents and carers.

Government also has an enhanced responsibility towards teenage and young parents and their children, who are often in situations of heightened disadvantage and need additional support. Accordingly, the Committee considers that a program to support teenage parents should be implemented, either as an element of the 'Your Future Planning' service or as a stand-alone program.

To ensure the voices of participants are reflected in the design and implementation of the 'Your Future Planning' service, there must be a robust and comprehensive process of co design with parents, carers, and their advocates. The process must also capture the perspectives of specific cohorts, including young parents and First Nations peoples.

Recommendations for the design and delivery of the 'Your Future Planning' service are included in subsequent chapters.

The Committee acknowledges that if the recommendations in this report are adopted it will be necessary to extend current ParentsNext contracts for the shortest time possible to allow a replacement service to be designed and commissioned. In the interim, significant changes should be made to ParentsNext, including to participation, reporting and compliance arrangements. These changes are outlined later in this report and are intended to make ParentsNext more supportive and to reduce, to the greatest extent possible, the punitive aspects of that program that are doing the greatest harm.

The Committee also acknowledges that many of the recommendations in this report may have substantial cost implications, notwithstanding that these costs may be offset by changes to eligibility requirements and by a simpler compliance regime. If additional funding is required but not available, the Committee is firmly of the view that quality should be prioritised over quantity. It is better to provide a high-quality service to a narrower group of people than to compromise on critical design principles so that more parents can participate.

Policy drivers for pre-employment programs

- 2.1 According to the most recent evaluation of ParentsNext, the Australian Government is committed to ensuring that parents receive the assistance they need to prepare for employment by the time their children reach school age. Parents often take time out of the workforce, which can result in the loss of work-specific skills and diminished confidence to enter or re-enter paid employment.¹
- 2.2 The policy drivers which underpin ParentsNext include:
- reducing joblessness, welfare reliance and intergenerational welfare dependency;
 - increasing female labour force participation; and
 - helping to Close the Gap in employment outcomes for First Nations peoples.²
- 2.3 Two of these policy drivers — reducing poverty and intergenerational disadvantage, and barriers to labour force participation — are discussed below. This is followed by a discussion of the role and functions of pre-employment programs and analysis of the current iteration of ParentsNext.

Poverty and intergenerational disadvantage

- 2.4 According to Australian Bureau of Statistics (ABS) data, 90.2 per cent of jobless, one-parent families had children under 15 years of age as of June 2022. There were also 410,000 children aged 0–14 years living in a jobless family in Australia at that

¹ See Department of Employment and Workplace Relations (DEWR), *Submission 77 (Attachment 2)*, p. 21.

² See DEWR, *Submission 77 (Attachment 2)*, p. 21. These drivers have shifted slightly from the drivers set out in the first evaluation report, which did not include a specific focus on employment outcomes for First Nations peoples. See Department of Jobs and Small Business (DJSB), *ParentsNext Evaluation Report*, September 2018, p. 16, <https://www.dewr.gov.au/parentsnext/resources/parentsnext-evaluation-report>, viewed 14 February 2023.

time. Approximately 276,000 of these children were in one-parent families.³
In addition, in more than 90 per cent of those families the sole parent was a woman.⁴

- 2.5 Evidence indicates that sustained disconnection from the labour market has a range of negative impacts on parents, children, and families. These impacts are compounded for single-parent families, and particularly for single mothers.
- 2.6 The Australian Research Alliance for Children and Youth (ARACY) drew attention to its analysis of the Longitudinal Survey of Australian Youth. That survey found that children in jobless families are more than four times more likely to be homeless, almost 2.5 times more likely to be missing out on learning at home, and almost twice as likely to experience bullying or social exclusion, than children in families where at least one adult works.⁵
- 2.7 Evaluations conducted by the Department of Employment and Workplace Relations (DEWR) and its predecessors found that persistent joblessness is more prevalent in single-parent families and that sustained disconnection from the workforce results in higher risks of welfare dependency, financial stress, and poor physical and mental health. The evaluations also highlighted several studies detailing the challenges experienced by children in jobless families.⁶ One study, by the Organisation for Economic Cooperation and Development (OECD), found that:
- [O]ne of the two most important factors which can contribute to child poverty is whether or not children are living with parents who are jobless.⁷
- 2.8 The Centre for Excellence in Child and Family Welfare (CECFW) observed that single-parent parent households experience higher levels of poverty compared to the general population, noting that 32 per cent of single parent households live in poverty, rising to 59 per cent where the parent is unemployed.⁸
- 2.9 The National Women's Safety Alliance (NWSA) echoed these concerns, noting that poverty and disadvantage are especially pronounced for single mothers, who make up around 80 per cent of single-parent households in Australia.⁹ The NWSA also observed that around 60 per cent of single mothers are single parenting as they have made the decision to leave a violent relationship or household, stating:

³ Australian Bureau of Statistics (ABS), *Labour Force Status of Families*, June 2022, www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-status-families, viewed 20 November 2022.

⁴ See Campbell Page, *Submission 57*, p. [3].

⁵ Australian Research Alliance for Children and Youth (ARACY), *Submission 37*, p. 1.

⁶ See DJSB, *ParentsNext Evaluation Report*, September 2018, pages 17–20, 58–60; DEWR, *Submission 77 (Attachment 2)*, pages 21–22.

⁷ See DJSB, *ParentsNext Evaluation Report*, p. 17.

⁸ Centre for Excellence in Child and Family Welfare (CECFW), *Submission 74*, p. 2.

⁹ National Women's Safety Alliance (NWSA), *Submission 27*, pages [3–5]. The NWSA highlighted a survey of women living in Canberra conducted by the YWCA, in which 61 per cent of single mother respondents reported that they did not have sufficient savings to pay their housing costs for two payment cycles, and 30 per cent described their financial circumstances as being either 'financial crisis' or 'financial stress'.

The lived reality for . . . women who become single parents after leaving violence can be one where they have insufficient income to support their families, with half relying on welfare payments as their main source of income. For women who leave a household due to violence, the deprivation they encounter is so severe it is estimated that around 8,000 [per year] are forced to return to their perpetrators to avoid homelessness and more than 9,000 [per year] become homeless.¹⁰

- 2.10 Mature age jobseekers (aged over 55 years) are also at increased risk of long-term unemployment and economic disadvantage. Research by the National Skills Commission found that older jobseekers experience substantially longer periods of unemployment than other age groups (76 weeks for mature aged jobseekers, compared to 54 weeks for people aged between 25 and 54 years and 33 weeks for people aged 26 years and under).¹¹
- 2.11 Analysis by the Parliamentary Budget Office shows that the proportion of people accessing Jobseeker payment who are women aged 45 more than tripled in the period from 2001 to 2019, and now stands at 27.7 per cent. Policy changes contributing to this increase include the closure of Partner Allowance, reforms to Parenting Payment, ‘tightening’ of eligibility criteria for the Disability Support Pension, and an increase to the minimum age for the Age Pension.¹²
- 2.12 Mature age jobseekers—and particularly women—also face a range of other barriers to finding and keeping employment. These include discrimination (including the view that older people are less productive than their younger counterparts); a lack of up-to-date skills; caring responsibilities; and a lack of flexible, age-friendly jobs.¹³ These barriers are not new and, in at least some cases, can result in situations of extreme hardship for vulnerable women. For example, the Age Discrimination Commissioner stated in 2011:

For some women in later life—when the impacts of this disadvantage accumulate—it reaches a crisis point. This is why we see a growth in the numbers of homeless women, of women living in poverty. And without effective policy and attitudinal change these distressing trends will grow.¹⁴

¹⁰ NWSA, *Submission 27*, p. [4].

¹¹ National Skills Commission, *The state of Australia’s Skills 2021: now and into the future*, February 2020, p. 30, <https://www.nationalskillscommission.gov.au/reports/state-of-australia-skills-2021>, viewed 14 February 2023.

¹² Parliamentary Budget Office, *JobSeeker Payment: Understanding economic and policy trends affecting Commonwealth Expenditure*, Report No. 03/2020, pages 10–12, https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Budget_Office/Publications/Research_reports/JobSeeker_Payment, viewed 13 February 2023.

¹³ See, for example, Ms Natalie James, Secretary, DEWR, *Committee Hansard*, 3 November 2022, p. 13; Brotherhood of St Laurence (BSL), *Too old to work, too young to retire*, p. [2], 2015, https://library.bsl.org.au/jspui/bitstream/1/7905/4/Workforce_vulnerabilities_in_midlife_and_beyond_research_summary_2015.pdf, viewed 14 February 2023; Outpost Consulting (2021), *Research into employment barriers for mature age Australians – Final Report*, pages 4–5, <https://www.dewr.gov.au/mature-age-hub/resources/employment-barriers-mature-age-australians-research-project>, viewed 14 February 2023.

¹⁴ The Hon. Susan Ryan AO (2021), Age Discrimination Commissioner, Australian Human Rights Commission, *Barriers facing older women’s workforce participation*, International Association for Feminist Economics

Barriers to labour force participation

- 2.13 Evidence highlighted barriers to labour force participation — particularly for single parents — and suggested incentives to address them.¹⁵
- 2.14 According to ABS data, the primary reason for women not participating in the labour force (including starting a job and working additional hours) is caring for children. Caring responsibilities have a particular impact on women with children aged under 15 years. Many women who cited caring responsibilities as a barrier to participation also indicated that they would prefer to remain home to care for their children, and that their children were either too young or too old for formal childcare.¹⁶
- 2.15 For parents with children under 15, the most important incentives to join or participate in the labour force were jobs with part-time and flexible hours, and jobs which match the person's skills and experience. Mothers of children aged under 15 especially valued the ability to work part-time hours, while mothers and fathers equally valued jobs which matched their skills and experience.¹⁷
- 2.16 Analysis by the Australian Institute of Health and Welfare notes that caring responsibilities are also a key barrier to workforce participation for First Nations women. This cohort is more likely than the rest of the population to have unpaid caring responsibilities for their own children and the children of others, as well as for those with disability or illness related to old age, reflecting the significantly different cultural and caring responsibilities that many First Nations peoples have which are not always adequately accommodated and respected.¹⁸ These findings were reflected in testimony from participants and staff to whom the Committee spoke during site visits.
- 2.17 Submitters highlighted the importance of flexible jobs which can accommodate caring responsibilities to encouraging women's labour force participation — particularly for single mothers. For example, the Council of Single Mothers and their Children (CSMC) stated:

Single mothers have immutable family responsibilities that they generally have to work around... [Single mothers] need permanent part-time roles, with flexible

Symposium on Valuing Care Work, 5 December 2011 <https://humanrights.gov.au/about/news/speeches/barriers-facing-older-womens-workforce-participation-2011>, viewed 14 February 2023.

¹⁵ Evidence also indicated that women's disconnection from the workforce has a substantial economic impact. For example, research by the Grattan Institute found that for each 6 per cent increase to women's workforce participation, there would be a 1 per cent increase in Australia's Gross Domestic Product. See Campbell Page, *Submission 57*, p. [4].

¹⁶ ABS, *Barriers and Incentives to Labour Force Participation, Australia, 2021–22*, November 2022. www.abs.gov.au/statistics/labour/employment-and-unemployment/barriers-and-incentives-labour-force-participation-australia/2020–21, viewed 13 February 2023.

¹⁷ ABS, *Barriers and Incentives to Labour Force Participation, Australia, 2021–22*, November 2022.

¹⁸ Australian Institute of Health and Welfare, *The health and welfare of Australia's Aboriginal and Torres Strait Islander peoples*, 9 June 2015. www.aihw.gov.au/reports/indigenous-australians/indigenous-health-welfare-2015/contents/overview, viewed 13 February 2023.

leave provisions built in to help deal with sick children and other caring responsibilities, and for those with younger children, ideally school hours.¹⁹

- 2.18 The CSMC raised concern that many jobs do not accommodate caring responsibilities. Moreover, with the increased casualisation of the workforce, permanent part-time positions are rare, and most roles do not offer the leave entitlements necessary to enable working while caring for children.²⁰
- 2.19 The NWSA observed that barriers to workforce participation can be still more pronounced for women in receipt of Parenting Payment, stating that the low payment rate 'entrenches poverty and makes routine job search activities impossible'.²¹
- 2.20 Many parents in receipt of Parenting Payment who are already in employment may make the decision not to increase their work hours to the point at which they are no longer eligible for income support. This is because, at that point, the person will also lose access to other government benefits they may need to support themselves or their families.²²
- 2.21 Submitters also noted that a lack of affordable, accessible childcare is a major barrier to workforce participation. For example, one single mother, whose testimony appeared in Associate Professor Elise Klein's submission, stated:
- [I]f there was another single mum who was job ready, had all the degrees, had everything ready but then you give her free childcare. So, she doesn't have to think [that] out of the AU\$200 she makes, AU\$75 is going to go into childcare. [Then] out of the AU\$125 left. She's got to pay her rent; she's got to pay for transport. She's got to pay for all the utilities. And food...there's nothing left.²¹
- 2.22 In addition, while the costs of childcare can be met through government benefits such as Child Care Subsidy (CCS), navigating the childcare system can be prohibitively challenging.²¹ Moreover, even when a parent is able to afford childcare, accessing it will be difficult if their work is casual or shift based.²⁵
- 2.23 The Australian Council of Social Service (ACOSS) observed that labour market engagement for parents — particularly single parents — can be further limited by the fragmentation of pre-employment and pre-vocational services for parents of young

¹⁹ Council of Single Mothers and their Children (CSMC), *Submission 25*, p. [7].

²⁰ CSMC, *Submission 25*, p. [7].

²¹ NWSA, *Submission 27*, p. [3].

²² Per Capita, *Submission 78*, p. 11. Examples of these benefits include Family Tax Benefit, Child Care Subsidy, Rent Assistance, and the Health Care Card. See Department of Social Services (DSS), *Social Security Guide, 1.2.4.10 Parenting Payment (PP)*, <https://guides.dss.gov.au/social-security-guide/1/2/4/10>, viewed 14 February 2023.

²³ Associate Professor Elise Klein OAM, *Submission 6*, p. 4.

²⁴ Ms Kelly Millar, National Social Policy Manager, Goodstart Early Learning (Goodstart), *Committee Hansard*, 11 November 2022, p. 13.

²⁵ Economic Justice Australia (EJA), *Submission 11*, p. [8]. It is not the role of this Committee to make recommendations in relation to the childcare system. However, it is noted that the Australian Government has announced increases to the CCS to commence from July 2023. See also atWork Australia, *Submission 34*, p. 3, Goodstart, *Submission 75*, p. 6.

children. Services are provided across multiple government jurisdictions (Federal, State, and local), and are often labour market-oriented rather than properly situated in the ecosystem of other services such as family support and vocational training.²⁶

- 2.24 Other barriers to labour force participation highlighted in evidence included access to affordable transport, mental health challenges, and financial hardship.²⁷

Roles and functions of pre-employment programs

- 2.25 Pre-employment programs perform an important function in addressing barriers to labour force participation, supporting financial independence, and breaking cycles of intergenerational disadvantage.

- 2.26 Many of the barriers faced by parents are not adequately addressed by 'mainstream' employment services. For example, OCTEC Limited (OCTEC) stated:

[Parents] have previously been underserved by mainstream employment programs, which may not consider their experience and barriers, nor their need to balance work with their ongoing childcare responsibilities.²⁸

- 2.27 The Brotherhood of St Laurence (BSL) observed that a high-quality pre-employment service should support parents to enter or re-enter the workforce, and where relevant retrain for a more financially secure career. Such a program should offer:

- coaching to build confidence and self-esteem and to realise employment goals;
- empowerment pathways support;
- access to literacy and numeracy support;
- career guidance to expand participants' understanding of employment, education and training in sectors of interest, as well as 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 connections to local employers or agencies;
- post-placement support; and

²⁶ Australian Council of Social Service (ACOSS), *Submission 62*, p. 10.

²⁷ See, for example, EJA, *Submission 11*, pages [8–9]; Djerriwarrh Community and Education Services (Djerriwarrh) *Submission 28*, p. 8; BSL, *Submission 59*, p. 6.

²⁸ OCTEC Limited (OCTEC), *Submission 53*, p. 2.

- flexible funds to provide childcare and education subsidies that enable parents to take up study and employment opportunities.²⁹
- 2.28 Several submitters and witnesses praised former pre-employment programs, in particular Jobs, Education and Training and Helping Young Parents. They drew attention to the flexibility of service delivery, limited compliance and compulsion, and wrap-around service models.³⁰
- 2.29 Some of the key functions, objectives, and benefits of pre-employment programs are discussed below.

Identifying and realising education and employment goals

- 2.30 There was consensus among submitters and witnesses, including vocal critics of the current ParentsNext program, that pre-employment programs can be useful in helping parents reach their education and employment goals. Such programs offer career advice informed by the local labour market; build participants' confidence and readiness for work; and assist participants to upskill and re-skill (including by enabling participants to pursue qualifications).³¹
- 2.31 BSL observed that helping parents to identify and achieve their education and employment goals has a 'clear logic' for a program designed to advance workforce participation, noting that many parents lack access to necessary assistance. BSL also expressed support for a program that connects parents to other services and supports, noting that such programs recognise that workforce participation is conditional on personal and family wellbeing.³²
- 2.32 Sarina Russo Job Access (SRJA) stated that a pre-employment program should, first and foremost, help build parents' aspirations to engage in and return to work, as well as their confidence to do so. According to SRJA, the program should:

... paint a picture of a better life through providing information about the improved financial position, for the household, of paid work as opposed to reliance on income support. including by providing clear and simple information about how...paid work will interact with taxes, concessions, and benefits. It should [also] help with career counselling and understanding of the types of work that will likely be available, locally, when the person is ready to return to work.³³

²⁹ BSL, *Submission 59*, p. 11.

³⁰ See, for example, Settlement Services International (SSI), *Submission 16*, p. [3]; YFS Limited (YFS), *Submission 31*, p. [2]; Settlement Council of Australia (SCA), *Submission 85*, p. [1]; Ms Linda Forbes, Law Reform Officer, EJA, *Committee Hansard*, 11 November 2022, p. 25.

³¹ See, for example, Australian Women Against Violence Alliance (AWAVA), *Submission 3*, p. [1]; National Council of Single Mothers and Their Children (NCSMC), *Submission 5*, p. 3; Dr Eve Vincent, *Submission 10*, p. 1; EJA, *Submission 11*, p. [1]; Australian Human Rights Commission (AHRC), *Submission 24*, p. 2; Dr Katherine Curchin, *Submission 26*, p. 1.

³² BSL, *Submission 59*, p. 5.

³³ Sarina Russo Job Access (SRJA), *Submission 23*, p. 5. SRJA noted in this regard that while the program design of ParentsNext anticipates a return to paid work when the youngest child is old enough to start school, parents may in some cases prefer to return to work sooner, depending on their circumstances.

- 2.33 Supporting participants to identify career aspirations and build their confidence to re-engage with the workforce was also highlighted as a function of pre-employment services during the Committee’s visits to ParentsNext providers and alternative services. Many participants commented that they had not previously been supported in their aspirations (and in some cases had been discouraged from aspiring to certain vocations or professions).
- 2.34 These benefits were reflected in evidence provided by DEWR, which stated that pre-employment programs help participants to achieve their educational and employment outcomes as well as to build and maintain their confidence.³⁴

Preparing participants to transition to Workforce Australia

- 2.35 Once a ParentsNext participant’s youngest child reaches six years of age, the participant is typically exited from the program and (assuming the person is still in receipt of income support) transitions to Workforce Australia. Workforce Australia is an employment program (as opposed to a pre-employment program) and most participants have compulsory job search requirements.³⁵
- 2.36 A person is eligible for Parenting Payment only until their youngest child reaches six years of age (for Parenting Payment—Partnered) or eight years of age (for Parenting Payment—Single). At that point, many Parenting Payment recipients transition to another form of income support such as the JobSeeker payment. Most recipients of that payment are required to participate in Workforce Australia.³⁶
- 2.37 Some stakeholders observed that pre-employment programs have a key role in preparing participants for the transition to mainstream employment services such as Workforce Australia.³⁷ For example, Djerriwarrh Community and Education Services (Djerriwarrh) stated:

Without the structured support and assistance of the ParentsNext program, many ...parents may have chosen to continue to forgo their education and career aspirations because they did not have the guidance and support to assist them balance their parenting responsibilities with study and learning opportunities. This would result in a much-weakened Workforce Australia employment services system as there would be many thousands of parents not

³⁴ DEWR, *Submission 74*, p. 12.

³⁵ See Ms Beneditke Jensen, First Assistant Secretary—Employment Policy and Analytics, DEWR, *Committee Hansard*, 11 November 2022, p. 40.

³⁶ See Mr Matt Flavel, Deputy Secretary—Social Security, DSS, *Committee Hansard*, 11 November 2022, pages 43–45. Mr Flavel also noted that over the period from 2014 to 2019, the proportion of Parenting Payment—Single recipients who transitioned onto the Newstart Allowance (now the JobSeeker payment) fell from 80 per cent to 50 per cent. Evidence indicated that the fall was due to more recipients of Parenting Payment moving directly into employment.

³⁷ See, for example, SSI, *Submission 16*, p. [3]; Dr Simone Casey, Senior Advisor—Employment, ACOSS, *Committee Hansard*, 6 December 2022, p. 21.

ready and able to take up employment opportunities when their children commence school.³⁸

- 2.38 Roseberry Queensland (Roseberry) indicated that to most effectively support the transition to employment services, compulsory activity requirements associated with employment should commence towards the end of a ParentsNext participant's journey with a pre-employment program. This would increase the participant's understanding of system requirements when transitioning to Workforce Australia.³⁹

The role of a pre-vocational program

- 2.39 Some submitters and witnesses asserted that a pre-vocational program, rather than a pre-employment program, would be the more effective, appropriate means of supporting parents into secure, paid employment and improving families' financial positions. The CSMC stated that placing parents on a pre-employment program:

... indicates a drive to move them off social security payments while not actually improving the families' financial position, short or long term, as minimum wage employment does not position parents to 'work their way out of poverty'.⁴⁰

- 2.40 The CSMC observed that, by contrast, a pre-vocational program involves 'taking a step back from pre-employment' to focus on the participant's circumstances and individual needs, as well as their right to parent young children.⁴¹

- 2.41 The National Council of Single Mothers and their Children (NCSMC) indicated that one model for a pre-vocational program is a 'future planning service', which provides targeted support for parents and families and — critically — has a strong focus on enabling parents to plan for their futures.⁴² ACOSS expressed support for this or a similar service, stating that:

[E]ach individual who engages in [the service] needs to be part of [the] planning, so they need to decide what goes into their plans. [The service] needs to be individualised and personalised according to [the] person's own views of where they want to go—if they're going to go back into work or go into the labour market later on. I don't think you can be particularly prescriptive about which activities benefit people most.⁴³

³⁸ Djerriwarrh, *Submission 28*, p. 5. Djerriwarrh indicated that a failure to adequately prepare parents for the transition to Workforce Australia further compounds long-term welfare dependency and multigenerational joblessness and could stifle Australia's economic growth.

³⁹ Roseberry Queensland (Roseberry), *Submission 71*, p. 2.

⁴⁰ CSMC, *Submission 25*, p. [6].

⁴¹ Ms Jenny Davidson, Chief Executive Officer, CSMC, *Committee Hansard*, 6 December 2022, p. 3. Notwithstanding their support for a pre-vocational program, the CSMC also observed that 'employment is fundamental for single mothers' and noted that the CSMC is developing a program to support women to enter or re-enter the workforce.

⁴² NCSMC, *Submission 5*, p. 3. The NCSMC provided further detail on the features of a future planning service in response to questions on notice. See NCSMC, *Submission 6.1*, p. [1].

⁴³ Dr Casey, ACROSS, *Committee Hansard*, 6 December 2022, p. 14.

- 2.42 The BSL also supported a pre-vocational program, stating that such a program should reflect mutual investment and genuine partnerships between participants and the program provider(s).⁴⁴
- 2.43 The Brave Foundation drew attention to its Supporting Expecting and Pregnant Teens (SEPT) program as an example of a successful pre-employment program, emphasising that the program is voluntary and supports participants to identify and achieve goals that are matched to life stages. Participants who are work-ready are supported directly into employment, while more vulnerable participants access support to address non-vocational barriers before considering employment-related goals. The Brave Foundation stated that the SEPT program:
- ... has achieved great success by viewing the holistic needs of young parents—our participants have pursued their education and workforce participation goals, addressing financial, housing, mental health and wellbeing, and family and domestic violence challenges. In doing so, we have noted increased participant attendance and connection with maternal and child health services and enhanced their overall confidence in parenting.⁴⁵
- 2.44 Support for a pre-vocational program was also broadly reflected in evidence from the CECFW, which indicated that if a program is to genuinely contribute to gender equity, it should not only offer education and training but support women to address and heal from trauma.⁴⁶

Connecting parents to services and supports

- 2.45 The Committee heard that pre-employment programs also have a critical role in connecting participants to local activities and services.⁴⁷ This is particularly important in the context of the service fragmentation noted above.
- 2.46 ACOSS emphasised that a pre-employment program must be integrated with the service ecosystems that exist across Australia, which might already be addressing aspects of the needs of parents, families, and children.⁴⁸ ACOSS noted that examples of relevant services include primary health, mental health, adult education, TAFEs, local councils, and domestic and family violence.⁴⁹
- 2.47 The CECFW observed that, in Victoria, there are approximately 2,500 family service workers based in the community. The workers and the organisations they represent work with families to address issues associated with parenting, family violence, and child protection (among others). The CECFW indicated that a pre-employment

⁴⁴ Ms Rebecca Pinney Meddings, Senior Manager, Financial Inclusion, BSL, *Committee Hansard*, 11 November 2022, p. 24.

⁴⁵ Brave Foundation, *Submission 56*, p. 8.

⁴⁶ Ms Deb Tsorbaris, Chief Executive Officer, CECFW, *Committee Hansard*, 6 December 2022, p.15.

⁴⁷ See, for example, Mission Australia, *Submission 76*, p. 9; Roseberry, *Submission 71*, pages. 3–4; The Parenthood, *Submission 61*, p. 2.

⁴⁸ Dr Casey, ACOSS, *Committee Hansard*, 6 December 2022, pages 13, 15.

⁴⁹ ACOSS, *Submission 62*, p. 10.

program should ‘link very closely’ with the family services ecosystem, and that closer links between that ecosystem and local Centrelink offices should be considered.⁵⁰

2.48 The Western Australian Council of Social Service (WACOSS) similarly emphasised the importance of investing in the broader social support ecosystem, as well as the importance of wrap-around services and early engagement to addressing barriers to workforce participation — particularly for young mothers. WACOSS stated:

[E]vidence has shown that if you're supporting a young woman before she is pregnant and certainly when she is pregnant, for example, and continue those supports, you get really positive outcomes.⁵¹

2.49 SRJA stated that pre-employment programs should form part of a suite of policies and programs that support women’s workforce participation.⁵²

Addressing poverty and disadvantage

2.50 The Committee heard that by enabling parents to achieve their education and employment goals and ultimately to achieve financial security, pre-employment programs have the indirect, though significant, effect of addressing poverty and intergenerational disadvantage.⁵³

2.51 For example, SRJA stated that a well-designed pre-employment program should:

- Reduce the risk of long-term economic disengagement, disadvantage, and future unemployment. . . (particularly for those who at greatest risk).
- . . .
- Promote the wellbeing of children and reduce child poverty by improving parents’ future ability to earn a liveable income while not impeding their present ability to meeting their parenting responsibilities.⁵⁴

2.52 Pre-employment programs play a key role in providing targeted support at certain transition points, which can be critical to breaking cycles of poverty and disadvantage and enabling parents to achieve their economic, health, and wellbeing aspirations.⁵⁵ For example, Campbell Page stated:

⁵⁰ Ms Tsorbaris, CECFW, *Committee Hansard*, 6 December 2022, p.15.

⁵¹ Ms Rachel Siewert, Deputy Chief Executive Officer, Western Australian Council of Social Service (WACOSS), *Proof Committee Hansard*, 1 February 2023, p. 10.

⁵² SRJA, *Submission 23*, p. 3.

⁵³ See, for example, Jobs Australia, *Submission 80*, p. 16; Workskil Australia (Workskil), *Submission 21*, p. 1; Mission Australia, *Submission 76*, p. 2.

⁵⁴ SRJA, *Submission 23*, pages 2–3.

⁵⁵ See, for example, My Pathway, *Submission 35*, p. 5; APM, *Submission 42*, p. 5. The importance of providing support at key transition points (including pregnancy and childbirth, the point at which a person’s youngest child reaches school age, and the point at which a parent engages with education or begins searching for employment) was also considered in the inquiry conducted by the Select Committee on Intergenerational Welfare Dependence. See Select Committee on Intergenerational Welfare Dependence, *Living on the Edge*, February 2019, p. xx.

[T]he transition from youth to adulthood involves several social and developmental milestones including job exploration, personal development, securing employment, completing education in post-secondary studies or vocational training, and gaining independent living skills. However, some young people do not have a smooth transition and if not provided with relevant and effective interventions and support, they can experience challenges such as dropping out of education, unemployment, crime, early or unplanned pregnancy and housing instability or homelessness.⁵⁶

- 2.53 Campbell Page emphasised that supports for parents — particularly young parents — should be place-based, individualised, and involve collaboration, stating that this approach helps the person and their family feel empowered, understand their rights, voice their opinions, and engage with the services and supports that are available.⁵⁷
- 2.54 Notwithstanding the role of pre-employment programs in addressing poverty and disadvantage (and the objectives of the current ParentsNext program), several submitters and witnesses stated that the objectives of such programs should not use the language of intergenerational welfare dependence. The Committee heard that this language risks stigmatising participants and may diminish the importance of raising children as legitimate, important work.
- 2.55 For example, BSL stated that referring to 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, 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.⁵⁸
- 2.56 Submitters and witnesses asserted that the objectives and goals of pre-employment programs should focus on the strengths of participants and the benefits they may derive from the program, rather than on participants' vulnerabilities and on social and economic constraints.⁵⁹ For example, Dr Ann Nevile stated:
I believe it is better to design a program which maximises opportunities for participants to get value from the program, rather than embedding structural constraints which reduce the likelihood of the program achieving policy goals.⁶⁰

⁵⁶ Campbell Page, *Submission 57*, p. [3].

⁵⁷ Campbell Page, *Submission 57*, p. [3].

⁵⁸ BSL, *Submission 59*, pp. 5–6.

⁵⁹ See, for example, Ms Millar, Goodstart, *Committee Hansard*, 11 November 2022, p. 13; Mr Simon ('Sam') Tracy, Practice Director, Basic Rights Queensland, *Committee Hansard*, 11 November 2022, p. 26; Ms Tsorbaris, CECFW, *Committee Hansard*, 6 December 2022, p. 12.

⁶⁰ Dr Ann Nevile, *Submission 14*, p. 2.

Valuing the role of parenting

2.57 Several stakeholders asserted that a pre-employment program must value caring for children as legitimate and important work and must enable parents and carers — irrespective of background or circumstances — to make their own decisions as to whether they connect with the labour market or remain at home to parent their children.⁶¹

2.58 Associate Professor Klein emphasised that unpaid care work and raising the next generation on which the economy and society depends is ‘extremely important and crucial’, stating that:

This work should be valued and people undertaking it should be given the space, economic security, support, and time needed to undertake it. Government must accept and make policy that appreciates workforce participation as just one form of work, amongst many forms of work, which whilst being extremely critical for the economy and society, are often unpaid.⁶²

2.59 Submitters and witnesses also highlighted the importance of parents being present during the vital early stages of a child’s learning and development, noting the long-term negative impacts on children — particularly children living in disadvantage — that can occur when the parent is not present during these stages.⁶³

2.60 The CECFW observed that the first 1,000 days of a child’s life, from conception to two years of age, is a critically important time that shapes the child’s wellbeing and development. It is also during this period that the child forms strong, secure attachment to their parent.⁶⁴

2.61 The CSMC noted that many parents access income support during the early stages of their child’s life, emphasising that drawing on social security assistance must not be viewed as a risk indicator for welfare dependency. The CSMC stated:

We can't allow it to become a privilege only of higher income mothers with a breadwinning partner to raise their own children. This is the risk we're running by penalising women at this phase of their life, when what they want to do is invest their time and energy into the wellbeing and future of their own children.⁶⁵

⁶¹ See, for example, Dr Eve Vincent, *Submission 10*, p. 2; CSMC *Submission 25*, p. [3]; ARACY, *Submission 37*, p. 4; Family and Relationship Services Australia (FRSA), *Submission 60*, p. 8; Australian Unemployed Workers Union (AUWU), *Submission 70*, p. [1].

⁶² Associate Professor Elise Klein OAM, *Submission 6.1*, p. [1]

⁶³ See, for example, Wesley Mission, *Submission 55*, p. [6]; Ms Millar, Goodstart, *Committee Hansard*, 11 November 2022, p. 13.

⁶⁴ CECFW, *Submission 74*, p. 5. Additional information is available via DSS, *The First 1000 Days*, www.dss.gov.au/families-and-children-programs-services-children-protecting-australias-children/the-first-1000-days, viewed 14 February 2023.

⁶⁵ Ms Davidson, CSMC, *Committee Hansard*, 6 December 2022, p. 2.

The current ParentsNext program

- 2.62 As noted at the outset, ParentsNext is a divisive and controversial program. This was clearly reflected in the fact that while many participants with whom the Committee met during its site visits commented very positively on ParentsNext and detailed the benefits of the program, other stakeholders — including advocacy bodies and participants who made submissions or appeared at the Committee’s hearings — expressed very negative views, including that the program is punitive and causes harm to vulnerable women.
- 2.63 During the Committee’s visits to ParentsNext providers, the Committee heard from a significant number of participants about their experiences with the program. While these participants highlighted areas in which ParentsNext could be improved, many observed that ParentsNext had helped them to build confidence, connected them with education and employment opportunities, supported them to connect with employers, and in many cases enabled them to obtain paid work. Several stated that their experience with ParentsNext had been life-changing.
- 2.64 These positive experiences were reflected in some participants’ written evidence.⁶⁶ For example, one participant stated:
- ParentsNext...is more than a simple job provider, it is a helping hand and a supportive voice, it is the encouragement to further a career, a chance to learn, and it was a literal life saver for me.⁶⁷
- 2.65 ParentsNext providers also highlighted the benefits of the program, noting that it has been successful in addressing barriers to labour market participation, supporting participants to develop community networks, and building participants’ confidence and skills. Most of those providers submitted case studies to support their claims.⁶⁸ One provider sent the Committee more than 150 feedback forms completed by participants. These forms identified areas in which ParentsNext could be improved, but overwhelmingly reflected positive experiences.
- 2.66 Positive experiences of ParentsNext were broadly reflected in an evaluation of the program over the period 2018 to 2021. Key findings of the evaluation included:
- Almost 75 per cent of participants saw an improvement in their work readiness and reported an increase in motivation to achieve work and study goals;
 - ParentsNext had a positive impact on education and employment — particularly for early school leavers and parents with children under 5 years old; and

⁶⁶ See, for example, Name withheld, *Submission 9*, p. [1]; Name withheld, *Submission 29*, pages [1–2]; Name Withheld, *Submission 66*, p. [1].

