

The image features a warm, golden-hour photograph of a woman with long dark hair holding a young child with blonde hair. They are both looking towards the right, where the sun is setting, creating a soft, glowing background. The woman is wearing a dark jacket, and the child is wearing a dark jacket over a light-colored, textured sweater. In the top left corner, the Mission Australia logo is displayed in black and pink text, with the tagline 'together we stand' in pink.

MISSION
AUSTRALIA | together
we stand

**ParentsNext: examination
of Social Security (Parenting
payment participation
requirements - class of
persons) instrument 2021**

ParentsNext: examination of Social Security (Parenting payment participation requirements - class of persons) instrument 2021

Mission Australia is a national, non-denominational Christian that has been serving Australia for more than 160 years. Our vision is an Australia where all of us have a safe home and can thrive. In the 2019-20 financial year, we supported close to 170,000 individuals through almost 500 programs and services across Australia.¹

Mission Australia delivered the ParentsNext pilot program in four locations and has been a provider of ParentsNext services since its full national rollout in July 2018. Now, we work across four Intensive Regions and seven Targeted Regions, including 62 sites that provide both intensive and targeted services in NSW, ACT, QLD and VIC. As of 28 April 2021, we are working with an active caseload of 6,876 (commenced, suspended and pending) participants. During the 2019-20 financial year, we supported close to 9,522 parents through our ParentsNext services.

Mission Australia welcomes the opportunity to provide input into the Parliamentary Joint Committee on Human Rights' examination of Social Security (Parenting payment participation requirements - class of persons) instrument 2021. This submission is based on a combination of research and insights from our service provision across Australia. It includes testimony from some of our practitioners and the participants they work with.

We note the Committee's [Report 2 of 2021](#) in relation to ParentsNext which '...notes that making [program] participation compulsory, and causing a person's parenting payment to be reduced, suspended or cancelled should they fail to appropriately engage in the program, may engage and limit the rights to: social security, an adequate standard of living; a private life; and equality and non-discrimination. The committee notes that these rights may be permissibly limited where a limitation is reasonable, proportionate and necessary.'

We agree that the removal or suspension of income support payments through the Targeted Compliance Framework (TCF) and the compulsory nature of the program create harmful outcomes. We believe that ParentsNext can provide benefits to parents and that it works well when we can fully and genuinely engage participants in the program. However, the Targeted Compliance Framework and compulsory participation interfere with efforts to engage participants and the threat and reality of income support payment suspension for program participants can be extremely harmful.

The 48-hour delay in payment suspensions announced by the Government at the end of 2020 may be able to mitigate some of the negative impact caused by the TCF. However, given its recent introduction and only the recent return of mutual obligation requirements through the TCF following a temporary

¹ Mission Australia (2020) Annual Report: 2019-20, accessible at: <https://www.missionaustralia.com.au/publications/annual-reports/annual-report-2020>

suspension during COVID-19, we do not yet have sufficient evidence to comment on this. We will continue to monitor the impact of the new TCF arrangements on our program participants.

Nevertheless, this minor feature of the program's design is highly unlikely to be able to mitigate all of the negative effects of the TCF regime. The prospect remains that the TCF and compulsory participation is still causing significant harm to parents experiencing disadvantage and their children and families. Mission Australia therefore strongly recommends that compulsory participation in ParentsNext be removed as a feature of the program.

Recommendations

Based on the evidence presented in our submission and our strong concerns about some aspects of the program, we recommend the following changes to the operation of the ParentsNext program:

- Compulsory participation requirements should be removed from ParentsNext altogether.
- Alternatively, as a less preferred option, application of compulsory participation should be limited to parents whose youngest child is four years of age or older, whilst providing an opportunity for parents with children between nine months and four years to participate voluntarily with no mutual obligation requirements.
- The ParentsNext Program Guidelines should be amended to incentivise participants to engage in education at any level.

