



Brotherhood  
of St Laurence

Working for an Australia free of poverty

# ParentsNext

Submission to the Senate's Community Affairs  
References Committee Inquiry

Brotherhood of St Laurence

February 2019

## The Brotherhood and ParentsNext

The Brotherhood of St Laurence (BSL) is an independent non-government organisation with strong community links that has been working to reduce poverty in Australia since the 1930s. Based in Melbourne, but with a national profile, the BSL continues to fight for an Australia free of poverty. We undertake research, service development and delivery, and advocacy, with the objective of addressing unmet needs and translating the understandings gained into new policies, new programs and practices for implementation by government and others. The Brotherhood has a broad range of initiatives to tackle labour market disadvantage, and initiatives to enable children and families to thrive, including:

- **Parents Next:** a pre-employment program for parents of young children. The Brotherhood participated in the pilot and is now delivering the service as part of the national roll-out from nine sites in metropolitan Melbourne: Broadmeadows, Craigieburn, Dandenong, Epping, Fitzroy, Frankston North, Pakenham, Preston, and Sunbury.
- **Transition to Work:** a specialist youth-focused employment service. As well as providing TtW in two locations, the Brotherhood convenes and supports the Transition to Work Community of Practice which represents almost a quarter of providers nationally. The Brotherhood is also convening the National Youth Employment Body.
- **Jobs Victoria Employment Network:** a state-funded program targeted at disadvantaged jobseekers, as well as those ineligible for federally funded services. **Work and Learning Centres:** a Victorian state-funded program, primarily targeted at assisting public housing tenants and others experiencing long term unemployment.
- Delivery of **accredited and non-accredited training programs** to learners experiencing disadvantage through our Registered Training Organisation.
- The **Home Interaction Program for Parents and Youngsters (HIPPY):** Now federally funded, HIPPY is delivered (via community partners) in 100 communities around Australia, half of which have high concentrations of Aboriginal and Torres Strait Islander peoples. This home-based parenting and early learning program works with families with children aged 4–5 years. A pilot with 3-year-olds is underway.
- Founding partner in **Goodstart Early Learning**, the largest not-for-profit provider of early childhood education and care services in Australia. Goodstart is a social enterprise with a mission to raise the quality of early learning and improve social inclusion.
- Development and facilitation of **Integrated Family and Community Hubs** – in Fitzroy, Craigieburn, Mernda and Epping, in partnership with local governments and community sector agencies. The **2Gen pilot** to simultaneously support children and families to move out of circumstances of disadvantage.
- The **Growing Learners program:** assists parents to support their (0–3 year old) children’s learning and development through play.
- The **Refugee Child Outreach** program: part of a suite of Family Support Programs for refugee and other newly arrived communities
- **Major research** on inclusive employment, economic security and labour market disadvantage, and addressing early years disadvantage

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## Overview

Governments of different persuasions have long recognised the need to support parents (particularly sole mothers) of young children to be equipped to take up employment opportunities. The Brotherhood of St Laurence views such assistance as a crucial part of Australia's social and economic policy landscape.

Among OECD countries Australia has one of the lowest employment rates in sole-parent families. Coupled with low income support payments, this contributes to sole-parent households (overwhelmingly female led) being the most impoverished family type in Australia. This has intergenerational impacts: children in low-SES households are at higher risk of early childhood vulnerabilities, poorer educational attainment, and poorer employment and life outcomes.

### ParentsNext is not working well

The national roll-out of ParentsNext is delivered to around 20% of people receiving Parenting Payments—including young parents, early school leavers, those who have been out of paid work for at least 6 months, and households where no-one is in paid employment. It is a significant national investment that ought to yield strong dividends through strengthening the employment prospects and the longer term economic security of many families. However, program design, combined with the overlay of highly punitive compliance measures, is undermining this potential and having a raft of unintended consequences.

The highly intrusive Targeted Compliance Framework—designed for the jobactive system but grafted on to ParentsNext—is causing parents and their children distress and hardship. In the first six months of the demerit points system, suspensions have been very high—equivalent to around 21% of the total caseload. Participants are having their payments suspended for inadvertent or unavoidable breaches, such as failing to report their attendance at an activity by 9 pm the same night, or because they couldn't make it to an activity such as story time at the library. When you have young children, things don't always go to plan. The early years are a crucial period of a child's development – having the constant stress of compliance and the threat of payment suspensions hanging over a family can impact the home environment.

For families subsisting on wafer-thin budgets, payment suspension (delay of payment) means they cannot pay the rent that's due, can't transport their children to school, or need to rely on emergency relief to eat. Rather than being enabling, as was intended, ParentsNext is causing harm.

Parents not proficient in English and those with poor digital skills, limited digital access (unreliable internet connection, irregular access to a device), Aboriginal & Torres Strait Islander families or those facing additional challenges (e.g. family violence) are particularly vulnerable to being breached.

The attention of our skilled staff is significantly diverted to fulfilling TCF compliance and administrative arrangements rather than providing much needed frontline support for parents. This is fundamentally disempowering for parents and staff and operates as a barrier to engagement and trust.

Engagement through compulsion is neither meaningful nor genuine. Legislation to remove ParentsNext from the Targeted Compliance Framework is urgently needed, together with a move away from compulsion to positive engagement. Parents we work with overwhelmingly welcome support that is empowering and meaningful, and that advances their aspirations for themselves and their children, in a manner and timeframe that works for their family circumstances.

### Australia can do much better

Australia can and must do much better. We see the former Jobs Education & Training (JET) Program—which gave single parents voluntary access to highly subsidised childcare, training and employment assistance, and was underpinned by interdepartmental collaboration—as the high-water mark of earlier initiatives.

Going forward, there is huge opportunity to reorient existing investment and create—in collaboration with parents and community-focused providers—an enabling program that makes a tangible difference to the opportunities, work prospects and longer term economic security of families who most need it.

This enhanced program would need to bring together vocational guidance (attuned to local labour markets); opportunities for training, education and skill building; engagement with local employers to expand family-friendly employment options; access to early learning and care; and flexible support and referrals to complementary services where needed.

Situating a future program within a broader National Employment Strategy and a strategy to address Child and Family Disadvantage (Australia has neither and the current policy response is piecemeal) would allow it to connect with mutually reinforcing initiatives addressing the structural barriers to the economic participation of mothers with young children. A coherent national response would mean better articulation between early learning and care policies; employment, education and training policies; parental leave policies; taxation; and family support.

Finally, any future program must be underpinned with respect for the critical safety net that Parenting Payment provides for those fully engaged with caring for their children in their earliest years—which should not be frayed by undue compulsion and conditionality.

## Recommendations

1. Immediately disconnect ParentsNext from the Targeted Compliance Framework
2. Relax requirements to report income in fortnights with no earnings
3. Resource the translation of key documents – including Participation Plans – for participants not proficient in written English
4. Cease using the term jobless to describe the circumstances of those engaged in the full-time care of young children.
5. Reframe the program to respect the choice of mothers to elect to stay home with their children in the earliest years.
6. Reorient the investment in ParentsNext to create an enabling pre-vocational program that assists parents with young children to strengthen their prospects of work and economic security.

Key elements would include:

- vocational guidance (attuned to local labour markets)
- opportunities for training, education and skill building
- engagement with local employers to expand family-friendly employment
- access to early learning and care
- flexible support and referrals to complementary services where needed.