⁶⁷ Name Withheld, *Submission 8*, p. [1].

⁶⁸ See, for example, SSI, *Submission 16*, p. [5]; Djerriwarrh, *Submission 28*, p. 9; yourtown, *Submission 36*, p. 4; UnitingCare Australia, *Submission 49*, p. 3; Roseberry, *Submission 71*, pages 5–7; Mission Australia, *Submission 76 (Attachment 1)*, pages 1–3.

- Almost all providers surveyed as part of the evaluation agreed that ParentsNext was meeting its objectives effectively.⁶⁹
- 2.67 However, the evaluation was unable to establish whether ParentsNext had a long-term impact on joblessness or intergenerational welfare dependence, largely due to the difficulty in detecting these types of changes over the short term. International research indicates that the return on investment for ParentsNext-type programs may not be apparent for many years.⁷⁰
- 2.68 In contrast to the positive experiences of ParentsNext shared with the Committee, many other stakeholders raised concerns about ParentsNext and the way it is delivered. Many advocated for significant changes to the program,⁷¹ with some calling for it to be abolished.⁷² Common among stakeholders opposing ParentsNext was the view that while the objectives of the program are appropriate, the program is designed and delivered in such a way that the objectives are not realised.⁷³
- 2.69 In addition, participants who spoke to the Committee during site visits observed that the quality of their experience in ParentsNext depended heavily on their provider and the provider's staff, including case managers. This was reflected in evidence before the Committee.⁷⁴ For example, the Settlement Council of Australia (SCA) stated:
- The likelihood of a positive outcome is dependent on the skills and responsiveness of the workers delivering the service. This can be highly variable. For migrant and refugee women the likelihood of a mainstream provider not being responsive to their needs is even higher.⁷⁵
- 2.70 Case managers and frontline staff to whom the Committee spoke during site visits noted that they frequently used 'work arounds' to ensure participants would not be subject to undue compliance activity and could continue to benefit from the program. This suggested that operating within the design parameters of ParentsNext is not always conducive to positive outcomes.
- 2.71 The use of these 'work arounds' was also reflected in evidence before the Committee. For example, YFS Limited (YFS) stated:

⁶⁹ DEWR, *Submission 77 (Attachment 2)*, pages 2–5. The evaluation related to the program as it existed before July 2021. As outlined in Chapter 1, from July 2021 several changes were made to the program, including to eligibility criteria and service delivery mechanisms.

⁷⁰ DEWR, *Submission 77 (Attachment 1)*, p. 8.

⁷¹ See for example, Workskil, *Submission 21*, p. 2; Name withheld, *Submission 22*, pages 3–4.

⁷² See, for example, AWAVA, *Submission 3*, p. [1]; Professor Beth Goldblatt, *Submission 4*, p. 1; NCSMC, *Submission 5*, p. 3; EJA, *Submission 11*, p. [1]; Full Stop Australia, *Submission 12*, p. 1; Dr Katherine Curchin, *Submission 26*, p. 1; BSL, *Submission 56*, p. 1; AUWU, *Submission 70*, p. [1]; Change the Record, *Submission 103*, p. 2.

⁷³ See, for example, Dr Travers McLeod, Executive Director, BSL, *Committee Hansard*, 11 November 2022, p. 21; Emeritus Professor Rosalind Croucher, President, AHRC, *Committee Hansard*, 7 December 2022, p. 11.

⁷⁴ See, for example, Ms Davidson, CSMC, *Committee Hansard*, 6 December 2022, p. 5; Ms Jill Roche, Chief Executive Officer, Brave Foundation, *Proof Committee Hansard*, 18 January 2023, p. 3

⁷⁵ SCA, *Submission 85*, p. [3].

Some ParentsNext providers have developed workarounds for participants who struggle to meet reporting requirements, such as linking the reporting date with the date parents have to report income.⁷⁶

2.72 Mission Australia similarly noted that its staff exercise discretion to minimise risks to participants while working within the Targeted Compliance Framework (TCF) and their contractual obligations, and rarely apply sanctions for noncompliance.⁷⁷

2.73 The design of ParentsNext, including the fundamental question of the program's purpose, was a matter of considerable concern for many stakeholders. For example, ACOSS stated that ParentsNext:

... does not meet its policy objective of providing useful pre-employment support to parents of young children who need it. It has been designed unhelpfully with a broad-brush approach and resources are wasted on administration and enforcement of program rules that are not helping those that most need it.⁷⁸

2.74 Per Capita highlighted similar issues with ParentsNext next, stating that the program:

... is too focused on managing parents' behaviour and time use, and it assigns to a complex web of government agents and information system processes the power to cause uncertainty, stress and harm, by suspending payments for non-attendance backed up by the risk of payment cancellation. The activities the program proposes and includes in participants' plans are too limited and are driven more by mutual obligation requirements than by an effective strategy to encourage and enable preparation for employment.⁷⁹

2.75 The Committee also heard that ParentsNext, at least as currently designed and delivered, is not appropriate for First Nations peoples. For example, Dr Curchin stated:

The paternalist framing of the existing ParentsNext program makes it particularly inappropriate for Aboriginal and Torres Strait Islander participants. Concerns that Aboriginal and Torres Strait Islander parents might be reluctant to engage with government-funded employment programs need to be addressed by engaging with Aboriginal-controlled organisations to create programs that are trustworthy and culturally safe.⁸⁰

2.76 Submitters and witnesses also raised concern in relation to specific elements of the program — particularly compulsory participation and reporting, and the application of the TCF.⁸¹ One former participant stated that:

⁷⁶ YFS, *Submission 31*, p. 3.

⁷⁷ Mission Australia, *Submission 76*, p. 7.

⁷⁸ ACOSS, *Submission 62*, pages 4–5.

⁷⁹ Per Capita, *Submission 78*, p. 5.

⁸⁰ Dr Katherine Curchin, *Submission 26*, p. 5. See also Dr Eve Vincent, *Submission 10*, p. 5.

⁸¹ See, for example, AWAVA, *Submission 3*, p. 1; NCSMC, *Submission 5*, p. 5; FRSA, *Submission 60*, p 6; Ms Ella Buckland, *Submission 13*, pages [1–2].

[ParentsNext] is coercive control...it's government sanctioned abuse... There's no option out; you're totally controlled and there are people who don't know you and don't know your situation making decisions about whether you're allowed to pay your rent or feed your children.⁸²

2.77 Economic Justice Australia (EJA) stated that parents and other carers are referred to ParentsNext despite not satisfying the eligibility criteria for the program and having little or no capacity to benefit. Examples provided by EJA included:

- Parents have been referred to ParentsNext despite having completed Year 12 and being engaged in part-time TAFE or University courses. One client was in the final year of a degree.
- Grandparents caring for young grandchildren have been referred, despite being single and under 55 years.
- A grandmother caring for three young children referred to the ParentsNext program had given up work and claimed Parenting Payment (Single) and Family Tax Benefit as she could not cope with working and caring for the children. The children were traumatised by the family violence they experienced before being taken into care by their grandmother.⁸³

2.78 In addition, the Committee heard that Participation Plans are not tailored to the needs of participants, and often include activities which are not effective in helping to achieve the participant's goals.⁸⁴ Moreover, Plans often include activities which the participant is already undertaking. The NWSA observed that this can:

...[Create] the spectre of surveillance over routine parenting activities that [are then] perceived by authorities as being 'job ready' activities, draining the enjoyment a parent may otherwise have derived.⁸⁵

2.79 Evidence also indicated that the Participation Fund — which is intended to be used to purchase support and resources to help participants achieve their goals — is under-utilised, due at least in part to a lack of flexibility in the rules that govern its use.⁸⁶ This was highlighted as a particular issue in the context of supporting participants to gain driver licences, which can be essential in regional and remote areas where many people lack access to reliable public transport.⁸⁷

2.80 The current program may also fail to give sufficient value to caring for children as a form of work.⁸⁸ For example, Associate Professor Klein stated:

⁸² Angela, private capacity, *Committee Hansard*, 7 December 2022, p. 2.

⁸³ EJA, *Submission 11*, p. [5]. See also ACOSS, *Submission 62*, p. 8.

⁸⁴ See, for example, Dr Katherine Curchin, *Submission 26*, p. 3; Wesley Mission, *Submission 55*, p. 8.

⁸⁵ NWSA, *Submission 27*, p. [3].

⁸⁶ See, for example, NCSMC, *Submission 5*, p. 5; NWSA, *Submission 27*, p. [3].

⁸⁷ See, for example, Women's Health and Family Services (WHFS), *Submission 45*, p. [3].

⁸⁸ See, for example, Dr Eve Vincent, *Submission 10*, pp. 1–2; CSMC, *Submission 25*, p. [4].

ParentsNext is premised on an assumption that reproductive labour is not work—indeed, this is a structuring principle of the program as it overlooks and undervalues the gendered division of labour resulting in discarding the amount of labour that single mothers engage in on a daily basis by deeming them unemployed and not working.⁸⁹

- 2.81 Issues with specific elements of ParentsNext, including compulsory participation and the application of the TCF, eligibility criteria and their application, the Participation Plan and the appropriateness of activities, and the Participation Fund, are discussed in more detail in Chapters 3 and 4.
- 2.82 Submitters and witnesses further observed that there is significant stigma attached to ParentsNext, noting that participants can be painted as lazy, lacking motivation, and incapable of improving their situation without government intervention. Accordingly, a common view was that ParentsNext’s reputation is too damaged for the program to continue in its current form.⁹⁰

Alternative programs

- 2.83 Some submitters and witnesses drew attention to alternative pre-employment and pre-vocational programs, noting that these might serve either as replacements for ParentsNext or as models for the design and delivery of a replacement. Typically, these programs were voluntary.
- 2.84 For example, the BSL drew attention to its Sustaining Empowerment and Economic Dignity (SEED) project, delivered in Seymour, Victoria. The BSL explained that the SEED project, which is place-based and designed to respond to local conditions, aims to tackle barriers to women’s economic security and financial wellbeing. Key elements of the SEED project include:
- a 6-week Empowerment Pathway Program which supports participants to rediscover strengths and skills and to increase their confidence;
 - mentoring and leadership opportunities, wrap around personal and economic support, referrals to employers, and referrals to social, employment, education, housing, and financial support services;
 - leveraging of a Community Investment Committee designed to identify barriers to workforce participation in the local area such as a lack of childcare or insufficient flexible work opportunities;
 - research and analysis relating to women's economic security and wellbeing; and

⁸⁹ Associate Professor Elise Klein OAM, *Submission 6*, p. 1.

⁹⁰ See, for example, Associate Professor Elise Klein OAM, *Submission 6*, p. 2; Dr Eve Vincent, *Submission 10*, p. 2; CSMC, *Submission 25*, p. [4]; Ms Davidson, *CSMC Committee Hansard*, 6 December 2022, p. 4. Ms Davidson called for a replacement program to be designed and implemented, suggesting that the new program be called a ‘future planning service’, reflecting a focus on supporting parents to identify, plan and achieve their goals.

- monitoring and evaluation to enable tracking of multidimensional needs and outcomes at both an individual and local community level.⁹¹
- 2.85 The Committee visited the SEED program and heard directly from participants about its positive impacts. Participants especially valued the welcoming environment where services are delivered and the focus on empowering women to achieve their goals. Participants drew a contrast between SEED and government-funded employment and pre-employment services, noting that while interactions with government providers can be brusque or even dehumanising, SEED values participants as people and takes a holistic approach to service delivery.
- 2.86 Campbell Page drew attention to its Young Mothers Pathway Program (YMPP). This is a pilot program delivered in Deception Bay, Queensland, and uses a wrap-around approach to support mothers aged 15 to 30 to identify a career and actively move towards financial independence for their families. Campbell Page noted that the program has supported 52 single mothers since commencing in 2015.⁹²
- 2.87 Recent evaluations of the YMPP determined that a wrap-around model is appropriate when working with young mothers who have individualised, complex support needs. Of the participants in the program:
- 45 per cent had increased workforce participation, in employment which fits with their parenting priorities;
 - 39 per cent are working towards 26 weeks in employment;
 - 50 per cent are studying towards their career of choice; and
 - Of the school-aged mothers in the program, 58 per cent are completing Year 12 or VET qualifications.⁹³
- 2.88 Dr Curchin highlighted the Scottish Making it Work program as an example of an effective pre-employment program for parents, stating that the program:
- [E]mpowers participants to find a pathway out of poverty by gaining employment that they could make fit with their caring responsibilities. The program was tailored to the needs of individuals, [and] was specifically designed to support interagency collaboration not competition. It facilitated group interactions of participants to counteract the social isolation that many parents experience. It helped parents find childcare and meet the costs of childcare while they were in the process of training or starting work.⁹⁴

⁹¹ BSL, *Submission 59*, p. 9. Additional information is available at www.bsl.org.au/services/saving-and-managing-money/the-seed-project, viewed 14 February 2023.

⁹² Campbell Page, *Submission 57*, p. [3]. Additional information is available at <https://campbellpage.com.au/youth-and-family/young-mothers-pathways-project>, viewed 14 February 2023.

⁹³ See Campbell Page, *Progress Report: Young Mothers Pathway Project*, October 2022, p. 2, <https://campbellpage.com.au/wp-content/uploads/2023/02/YMPP-Interim-Report.pdf>, viewed 24 February 2023. See also Campbell Page, *Submission 57.1*, p. [1].

⁹⁴ Dr Katherine Curchin, *Submission 26*, p. 5. Additional information is available at <https://opfs.org.uk/policy-and-campaigns/policy-research/making-it-work-evaluations>, viewed 19 January 2023.

Designing a replacement service

- 2.89 As outlined above, several submitters and witnesses have called for ParentsNext to be abolished and replaced with a new pre-employment or pre-vocational service. A key point made by many stakeholders is that any replacement program or service must centre the experiences and needs of participants, empower parents to achieve their goals (rather than focusing only on education and employment outcomes), and value caring for children as important, legitimate work.
- 2.90 Elements of the proposed new service — including eligibility criteria, participation requirements, compliance and enforcement, and service delivery — are discussed in subsequent chapters.

Co-designing the service

- 2.91 A common theme — particularly among stakeholders who advocated for a service to replace ParentsNext — was that any replacement service must be developed through a genuine process of co-design, to ensure that it captures and responds to the circumstances of those likely to be impacted, and to ensure that services and supports are tailored, effective, and culturally appropriate.⁹⁵
- 2.92 The Committee heard that, at a minimum, the co-design process must involve parents and carers, their advocates, providers, and policy experts. It must also capture the voices of specific cohorts, including young parents, First Nations peoples, people from culturally and linguistically diverse (CALD) backgrounds, and those who have experienced family violence.⁹⁶
- 2.93 A key reason for a co-design process is ensuring that services delivered to participants are tailored to participants' individual needs, rather than taking the 'one size fits all approach' that has often characterised the current ParentsNext program. As WACOSS stated:
- [I]f the program is reinvented, it needs to be co-designed by the people that will be participating in the program—and that one size does not fit all ... Certainly from what I have heard over many years of involvement [with the current] program, it is too one-size-fits-all.⁹⁷
- 2.94 WACOSS also asserted that, for First Nations peoples, services should be designed and delivered by Aboriginal Community Controlled Organisations.⁹⁸

⁹⁵ See, for example, Dr Katherine Curchin, *Submission 26*, p. 1; CSMC, *Submission 25*, p. [5]; ACOSS, *Submission 62*, p. 2. CORE Community Services (CORE), *Submission 33*, p. [3]; Salvation Army Employment Plus, *Submission 48*, p. 3.

⁹⁶ See, for example, Australia's National Research Organisation for Women's Safety (ANROWS), *Submission 88*, p. 3; ARACY, *Submission 37*, p. 1; BSL, *Submission 59*, p. 1; EJA, *Submission 11*, p. [12].

⁹⁷ Ms Siewert, WACOSS, *Proof Committee Hansard*, 1 February 2023, p. 3.

⁹⁸ Ms Siewert, WACOSS, *Proof Committee Hansard*, 1 February 2023, p. 4. See also ACOSS, *Submission 62*, p. 11. An Aboriginal Community Controlled Organisation is an incorporated organisation initiated by a First Nations community and is governed by an Aboriginal Body elected by the First Nations community.

- 2.95 As well as emphasising the importance of co-design, submitters and witnesses articulated some of the key principles which should underpin a replacement service. These broadly reflected the functions and objectives of pre-vocational and pre-employment programs outlined earlier in this chapter, and included:
- targeted services which respond to individual needs, build confidence, combat isolation, and support aspirations;
 - valuing unpaid care (caring for and raising children) as legitimate, important work;
 - a focus on job quality and security, as well as intersections between employment and social security, where a participant has employment as a goal; and
 - a focus on participants' strengths, on addressing barriers to social and economic participation, and on achieving financial security.⁹⁹
- 2.96 Submitters and witnesses also stressed the importance of situating any replacement service within existing ecosystems of social support in different jurisdictions and employment regions, and of involving social support organisations in the co-design process. For example, ACOSS stated:

[P]rograms for parents on income support [must be] culturally safe and... planned from the bottom up in partnership with organisations that provide high-quality care and support, sometimes for families who are in very vulnerable situations, including in family and domestic violence services. [They] need to be designed very closely with those who know best how to provide the right supports.¹⁰⁰

[A]t one level we're saying, 'co-design the actual program,' but also... 'situate that program within the kinds of ecosystems of support that already exist in different regions, and which might be addressing other aspects of the needs of families and parents of young children in those communities'.¹⁰¹

Monitoring and evaluation

- 2.97 The Committee heard that any pre-employment or pre-vocational program or service must be supported by transparent, independent monitoring and evaluation, to ensure it is achieving its intended objectives and to inform any necessary improvements.¹⁰²

⁹⁹ See BSL, *Submission 59*, p. 7; CORE, *Submission 33*, p. [3]; yourtown, *Submission 36*, p. 6; Associate Professor Elise Klein OAM, *Submission 6.1*, pages [1–2].

¹⁰⁰ Dr Cassandra Goldie, Chief Executive Officer, ACOSS, *Committee Hansard*, 6 December 2022, p. 13.

¹⁰¹ Dr Casey, ACOSS, *Committee Hansard*, 6 December 2022, p. 15.

¹⁰² See, for example, SSI, *Submission 16*, p. [4]; Domestic Violence NSW (DVNSW), *Submission 44*, p. 4; ACOSS, *Submission 62*, pages 9–10; Per Capita, *Submission 78*, pages 17–18, 21; Mr Christopher Clark, Manager, Employment and Training, OCTEC, *Committee Hansard*, 7 December 2022, p. 22.

2.98 Some stakeholders contended that evaluations conducted to date by DEWR have not been sufficiently reliable or evidence based.¹⁰³ For example, Per Capita stated:

[T]he Department of Jobs and Small Business [2017] evaluation of ParentsNext did not appear to be willing to apply any lessons it could have readily picked up from community stakeholders, or parents themselves in the program. [It also] manifested several methodological failures and an obvious determination to justify taking the program from pilot phase to national rollout. The AHRC's careful analysis pointed out inadequacies around data sampling, transparency around research and survey design, and the way qualitative interviews were reported.¹⁰⁴

2.99 Submitters and witnesses also asserted that stakeholders should have access to accurate, reliable data about the program — particularly data held by DEWR and other public agencies.¹⁰⁵ For example, ACOSS recommended that DEWR provide:

- detailed analysis on the specific activities engaged in and their direct impact on outcomes such as improvements to income and well-being.
- monthly information on payment suspensions, holds and demerit points, compliance interviews and payment preclusions, caused by either the [TCF] or Centrelink reporting, and the collection of qualitative data on the effects of this.
- detailed data on program participants, including demographics on referrals, exemption reasons, activities and exits.¹⁰⁶

Supporting young and teenage parents

2.100 Submitters and witnesses observed that younger and teenage parents often face different and more significant challenges than other parents and expressed concern at the dearth of targeted interventions and support for this cohort.

2.101 For example, the Brave Foundation observed that young mothers are one of the most disadvantaged groups in Australian society. This cohort is more likely to be in receipt of income support, to have lower levels of education, and less likely to be partnered than other women. The cohort is also more likely to experience housing insecurity, family violence, and substance addiction. Accordingly, this cohort should be provided with additional support:

¹⁰³ See, for example, BSL, *Submission 59*, p. 5; AHRC, *Submission 24*, p. 2. Criticisms largely related to the evaluation of the trial programs, published in 2018. The more recent evaluation of the national program from 2018 to 2021 was published in November 2022 and was generally not discussed in evidence.

¹⁰⁴ Per Capita, *Submission 78*, p. 13. Per Capita stated that despite the inadequacies around data sampling, research, and survey design, the evaluation stated the relevant qualitative and quantitative assessments supported a conclusion that the program was effective.

¹⁰⁵ See, for example, APM, *Submission 42*, p. 7; Ms Terese Edwards, Chief Executive Officer, NCSMC, *Committee Hansard*, 6 December 2022, p. 6.

¹⁰⁶ ACOSS, *Submission 62*, pages 9–10.

In the absence of support, the likelihood is that the behaviours and symptoms of their trauma survival is passed onto their children who may then continue to pass this along the family line as intergenerational trauma. Given the particular needs and developmental changes of this group of parents, support services need to be designed and delivered to meet their needs.^[10]

2.102 The Committee heard that that the Helping Young Parents program (triated between 2012 and 2016) was successful in supporting teenage parents. Some submitters and witnesses indicated that there may be value in reinstating a similar program.^[10]

2.103 There were divergent views as to the extent to which a program for teenage parents should be compulsory. For example, the National Employment Services Association (NESA) supported a more active or intensive approach, stating:

If the benefit of having some of our most disadvantaged and vulnerable principal carer parents participate in the program is of greater value than having a level of compellability to ensure engagement; then the element of compellability should be retained.^[109]

2.104 The Brave Foundation also supported a more active approach to supporting young parents, but indicated that, in most cases, there should not be any requirement to engage with services and supports. In this respect, the Brave Foundation stated:

[P]reference [should be given to] voluntary participation for younger age groups in particular because we know building relationships and trust is coming at a really critically important time in their journey... [W]e want to be encouraging young people to be part of something, to know that they can trust, to know that they have people in their corner who are working alongside and encouraging them, because that is important to see good outcomes for the young person, not because it's an obligation to have good outcomes for that person.^[110]

2.105 The BSL similarly stated that while there would be merit in a program targeted to teenage parents, such a program should be voluntary. The BSL noted that so long as the program is seen as welcoming and inclusive and is sufficiently flexible to accommodate caring and other responsibilities, participants will typically want to engage. The BSL drew attention to its own programs in this regard, stating:

In our...employment programs like [Jobs Victoria Employment Services] and the Work and Learning Centre, in our Stepping Stones program we've run for 10 years, we don't have a problem engaging because it's seen as a support. If you put in that the first meeting is compulsory, you're at risk of having a different engagement.^[111]

¹⁰⁷ Brave Foundation, *Submission 56*, p. 4.

¹⁰⁸ See, for example, Dr Casey, ACOSS, *Committee Hansard*, 6 December 2022, p. 18; Ms Ella Buckland, *Committee Hansard*, 7 December 2022, p. 8.

¹⁰⁹ National Employment Services Association (NESA), *Submission 83*, p. 9.

¹¹⁰ Ms Roche, Brave Foundation, *Proof Committee Hansard*, 18 January 2023, p. 4.

¹¹¹ Ms Pinney Meddings, BSL, *Committee Hansard*, 11 November 2022, p. 28.

Committee view

- 2.106 There is a long history to the provision of targeted programs which aim to build the capacity of parents and support them to prepare for employment. The Committee has sought to understand whether there remains a need for such programs in the current labour market and, if so, to articulate what such programs should aim to achieve.
- 2.107 The Committee has firmly concluded that there is a need for a pre-employment or pre-vocational services for disadvantaged parents. Such services can be effective in addressing barriers to social and economic participation, enabling financial security for participants, and ultimately in helping to break intergenerational cycles of poverty and disadvantage.
- 2.108 There are multiple barriers to labour force participation for parents and carers, and particularly for single parents who have been disconnected from the labour force for a sustained period. Chief among these is the task of caring for and raising children, which — while invaluable to society as a whole — can make starting and remaining in work very challenging, particularly where affordable, accessible childcare is not available, and jobs are insufficiently flexible to accommodate caring responsibilities. The Committee also understands that sustained disconnection from the workforce may result in a variety of negative consequences, including severe financial hardship and poor physical and mental health. The Committee is also deeply concerned by the large and growing proportion of long-term unemployed women aged over 45. Many of these women have had significant time out of the workforce caring for children and lack formal skills or education.
- 2.109 ParentsNext has been at least moderately successful in achieving its stated goals. Participants (through written submissions, in case studies from providers, and by speaking directly to the Committee) commented very positively on ParentsNext, stating that the program has helped them build confidence, gain skills and qualifications, access supports and connect with employers. Despite questions as to their reliability, evaluations of ParentsNext by DEWR and its predecessors also found that the program has been effective in supporting many participants to achieve education and employment outcomes.
- 2.110 Unfortunately, positive experiences of ParentsNext are all too often overshadowed by evidence of the harms caused to many participants. Much of the harm is associated with onerous participation and reporting requirements and the harsh compliance regime, including payment suspensions and financial penalties (discussed in subsequent chapters).
- 2.111 The Committee also heard that the design of ParentsNext is not always sufficiently tailored to the individual needs of participants, has too heavy a focus on achieving employment and education outcomes that may not be appropriate for all parents, and fails to properly value the task of caring for children. The Committee acknowledges that there is some flexibility in the program, and appreciates that many skilled and caring consultants flexibly and sensitively apply program requirements and develop Participation Plans. However, this experience is not universal.

- 2.112 Many concerns about ParentsNext raised in evidence to this inquiry were reflected in previous inquiries by the Senate Community Affairs References Committee and the Parliamentary Joint Committee on Human Rights. These concerns suggest that trust in ParentsNext is broken, and that — whatever benefits ParentsNext is delivering — the program should not continue in its current form.
- 2.113 While acknowledging the benefits of the current program, given the serious design flaws, unduly harsh reporting and compliance regimes and the damaged community trust, the Committee strongly considers that ParentsNext should not continue past the end of the current contracts.

Recommendation 1

2.114 The Committee recommends that ParentsNext be abolished at the end of its current contract and be replaced with a new pre-vocational service.

- 2.115 The Committee acknowledges that if the many other recommendations in this report are adopted then it will be necessary to extend the current ParentsNext contracts to allow a replacement service to be designed and commissioned. Contract extensions should only occur for the shortest time necessary to co-design and implement a replacement service. The Committee estimates that the co-design process is likely to take nine to 12 months.
- 2.116 Contract extensions mean that the current program would continue on an interim basis. As such and noting significant stakeholder concern about the punitive nature of the program and its adverse impacts on participants, significant changes should be made to ParentsNext's participation, reporting and compliance arrangements. These changes should make the current program more supportive and reduce to the greatest extent possible the punitive aspects that are doing the greatest harm. Recommended and suggested interim changes are outlined in Chapter 6 of this report.

Recommendation 2

2.117 The Committee recommends that the Australian Government:

- **extend existing ParentsNext contracts for the shortest time possible to allow for the co-design and implementation of a replacement service; and**
- **make significant changes on an interim basis to the current ParentsNext program to address the serious concerns outlined in this report, with a particular focus on limiting participation and reporting requirements and reducing the impacts of the unreasonably harsh compliance regime.**

- 2.118 At the end of the current contract, ParentsNext should be replaced with a new pre-vocational service focused on building the confidence and capacity of parents, addressing barriers to social and economic participation, and supporting parents to identify and achieve their individual goals, including those relating to education and employment.

- 2.119 The Committee suggests 'Your Future Planning' as the title of the new service, to emphasise the focus on supporting people as individuals (not just as parents) as they consider their future aspirations and the steps they will take to achieve their goals.
- 2.120 As a matter of principle, parents must have the right to choose to actively parent their children, particularly where the child is very young. Accordingly, any replacement service for ParentsNext must be designed to value the role of parenting, and must help restore decency and respect to the role that parents, and particularly single mothers, have in raising future generations. The Committee agrees with submitters that it should not only be wealthy women who can choose to actively parent their very young children, and that too great a focus on future employment for parents of very young children fails to recognise the reality of caring. This focus on future employment is a very patriarchal view.
- 2.121 Given the ongoing concern that the focus and objectives of ParentsNext need to change, the new service must have clearly defined objectives to guide design and implementation. The Committee considers the language of welfare dependence is wrong and unhelpful, as it may unfairly stigmatise and 'victim blame' people trapped in poverty or disadvantage. The new service should instead focus on enhancing economic security and addressing entrenched disadvantage.
- 2.122 Draft objectives for a new service, subject to refinement during a co-design process, could be for a supportive service which targets early intervention assistance to parents at greatest risk of entrenched disadvantage, and helps to enhance their long-term economic security, including by:
- assisting parents to identify their future aspirations and education and employment goals that will lead to secure and decent work that fits with their caring responsibilities;
 - supporting parents to progress towards their skills and education goals and to access suitable employment opportunities; and
 - supporting parents to access other services and supports to help them to care for their family and advance and address barriers to their education and employment goals, taking account of caring responsibilities.
- 2.123 The Committee acknowledges the many excellent alternative programs aimed at improving women's economic security, supporting young parents, and supporting single or disadvantaged parents, which are delivered by not-for-profit entities. These programs are diverse, usually place-based, and often relatively expensive in terms of unit cost per person. However, they may deliver better results in building aspirations and goals from a more immersive, supportive experience—often in group settings. One example is the BSL's 'SEED' project, which has much broader eligibility and provides more intensive support than ParentsNext.
- 2.124 The Committee does not consider it realistic, desirable, or necessary to copy or standardise those programs, or to replicate them on a national level, particularly given fiscal constraints and the disparate support needs of parents and carers.

However, those programs include design elements that may be used as models for a replacement service for ParentsNext.

- 2.125 The Committee also sees benefit and merit in parents being able to choose to participate in one of the many excellent alternative and complementary programs in fulfillment of their participation requirements. Such programs could also be considered as eligible for the application of a person's Skills Passport (a financial entitlement to be spent on education and training, detailed in Chapter 3), and the use of resources from the Participation Fund where appropriate and beneficial.

Recommendation 3

2.126 The Committee recommends that the service which replaces ParentsNext value caring for children as important, and focus on:

- **assisting parents to identify future aspirations and education and employment goals that will lead to secure, meaningful work that fits with their caring responsibilities;**
- **supporting parents to progress towards their skills and education goals and to access suitable employment opportunities; and**
- **supporting parents to access other services and supports to help them to care for their family and advance and address barriers to their education and employment goals, taking account of caring responsibilities.**

Recommendation 4

2.127 The Committee recommends that complementary and alternative programs delivered by not-for-profit entities be recognised as fulfilling participation requirements for ParentsNext and for any service which replaces it. Participants should also be enabled to use the Participation Fund, as well as funding allocated to the proposed 'Skills Passport', to support participation in programs deemed appropriate and beneficial.

2.128 Heightened levels of disadvantage experienced by teenage and young parents suggest that Government should be more active in its support for this cohort. A program focused on supporting young and teenage parents should be implemented as a targeted stream or standalone program. The program must be adapted to the needs and circumstances of this cohort and should have a focus on helping participants to identify and achieve personal goals and address barriers to social and economic participation before considering specific education or employment outcomes.

2.129 The Committee considers that the objectives and design of the former Helping Young Parents program remain appropriate for teenage parents, and notes that there is clear evidence that the former program was effective in supporting teenage parents to complete their education and improve their long-term prospects. The Committee suggests this service should focus on parents aged 20 or below with similar targeting

criteria, participation requirements and support options as the previous Helping Young Parents program.

Recommendation 5

2.130 The Committee recommends that the Australian Government design and implement a specific program focused on young and teenage parents. The program should have the objective of assisting young and teenage parents to complete their studies and improve their long-term prospects, as well as the long-term prospects of their children.

2.131 Both the new 'Your Future Planning' service and the program to support teenage parents should be the product of a robust and comprehensive co-design process, to ensure the voices of those most likely to be impacted by programs are captured.

2.132 While acknowledging that the participants in a co-design process will vary according to the nature of the program, the co-design process must involve, at a minimum, parents and carers, advocates, policy experts, employer organisations, service providers, parents from CALD backgrounds, First Nations peoples, and family and domestic violence support services.

Recommendation 6

2.133 The Committee recommends that the program to replace ParentsNext, as well as the program to support teenage parents, be co-designed with key stakeholders, including:

- **parents, carers, and their advocates;**
- **service providers, including in family and domestic violence support;**
- **employer organisations;**
- **policy experts;**
- **First Nations communities and First Nations-led organisations; and**
- **people from culturally and linguistically diverse (CALD) backgrounds and multicultural organisations.**

2.134 If the Committee's recommendations are broadly implemented via a new co-designed service, there will be some aspects that may be more costly to deliver. These are outlined throughout the report but include a greater role for Services Australia in many areas, additional capacity for providers in the initial engagement with participants to set goals, greater use of incentives, and support to work with First Nations communities and families. These costs would be offset to some degree by changes to eligibility (likely resulting in fewer participants) and simpler compliance requirements. If, however, additional funding is required and not available, the Committee is firmly of the view that quality should be prioritised over quantity.

- 2.135 The Committee considers that it is better to provide a higher quality service to a narrower group of people than to compromise on critical design principles so that more parents can participate in the service. The Committee notes that the introduction of new eligibility criteria (discussed in Chapter 3), and a greater focus on ensuring that parents are not inappropriately referred to the program, should help reduce the number of participants overall.