Summary of Mission Australia's views on ParentsNext

One of the ways in which Mission Australia seeks to achieve our vision of *an Australia where all of us can have a safe home and thrive* is to assist people to plan and prepare for future employment and to help prevent social and economic exclusion. We believe that pre-employment programs can be valuable supports for people who have spent time out of the workforce and can make a contribution to achieving this vision. However, we have significant concerns about some elements of the ParentsNext program design, including the Targeted Compliance Framework (TCF), which is the vehicle for a 'mutual obligation' approach in some of the Government's human services programs, including pre-employment and employment programs.

Mission Australia's values, goals and principles are set out in our [Strategy 20-25](#). In considering the mutual obligation approach to human services delivery against our values, goals and principles, we believe that it fails to treat people with dignity and to respect a person's self-direction over their own life, and is contrary to the values of respect and compassion that underpin the work of our organisation. Furthermore, contrary to its intention as an incentive to engage in government programs, it can be a burden for participants that can result in people withdrawing from government services and being forced into poverty and homelessness.

Mutual obligations form a punitive compliance regime that causes people to disengage from pre-employment and employment services, rather than supporting them to build their skills and work towards employment. The threat of having payments suspended or cancelled is a significant barrier to people engaging with employment and pre-employment programs. In addition, the actual suspension of payments can have very harmful consequences including an inability to pay for daily living expenses, including rent.

Mission Australia would like to take this opportunity to re-iterate our view that strict mutual obligation requirements are particularly counter-productive, inefficient and unnecessary for pre-employment programs such as ParentsNext which prepare individuals for eventually entering the workforce rather than place them immediately into employment. The imposition of a punitive and stringent compliance framework risks the programs' goals of building participants' skills and confidence in overcoming barriers through alienating and demotivating them.

The pilot program of ParentsNext did not contain mutual obligations requirements and we were encouraged by its successes including high take-up and engagement rates. However, when the full program was tendered, the Department noted that a form of mutual obligations requirements via the TCF would apply but would be modified for the ParentsNext cohort. Some months after ParentsNext commenced, it released the program guidelines which included unmodified TCF requirements.

The introduction of the TCF to the ParentsNext program has significantly changed the nature of the program and has also changed our view of its value for those we serve. We believe the TCF is excessively burdensome and punitive, and defeats the objective of supporting parents to prepare for employment. Since identifying significant issues with the application of the TCF to ParentsNext, Mission Australia has worked with a coalition of sector organisations to advocate for a suspension of the compliance regime for ParentsNext participants until these issues are resolved. We are also continuing to engage with the Minister and the Department of Education, Skills and Employment (DESE) to amend current guidelines to mitigate harms caused by compliance measures.

We were encouraged by a series of changes made to the ParentsNext program in 2020, both through Budget measures which removed the distinction between the Targeted and Intensive Streams and increased the age of youngest child from six to nine months, and the announcement in December of a 48-hour delay in the application of payment suspensions as a result of breaches of mutual obligations requirements. Given the recent introduction of the 48-hour delay, we are unable to comment specifically on its efficacy in mitigating the worst effects of the TCF.

We therefore have remaining concerns about the program, relating both to the application of the TCF to the ParentsNext program and the compulsory participation model. Mission Australia's position continues to be that we will deliver the ParentsNext program, believing that it can have significant benefits for people when applied in the right way, but that the application of TCF, the compulsory nature of the program and the age of the youngest child continue to make the program too punitive in practice. We urge the Government to change these aspects of the program.

Committee Scope of Inquiry

This section responds directly to the issues under consideration by the Committee. Our expertise is in the delivery of services to people in need, rather than interpretation of human rights law, and for that reason our submission addresses the first five of the six issues under examination by the Committee.

Issue 1. Whether and how it has been demonstrated that participants in the ParentsNext program who have had their Parenting Payment reduced, suspended or cancelled for non-compliance are able to meet their basic needs (and those of their children) in practice, such that they have an adequate standard of living, and whether and how this is assessed before payments may be affected.

Under current program arrangements, there is no formal assessment of whether people whose payments have been affected are still able to meet an adequate standard of living. However, our ParentsNext program staff observe that payment suspensions do have serious harmful effects on many program participants.

Impact of TCF on program participants

Our general observation is that the TCF shifts the focus of staff and participant time towards compliance due to an excessively burdensome reporting regime. This is particularly inappropriate for ParentsNext participants, as the focus should be on preparing for future employment through building confidence, motivation and skills. Further, as parents of young children often face life stressors that make reporting difficult, the complicated reporting regime of the program is unsuited to this cohort.