Principles to underpin the program:

- Make participation voluntary
- Incentivise providers to reach out to families experiencing disadvantage and sustain their engagement
- Move away from compliance-heavy approaches in frontline services, to build trust, motivation and voluntary engagement
- Reframe the current one-way notion of mutual obligation as mutual accountability, to foster reciprocity
- Focus on advancing parents' aspirations and strengthening their capabilities and opportunities
- Provide flexibility for providers to respond to the distinctive needs of individual circumstances and of different groups of parents
- Appoint organisations with the expertise and capacity to engage their community, by requiring them to demonstrate this in the tender process (as in the Transition to Work tender process)

- **Preference organisations that co-locate with early learning and care centres or family and community hubs, to enable easy linkages to complementary supports**
- **Involve parents and providers in co-design of the next iteration**
- **Establish local and national governance structures to enable parents, employers, providers, government and local communities to report on their experiences, monitor system performance against goals and identify opportunities for improvements**
- **Commission regional communities of practice, supported by continuous improvement mechanisms, where providers share learnings and use data to drive improvement**
- **Situate it as part of a broader National Employment Strategy to align efforts and resources to address structural barriers to economic participation of mothers with young children including access to early learning and care; employment practices; parental leave policies and tax.**

## Discussion of ParentsNext Program

Parenting Payment provides a critical safety net for parents who cannot participate in the labour market because of their caring responsibilities for their children. It has its roots in the Supporting Mother's Benefit introduced by the Whitlam government in 1973. It is a longstanding and critical piece of Australia's safety net.

Women make up 95% of the 326,837 people who receive Parenting Payment Single (244,296) and Parenting Payment Partnered (82, 541) (2018 data). Most PP recipients are aged between 25 and 44. Around 3% are aged 16–20 years.

Around 20% of people in receipt of PP are compelled to participate in the PN program.

ParentsNext was intended as a pre-employment program to help parents prepare and plan for employment by the time their children go to school<sup>1</sup>. Stated objectives of ParentsNext are to:

- target early intervention assistance to parents at risk of long-term welfare dependency
- help parents identify their education and employment related goals and participate in activities that help them achieve their goals, and
- connect parents to local services that can help them address any barriers to employment.<sup>2</sup>

### The national rollout of ParentsNext is markedly different from the pilot

From 2016 the Brotherhood of St Laurence delivered the pilot of ParentsNext in Hume LGA in Melbourne's north (one of ten LGAs that were identified as highly disadvantaged). We developed an intentional, evidence-informed practice approach<sup>3</sup> designed to advance parents' interests and aspirations; leverage existing service networks and referral pathways; and explicitly tackle employment barriers including limited education and work experience; access affordable child care and family-friendly employment; and link to health and housing support. This was underpinned by the Brotherhood's broader commitment to approaches that strengthen community networks and harness community altruism to enable people and communities experiencing disadvantage with the opportunities, networks and resources they need to thrive.<sup>4</sup>

While there was certainly room for improvement, the pilot enjoyed relatively high levels of participant engagement and satisfaction. Our research into the experiences of parents and staff participating in the pilot phase highlighted the following strengths:

- Flexibility: Keeping a line of sight to employment as a longer-term objective, rather than an immediate goal, enabled the program to focus on incrementally removing obstacles to paid work, developing skills and building the social capital necessary for achieving the employment goals and aspirations of participating mothers. This was vital for participants whose

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<sup>1</sup> Department of Jobs and Small Business 2018 <<https://www.jobs.gov.au/parentsnext>>

<sup>2</sup> *DSS Social Security Guide*

<sup>3</sup> Buick, J 2018, ParentsNext Practice Guide, Brotherhood of St Laurence, Melbourne.

<sup>4</sup> Brotherhood of St Laurence 2017, *Reforms to human services: response to the Productivity Commission*, BSL, Fitzroy, Vic.

employment decisions and plans revolved around their children's needs and milestones (such as starting school or preparedness for family day care).

In terms of choosing [activities], [it] will be flexible and will be [based on] how I'm going to fit them into my life. The [staff are] flexible, to be honest, and therefore [activities are] negotiable. Participant (Amal) in ParentsNext Pilot

BSL staff who delivered the pilot program reported having reasonable discretion and flexibility when developing participation plans with parents – enabling them to assist parents to identify activities that would advance their aspirations.

This flexibility was also reflected in the timing of appointments and the method of contact. Interviewees told us that appointments were arranged at times convenient for them and their family needs. Additionally, a drop-in service enabled parents to meet with staff without making an appointment.

- Tailored approach: Interviewees reported receiving various types of support that connected them into local opportunities such as neighbourhood houses, family and children's services, referrals to early learning and care, parenting support and connections, information on accredited training available through the local TAFE, career advice, job preparation workshops, and improving digital skills.
- Good rapport and empathy: Interviewees described our Parent Engagement Facilitators as 'respectful', 'understanding', 'friendly' and 'helpful'.

Although participants were required to attend appointment every six months, some described BSL's ParentsNext pilot as 'not too onerous' and 'with realistic expectations'.

The subsequent national roll-out extended a targeted program for families experiencing high levels of disadvantage in locations of disadvantage to a much broader group of parents (mostly sole mothers) in receipt of Parenting Payments. The current iteration of Parents Next risks being inappropriately intrusive in the lives of families. It comes with increased compulsory appointments, uses a big stick approach (which has been amplified by the overlap of the Targeted Compliance Framework and stringent online reporting requirements), and limits the providers' capacity to be responsive and flexible.

Attachment 1: *ParentsNext Pilot, Intensive Stream and Targeted Program* sets out the differences between the pilot and the national roll-out of the intensive stream (in 30 locations of place-based disadvantage) and the targeted program delivered in all non-remote employment regions across the nation.

## Punitive conditionality and the Targeted Compliance Framework is highly problematic

Access to welfare payments in Australia has progressively become less certain and more conditional including for mothers of young children who are out of the labour force while caring for young children. We are concerned about the compulsory nature of ParentsNext. More immediately, we are alarmed by the adverse impacts that punitive conditionality imposed by the TCF is having on families.



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A strong body of evidence shows engagement through compulsion is neither meaningful nor genuine. Use of punitive sanctions can lead to a range of negative consequences, including counterproductive compliance; disengagement from the social security system; increased poverty and destitution; movement into survival crime; and exacerbated ill health and impairments.<sup>5</sup>

The Targeted Compliance Framework, which measures compliance with mutual obligation requirements, is chiefly administered via a digital interface. It comprises three zones: green, orange (warning zone) and red. Accrual of demerit points can lead to reductions and cancellations of the participant's parenting payment, moderated by capability assessments/interviews. (see Attachment 2: Application of TCF in ParentsNext).

The TCF was designed for jobseekers in the jobactive system, where its application has been highly problematic:

The first thing that hits you viscerally is the red circle [of TCF] ... The dashboard is like an ankle monitor. While it tracks your every move, measures your 'effort', level of 'engagement' and 'participation', it's also evaluating you remotely. **Correspondent with BSL 2018** (on the jobactive system)

Grafting the TCF onto ParentsNext is having perverse impacts. Requirements to attend all provider appointments and any activities designated as compulsory in the participation plan, and to self-report on attendance by 9 pm that same day are exceedingly challenging for parents of young children.

If a mum is scheduled to attend story time at the library on Tuesday and yet for some reason does not, this will lead to automatic suspension. Yet any parent of young children knows that following a fixed schedule is difficult. **BSL ParentsNext staff**

Most of our participants have kinder and school runs to manage, so getting to appointments needs to be within a very specific band of time. Many are reliant on public transport: this can prove very difficult at the best of times but particularly in extreme weather conditions and when they have their young children with them. Lateness or non-attendance creates a risk of payment suspension. **BSL ParentsNext staff**

Additionally, requirements to report earnings fortnightly—even though most do not earn an income<sup>6</sup>—is tripping people up. People are having payments suspended even if they had zero income to report.