Recommendation 7

- 2.136 The Committee recommends that where budget limitations restrict the ability to implement key recommendations, the Australian Government prioritise, at least initially, a higher quality service to a narrower group of parents rather than compromise on critical service design principles.**
- 2.137 The new 'Your Future Planning' service must be subject to regular, independent monitoring and evaluation. This should include making data about the service publicly available. A monitoring and evaluation strategy should be captured in the co-design process for the new service. This is likely to assist the credibility and acceptance of the evaluations.
- 2.138 The potential for an independent regulator and broader issues of assurance, research and evaluation will be further covered in the Committee's final report.

Recommendation 8

- 2.139 The Committee recommends that the service to replace ParentsNext, as well as the program to support young and teenage parents, be subject to robust and transparent monitoring and evaluation, accompanied by open data sharing, which also enables external scrutiny and evaluation.**



3. Program design

This chapter details the features that should underpin the design of the pre-vocational service to replace ParentsNext, as well as the benefits and drawbacks associated with the design and implementation of the current program. The Committee envisages a materially different service to ParentsNext, while acknowledging and retaining those aspects that are worthwhile.

In particular, and noting the vulnerabilities experienced by many parents and the critical importance of valuing parenting, the Committee considers that participation requirements should be substantially reduced. However, the Committee considers that some significantly reduced participation requirements should be retained as a means of encouraging participation by parents who are isolated, disconnected from the workforce, or in situations of coercive control. Predecessor programs such as Helping Young Parents that had positive evaluations and broad appreciation had light touch requirements.

The service to replace ParentsNext should be fully voluntary for parents with very young children. When a parent's youngest child reaches a specified age (for example, the age of formal pre-schooling), participation requirements could be applied. However, participants should only be expected to attend appointments and engage meaningfully with the service. They should not be expected to complete or report on specific activities.

For the service to replace ParentsNext and for the current program, Services Australia must take a much more person-centred approach to engaging with parents and referring them to providers. This includes ensuring that parents are made aware of the supports that are available and do not enter services with the perception that they are being punished for some wrongdoing. Ideally, Services Australia's engagement with participants would be led by a suitably skilled in-house worker, with social workers also available for more complex cases.

In addition and noting the concerns about parents being inappropriately referred to ParentsNext, the Committee considers that Services Australia and providers should have much greater discretion to exempt a parent from the program where it is considered they have little or no capacity to benefit. Sensible guidelines should be developed to assist these decisions. However, frontline discretion should be paramount. The rules governing exemptions should also be reviewed as part of the co-design process for a service to replace ParentsNext, and on an ongoing basis to ensure that the exemptions framework remains effective and appropriate.

The (co-)design of the service to replace ParentsNext will also include a review of funding arrangements, including financial incentives for providers. The Participation Fund (or a similar fund) would be retained, with the rules governing the use of the Fund

reviewed to ensure that they are not acting as impediments to participants obtaining the resources they need. Clear rules limiting the extent to which providers can use the Fund to pay for services that they or a related entity delivers should also be implemented and must include robust government oversight over spending decisions.

In addition, the Participation Fund would ideally be complemented by additional funds, tied to each participant on a ‘use it or lose it’ basis. This would be specifically to support participants with their education and training needs and is likely to act as a strong incentive to participate in the replacement service.

Noting that access to reliable, affordable transport is a key (and growing) barrier to social and economic participation—particularly in regional, rural, and remote areas—participants should have access to a financial entitlement to be used to obtain a driver licence, including to pay for lessons and administrative fees. The Committee also recognises that barriers to obtaining a licence (and lack of access to transport more generally) are systemic issues that require whole-of-government solutions. The Committee considers that the Australian Government must work with State and Territory counterparts to address the issue as a matter of urgency.

Eligibility, assessment and referrals

- 3.1 Parents are required to participate in ParentsNext if they fall within a class specified by legislative instrument under the *Social Security Act 1991* (Social Security Act). Eligibility criteria for the program are outlined in Chapter 1.
- 3.2 Eligible individuals are identified based on data in Services Australia’s system. Where a person is identified as eligible, Services Australia sends them a letter advising them that they will be a participant in ParentsNext. Following the letter, Services Australia sends the person a text message advising them that Services Australia will contact them by phone. This call is always from an unknown number. Thereafter, a staff member from Services Australia’s outsourced contact centre calls to conduct a phone interview. The interview lasts approximately 10 minutes and is focused on confirming the person’s eligibility and discussing next steps.
- 3.3 The interview with Services Australia involves using the Job Seeker Classification Instrument (JSCI) to identify the participant’s needs, including whether the participant is ready for employment and key barriers to social and economic participation. Unlike in mainstream employment services such as Workforce Australia, the JSCI is not used to determine eligibility for ParentsNext.
- 3.4 Where Services Australia’s contracted call centre confirms the person’s eligibility, the person will be referred to a service provider for an initial appointment.¹ During that first appointment, only then is the participant given detailed information about the program. Over the following month, the participant will discuss their goals with the

¹ Mr Jonathon Thorpe, Deputy Chief Executive Officer (A/g)—Customer Service Design, Services Australia, *Proof Committee Hansard*, 18 January 2023, p. 20. See also Department of Employment and Workplace Relations (DEWR), *Submission 77*, p. 9.

provider and develop a Participation Plan which sets out a pathway towards meeting those goals. The Plan must include at least one activity that the parent agrees to undertake.²

Initial contact by Services Australia

- 3.5 The Committee heard repeatedly and consistently—from every provider and from numerous participants—that communication from Services Australia at the point at which a person is referred to ParentsNext is poor. Little information is provided about the program and its potential benefits, and the reasons for the person being referred to the program are not well explained. This adds considerably to the stress and anxiety already experienced by many parents.³ For example, one participant, who is a survivor of domestic violence, recounted her initial experiences of the program:

I will never forget [when]... I received a phone call from ParentsNext that left me shaken, much like leaving my ex did. I was told several times that it wasn't compulsory to answer the questions, but, if I didn't answer the questions, there would be consequences and my payments would be suspended. By the end of that phone call, I was on my bedroom floor crying, and all I could think of when I finished that phone call was, 'I've left one abusive relationship and one abuser, just to be given another one, and one I can't leave from anymore.'⁴

- 3.6 Consistent with this testimony, other stakeholders indicated that initial communication about ParentsNext has a heavy focus on the compulsory elements of the program, and on compliance and enforcement. For example, CVGT Employment stated that participants referred to its services:

[F]requently come with a confused or misunderstood position on the ParentsNext program, often with a sense of “punishment” that they have to participate or “lose their support payments”.⁵

- 3.7 SYC Ltd (SYC) noted that inaccurate information about mutual obligations from sources such as Services Australia, the media, and other participants, can make it very difficult for participants to know what to expect from ParentsNext. Accordingly, SYC called for updated training for Services Australia staff about the information they give to participants, more accurate and welcoming language on the letters Services Australia sends to parents, and a general change of language within ParentsNext to better align with the pre-employment focus of the program. SYC stated that this would reduce the apprehension many parents feel when they are referred.⁶

² See DEWR, *Delivering ParentsNext Guideline*, pages 13–14, <https://www.dewr.gov.au/parentsnext/resources/delivering-parentsnext-guideline>, viewed 14 February 2023.; DEWR, *Submission 77*, p. 17. Providers may also use the JSCI to assess the participant's needs and determine key risk factors.

³ See, for example, Roseberry (Roseberry) Qld, *Submission 71*, p. 1; Australian Council of Social Service (ACOSS), *Submission 62*, p. 8. ACOSS highlighted the impact referral letters from Services Australia have on parents' mental health, particularly for parents experiencing housing insecurity.

⁴ Angela, private capacity, *Committee Hansard*, 7 December 2022, p. 1.

⁵ CVGT Employment (CVGT), *Submission 22*, p. 4.

⁶ SYC Ltd (SYC), *Submission 44*, p. 7.

- 3.8 The National Employment Services Association (NESA) similarly highlighted issues in relation to how ParentsNext is promoted and perceived, stating that information about the program is often incomplete and ‘clinical’. NESA also indicated that there may be too great a focus on employment during initial engagement with Services Australia, stating:
- NESA’s ParentsNext providers continue to be concerned many parents believe that they have been referred to a work first employment service, which in some cases leads to unnecessary anxiety and an initial reluctance to engage.⁷
- 3.9 During its program of site visits, the Committee spoke to many participants and frontline staff who confirmed that it was common for participants to arrive at their initial appointment with a provider with incomplete information about ParentsNext. Participants and providers also told the Committee that the initial interview with Services Australia follows a pre-determined format, and that Services Australia staff are unable to respond to questions about the program or to engage with participants’ needs where this would deviate from their ‘script’.⁸
- 3.10 Participants and providers also confirmed that there is a perception among many participants that they have been referred to ParentsNext due to some wrongdoing, and that they will have to search for work (and rely on the goodwill of their provider) to receive income support. This perception can create challenges in terms of building trust between participant and provider, particularly in the early stages of engagement.
- 3.11 Submitters and witnesses also raised concerns about the assessment undertaken during the initial interview with Services Australia. For example, Economic Justice Australia (EJA) stated that the interview is ‘heavy handed’ and does not support parents to disclose information about their personal circumstances, including experiences of family violence.⁹ EJA also expressed concern that while this initial interview may be a suitable point for a person to be referred to a social worker, often such referrals do not occur due to the person not being enabled to disclose key information or to a lack of social workers on staff:
- [C]lients, particularly clients in vulnerable situations, have found the ParentsNext interview intimidating and an invasion of privacy. This is especially so where the purpose and relevance of the JSCL questions has not been made clear. Clients who have experienced domestic violence, for example, may be unable to disclose or discuss their experience of domestic violence on the phone with a stranger or cannot broach the issue as the perpetrator is with them.¹⁰
- 3.12 Services Australia confirmed that while the initial interview with people who have been identified as eligible for ParentsNext is usually made by phone, participants

⁷ National Employment Services Association (NESA), *Submission 83*, p. 6.

⁸ Experiences shared by participants and providers were reflected in evidence. See, for example, Ms Sally Sinclair, Chief Executive Officer, NESA, *Proof Committee Hansard*, 18 January 2023, p. 15.

⁹ Ms Linda Forbes, Law Reform Officer, Economic Justice Australia (EJA), *Committee Hansard*, 11 November 2022, p. 25.

¹⁰ EJA, *Submission 11*, p. [11]. EJA noted that Services Australia recognises these issues and is examining how best to address them as part of implementation of its *Family and Domestic Violence Strategy 2020-23*.

also have the option to request a face-to-face interview.¹¹ Services Australia also stated that staff in its contact centres receive specialist training to ensure they understand the operation of ParentsNext, can determine whether the program is appropriate for a participant, and can identify circumstances (including family violence) which may require referral to a social worker.¹²

- 3.13 The Department of Employment and Workplace Relations (DEWR) and Services Australia both expressed general support for more face-to-face contact with parents at the initial stages of their engagement with ParentsNext, including referrals to social workers where appropriate. However, both emphasised that there may be significant resourcing implications associated with this proposal.¹³ For example, Services Australia stated:

[W]e could do anything that has been described here based on a revised funding model, but at the moment the agency has a certain number of social workers and the[y]... support a range of programs... not just ParentsNext. Certainly, social workers could play an increased role. That would reflect an increase in the funding model to support that, however.¹⁴

Application of current eligibility criteria

- 3.14 Several submitters and witnesses expressed concern that current eligibility criteria for ParentsNext are not adapted to the individual circumstances of parents, and that the application of those criteria may lead to parents being inappropriately referred to the program, including where they have little to no capacity to benefit.¹⁵
- 3.15 The Council of Single Mothers and their Children (CSMC) stated that the application of current eligibility criteria results in over-servicing and over-reach, noting that many women in the program are taking time off to raise their children, and do not need support gaining employment as they have a job to return to or a 'solid' work history.¹⁶

¹¹ Mr Eric Harper, General Manager (A/g)—Working Age Programs, Services Australia, *Committee Hansard*, 11 November 2022, p. 38.

¹² Mr Thorpe, Services Australia, *Proof Committee Hansard*, 18 January 2023, p. 20.

¹³ Ms Melissa Ryan, Deputy Secretary (A/g)—Employment and Workforce, DEWR, *Proof Committee Hansard*, 18 January 2023, p. 23; Mr Thorpe, Services Australia, *Proof Committee Hansard*, 18 January 2023, p. 23.

¹⁴ Mr Thorpe, Services Australia, *Proof Committee Hansard*, 18 January 2023, p. 23.

¹⁵ See, for example, Workskil Australia (Workskil), *Submission 21*, pages 2, 4; EJA, *Submission 11*, p. [5]; Wesley Mission, *Submission 55*, p. [6]; ACOSS, *Submission 62*, p. 8. Stakeholders also commented on eligibility criteria relating to the age of the youngest child. These comments were largely made in the context of compulsory participation for parents with very young children and are discussed later in this chapter.

¹⁶ Council of Single Mothers and their Children (CSMC), *Submission 25*, p. [6].

- 3.16 Workways Australia Ltd (Workways) stated that it often receives ineligible referrals to ParentsNext from Services Australia (for example, parents without a current JSCI assessment, parents with children under six months of age, and parents who are currently working or studying). Workways (like other providers) typically commences these participants and then sends them back to Services Australia to have their referral amended. Workways expressed concern that while this is effective in terms of meeting performance targets, it is not the best action for the participant and often results in a negative perception of the program which damages the relationship between the participant and the provider.¹⁷
- 3.17 Workways encouraged further training for Services Australia employees, to ensure referrals are accurate and are the right service for the participant. Workways also requested that providers not be required to commence ineligible referrals, but instead be enabled to flag such referrals in DEWR's employment services system.¹⁸
- 3.18 NESAs estimated that 10 per cent of those referred to ParentsNext do not meet the criteria for an exemption yet receive little benefit from the program. Examples of this cohort include parents with strong social or community networks, high levels of educational attainment, or extensive work histories. NESAs recommended that further assessment criteria be introduced to help ensure the program offers benefit to participants, with the flexibility to make participation voluntary where appropriate.¹⁹
- 3.19 The Australian Council of Social Service (ACOSS) noted that their analysis of the 2021 ParentsNext caseload indicated that 40 per cent of participants would not benefit from the program, as they already had TAFE or university education.²⁰
- 3.20 EJA noted that where people with higher levels of education or current employment are referred to ParentsNext, they may have difficulty engaging because the program is not adapted to their needs:
- I... have a colleague who has [a PhD], who also was in ParentsNext and was having difficulty trying to suggest that maybe things such as story time might not have been as beneficial as other things to the ParentsNext provider and had trouble with that. And then the... provider basically said that they didn't really have anything that was relevant for her. So she was kind of left in limbo.²¹
- 3.21 yourtown noted that current eligibility criteria are not appropriately adapted to the circumstances of large families, including families with three or more children who are close in age. yourtown stated that it could be reasonably expected that parents in such families will have difficulty engaging with ParentsNext.²²

¹⁷ Workways Australia Ltd (Workways) *Submission 54*, p. [3].

¹⁸ Workways, *Submission 54*, p. [3].

¹⁹ NESAs, *Submission 83*, p. 8. See also EJA, *Submission 11*, p. [5].

²⁰ ACOSS, *Submission 62*, p. 5.

²¹ Mr Simon (Sam) Tracy, Practice Director, Basic Rights Queensland, *Committee Hansard*, 11 November 2022, p. 25. A similar experience was recounted by the Brotherhood of St Laurence (BSL). See Dr Dina Bowman, Principal Research Fellow—Work and Economic Security, BSL, *Committee Hansard*, 11 November 2022, p. 25.

²² yourtown, *Submission 36*, p. 6.

- 3.22 Some submitters noted that foster, kinship, and grandparent carers may step in to take over primary care of a child, temporarily or on a long-term basis. This cohort typically does not need support with education or employment, or parenting support such as playgroups. However, current eligibility criteria may result in members of this cohort being referred to ParentsNext.²³

Eligibility for voluntary participation

- 3.23 Some stakeholders expressed concern that the eligibility criteria for voluntary participation in ParentsNext may exclude individuals who would benefit from the program and called for the criteria to be expanded to capture additional cohorts.
- 3.24 For example, Workways stated that some parents who are not eligible for Parenting Payment should be considered for voluntary eligibility for ParentsNext. Workways observed that parents whose partner earns above the relevant income threshold, and parents on Non-Protected Special Category visas, are at risk of becoming long-term unemployed and would benefit from support with education and employment. Workways provided a case study to illustrate the gap in current eligibility criteria:

[The participant] was originally eligible for ParentsNext... [She] attended her appointments consistently and began to build rapport with her Employability Coach, who was able to speak with her in her own language... [She] felt that the appointments were a good outlet and... was referred to local workshops to assist with her confidence and work towards employment, to support her goal of financial independence, and to ultimately leave the situation she was in... Unfortunately, [the participant] has had to exit ParentsNext, as [her] partner now earns too much money, and she is no longer eligible... [T]his has negatively impacted [the participant] in reaching her goals for safety for herself and her children.²⁴

- 3.25 Wesley Mission stated that parents on Carers Payment may benefit from ParentsNext, and drew attention to testimony from a Senior ParentsNext consultant:

I have had several parents contact me over the years who have a child with severe needs, but still wanted support for education and employment. But as they are on a carer's payment, they were not eligible. This leaves an already isolated cohort of parents even more isolated and vulnerable while dealing with the care and needs of their children. They are not eligible to register with other job services, leaving a huge gap that ParentsNext could fill, and opening up opportunities for increased servicing.²⁵

- 3.26 Metro Assist stated that as a result of an apparent lack of knowledge about ParentsNext, Services Australia's frontline staff often refer parents who are eligible for the program to employment services. Metro Assist expressed concern that there

²³ See, for example, EJA, *Submission 11*, p. [5]; Name Withheld, *Submission 66*, p. [1].

²⁴ Workways, *Submission 54*, p. 3.

²⁵ Wesley Mission, *Submission 55*, p. [6].

may be many more vulnerable parents who are turned away from ParentsNext despite needing support.²⁶

Compulsory participation

- 3.27 As outlined in Chapter 1, participation in ParentsNext—including meeting mutual obligation requirements such as attending interviews, agreeing to a Participation Plan, and undertaking certain activities—is compulsory for those who fall within the class specified by legislative instrument under the Social Security Act. Where a participant fails to meet their mutual obligation requirements, they may have their income support payments suspended, reduced, or cancelled.
- 3.28 This issue of compulsory participation is discussed below. The discussion covers the matter of compulsion generally, compulsory activities, and the cohorts who are compelled to participate. Consequences for failing to comply with participation requirements are discussed separately in Chapter 4.

Arguments against compulsory participation

- 3.29 A significant number of stakeholders held the strong view that all participation should be voluntary, arguing that compulsory participation is too onerous for and can cause significant harm to already vulnerable parents, devalues work already being done by parents and carers (including the task of raising children), and does not contribute to improved economic equality or workforce participation for women.²⁷
- 3.30 The National Council of Single Mothers and their Children (NCSMC) outlined some of the negative experiences of participants around compulsory participation, stating:
- Women talk about being forced to attend weekly, fortnightly, monthly [appointments], and they do that because, if they don't comply, they lose their payments. Basic work, health and safety is not taken into consideration.
- [W]hen I talk about coercive control, when I explain that to the broader community, I talk about using coercive control to harm, to punish, to frighten; to provide basic needs, such as food; monitoring your time, your activity, throughout the day; and taking control over every aspect of your life, such as where you can go, whom you can see, what activities your children can or cannot undertake. I find this definition consistent with the ParentsNext program.²⁸
- 3.31 Dr Eve Vincent noted that several participants had spoken to her about the anxiety associated with mutual obligation requirements, stating that these participants do not

²⁶ Metro Assist, *Submission 73*, p. [4].

²⁷ See, for example, Associate Professor Elise Klein OAM, *Submission 6*, p. 2; EJA, *Submission 11*, p. [12]; CSMC, *Submission 25*, p. [6]; Australian Research Alliance for Children and Youth (ARACY), *Submission 37*, pages 2–3; ACOSS, *Submission 62*, p. 6; Australian Women Against Violence Alliance (AWAVA), *Submission 3*, p. [1].

²⁸ Ms Terese Edwards, Chief Executive Officer, NCSMC, *Committee Hansard*, 6 December 2022, pages 1–2.

feel supported to achieve their goals but rather feel as if they are under constant surveillance and supervision. Participants also reported difficulties with onerous reporting requirements. For example, one participant stated:

The reporting I cannot stand. I have three different alarms in my phone to remind me to report and sometimes you get interrupted and then you just... you totally forget and then you're not paid. Your rent's due, all my credit card repayments are due, my loan's due.²⁹

- 3.32 The experience recounted in Dr Vincent's submission was broadly consistent with experiences shared by participants during site visits. While participants generally reported positive experiences of ParentsNext, activity reporting and the threat of payment suspensions were often highlighted as negative aspects of the program. Many participants reported setting multiple alarms to ensure they reported on time and having experienced stress and anxiety around reporting deadlines. These experiences were reflected in written evidence. For example, one participant stated:

The one thing that has made things hard is if you miss an appointment your payment will get cut off... [B]eing a single parent it is hard to get appointments at times and it makes it harder when payments get cut off because of that.³⁰

- 3.33 Associate Professor Elise Klein noted that many compulsory activities are superfluous, largely because participants are already undertaking those or similar activities to improve their prospects. In this respect, Associate Professor Klein stated:

[Some] women were already studying for degrees when they were put on ParentsNext and their activities given to them by the provider was just to continue doing the study. The interviewees often were aware the provider was paid up to AU\$600 to have them part of the program, despite the provider offering no further value or financial support to activities they were already doing themselves.³¹

- 3.34 The Brotherhood of St Laurence (BSL) stated that while there is little connection between compulsory participation and improved education or employment outcomes, there is significant evidence of harms caused by payment suspensions, including creating further barriers to employment.³²

- 3.35 Dr Janet Ramsey and Dr Katherine Curchin noted that other pre-employment programs have been successful without compulsory participation or associated financial sanctions. Examples include the Jobs through Education and Training program in Australia and the Making it Work program in Scotland.³³

²⁹ Dr Eve Vincent, *Submission 10*, p. 3.

³⁰ This was also reflected in written evidence. See, for example, Name Withheld, *Submission 9*, p. [1].

³¹ Associate Professor Elise Klein OAM, *Submission 6*, p. 2.

³² BSL, *Submission 59*, p. 10. See also Dr Anne Nevile, *Submission 14*, p. 2, ACOSS, *Submission 62*, p. 6.

³³ Dr Janet Ramsey, *Submission 17*, p. 2; Dr Katherine Curchin, *Submission 26*, p. 5.

3.36 Some submitters, including the Australian Human Rights Commission (AHRC), also contended that linking any income support payments to mutual obligations is likely to be incompatible with Australia’s human rights obligations, particularly if there are financial consequences for failing to comply with those requirements.³⁴

Arguments for compulsory participation

3.37 In contrast to the views set out above, some stakeholders supported compulsory participation as a means of encouraging engagement with the program by parents who would not otherwise have sought help, including parents who are isolated or in situations of coercive control. There was a common and continued concern amongst these stakeholders that removing all participation requirements would see the most vulnerable people miss out on help.

3.38 There were also widely divergent views as to the extent to which the program should be compulsory, including which activities should be compulsory and which should be undertaken at the discretion of the participant.³⁵

3.39 For example, Mission Australia observed that its staff report difficulties in engaging some participants for their first appointment, stating that compulsory attendance creates an opportunity to explain ParentsNext and its benefits. Mission Australia noted that if the program were entirely voluntary there would be a missed opportunity to provide early intervention support to parents and their children.³⁶

3.40 This was also reflected in evidence from Family and Relationship Services Australia (FRSA), who stated that compulsory participation:

- brings in participants with limited social supports, resources, and knowledge of how to access support services, who would not necessarily have the emotional and mental reserves or the trust in social services to voluntarily enter the program; and
- brings into visibility parents and children at safety risk who have otherwise fallen through the gaps of child and family safety services, which may involve families experiencing or escaping domestic and family violence.³⁷

³⁴ See, for example, Australian Human Rights Commission (AHRC), *Submission 24*, p. 2; Professor Beth Goldblatt, *Submission 4*, p. 5, Equality Rights Alliance (ERA), *Submission 19*, pages 2–4; Change the Record, *Submission 103*, pages 3–4. This issue is compounded in the case of vulnerable cohorts of participants such as First Nations peoples and victim-survivors of domestic violence — particularly where financial sanctions result in a parent or child not being able to meet their immediate basic needs.

³⁵ See, for example, YFS Limited (YFS), *Submission 31*, p. 3; yourtown, *Submission 36*, p. 5; MAX Solutions, *Submission 40*, p. [2]; Salvation Army Employment Plus (SAEP), *Submission 48*, p. 7. Those stakeholders did not all support compulsion across all elements of the program. Some, for example, only expressed direct support for compulsory appointments.

³⁶ Mission Australia, *Submission 76*, p. 5. See also Sarina Russo Job Access (SRJA), *Submission 23*, p. 7.

³⁷ Family and Relationship Services Australia (FRSA), *Submission 60*, p. 7.

- 3.41 FRSA also expressly recommended ‘de-linking’ ParentsNext from the Targeted Compliance Framework (TCF), and implementing more proportionate, flexible compliance requirements.³⁸
- 3.42 OCTEC Limited (OCTEC) observed that compulsory participation is an effective way of ensuring engagement and supporting employment and education outcomes, particularly for vulnerable cohorts. OCTEC stated:
- When used positively, as part of an overall engagement strategy, OCTEC has found the compulsory participation requirements to be an important tool for our consultants to connect with parents, and to remain engaged with them, even in circumstances where a participant might otherwise disengage.³⁹
- 3.43 The Settlement Council of Australia (SCA) stated that removing compulsory participation would reduce opportunities to engage with migrant and refugee women who otherwise would not engage. SCA noted that there are women in this cohort for whom compulsory engagement has led to a positive outcome.⁴⁰
- 3.44 Metro Assist similarly noted that women from culturally and linguistically diverse (CALD) backgrounds are often very socially isolated and may be confined to their households due to cultural and gender norms. According to Metro Assist, the compulsory nature of ParentsNext:
- ... allows these most vulnerable participants to engage with services and support free of their partner’s interference and objection...to step out of their partners control and to challenge the cultural gendered norms imposed on them.⁴¹
- 3.45 The value of compulsory participation, particularly for initial appointments, was reflected in statements to the Committee during site visits, including from numerous participants. The Committee heard that these appointments were of particular value for participants experiencing family violence and coercive control. Participants also saw value in compulsory activities, for similar reasons. However, this was not universal, and depended heavily on the quality of the provider and whether the relevant activities were appropriate to the participant’s circumstances.
- 3.46 DEWR highlighted the connection between compulsory participation, improved engagement and better outcomes for participants, stating:
- One of the lessons in terms of evidence from those pilots [Helping Young Parents and Supporting Jobless Families] was that the pilot that had both compulsory

³⁸ FRSA, *Submission 60*, p. 7.

³⁹ OCTEC Limited (OCTEC), *Submission 53*, p. 3. See also YFS, *Submission 31*, p. 2; Uniting SA, *Submission 32*, p. 4; MAX Solutions, *Submission 40*, p. [2].

⁴⁰ Settlement Council of Australia (SCA), *Submission 85*, p. [2]. SCA also emphasised that whether compulsory participation will lead to positive outcomes is heavily dependent on the quality of the relevant provider. Moreover, while SCA did not oppose compulsory participation in relation to any element of the program, it only expressly supported compulsory participation for the first few appointments.

⁴¹ Metro Assist, *Submission 73*, p. [4].

appointments and compulsory attendance at activities was generally more effective at achieving the education and other goals.⁴²

Age of the youngest child

- 3.47 Many stakeholders argued against requiring participation in ParentsNext when a person's youngest child is nine months of age and called for the minimum age to be increased. Submitters and witnesses asserted that requiring participation when a person's youngest child reaches nine months implies that person should be thinking about returning to work. This is not realistic for many parents.⁴³
- 3.48 Views on the most appropriate age of the youngest child were varied and depended on factors such as parenting responsibilities (particularly for single parents and those with higher-needs children), access to childcare, access to transport, and the costs of participating in the program.⁴⁴
- 3.49 In addition, some evidence indicated that the appropriate age for the youngest child should be a matter for ongoing discussion—for example as part of the co-design process proposed for a replacement service for ParentsNext (see discussion in Chapter 2). For example, Dr Katherine Curchin asserted that it is parents themselves who are best placed to judge when it is the right time to engage with the service.⁴⁵
- 3.50 Several providers advocated for raising the minimum age of the youngest child to 12 months, noting that this would better align ParentsNext with the policy and legal frameworks for maternity leave in most jurisdictions.⁴⁶
- 3.51 Other stakeholders asserted that 12 months may still be too early for some parents, noting the importance of parental involvement during the first thousand days of a child's life. These views were strongly linked to the importance of valuing the work of caring for children.⁴⁷ For example, the Centre for Excellence in Child and Family Welfare stated:

Within the first months and years of a child's life, they form strong, secure attachments with their parent. When parents are forced to undertake compulsory participation requirements, this can take away precious time spent parenting and

⁴² Ms Benedikte Jensen, First Assistant Secretary—Employment Policy and Analytics Division, DEWR, *Committee Hansard*, 11 November 2022, p. 31.

⁴³ See, for example, CSMC, *Submission 25*, p. [6]; Dr Ann Nevile, *Submission 14*, p. 4; SAEP, *Submission 48*, pages 6, 9; NESA, *Submission 83*, p. 6. This issue was typically raised in the context of compulsory participation. However, it also reflected broader concerns about the importance of parental involvement in the early years of a child's life and the need to place greater value on parenting and caring as a form of work.

⁴⁴ See, for example, Associate Professor Elise Klein OAM, *Submission 6*, p. 2; National Women's Safety Alliance (NWSA), *Submission 27*, p. [3]; Women's Health and Family Services (WHFS), *Submission 45*, p. [2]; BSL, *Submission 59*, p. 6.

⁴⁵ Dr Katherine Curchin Senior Lecturer, Centre for Social Research and Methods, Australian National University (ANU), *Committee Hansard*, 11 November 2022, p. 9.

⁴⁶ See, for example, Settlement Services International (SSI), *Submission 16*, p. [3]; Workskil, *Submission 21*, p. 2; My Pathway, *Submission 35*, p. 5; MAX Solutions, *Submission 40*, p. [2].

⁴⁷ See, for example, Brave Foundation, *Submission 56*, p. 5; Ms Jenny Davidson, Chief Executive Officer, CSMC, *Committee Hansard*, 6 December 2022, p. 3.

cause additional stress to parents and children. By enforcing participation requirements on lone parents, the government is sending the message that parenting is not a respected form of labour.⁴⁸

- 3.52 The CSMC stated that if compulsory participation is retained, it would be more appropriate for activity requirements to commence when the participant's youngest child is three years of age. In this regard, the CSMC noted that this is the age at which many children begin pre-school.⁴⁹
- 3.53 Across all States and Territories, children are typically able to begin preschool when they are three years old, turning four between 30 April and 31 July of the year when they commence.⁵⁰ From 2023, Victoria is also rolling out free kindergarten for children aged three and four years. This will include children who are two years old, provided they turn three in the year they commence. Five to 15 hours of free kindergarten will be available for children aged three years, while 15 hours of free kindergarten will be available to children aged four years.⁵¹
- 3.54 By contrast to the CSMC, Djerriwarrh Community and Education Services expressed support for requiring compulsory participation when a person's youngest child is 9 months of age, stating that early intervention is 'essential to ensuring improved social wellbeing outcomes and multigenerational systemic reform to welfare dependency'.⁵²
- 3.55 DEWR was unable to point to evidence that expressly supports starting compulsory participation in ParentsNext when a person's youngest child is nine months of age but indicated that the decision to start compulsory participation at that point was based on interactions with participants and on eligibility criteria relating to age which existed under the previous iteration of the program.⁵³

A 'lighter touch' approach to compulsory participation

- 3.56 As outlined above, several stakeholders supported some compulsory participation in ParentsNext, but indicated that levels of compulsion in the current program are too high for some participants. Those stakeholders generally supported a 'lighter touch'

⁴⁸ Centre for Excellence in Child and Family Welfare (CECFW), *Submission 74*, p. 5.

⁴⁹ CSMC, *Submission 25*, p. [6]. It is noted that pre-school does not begin at this age in all Australian jurisdictions. See Ms Sinclair, NESA, *Proof Committee Hansard*, 18 January 2023, p. 17.

⁵⁰ See Australian Institute of Health and Welfare, *Early childhood education and care*, <https://www.aihw.gov.au/reports/children-youth/australias-children/contents/education/early-childhood-education-and-care>, viewed 14 February 2023.

⁵¹ See Hon Daniel Andrews, 'Free Kindergarten For Thousands of Victorian Children', *Media Release*, 10 August 2022, <https://www.premier.vic.gov.au/free-kindergarten-thousands-victorian-children>, viewed 14 February 2023, Victorian Government, *When to start Three and Four-Year-Old Kindergarten*, <https://www.vic.gov.au/give-your-child-the-best-start-in-life#when-to-start-three-and-four-year-old-kindergarten>, viewed 14 February 2023.

⁵² Djerriwarrh Community & Education Services (Djerriwarrh), *Submission 28*, p. 4.

⁵³ Ms Jensen, DEWR, *Committee Hansard*, 11 November 2022, p. 34.

approach to compulsory participation, which would encourage participants to engage with the program without creating undue burden, stress, or anxiety.

- 3.57 A common view was that while attendance at the initial appointment should remain mandatory, the participant should be able to choose whether and to what extent they participate from that point (including whether they attend subsequent appointments and participate in activities).⁵⁴
- 3.58 Other stakeholders suggested that attendance at regular scheduled appointments remain compulsory but that other tasks or activities be undertaken on a voluntary basis. The Committee heard that this approach would broadly reflect the Transition to Work program.⁵⁵
- 3.59 There was also support for participants attending voluntary appointments in addition to mandatory appointments. However, the Committee heard that providers must make clear which appointments are voluntary and which are mandatory, with some evidence put forward of participants being compelled to attend appointments every two or three weeks.⁵⁴
- 3.60 The Committee's engagement with participants during site visits indicated that participants are unlikely to experience undue hardship if the frequency of mandatory appointments is (reasonably) increased. The Committee heard that many participants—particularly those who are actively engaged in the program—are in regular contact with their providers, and frequently seek advice from their case managers outside of scheduled appointments. However, it was also clear that while the frequency of appointments could increase, the timing of appointments must be appropriate to the participant's circumstances.