There is strong qualitative evidence from PN participants, MA's staff, other not-for-profit providers' staff and the media² about the negative impact that the TCF is having on vulnerable people's lives, including through the unreasonable suspension of payments.

Delays in payments, even by a few days, can place significant stress on parents (usually mothers) of young children who are already struggling to meet the basic expenses of daily living and are often facing other challenges. In particular, it can cause difficulties for rental payments, increasing the likelihood of rent arrears, landlord dissatisfaction and eviction leading to homelessness. The threat of reduced income through payment suspension can be particularly distressing for parents who are preparing for a child custody case, who worry about whether they will be able to provide for their children or maintain stable housing, and whether it will impact on court decisions about custody arrangements. For participants with mental health issues, participation in program appointments and activities, coupled with the threat of payment suspensions, can have serious impacts on their mental health.

² See for example L. Henriques-Gomes, ParentsNext: Woman caring for sister's seven children had payments cut off, The Guardian, 3 July 2019, accessible at [ParentsNext: woman caring for sister's seven children had payments cut off | Welfare | The Guardian](#); L. Henriques-Gomes, One in five parents had payments cut in first six months of new welfare program, The Guardian, 7 February 2019, accessible at [One in five parents had payments cut in first six months of new welfare program | Welfare | The Guardian](#)

These unintended consequences of the TCF are clearly unacceptable. They are illustrated further in the following case studies.

Case studies: Impact on mental health

At Mission Australia's Campbelltown NSW ParentsNext service, Fiona* was initially difficult to engage and had not disclosed any health reasons for not attending appointments. A support worker utilised TCF to re-engage her. During re-engagement, Fiona attended with her mother as a support person. Fiona and her mother explained that she experienced extreme anxiety symptoms which often resulted in being unable to meet responsibilities or leave the house. Fiona advised her anxiety was heightened even further as ParentsNext appointments drew closer as she knew she would have to leave the house and attend a face-to-face appointment. She also advised that she relied heavily on her mother to support her to attend any appointments outside of the home and help her with her parenting responsibilities.

Fiona was able to provide evidence of her mental health condition. Eligibility for a provider exemption was discussed, however Fiona ultimately declined an exemption once she was put at ease about the process if she was unable to attend face-to-face appointments. A plan was devised with her support worker in which Fiona could send a text if she was struggling to leave the house on an appointment day and this could then be conducted over the phone. It was also discussed that her mother could attend appointments with her to alleviate some of her anxiety.

Appointments then needed to be scheduled in a way that suited all parties so that Fiona could have supports available to attend, participate and have transport to appointments. Once this was coordinated, Fiona reported that she felt more supported without the threat of her anxiety resulting in a payment suspension.

To begin with, she attended appointments with her mother present throughout the duration of her appointments. As more trust and rapport developed, Fiona was eventually able to attend independently with her mother sitting outside the meeting room in the waiting area. This was a big step for her. Fiona's mother commented that she was very happy to see that her daughter was able to increase in enough confidence to attend the appointments as independently as possible. Both agreed that this was only able to be achieved as a result of flexibility being provided and not having an underlying fear that payments would be suspended should Fiona be unable to attend to her mutual obligations due to her anxiety.

At our Botany NSW service, Julia* advised that she had a current mental health condition and that this was impacted further by participation in ParentsNext. At one appointment Julia stated "these appointments give me major anxiety". She also stated, "it's appointments like this that makes people want to kill themselves". The compulsory nature of these appointments have made it more difficult to impress upon Julia that ParentsNext is there to support her and refer her to suitable services rather than only just address her mutual obligations.

*Names changed to protect privacy

A temporary suspension of mutual obligations requirements due to COVID-19 was in place for much of 2020. During that time, we found that engagement among some participants improved. One of the reasons for this was a reduction in the administrative time taken for staff to engage via the mandated TCF procedures, enabling a greater focus on their engagement, empowerment and upskilling of participants. This is illustrated by the following case study.