Participants with low English skills, poor digital skills, poor digital access (unreliable internet connection, irregular access to a device), Aboriginal and Torres Strait Islander families or those

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<sup>5</sup> Welfare Conditionality Project 2018, *Welfare Conditionality Project 2013–2018: final findings report*, Welfare Conditionality Project, University of York; , <<http://www.welfareconditionality.ac.uk/publications/final-findings-report/>>; Cass 1993, 'Sole parent family policy in Australia: income support and labour market issues', *Social Policy Journal of New Zealand*, vol. 1, pp. pp.3–16.

<sup>6</sup> Some 90% of parents in receipt of PP (partnered) did not earn an income and 74 per cent of those in receipt of PPS did not earn an income (DSS demographics June 2018)

facing additional challenges (e.g. family violence) are particularly vulnerable to being suspended and having their payments cancelled.

### Parents and children are adversely impacted

The TCF is having devastating impacts—financial, physical and psychological—on parents and their young children.

Requiring participation in parenting-related programs and activities is out of step with the program's pre-employment objectives, and intrusive for families not needing targeted family services. Some parents are shocked by the punitive approach and the effects on their payments. Many have expressed feeling unduly controlled, monitored and degraded:

I take pride in what I do as a parent. I don't need to report it to the department, what I do or don't should not affect my payments..."

The Targeted Compliance Framework undermines engagement with community programs and distorts every activity, such as going to the library, into an obligation. **BSL ParentsNext staff**

Preoccupation with compliance diverts them from benefiting fully from the program. Parents experience constant stress, fearing they will inadvertently fail to meet rigid requirements:

One participant arriving at her appointment with her school-aged child explained she had to ration their petrol: her choice was either to take her child to school or to come to this appointment. She feared losing the payment so didn't take her child to school to make it to the appointment.

The early years are a crucial period of a child's development – having the constant stress of compliance and the threat of payment suspensions hanging over a family can impact the home environment.

Suspension of payments for families subsisting on wafer-thin budgets creates severe hardship. It also leads to increased demand on community support services (such as food banks, welfare organisations). BSL ParentsNext staff reported multiple incidents:

A mum came to the office in tears as she has not been able to pay the rent on time due to payment suspensions.

One of our mums was unable to come to an appointment. She didn't have enough money for public transport while waiting for her payment to be reinstated.

We have been connecting participants impacted by payment interruptions to emergency relief agencies.

### Frontline staff are under pressure to monitor compliance at the expense of meaningful support

Focusing on compliance, rather than parents' goals and aspirations, jeopardises program outcomes. Providers are diverting resources away from meaningful frontline assistance to instead help participants understand self-reporting and the demerit points system and assist those whose

payments have been suspended or impacted. This approach is disempowering for both staff and parents and operates as a barrier to engagement and trust. BSL ParentsNext staff commented:

Unfortunately, we are focusing more on compliance than the actual purpose of the ParentsNext program.

Most of the initial one-hour appointment with a new ParentsNext participant is spent explaining the compliance requirements and how to navigate the reporting system. Our staff report spending an average of 20 minutes with English-speaking participants on using MyGov, and 30 minutes where an interpreter is required.

Participants frequently call staff to seek assistance with reporting and to 'reengage' if they are suspended. One staff member reported that within an hour away from the desk there were 24 missed calls and 11 voicemails to attend to.

I think the process could be much more streamlined. For busy parents this process is still too complicated and time-consuming. I find that most parents will forget to report or they will call the Parent Engagement Facilitator to complain about why they need to do this.

**BSL ParentsNext staff**

Participants who do not have internet access, or are exempt from self-reporting on other grounds, rely on staff to report on their behalf.

### Suspension rates have increased dramatically

Statistics from delivery of the ParentsNext Pilot by the Brotherhood reveal that in 15 months from (July 2016 to September 2017) there were 43 suspensions. Key reasons were failure to attend provider appointments and inability to contact participants.

In contrast, in the six months from July to December 2018, 1248 suspensions occurred among the Brotherhood's caseload: there were 833 suspensions for one day, 214 for two days, 172 for 3–6 days and 29 for 7–12 days.<sup>7</sup> Nationally, suspensions have also been very high – equivalent to some 21% of the total caseload.<sup>8</sup>

To end payment suspension and avoid payment reductions or cancellation, participants must report to their ParentsNext provider, who must review the reason for non-compliance and enter it into the system.

### Automated processes increase the risk of suspension

Communication between Centrelink and ParentsNext participants is largely automated. Reliance by parents on Centrelink-generated information about appointments has been problematic: wrong information, late information, ambiguous information; and appointments made in disregard of a parent's commitments are common. ParentsNext staff have commented:

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<sup>7</sup> In November 2018 a system wide error with the PAO3 defaulted all Parents Next participants onto self-reporting even if they were not able to do so. This error resulted in an increase in suspensions.

<sup>8</sup> Henriques-Gomes, L 2019, 'One in five parents had payments cut in first six months of new welfare program', *The Guardian*, 7 February, <<https://www.theguardian.com/australia-news/2019/feb/07/one-in-five-parents-had-payments-cut-in-first-six-months-of-new-welfare-program>>

There have been countless examples of Centrelink booking appointments at short notice and no address being provided so participants have been unsure where their appointment is.

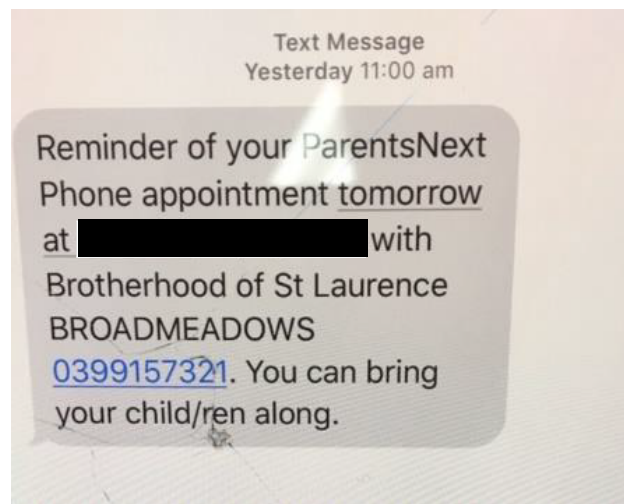
When participants receive the automated SMS the day before, it has the provider name but not the address. This has caused confusion for many participants, both English and non-English speaking.

There have been examples of participants going to the Dandenong site for their appointments as they were referred by Centrelink to this site, even though they might live in Fitzroy and there is a site in Fitzroy. Dandenong is over an hour by car and an hour and a half minimum by public transport.

Many participants have not attended appointments due to not receiving the text reminder the day before the appointment.

Some participants have advised us that they notified Centrelink that a planned appointment time does not suit, but they book it regardless.

One of our participants received the Centrelink-generated text message below:



It was supposed to be a phone appointment. However, because the message mentioned the location and that she could bring her children, the mother she assumed it was a face-to-face meeting and travelled to our office. There continue to be multiple incidents of participant receiving such ambiguous messages.

Participants need to self-report attendance at activities and their fortnightly income. There is much confusion about what needs to be reported to whom as they need to report to Centrelink through MyGov, as well as to ParentsNext through the jobactive app. Screenshots from these platforms are at Attachment 3: Online reporting system.

Participant was attempting to record their attendance for their activity on the day but was having system issues with the Jobseeker services and was stressing about not being able to record her attendance and in the process forgot about picking up their child from school.