Granting of exemptions

- 3.61 ParentsNext providers and Services Australia can grant exemptions for parents who are temporarily unable to participate in ParentsNext. Exemptions may be granted for various reasons, including incapacity, personal crisis, caring responsibilities, and domestic and family violence. Exemptions durations will differ according to the grounds on which they are sought and may last up to 52 weeks. Where a parent is exempt from ParentsNext, they are not required to sign a Participation Plan, attend appointments with a provider or undertake compulsory activities.⁵⁴
- 3.62 Providers are typically aware that there are broad grounds for exempting parents from ParentsNext. For example, YFS Ltd observed that:

⁵⁴ See, for example, Per Capita, *Submission 83*, p. 5; SCA, *Submission 85*, p. [2].

⁵⁵ See, for example, Jobfind Centres Australia Pty Ltd (Jobfind), *Submission 50*, p. 3; Wesley Mission, *Submission 55*, p. [6]; FRSA, *Submission 60*, p. 7; Mission Australia, *Submission 76*, p. 3.

⁵⁶ See, for example, EJA, *Submission 11*, p. [9]; SSI, *Submission 16*, p. [3]; Roseberry, *Submission 71*, p. 2.

⁵⁷ DEWR, *Submission 77*, p. 10. See also DEWR, *Submission 77 (Attachment 2)*, p. 29. In the 2021–22 financial year, 27,791 exemptions were granted to 23,580 participants. The most common exemptions are for pregnancy or birth of a child, having a large family with 4 or more children, and temporary medical incapacity.

Grounds for exemption from the program are broad, enabling participants to opt out of ParentsNext for a period if their circumstances make it unreasonable for them to meet requirements... Providers have the discretion to extend exemption periods. At any given time about 20 per cent of parents referred to ParentsNext are on an exemption.⁵⁸

- 3.63 The Committee heard that despite there being a range of grounds for exemptions, some participants have difficulty securing an exemption despite meeting relevant criteria. Moreover, current exemption periods may not be sufficient in some cases.
- 3.64 At present, a participant who has experienced domestic violence in the previous 26 weeks must be granted an exemption for 16 weeks. During this time the participant may engage with their provider on a voluntary basis and is not subject to compliance activity. For other participants who have experienced domestic violence, a 16-week exemption can be granted on a case-by-case basis. Further 16-week exemptions can also be granted on a case-by-case basis to any participant who has experienced domestic violence.⁵⁹
- 3.65 The Committee heard that current exemptions for domestic and family violence are insufficient for many participants. In this regard, submitters and witnesses noted that impacts of domestic violence can persist for much longer than 16 weeks, particularly when matters such as engagement with the justice system are considered. For example, Domestic Violence NSW stated:
- [D]omestic and family violence can have very long impacts, particularly if people are involved in the Family Court, for example. People can participate in those hearings for up to or five years or even longer.
- I think that it's [also] variable how long the crisis phase [of escaping domestic violence] can take... [T]hree months would be a very conservative amount of time... six months would be more usual, noting that crisis accommodation—for example, refuges, et cetera—generally have a three-month period and then there's a time where people, if they choose that pathway or they're able to access it, would be trained to transition into another type of housing.⁶⁰
- 3.66 Submitters and witnesses called for exemptions for domestic and family violence to be extended to 12 months, or 6 months at a minimum.⁶¹ Some submitters also called for exemptions for participants who have experienced domestic violence to be automatic in all cases.⁶²
- 3.67 Exemptions for participants experiencing domestic violence was also raised during the Committee's site visits, with participants who spoke to the Committee calling for

⁵⁸ YFS, *Submission 31*, p. 2.

⁵⁹ DEWR, *ParentsNext Guideline*, pages 106–107.

⁶⁰ Ms Renata Field, Team Manager—Policy, Advocacy and Research, Domestic Violence New South Wales (DVNSW), *Committee Hansard*, 7 December 2022, p. 19.

⁶¹ See Ms Forbes, EJA, *Committee Hansard*, 11 November 2022, p. 22; NCSMC, *Submission 5*, p. 4; Angela, private capacity, *Committee Hansard*, 7 December 2022, p. 2.

⁶² See, for example, EJA, *Submission 11*, p. [4]; CECFW, *Submission 74*, p. 3.

exemptions made on this ground to be extended and to be automatically granted in most, if not all, cases. Notably, participants who expressed concern about exemptions otherwise expressed strong support for ParentsNext.

- 3.68 The Committee also heard that the current payment framework for providers may act as a disincentive to granting exemptions. For example, Per Capita noted that under the current framework a provider receives \$600 for every six months that a parent remains on their caseload. However, that six-month period does not include time during which a participant is exempt from the program.⁶³

Incentives to participate

- 3.69 A key theme was that there would be value in using incentives to encourage engagement with ParentsNext—particularly if participation requirements are to be reduced or removed from the program altogether. Incentives might be used in addition to or as an alternative to sanctions.⁶⁴
- 3.70 Several possible incentives were suggested. For example, Sarina Russo Job Access stated:
- As an alternative to a compliance regime based on financial penalties (suspensions or cancellations), the government could consider incentives for participation. These could take the form of:
- small incentive payment, directly to the participant, in return for participation such as attending the first appointment;
 - additional subsidies for services such as childcare;
 - discounts on student fees (or subsidies for student loans).⁶⁵
- 3.71 Several submitters suggested free or heavily subsidised childcare as a possible incentive to participation in ParentsNext, noting that childcare remains a key barrier to workforce participation for many parents.⁶⁶
- 3.72 NESAs observed that there would be value in supporting and linking participants with crisis support services, including supports for mental health concerns and for drug and alcohol dependency. Other suggestions included assistance with the costs of housing, education, and training, and a bonus payment.⁶⁷

⁶³ Per Capita, *Submission 87*, p. 14.

⁶⁴ See, for example, Professor Beth Goldblatt, *Submission 4*, pages 7, 9; CVGT, *Submission 22*, p. 4; Campbell Page, *Submission 57*, pages [4, 6]; BSL, *Submission 59*, p. 13. The AHRC indicated that using incentives instead of sanctions would assist the compatibility of the program with international human rights law. See Emeritus Professor Rosalind Croucher, President, AHRC, *Committee Hansard*, 7 December 2022, p. 11.

⁶⁵ SRJA, *Submission 23*, p. 8.

⁶⁶ See, for example, Jobfind, *Submission 50*, p. 6; Campbell Page, *Submission 57*, p. [6]; BSL, *Submission 59*, p. 13; GoodStart Early Learning (Goodstart), *Submission 75*, p. 5.

⁶⁷ Ms Sinclair, NESAs, *Proof Committee Hansard*, 18 January 2023, p. 14; Mr Brian McCormick, Senior Advisor—Government Policy, Jobs Australia, *Proof Committee Hansard*, 18 January 2023, p. 10.

3.73 Other suggestions for incentives in the evidence before the Committee included working credit arrangements and grocery or fuel vouchers.⁶⁸

The Participation Plan

3.74 The Participation Plan is an agreement between the participant and their provider which sets out the participant's education and employment goals and provides a roadmap for how those goals are to be achieved. All participants must agree to a Participation Plan and complete and report on mandatory activities set out in the Plan as a condition of receiving income support.⁶⁹

3.75 The ParentsNext guideline sets out requirements for providers for the Participation Plan. Key requirements include:

- providers must prepare the Participation Plan in consultation with the participant over the 20 business days following the initial appointment with the provider;
- activities are only included in a Participation Plan with the agreement of the participant, however, the Plan must include at least one compulsory activity that is designed to assist the participant to meet their education or employment goals;
- providers must explain to the participant that they have 10 business days 'think time' to consider their Participation Plan before signing; and
- the Participation Plan must be reviewed at each quarterly appointment.⁷⁰

3.76 There was consensus that the Participation Plan should remain a core component of ParentsNext and that the objectives of the Plan are appropriate.⁷¹ For example, Dr Ann Nevile stated:

[I]f the ParentsNext program is to achieve its policy objectives to help participants develop work and study goals, the major tool or policy instrument is the [P]articipation [P]lan. For the participation plan to be effective, it really has to be a meaningful collaboration between the participants and the service providers.⁷²

3.77 However, concerns were raised in relation to how the Participation Plan is used by providers and participants. These are discussed below.

Participation Plans in the context of a compulsory program

3.78 Some submitters and witnesses noted that there are unique challenges in adapting a Participation Plan (which is intended as a roadmap to achieving individual goals) to a

⁶⁸ See, for example, Uniting SA, *Submission 32*, p. 4; SYC, *Submission 44*, p. 10; Jobfind, *Submission 50*, p. [6].

⁶⁹ See *Social Security Act 1991*, s. 500(1)(ca), *Social Security (Administration) Act 1999*, ss. 40A, 40D. In the applicable legislation, the Participation Plan is referred to as an 'employment pathway plan'.

⁷⁰ DEWR, *Delivery ParentsNext Guideline*, pages 18–20, 24.

⁷¹ See, for example, EJA, *Submission 11*, pages [4, 9]; SSI, *Submission 16*, p. [3]; BSL, *Submission 59*, p. 13.

⁷² Dr Ann Nevile, Honorary Associate Professor, Centre for Social Research and Methods, ANU, *Committee Hansard*, 11 November 2022, p. 1.

compulsory program such as ParentsNext. For example, Dr Curchin noted that participants may agree to a Plan to avoid having payments suspended, rather than out of a genuine belief that the Plan reflects their goals and sets out an appropriate pathway to achieving them.⁷³

- 3.79 Experiences shared by participants indicated that Dr Curchin's concerns may be borne out in many cases. For example, Ms Ella Buckland, a parent advocate and former participant, stated:

I've advocated for at least 300 women to varying degrees—women who have been forced, two days postpartum... to sit in a ParentsNext office, with someone demanding that they sign a privacy waiver and a participation plan, otherwise their payments [will be cut off]. There are women in varying stages of education who are being bullied by their providers, women who are so frightened that they can't sleep, women who are really worried about the payment suspension and the obligations the program demands.⁷⁴

- 3.80 This issue reflects broader concern with the power imbalance between providers and participants in a compulsory program. For example, Dr Neville observed that:

[D]eveloping an effective participation plan takes time and a relationship of trust will probably need to be developed. This is unlikely to happen. That is because service providers are in a position of power over the participants, as they are the ones who decide, if a participant doesn't meet a participation requirement, whether the reason for not doing so is reasonable or unreasonable.⁷⁵

Tailoring of the Participation Plan to the individual participant

- 3.81 The ParentsNext guidelines provide that Participation Plans must be tailored to suit the unique circumstances and goals of each participant. Providers must consider various matters when developing the Plan, including barriers to social and economic participation, capacity to engage with the program, and individual circumstances (including gender, language, experience of domestic and family violence, and access to transport and childcare).⁷⁶
- 3.82 In practice, Participation Plans must also be sufficiently flexible to account for the unpredictability of parenting of young children, with providers ready to adjust requirements to account for changes to participants' circumstances.⁷⁷

⁷³ Dr Katherine Curchin, *Submission 26*, p. 3.

⁷⁴ Ms Ella Buckland, private capacity, *Committee Hansard*, 7 December 2022, p. 8. Ms Buckland asserted that government 'doesn't have a handle' on those providers who are engaging in intimidatory behaviour towards participants.

⁷⁵ Dr Neville, *Committee Hansard*, 11 November 2022, p. 1. Reflecting on similar concerns, the Senate Community Affairs Committee found in its inquiry into ParentsNext that few participants are made aware of the 'think time' available to them to consider and agree to the Participation Plan. See Senate Community Affairs References Committee, *ParentsNext, including its trial and subsequent national rollout*, pages 10–11.

⁷⁶ DEWR, *Delivery ParentsNext Guideline*, p. 22.

⁷⁷ See, for example, EJA, *Submission 11*, p. [4]; SSI, *Submission 16*, p. [3].

- 3.83 Evidence from providers indicated that many ensure Participation Plans are tailored to the goals and circumstances of participants.⁷⁸ However, whether the Plan is properly tailored to the participant continues to depend on staff who understand and are empathetic to the participants' circumstances and—critically—who are connected with local services and supports.⁷⁹
- 3.84 The Committee also heard that in some cases the Participation Plan has become little more than a compliance tool. Evidence on this issue was linked to broader concerns about the compulsory nature of ParentsNext. For example, Goodstart Early Learning stated:
- ParentsNext does not give participants a sense of agency; rather it obliges them to participate in a program and compels them to nominate activities they may not consider to be helpful or relevant to them to be put into a document referred to as a 'plan' but that is more akin to a contract. Then, it penalises participants for not meeting the activities in the 'plan' by suspending their payments, pushing them further into the disadvantage and vulnerability the program seeks to overcome.⁸⁰
- 3.85 The Committee also heard that the lack of tailoring in some Participation Plans may be a consequence of a lack of funding. For example, Dr Neville stated:
- If service providers are not funded to do more than just have a tick-and-flick initial meeting, [P]articipation [P]lans will not be individually appropriate for each participant. Probably they will just get a set of things: 'This is what you can choose from, and just hurry up and choose.'⁸¹
- 3.86 Compounding this issue is the requirement for Participation Plans to be developed and agreed within 20 business days of the participant's initial appointment with their provider (30 days if the participant makes use of their 'think time'). Evidence indicated that this timeframe would not allow the provider to get to know the participant and identify their education and employment goals.⁸²
- 3.87 During the Committee's site visits, several providers and frontline staff indicated that funding can be a barrier to ensuring that Participation Plans are tailored to the needs of participants and capture all their needs. This was of particular relevance to First Nations participants, who may benefit from having measures to support family and community engagement in their Plans, as well as more activities which support progress towards individual goals.

⁷⁸ See, for example, YFS, *Submission 31*, p. 3; APM, *Submission 42*, p. 8; Ms April Pan, Manager—Settlement and Employment Programs, Metro Assist, *Committee Hansard*, 7 December 2022, p. 22.

⁷⁹ EJA, *Submission 11*, p. [6].

⁸⁰ Goodstart, *Submission 75*, p. 4.

⁸¹ Dr Neville, *Committee Hansard*, 11 November 2022, p. 1.

⁸² See, for example, Dr Ann Neville, *Submission 14*, p. 1; Dr Katherine Curchin, *Submission 26*, p. 6; Wesley Mission, *Submission 55*, p. [9].

Appropriateness of the activities in the Participation Plan

- 3.88 Another concern associated with the Participation Plan was the inclusion of activities which are not appropriate for the participant, and which are unlikely to enable the participant to reach their education and employment goals.
- 3.89 For example, the Committee heard that activities associated with parenting and social inclusion (such as playgroups or swimming lessons) are considered unnecessary or superfluous.⁸³ In addition, evidence indicated that making such activities compulsory contributes to a perception that participants are incapable of caring for their children or participating in society without government intervention.⁸⁴ In this regard, the National Women’s Safety Alliance stated:
- ParentsNext plans developed by service providers... mandate attendance at playgroups or children’s swim classes, which single mothers had been undertaking prior to being assigned to the program. For many this created the spectre of surveillance over routine parenting activities that were now perceived by authorities as being ‘jobready’ activities, draining the enjoyment a parent may otherwise have derived from participating in activities with their children.⁸⁵
- 3.90 Participants who shared their experiences with the Committee echoed this view. They indicated that while they derive some benefits from social activities such as playgroups, these benefits—and participants’ enjoyment—can be undermined by requirements to report attendance.
- 3.91 The Committee also heard that the link between activities in Participation Plans and participants’ education and employment goals is not always clear. For example, EJA observed that some participants view activities in their plans as mere ‘busy work’.⁸⁶
- 3.92 Volunteering Australia stated that while volunteering is a key pathway to employment and enhances social connectedness, volunteering activities should not be included as ‘compulsory activities’ in the Participation Plan. Participants should be enabled to engage in volunteering as part of their pathway to education or employment.⁸⁷

Funding and investment

- 3.93 As of the 2022–23 Budget, the total estimated expenditure on ParentsNext over the forward estimates is projected to be \$484 million.⁸⁸ The following is a detailed breakdown of anticipated expenditure.

⁸³ See, for example, CORE Community Services (CORE), *Submission 33*, p. [3]; Australia’s National Research Organisation for Women’s Safety (ANROWS), *Submission 88*, p. 6.

⁸⁴ See, for example, Name Withheld, *Submission 18*, p. [1]; Playgroup Australia, *Submission 79*, p. 4.

⁸⁵ NWSA, *Submission 27*, p. 3.

⁸⁶ EJA, *Submission 11*, p. [9].

⁸⁷ Volunteering Australia, *Submission 82*, p. 3.

⁸⁸ DEWR, *Submission 77*, p. 16.

- Around 86 per cent (\$414.9 million) is spent on service fees. A provider is paid a service fee of \$626.40 every 6 months for each participant on their caseload.
 - Around 13 per cent (\$63.3 million) is spent on the Participation Fund. When a participant commences in the program, their provider receives a \$600 notional credit to the Fund. This may be spent on resources to support the participant to achieve their education and employment goals.
 - Around one per cent (\$5.5 million) is spent on outcome payments. Providers receive outcome payments of \$313.20 for each employment outcome (12 weeks of work) or education outcome (completing a Certificate III or higher qualification, Skills for Education and Employment or Year 12) achieved by the participant.
 - The remainder (\$0.3 million) is spent on evaluation.⁸⁹
- 3.94 Funding for ParentsNext is lower than for mainstream employment services such as Workforce Australia. Estimates suggest that funding per ParentsNext participant is around 10 per cent of that for Workforce Australia.⁹⁰
- 3.95 Some providers called for additional investment in ParentsNext, noting substantial increases to their caseloads since the introduction of the new program contracts. For example, Mission Australia stated:
- The number of participants in our ParentsNext services has skyrocketed since the introduction of the new contract in July 2021. At the same time, program funding is low compared with other employment programs, which limits our ability to provide tailored, meaningful support.⁹¹
- 3.96 The BSL similarly emphasised the importance of investment in the program, noting that to deliver high-quality services providers need funding to employ suitably qualified staff and to ensure that staff caseloads do not become unmanageable.⁹²
- 3.97 The importance of sufficient investment in ParentsNext was also highlighted during the Committee’s site visits, with several providers noting that more funding would allow them to employ the numbers of staff necessary to respond to a growing caseload. This was particularly important for providers with higher numbers of First Nations participants, given the importance of tailored support and family and community involvement to supporting most First Nations peoples.

Outcome payments

- 3.98 Some submitters and witnesses questioned whether outcome payments are an appropriate means of compensating providers and encouraging them to deliver

⁸⁹ DEWR, *Submission 77*, p. 16.

⁹⁰ *Employment Services Information*, Advice provided by the Parliamentary Budget Office to the Select Committee on Workforce Australia Employment Services, 13 January 2023, p. 5, https://www.aph.gov.au/Parliamentary_Business/Committees/House/Workforce_Australia_Employment_Services/WorkforceAustralia/Additional_Documents.

⁹¹ Mission Australia, *Submission 76*, p. 9.

⁹² BSL, *Submission 59*, p. 14.

quality supports to participants. The key concern was that outcome payments are unduly focused on education and employment, and do not recognise the progress made by participants toward non-vocational goals.

- 3.99 Noting these and related concerns, Mission Australia recommended changes to the program outcomes to better acknowledge the circumstances of participants and their journey to becoming job ready, as well as making payments to providers for activities related to community engagement and collaboration.⁹³
- 3.100 Metro Assist stated that current outcome fees do not reflect the time and work that providers and employment consultants invest in ensuring that participants achieve employment and education outcomes. Metro Assist noted that while it would make more financial sense for providers to simply keep participants on their caseload and collect service fees, providers and employment consultants spend a huge amount of time and effort working with participants and acting as their mentors.⁹⁴
- 3.101 atWork Australia similarly indicated that there would be value in introducing progress fees, noting that such fees—and additional investment in ParentsNext more generally—would further support increased workforce participation.⁹⁵
- 3.102 NESAs similarly observed that ParentsNext should take a ‘holistic’ view of outcomes, and that this should be reflected in the program’s design and implementation, stating:
- ParentsNext... is a pre-employment program... when we're talking about outcomes, we're talking about not necessarily just employment or education but a whole lot of human capital development increasing those networks.⁹⁶
- 3.103 Providers to whom the Committee spoke during its program of site visits also supported a payment structure with a greater focus on participants’ progress toward outcomes (as well as achievement of outcomes), and on incentives for providers which take account of non-vocational barriers to social and economic participation.

Participation Fund

- 3.104 The Participation Fund is a flexible pool of funds that providers may use to help participants prepare for employment. As funds are pooled, a provider may spend more than \$600 on a participant and may use funds on activities which support all participants on the provider’s caseload.⁹⁷
- 3.105 Where a provider purchases resources or supports for a participant, they may claim reimbursement from DEWR. A provider will obtain reimbursement where the

⁹³ Mission Australia, *Submission 76*, pages 3, 10.

⁹⁴ Metro Assist, *Submission 73*, p. 6.

⁹⁵ atWork Australia (atWork), *Submission 34*, p. 3.

⁹⁶ Ms Annette Gill, Principal Policy Advisor, NESAs, *Committee Hansard*, 18 January 2023, p. 13.

⁹⁷ DEWR, *ParentsNext Guideline*, p. 76.

purchase meets the Participation Fund principles, is not prohibited, and satisfies any specific Participation Fund category requirements.⁹⁸

3.106 DEWR advised that while it has encouraged providers to make greater use of the Participation Fund, as of 30 September 2022 only around 25 per cent of all credits had been spent.⁹⁹

3.107 Notwithstanding this underspend, some submitters and witnesses indicated that the current amount of credit per participant in the Participation Fund may be insufficient and called for the credit amount to be increased.¹⁰⁰ For example, NESAs stated:

[Our members are] reporting that the decision by the government of the day... to effectively halve the fund when they merged the streams for those who require the most intensive support has meant that there are constraints on the amount of funding there is now and that there are also cost-of-living impacts which are having knock-on effects across a range of services and supports.¹⁰¹

3.108 The CSMC similarly noted that credits to the Participation Fund are too low for many of the courses that mothers may wish to study while supporting a young child.¹⁰²

3.109 Low awareness of the Participation Fund among participants was also raised as a concern, with some submitters noting that this may be a reason for the Fund being underutilised.¹⁰³

3.110 The Committee also heard that participants and providers have difficulty accessing the funding due to the rules which govern its use. This included concern that certain resources and activities are not funded, and that reimbursements are not processed in a timely manner.¹⁰⁴ For example, ACOSS observed that:

[W]hile some providers allow parents to make practical purchases like computers to help with study, there are too many limitations on the kind of study that can be supported, such as requirements to enrol only in JobTrainer eligible courses.¹⁰⁵

3.111 Accordingly, submitters and witnesses called for increased flexibility in how the Participation Fund can be used—particularly so that providers have the resources to

⁹⁸ DEWR, *ParentsNext Guideline*, pages 76–77. The principles include that the purchase supports education and employment goals, provides value for money, and will not bring ParentsNext or the government into disrepute. Prohibited purchases include those for which a provider is already entitled to payment from department, those which are already funded through other programs or grants, and the provider's personal and business costs.

⁹⁹ Ms Samantha Robertson, Assistant Secretary—Employment Services Programs, DEWR, *Proof Committee Hansard*, 18 January 2023, p. 32.

¹⁰⁰ See, for example, WHFS, *Submission 45*, p. [3]; NESAs, *Submission 83*, p. 13.

¹⁰¹ Ms Sinclair, NESAs, *Proof Committee Hansard*, 18 January 2023, p. 13.

¹⁰² CSMC, *Submission 25*, p. [9].

¹⁰³ See, for example, NCSMC, *Submission 5*, p. 5; Dr Eve Vincent, *Submission 10*, p. 7.

¹⁰⁴ See, for example, Dr Eve Vincent, *Submission 10*, p. 5; Angela, private capacity, *Committee Hansard*, 7 December 2022, p. 2; Melissa, private capacity, *Committee Hansard*, 7 December 2022, p. 6.

¹⁰⁵ ACOSS, *Submission 62*, p. 12.

design and implement innovative programs to support participants.^[0] For example, Women’s Health and Family Services (WHFS) stated:

[T]he evidence that we need to ask a client to provide is really challenging at times—documents, things that need to be scanned that we need to send back. So if we did have some of the participation fund sectioned off for something like driving lessons, which we know is used very often, we could have a far simpler process with some set providers that the participants could go to and it could be a very simple process, but that becomes quite onerous on us as a provider and on the participants having to constantly provide that evidence.^[0]

- 3.112 Other submitters asserted that the Fund should be made more flexible around access to crisis support, including domestic violence and mental health services, and—in certain cases—rental assistance to prevent eviction. Others suggested that the Fund could be used to meet childcare costs.^[0]
- 3.113 However, the Committee heard that increased flexibility in how the Fund may be used may result in an increase in providers using the Fund on in-house services which may introduce perverse incentives and not represent the best value to the participant.^[09]
- 3.114 The Committee also heard that additional credits to the Participation Fund could be used as an incentive to participation in ParentsNext—particularly if those credits were directed towards training and education.^[10] For example, NESAs agreed that there would be value in incentivising participation by covering additional costs associated with education, such as textbooks and course fees.^[11]

Supporting participants to obtain driver licences

- 3.115 Several submitters and witnesses noted that whether a person has a driver licence and access to a vehicle is a key determinant of their engagement in education or employment. This is particularly the case in regional, rural, and remote areas which frequently lack reliable public transport networks.^[12]
- 3.116 The lack of public transport options, and long wait lists for driver education, are key challenges in the majority of Employment Regions—particularly those which cover large or geographically isolated areas.^[13]

¹⁰⁶ See, for SSI, *Submission 16*, p. [4]; CORE, *Submission 33*, p. [3]; Mission Australia, *Submission 76*, p. 9; Jobs Australia, *Submission 80*, p. 4; NESAs, *Submission 82*, p. 4.

¹⁰⁷ Ms Emma Morris, Executive Manager—Client Support Services, WHFS, *Proof Committee Hansard*, 1 February 2023, p. 6.

¹⁰⁸ See, for example, Djerriwarrh, *Submission 28*, p. 4; My Pathway, *Submission 35*, p. 5.

¹⁰⁹ See Per Capita, *Submission 78*, pages 19, 21. Per Capita recommended that providers not be permitted to refer participants to in-house courses and other supports.

¹¹⁰ See, for example, CORE, *Submission 33*, p. [3]; My Pathway *Submission 35*, p. 5.

¹¹¹ Ms Sinclair, NESAs, *Proof Committee Hansard*, 18 January 2023, p. 14.

¹¹² See, for example, EJA, *Submission 11*, p. [8]; My Pathway, *Submission 35*, p. 6; BSL, *Submission 59*, p. 14.

¹¹³ See, for example, DEWR, *Local Jobs Plan: South Coast of Victoria*, p. [1]; <https://www.dewr.gov.au/local-jobs/resources/south-coast-victoria-local-jobs-plan>, viewed 14 February 2023; *Local Jobs Plan: Great*

3.117 Current ParentsNext Guidelines expressly contemplate using the Participation Fund to support participants to gain car and motorcycle licences. This type of assistance falls within the ‘participant support’ category:

This category is used to purchase assistance to gain a driver’s licence including lessons, driving licence test and licence fees. Where a Provider is claiming for assistance given to a Participant to regain their driver’s licence after loss due to driving offences, this assistance is limited to one claim per Participant. Exceptions are listed in the Prohibited Purchases section of this guideline.¹¹⁴

3.118 DEWR noted that approximately half of all expenditure from the Participation Fund is used for items in this category.¹¹⁵

3.119 However, the Committee heard that the Participation Fund may not be appropriately adapted to enable participants to obtain licences (both in terms of the rules governing the Fund and the resources available), and that providers may not be making effective use of the Fund for this purpose.¹¹⁶

3.120 For example, WHFS stated that the current \$600 credit per participant is often insufficient to enable participants to meet the costs of lessons and licensing fees. WHFS recommended increasing credits to the Fund or establishing an additional fund specifically for lessons and licenses.¹¹⁷

3.121 Some providers stated that they use the Participation Fund to support participants to obtain driver licences. However, evidence indicated that this is not universal. In this respect, Dr Vincent drew attention to the testimony of a participant she interviewed:

One interviewee, who started a family young and whose partner was doing an apprenticeship, asked her caseworker to help pay for the costs of driving lessons so she could gain her licence, which would have made an appreciable difference to her employment prospects. The caseworker agreed to this request but was quickly replaced with another caseworker who reversed the decision.¹¹⁸

3.122 The Committee met with representatives of local government and regional business during its site visits, all of whom stated that driver licences and access to a reliable vehicle have significant impacts on engagement with education and employment, particularly in regional, rural, and remote areas. The Committee heard that many individuals and families are unable to afford the administrative costs associated with obtaining a licence and lack the time to meet legal requirements such as minimum practice hours. Driving lessons can also be prohibitively expensive, and while a

Southern – Wheatbelt, p. [1], <https://www.dewr.gov.au/local-jobs/resources/great-southern-wheatbelt-local-jobs-plan>, viewed 14 February 2023; *Local Jobs Plan: Far West Orana*, p. [1], <https://www.dewr.gov.au/local-jobs/resources/far-west-orana-local-jobs-plan>, viewed 14 February 2023.

¹¹⁴ DEWR, *Delivering ParentsNext Guideline*, p. 117.

¹¹⁵ DEWR, *Submission 77*, pp. 17.

¹¹⁶ See, for example, EJA, *Submission 11*, p. [9]; NWSA, *Submission 27*, p. [3]; WHFS, *Submission 45*, p. [3].

¹¹⁷ WHFS, *Submission 45*, p. [3].

¹¹⁸ Dr Eve Vincent, *Submission 10*, p. 5. Dr Vincent observed that high staff turnover is a feature of the sector.

person is not required to have formal instruction to obtain a licence, lessons can substantially increase a driver's confidence and skill level.

- 3.123 Stakeholders strongly recommended that there be additional funding dedicated to enabling people in regional, rural, and remote areas to obtain driver licences, and that access to this funding should be framed as an entitlement.
- 3.124 Providers with whom the Committee spoke during its site visits agreed that the Participation Fund should be used to support participants to obtain driver licences and access lessons. Those providers often indicated that they used the Fund for these purposes. However, providers also noted that additional funding is of little use in areas where there is limited or no licensing infrastructure or where qualified instructors are not available. Accordingly, providers stated that there must be greater investment in licensing infrastructure in regional, rural, and remote areas, including support for partnerships between providers and driving schools.

Committee view

- 3.125 In recommending that the current ParentsNext program be abolished at the end of the current contract and replaced with a new supportive service developed through a comprehensive co-design process, the Committee proposes draft eligibility and design criteria in this report via a series of findings and recommendations.
- 3.126 Every parent and carer is unique, with different goals, priorities and needs. Some may be seeking pre-vocational support, while others may want help finding and keeping work over the short, medium, and long term. Others may not need support from a pre-vocational or pre-employment service as they have comprehensive work histories, high levels of educational attainment, or strong support networks. Many parents have also made a conscious decision not to enter or re-enter the workforce and have chosen to focus entirely on parenting their child. For some single parents this may not even be a choice: all children are different, and some are 'difficult' and require more care than the average. All these circumstances and decisions are valid and should be respected.
- 3.127 Current eligibility criteria for ParentsNext, while broadly appropriate, too often fail to distinguish between prospective participants based on their individual needs and circumstances. This leads to parents and carers being referred to the program despite having little to no capacity to benefit, which is a waste of taxpayers' money. For these parents it's like entering a black hole that they can't escape from, and they have to hope they are with a provider who uses the flexibility within the program.
- 3.128 The Committee considers that front-line discretion should be implemented so that each of Services Australia and providers are able to exempt a parent from ParentsNext and any replacement service where it is considered that the parent has little or no capacity to benefit. Sensible guidelines should be developed to assist in these decisions, but the principle of common-sense front-line discretion should be implemented. The Parliament or bureaucrats in Canberra are not best placed to set rules that codify a judgement appropriate for every individual person and situation. In

addition, a review of the criteria for exemptions should be undertaken as part of the (co-)design process for a replacement service for ParentsNext, and then on an ongoing basis, to determine whether the exemptions framework remains effective and appropriate.

- 3.129 Current eligibility rules also appear to exclude those who might benefit from a pre-vocational or pre-employment program and who may wish to participate, such as disadvantaged parents on Carer Payment or low-income parents seeking assistance. Subject to budget considerations, the Committee would welcome a broadening of eligibility for voluntary participation so that a wider range of people, including those who are not in receipt of Parenting Payment but who may still benefit from services and supports, could choose to access the pre-vocational service that replaces ParentsNext. Over time, eligibility criteria could be further expanded to include all low-income parents, including those who do not receive either Parenting Payment or Carer Payment.
- 3.130 Ensuring participants receive effective, tailored support also requires re-imagining the process by which eligibility criteria and participation requirements are applied and how participants are referred. The current Services Australia practice of using outsourced call centres to refer participants to ParentsNext and inform them of their obligations is often unsuitable for parents. This is particularly the case for more vulnerable cohorts for whom effective intervention requires understanding a range of risk factors including family violence, financial hardship, mental health concerns and housing insecurity. The Committee is also concerned that the language used in letters informing parents that they will be ParentsNext participants is not appropriate, and that Services Australia's practice of texting participants from an unknown number to inform them that an interview will be conducted creates undue stress and anxiety.
- 3.131 As foreshadowed in the *Submission Guide*¹¹⁹ for the broader Workforce Australia component of this inquiry, the Committee is reviewing the assessment process and typology of participants across all employment services. This may have consequences for the assessment of participants in ParentsNext and the service recommended to replace it.
- 3.132 Notwithstanding the Committee's final recommendations, Services Australia must review and reframe the way that it contacts parents to refer them to services (including ParentsNext and any replacement service). This should include:
- adjusting the language used in letters, to ensure participants have accurate information about the program or service, its function, and potential benefits;
 - ensuring that text messages to parents (if they are deemed an appropriate means of contact) are unambiguous as to the purpose of the contact and the subsequent interview, including clarifying that the recipient is not being contacted as the result of some wrongdoing;

¹¹⁹ Select Committee on Workforce Australia Employment Services, *Submission Guide*, pages 18–20. www.aph.gov.au/Parliamentary_Business/Committees/House/Workforce_Australia_Employment_Services/WorkforceAustralia/Submission_Guide

- exploring whether it is possible to have outbound calls show a dedicated phone number so participants know who it is from, while acknowledging there may be concerns regarding spoofing, spam and fraud that make this impractical at present; and
 - ensuring that initial interviews conducted by Services Australia explain the purpose and benefits of the program, and accurately and comprehensively assess the participant’s needs and circumstances.
- 3.133 The Committee’s strong preference is that the initial interview in a replacement service be face-to-face with the participant and be conducted by a skilled Services Australia employee, with a social worker available to meet with the most vulnerable people whenever required. Interviews should be undertaken within a framework which enables the staff member to identify risk factors such as mental health issues, family violence, and housing insecurity, and refer the participant to appropriate supports. The Committee appreciates that requiring face-to-face interviews will have resource and budgetary implications. Accordingly, this proposal may either require additional resources for the program or service or adjusting eligibility and participation requirements. The priority must be to provide a quality service—albeit to fewer people if necessary.