Case study: Better engagement during suspension of TCF due to COVID-19

At Mission Australia's Campbelltown NSW service, during remote ParentsNext servicing during the COVID-19 lockdown period, more regular contact was made with participants over the phone. As there were no mutual obligations at this time, these interactions focused purely on supporting participants and their families through this difficult time and, wherever possible, maintaining momentum in the participants' pre-employment preparations. The following case study provides an example of how this approach strengthened relationships between participants and their support workers during a period when the Targeted Compliance Framework was taken out of the equation:

"In this time of the lockdown I was going through quite a lot and was having a particularly tough day with my son where it felt like the day was just too much to handle. I got a call from Beth from out of the blue. It was surprising as I thought that ParentsNext was an in-person program.

I had found out that my aunt recently had passed away from COVID-19. It came as quite a shock; she became sick and then suddenly the next day she had passed away. I was struggling with the news; I cannot go back to the UK at the moment and it was a tough day. Beth's call helped me figure out what I could do and who I could get in touch with. She also helped me with some strategies and things I could be doing to help me cope at this time. It was surprising, I had taken a break from Parents Next when I found my son had Autism to set up some classes and get him the help he needs. It really felt like they cared about me when they reached out.

It felt like a lifeline, almost like an incredible breath of fresh air during a time when I needed it most. Having someone as a support worker who knows what that is like really makes a difference. It almost was like Beth had a sixth sense to know and to call me at that moment.

Thank you so very much Beth. A lot of services are kind of stepping up at the moment but it's the personal touch Mission Australia is taking that makes all the difference. It means so much to have someone like you call personally to check in on us. I really hope your organisation is looking after you too because it's really important work you're all doing.

Sometimes it is knowing that someone is there to talk to you and having other interactions with people helps. I think the silver lining of this situation is that people are now looking out for each other a bit more than before."

Conversely, staff have also recently observed that they are working hard to break the cycle of participants isolating during COVID and finding it difficult to leave their house. Program staff have advised that some participants need a motivator to return to engaging with ParentsNext appointments

and activities – but that the threat of suspension of payments is not the answer as it is ineffective as a motivational tool.

We understand that concern about harms such as those outlined above were the basis for the Government’s decision to introduce a 48-hour delay to payment suspensions in December 2020. Mission Australia welcomed the decision in anticipation that it would have a positive effect for our participants and significantly reduce the number of payment suspensions implemented. Due to the very recent re-introduction of mutual obligations requirements, we do not yet have data to determine whether or not the decision has had that effect. However, our program staff have observed that the delay, and the consequently reduced threat of applying demerits, has resulted in stronger engagement with participants in the program.

Learnings from other pre-employment programs

A report by the World Bank clarifies that pre-employment programs are predominantly designed to introduce individuals to work and prepare them for further vocational or technical programs, whereas vocational/employment programs prepare individuals for direct entry into the labour market without further training.³ The aims of ParentsNext program are in line with the pre-employment definition. However, the imposition of the same compliance requirements as a mainstream employment programs (jobactive) is inconsistent with the purpose of a pre-employment program. There are other pre-employment programs with sufficient flexibility that are producing positive work readiness outcomes for participants without compulsory participation or punitive elements.

Effective pre-employment skills development strategies and programs are critical in preparing individuals with relevant labour market skills and competencies.⁴ Pre-employment programs can incorporate networking, education, work placements and career planning in supporting individuals to build confidence, relevant employment networks and qualifications for future employment.

In our experience, ParentsNext – when implemented without the TCF and compulsory participation, as was the case in the pilot version of the program - has the potential to increase participants’ confidence and their ability to achieve long-term employment and study goals:

“ParentsNext works because it has a staged approach to support parents with activities such as participating in playgroups when the children are young to make sure they are engaged in the community. When the children are a little older, parents enrol into courses and start planning for their future employment. There’s no requirement for people to start looking for work until they feel that that they are ready ... The role of ParentsNext is to get the ball rolling and that’s why it works.”

Mission Australia Program Manager, NSW

³ Y. Nam, Pre-Employment Skills Development Strategies in the OECD, The World Bank, SP Discussion paper, no 0923, 2009, p.14.

⁴ Nam *ibid*.