The following series of communications came from a single mother with two young children who was studying full time, fluent in English and able to use computers:

October 2018: Issues reporting. Hi ..., I'm having an issue with checking the task in Job active. I have attached a photo so you can see what I mean. I will try again later and hopefully no more issue. Kind regards, N...

December 2018: Hello ..., I've been trying most of the morning to access myGov but it's not allowing me in. Is there anything you can do as I have to report today and am worried I won't get my benefits on Wednesday. I have attached two pictures so you can see what's happening. Regards, N...

December 2018: Participant did not get paid. PN provider reported on behalf of the participant as she disclosed not having access to the app. However, participant assumed she did not have to report to Centrelink either. This caused the suspension of her payments.

Hi ..., I have a problem, I did not get paid today! So I just wanted to know what is going on because I need my pay, seeing that it's Christmas soon and having to provide for my kids and that you have told me that you were able to do it for me since I could not log in. Cheers, N...

January 2019: Hello ..., Sorry to ask this again but once again I forgot to report yesterday due to being very busy trying to get my internet connection back up and running, so now my payment is suspended and I really need my payment on Wednesday I have to pay my rent. I tried to report this morning back no luck and I've received a message that I had to contact you to sort it out. Kind regards, N.

January 2019: I also find that ever since starting this ParentsNext program I've had problems with my payments, either from the app not working or forgetting that I had to report. Since this has happened it has made me run late on bills and rent which is very inconvenient. So if I could please organise with you the exemption as of today that would be very helpful.

This mum was enthusiastic about the support she could get from ParentsNext when she commenced. However, her enthusiasm rapidly declined after she experienced these reporting difficulties and had payments suspended on multiple occasions.

## The TCF risks breaching human rights

Official advice to Parliament when passing the legislation applying the TCF to ParentsNext was that it was reasonable and justifiable in light of relevant human rights instruments and did not restrict the basic right to social security.<sup>9</sup> However, the Brotherhood is concerned that the practical application of the Targeted Compliance Framework, which has resulted in widespread harsh penalties for mothers of young children impedes realisation of Australia's human rights obligations, including the right to an adequate and equitable social security system that avoids stigmatisation of beneficiaries.<sup>10</sup> In particular, we are concerned that:

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<sup>9</sup> Social Security (Parenting payment participation requirements – classes of persons) Instrument 2018 (No. 1) will be called the *Classes of Persons instrument*

<sup>10</sup> The right to social security: article 9 of the International Covenant on Economic, Social and Cultural Rights (ICESCR) and article 26 of the Convention on the Rights of the Child (CRC); the right to an adequate standard of living – article 11 of ICESCR and article 27 of the CRC; the right to work – article 6 of ICESCR and

- **The limitation of rights is disproportionate to the intention:** Payment suspensions are occurring for numerous, arbitrary reasons including failure to report participation in agreed activities by 9 pm on the day of activity, missing appointments due to administrative errors, family emergencies, miscommunication or the postponement or cancellation of scheduled activities. The largely automated reporting undermines the flexibility and responsiveness required of a program for parents of young children. The threat of sanction under TCF creates fear and anxiety that undermines the intention of the program to support these parents.
- **The selection criteria for ParentsNext participants are discriminatory:** The program disproportionately impacts on people from certain cultural backgrounds.<sup>11</sup> Aboriginal and Torres Strait Islanders parents living in the 30 intensive ParentsNext sites and parents who are new to Australia and face language and cultural barriers are largely caught by its eligibility criteria. Almost all participants (95%) are women. Strict conditions attached to their social security payments could also be characterised as discriminatory.

**Recommendations:**

1. **Immediately disconnect ParentsNext from the Targeted Compliance Framework**
2. **Relax requirements to report income in fortnights with no earnings**

## Agreements and participation plans are not translated into community languages

Key forms, including Participation Plans, are only available in English. Participation Plans document the types of support required to pursue employment and educational goals and, critically, document the participant's mutual obligation requirements. Failure to sign or comply with a Participation Plan can lead to suspension of Parenting Payments. This is highly problematic for parents from non-English speaking backgrounds or those with poor literacy.

The Brotherhood of St Laurence employs bilingual staff to facilitate communication and engagement with participants. Nevertheless, in the five months from 1 July 2018 to 31 December 2018, the Brotherhood spent over \$6000 on interpreters to assist 122 non-English speaking participants. There is deep concern that funding is not available for the translation of participation plans and reporting is only in English.

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article 11 of the Convention on the Elimination of all Forms of Discrimination against Women (CEDAW); the right to education – article 13 of ICESCR, article 10 of CEDAW and article 28 of the CRC; the right to equality and non-discrimination – articles 2, 16 and 26 of the International Covenant on Civil and Political Rights (ICCPR), article 2 of the CRC, and article 5 of the International Convention on all Forms of Racial Discrimination (CERD) the obligation to consider the best interests of the child in all actions concerning children – article 3 of the CRC.

<sup>11</sup> Goldblatt, B 2019, 'More than unpopular: how ParentsNext intrudes on single parents' human rights', *The Conversation*, 16 January.

**Recommendation:**

- 3. Resource the translation of key documents – including Participation Plans – for participants not proficient in written English**

### Deficit framing is unhelpful

While the broad aims of ParentsNext are positive, the deficit framing underpinning the program is unhelpful.

The assumption that families in ParentsNext are likely to remain dependent on welfare over an extended period is misplaced. All the mothers interviewed for our study of the Brotherhood's ParentsNext pilot reported that they intended to re-enter the labour force at some stage. This is backed by statistics, which reflect typical use of income support for a finite period while children are very young. The average duration of receipt of PPP is 149 weeks (less than 3 years). For PPS it is 194 weeks (less than 4 years). The average duration on income support for those in receipt of PPP is 253 weeks (less than 5 years) and for PPS it is 315 weeks (around 6 years).<sup>12</sup> Some women face changed circumstances and need to rely on income support because of relationship breakdown or death of a partner.

Further, use of the term 'jobless' families<sup>13</sup> risks conflating caring for young children with unemployment. People who are not in the labour force make important non-monetary contributions. Mothers fully engaged in early years parenting are more than interrupted workers. Some mothers we interviewed saw the short and longer-term benefits of being home during their children's earliest years – with mothers from some cultural backgrounds particularly committed to being at home during this important stage. This choice should be respected.

**Recommendations:**

- 4. Cease using the term jobless to describe the circumstances of those engaged in the full-time care of young children.**
- 5. Reframe the program to respect the choice of mothers to elect to stay home with their children in the earliest years.**

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<sup>12</sup> DSS Demographics June 2018 <<https://data.gov.au/data/dataset/cff2ae8a-55e4-47db-a66d-e177fe0ac6a0/resource/57c91779-cce6-4ec4-b94f-50464ca55a77/download/dss-demographics-june-2018.xlsx>>

<sup>13</sup> *The Social Security (Parenting payment participation requirements – classes of persons) Instrument 2018 (No. 1)* explanatory memorandum states: 'The definition of **jobless family** means a person (and the person's partner, if the person is part of a couple) has not been in work for the 6 month period immediately prior to the day referred to in subsection 6(1). Whether a person is part of a jobless family is relevant when determining if a person is in the Targeted Participant class'.

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

Australia's rate of employment for mothers with a child under 15 years is slightly below the OECD average. Australia also has one of the lowest employment rates for sole-parents<sup>14</sup>, the vast majority (83%) of whom are single mothers<sup>15</sup>. Coupled with low income support payments, this contributes to sole-parent households (overwhelmingly female led) being the most impoverished family type in Australia. Workforce participation is linked to a range of structural factors. Significantly shifting the metrics requires a structural response.