Recommendation 9

- 3.134 The Committee recommends that the co-design process for the service to replace ParentsNext expressly consider eligibility criteria that:**
- **capture the needs of parents and carers, and ensure that parents and carers are not referred to the program where they have no capacity to benefit; and**
 - **enable opt-in (voluntary) participation in the program by individuals who are not in receipt of Parenting Payment, such as:**
 - **individuals in receipt of Carer Payment; and**
 - **over time, low income or unemployed parents who are not in receipt of either Parenting Payment or Carer Payment.**

Recommendation 10

- 3.135 The Committee recommends that Services Australia immediately reframe its initial contact with prospective participants, so when people are referred to ParentsNext they understand the objectives, role and benefits of the program and do not suffer undue stress and anxiety. This should include ensuring that:**
- **letters to prospective participants clearly set out the reason for the contact and explain the role, function, and benefits of the program;**
 - **text messages to parents notifying an interview with Services Australia are unambiguous as to the reason for the contact and explain the purpose of the interview;**

- **if possible, outbound calls show a dedicated phone number, so that the recipient knows who it is from, acknowledging that there may be concerns regarding spoofing, spam and fraud that make this impractical at present; and**
- **the initial interview conducted by Services Australia explains the purpose and benefits of ParentsNext, and accurately and comprehensively assess the participant's needs and circumstances.**

Recommendation 11

- 3.136 The Committee recommends that the Australian Government amend the criteria for exemptions from ParentsNext, to provide a broad discretion to both Services Australia and providers to exempt a person from the program if it is determined that they have no capacity to benefit. Providers and Services Australia should also provide additional training to their frontline staff to ensure that this discretion is exercised appropriately and effectively.**
- 3.137 The issue of participation requirements in ParentsNext continues to be the most contested element of the program and was the issue with which the Committee grappled the most during this inquiry. There is no perfect answer.
- 3.138 It is clear that current participation requirements are far too onerous for many parents. The Committee is convinced that requiring participants to complete and report on activities is unreasonable, often does little to support engagement with ParentNext or to improve social or economic participation, and overall does more harm than good. The Committee's view on this matter is reinforced by evidence indicating that many of the benefits of ParentsNext or a replacement service could be realised under a voluntary model.
- 3.139 However, there is also compelling evidence that without participation requirements, many of the most vulnerable parents would not engage with ParentsNext and may be at greater risk of long-term unemployment and poverty including later in life. Common reasons for non-engagement include severe social isolation, anxiety, long-term disengagement from the workforce, family violence and coercive control, and cultural and gender-based norms.
- 3.140 The Committee has concluded that significantly reduced participation requirements will continue to be necessary for the service which replaces ParentsNext, but only if major changes are implemented in relation to the activities which participants are expected to complete and report on, when and how participation requirements are applied, and the associated compliance regime.
- 3.141 The Committee considers that forcing parents to participate in ParentsNext when their youngest child reaches nine months of age is completely unreasonable and that there is no evidence to support this arbitrary rule. This requirement is not appropriate for many parents, and particularly for those who wish to focus solely on caring for their child rather than on preparing to enter or re-enter the workforce. Parents should have the right to actively parent their very young children if they choose to do so, and

the decision to focus on caring for young children without the State imposing requirements must not be limited to the wealthy, noting the Committee's additional recommendations regarding very young parents. Several stakeholders have also pointed to evidence of the benefits of active involvement by all parents in the very early stages of their children's lives.

- 3.142 In addition, a parent's capacity to engage with a pre-employment or pre-vocational program will vary considerably as their child ages. Parents with a child aged nine months are likely to have materially different capacities than parents with an older child who may be ready to start structured learning. ParentsNext does not account for these variations.
- 3.143 The eligibility criteria for a service to replace ParentsNext must capture the specific needs of parents and children at different life stages, to ensure the program is appropriately adapted to participants' needs and enables parents to focus solely on caring for their children should they choose to do so. In the Committee's view, this necessitates a graduated approach to engagement that takes account of and responds to both the general support for appointments between participants and providers and the widespread concern relating to the requirement to complete and report on mandatory activities.
- 3.144 The Committee considers that in the service which replaces ParentsNext, the 'Participation Plan' should be reimagined and reframed as a genuine roadmap to achieving individual goals, rather as than a compliance tool. This is likely to necessitate a change to its name, which has become a source of concern for some stakeholders. The Committee is attracted to a name such as 'My Future Plan'.
- 3.145 In addition, neither ParentsNext participants nor participants in the service which replaces ParentsNext should be required to undertake or report on activities in their Participation Plan (or its replacement). Current activity and reporting requirements should be adjusted as soon as possible. The Committee is strongly of the view that participants should only be expected to attend regular appointments with their providers, develop and agree on a plan and participate 'meaningfully' in ParentsNext or in the services which replaces that program.
- 3.146 'Meaningful participation' is intended to restore common sense front-line discretion to workers and to remove anxiety associated with compliance requirements. Simple guidelines could also be developed in the co-design process for a new service that acknowledge the realities of parenting children and make clear that parents may have a variety of legitimate reasons for not achieving all of the goals in their plan or things they had hoped to do in set timeframes or between appointments. The power for providers to affect a person's payment is also proposed to be removed.
- 3.147 Both in relation to the current ParentsNext program and in relation to any service which replaces it, the Committee strongly encourages all providers to work with participants to ensure that the Participation Plan reflects the individual goals of the participant and sets out a pathway to achieve them. This includes goals that are not related to education or employment.

3.148 The Committee also acknowledges that many, though not all, of the concerns about participation requirements relate to the severity of the financial sanctions under the TCF. The Committee is strongly of the view that the application of the TCF to ParentsNext is unreasonably harsh and unnecessary and should be wound back as soon as possible. This is discussed in later chapters.

3.149 Final eligibility criteria (including the specific points where participation is required) should be determined by government following a robust and comprehensive co-design process. The Committee proposes the following draft eligibility criteria and participation requirements for refinement:

- For parents whose youngest child is aged under two years: fully voluntary with no participation requirements. Parents and carers would be able to access the service and supports as they wish. Government agencies and providers would be able to market the program to prospective participants, subject to clear business rules (for example, to prevent spamming and inappropriate incentives). Incentives would also be available to encourage participation in the program.
- For parents whose youngest child is aged between two and three years: fully voluntary with no requirement to participate in the service. When a person's child is approximately two years old (or in the few months thereafter), Services Australia would arrange an interview with the person to check in, discuss future goals, and promote available services. Parents would eventually be required to attend this interview but with significant flexibility as to timing and location.

Services Australia would inform the parent of participation requirements service once their child reaches three years of age, properly explain the function and benefits of the program, explain available incentives and screen for domestic and family violence and other risk factors. The Committee's strong preference is for these interviews to be conducted in-person. However, it is acknowledged that in some cases an in-person interview would not be feasible. In those cases, an online interview may be undertaken.

- For parents whose youngest child is three years or older (aligning with the starting age for pre-school and kindergarten in most States and Territories): participation requirements—attend regular appointments and participate meaningfully—begin to apply. Specific activities are not mandated to be undertaken or reported upon.

If participation requirements are not met, eventually a small financial sanction may be applied by Services Australia under a significantly revised compliance framework. This is outlined in Chapter 4.

3.150 The exception to these criteria would be young and teenage parents who may require more active support from government. Those parents would be captured by a separate program (or a separate 'stream' of the service which replaces ParentsNext), based on the former Helping Young Parents program. This is discussed in Chapter 2.

3.151 A key feature of the approach above is the greater use of incentives to participate. These might include subsidised childcare; modest cash payments before a youngest child is three years of age (for example, \$100 to assist with any costs incurred in attending a first appointment and see what the service can offer); dedicated funding

for education and training; or incentive payments for those participants who complete formal qualifications. There may be value in trialling different incentives in different Employment Regions to evaluate and determine which represents the best value and the greatest benefit to participants.

- 3.152 In particular, the Committee suggests a higher priority be placed on supporting participants to develop skills to achieve their future goals and to reduce the risk of long-term unemployment and economic insecurity later in life. The Committee proposes that a 'Skills Passport' be considered as part of the service which replaces ParentsNext. This would be tied to the individual participant (not pooled) and given on a 'use it or lose it' basis. An annual credit (for example, \$500 to \$1,000) could be used to assist out-of-pocket expenses such as fees, books, and licences essential to the attainment of skills. This Skills Passport should value and support the attainment of pre-vocational soft-skills, completion of intensive support programs delivered by not-for-profit providers, and formal qualifications. The design of the Skills Passport and associated funding arrangements should form part of the co-design process for a service to replace ParentsNext.

Recommendation 12

3.153 The Committee recommends that the service which replaces ParentsNext include graduated requirements depending on the age of the participant's youngest child. The Committee proposes the following draft design components for refinement:

- **Participation in the service be fully voluntary for parents with young children under a specified age (such as three years old).**
- **Participation requirements for parents with a youngest child aged three years or over should simply be to:**
 - **attend regular appointments; and**
 - **participate meaningfully in the program.**
- **Services Australia conduct an interview with a parent around six to 12 months before participation requirements begin to apply, to explain the service and its benefits, promote the incentives and supports which are available, and screen for key risk factors.**

Recommendation 13

3.154 The Committee recommends that the development of a 'Skills Passport' be considered as part of the service which replaces ParentsNext. This 'Skills Passport' should be tied to the individual participant (not pooled) and given on a 'use it or lose it' basis. The 'Skills Passport' should be an annual credit, for example \$500-\$1,000, which could be used to assist with out-of-pocket expenses such as fees, books, and licences essential to the attainment of skills, including soft-skills and formal qualifications.

- 3.155 Any pre-employment or pre-vocational program must provide adequately resources so that service providers and support agencies (including Services Australia) can provide a quality service and support participants to reach their goals. The Committee has made clear that priority must be given to ensuring a quality service in accordance with key principles, even at the expense of broader eligibility.
- 3.156 Noting questions raised by submitters as to whether the payment structure for ParentsNext is appropriate for a pre-vocational program, payment structures should be reviewed as part of the co-design process for a replacement service.
- 3.157 A flexible Participation Fund (or a similar fund) should be retained, including in any service that replaces ParentsNext. While the Committee is concerned by evidence of a significant and persistent underspend of the current Participation Fund, the Committee does not see it as a priority that the Fund be increased at this time. Rather, providers should actively consider where participants could be better supported and should consider measures to increase participants' awareness of the Fund and how it can be used to support their education and employment goals. In addition, the rules around how the fund may be used should be reviewed in the immediate to short term to ensure they are not acting as impediments to securing resources for participants. Consideration of rules governing the Participation Fund should also form part of the co-design process for a new service.
- 3.158 In every site visit and discussion with providers and participants, as well as in discussions with employers and local government, the Committee heard that one of the most common barriers to education, employment, and even social participation (especially in regional areas) is the enormous difficulty for disadvantaged people in obtaining a driver licence, particularly noting issues such as high mandated minimum hours for learner drivers imposed by State and Territory Governments. While this issue is especially pernicious for young people from rural and regional areas, First Nations communities, people from refugee backgrounds, single parent families, families experiencing intergenerational unemployment, it affects untold thousands of people. The current cost of living crisis is exacerbating but not causing these problems.
- 3.159 Challenges obtaining a driver licence, and broader concerns regarding any kind of access to reliable, affordable transport, are serious issues that have impacts well beyond ParentsNext. The Committee heard evidence of numerous 'pilots', 'trials' and 'community solutions' during its inquiry. However, the Committee considers that these amount to little more than band-aid and sticky-tape responses and fail to recognise the systemic nature of the problem and the response which is necessary.
- 3.160 The Committee considers it urgent that participants can access more and dedicated support to obtaining a driver licence, including the cost of lessons and licensing fees. As an interim response, this may form part of the existing Participation Fund or be via additional financial support. The Committee also strongly encourages all providers to work with participants to ensure that participants are supported to obtain driver licences and have access to sufficient resources to meet the associated costs. In some cases, this may require providers to engage proactively with participants about their transport needs.

- 3.161 The Committee acknowledges however that clarifying the ability to fund the attainment of a driver licence from the Participation Fund is only a partial response. The issue requires systemic action by State and Territory Governments, including implementation of measures to ensure that rules governing minimum practice hours for Learner drivers do not act as a barrier to disadvantaged people having access to reliable transport. The Commonwealth will need to pursue this with vigour and demand action. However, responsibility must rest with the States and Territories.
- 3.162 Greater controls should be put in place over the use of the Participation Fund on related entity funding. While acknowledging that there may be some circumstances where own-entity funding is appropriate, the Committee has broad concerns as to the appropriateness and efficacy of assistance being funded and delivered through related entities and the extent to which these meet the needs of participants. The Committee considers that a clear default principle must be established that providers should not be permitted to use the Participation Fund to pay for services provided by their own organisation or by a related entity except where DEWR approves this in advance. The Committee considers that clear guidelines should be developed as to when such approvals may be given to support both decision-makers and providers.

Recommendation 14

- 3.163 The Committee recommends that funding and payment structures be reviewed as part of the co-design process for a service to replace ParentsNext, to ensure they represent appropriate incentives for a pre-vocational program.**

Recommendation 15

- 3.164 The Committee recommends that the rules governing the Participation Fund be reviewed to ensure they are not acting as a barrier to participants accessing necessary resources.**

Recommendation 16

- 3.165 The Committee recommends the Australian Government urgently pursue systemic action by State and Territory Governments so that the varying rules requiring minimum hours for Learner drivers stop being a barrier for disadvantaged people.**

Recommendation 17

- 3.166 The Committee recommends that a clear default principle be established that providers are not permitted to use the Participation Fund to pay for activities, services, or programs that they deliver, or which are delivered by a related entity, except with express approval from the department. Guidelines should also be developed to clarify the circumstances in which approvals may be given.**



4. Compliance and enforcement

The application of the Targeted Compliance Framework (TCF) to enforce onerous participation and reporting requirements is responsible for the near unanimous view that ParentsNext has become a punitive rather than a supportive program.

The Committee heard that onerous participation and reporting requirements, coupled with the consistent and pernicious threat of financial sanctions, results in significant adverse impacts including poor mental health outcomes. The suspension, reduction and cancellation of payments may also lead to parents being unable to meet their and their children's immediate basic needs. These impacts are compounded for the vulnerable parents and First Nations participants ParentsNext was originally intended to support.

In addition, there is little evidence that the application of the TCF is improving participant engagement with ParentsNext and enabling participants to achieve their goals. In many cases it is having the opposite effect, with participants forced to prioritise completing and reporting on mandatory activities rather than those which will have a meaningful impact on their social and economic participation. The TCF has also forced many providers into the contradictory roles of supporting participants while also monitoring their engagement with the program and punishing non-compliance. This is anathema to the relationships of trust and confidence which are critical to effective support.

The Committee is strongly of the view that the TCF is not an appropriate means of encouraging engagement with a program targeted to parents and considers that the TCF should not form part of a pre-vocational service that replaces ParentsNext.

The TCF should be replaced immediately with a new framework better adapted to the needs and circumstances of parents and their families. The new framework should not include payment cancellations or full suspensions, should allow participants additional time to re-engage with their provider, and—critically—should ensure that all decisions which may impact a participant's income support are made by a government official not by an outsourced provider. This will allow providers to focus on the important work of helping participants realise their individual goals.

Government needs an alternative to the blunt instruments of payment cancellations or full suspensions—both for ParentsNext and any service that replaces it. The Committee considers that legislation should be amended, and IT systems adjusted, to enable a partial payment withholding ('holdback') as an alternative to cancellations or suspensions. A 'holdback' of a small percentage (say 25 to 30 per cent) of a payment should be the maximum sanction available under ParentsNext or a replacement service until non-compliance is remedied. The 48-hour period to remedy a non-compliance should also be extended, for example to seven business days.

The Committee is also concerned that many parents in receipt of Parenting Payment are required to report employment income despite receiving no such income over the reporting period. The Committee sees value in government exploring options to reduce and simplify reporting requirements over the longer term, including leveraging Single Touch Payroll data and considering longer reporting periods for parents with young children receiving Parenting Payment who are not working or intending to work.

The Targeted Compliance Framework

- 4.1 The Targeted Compliance Framework (TCF) is the current mechanism by which participants' income support payments may be suspended or cancelled, and by which participation in ParentsNext is monitored. The TCF is administered through an electronic system. Some elements of the framework are automated.¹
- 4.2 Since 2018, the TCF has applied to all compulsory participants in ParentsNext. The Department of Employment and Workplace Relations (DEWR) explained that the TCF was applied to ParentsNext as part of the national rollout of the program, and that the decision to apply the TCF was based — at least in part — on evidence indicating greater engagement with ParentsNext under a compulsory model.²
- 4.3 If a participant fails to comply with the mutual obligation requirements, their payments will be automatically suspended if they do not provide a valid reason for this failure or re-engage with their provider within two business days.³
- 4.4 Where a participant's income support payments are suspended, the participant may have the suspension lifted by re-engaging with their provider. If the participant does not re-engage within 28 days, their payments will be cancelled, and they will need to wait at least four weeks before they can re-apply for income support.⁴
- 4.5 If a participant fails to comply with their mutual obligation requirements, they will also receive a demerit. Accrual of more than five demerits within a six-month period may result in the application of financial penalties, up to and including the cancellation of income support payments. Providers are the decision-makers for the application of demerits and are responsible for reporting non-compliance with mutual obligations. Suspensions are typically applied automatically by Services Australia's systems

¹ See Department of Employment and Workplace Relations (DEWR), *Targeted Compliance Framework—Mutual Obligation Failure*, pages 16–20, <https://www.dewr.gov.au/parentsnext/resources/targeted-compliance-framework-mutual-obligation-failures>, viewed 15 February 2023. The legal basis for the TCF is set out in Division 3AA, Part 3 of the *Social Security (Administration) Act 1999*.

² Ms Benedikte Jensen, First Assistant Secretary—Employment Policy and Analytics, DEWR, *Committee Hansard*, 11 November 2022, p. 31; Dr Andrew Wright, Director—Targeted Employment Policy, DEWR, *Committee Hansard*, 11 November 2022, p. 31.

³ National Employment Services Association (NESA), *Submission 83*, p. 10. A participant may commit a mutual obligation failure in a variety of ways, including by failing to enter into a Participation Plan, failing to attend appointments, or failing to participate in a compulsory activity. For further information on mutual obligation failures and on what constitutes a reasonable excuse, see DEWR, *Targeted Compliance Framework—Mutual Obligation Failure*, p. 29.

⁴ DEWR, *Submission 77*, p. 26.

when a mutual obligation failure is recorded. Services Australia alone is responsible for imposing financial penalties.⁵

- 4.6 During the 2021–22 financial year, 25,920 (22 per cent) of ParentsNext participants had their payment suspended. However, in almost all cases (97 per cent), the participant did not lose any of their payment.⁶ The significant majority (82.5 per cent) of suspensions are for failing to attend an appointment with a provider, followed by failure to attend or report attendance at a compulsory activity (11.7 per cent), and failing to sign the Participation Plan (5.7 per cent).⁷
- 4.7 Since 2018, there have been over 220,000 parents who have received assistance through ParentsNext. Only 17 participants have incurred a financial penalty.⁸
- 4.8 According to DEWR, the TCF is designed to encourage participants to engage and connect with their service provider, take responsibility for meeting their mutual obligation requirements, and impose financial penalties on those who are persistently non-compliant.⁹
- 4.9 While acknowledging that participation requirements and compliance mechanisms are closely linked, the Committee considers it important to avoid conflating these issues. Accordingly, participation requirements are discussed in Chapter 3, while compliance issues including the TCF are discussed below.

Harms caused to participants

- 4.10 Several submitters and witnesses observed that the TCF has caused and continues to cause stress and harm to participants, up to and including preventing participants from meeting their and their children’s basic needs.¹⁰ For example, the Australian Human Rights Commission (AHRC) stated:

[T]he use of the Targeted Compliance Framework... has the effect of penalising parents, overwhelmingly mothers, if they fail to meet the program requirements. This has the potential to cause harm to children because of the extra stress experienced by parents, and the impacts on access to food, safe housing, and other basic needs.¹¹

⁵ DEWR, *Submission 77*, pages 10–11.

⁶ DEWR, *Submission 77*, p. 11.

⁷ DEWR, *Submission 77.1*, p. [15].

⁸ DEWR, *Submission 77*, p. 11.

⁹ Ms Jensen, DEWR, *Committee Hansard*, 3 November 2022, pages 33–34.

¹⁰ See, for example, Council of Single Mothers and their Children (CSMC), *Submission 25*, p. [6]; Sarina Russo Job Access (SRJA), *Submission 23*, p. 7; Centre for Excellence in Child and Family Welfare (CECFW), *Submission 74*, pages 1–4; Associate Professor Elise Klein OAM, *Committee Hansard*, 11 November 2022, p. 2; Economic Justice Australia (EJA), *Submission 11*, p. [6]; Australian Council of Social Service (ACOSS), *Submission 62*, p. 6; Salvation Army Employment Plus (SAEP), *Submission 48*, p. 7.

¹¹ Australian Human Rights Commission (AHRC), *Submission 24*, p. 2. The AHRC emphasised that the linking income support payments to compulsory obligations — particularly if there are significant penalties for failing to meet those obligations — is likely to be incompatible with Australia’s human rights obligations.

- 4.11 In the most extreme cases, a parent may lose a child to child protection services, on the basis that the parent no longer has the means to care for that child.¹²
- 4.12 The Committee heard that the constant threat of payment suspension or cancellation is a re-traumatising experience for victim-survivors of domestic and family violence, who have been subject to coercive control.¹³ For example, one participant stated:
- [ParentsNext] is a coercive control; I know people don't like to use it and we don't like to say it's government sanctioned abuse, but that's exactly what it is. There's no option out; you're totally controlled and there are people who don't know you and don't know your situation making decisions about whether you're allowed to pay your rent or feed your children. How is that not abuse?¹⁴
- 4.13 The impacts of payment suspensions and penalties are still more pronounced for participants who are already living with disadvantage.¹⁵ For example, Mission Australia observed:
- [O]ften it is participants who are dealing with carer or parenting responsibilities, domestic and family violence, serious mental health issues, health and wellbeing concerns, and other issues who will fail to meet mutual obligations requirements. That is, people with particular vulnerabilities are more likely than others to have their income support payments suspended.¹⁶
- 4.14 The Committee also heard that the TCF excessively impacts First Nations peoples. For example, DEWR noted that the most recent evaluation of ParentsNext found that First Nations participants were disproportionately subject to payment suspensions.¹⁷
- 4.15 In addition, the Committee heard that the way the TCF is administered is causing undue anxiety and harm.¹⁸ For example, the Brotherhood of St Laurence (BSL) noted that in some cases Services Australia will send a suspension notice on Friday. The participant will often be unable to contact their provider until after the weekend. The intervening period is particularly stressful.¹⁹

¹² See, for example, Ms Deb Tsorbaris, Chief Executive Officer, CECFW, *Committee Hansard*, 6 December 2022, p. 17; Associate Professor Joanne Evens and Ms Jade Purtell, *Submission 84*, p. 2.

¹³ See, for example, Associate Professor Elise Klein OAM, *Submission 6*, p. 3; Dr Simone Casey, Senior Advisor—Employment, ACOSS, *Committee Hansard*, 6 December 2022, p. 13; Ms Terese Edwards, Chief Executive Officer, National Council of Single Mothers and their Children (NCSMC), *Committee Hansard*, 6 December 2022, p. 2.

¹⁴ Angela (private capacity), *Committee Hansard*, 7 December 2022, p. 2.

¹⁵ See, for example, DEWR, *Submission 77*, p. 11; DEWR, *Submission 71 (Attachment 2)*, p. 58.

¹⁶ Mission Australia, *Submission 76*, p. 5.

¹⁷ DEWR, *Submission 77*, p. 11. DEWR's evaluation found First Nations peoples made up 33 per cent of all payment suspensions, and 18 per cent of the total participant caseload. See also EJA, *Submission 11*, p. [2].

¹⁸ See, for example, Ms Linda Forbes, Law Reform Officer, EJA, *Committee Hansard*, 11 November 2022, p. 22; SRJA, *Submission 23*, p. 7; CECFW, *Submission 74*, pages 1–2.

¹⁹ Mrs Penny Bohm, Project Manager, Brotherhood of St Laurence (BSL), *Committee Hansard*, 11 November 2022, p. 26.

- 4.16 Participants with whom the Committee spoke during its site visits confirmed that the application of the TCF—and particularly automated suspension notices—can create stress and anxiety for participants who are often overwhelmed with other activities.
- 4.17 Some stakeholders also contended that sanctions (including suspensions and more significant financial penalties) are disproportionate to the non-compliance they seek to address.²⁰ For example, Per Capita observed that:

Despite adjustments to allow more time before automatic suspensions are applied, the punishment for not attending ongoing mandated activity requirements is clearly disproportionate to the intended benefits of the program. Various submissions to two inquiries have shown how the application – or merely the threat – of those penalties has added stress and hardship to the parents of young children it was meant to help. This is not a way to encourage them to see the value of employment and feel well supported to prepare for it.²¹

Impact on participant engagement

- 4.18 In addition to raising concerns about the harms caused by payment suspensions and financial penalties (or the threat of such sanctions), several submitters and witnesses argued that applying the TCF is not an effective means of encouraging engagement with ParentsNext—at least not the kind of meaningful engagement that is necessary to improve participants' social and economic participation.²²

- 4.19 The Centre for Excellence in Child and Family Welfare (CECFW) asserted that there is 'absolutely no research' to support a claim that payment suspension (or the threat of payment suspension) is an effective incentive to single parents to gain paid work. The CECFW stated:

We often create the people that we work with by having systems and processes that harm them... These are barriers which ParentsNext does not and is not able to address. Member consultations and evidence have informed us that programs which are strengths based, voluntary and work closely with parents and children on an ongoing basis... increase confidence and workforce participation.²³

- 4.20 The National Employment Services Association (NESA) similarly indicated that the TCF (or compulsion generally) may not be an effective means of ensuring positive and sustained engagement. In this regard, NESA noted that when mutual obligation requirements were suspended during the COVID-19 pandemic, participation rates only decreased from 86 per cent to 75 per cent.²⁴

²⁰ See, for example, Associate Professor Elise Klein OAM, *Submission 6*, p. 3.

²¹ Per Capita, *Submission 78*, p. 12.

²² See, for example, BSL, *Submission 59*, p. 10; CECFW, *Submission 74*, p. 3; Goodstart Early Learning (Goodstart), *Submission 75*, p. 4; Australian Research Alliance for Children and Youth (ARACY), *Submission 37*, pages 3–4.

²³ Ms Tsorbaris, CECFW, *Committee Hansard*, 6 December 2022, p. 12.

²⁴ NESA, *Submission 83*, p. 9. This contrasts with evidence provided by DEWR (above) that a compulsory model generates greater levels of engagement.

- 4.21 Some submitters and witnesses asserted that the application of the TCF is not only an ineffective means of encouraging participation in ParentsNext, but actively discourages engagement with the program. The Committee heard that the threat of financial sanctions forces participants to prioritise meeting attendance and reporting requirements over activities which will have a meaningful impact on their social and economic participation.²⁵ For example, Settlement Services International (SSI) stated:

The implementation of the [TCF] resulted in more time-consuming administrative requirements for ParentsNext participants. Consequently, participants may focus on ensuring compliance with reporting requirements, so that their payments are not suspended. As a result, the value of activities can be a secondary priority, which impacts on quality of participation.²⁶

- 4.22 The application of the TCF may cause harm—and sometimes irreparable damage—to relationships of trust between participants and providers that are critical to meaningful engagement. This is because the TCF forces providers to support participants with their goals and aspirations while also monitoring participants' behaviour and punishing non-compliance.²⁷ In this respect, Mission Australia stated:

The [application of the] TCF in its current form...results in distrustful relationships between some participants and staff, which in turn impacts on those participants' willingness and motivation to genuinely engage and take up opportunities that will benefit them.²⁸

- 4.23 Sarina Russo Job Access (SRJA) raised similar concerns about the impact of the TCF on the relationship between the provider and the participant, arguing:

The provider must...be allowed to work cooperatively with the participant. This implies that providers should not be the helpers on the one hand (providing advice, guidance and support) and a source of difficulty (enforcement of compliance frameworks, if applied) on the other. It also means that it is important that the content and tone of communications to be used by the provider be carefully considered and well-designed in order to be influential and supportive, rather than a source of stress or apprehension.²⁹

- 4.24 Economic Justice Australia noted (EJA) that providers have difficulty administering the TCF and following its complex rules and guidelines. In some cases, this leads to providers failing to consider a participant's circumstances and inappropriately applying demerits, suspensions, or cancellations.³⁰

- 4.25 Mission Australia raised similar concerns, noting that providers are often obliged to focus on administering an 'excessive and burdensome' compliance regime, rather

²⁵ See, for example, Dr Ann Nevile, *Submission 14*, p. 2; Dr Katherine Curchin, *Submission 26*, p. 3.

²⁶ Settlement Services International (SSI), *Submission 16*, p. [4].

²⁷ See, for example, Dr Katherine Curchin, *Submission 26*, p. 3; CORE Community Services (CORE), *Submission 33*, p. [2]; Campbell Page, *Submission 57*, p. [5].

²⁸ Mission Australia, *Submission 76*, p. 5.

²⁹ SRJA, *Submission 23*, p. 9.

³⁰ EJA, *Submission 11*, p. [5].

than spending time supporting participants. This can add to the challenges of building relationships of trust and confidence that are critical to effective support.³¹ BSL indicated that this has been an issue since national rollout of ParentsNext, stating:

The staff focus was around compliance because it took up a lot of time to deal with rescheduling appointments, suspending payments, the phone calls back and forward. So rather than supporting the participants, it was spent on compliance and trying to rectify what was happening there.³²

4.26 Managers and frontline staff with whom the Committee spoke during its site visits were similarly concerned about the time spent administering the TCF and were acutely aware that their role in compliance and enforcement could damage their relationship with participants. Many staff observed that they had implemented ‘work arounds’ to ensure that participants on their caseloads were not subject to demerits, suspensions or penalties (such as automatically recording that a participant has attended an activity and sorting out any issues later), and to ensure that they can dedicate as much time as possible to building relationships with participants and addressing barriers to social and economic participation.

4.27 However, some providers also indicated that the use of the TCF does not damage the relationship between provider and participant, so long as the operation of the framework is carefully explained, and suspensions and other sanctions are not applied in an unreasonable manner.³³ The TCF may also enable providers to reach out to participants and conduct welfare checks. CatholicCare Wollongong stated:

We have used the compliance requirements of appointment attendance in a fashion to engage with the most vulnerable of our participants who we cannot reach by phone or mail, usually because they are homeless or experiencing domestic violence. By our staff entering non-compliance with appointment attendance, these participants are required to reach out to us to restart their payments. This instance of reengaging with clients allows us to check on the welfare and safety of participants and their families.³⁴

Automation of compliance and enforcement

4.28 Stakeholders also expressed strong concerns in relation to automation of payment suspensions. For example, EJA observed that automation creates significant challenges for vulnerable parents, including those who live in regional and remote areas and have limited phone and internet access. EJA further stated:

It is egregious that automatic suspensions under the TCF apply to Parenting Payment recipients, especially as those affected include single parents with

³¹ Mission Australia, *Submission 76*, p. 6.

³² Mrs Bohm, *BSL Committee Hansard*, 11 November 2022, p. 26.

³³ See, for example, APM, *Submission 42*, p. 6; Ability Options, *Submission 58*, p. [3].

³⁴ CatholicCare Wollongong, *Submission 65*, p. 3. CatholicCare emphasised that since providers have ‘absolute power’ in this area, they must use the most ethical lens and application of the program to ensure that they are not exploiting or increasing participant vulnerability.

infants as young as 9 months in their care, parents with disability, parents of children with disability, and sole parent families experiencing family and domestic violence. The need to ensure that vulnerable parents are not exposed to the risk of automated payment suspension is, in our view, reason enough to make Parents Next, or any replacement program, purely voluntary.¹⁵

- 4.29 NESAs similarly expressed concern that automated processes do not account for the circumstances of parents dealing with trauma, stating:

[Services Australia's] IT system identifies information entered by providers...in relation to [participants'] requirements...[and] use[s] the information to commence automated trigger of a [compliance] process which can lead to demerits and income support suspension...

Once [a mutual obligation failure is recorded] ...an SMS is automated advising the person that if they do not make contact within two days their income support will be suspended....If the parent is already living with trauma and has their income support suspended, this creates significant additional stresses.¹⁶

- 4.30 While not expressing direct concern about automated payment suspension, Ability Options asserted that the decision to suspend a payment should be clear, defined process that does not come as a surprise to the participant.¹⁷

Reducing impacts on participants

- 4.31 Some submitters and witnesses made suggestions for improving and reducing the impact of the TCF on participants, including replacing the TCF with alternative compliance arrangements. These were generally consistent with suggestions for a 'lighter touch' approach to compulsory participation outlined in Chapter 3.¹⁸
- 4.32 Mission Australia suggested adopting the compliance model used in the Transition to Work Program, which only mandates attendance at a first appointment between the participant and the provider. All other appointments and activities are voluntary.¹⁹
- 4.33 NESAs suggested that there would be value in replacing the TCF with the Job Seeker Compliance Framework (JSCF), which operates in the Community Development Program. NESAs explained that the JSCF:

...does not automate suspension - decisions are made by people. An income support suspension or financial penalty only occurs when an employment consultant completes an online report detailing the circumstances and sends the report to Services Australia. The decision to submit a report is in the hands of the

³⁵ EJA, *Submission 11*, p. [2]

³⁶ NESAs, *Submission 83*, p. 10.

