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Committee Secretary
House of Representatives Select Committee on Workforce Australia Employment Services
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29/11/22

Dear Committee on Workforce Australia Employment Services

PARENTSNEXT PROGRAM INQUIRY

The ACT Council of Social Service (ACTCOSS) advocates for social justice in the ACT and represents not-for-profit community organisations. ACTCOSS's vision is for Canberra to be a just, safe and sustainable community in which everyone has the opportunity for self-determination and a fair share of resources and services. ACTCOSS welcomes the opportunity to respond to the Inquiry into the ParentsNext program.

ACTCOSS, as a part of the national network of Councils of Social Service, endorses the submissions and recommendations made by the [Australian Council of Social Service \(ACOSS\)](#) and the [Western Australian Council of Social Service \(WACOSS\)](#) to the inquiries in 2019. In addition, ACTCOSS supports and endorses the recommendations from the [National Council of Single Mothers and Their Children \(NCSMC\)](#) in 2022 and ACOSS's submission to this inquiry.

ACTCOSS shares the deep concerns of these organisations and individuals that ParentsNext is perpetuating harm against families relying on income support to meet basic costs of living. We are deeply concerned by the reported experiences of sole parent participants including many Aboriginal and Torres Strait Islander peoples. While we recognise and welcome government supported programs to enable parents on low-incomes or experiencing disadvantage to access education, job skills and community inclusion, these programs must not include punitive elements or mandatory activity participation. ACTCOSS supports ACOSS and NCSMC's recommendation to scrap ParentsNext and replace the program with a voluntary, inclusive, culturally safe and supportive service to access advocacy and education in an empowering environment.

Were ParentsNext to continue as a mandatory and punitive program, a significant number of participants and their children will continue to be at risk of severe harm. Participants experiencing the lowest levels of wellbeing and highest stress levels will be at the highest risk of inadvertent breaches of program conditions leading to payment suspension or cancellation. **The threat of losing income causes intense, unnecessary stress** on parents who are already juggling full-time caring work as well as circumstances such as housing stress, intimate partner or family violence, mental illness, disability, social isolation and physical or mental health issues caused by pregnancy and birth. Data on the frequency and spread of payment suspensions and cancellations shows that of the vulnerable participants in ParentsNext, those who are most marginalised are most likely to suffer financial

penalties. For example, Aboriginal and Torres Strait Islander participants are more likely to have their payments suspended than non-Aboriginal and Torres Strait Islander participants.¹

The vast majority of the people captured by ParentsNext mandatory participation requirements are single mothers. Research shows that **near 60% of single mothers have experienced intimate partner violence**.² While this is objectively an indefensible rate of violence, it is further indefensible for the Federal Government to subject single mothers to mandatory programs that reproduce many of the features of abusive relationships through financial and social control mechanisms. Many of the single mother participants in ParentsNext are single mothers **because they have escaped abusive and violent partners** with their children, who may also have experienced violence or trauma. This group of vulnerable women require material and emotional support, which the Federal Government are partially responsible for delivering. Instead, they are currently subjected to the Targeted Compliance Framework, a system in which they are threatened with accumulating demerit points that may lead to income support payment suspension or cancellation for vague infractions such as not “behav[ing] appropriately at an activity”.³ Threats, difficult to understand systems of behavioural control and authoritative monitoring are clearly not helping victim survivors of intimate partner violence to heal and recover, and they risk causing further traumatising.

The ParentsNext program conditions are predicated on “target[ing] early intervention assistance to parents **at risk of long-term welfare dependency**”.⁴ However, overt, paternalistic control mechanisms can, in fact, create circumstances of disempowerment and dependency by impairing their ability to make choices for themselves. ParentsNext is based on an underlying assumption that receipt of income support by parents is bad. However, a parent may lack access to appropriate opportunities including employment and childcare particularly, or they are experiencing mental ill health or disability. Income support provides stability and security for them and their children.