While ParentsNext aims to increase women's labour force participation, there is an absence of structural supports to enable mothers to choose to participate in the labour force, such as:

- affordable and accessible child care: Caring for children is the main reason women report for not looking for a job with more hours. Among those with children, some 51% of females and 37% of males report that financial assistance with childcare costs and access to childcare places are very important incentives to join or increase participation in the labour force
- workplace cultures and family friendly employment: Half of the mothers surveyed in 2013 by the Australian Human Rights Commission reported experiencing discrimination as a result of their pregnancy, parental leave or return to work.  
In 2017, 49.5% of employers in all industries had a policy aimed at supporting employees with family or caring responsibilities but only 18.3% had a strategy to do so, according to the Workplace Gender Equality Agency.  
Casual employees with intermittent work are excluded from two of the 10 National Employment Standards (NES) entitlements which are critical for worker-carers: access to parental leave and the right to request flexible working arrangements. An evaluation of the paid parental leave scheme found that 5% of mothers (and 12% of single mothers) eligible for PPL were not eligible for statutory unpaid leave under the NES on the basis of their work history, which means that these women had no right to return to their pre-leave job. They do have the right to request flexible work, but this request can be declined on reasonable business grounds.
- gender balanced paid parental leave: to encourage shifts in the division of care and domestic labour.

It is also important to recognise the variation in local labour markets, which can also directly affect women's opportunity to enter the workforce and gain suitable decent work.

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<sup>14</sup> OECD, *Doing better for families: Australia*, 2011, viewed 1 August 2018, <<http://www.oecd.org/els/family/47700941.pdf>>.

<sup>15</sup> ABS, *ABS shows changes on International Families Day*, 2017, viewed 21 September 2018, <<http://www.abs.gov.au/ausstats/abs%40.nsf/mediareleasesbyCatalogue/5E4BABA5BD22D73DCA2581210009D3D8>>.



## Future opportunities

### Lessons from past active labour market programs could inform future efforts

ParentsNext builds on a series of active labour market policies and programs aimed at increasing the workforce participation of mothers. While acknowledging the role of these initiatives, we are concerned that they have become increasingly conditional and punitive. When they are coupled with incremental narrowing of the eligibility criteria for Parenting Payment (which transfers mothers caring for their children onto the sub-poverty level Newstart Allowance earlier), the social security net for mothers with young children has become increasingly frayed.

Key policy shifts in relation to sole parents, income support and employment are summarised in the following table.

**Table 1 Major measures in relation to pre-employment and income support for sole parents**

Program/Policy	Target group	Key features	Program outcomes
<b>Jobs, Education and Training Program (JET) (1989–1996 voluntary phase)</b>	<p>Single parents but later extended to parenting payment partnered recipients. Target groups of sole parent pensioners:</p> <ul style="list-style-type: none"> <li>• Teenagers</li> <li>• Had received SPP for more than a year and youngest child 6 years or older</li> <li>• IN final years of eligibility for SPP – youngest child 14. Pension ceased age 16</li> </ul>	<p>Voluntary participation Subsidised child care for 26 weeks for single parents starting work Long-term subsidies for study Specialised employment and education advice</p>	<p>Departmental evaluation:<sup>16</sup> 44% of sole parent pensioners were JET participants</p> <p>JET participants were 1.34 times more likely to earn income and twice as likely to be studying when compared with their non-JET counterparts</p> <p>In 1995–96 total cumulative Sole Parent Pension savings equalled total cumulative JET program expenditure and savings seemed likely to exceed expenditure in future years.</p>

<sup>16</sup> Department of Social Security, Department of Health and Family Services, Department of Employment, education, Training and Youth Affairs, Department of Finance and Administration, 1997, The Jobs, education and Training program

Program/Policy	Target group	Key features	Program outcomes
<b>JET (late 1990s–2006 compulsory phase)</b>		<p>Delivery of JET split between the JET advisor and Personal Advisor roles</p> <p>Annual compulsory interview for sole parent participants with youngest child aged 13 or more</p> <p>150 hours of activity requirements for a range of AWT ‘target groups’</p> <p>Welfare-to-Work changes in 2005 split the JET Child Care Fee funding from the rest of the program’s funds</p>	
<b>Australians Working Together Package (2000)</b>	Parents with children aged 13–15 years	<p>Annual compulsory planning interviews with personal advisors</p> <p>Undertake an average of 6 hours of activity per week (e.g. paid work, voluntary work or education)</p>	
<b>The Family and Community Services Legislation Amendment (Australians Working Together and Other 2001 Budget Measures) Act 2003</b>	Parenting Payment recipients with a child aged 13–15 years and those with a youngest child aged 13–15 years	<p>Compulsory attendance at an annual Centrelink participation interview where the youngest child is 6 years</p> <p>Must undertake 150 hours of an activity (job search, education, training or community work) in a six-month period where the youngest child is 13 years</p>	

Program/Policy	Target group	Key features	Program outcomes
<b>Welfare to Work reform (2005)</b>	Parenting Payment recipients All age groups	PPS restricted to single parents whose youngest child was aged less than eight years and PPP to partnered principal carers whose youngest child was aged less than six years Many primary carer parents moved to lower-rate Newstart Allowance Parenting Payment recipients to seek 30 hours of employment per fortnight once their youngest child turned six. Monitoring of compliance was outsourced to Job Network	Evaluation (2008) <sup>17</sup> showed a lower take-up of income support by primary carer parents due to changes in eligibility. During 2006–07: <ul style="list-style-type: none"> <li>• entry to PPS fell by 30% and to PPP fell by 32%.</li> <li>• Many primary carer parents left income support for employment.</li> <li>• 38% of single carer parents with a youngest child aged 8–15 years on NSA left income support after six months. Similarly, 45% of partnered carer parents had left after six months<sup>18</sup></li> </ul>
<b>Helping Young parents (HYP) pilot (2011)</b>	Parenting payment recipients, principal carer of at least one child who is five years of age or younger Parents 19 years of age or younger Residing in one of the ten trial locations	Compulsory participation A participation plan with educational/family goals and activities to reach these goals when their youngest child was 12 months old. Minimum of two compulsory activities: one education/training activity and one early childhood/parenting activity Non-compliance resulting in a suspension of income support payments.	Departmental evaluation of HYP and SJF trials (2017) <sup>19</sup> reported HYP had a positive impact on education participation, attainment of Year 12 certificate/equivalent, and child care use.  SJF had a positive impact on engagement with work, study, or child care

<sup>17</sup> Department of Education, Employment and Workplace Relations 2008, *Welfare to Work evaluation report*, <http://www.a4.org.au/sites/default/files/welfaretoworkevaluationreport.pdf>

<sup>18</sup> The report explains that the measures for workforce participation and income support reliance were derived from Centrelink administrative data and based on the percentage who have left income support; and the percentage employed while on income support (up to 26 weeks). These measures do not provide complete information about the employment status of those who left income support and how many were likely to cycle between benefits and employment.