³⁷ Ability Options, *Submission 58*, p. [3].

³⁸ See, for example, Family and Relationship Services Australia, *Submission 60*, p. 7; SAEP, *Submission 48*, p. 8; Roseberry, *Submission 71*, p. 2.

³⁹ Mission Australia, *Submission 76*, p. 7.

consultant and Services Australia review the case as opposed to an automated 'suspend first' approach.⁴⁰

- 4.34 Per Capita indicated that flexibility should be built into the current TCF to lessen impacts on participants, stating that, in relation to appointments:

Payment should not be suspended for nonattendance at the agreed time until at least a week has passed, and three attempts have been made to make contact to arrange another time or other evidence-informed modification along those lines.⁴¹

Reporting requirements

- 4.35 Where a participant has compulsory activities recorded in their Participation Plan, they are required to report attendance at those activities up to each fortnight.⁴² Failure to report attendance may result in suspension of income support payments.

- 4.36 Providers are responsible for scheduling reporting dates relating to compulsory activities. DEWR encourages providers not to schedule reporting dates on the same day as participants receive their income support payments, to reduce the risk of a payment suspension resulting in an actual loss of or delay to payments.⁴³

- 4.37 The Committee heard that that activity reporting requirements, coupled with the consequences for failure to report, are too onerous for, and may cause harm to, participants.⁴⁴ For example, one participant stated:

Fortnightly reporting has been overwhelming and causes anxiety. At times in the early fortnight of reporting I would stay up just past midnight to report. Then there have been times when I had an alarm to report. But if my daughter is not coping with her feelings, has an accident or has specialist appointments then reporting has been later. If this reporting is after 10 am in South Australia it then bumps my payment from the Wednesday to the Thursday, and then I have missed payments. I've had to call companies to assure them that they will get their payment the following day. Sometimes I've had a late fee. I always think, 'Shouldn't I have been reporting when I was working? Why now?'⁴⁵

⁴⁰ NESA, *Submission 83*, p. 10

⁴¹ Per Capita, *Submission 78*, p. 6.

⁴² DEWR, *Submission 77*, p. 21. Parents in full-time study are not required to report attendance at activities.

⁴³ Ms Samantha Robertson, Assistant Secretary—Employment Services Programs Branch, DEWR, *Committee Hansard*, 11 November 2022, p. 32. See also DEWR, *Submission 77*, p. 10.

All participants are required to have at least one compulsory activity in their Participation Plan.

⁴⁴ See, for example, Associate Professor Elise Klein OAM, *Submission 6*, p. 2; CSMC, *Submission 25*, p. [6]; ACOSS, *Submission 62*, p. 6; Dr Cassandra Goldie, Chief Executive Office, ACOSS, *Committee Hansard*, 6 December 2022, pages 14–15.

⁴⁵ Melissa (private capacity), *Committee Hansard*, 7 December 2022, p. 4. Melissa's experiences with activity reporting were reflected in participant testimony gathered by academic and policy experts. See, for example, Dr Eve Vincent, *Submission 10*, p. 3.

4.38 Noting the negative impacts on participants, some submitters and witnesses asserted that reporting requirements should be reduced, at least in some circumstances.⁴⁶ For example, Jobfind Centres Australia Pty Ltd stated:

Participant requirements for fortnightly mutual obligation reporting should be relaxed where participant activities extend across a number of fortnights. For example, attending weekly playgroup activities, regular driving lessons or enrolment in a course have no financial change to fortnightly payments.⁴⁷

4.39 In addition to reporting on activities, ParentsNext participants are required to report their employment income to Services Australia each fortnightly. This requirement is common to all income support payments, including Parenting Payment.⁴⁸ A person on income support is required to report even where they receive no income. Where a person fails to report, their payments may be suspended.⁴⁹

4.40 During the Committee's site visits to ParentsNext providers, several participants told the Committee that managing the multiple reporting requirements could be stressful and time-consuming, especially where a failure to report income or attendance at an activity could result in the suspension or—in rare cases—loss of income support. Participants asserted that reducing the number and types of events that result in suspension of income support would make their lives considerably easier.

4.41 Participants also questioned the utility of requiring a person to report income each fortnight when they do not and have no plans to work as they are parenting very young children. A common view was that this requirement unnecessarily burdens recipients of income support. Participants told the Committee that where a person does not plan to receive income during a reporting period, they should not be required to report. It was also acknowledged in hearings that there is a balance to be struck as regular reporting of income helps to decrease the incidence of overpayments and debts.⁵⁰

4.42 The Department of Social Services (DSS) observed that the rollout of Single Touch Payroll (STP) is having 'very positive' impacts on lessening the reporting burden on income support recipients and is leading to increases in payment accuracy for those who are reporting earnings. DSS also stated that reducing or eliminating income reporting for recipients of Parenting Payment may require legislative, policy, and systems change, and may have implications for other working age payments.⁵¹

⁴⁶ See, for example, Ms Kelly Millar, National Social Policy Manager, Goodstart, *Committee Hansard*, 11 November 2022, p. 18, Mission Australia, *Submission 76*, p. 7.

⁴⁷ Jobfind Centres Pty Ltd, *Submission 50*, p. [3].

⁴⁸ See Mr Matt Flavel, Deputy Secretary—Social Security, Department of Social Services (DSS), *Proof Committee Hansard*, 14 February 2023, p. 26.

⁴⁹ See DSS, *How to report and manage your payment*, www.servicesaustralia.gov.au/how-to-report-and-manage-your-jobseeker-payment, viewed 19 January 2023.

⁵⁰ See, for example, *Proof Committee Hansard*, 18 January 2023, p. 26.

⁵¹ See Mr Flavel, DSS, *Proof Committee Hansard*, 18 January 2023, p. 26.

Committee view

- 4.43 The TCF is significantly responsible for the near unanimous view that ParentsNext has become a punitive rather than supportive program. Onerous participation and reporting requirements, coupled with the threat of financial sanctions for non-compliance, leads to significant adverse impacts on participants, up to and including poor mental health outcomes and the inability to meet immediate basic needs for the participant and their children. The application of the TCF also has a disproportionately severe impact on First Nations peoples and parents already living in situations of disadvantage.
- 4.44 The TCF, at least in its current form, should not continue to be a part of ParentsNext or a replacement service. It should be replaced by an alternative framework which is better adapted to the needs of parents and is not unduly punitive.
- 4.45 The loss of income support or cancellation of payments should not form part of this new framework. There is no acceptable public policy basis for these penalties on parents (overwhelmingly female single parents), and they are disproportionate to most, if not all, types of non-compliant behaviour which may occur within a pre-employment or pre-vocational program. That there have been, since 2018, only 17 instances where a participant's payment was cancelled for persistent non-compliance further demonstrates that cancellation is not a necessary part of the compliance framework.
- 4.46 The Committee also considers that full payment suspensions are an unnecessarily harsh blunt instrument. They should be removed from the compliance framework for ParentsNext and should not be included in any new compliance framework as soon as alternative mechanisms to encourage engagement are in place. However, the framework requires substantial change to minimise adverse impacts on participants.
- 4.47 The Committee considers that government needs an alternative to the blunt instrument of payment cancellations or full suspensions. Legislation should be amended, and IT systems adjusted, to enable a partial payment withholding ('holdback') as an alternative to cancellations or suspensions. A 'holdback' of a small percentage (25 to 30 per cent) of a payment should become the maximum sanction available under ParentsNext or a replacement service until non-compliance is remedied.⁵² A 'holdback' can act as an incentive to re-engage without leaving a participant with insufficient funds to meet basic needs. All holdbacks should be paid back to the participant as soon as re-engagement occurs or the participant provides a valid reason for the relevant compliance failure.
- 4.48 Removing the risk that a participant will lose an entire payment—even for a short time—should be a priority. However, it is acknowledged that this change will take time given the need for changes to legislation and IT systems.

⁵² At present, where payments are suspended, the participant will receive no payment until they re-engage with their provider or provide a valid excuse for the relevant non-compliance.

- 4.49 The Committee was concerned to hear of over 1,000 cancellations where people simply stopped engaging with ParentsNext. Many will have secured work and accordingly have no need of income support; however, there were reports that people just gave up as compliance and reporting were too onerous. As a general principle, if a person has not complied with a participation or income reporting requirement for an extended period, Services Australia should be required to formally notify the person of the intention to cancel their payment. This should include a reasonable notice period (for example 28 days or more).
- 4.50 Other changes that the Committee considers should be made as soon as practicable (acknowledging that some may not be possible until a new service is in place) include:
- Extending the time within which a participant must re-engage with their provider or provide a valid reason for their non-compliance to avoid a suspension. The current 'grace period' is two business days. This should be urgently extended to seven business days (*i.e.*, always providing at least one calendar week) to better reflect the reality of caring responsibilities and the sometimes complex lives of those eligible for this program.
 - Ensuring that all suspension decisions are made by a Services Australia staff member, rather than automatically by Services Australia's systems. If a participant has failed to engage with the program by attending regular appointments without a reasonable explanation or is not meaningfully participating, the provider should be required to lodge a report with Services Australia who can talk with the participant and the provider and determine whether an exemption is warranted or if further action is required.
 - Removing the power and requirement for providers to make decisions that affect people's payments in any way. This will help to address concerns associated with providers' dual role in helping and policing participants, allowing the provider to focus on supporting the participant to identify and achieve their goals. Removing compliance functions from the provider should also substantially reduce administrative burdens on providers and free up time to focus on helping participants.
- 4.51 The removal of the TCF, and the replacement of the TCF with a different compliance framework, would complement significant changes to eligibility criteria and participation requirements for a service to replace ParentsNext, which would see parents only required to participate once their youngest child reaches three years of age, and participants only required to attend appointments and engage meaningfully with the program rather than regularly complete and report on activities which may be of negligible benefit to the participant's social and economic participation.
- 4.52 The new compliance framework should be developed as part of the co-design process for the new program, to ensure that it responds to the circumstances and needs of prospective participants, while endeavouring to make other changes as soon as practicable (discussed further in Chapter 6).

Recommendation 18

- 4.53** The Committee recommends that the Australian Government amend legislation and adjust IT systems to enable a partial payment withholding ('holdback') as an alternative to the blunt instrument of harsh payment cancellations or suspensions. This 'holdback' should apply to only a small percentage (for example, 25 to 30 per cent) of the participant's payment.

Recommendation 19

- 4.54** The Committee recommends that the Australian Government:
- end automatic payment cancellations where a person has:
 - failed to re-engage with ParentsNext after their payments have been suspended (or provide a valid reason for the compliance failure); or
 - failed to meet their income reporting requirements;
 - require Services Australia to formally inform the person of the intention to cancel the person's payments, subject to a reasonable notice period (for example, 28 days); and
 - retain these safeguards in the service which replaces ParentsNext.

Recommendation 20

- 4.55** The Committee recommends that the Targeted Compliance Framework not apply to participants in the service which replaces ParentsNext. A new framework should be implemented that includes the following suggested features:
- Income support payments for parents will no longer be cancelled or suspended.
 - If a participant does not meet a participation requirement, the time to re-engage be substantially longer than the current two business days (seven business days suggested).
 - If a participant does not re-engage then a provider does not have the power to impact their payment. The provider will simply make a report to Services Australia.
 - All decisions that affect income support payments must be made by a staff member within Services Australia, and not automatically by the system.
 - A partial payment withholding ('holdback') of a small percentage (for example 25 to 30 per cent) of a person's payment be the maximum sanction available to Services Australia, with the holdback paid back to the participant in full as soon as re-engagement occurs.

- 4.56 The Committee is also concerned that participants are required to report employment income even where they do not receive any income for a reporting period. This requirement places significant burden on participants, and adds to their stress and anxiety, without delivering commensurate benefits to government.
- 4.57 Adjusting income reporting requirements may require legislative, policy, and systems changes, and may not be feasible in the short term. Nevertheless, DSS should explore options to simplify reporting arrangements for Parenting Payment, including for current ParentsNext participants and participants in a replacement service. Options might include:
- Allowing parents to report less frequently (for example, every two or three months rather than fortnightly) if they have indicated that they are not working and have no plans to start work in the short or medium term.
 - Leveraging STP information so that information about a person's employment income is recorded in the system without that person needing to self-report or confirm. This could be applied to Parenting Payment recipients who indicate that they are not and do not propose to work, and thereafter rolled out to all working age payments.

Recommendation 21

- 4.58 The Committee recommends that the Australian Government consider options to allow parents caring for very young children and who do not intend to work to report their employment income less frequently (for example, every two or three months rather than fortnightly).**



5. Service delivery

For a pre-employment or pre-vocational program to fully meet the needs of participants, it is not sufficient that it be well designed. The program must also be supported by service delivery arrangements which enable it to function effectively.

Current service delivery arrangements for ParentsNext appear to be moderately effective. However, there is considerable room for improvement. For example, there appears to be little information available about the program and its benefits, and no dedicated service that parents may access to seek advice and support. In addition, providers' effectiveness and efficiency is often undercut by the lack of a dedicated contact point within government agencies. These issues must be resolved as a matter of urgency.

Also critical to the success of any pre-employment or pre-vocational program or service is the mix of providers who deliver it, and whether those providers are enabled to improve through collaboration and knowledge-sharing. The Committee is attracted to a service model where one high-quality provider is commissioned to service each Employment Region, and where the department facilitates communities of practice in which providers are required to participate.

The employment and pre-employment services sector is one of the few that does not mandate qualifications or competencies for frontline staff, and many stakeholders are concerned that there has been a de-professionalising of the sector over many years, with consequences for the quality of services for participants. While acknowledging that many service providers are rigorous in terms of ensuring that their frontline staff have the skills and experience to deliver high-quality services to parents, the Committee is of the view that minimum skills and competency standards should be specified as a means of re-professionalising the sector over time, providing career development for workers, and assuring the quality of services. These standards must address key skills gaps—particularly those relating to supporting First Nations peoples and women with experience of domestic violence—and must recognise the value of lived experience to delivering effective, empathetic support.

Innovation and experimentation are critical to supporting a culture of continuous improvement and to responding effectively to changes in the labour market. The Committee is strongly of the view that any pre-vocational service should have in-built flexibility to support testing and evaluation of innovative ideas, including novel service delivery models and incentives to participation.

The Committee also believes that public sector policy work is improved by service delivery experience, and recommends the Government seriously consider public sector delivery of any new pre-vocational service in at least a few regions. The Committee does not make this recommendation based on cost considerations and acknowledges

that cost may in fact be slightly higher than outsourced arrangements. Rather, the Committee is concerned to see the Australian Government re-develop direct experience of service delivery to inform policy development, evaluation, and its stewardship responsibilities. This explicitly would not be on a competitive neutrality basis.

Provider commissioning, staff training, and innovation must be core components of any pre-employment or pre-vocational service to replace ParentsNext and must form part of the co-design process for such a service. These issues will also be considered in the context of the broader employment services system as part of the Committee's inquiry into Workforce Australia Employment Services.

Information and engagement

- 5.1 The Committee heard that there is a dearth of reliable, accurate information about ParentsNext, including on relevant websites and in promotional material. Moreover, parents and carers do not have access to a dedicated service which they can approach for advice about services and supports or about income support and other benefits (including how benefits interact with paid employment).
- 5.2 While not dismissing the legitimate criticisms of ParentsNext, these issues may be contributing to misconceptions about ParentsNext and ultimately limiting participants' capacity to benefit.
- 5.3 The Committee also heard that there is no dedicated contact for providers within Services Australia. This limits providers' capacity to operate efficiently and effectively, and to resolve issues associated with inappropriate referrals to ParentsNext.
- 5.4 These issues are discussed below and should be resolved as a matter of urgency.

Public-facing information on ParentsNext

- 5.5 As outlined in Chapter 3, many new and prospective participants in ParentsNext have little information on the program or have information that is incomplete or misleading. The Committee heard that this may be due to the quality of information on government websites, to the way in which Services Australia engages with parents who are eligible for the program, and to experiences of the program shared by current and former participants.¹
- 5.6 The Committee heard that information about ParentsNext available to prospective participants—as well as to the broader public—should be increased and should be better targeted to ensure that the program and its benefits are fully understood.
- 5.7 The National Employment Services Association (NESA) noted that descriptions of ParentsNext on websites maintained by the Department of Employment and

¹ See, for example, SYC, *Submission 44*, p. 9; National Employment Services Association (NESA), *Submission 83*, p. 6; CVGT Employment (CVGT), *Submission 22*, p. 4.

Workplace Relations (DEWR) and the Department of Social Services (DSS) are 'quite clinical' and fall short of communicating a full understanding of the program. NESAs recommended that government review this information and ensure that referring agencies such as Services Australia have a sound understanding of ParentsNext and can inform participants of its objectives, supports, and benefits.²

5.8 Jobs Australia recommended developing promotional material on ParentsNext for use by community agencies and Services Australia, stating that this should include:

- Videos to explain the program and its benefits, inclusive of people from non-English speaking and culturally diverse backgrounds;
- A summary document on ParentsNext for participants and their families at their first Services Australia interview, in their primary or dominant language;
- Directions to provider addresses, together with relevant transport information;
- Any other information needed to support the participant with their access to ParentsNext and their understanding of the program.³

5.9 Some submitters also indicated that more could be done to 'market' ParentsNext, including to parents who might engage with the program on a voluntary basis. For example, atWork Australia expressed support for broadening the range of individuals who may participate in ParentsNext, stating that this may require strategic investment from government to support marketing and awareness-raising campaigns.⁴

Advice for parents and carers

5.10 As discussed in Chapter 2, parents—particularly single mothers and parents at risk of long-term disconnection from the workforce—face a variety of barriers to social and economic participation. Moreover, parents are often obliged to navigate a complex and fragmented social support ecosystem to obtain the support they need.

5.11 Sarina Russo Job Access (SRJA) noted that a core function of programs such as ParentsNext is providing advice on available services, navigating the social support ecosystem, and how entering or re-entering paid work will interact with taxes, concessions, and other benefits.⁵

5.12 NESAs confirmed that this is a function of pre-employment services but noted that services under ParentsNext are restricted to participants. NESAs suggested that current service offerings could be expanded to allow some parents to obtain support on a one-off basis, stating:

² NESAs, *Submission 83*, p. 6. See also Ms Sally Sinclair, Chief Executive Officer, NESAs, *Proof Committee Hansard*, 18 January 2023, pages 12–13.

³ Jobs Australia, *Submission 80*, p. 10. See also, Ms Felicity Black, Chief Executive Officer, Women's Health and Family Services (WHFS), *Proof Committee Hansard*, 1 February 2023, p. 9.

⁴ atWork Australia (atWork), *Submission 34*, p. 2.

⁵ Sarina Russo Job Access (SRJA), *Submission 23*, p. 5.

A one-off service could involve providing advice/support, making a connection to an appropriate third party, assistance with goods and services through the Participation Fund, or assistance with arranging a wage subsidy. In such a case the...provider could be paid a service fee rather than the full program fee.⁶

5.13 Services Australia maintains a Grandparent, Foster and Kinship Adviser Service for grandparents and other non-parent carers who have an ongoing caring responsibility for children. Part of the service is a Grandparent Adviser Line which provides advice on payments and services available through government programs and community organisations. The Line can also be used to organise appointments with social workers and other specialists such as financial information services officers.⁷

5.14 The National Council of Single Mothers and their Children (NCSMC) observed that the Grandparent Adviser Line is a 'fantastic' support for grandparents, and strongly advocated for a similar advice line for parents and carers, stating:

Imagine if there were a service where you could phone in and they could go: 'You have phoned in from this particular area. Do you know that just down the road there's a brilliant service that could help you, and we can even give you the name of the person'? It's not like we don't have those systems, we just don't use them for single mothers.⁸

5.15 The NCSMS indicated that there would be value in engaging single mothers who are former or even current ParentsNext participants to staff an advice service for parents, noting that those mothers could advise on the benefits and drawbacks of the program and help mitigate fear associated with issues such as compulsory participation.⁹

Interactions between providers and Services Australia

5.16 As outlined in Chapter 3, the Committee heard that a significant number of participants have been incorrectly or inappropriately referred to ParentsNext due to the nature and application of eligibility criteria. Providers indicated that they often have difficulty contacting Services Australia to resolve this issue, and that this is part of a broader set of concerns relating to lack of communication with the agency.

5.17 For example, Metro Assist stated that issues associated with referrals to their services often arise due to incorrect information in Services Australia's systems.

⁶ NESAs, *Submission 83*, p. 7. NESAs observed that such an approach already exists in the Workforce Australia Self-Employment Assistance Program.

⁷ See Services Australia, *Grandparents, Foster and Kinship Carer Advisers*, www.servicesaustralia.gov.au/grandparent-foster-and-kinship-carer-advisers, viewed 14 February 2023. See also Senate Select Committee on Work and Care, *Interim Report*, p. 63.

⁸ Ms Terese Edwards, Chief Executive Officer, National Council of Single Mothers and their Children (NCSMC), *Committee Hansard*, 6 December 2022, p. 7.

⁹ Ms Edwards, NCSMC, *Committee Hansard*, 6 December 2022, p. 7.

Moreover, each time Metro Assist contacts Services Australia to resolve an issue, they 'waste a lot of time' and receive inconsistent, incorrect information.¹⁰

- 5.18 Other providers similarly observed that issues they experience are often the result of Services Australia failing to explain ParentsNext to participants or providing incorrect information about the program.¹¹ For example, OCTEC Ltd (OCTEC) stated:

One of the issues that we have had—and I'm sure the other providers would be the same—is the constant incorrect information that [participants] get from Services Australia staff when they're being referred to the program.¹²

- 5.19 Providers also expressed concern that there is no longer a dedicated contact in Services Australia for providers to resolve issues or obtain advice.¹³ For example, OCTEC stated:

It is difficult...to get in contact with Services Australia. I've worked in employment services for over 10 years, and that relationship has definitely evolved. We could just call the local office, and now you don't necessarily have a contact number for that person, and you have to stay on the phone like anybody else.¹⁴

- 5.20 Women's Health and Family Services (WHFS) expressed similar views and indicated that more must be done to build the relationship between Services Australia and providers—particularly around managing referrals. In this respect, WHFS stated:

It's quite hard to be flexible and accommodate what the participants need, because we don't see that kind of referral flow coming through...[S]ometimes I think it's down to [the individual staff member] as to whether or not they refer to us as a provider. Then we start reaching out to that location in Services Australia to try and build that relationship, even though the referrals are done in the back end. So, yes, there's definitely a disconnect there.¹⁵

- 5.21 Mission Australia asserted that previous arrangements for managing the relationship between providers and local Services Australia centres should be reinstated, noting that this should include giving contact information for local centres to provider staff and holding regular interagency meetings led by Services Australia.¹⁶

¹⁰ Ms Quynh Pham, Employment Services Team Leader, Metro Assist, *Committee Hansard*, 7 December 2022, p. 29.

¹¹ See, for example, Ms Julia North, Program Manager—ParentsNext, Campbell Page, *Committee Hansard*, 7 December 2022, p. 27.

¹² Ms Charissa Mossop, Program Manager—ParentsNext, OCTEC Ltd (OCTEC), *Committee Hansard*, 7 December 2022, p. 27.

¹³ See, for example, Mr Hugh Reilly, Executive General Manager, atWork, *Proof Committee Hansard*, 1 February 2023, p. 18.

¹⁴ Ms Mossop, OCTEC, *Committee Hansard*, 7 December 2022, p. 29.

¹⁵ Ms Emma Morris, Executive Manager—Client Support Services, WHFS, *Proof Committee Hansard*, 1 February 2023, pp. 8–9.

¹⁶ Mission Australia, *Submission 76*, p. 3. During the Committee's program of site visits, providers told the Committee that it was significantly easier to contact Services Australia to resolve issues during the ParentsNext pilot program.

- 5.22 NESAs noted that there was formerly a dedicated point of contact within Services Australia which has been lost over the multiple iterations of ParentsNext. NESAs also indicated that there would be value in re-establishing regular meetings with Services Australia and DEWR to increase understanding of the program and resolve issues:

We had... a partnership program where we used to do two days: half a day in DEWR, half a day in a Centrelink office, half a day on the call centre headsets and half a day in the providers. It was a fantastic way to get that shared understanding, and then we would go back to Canberra and everyone would write up their recommendations, and those would be taken up by the heads of departments as ways to actually improve the system. We've lost a lot of that ground-upward feedback.¹⁷

- 5.23 The lack of a dedicated point of contact within Services Australia was one of the key concerns raised by providers and their staff during the Committee's site visits. Providers indicated that contacts within Services Australia often change while the provider is attempting to resolve an issue, and that providers and participants have been discouraged from directly contacting local Services Australia offices.

- 5.24 During the site visits, providers also told the Committee that the lack of a dedicated contact point creates challenges in resolving incorrect referrals. This is because providers must commence at least 90 per cent of participants referred to their services within 14 days. If the provider cannot contact Services Australia to resolve an inappropriate referral, the provider will typically commence the participant—irrespective of whether they have capacity to benefit from the program—and may then exempt the participant as a 'work around' for the incorrect referral. This was not seen as a sustainable solution.

- 5.25 Services Australia confirmed that there is not a dedicated provider number for ParentsNext, and that providers typically contact Services Australia using the same number as members of the public. Services Australia indicated that this is part of the existing policy settings for ParentsNext.¹⁸

- 5.26 DEWR explained that a dedicated provider line is not a funded element of the delivery model for ParentsNext. In addition, DEWR noted that relationships between providers and local Services Australia offices vary between locations, with no settled communication protocols in place, stating:

In some locations and between some providers, there is actually a really close and open exchange of information. In other cases, it reflects the point that you've made—that it's actually more formal and it is either through calling the line or it is through relying on the provider lead, which is [DEWR's] contract management arm, to help resolve issues.¹⁹

¹⁷ See, for example, Ms Sinclair, NESAs, *Committee Hansard*, 18 January 2023, p. 15.

¹⁸ Mr Eric Harper, General Manager (A/g)—Working Age Programs, Services Australia, *Proof Committee Hansard*, 18 January 2023, p. 21.

¹⁹ Ms Robyn Shannon, First Assistant Secretary—Workforce Australia Provider Support, Department of Employment and Workplace Relations (DEWR), *Proof Committee Hansard*, 18 January 2023, p. 21

5.27 DEWR also noted that in previous iterations of ParentsNext there have been funded consultative forums at the local level. However, these have ceased.²⁰

Commissioning and service delivery

5.28 As outlined in Chapter 1, ParentsNext providers are selected via an open tender process. There are currently 53 providers delivering the program at multiple sites. The majority (79 per cent) are non-profit organisations.²¹

5.29 In 12 of the Employment Regions where ParentsNext is delivered, there is only one provider. That provider typically uses a mix of fixed sites and outreach services. There are two or more providers in each of the other 39 Employment Regions.²²

5.30 DEWR indicated that ParentsNext is intended as a less competitive program than mainstream employment services such as Workforce Australia. DEWR also stated that it encourages collaboration between providers, particularly in relation to matters which will benefit participants, and noted that there is a 'really strong sense of community of practice' in the sector, driven by providers and peak bodies.²³

5.31 NESAs and Jobs Australia both noted they had established communities of practice among their member organisations, which meet regularly to share examples of best practice and provide feedback to government on policy and program delivery.²⁴

5.32 However, some evidence before the Committee indicated that the commissioning process for ParentsNext may result in competition between providers. For example, the Brotherhood of St Laurence (BSL) stated that the commissioning process must support collaboration rather than competition and recommended that government fund one provider per region to maximise collaboration and sharing of expertise.²⁵

5.33 The Committee also heard that there are programs in other jurisdictions which deliver similar services to ParentsNext, and which focus on collaboration between service delivery organisations. For example, Dr Katherine Curchin stated:

[The Making it Work program in Scotland] was designed to facilitate cooperation and collaboration between different local organisations so that, when parents were referred to someone, they were referred to the right people who were actually going to be able to help them. The design of the program was to promote collaboration rather than competition between those third-sector organisations.

²⁰ Ms Shannon, DEWR, *Proof Committee Hansard*, 18 January 2023, p. 21

²¹ DEWR, *Submission 77*, p. 17.

²² Ms Samantha Robertson, Assistant Secretary, Employment Programs Branch, DEWR, *Committee Hansard*, 11 November 2022, p. 37.

²³ Ms Robertson, Assistant Secretary, Employment Programs Branch, DEWR, *Committee Hansard*, 11 November 2022, p. 37; Ms Shannon, DEWR, *Committee Hansard*, 11 November 2022, p. 37.

²⁴ NESAs, *Submission 83*, p. 4; Jobs Australia, *Submission 80*, p. 16.

²⁵ Brotherhood of St Laurence (BSL), *Submission 59*, p. 14. The BSL observed that this would be similar to the commissioning model used for the Transition to Work program.

There was also input from local parents into the operation of the program, so that helped to maintain the relevance of the program to the service users.²⁶

- 5.34 The Committee also heard that in Employment Regions with fewer participants, competition between providers limits service quality—for example because a provider can only afford to remain open one or two days per week. Evidence indicated that DEWR’s administrative processes limit providers’ ability to change their commercial arrangements to respond to fluctuating caseloads. For example, WHFS stated:

[I]f we decide or realise there's a need for us to change our office hours or move where we are operating from, the process to do that—even to move from three days to four days—is an administrative process [via] the department. That flies in the face of us being able to provide responsive, flexible, place-based care.²⁷

- 5.35 DEWR told the Committee that the number of providers in a region is a key part of the commissioning process for ParentsNext, and that in some cases it is preferable to have more than one provider in a region so participants can change providers if dissatisfied with the services they receive. DEWR also acknowledged that there may be room to adjust the commissioning model to better respond to thin markets.²⁸

- 5.36 Some submitters told the Committee that ParentsNext should be delivered only by non-profit providers, noting that those organisations are better placed than their for-profit counterparts to provide a supportive environment, and have an ethos that better aligns with respectful, client-focused service delivery.²⁹

- 5.37 Submitters also highlighted the importance of providers being able to deliver wrap-around services and having strong connections to local networks and services.³⁰ For example, the Australian Council of Social Service (ACOSS) stated:

Future service providers should have demonstrated local footprints, expertise in place-based planning, and a service model that builds on people’s strengths and aspirations rather than pressuring them to take up the first available job.³¹

- 5.38 Evidence before the Committee also indicated that delivery of ParentsNext should be separated from delivery of mainstream employment services such as Workforce Australia, as participants in ParentsNext are often vulnerable or isolated and require

²⁶ Dr Katherine Curchin, Senior Lecturer, Centre for Social Research and Methods, Australian National University (ANU), *Committee Hansard*, 11 November 2022, p. 4.

²⁷ Ms Black, WHFS, *Proof Committee Hansard*, 1 February 2023, p. 8.

²⁸ Ms Shannon, DEWR, *Proof Committee Hansard*, 18 January 2023, p. 37

²⁹ See, for example, YFS Limited (YFS), *Submission 31*, p. 1; Family and Relationship Services Australia (FRSA), *Submission 60*, p. 10. FRSA also provided a list of attributes that a ‘good’ provider should possess, including a holistic, client-focused service delivery model; skilled, empathetic staff; and strong relationships with other services which enable collaborative approaches to providing support.

³⁰ See, for example, Uniting SA, *Submission 32*, p. 6; Australian Council of Social Services (ACOSS), *Submission 62*, p. 13; CORE Community Services (CORE), *Submission 33*, p. [3]; Mission Australia, *Submission 76*, p. 3.

³¹ ACOSS, *Submission 62*, p. 13.

targeted support to address non-vocational barriers.¹² However, currently ParentsNext is often delivered by the same providers who deliver mainstream programs.¹³ For example, YFS Limited (YFS) stated:

ParentsNext is overseen by the same contract managers as Workforce Australia, included in the same compliance framework as Workforce Australia, using the same systems as Workforce Australia and in many cases delivered by the same organisations delivering other employment services programs.¹⁴

- 5.39 Evidence before the Committee also indicated that some former programs designed to support parents and delivered by government entities were successful in enabling parents to achieve education and employment outcomes and improving their social and economic participation.
- 5.40 For example, submitters and witnesses highlighted the Jobs, Education and Training (JET) scheme, delivered through local DSS offices. JET Advisors were primarily tasked with assessing the parent's employment aspirations, needs and readiness to enter or re-enter the labour market, and with referring them to relevant services.¹⁵ An evaluation showed that JET participants were 1.34 times more likely to earn income and twice as likely to be studying compared to their non-JET counterparts.¹⁶
- 5.41 The Helping Young Parents (HYP) and Supporting Jobless Families (SJP) trials conducted from 2012 to 2016 similarly had the Department of Human Services—now Services Australia—supporting parents to develop a participation plan that detailed the assistance that they would receive to progress towards educational and family goals. Analysis of the programs found that HYP trial participants were 14 per cent more likely to attain a Year 12 or equivalent qualification compared to the comparison group, while JSP trial participants were three per cent more likely to engage with work, study, or child care compared to the comparison group.¹⁷

Supporting specific cohorts

- 5.42 The Committee heard that the experiences and support needs of First Nations peoples, people from culturally and linguistically diverse (CALD) backgrounds, and people who have experienced family violence, necessitate services which are adapted to those cohorts.¹⁸

³² See, for example, YFS, *Submission 31*, p. 8; ACOSS, *Submission 63*, p. 13; Jobs Australia, *Submission 80*, p. 4.

³³ See, for example, ACOSS, *Submission 63*, p. 13; Jobs Australia, *Submission 80*, p. 4.

³⁴ YFS, *Submission 31*, p. 8.

³⁵ See, for example, Dr Janet Ramsey PSM, *Submission 17*, p. 1; Ms Forbes, EJA, *Committee Hansard*, 11 November 2022, p. 25.

³⁶ See BSL, *Submission 59*, p. 17.

³⁷ See DEWR, *Submission 77 (Attachment 1)*, pages 6–10.

³⁸ See, for example, Ms Jenny Davidson, Chief Executive Officer, Council of Single Mothers and their Children (CSMC), *Committee Hansard*, 6 December 2022, p. 8; Ms Renata Field, Team Manager—Policy, Advocacy and Research, Domestic Violence New South Wales (DVNSW), *Committee Hansard*, 7 December 2022, p. 20.

- 5.43 This does not necessarily mean that specialist services are required. However, service providers and their staff must be empathetic, culturally competent, and responsive to trauma. Providers must also have connections to local services to which they are able to refer participants as necessary.