Many mothers have benefited from this program as it has addressed social isolation and increased their access to supports, thereby increasing opportunities to create a brighter future for themselves and their children.

The Transition to Work (TtW) program is another example of an effective pre-employment program without compulsory participation or punitive elements. TtW focuses on young people aged 15-21 who are facing barriers to enter the workforce to pursue employment or further education. Youth Employment Specialists assist young people in the development of practical skills, connection with education or training providers, engagement with work-experience opportunities and local community services, as well as identifying job opportunities to suit their aspirations and skill set and the needs of the local job market.

Young people in the TtW program are not subject to the TCF. TtW participants are only required to report their fortnightly income to Centrelink and are exempt from the TCF, a model that we have previously recommended be applied to ParentsNext as well. It may be that the 48-hour delay in payment suspensions is sufficient to mitigate against the worst effects of the TCF and we will continue to monitor trends in our data, consider the implications of the changes and relay our findings to the Government.

Issue 2. The extent to which the ParentsNext program operates flexibly in practice, such that it treats different cases differently (including for parents in regional areas and Indigenous parents).

The application of the TCF to the ParentsNext program restricts its capacity to take a flexible approach according to the needs of participants. The TCF demerit system has to be strictly applied according to program guidelines, leaving little room for flexible application.

For parents in regional areas, the benefits of ParentsNext can be limited by the lack of providers of relevant community services (such as playgroups, education, childcare) in regional, rural and remote areas. A lack of access to reliable internet connections in outer metro, regional and remote areas can also limit parents' participation in some educational activities, as affordability and access to a stable network are critical for completing online educational activities.

Access to and the cost of transport are also significant barriers to people in regional, rural and remote areas attending appointments and participating in activities.

Providers of pre-employment activities also need to provide appropriate support for ParentsNext participants to not only enrol but also engage in the activity over the longer-term. This is particularly true of formal educational institutions which, for participants without a history of strong engagement with education, or with a learning disability or language and literacy barriers, can be intimidating and unwelcoming. This is illustrated in the following case study.

Case study: Support from providers for participants to engage in activities over the long term

A ParentsNext Support Worker at our Mount Druitt NSW service provided the following account of Asfar*, a participant with English as a second language who presented with challenges with confidence and literacy. She wanted to start a Certificate III in Business at TAFE and the service offered a lot of support to increase her confidence, explore her goals and work out a plan with her to achieve them. Asfar did enrol in the course with support from her ParentsNext support worker. Unfortunately, during one class the participant was laughed at and ridiculed by other students when she was unable to complete a task set by their teacher which involved her reading out loud in front of the class. The service workers tried to find additional learning supports for Asfar, however this incident had such an impact on her confidence and self-esteem she dropped out of the course. Asfar is now looking for work but not in her chosen field. More availability of education support could have allowed her to reach her goals and improve her prospects for future employment.

*Names changed to protect privacy.

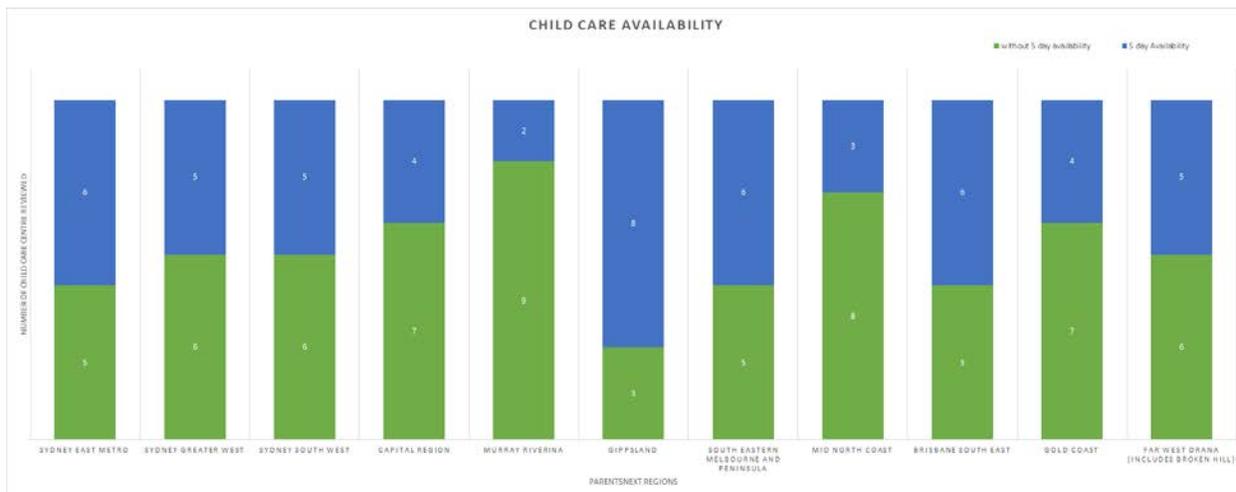
Issue 3. The extent to which participation in the ParentsNext program meets its stated objectives of effectively addressing barriers to education and employment for young parents in practice, and whether making participation compulsory is effective to achieve those objectives.