<sup>19</sup> Department of Employment 2017, *Helping Young Parents and Supporting Jobless Families research report*, [https://docs.jobs.gov.au/system/files/doc/other/final\\_hyp\\_and\\_sjf\\_qon\\_final\\_19072017.docx\\_isbn.pdf](https://docs.jobs.gov.au/system/files/doc/other/final_hyp_and_sjf_qon_final_19072017.docx_isbn.pdf)

Program/Policy	Target group	Key features	Program outcomes
<b>Supporting Jobless Families (SJF) (2011)</b>	Parenting Payment recipients Being the principal carer of at least one child who is five years of age or younger In receipt of income support for at least 2 years or less than 23 years of age Not working or studying	Assisting parents to prepare to return to the workforce once their youngest child reached school age A participation plan Compulsory participation in interviews and workshops when their youngest child was 4 or 5 years old. A minimum of one activity Voluntary participation in employment, education, parenting and childhood development activities. Non-compliance resulting in suspension of income support payments.	The evaluation report on HYP and SJF has no data on participation in training and employment  Sample sizes from HYP (1,167) and SJF (12,167) were vastly different.
<b>ParentsNext pilot (2016)</b>	Parenting Payment recipients across all age groups Residing in one of the ten trial sites Youngest child aged between six months and six years Access to assistance on a voluntary basis if ineligible for participation in the program	Assists participants to identify and pursue education and employment goals, with the aim of (re)entering the workforce. A participation plan with educational/family goals and related activities Service referrals Access financial assistance for child care One compulsory appointment at a minimum of every six months Undertake at least one compulsory activity that addresses any vocational or non-vocational barriers to employment/training Non-compliance of participant resulting in a suspension of income support payments.	Departmental evaluation (2018) <sup>20</sup> <ul style="list-style-type: none"> <li>• 60 %of ParentsNext undertook study or training</li> <li>• 41% of participants were looking for work</li> <li>• ParentsNext surveyed participants were significantly more likely to be studying or undertaking training than non-participants (28% to 19%).</li> <li>• 53% of surveyed participants stated that engagement with ParentsNext had improved their chances of a job.</li> </ul>

<sup>20</sup> Department of Jobs and Small Business, 2018, ParentsNext evaluation report, <https://docs.jobs.gov.au/documents/parentsnext-evaluation-report>

Program/Policy	Target group	Key features	Program outcomes
<b>Nation roll-out of ParentsNext to all employment regions (2018)</b>	<p>Targeted Stream – parenting payment recipients in the 51 Employment Regions</p> <p>Intensive stream- 30 Locations across Australia (including the existing 10 trial locations)</p> <p>Not delivered in remote areas</p>	<p>Compulsory participation. TCF applies</p> <p>Participants in the intensive stream have access to a participation fund, wage subsidies and relocation assistance to take up a job (not available for participants in the targeted stream)</p> <p>Outcome payments for providers at the completion of an education course or sustainable employment by participants in intensive locations</p> <p>Jobactive providers can tender for service provision</p> <p>No hourly requirements for compulsory activities</p>	

The Jobs, Education and Training (JET) program was the high watermark We urge the Inquiry to revisit the learnings from the successful JET program (1989–2009), which operated under both Labor and Liberal governments.<sup>21</sup> It aimed to improve the circumstances of sole parenting payment recipients and to support their (re)entry into paid work. While there were several iterations of the program, key features of its earliest phase (1989–1996)<sup>22</sup> included:

- inter-departmental collaboration in service delivery and pooling of resources for: counselling and advice by Department of Social Security (DSS); labour market assistance offered by the Department of Employment, Education and Training (DEET); and child care assistance through the Department of Health, Housing and Community Services (HHCS).
- a JET Steering Committee to oversee and guide program delivery and improvements.
- financial assistance for child care arrangements to accommodate parents' child care needs (e.g. outside school hours child care fee relief, long-day care fee relief, provision of temporary add-on child care places and temporary workers to help parents of children with disabilities integrate into child care services)
- financial assistance for the additional costs incurred (e.g. for transport, textbooks) when undertaking training
- financial assistance (e.g. \$100 Employment Entry Payment (EEP)) with initial costs of entering paid employment
- well-resourced, regular, ongoing and personalised service-based relationship between JA and clients/participants

<sup>21</sup> Banks, M 2011, One side of the workfare desk: a history of the Jobs, Education and Training Program in the political economy of Australian' welfare reform'(1989-2006).

<sup>22</sup> Department of Social Services, Department of Jobs, Education and Training and Department of Health, Housing and Community Services 1992, Evaluation of the Jobs, Education and Training (JET) program, social policy research paper no. 62

- Long-term lens adopted by job advisors (JAs), gradually increasing the value of parents' future labour power through education and training rather than focussing on immediate workforce entry/participation
- creation of multiple staff roles (Advisors, Contact Officers and HHCS JET Support Worker) to assist with developing personal plans with participants, providing relevant information on suitable training, service referrals and finding child care places
- clerical support for JAs to reduce administrative workload and free up time to work with participants
- greater community involvement in promoting the program through community organisations, media and other government departments
- employer engagement.

## Future investment could be reoriented

There is opportunity to reorient the ParentsNext investment to develop an enabling initiative that equips parents with young children to strengthen their prospects for work and economic security. From the Brotherhood's direct experience and research, the learnings of previous initiatives and international synthesis<sup>23</sup>, we have compiled the following summaries of key elements of a package of support (Table 2) together with key principles to inform future design (Table 3).

**Table 2 Elements for a future pre-employment program for parents of young children**

Element	Description
Vocational guidance	<ul style="list-style-type: none"> <li>• Careers counselling and vocational guidance attuned to regional labour markets</li> </ul>
Training, education and skill building	<ul style="list-style-type: none"> <li>• Building parents' skills and work readiness through access to pre-accredited and accredited training, work tasters, work experience and volunteering</li> <li>• Financial support to participate in training</li> </ul>
Job search	<ul style="list-style-type: none"> <li>• Assisting parents to access decent jobs that help them meet their family commitments and build their economic security</li> </ul>
Employer engagement	<ul style="list-style-type: none"> <li>• Collaborating with employers to vary their recruitment, induction and retention strategies, and redesign jobs to enable family-friendly work practices</li> </ul>
In-work support	<ul style="list-style-type: none"> <li>• Managing income volatility (if in casual work) and interface with the social security and tax systems</li> <li>• Post-placement support (where needed)</li> </ul>

<sup>23</sup> Millar, M & Cross, R 2016, *Lone parents and activation, what works and why: a review of the international evidence in the Irish context*, The UNESCO Child and Family Research Centre, National University of Ireland, Galway

Early learning and care	<ul style="list-style-type: none"> <li>• Access to good quality, affordable child care, with flexible hours and financial support with out-of-pocket costs</li> </ul>
Flexible support and referrals	<ul style="list-style-type: none"> <li>• Access to complementary supports (where relevant) to take a multigenerational approach to shift the trajectory of families experiencing deep disadvantage and address the risk of intergenerational disadvantage: <ul style="list-style-type: none"> <li>○ support to engage children in quality and affordable early learning and child care</li> <li>○ support for parents as first teachers, so they are well equipped to nurture their child's development</li> <li>○ connections with child, family and community supports</li> <li>○ strengthening families' community networks</li> <li>○ strengthening families' financial capabilities</li> </ul> </li> </ul>

**Table 3 Principles to underpin a future pre-employment program for parents with young children**

Principle	Description
Voluntary and enabling approach	A strengths-based approach that gives people agency, voice and choice is intrinsically motivating. Evidence on motivation shows that people are more engaged, and more persistent in pursuing a goal, if they have chosen the goal and it is linked to their interests and aspirations. While the Brotherhood does not support compulsion, any future compulsion should be light touch – such as a requirement to attend a first meeting. The acid is on providers to reach out and hold participant engagement.
Tailoring	People in receipt of Parenting Payment are a heterogeneous group. Support needs to be flexible enough to meet parents where they are at (some parents in the program are already in casual work). Our research on the PN pilot highlighted that participant needs and opportunities differ depending on multiple factors such as the age and needs of child(ren), work histories, cultural background, education levels and English proficiency.
Timeliness	Support needs to be delivered at the right time and the intensity needed. While some parents are seeking immediate work, for others a medium-term approach that enables them to combine education and training with family care responsibilities could lead to more sustainable long-term employment outcomes
Capabilities & opportunities building	Use of the capabilities approach (developed by Sen and Nussbaum <sup>24</sup> ) would mean identifying parents' aspirations and skills, enhancing their