First Nations peoples

- 5.44 The Committee heard that pre-employment and pre-vocational services must be adapted to the circumstances and needs of First Nations peoples. This was of particular concern for the current ParentNext program, where First Nations peoples make up 20 per cent of participants.³⁹
- 5.45 Submitters highlighted the importance of delivering culturally safe and appropriate services and of working in partnership with First Nations-controlled organisations in key sectors such as health and family violence.⁴⁰ For example, ACOSS stated:
- Any replacement program [for ParentsNext] should be designed to be culturally safe for culturally and linguistically diverse communities and, in the case of First Nations communities, should be consistent with the Closing the Gap commitment to genuine partnerships. This includes partnerships with First Nations controlled organisations...to ensure that programs targeted at culturally and linguistically diverse and First Nations communities are informed by organisations with appropriate cultural expertise.⁴¹
- 5.46 The Centre for Excellence in Child and Family Welfare (CECFW) expressed concern at a reported lack of culturally appropriate service providers in ParentsNext, and at the lack of consultation with First Nations communities in program design. The CECFW emphasised that First Nations communities and representative bodies must be consulted as part of the design of any pre-employment program, and that the design and delivery of the program must involve genuine partnership between government and First Nations peoples.⁴²
- 5.47 The Australian Human Rights Commission (AHRC) raised concern about the disproportionate negative impact of ParentsNext on First Nations peoples and noted that First Nations women are calling for government to commit to re-designing the welfare system in partnership with First Nations communities.⁴³
- 5.48 The ARHC highlighted the *Wiyi Yani U Thangani (Women's Voices)* Report, which was developed and written in partnership between the AHRC and the National Indigenous Australians Agency. The Report lays out the views of First Nations women and girls as to the strengths of and challenges facing First Nations women, as well as principles that should be enshrined in the design of policies, programs,

³⁹ DEWR, *Submission 77*, p. 2.

⁴⁰ See, for example, CSMC, *Submission 25*, p. 8, YFS, *Submission 31*, p. 4; Kullarri Regional Communities Indigenous Corporation (KRCIC), *Submission 95*, p. 2.

⁴¹ ACOSS, *Submission 62*, p. 1.

⁴² Centre for Excellence in Child and Family Welfare (CECFW), *Submission 74*, p. 6.

⁴³ Australian Human Rights Commission (AHRC), *Submission 24*, pages 3–4.

and services. Among other matters, the report outlines measures for increasing economic and social participation for First Nations women, and suggestions for the design and delivery of employment services.⁴⁴

- 5.49 Change the Record similarly noted the *Wiyi Yani U Thangani* Report and drew attention to a variety of concerns raised by First Nations women about ParentsNext and the welfare system more generally. Change the Record stated:

Women raised concerns about unliveable rates of payment; systems not taking into account cultural needs and obligations; the punitive, discriminatory and onerous nature of ‘mutual obligations’ and compliance frameworks, particularly ParentsNext [and] the high proportion of First Nations social security recipients being breached and losing their payments compared to other population groups; and the racial discrimination at the heart of schemes like the Community Development Program and compulsory income management.⁴⁵

- 5.50 Stakeholders also indicated that First Nations peoples see value in a program like ParentsNext helping them connect with their culture and engage with local services with a First Nations focus. For example, Metro Assist stated:

Recently I had a lady in Marrickville who said to me that she wants to learn more about her own culture. She wants her daughter to be able to understand where they come from and everything like that. So from our end, we pretty much try to reach out to services that provide training and help with employment and everything like that.⁴⁶

- 5.51 The Kullarri Regional Communities Indigenous Corporation (KRCIC) also highlighted the importance of supporting First Nations peoples to connect with culturally relevant local services and supports, noting that this can be particularly effective if the person delivering supports is also from a First Nations background. The KRCIC drew attention to the role of its Client Advocates in this regard:

[Our Client Advocate] was a local Aboriginal woman with experience and knowledge in these areas and within the local community. She was able to advocate and build vital supports and relationships. This position also supported our [ParentNext] case managers to work on other areas including work readiness, and program deliverables, easing the intensity of the more complex issues. The position was successful and welcomed by participants who knew they could find safety, discretion, and advocacy to move them forward.⁴⁷

⁴⁴ See ARHC (2020), *Wiyi Yani U Thangani (Women’s Voices): Securing Our Rights, Securing Our Future Report*, pages 501–561. <https://humanrights.gov.au/our-work/aboriginal-and-torres-strait-islander-social-justice/publications/wiyi-yanu-u-thangani>, viewed 14 February 2023.

⁴⁵ Change the Record, *Submission 103*, p. 3.

⁴⁶ Ms Pham, Metro Assist, *Committee Hansard*, 7 December 2022, p. 30.

⁴⁷ KRCIC, *Submission 95*, p. 5. The KRCIC explained that it received external funding to support a 12-month Client Advocate role, which worked alongside and complemented ParentsNext. The KRCIC stated that ongoing financial support for the role would be beneficial, noting that funding for the role has ceased.

- 5.52 During its program of site visits, the Committee intentionally visited multiple providers which were either led by First Nations peoples or had a high number of First Nations participants on their caseload. Participants and frontline staff highlighted several barriers to engagement with pre-employment and employment services, including cultural responsibilities; distrust and fear of government services; and a failure by providers to genuinely engage with local communities.
- 5.53 The Committee heard that while many of these barriers can be addressed simply by better tailoring services to the individual, there would be value in providers taking additional steps to support First Nations peoples as a cohort. This might include enabling participants to include family and community-related activities in their Participation Plan, and by organising events to demonstrate the value of pre-employment services to members of local First Nations communities. Stakeholders also spoke to the importance of increasing the number of First Nations people employed as frontline staff, particularly in coaching and mentoring roles, and to the importance of engaging directly with First Nations Elders on country to seek advice on the most culturally appropriate means of delivering services in the relevant area.
- 5.54 DEWR noted that the most recent evaluation of ParentsNext (for 2018–21) identified that First Nations participants receive higher levels of support than other cohorts and found that the program has been successful in terms of enabling First Nations participants to achieve education and employment outcomes.⁴⁸
- 5.55 The evaluation also found that providers with higher numbers of First Nations participants on their caseloads were cognisant of the challenges facing First Nations peoples and the barriers to participating in ParentsNext and were fully aware of the importance of cultural safety. Providers had also made efforts to encourage inclusiveness, such as by displaying First Nations artwork, employing First Nations caseworkers, having a presence in local communities, and referring participants to First Nations-controlled organisations.⁴⁹

People from Culturally and Linguistically Diverse backgrounds

- 5.56 As of 30 September 2022, 19.4 per cent of all ParentsNext participants were from CALD backgrounds.⁵⁰ The number of CALD participants on each provider's caseload varies substantially depending on the provider, the Employment Region, and the site where services are delivered.
- 5.57 Submitters and witnesses observed that parents from CALD backgrounds, and particularly new migrants and refugees, face several (and sometimes overlapping) barriers to social and economic participation. These included lower levels of English, isolation and disconnection from community, gender-based and cultural norms, and challenges using technology. Submitters and witnesses highlighted the importance of

⁴⁸ DEWR, *Submission 77.1*, pages [7–8].

⁴⁹ DEWR, *Submission 77.1*, pages [9–10].

⁵⁰ DEWR, *Submission 77*, p. 2.

empathetic, culturally competent service delivery to meeting the needs of this cohort.⁵¹

- 5.58 Providers highlighted the benefits of ParentsNext to participants from CALD backgrounds, including helping to build social connections and facilitating access to services designed to improve English literacy.⁵² For example, SYC stated:

Our experience has been that the program benefits CALD and refugee parents (mostly women) who may not have considered or planned to enter the workforce when their children started school, for cultural reasons or because they were unsure who to approach for help.⁵¹

- 5.59 However, other submitters indicated that employment and pre-employment services are not appropriately adapted to the needs of people from CALD backgrounds and may in fact be entrenching poverty and disadvantage. For example, People Power Services (PPS) stated:

[Refugees and migrants from African backgrounds] ...express the willingness to work in order to get out of the poverty cycle. However, they find it difficult to break down intergenerational conflict, poverty and post-traumatic stress issues they experience. They argue that the systems in Australia lead them to dependency and difficulty to navigate.⁵¹

- 5.60 The Committee also heard that compulsory participation and the application of the Targeted Compliance Framework (TCF) creates challenges for parents from CALD backgrounds. For example, Settlement Services International (SSI) stated:

[P]arents whose first language is not English are particularly at risk of being noncompliant and having payments suspended, particularly when employment services providers lack skills or capacities to work with people from CALD backgrounds... Trust and rapport is critical to programs of this nature, so that participants are open to expressing their aspirations and challenges and get the support they need.⁵⁵

- 5.61 During the Committee's site visits, participants and frontline staff spoke about the challenges facing this cohort. These included lower levels of English proficiency, social isolation, and challenges navigating both ParentsNext and the broader social services ecosystem. It was also observed that participants from CALD backgrounds

⁵¹ See, for example, Settlement Services International (SSI), *Submission 16*, pages [2-3]; Metro Assist, *Submission 73*, p. [5]; Settlement Council of Australia (SCA), *Submission 85*, pages [2-3]; Dr Ann Nevile, Honorary Associate Professor, Centre for Social Research and Methods, ANU, *Committee Hansard*, 11 November 2022, p. 3, Ms Edwards, NCSMC, *Committee Hansard*, 6 December 2022, p. 6.

⁵² See, for example, SSI, *Submission 16*, pages [2-3], CORE, *Submission 33*, p. [2], Metro Assist, *Submission 73*, p. 4, SCA, *Submission 85*, p. [2], People Power Services, *Submission 89*, p. 2, Ms April Pan, Manager—Settlement and Employment Programs, Metro Assist, *Committee Hansard*, 7 December 2022, p. 22,

⁵³ SYC, *Submission 44*, p. 5.

⁵⁴ People Power Services Ltd, *Submission 89*, p. 1.

⁵⁵ SSI, *Submission 16.1*, p. [4].

have challenges using technology, and often seek to attend meetings in person rather than telephoning or using an application. These challenges can mean that this cohort will experience heightened levels of stress when they (inadvertently) fail to comply with a participation requirement, as notices regarding reconnection and the suspension of payments are typically automated and sent via text.

- 5.62 Several participants and frontline staff indicated that a ‘soft touch’, more person-centred approach to service delivery and compliance may be needed for participants from CALD backgrounds. Culturally competent staff—and particularly staff from similar backgrounds who speak the participant’s language and understand their culture—are also essential.

Parents who have experienced family violence

- 5.63 The Committee heard that a high proportion of women—particularly single mothers—experience family violence. For example, Domestic Violence NSW (DVNSW) noted that an estimated 60 per cent of the 311,000 single mothers living in Australia in 2016 had experienced physical or sexual violence by a previous partner.⁵⁶
- 5.64 According to DEWR, around five per cent of participants self-report experiences of family violence during the process of referral to ParentsNext.⁵⁷ However, the actual number of participants who have experienced family violence may be substantially higher, noting that many participants are uncomfortable disclosing family violence to government agencies.⁵⁸ This issue was reinforced during the Committee’s site visits, with many staff noting that participants are unwilling to disclose family violence until they trust their case manager. This can often take several months. Moreover, building a trusting relationship can be impeded by the involvement of the provider and their frontline staff in applying the TCF.
- 5.65 The Committee heard that pre-employment or pre-vocational services can help address the impacts of family violence, including by increasing participants’ financial independence and confidence and by building connections with local services and supports.⁵⁹ Notwithstanding participants’ initial unwillingness to disclose experiences of family violence, pre-employment services—including ParentsNext—can also enable parents to discuss experiences of family violence in a trusting environment and be connected to specialist services if necessary.⁶⁰
- 5.66 DEWR explained that during the initial appointment with a ParentsNext provider, an employment consultant (or case manager) is required to explain the elements of the program. At this stage, the consultant begins to build a rapport with the participant. If

⁵⁶ DVNSW, *Submission 46*, p. 3

⁵⁷ DEWR, *Submission 77*, p. 15.

⁵⁸ See, for example, Workskil, *Submission 21*, p. 3, Dr Katherine Curchin, *Submission 26*, p. 3.

⁵⁹ See, for example, Australian Women Against Violence Alliance (AWAVA), *Submission 3*, p. [1]; SCA, *Submission 85*, p. [3]; Accoras, *Submission 52*, p. [5].

⁶⁰ See, for example, My Pathway, *Submission 35*, p. 8, MAX Solutions, *Submission 40*, p. [2], Salvation Army Employment Plus (SAEP), *Submission 48*, p. 8.

during that discussion or a subsequent meeting an experience of family violence is identified, the consultant must offer the participant an exemption from the program.⁶¹

- 5.67 DEWR also observed that many victim-survivors of family violence do not take up exemptions when offered, due to perceived increases to their safety where they stay connected to the program. DEWR stated:

When we've gone out and undertaken...qualitative research...[we have found that participants] like to stay connected with their consultant because the consultant and the program actually help them to navigate the complexities of a [family] violence situation. We also know that some of the facilities that they go to in some of the states also have safe places for women and their children if they're actually undergoing an event at the time.⁶²

- 5.68 Services Australia told the Committee that its staff are trained to look for risk factors such as family violence while referring participants to ParentsNext. Exemptions for family violence can be granted during this process. Services Australia also stated that it provides 'extensive support' to individuals, including referrals to social workers and crisis payments for people experiencing family violence.⁶³

- 5.69 Evidence relating to referrals to ParentsNext, and to exemptions from the program, is discussed in Chapter 3. This includes evidence that Services Australia's method of engaging with participants during the referral process, and the framework for granting exemptions, may require substantial improvement.

- 5.70 Consistent with this evidence, the Committee heard that the design of ParentsNext—and particularly the compulsory nature of the program and penalties for noncompliance—are not appropriately adapted to the needs of victim-survivors of family violence, with some participants viewing the program as another form of abuse.⁶⁴ Submitters argued that ParentsNext must be redesigned as a trauma-informed service.⁶⁵ For example, Dr Katherine Curchin stated:

It is now recognised that well-intentioned but poorly designed services can trigger trauma-related responses in clients with trauma histories. Recovering from domestic violence and trauma involves regaining a sense of safety, rebuilding self-esteem and self-efficacy and the capacity to trust other people...In order to be consistent with trauma-informed principles any pre-employment program needs to be made voluntary.⁶⁶

⁶¹ Ms Robertson, DEWR, *Committee Hansard*, 11 November 2022, p. 38.

⁶² Ms Robertson, DEWR, *Committee Hansard*, 11 November 2022, p. 38.

⁶³ Ms Cathy Toze, General Manager, Income Management and Targeted Services and Deputy Chief Executive Officer (A/g)—Customer Service Design, Services Australia, *Committee Hansard*, 11 November 2022, p. 38.

⁶⁴ See, for example, Angela (private capacity), *Committee Hansard*, 7 December 2022, p. 2; Ms Ella Buckland (private capacity), *Committee Hansard*, 7 December 2022, pages 7–8; Associate Professor Elise Klein OAM, *Submission 6*, p. 3; Change the Record, *Submission 103*, p. 5.

⁶⁵ See, for example, DVNSW, *Submission 46*, p. 5; Full Stop Australia, *Submission 12*, pages 2–3.

⁶⁶ Dr Katherine Curchin, *Submission 26*, p. 4.

- 5.71 To illustrate where ParentsNext is not effectively supporting victim-survivors of family violence, and to suggest an alternative model, DVNSW highlighted the experiences of two participants who had escaped family violence. The first reported that her case manager did not trust her account of relevant events, and that she was required to provide a significant amount of evidence to qualify for an exemption. Ultimately, this led to the participant becoming further disconnected from the workforce. By contrast, the other participant achieved a positive education outcome due in large part to a supportive case manager who was able to advocate on her behalf and connect her to local services.⁶⁷
- 5.72 The Committee also heard that while many providers require their staff to have some form of training related to family violence,⁶⁸ there is little consistency as to the quality of that training. Accordingly, staff are often unable to respond effectively to family violence where it is identified.⁶⁹
- 5.73 DVNSW asserted that there should be a minimum level of training for all provider staff in relation to family violence, and that this training should be consistent across all providers. DVNSW recommended the DV-Alert (a nationally available program) in this regard, stating that the DV-Alert:
- ...provides two-hour, one-day or two-day training. I think the two-hour training would be sufficient at a minimum. However, the one-day training would be preferred, particularly due to the higher prevalence within this cohort...
- [I]t is integral for the success of the program that the providers do have that understanding of how trauma impacts people, what the ongoing impacts of domestic violence and financial abuse can be, and some of the safety risks that they should be alert to in the clients who are coming through.⁷⁰
- 5.74 Some submitters and witnesses also emphasised that while provider staff must have the tools to identify and respond to experiences of family violence, ParentsNext (or a replacement service) is not and should not be a specialist family violence service. The Committee heard that rather than attempting to give a pre-employment or pre-vocational program this function, there must be greater investment in existing family violence services. A targeted service for parents must also be integrated with and have strong links to such services so that participants can be referred as necessary.⁷¹
- 5.75 Frontline staff with whom the Committee spoke during site visits also emphasised that ParentsNext should not be a family violence service. Those staff told the Committee that it is vital that case managers and other staff can identify and respond appropriately to family violence (for example, by referring participants to specialist

⁶⁷ DVNSW, *Submission 46*, pages 5–6.

⁶⁸ See, for example, YFS, *Submission 31*, p. 3; Accoras, *Submission 52*, p. [1].

⁶⁹ See, for example, ACOSS, *Submission 62*, p. 10; Economic Justice Australia (EJA), *Submission 11*, p. [10].

⁷⁰ Ms Field, DVNSW, *Committee Hansard*, 7 December 2022, p. 20. Additional information about DV-Alert is available via www.dvalert.org.au, viewed 14 February 2023.

⁷¹ See, for example, SCA, *Submission 85*, p. [2]; Associate Professor Elise Klein OAM, *Committee Hansard*, 11 November 2022, p. 10; Dr Simone Casey, Senior Advisor—Employment, ACOSS, *Committee Hansard*, 6 December 2022, pages 13–14.

services), and can provide a safe environment for self-reporting. However, provider staff are not required to have the training necessary to provide the intensive, trauma-informed support which victim-survivors of domestic violence often require.

Frontline staff: training, qualifications, and experience

- 5.76 Frontline provider staff perform a diverse range of functions in assisting participants achieve their goals. These include helping participants to identify and develop a plan to achieve their goals, coaching and mentoring participants, connecting participants to local services and supports. As outlined above, staff can also be obliged to provide support outside of the usual service offering for a pre-employment or pre-vocational program, such as identifying and responding to family violence.⁷²
- 5.77 Several submitters highlighted the importance of staff having a diverse range of qualifications and training commensurate to and matched with their important roles. Evidence also indicated that ‘soft’ skills, such as empathy and communication, as well as lived experience of pre-employment services, can be crucial to delivering effective support.⁷³ For example, WHFS stated:

Lived experience is great, but the way that we work with our clients is that they come on the journey with us ...[!]t's really about engaging with them and listening to them and working with them. ..I guess it's about having a caseworker where the way they run the program is with the client. It's not trying to get them to employment as the outcome against anything else.⁷⁴

...

It's a mixed background for a really good case worker. If you could download a lived experience brain with all the social work, training, and psychology training—our advocates come from many different backgrounds. If we were looking to skill up a workforce, I'd probably be arguing that some qualification in case management for advocates would be a core competency for that workforce. But they are pulled from lots of different disciplines.⁷⁵

- 5.78 DEWR stated that there are no minimum qualification requirements for provider staff. However, the tender process for ParentsNext requires all providers to outline their service model and to demonstrate the experience and qualifications of their staff—including qualifications and experience relevant to supporting First Nations peoples

⁷² NESAs, *Submission 83*, p. 14.

⁷³ See, for example, CORE, *Submission 44*, p. [3]; Name Withheld, *Submission 29*, p. [2]; Name Withheld, *Submission 66*, p. [1]; Ms Madeleine Sturgeon-Eustace, Engagement Officer—ParentsNext, Training Alliance Group (TAG), *Proof Committee Hansard*, 1 February 2023, pages 12–13. Ms Sturgeon-Eustace outlined her experience moving from being a participant in ParentsNext to a frontline staff member with the Training Alliance Group, and how she has been able to translate her lived experience into effective participant support.

⁷⁴ Ms Morris, WHFS, *Proof Committee Hansard*, 1 February 2023, p. 7.

⁷⁵ Ms Black, WHFS, *Proof Committee Hansard*, 1 February 2023, p. 7.

and parents with experience of family violence. Providers must also meet service requirements set out in the ParentsNext Deed and Guidelines, including training on operational aspects of ParentsNext, and are required to deliver the specific services they committed to deliver as part of the tender process.⁷⁶

- 5.79 DEWR told the Committee that it undertook a survey of ParentsNext providers, which gives insight into staff qualifications and experience. According to the survey, half of all staff have specialist qualifications, covering disciplines like youth work, disability support, mental health, allied health, and psychology. Staff also have experience working with disengaged youth and as mentors for First Nations peoples.⁷⁷
- 5.80 In addition, DEWR told the Committee that providers deliver on-the-job training to their staff, stating that this training covers matters such as supporting families in conflict and mental health awareness.⁷⁸ Providers confirmed that they require or at least encourage their staff to complete this type of training as part of their ongoing professional development, and as part of onboarding processes.⁷⁹
- 5.81 During the Committee's site visits, providers gave the Committee comprehensive information on the qualifications of their staff. This indicated that a majority of staff have post-school qualifications covering a range of disciplines including employment services, education, youth work, early childhood education, community services, and allied health. This reflected evidence provided by NESAs regarding qualifications in the broader employment services sector.⁸⁰
- 5.82 Several providers also noted that they do not require qualifications of a specific type or level for most roles. This was partially due to the difficulty of recruiting staff with such qualifications in a competitive labour market, and partially because providers do not wish to exclude applicants with lived experience who may not have formal training. Providers told the Committee that they also encourage or require their staff to undertake relevant training as part of their ongoing professional development, and support staff to obtain formal qualifications after they have been hired.
- 5.83 Notwithstanding the evidence above regarding the qualifications and experience of frontline staff, the Committee heard that training available to frontline staff can be limited and that there are skills gaps that must be addressed. In particular, the Committee heard that staff may lack cultural competency, the ability to respond effectively to family violence, and an understanding of financial hardship.⁸¹

⁷⁶ DEWR, *Submission 77*, p. 18.

⁷⁷ Ms Shannon, DEWR, *Committee Hansard*, 11 November 2022, p. 36.

⁷⁸ Ms Shannon, DEWR, *Committee Hansard*, 11 November 2022, p. 36.

⁷⁹ See, for example, MAX Solutions, *Submission 40*, p. [4]; YFS, *Submission 31*, p. 3; CatholicCare Wollongong, *Submission 65*, p. 5; Mission Australia, *Submission 78*, p. 8. Training covers matters such as trauma-informed practice, responding to family violence, mental health first aid, and child protection.

⁸⁰ See NESAs, *Submission 83*, pages 16–17.

⁸¹ See, for example, Ms Davidson, CSMC, *Committee Hansard*, 6 December 2022, pages 5, 8; Ms Field, DVNSW, *Committee Hansard*, 7 December 2022, p. 20; EJA, *Submission 11*, p. [10]; Ms Pan, Metro Assist, *Proof Committee Hansard*, 7 December 2022, p. 23.

5.84 The Committee also heard that skills gaps and poor staff training are linked to the overall design and delivery of ParentsNext. For example, Ms Ella Buckland stated:

Why does the Government think it's acceptable to expose...vulnerable women to untrained and uneducated providers? Why are there KPIs set for vulnerable women and children? Why do...providers force women who have found their own work to provide payslips? Why [do] providers use in house 'training' (e.g., watch a YouTube video on Microsoft Word)? Because we all know the ParentsNext 'providers' get a cash bonus for these things. So in a shining moment of altruistic intelligence the Government incentivises the ParentsNext workers while penalising the mothers who are caring for children.⁸²

5.85 The BSL similarly noted that there has been a gradual de-professionalising across the pre-employment and employment services sector, including in ParentsNext, and that there appears to be a focus on compliance monitoring and enforcement rather than on genuine support for participants. The BSL noted that this has resulted in:

...a change in the type of worker that is taken on and the capability that is grown, whether that's a public or a community provider. So there are implications right across the workforce, depending on the sort of investment that is intended through a program, whether it's ParentsNext or something else.⁸³

5.86 The Committee heard that there may be value in setting mandatory standards for the skills and competencies of frontline staff in a pre-employment or pre-vocational program. Evidence indicated that this may help to re-professionalise the sector and ensure that participants receive high quality support.⁸⁴

5.87 Jobs Australia noted that the types of qualifications or competencies that might be included in a mandatory standard should cover the following disciplines:

- Community services or community sector management
- Addressing drug and alcohol dependence
- Child and family health
- Counselling
- Employment services
- Career development.⁸⁵

⁸² Ms Ella Buckland, *Submission 13*, p. [2].

⁸³ Dr Travers McLeod, Executive Director, BSL, *Committee Hansard*, 11 November 2022, p. 28.

⁸⁴ See, for example, OCTEC, *Submission 53.1*, pages [1–2]; Metro Assist, *Submission 73.1*, pages [1–2]. Submitters to the Committee's broader inquiry into Workforce Australia Employment Services also expressed support for mandatory qualifications for frontline staff. See, for example, Career Development Association Australia, *Submission 101*, p. [1].

⁸⁵ Jobs Australia, *Submission 80*, p. 9.

- 5.88 Jobs Australia also stated that lived experience of parenting, and lived experience of pre-employment or employment programs, would be desirable for frontline staff.⁸⁶
- 5.89 However, there are risks in requiring frontline staff to hold qualifications of a specific type or level. Imposing such requirements may exclude people with relevant experience who may not hold a formal qualification, as well as those with critical ‘soft’ skills such as empathy and communication. For example, atWork Australia stated:
- If you have someone with a certain level of qualification, that doesn't mean that they can communicate and build rapport with someone. Being able to communicate with someone and work with them and identify their barriers and build their confidence is a better outcome for that participant, rather than that person having a cert-level qualification or higher. Essentially, that's why, when we do bring people into our workforce, it is very much around meeting our values and putting the client first. If we took that approach of looking at a qualification above that, I don't know if we would be as successful in ensuring that the participant client is put first.⁸⁷
- 5.90 atWork Australia suggested that rather than requiring potential staff to hold specific qualifications, providers should be enabled to recruit as they see fit and to deliver professional or accredited qualifications to their staff post-commencement.⁸⁸
- 5.91 The Committee also heard that mandatory standards must not result in people with lived experience being excluded, as staff with lived experience are often best placed to build the trusting relationships with participants which are critical to effective support. For example, Dr Ann Nevile stated:
- [T]here could be someone who has lived experience plus practical experience who might be very good, particularly in certain cultural areas, but who maybe hasn't had a tick-off of a TAFE certificate, and they should not be prevented from working in this area. So, again, it's flexibility. But I think [there should also be] some way of recognising the level of skills and the importance of the work.⁸⁹
- 5.92 ‘Lived experience’ does not only refer to experience as a participant in ParentsNext (or a similar service), but also to lived experience of key vulnerabilities such as family violence. For example, one frontline staff member explained that her experiences as both a participant and as a victim-survivor of family violence allowed her to connect with participants on a deeper level, leading to their engaging more effectively with the program and ultimately to achieving education and employment outcomes and personal goals. The staff member’s personal experiences were also instrumental to enabling participants to disclose their own experiences of family violence, and to helping participants connect with services and supports in the community.

⁸⁶ Jobs Australia, *Submission 80*, p. 9.

⁸⁷ Mrs Natalie Fitzgerald, General Manager—Business Excellence, atWork, *Proof Committee Hansard*, 1 February 2023, p. 19.

⁸⁸ Mr Reilly, atWork, *Proof Committee Hansard*, 1 February 2023, p. 19.

⁸⁹ Dr Nevile, *Committee Hansard*, 11 November 2022, p. 5.

5.93 In addition, the Committee heard that introducing mandatory standards will have significant cost implications and may not be possible under current funding arrangements for ParentsNext. For example, Campbell Page stated:

[W]e see the value in having a skilled, experienced and better trained workforce – particularly given the vulnerability and complexity of the participant group. However, under the current funding paradigm, it is not practical to mandate more than a basic skillset e.g., training in dealing with domestic violence. Providing high quality fundamentals is already a part of [our] model for ParentsNext.⁹⁰

5.94 Campbell Page also indicated that one of the key barriers to recruiting qualified staff is that providers may not be able to offer competitive salaries, stating that with more funding, providers would be able to offer higher wages.⁹¹

5.95 The BSL similarly observed that providers must offer competitive salaries to attract staff with specific experience or qualifications, noting that this would require additional investment by government. Additional investment is also required to ensure that staff have access to ongoing, evidence-informed professional development.⁹²

Supporting innovation and experimentation

5.96 Building on the importance of innovation in service delivery, there were several ideas the Committee observed that it is keen to see form part of the consideration and possible trialling through the co-design process.

5.97 Further, several stakeholders suggested that a pre-vocational program could continue to offer assistance once work-ready, such that participants would remain in the service and not move into mainstream employment assistance despite starting to look for work.⁹³

Hub-based service delivery models

5.98 One of the functions of ParentsNext is to connect participants with services and supports which can help them to build their confidence, address barriers to social and economic participation, and achieve their education and employment goals. Those services and supports are typically located within the local community. By contrast, under a hub-based model participants would access a variety of different services through the same provider or site.

⁹⁰ Campbell Page, *Submission 57.1*, p. [2].

⁹¹ Campbell Page, *Submission 57.1*, p. [2].

⁹² BSL, *Submission 59*, p. 14. See also Jobs Australia, *Submission 80*, p. 9.

⁹³ See, for example, CVGT, *Submission 22*, p. 3; Uniting SA, *Submission 32*, p. 4; APM, *Submission 42*, p. 5; Mission Australia, *Submission 76*, p. 8; Name Withheld, *Submission 66*, p. [1].

- 5.99 Some submitters and witnesses indicated that a hub-based model may be an effective alternative to the models currently in place in ParentsNext and in the mainstream employment services system.⁹⁴
- 5.100 For example, DVNSW drew attention to the Financial Independence Hub (FIH) operated by Good Shepherd Australia and New Zealand and co-designed with people with lived experience of family violence and financial abuse.⁹⁵ The FIH provides one-on-one financial coaching to build financial independence, manage everyday finances, and work towards future goals.⁹⁶
- 5.101 The NCSMC outlined their model for a voluntary community hub. This would co-locate services which support participants with education and employment goals with services to increase their confidence and build social connections. The service would be trauma-informed and would not include financial incentives for support workers.⁹⁷
- 5.102 The NCSMC also recommended that government implement a safety hub (or series of hubs) to work with and across government agencies. The NCSMC stated that these hubs would be a place of trust and cultural safety for parents, including by providing a single point of contact to disclose experiences of trauma. Other functions of the hubs would include:
- granting exemptions from ParentsNext and Workforce Australia;
 - supporting women who wish to attend services on a voluntary basis;
 - protecting women from the prospect of payment suspension;
 - supporting Services Australia to screen for risk indicators, at least where staff undertaking the screening have completed quality trauma safety training;
 - supporting employment services to exit women if they have been incorrectly referred or have experienced family and domestic violence since referral;
 - assisting women to access information and family violence crisis payments;
 - oversight of trauma awareness training for providers.⁹⁸
- 5.103 The BSL drew attention to their Sustaining Economic Empowerment and Dignity (SEED) project, delivered through the Women's Financial Wellbeing Hub in Seymour, Victoria. The BSL emphasised that the SEED project supports women's financial capacity and social and economic participation through a range of services collocated at the site, including:
- financial capability coaching; and

⁹⁴ See, for example, Ms Terese Edwards, NCSMC, *Committee Hansard*, 6 December 2022, p. 7, Ms Renata Field, DVNSW, *Committee Hansard*, 7 December 2022, p. 7; BSL, *Submission 59*, p. 9; Per Capita, *Submission 78*, p. 23.

⁹⁵ DVNSW, *Submission 46*, p. 4.

⁹⁶ Good Shepherd Australia New Zealand, *Financial Independence Hub*, <https://goodshep.org.au/services/fih/>, viewed 14 February 2023.

⁹⁷ Ms Edwards, NCSMC, *Committee Hansard*, 6 December 2022, p. 7; NCSMC, *Submission 5.1*, p. [1].

⁹⁸ NCSMC, *Submission 5*, pages 3–4.

- exploring opportunities for education, training, and employment; and
- referral pathways to relevant services and support.⁹⁹

5.104 One provider with which the Committee engaged during its program of site visits used a similar service model, and co-located ParentsNext with other social and community-based programs which aimed to increase participants' social and economic participation. That provider also made efforts to deliver services in community centres wherever possible, to ensure that participant engagement occurred in welcoming and inclusive settings and to ensure participants have access to amenities such as childcare facilities and computers. Other community services were also delivered at these centres, enabling greater integration between pre-vocational programs such as ParentsNext and the broader social support ecosystem.

Providing continuity of assistance

5.105 Eligibility for ParentsNext currently ceases when the participant's youngest child reaches six years of age. At that point, the participant will typically transition into Workforce Australia, and will have specific mutual obligations related to preparing for and finding work.¹⁰⁰

5.106 Submitters noted that the transition to Workforce Australia can place significant pressure on parents, many of whom may not be fully prepared to move into a service focused entirely on employment. Those submitters proposed allowing ParentsNext participants to continue in the program (on a voluntary basis) until their youngest child reaches eight years of age.¹⁰¹

5.107 The Committee heard that implementing this proposal would have several benefits, including reducing stress during the transition between ParentsNext and mainstream employment services, enabling uninterrupted service delivery and reduced duplication of services, and strengthen participants' ability to balance their home and working lives with an established support network in place.¹⁰²

5.108 Evidence indicated that, from when a participant's youngest child turns six to when the child turns eight, ParentsNext (or another pre-employment or pre-vocational program) would have a stronger—though not sole—focus on employment, with providers encouraged to directly support participants into paid work.¹⁰³

⁹⁹ BSL, *Submission 59*, p. 9. See also, BSL, *The SEED Project*, www.bsl.org.au/services/saving-and-managing-money/the-seed-project, viewed 14 February 2023. The SEED project is also discussed in Chapter 2.

¹⁰⁰ Mr Matt Flavel, Deputy Secretary—Social Security, Department of Social Services (DSS), *Committee Hansard*, 11 November 2022, p. 40.