Many ParentsNext participants have reported that the external, for-profit agencies delivering the program have acted in an inflexible manner. It is inexplicable that while participants are expected to accept conditions that include financial punishment, program providers receive financial rewards regardless of whether or not they have materially worked to create a positive outcome for a participant. Auditing of program providers found evidence of multiple discrepancies in reported and actual outcomes, resulting in wasted expenditure.⁵ Post-reform features of the program such as the Participation Fund have also been found to be widely underutilised. External agency staffing

¹ L Henriques-Gomes, [One in five parents had payments cut in first six months of new welfare program](#), the Guardian, 7 February 2019, accessed 21 November 2022.

² A Summers, [The Choice violence or poverty](#), University of Technology Sydney, p 15, accessed 17 November 2022.

³ Workforce Australia, [Targeted Compliance Framework Brochure](#), Commonwealth of Australia, n.d., accessed 24 November 2022.

⁴ The Department of Social Services, [Social Security Guide](#), 7 November 2022, accessed 24 November 2022.

⁵ L Henriques-Gomes, [Job agencies running ParentsNext scheme made invalid claims for taxpayer-funded bonuses, audit finds](#), The Guardian, 2 September 2022, accessed 15 November 2022.



lacks government oversight and training consistency, resulting in under skilled, overworked staff operating in conditions with poor complaint handling procedures, a lack of trauma or cultural safety training and high caseloads. Participants are expected to share extremely sensitive and private information with these program providers, often repeatedly, receiving little support or acknowledgement of their circumstances.

As it is presented as a work skills, education and labour market participation program, the inclusion of parenting skill related activities in ParentsNext is a stigmatising because it suggests that parents in receipt of income support, particularly those in 'targeted' populations, are inherently inferior parents. Enforced library visits, parenting skill groups and playgroups are not related to employment skills or workforce participation. Participants have reported that the mandatory nature of these activities is demoralising and often disruptive to their parenting or employment routines. For example, ACTCOSS's own staff have had to take time off to attend ParentsNext appointments. Government mandated parenting activities in the context of a punitive workforce skills and education program for parents who have no inherent child protection risk, and no associated reports are an overreach with no clear objective or evidence base for efficacy.

ACTCOSS strongly recommends that the ParentsNext program as it exists be dissolved. In its place, we are joining ACOSS and NCSMC in calling for a voluntary, strengths-focused and penalty-free program intended to support and legitimise parents on income support payments to achieve their goals with safe and inclusive supports and financial assistance. We urge the government to prioritise wellbeing, support and evidence-based policy to improve wellbeing and outcomes for parenting payment recipients and their children.

Yours sincerely

A handwritten signature in black ink that reads 'Emma Campbell.' The signature is written in a cursive, flowing style.

Dr Emma Campbell
Chief Executive Officer
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Recommendations relating to ParentsNext

Recommendations

Recommendation 1: Immediately cease applying the Targeted Compliance Framework, demerit point system and automated payment suspensions to ParentsNext participants

Recommendation 2: Remove mandatory, punitive and parenting education related elements of ParentsNext

Recommendation 3: Scrap the Targeted Compliance Framework system for all income support recipients, not just ParentsNext participants

Recommendation 4: Continue providing resources through the Participation Fund to those who volunteer to receive them while the program is wound down

Recommendation 5: Consult with participants in the development of a new, voluntary, generalised and support-focused work and education resources program for people who face barriers to entry into education or workforce

Recommendation 6: Develop a separate support service for parents who are experiencing or have experienced intimate partner or family violence as outlined in NCSMC submission to safeguard information sharing and prevent re-traumatisation

Recommendation 7: Build support services and programs on a values foundation of empowerment, agency and choice over preventing 'welfare dependency', an unhelpful framing that serves to worsen stigmatisation for vulnerable people experiencing stressful life circumstances

Recommendation 8: Ensure that future programs and services are grounded in culturally safe practices for Aboriginal and Torres Strait Islander families

Recommendation 9: Ensure that staff interacting with participants are professionals with training in employment counselling, cultural safety and trauma management

Recommendation 10: Prioritise child wellbeing and ensure full recognition of the value of unpaid caring labour, particularly for sole parents with children younger than school age and/or parents with or caring for children with a disability

Recommendation 11: Increase the rate of all income support payments to at least \$73 per day