<sup>24</sup> A Sen, *Development as freedom*, Oxford University Press, 1999, p. 87, as cited in S Deneulin & L Shahani (eds), *An introduction to the human development and capability approach*, Earthscan, International

	skills with training and through local support networks, and matching them with opportunities.
Mutual accountability	Mutual accountability would reframe dynamics between government, providers and program participants. Government needs to deliver a fit-for-purpose commissioning environment; and a policy and program frame that sets providers and parents to succeed. In turn, providers should be expected to deliver quality services that are tailored to service user and community need, and participants to take up opportunities.
Local/Place based approach	The opportunities, resources and networks that could be made available to parents in their local area are considerable. Providers need to be actively working with the local community. This requires providers with strong local connections, and deliberate steps to mobilise local expertise and resources and connect parents with support and opportunities including early learning and care; training; community programs and child and family services. Understanding of local labour markets will also be important
Co-design & Collaboration	<p>Governments, parents, providers, employers and communities all have a part to play:</p> <ul style="list-style-type: none"> <li>• Government departments needs to collaborate—as they did with the JET program.</li> <li>• Parents and providers must be included in design and governance.</li> <li>• Providers need to be enabled to share learnings (e.g. through a community of practice</li> <li>• Employer and community effort need to be harnessed.</li> </ul>

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Development Research Centre, Ottawa, 2009; M Nussbaum, *Creating capabilities: the human development approach*, Belknap Press, Cambridge MA, 2011.



**Recommendation:**

- 6. Reorient the investment in ParentsNext to create an enabling pre-vocational program that assists parents with young children to strengthen their prospects of work and economic security.**

**Key elements would include:**

- vocational guidance (attuned to local labour markets)
- opportunities for training, education and skill building
- engagement with local employers to expand family-friendly employment
- access to early learning and care
  - flexible support and referrals to complementary services where needed.

**Principles to underpin the program:**

- Make participation voluntary
- Incentivise providers to reach out to families experiencing disadvantage and sustain their engagement
- Move away from compliance-heavy approaches in frontline services, to build trust, motivation and voluntary engagement
- Reframe the current one-way notion of mutual obligation as mutual accountability, to foster reciprocity
- Focus on advancing parents' aspirations and strengthening their capabilities and opportunities
- Provide flexibility for providers to respond to the distinctive needs of individual circumstances and of different groups of parents
- Appoint organisations with the expertise and capacity to engage their community, by requiring them to demonstrate this in the tender process (as in the Transition to Work tender process)
- Preference organisations that co-locate with early learning and care centres or family and community hubs, to enable easy linkages to complementary supports
- Involve parents and providers in co-design of the next iteration
- Establish local and national governance structures to enable parents, employers, providers, government and local communities to report on their experiences, monitor system performance against goals and identify opportunities for improvements
- Commission regional communities of practice, supported by continuous improvement mechanisms, where providers share learnings and use data to drive improvement
- Situate it as part of a broader National Employment Strategy to align efforts and resources to address structural barriers to economic participation of mothers with young children including access to early learning and care; employment practices; parental leave policies and tax.

# Attachment 1: ParentsNext Pilot, Intensive Stream and Targeted Program at a glance

Table 4 ParentsNext Pilot and Expansion phases

	Pilot (April 2016 – June 2018)	ParentsNext Expansion (2018 – 2021)	
		Intensive stream	Targeted stream
<b>Locations</b>	<ul style="list-style-type: none"> <li>10 local government areas across Australia identified as having high levels of socioeconomic disadvantage</li> </ul>	<ul style="list-style-type: none"> <li>Delivered in 30 locations where there is a high level of socioeconomic disadvantage including areas where there is a high proportion of Indigenous parents</li> </ul>	<ul style="list-style-type: none"> <li>Delivered in employment region across Australia</li> </ul>
<b>Eligibility</b>	<ul style="list-style-type: none"> <li>had been receiving Parenting Payment for six months or more</li> <li>had not had any employment income in the last six months, and</li> <li>had a child aged between six months and six years.</li> </ul>	<ul style="list-style-type: none"> <li>resides in a jobactive employment region and in a listed local government area</li> <li>has been receiving parenting payment (partnered or single) for a continuous period of at least 6 months</li> <li>not engaged in work in the 6-month period</li> <li>has a youngest child who is <b>at least 6 months and under 6 years of age</b></li> </ul> <p>and is at least one of the following:</p> <ul style="list-style-type: none"> <li>is an early school leaver</li> <li>has a youngest PP child who is at least 5 years of age</li> <li>has been assessed as highly disadvantaged in the Job Seeker Classification Instrument</li> <li>a teenage parent</li> </ul>	<ul style="list-style-type: none"> <li>resides in a jobactive employment region, but not in a listed local government area;</li> <li>has been receiving parenting payment (partnered or single) for a continuous period of at least 6 months</li> <li>has not engaged in work in the 6-month period;</li> <li>has a youngest child who is <b>at least 12 months and under 6 years of age</b></li> </ul> <p>and is at least one of the following:</p> <ul style="list-style-type: none"> <li>is an early school leaver; or</li> <li><b>is part of a jobless family</b> and has a youngest child who is at least 5 years of age; or</li> <li>has been assessed as highly disadvantaged in the JSCI <b>and has a youngest child who is at least 3 years</b></li> </ul>
<b>Retention/exit</b>		<ul style="list-style-type: none"> <li><b>Remains in the intensive stream even if they have another child subsequent to the one that caused the participant to be eligible for the intensive stream – this ensures continuity of participation in the program rather than ceasing for a 6-month period</b></li> </ul>	<p><b>A person will cease to be in the targeted stream if they have a child after the one that made them eligible to be participant of ParentsNext</b></p>
<b>Application of Targeted</b>	<ul style="list-style-type: none"> <li>Compulsory appointments every</li> </ul>	<ul style="list-style-type: none"> <li>at least one appointment every three months</li> </ul>	<ul style="list-style-type: none"> <li>at least one appointment every three months</li> </ul>

	Pilot (April 2016 – June 2018)	ParentsNext Expansion (2018 – 2021)	
		Intensive stream	Targeted stream
<b>Compliance Framework</b>	<ul style="list-style-type: none"> <li>• six months following the initial appointment</li> <li>• enter into and comply with the requirements in the Participation Plan</li> <li>• Providers monitor activities specified in the Participation plan</li> <li>• Providers assess whether any action should be taken under the ParentsNext compliance framework in relation to the failure to comply, including submitting a ParentsNext Compliance Report to DHS</li> <li>• Attend a re-connection appointment to lift a payment suspension</li> </ul>	<ul style="list-style-type: none"> <li>• self-reporting of mandatory activities unless the provider has assessed that the participant is not capable of self- reporting</li> <li>• self-reporting of fortnightly earnings</li> <li>• failure to meet a requirement results in a payment suspension and accrual of a demerit if there is no valid reason</li> <li>• re-connection appointment to lift a payment suspension</li> <li>• capability interview and assessment conducted by provider when 3 or more demerit points are accrued</li> <li>• reduction or cancellation of payment for persistent non-compliance</li> </ul>	<ul style="list-style-type: none"> <li>• self-reporting of mandatory activities unless the provider has assessed that the participant is not capable of self- reporting</li> <li>• self-reporting of fortnightly earnings</li> <li>• failure to meet a requirement results in a payment suspension and accrual of a demerit if there is no valid reason</li> <li>• re-connection appointment to lift a suspension payment</li> <li>• capability interview and assessment conducted by provider when 3 or more demerit points are accrued</li> <li>• reduction or cancellation of payment for persistent non-compliance</li> </ul>
<b>Access to financial resources</b>	<ul style="list-style-type: none"> <li>• <b>None</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Access to a participation fund of \$1,200 per participant and wage subsidies</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>No access to a participation fund</b></li> </ul>
<b>Voluntary participation</b>	<ul style="list-style-type: none"> <li>• <b>Open to voluntary participants</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Open to voluntary participants</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Not open to voluntary participants</b></li> </ul>