¹⁰¹ See, for example, atWork, *Submission 34*, pages 2–3, APM, *Submission 42*, p. 5; SAEP, *Submission 48*, p. 9; Uniting Care Australia, *Submission 49*, p. 4.

¹⁰² See, for example, Uniting SA, *Submission 32*, p. 4; Jobfind Centres Australia Pty Ltd, *Submission 50*, p. [3]; CVGT, *Submission 22*, p. 3.

¹⁰³ See, for example, Djerriwarrh Community & Education Services, *Submission 28*, p. 6.

Committee view

- 5.109 Many new and prospective participants in ParentsNext do not have access to reliable, accurate information on the program or its benefits. This appears to be due (at least in part) to insufficient information on government websites and to the way Services Australia engages with participants during the process of referring them to ParentsNext (discussed in Chapter 3).
- 5.110 There is a clear opportunity for DEWR, DSS, and Services Australia to improve the quality of information available on their websites and in any promotional material about ParentsNext which is distributed to parents and members of the public. DEWR and Services Australia should also ensure that reliable information is provided in relation to any pre-vocational service to replace ParentsNext.
- 5.111 Noting that it is envisaged that providers will promote the new pre-vocational service to encourage voluntary participation, the Committee considers that DEWR and Services Australia should work with providers to ensure that information about the ParentsNext and about the new service is clear, consistent, and accurate, and covers operational matters as well as potential benefits to participants.

Recommendation 22

- 5.112 The Committee recommends that—in relation to both ParentsNext and any replacement service—the Department of Employment and Workplace Relations, the Department of Social Services, and Services Australia review the information on their websites and in any promotional material, to ensure that:**
- **the information is comprehensive and accurate, and is consistent across all government agencies; and**
 - **the information fully explains the role and operation of the program and its potential benefits.**
- 5.113 Noting the fragmentation of services available to parents and carers and the overall complexity of the social support ecosystem, the Committee is also concerned that there appears to be no dedicated service for parents to seek advice and assistance.
- 5.114 The Committee acknowledges that programs such as ParentsNext have a role in this area and are intended to connect parents with and help parents navigate the services which are available. However, many vulnerable and especially single parents who need advice and support are not ParentsNext participants, and accordingly cannot access its services.
- 5.115 The Grandparent, Foster, and Kinship Adviser Service is highly valued as a source of information and advice and a similar service should be established for parents and other carers. The service should enable parents and carers to connect with local and State and Territory services and provide advice on—among other matters—income support payments, supplementary benefits, and childcare subsidies.

5.116 The Committee considers there would be merit in examining the development of a dedicated advice and information service for parents, especially designed to help single parents. The Committee acknowledges there may be budgetary and operational implications associated with this proposal, and accordingly it may not be a short-term priority given fiscal realities.

Recommendation 23

5.117 The Committee recommends that Services Australia consider the establishment of a dedicated advice and information service for parents.

5.118 The Committee is also concerned that providers often have difficulty contacting Services Australia to resolve issues associated with service delivery, including where a parent is incorrectly or inappropriately referred to ParentsNext. This leads to people being required to participate in ParentsNext despite having no capacity to benefit from the program, and it is ridiculously inefficient for providers to have to wait on hold for excessive times on the public line as currently occurs.

5.119 In previous iterations of ParentsNext, and in other programs, providers had clear contact points in Services Australia (or its predecessor). Further, regular meetings were convened between government agencies and providers. These were highly valued by attendees.

5.120 Services Australia should re-establish a dedicated point of contact including a telephone support line for providers, to enable them to quickly and efficiently resolve issues and seek advice. Arrangements for a dedicated point of contact should be implemented as a matter of urgency (during the current ParentsNext contract) and should continue in any new pre-employment or pre-vocational service.

5.121 The Committee also encourages government to re-establish regular meetings between policy and operational agencies and service providers, to share lessons and examples of best practice, identify issues, and input to policy and program design.

Recommendation 24

5.122 The Committee recommends that Services Australia establish a dedicated point of contact for providers, including a dedicated phone contact service, as a matter of urgency.

5.123 While ParentsNext is intended as a collaborative, non-competitive program, the commissioning process for the program has resulted in at least some competitive behaviour between providers.

5.124 This issue should be addressed as part of the design of any pre-vocational service to replace ParentsNext. The Committee is attracted to the idea of commissioning one provider per region as the default, to ensure only providers with appropriately trained staff and embedded local connections deliver services. This is broadly consistent with arrangements for Transition to Work. Notwithstanding that some participants do

change providers, the Committee expects that with significant changes in a replacement service, a focus on collaboration and quality service delivery rather than competition would deliver better outcomes overall for participants.

- 5.125 To this end, the Committee was pleased to hear that some providers have established communities of practice to share learnings and examples of best practice, identify issues and provide feedback to government on policy and program design. However, the Committee considers that providers should be required to meaningfully participate in formal Communities of Practice convened by the department responsible for employment services, so that providers can share learnings across regions and providers and improve the department's feedback loop relating to program evaluation and policy development. The lack of a formal and mandated process of learning and innovation sharing is perplexing to the Committee and seems driven by competition rather than a common determination to ensure that services and supports are of the highest quality possible.
- 5.126 The Committee acknowledges that additional providers may be desirable in regions where the number of participants is too high for a single provider to manage, where smaller local services may be better able to service sub-regions or towns (as per Transition to Work) or where a higher number of participants from specific cohorts—such as First Nations peoples or people from CALD backgrounds—warrants a specialist provider.
- 5.127 The service which replaces ParentsNext should at least consider and preferably trial different commissioning and contracting models in regions with significant First Nations communities including utilising local community organisations and Aboriginal Community Controlled Organisations skilled at working with First Nations people in a family-centric environment.
- 5.128 The Committee has insufficient evidence to support a recommendation that only non-profit organisations should be permitted to deliver the service which replaces ParentsNext (notwithstanding some suggestions received). The Committee considers that commissioning arrangements for the service must ensure that providers are able to demonstrate their capacity to deliver high-quality services and supports which are appropriately adapted to the needs of participants. Ideally, providers should also have strong local connections (which may favour local non-profit organisations with established links and social capital). The mix of for-profit and non-profit providers can be considered as part of the co-design process for the new service.
- 5.129 The Committee acknowledges reported difficulties for small providers to operate effectively in ParentsNext reflect broader issues with the current (and indeed any) major Commonwealth employment services system, and are driven by:
- automation, which pushes inexorably to a purchaser and provider model rather than enabling partnerships and more regional or local responses, and
 - the shift to larger contracts and Commonwealth administrative systems and automation. This creates significant threshold administrative burdens associated with reporting, compliance, service quality and cyber security—among others—which small providers struggle to or simply cannot meet.

- 5.130 The Committee is concerned to hear multiple reports from providers that at least some providers are experiencing unreasonable delays in seeking approvals changing their operational arrangements to respond to fluctuations in the number of participants on their caseloads. Evidence that providers are waiting many months to receive approval to not have staff at small sites with no participants is concerning as it is a waste of program resources.
- 5.131 Accordingly, DEWR must be more responsive to the operational needs of providers, including enabling providers to quickly change their delivery practices if necessary. The Committee also considers that KPIs should be developed and published for the approval by DEWR of routine decisions in managing contracts, which some may liken to DEWR imposing a form of mutual obligation on itself. The impact of operating in regions with smaller or 'thin' markets or fluctuating numbers of participants should be considered as part of the (co-)design process for a pre-vocational service to replace ParentsNext.

Recommendation 25

- 5.132 The Committee recommends that the co-design process for a pre-vocational service to replace ParentsNext expressly consider the commissioning model for providers, with the aim of minimising competition and promoting greater collaboration between providers.**

Recommendation 26

- 5.133 The Committee recommends that, as part of the pre-vocational service to replace ParentsNext, government actively support communities of practice, and mandate participation by service providers to enable information-sharing between stakeholders and to ensure that providers input into policy and program evaluation and design.**
- 5.134 The Committee has also observed that with an entirely outsourced program, there is an almost total lack of experience in the Commonwealth public service in direct delivery of employment or pre-employment services. The Department literally has no view whatsoever on what makes a good, high quality, efficient and effective service. This hampers the ability for policy makers to fully understand the issues in service delivery and retards the feedback loop into program design and policy development.
- 5.135 The Committee considers there should be greater experimentation in the system and that the Commonwealth needs to regain experience in directly delivering some of employment, pre-employment and pre-vocational services and programs to improve its stewardship and policy development capabilities.
- 5.136 The Committee further notes that predecessor programs were delivered in part by Services Australia, and recommends the government seriously consider engaging a public sector agency deliver the service which replaces ParentsNext in at least a few Employment Regions. The Committee anticipates that frontline staff would be employed by Services Australia and would potentially co-located in community sector

agencies as an alternative to Commonwealth offices. This approach would allow relevant agencies to better understand the ‘on the ground’ issues associated with the delivery of pre-vocational services, including problems with the interactions with other systems and services.

- 5.137 The Committee acknowledges that the cost of having public sector agencies deliver the service which replaces ParentsNext may be slightly higher than outsourced arrangements. The Committee’s proposal is explicitly not made on a competitive neutrality basis. Rather, the Committee is concerned to see the public sector re-develop at least some direct experience of service delivery to inform its core policy development, evaluation, and system stewardship responsibilities in the interests of higher quality public services.

Recommendation 27

5.138 The Committee recommends that the Australian Government, as part of the design process for a new pre-vocational service to replace ParentsNext, seriously consider having a public sector agency deliver the service in at least a few Employment Regions.

- 5.139 The Committee is concerned that there has been a de-professionalisation of the pre-employment and employment services sector over many years. The sector is dominated by female, low paid workers and is one of the few in human services that does not mandate qualifications or specific competencies for frontline staff. This contrasts with measures to professionalise other human services such as early childhood education, aged care, and disability support.

- 5.140 Many providers have implemented recruitment and training practices to ensure their staff are equipped to deliver high quality services to participants, and staff often hold post-secondary qualifications—some in highly relevant areas. However, the Committee is concerned that the lack of mandatory minimum qualifications, training or competency standards has led to inconsistencies in service quality and to critical skills gaps and limits the career development prospects of workers.

- 5.141 Accordingly, the Committee proposes that desired minimum required workforce skills and qualifications for frontline staff be specified in the design of a future service. The precise nature of desired qualification standards should be a key part of the co-design process for the new service.

- 5.142 In developing a typology of desirable and suitable qualifications:

- Significant regard should be had to lived experience and foundational qualities. However, there should also be:
 - general minimum requirements setting out a suite of appropriate qualifications;
 - a specification of aggregate requirements, for example a typology of acceptable skills mixes in an office or a provider in a region; and

- provision to hire for lived experience, capability, and potential without formal qualifications subject to skilling and gaining qualification post-commencement in a reasonable timeframe.
 - any such standards should, at a minimum, include First Nations cultural competency and the ability to respond appropriately to experiences of family violence. The Committee is attracted to the idea of mandating nationally recognised training in relation to these matters, such as the DV-Alert.
- 5.143 The Committee will consider training and qualifications for staff in the employment services system generally as part of its broader inquiry into Workforce Australia Employment Services but observes that preliminary evidence suggests there are very similar issues in the broader system.
- 5.144 The Committee also considers that there would be value in implementing measures in the short term to ensure the cultural competency of frontline staff in relation to First Nations issues. This may include basic nationally recognised First Nations cultural awareness training, as well as requirements that providers dealing with significant First National cohorts connect locally with Elders or communities, noting that each community is different and there would be considerable value in providers understanding the unique circumstances, needs, and cultural norms of First Nations peoples in the areas where the provider is delivering services.
- 5.145 The Committee acknowledges that requiring providers to implement specific training programs in these areas will have operational and budgetary implications. Nevertheless, the Committee strongly encourages government to work with providers to implement nationally recognised training on cultural safety and family violence. In particular, the Committee would strongly support all providers implementing mandatory basic domestic violence training (such as the 'DV-alert') as a matter of urgency.

Recommendation 28

- 5.146 The Committee recommends that the co-design process for any pre-vocational service to replace ParentsNext include development of minimum competency standards for frontline staff and a typology of staff capabilities for providers. The standards must require frontline staff to be culturally competent and able to respond to experiences of family violence, and should capture the following matters:**
- **Specific skills, qualifications, and competencies frontline staff are expected to hold.**
 - **A typology of a broad ideal skills mix in a high-quality service region.**
 - **The extent to which providers may recruit staff who do not possess formal qualifications, including measures to enable providers to:**
 - **recruit staff with lived experience in or experience delivering pre-employment or employment services; and**

- **support staff to gain formal qualifications post-commencement.**
- 5.147 Australia’s employment services system, including pre-vocational programs for parents, should have in-built flexibility to support testing and evaluation of innovative ideas. This is critical to responding to changes in the labour market and to supporting a culture of continuous improvement.
- 5.148 The Committee is attracted to the ideas set out above as examples of where services could be improved and encourages government to consider these and other ideas as part of the co-design process for the service which replaces ParentsNext.
- 5.149 The Committee is also strongly of the view that government should continue to trial different service delivery models—including incentives for participation (outlined in Chapter 3)—on an ongoing basis. Accordingly, any new pre-vocational service to replace ParentsNext must have the built-in capacity for experimentation through trials and transparent evaluation.
- 5.150 The Committee will also consider innovation and experimentation in the employment services system more generally a part of its broader inquiry into Workforce Australia Employment Services.

Recommendation 29

- 5.151 The Committee recommends that the pre-vocational service which replaces ParentsNext has the built-in capacity to trial, experiment with and evaluate alternative service delivery arrangements. All such arrangements should be subject to rigorous co-design with key stakeholders including participants, providers, peak bodies, and academic and policy experts, and should be subject to robust monitoring and evaluation.**

6. Implementation and transition arrangements

Committee members have listened carefully and reflected deeply in grappling with the evidence received through this inquiry, and in engaging directly with participants and providers during the Committee's program of site visits. The Committee has been struck by the genuine goodwill of all who have given evidence and shared their views, notwithstanding the widely divergent and strongly held positions expressed. Opinion has been entrenched and polarised, and evidence—including from those with lived experience of the program and from policy experts and peak bodies—has varied widely.

The Committee's conclusion is that ParentsNext is not as bad as many say, but not as great as others claim. The Committee encourages those who may be involved in designing a replacement service to accept the values and key design principles outlined in this report, to respect the wisdom and positive intentions of the incredibly diverse range of stakeholders involved with the program, and not to let the perfect be the enemy of the good.

In previous chapters, the Committee has set out evidence which captures support for and opposition to the current ParentsNext program and made recommendations that aim to improve the supports available to parents, carers, and children. Most significantly, the Committee has recommended that ParentsNext be replaced with a new pre-vocational service, co-designed with parents, providers, advocates, experts, and other key stakeholders.

The Minister for Employment and Workplace Relations has asked for this interim report on ParentsNext to be presented by the end of February 2023, to allow sufficient time for Government to consider the report in the 2023–24 Budget context.

Many of the Committee's recommendations have legislative, design, operational and budgetary implications that require time to address. Accordingly, it is unlikely that the Government will be able to fully consider or implement these recommendations in the upcoming Budget process. It is also unlikely that Government will be able to conduct a genuine, comprehensive co-design process to 2023–24 Budget timeframes.

However, it is the Committee's strong view that several of the recommendations set out in this report can and should be implemented prior to the end of the current ParentsNext contracts. Critically, the threat of income support suspension and financial penalties must be lifted from ParentsNext participants.

The Committee also considers that as many of the core features of the new service as possible should be in place by the time existing ParentsNext contracts end (including as extended). These include changes to the program eligibility, participation and reporting requirements, and the new compliance framework.

Design and implementation of other elements of the new service, as well as certain system changes to improve the supports available to parents and carers, will be an ongoing process as the service continues to evolve. This includes ongoing co-design to improve the service and trialling and evaluation of different service offers.

Consideration in the 2023–24 Budget

- 6.1 The Minister for Employment and Workplace Relations, the Hon Tony Burke MP, has requested that an interim report on ParentsNext be presented by the end of February 2023, to allow sufficient time for Government to consider the Committee's recommendations in the 2023–24 Budget context.
- 6.2 There will only be a very short window between the tabling of this report and Government consideration as part of the 2023–24 budget process. As at the date of this report, the 2023–24 Budget is to be presented in early May 2023.
- 6.3 The Committee appreciates that some of its recommendations will not be able to be fully considered or implemented in the upcoming Budget process. In particular, the co-design process necessary to ensure that the new program engages and gives voice to key stakeholders including parents and carers, advocacy organisations, and service providers will require significant time to conduct. Accordingly, the Committee has proposed extending current ParentsNext contracts for the minimum time possible to allow for a co-design process to inform a replacement service. This is likely to mean the replacement service could not be implemented until early to mid-2025.
- 6.4 The Committee encourages the department and stakeholders to agree as soon as possible on a realistic timeframe for a co-design process that is not rushed, but which moves as quickly as possible to enable a replacement service to commence sooner rather than later.
- 6.5 Several of the recommendations set out elsewhere in this report can—and should—be implemented to the greatest extent possible prior to the end of the current ParentsNext contracts (as extended, if necessary) to address the serious concerns identified and provide people with a more positive and supportive experience. Critically, these include recommendations in relation to participation and reporting requirements, compliance and enforcement, and improvements to how Services Australia engages with and provides evidence to both participants and the public.
- 6.6 The Committee also strongly encourages government to progress recommendations relating to exemption criteria (including giving greater frontline discretion for Services Australia and providers), and recommendations relating to the Participation Fund—in particular to support participants to obtain driver licences—as a matter of urgency. The Committee strongly encourages the government to examine options to wind back the Targeted Compliance Framework (TCF) as soon as possible. At the very least, government must make clear that Participation Plan requirements (that is, requirements to complete and report on activities) are no longer mandatory and ensure that the only requirements during the transition are to attend appointments

and meaningfully participate in ParentsNext. The Committee also encourages government to develop guidelines which help define ‘meaningful participation’, to assist these changes to compliance arrangements.

- 6.7 Beyond these changes, the Committee’s preferred approach would be for the government to wind back participation, reporting and compliance requirements as far as possible—and broadly consistent with this report. If that is not possible within a reasonable timeframe in 2023, then consideration must be given to making the program fully voluntary until a more reasonable set of requirements can be put in place. While it will take time to implement changes, the current situation cannot continue without a clear commitment to change.
- 6.8 The Committee notes that the Government has a broad ability to ‘switch off’ mutual obligation requirements as used during the COVID-19 pandemic and during recent natural disasters. The Committee appreciates that making ParentsNext effectively a voluntary program could make it more difficult for providers to engage participants and risk vulnerable participants disengaging. However, the Committee also notes evidence provided by the National Employment Services Association that when mutual obligation requirements were lifted during the COVID pandemic, there was only a small drop in engagement.¹
- 6.9 The Government should also progress amendments to legislation and adjustments to IT systems to implement a partial payment withholding mechanism as soon as practicable, noting that this may have other application across the social security system over time as an alternative to harsh payment suspensions and penalties that too often leave vulnerable people with little or no money for critical basic needs.
- 6.10 Noting the timeframes and complexity of making changes to the existing program while designing a new service, and the various costs and trade-offs involved, the Committee acknowledges that it will not be possible for every recommendation for change to be in place before the new service commences. Similarly, the Committee appreciates that Government may not adopt every recommendation, that some things may be adjusted through the co-design process.
- 6.11 The Committee envisages that additional measures to improve supports for parents and carers can be added over time, and would be supported by ongoing co-design, monitoring and evaluation of the program, and trialling of service offers and incentives.

Ongoing co-design, trialling, and continual improvement

- 6.12 Critical to the design, implementation, and delivery of the pre-vocational program to replace ParentsNext is that the program is subject to ongoing co-design and trialling, focused on ensuring that the service continually improves.

¹ See National Employment Services Association, *Submission 83*, p. 9.

- 6.13 A key feature that the Committee has recommended is that there be flexibility in the service to support the trialling of various approaches and innovative service delivery practices. The Committee considers that various types of incentives be trialled to encourage participation by parents who are not required to participate. The effectiveness of each incentive should be subject to rigorous, co-designed and co-managed evaluation to inform which of the possible incentives is the most effective.
- 6.14 Co-design should also be an ongoing process. It should be informed by the experience during the transition, ongoing evidence and evaluation from any trials conducted, and learnings from the co-design and co-managed monitoring in place.

Recommendation 30

- 6.15 The Committee recommends that the Australian Government develop and publish a transition plan for ParentsNext by July 2023, outlining:**
- **changes that can be made immediately and in the short and medium term to the current ParentsNext program, pending a replacement service being implemented;**
 - **changes that cannot be made until a replacement service is in place;**
 - **a timeframe for contract extensions to be determined; and**
 - **the process and timelines for co-design process for a new ‘Your Future Planning’ pre-vocational service to replace ParentsNext.**

Mr Julian Hill MP
Chair



A. Submissions

Submissions

- 1 Name Withheld - Workforce Australia
- 2 Name Withheld - Workforce Australia
- 3 Australian Women Against Violence Alliance (AWAVA) - ParentsNext
- 4 Professor Beth Goldblatt - ParentsNext
- 5 National Council of Single Mothers and their Children - ParentsNext
 - 5.1 Supplementary
- 6 Associate Professor Elise Klein OAM - ParentsNext
 - 6.1 Supplementary
- 7 Mr Matthew Ford - Workforce Australia
- 8 Name Withheld - ParentsNext
- 9 Name Withheld - ParentsNext
- 10 Dr Eve Vincent - ParentsNext
- 11 Economic Justice Australia - ParentsNext
- 12 Full Stop Australia - ParentsNext
- 13 Ms Ella Buckland - ParentsNext
 - 13.1 Supplementary
- 14 Dr Ann Nevile - ParentsNext
- 15 Name Withheld - ParentsNext
- 16 Settlement Services International - ParentsNext
 - 16.1 Supplementary
- 17 Dr Janet Ramsay PSM - ParentsNext

- 18** Name Withheld - ParentsNext
- 19** Equality Rights Alliance - ParentsNext
- 20** Training Alliance Group - ParentsNext
- 21** Workskil Australia - ParentsNext
- 22** CVGT Employment - ParentsNext
- 23** Sarina Russo Job Access - ParentsNext
- 24** Australian Human Rights Commission - ParentsNext
 - 24.1 Supplementary
 - Attachment 1
- 25** Council of Single Mothers and their Children - ParentsNext
- 26** Dr Katherine Curchin - ParentsNext
- 27** National Women's Safety Alliance - ParentsNext
- 28** Djerriwarrh Community & Education Services - ParentsNext
- 29** Name Withheld - ParentsNext
- 30** Joblink Plus Ltd - ParentsNext
- 31** YFS Ltd - ParentsNext
- 32** UnitingSA - ParentsNext
- 33** CORE Community Services - ParentsNext
- 34** atWork Australia - ParentsNext
- 35** My Pathway - ParentsNext
- 36** yourtown - ParentsNext
- 37** ARACY - Australian Research Alliance for Children and Youth - ParentsNext
- 38** South East Community Links - Workforce Australia
- 39** Morella Community Centre - ParentsNext
- 40** MAX Solutions - ParentsNext
- 41** Asuria People Services - ParentsNext

- 42 APM - ParentsNext
- 43 Name Withheld - ParentsNext
- 44 SYC Ltd - ParentsNext
- 45 Womens Health and Family Services - ParentsNext
- 46 Domestic Violence NSW - ParentsNext
- 46.1 Supplementary
- 47 *Confidential*
- 48 The Salvation Army Employment Plus - ParentsNext
- 49 UnitingCare Australia - ParentsNext
- 50 Jobfind Centres Australia Pty Ltd - ParentsNext
- 51 South Metropolitan Youth Link Inc - ParentsNext
- 52 Accoras - ParentsNext
- 53 OCTEC Limited - ParentsNext
- 53.1 Supplementary
- 54 Workways Australia Ltd - ParentsNext
- 55 Wesley Mission - Workforce Australia
- 56 BRAVE Foundation - ParentsNext
- 57 Campbell Page - ParentsNext
- 57.1 Supplementary
- 58 Ability Options - ParentsNext
- 59 Brotherhood of St. Laurence - ParentsNext
- 60 Family & Relationship Services Australia - ParentsNext
- 61 The Parenthood - ParentsNext
- 62 Australian Council of Social Service - ParentsNext
- 63 *Confidential*
- 64 Mr Colin Williams - Workforce Australia

- 65** CatholicCare Wollongong - ParentsNext
- 66** Name Withheld - ParentsNext
- 68** Australian Bureau of Statistics
- 69** *Confidential*
- 70** Australian Unemployed Workers Union - ParentsNext
- 71** Roseberry Qld - ParentsNext
- 72** Global Sisters - ParentsNext
- 73** Metro Assist - ParentsNext
- 73.1 Supplementary
- 74** Centre for Excellence in Child and Family Welfare - ParentsNext
- 75** Goodstart Early Learning - ParentsNext
- 76** Mission Australia - ParentsNext
- Attachment 1
- 77** Department of Employment and Workplace Relations - ParentsNext
- 77.1 Supplementary
 - Attachment 1
 - Attachment 2
- 78** Per Capita - ParentsNext
- 79** Playgroup Australia - ParentsNext
- 80** Jobs Australia - ParentsNext
- 80.1 Supplementary
- 81** *Confidential*
- 82** Volunteering Australia - ParentsNext
- 83** National Employment Services Association - ParentsNext
- 83.1 Supplementary
- 84** Associate Professor Joanne Evans and Ms Jade Purtell - ParentsNext
- 85** Settlement Council of Australia - ParentsNext

- 87** Professor Daryl Higgins and Dr Erica Russ - ParentsNext
- Attachment 1
- 88** Australia's National Research Organisation for Women's Safety - ParentsNext
- 89** People Power Services Ltd - ParentsNext
- 91** Ms Juliet Vrakas - Workforce Australia
- 92** Name Withheld - Workforce Australia
- 93** Name Withheld - Workforce Australia
- 94** Ms Karen Black - Workforce Australia
- 95** Kullarri Regional Communities Indigenous Corporation - ParentsNext
- 96** Regional Development Australia (RDA) Gold Coast - Workforce Australia
- 98** Anglicare Australia - ParentsNext
- 99** The Multicultural Professional Network Inc. - Workforce Australia
- 100** *Confidential*
- 101** Career Development Association Australia
- 103** Change the Record – ParentsNext

Additional Documents

Additional Information

- 1 Public hearing 3 November 2022 – Department of Employment and Workplace Relations – presentation slides: Overview of Workforce Australia
- 2 Public hearing 3 November 2022 – Department of Employment and Workplace Relations – presentation slides Caseload
- 3 Public hearing 3 November 2022 – Department of Employment and Workplace Relations – presentation slides Mutual obligations and the Targeted Compliance Framework
- 4 Department of Employment and Workplace Relations- Workforce Australia Cohort by Employment Regions updated Caseload data tables
- 5 Department of Employment and Workplace Relations- Workforce Australia Cohort by Employment Regions - Cohort terms

Correspondence

- 1 Letter from the Hon Tony Burke MP, Minister for Employment and Workplace Relations, to Committee Chair. Requesting that Committee consider complementary programs - specifically ParentsNext - within the scope of its inquiry.
- 2 Letter from Committee Chair to the Hon Tony Burke MP, Minister for Employment and Workplace Relations. Notifying agreement for Committee to consider complementary programs - specifically ParentsNext - within the scope of its inquiry.



B. Public hearings

Thursday 3 November 2022

Canberra, and by videoconference

Department of Employment and Workplace Relations

- Ms Natalie James, Secretary
- Mr Nathan Smyth, Deputy Secretary
- Ms Kylie Crane, First Assistant Secretary, Evidence and Assurance
- Ms Benedikte Jensen, First Assistant Secretary, Employment Policy and Analytics
- Ms Kerry Kovacevic, First Assistant Secretary, Digital Solutions
- Ms Miranda Lauman, First Assistant Secretary, Workforce Australia for Business
- Ms Melissa Ryan, First Assistant Secretary, Workforce Australia for Individuals
- Ms Robyn Shannon, First Assistant Secretary, Workforce Australia Provider Support
- Ms Nicolle Johnston, Assistant Secretary, Digital Experience and Services
- Dr Louise O'Rance, Assistant Secretary, Data Management and Reporting

Friday 11 November 2022

Canberra, and by videoconference

- Dr Ann Nevile, Honorary Associate Professor, Centre for Social Research and Methods, Australian National University
- Associate Professor Elise Klein OAM, *Private capacity*
- Dr Katherine Curchin, Senior Lecturer, Centre for Social Research and Methods, Australian National University
- Dr Eve Vincent, *Private capacity*

Volunteering Australia

- Mr Mark Pearce, Chief Executive Officer

Goodstart Early Learning

- Ms Kelly Millar, National Social Policy Manager

Economic Justice Australia

- Ms Linda Forbes, Law Reform Officer
- Mr 'Sam' Simon Tracy, Practice Director, Basic Rights Queensland

Brotherhood of St Laurence

- Dr Travers McLeod, Executive Director
- Dr Dina Bowman, Principal Research Fellow, Work and Economic Security
- Mrs Penny Bohm, Project Manager
- Ms Rebecca Pinney Meddings, Senior Manager, Financial Inclusion

Department of Employment and Workplace Relations

- Ms Benedikte Jensen, First Assistant Secretary, Employment Policy and Analytics
- Ms Robyn Shannon, First Assistant Secretary, Workforce Australia Provider Support
- Ms Carmel O'Regan, Assistant Secretary, Targeted Employment Policy
- Ms Samantha Robertson, Assistant Secretary, Employment Services Programs
- Ms Deborah Brown, Assistant Secretary (A/g), Workforce Australia Inquiry Taskforce
- Dr Andrew Wright, Director, Targeted Employment Policy

Department of Social Services

- Mr Matt Flavel, Deputy Secretary, Social Security
- Ms Jo Evans, Group Manager, Participation and Family Payments
- Mr Ben Peoples, Branch Manager, Participation and Supplementary Payments

Services Australia

- Ms Cathy Toze, General Manager, Income Management and Targeted Services
- Mr Eric Harper, General Manager (A/g), Working Age Programmes
- Ms Juleigh Cook, National Manager, Disability Pension and Parenting Payment
- Mr Robert Hall, National Manager (A/g), Participation Programmes and Compliance

Tuesday 6 December 2022

Melbourne

National Council of Single Mothers and their Children

- Ms Terese Edwards, Chief Executive Officer
- Ms Jenny Davidson, Chief Executive Officer

Centre for Excellence in Child and Family Welfare

- Ms Deb Tsorbaris, Chief Executive Officer
- Ms India Grevis-James, Senior Policy and Research Officer

Australian Council of Social Service

- Dr Cassandra Goldie, Chief Executive Officer
- Dr Simone Casey, Senior Advisor-Employment

Wednesday 7 December 2022

Sydney

- Ms Angela Finch, *Private capacity*
- Ms Melissa Rogers, *Private capacity*
- Ms Ella Buckland, *Private capacity*
- Ms Charlie McKenna, *Private capacity*

Australian Human Rights Commission

- Emeritus Professor Rosalind Croucher, President

Domestic Violence NSW

- Ms Renata Field, Team Manager-Policy, Advocacy and Research

Campbell Page

- Mr Peter Bacon, Head of Strategic Growth
- Ms Julia North, Program Manager-ParentsNext

OCTEC

- Ms Charissa Mossop, Program Manager-ParentsNext
- Mr Christopher Clark, Manager-Employment and Training

Metro Assist

- Ms April Pan, Manager-Settlement and Employment Programs
- Ms Quynh Pham, Employment Services Team Leader

Wednesday 18 January 2023

Melbourne

Brave Foundation

- Ms Jill Roche, Chief Executive Officer

National Employment Services Association

- Ms Sally Sinclair, Chief Executive Officer
- Ms Annette Gill, Principal Policy Advisor

Jobs Australia

- Ms Debra Cerasa, Chief Executive Officer
- Mr Bryan McCormick, Senior Advisor

Department of Employment and Workplace Relations

- Ms Melissa Ryan, Acting Deputy Secretary - Employment & Workforce
- Ms Benedikte Jense, First Assistant Secretary - Employment Policy and Analytics Division
- Ms Robyn Shannon, First Assistant Secretary - Workforce Australia Provider Support Division
- Ms Carmel O'Regan, Assistant Secretary - Employment Policy and Analytics Division
- Ms Samantha Robertson, Assistant Secretary - Employment Services Programs Branch
- Ms Deborah Brown, Acting Assistant Secretary - Workforce Australia Inquiry Taskforce
- Mr Casey Mills, Director - Targeted Employment Policy Branch
- Ms Melinda Tynan, Director - Workforce Australia Provider Support
- Mr Niran Gunawardena, Director - Workforce Australia Inquiry Taskforce

Department of Social Services

- Mr Matt Flavel, Deputy Secretary - Social Security Services Australia
- Ms Jo Evans, Group Manager - Participation and Family Payments
- Mr Ben Peoples, Branch Manager - Participation and Supplementary Payments

Services Australia

- Mr Jonathon Thorpe, Acting Deputy Chief Executive Officer - Customer Service Design
- Mr Eric Harper, Acting General Manager - Age Programmes

Wednesday 1 February 2023

Perth

Western Australia Council of Social Services

- Ms Rachel Siewert, Deputy Chief Executive Officer

Anglicare Western Australia

- Mr Mark Glasson, Chief Executive Officer
- Ms Claire Lucas, Director - Innovation and Strategy
- Dr Shae Garwood, Manager - Research, Advocacy and Prevention

Women's Health and Family Services

- Ms Felicite Black, Chief Executive Officer
- Ms Emma Morris, Executive Manager - Client Support Services

AtWork Australia

- Mr Hugh Reilly, Executive General Manger
- Ms Natalie Fitzgerald, General Manager - Business Excellence

Training Alliance Group

- Mr Bala Suppiah, Director
- Ms Ellen Brady, ParentsNext Coordinator
- Ms Madeline Sturgeon-Eustace, Engagement Officer – ParentsNext

Western Australian Government

- Mr Shayne Maines, Deputy Director General - Integrity and Reform, Department of Communities
- Ms Vicki Kelly, Director - Education and Care Legislation and Intergovernmental Relations, Department of Communities
- Mrs Klair Bayley, Principal Midwifery Advisor, Department of Health, Office of Chief Nursing and Midwifery Officer
- Ms Karen Ho, Director – General, Department of Training and Workforce Development
- Mr Brad Jolly, Executive Director - Service Delivery, Department of Training and Workforce Development