Sources: The Social Security (Parenting payment participation requirements – classes of persons) Instrument 2018 (No. 1); ParentsNext Deed 2016–18 (pilot), ParentsNext Deed 2018–20; Guide to Social Security Law. These contain extra detail

## Attachment 2: Application of TCF in ParentsNext

Table 5 Targeted Compliance Framework as applied to ParentsNext

Zones	Payment suspension
<b>Green Zone</b>	<ul style="list-style-type: none"> <li>Failure to meet mutual obligation requirements (attending compulsory activities and appointments, failure to sign the participation plan, failure to report fortnightly earnings) will result in a <b>suspension of payment</b></li> <li>Participant can end their payment suspension once they contact their employment services provider and re-engage with their activity or attend an appointment.</li> <li>When their payment suspension ends they receive back-pay for the period that their payment was suspended.</li> <li>Every failure by participants to meet their requirements <b>without valid reason</b> will result in accrual of a demerit points.</li> <li>if they are found to <b>have a valid reason</b> for committing the failure, their demerit will be removed.</li> </ul>
<b>Warning Zone</b>	<p>Accrual of 3 demerit points</p> <ul style="list-style-type: none"> <li>After 3 demerit points, a participant will undergo a capability interview with the ParentsNext provider</li> </ul> <p>Accrual of 5 demerit points</p> <ul style="list-style-type: none"> <li>After 5 demerit points, a participant will undergo a capability assessment with Centrelink to determine whether they should enter the Penalty Zone and become subject to penalties for future failures, because they can now be considered to have 'persistently committed mutual obligation failures'.</li> </ul>
<b>Payment reductions and cancellation</b>	
	<ul style="list-style-type: none"> <li>If the participant fails to re-engage with employment services <b>within four weeks of being notified of their reconnection requirement</b>, their participation payment will be cancelled.</li> </ul>
<b>Persistent mutual obligation failures</b>	
	<ul style="list-style-type: none"> <li>1<sup>st</sup> failure – partial loss of payment</li> <li>2<sup>nd</sup> failure –full loss of payment</li> <li>3<sup>rd</sup> failure – payment cancelled for 4 weeks</li> </ul>

Source: Social Security Law and Social Services Legislation Amendment (Welfare Reform) Bill 2017, explanatory memorandum

## Attachment 3: Online reporting system

Figure 1 Jobactive myGov dashboard for reporting attendance

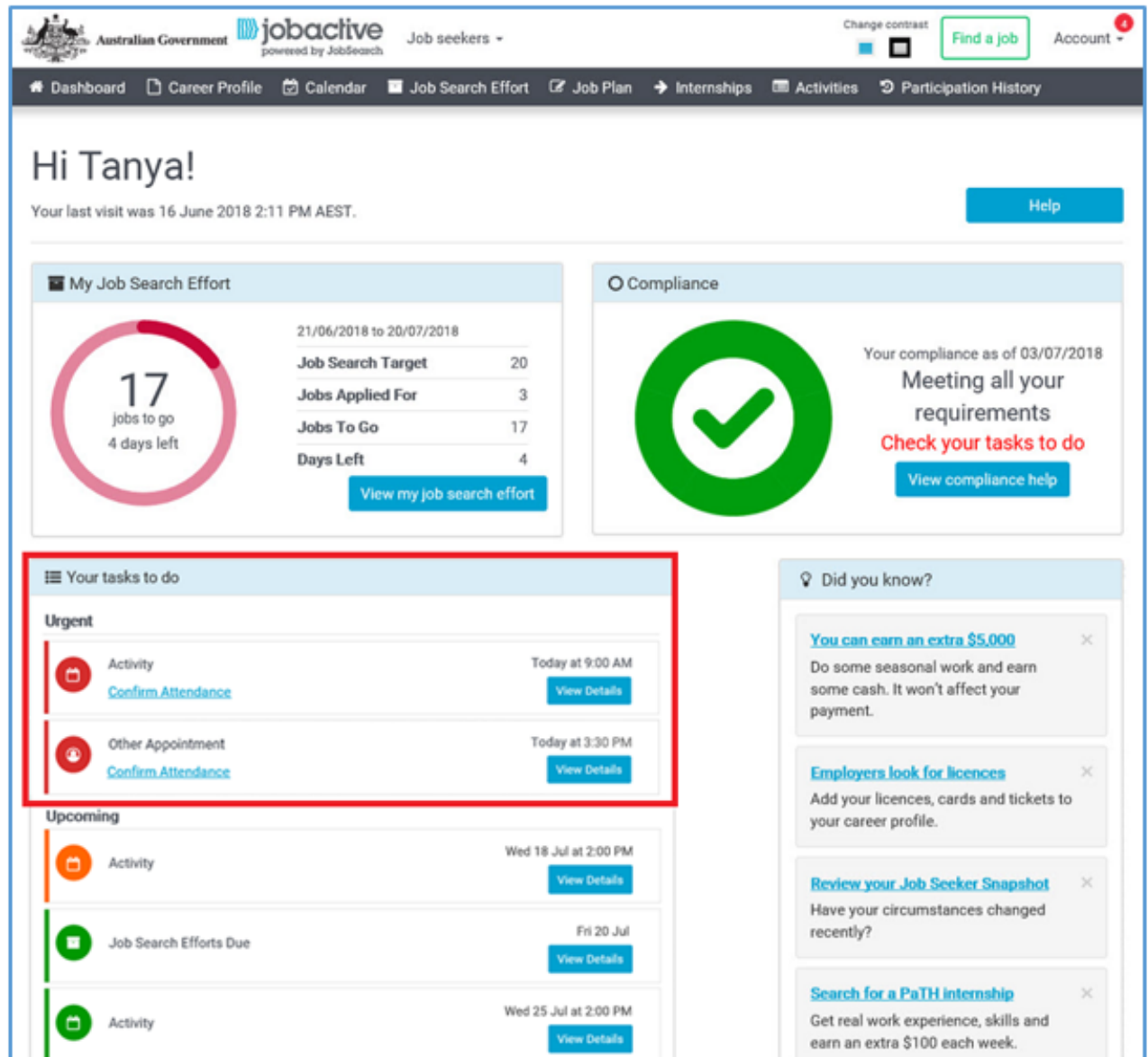


Figure 2 jobactive app – participation requirements



**Figure 3 jobactive app – report on participation requirements**

The screenshot displays a mobile application interface. At the top, an orange banner contains the text "Hang on, we need a little more information from you." with a white downward-pointing chevron icon. Below this, the main content area has a dark blue background and asks the question "Have you met the requirements in your Participation Plan for this period?". Underneath the question are two white rectangular buttons with rounded corners, labeled "Yes" and "No". At the bottom of the screen, there is a dark blue bar with two green circular icons: a left-pointing arrow on the left and a white checkmark on the right. A white horizontal line is visible at the very bottom of the screen, likely representing the home indicator on an iPhone.

**Figure 4 jobactive app – report on fortnightly earnings**