In our service experience there are a range of continuing practice barriers for the ParentsNext program to meet its objectives of preparing participants for employment. Our program staff have noted specific barriers around three issues: lack of affordable, accessible transport; lack of childcare places; and eligibility restrictions for the Learning Supplement, which is only provided for educational participation in a Certificate III qualification or above.

Transport to and from activities can be limited. Most participants rely solely on public transport, which can be hard to co-ordinate around childcare needs. In some circumstances, ParentsNext program staff transport participants to activities, which is not efficient or suitable. Transport of children requires professionally-installed child seating arrangements which staff vehicles are not required to have.

Childcare is another significant barrier to participants engaging with education and employment. In some locations, there are limited childcare places (see Figure 1 below, which shows the number of childcare centres with and without five-day availability in each of the 11 regions we deliver ParentsNext services). In some cases, childcare centres will not have places available on the day required.

Figure 1. Childcare availability in 11 ParentNext regions



The cost of pursuing an educational qualification can also be prohibitive for ParentsNext program participants. Although the Learning Supplement is intended to cover the costs of educational participation (such as textbooks), it does not apply to educational qualifications below the Certificate III level, which are out of reach as a first step towards engagement with education for many parents in the ParentsNext program. We recommend that the Program Guidelines be amended to incentivise participants to engage in education at any level.

Issue 4. What consultation has there been with Indigenous groups in relation to the compulsory participation of Indigenous peoples in the ParentsNext program.

We have not undertaken consultation with Aboriginal and Torres Strait Islander people or organisations at a national level on the topics covered by this Parliamentary Joint Committee examination. At a program and participant level, our program staff seek to refer Aboriginal and Torres Strait Islander participants to culturally-appropriate services. Engagement of Aboriginal and Torres Strait Islander participants has in some cases been impacted by participants’ knowledge of media coverage relating to reporting of disproportionate application of payment suspensions to Indigenous mothers by the program.⁵

Issue 5. Whether, and based on what evidence, it has been demonstrated that less rights restrictive alternatives to compulsory participation (such as voluntary or incentivised participation) would not be as effective to achieve the stated objectives of this scheme.

In our service delivery experience, compulsory participation is overly restrictive and reduces engagement by participants. Our service staff have observed in a number of cases a negative impact on

⁵ See for example: [ParentsNext breaches Australia's human rights obligations, inquiry told \(smh.com.au\)](https://www.smh.com.au/national/parentsnext-breaches-australia-s-human-rights-obligations-inquiry-told-20190227-p51111.html); [Inquiry hears ParentsNext program unfairly targets Indigenous mothers | NITV \(sbs.com.au\)](https://www.sbs.com.au/news/inquiry-hears-parentsnext-program-unfairly-targets-indigenous-mothers); [ParentsNext: woman caring for sister's seven children had payments cut off | Welfare | The Guardian](https://www.theguardian.com/australia-news/2019/feb/27/parentsnext-woman-caring-for-sister-s-seven-children-had-payments-cut-off-welfare); [Media Release 27 February 2019 – Senate Inquiry told to scrap discriminatory ParentsNext program - SNAICC](https://www.snaicc.org.au/media-releases/2019/02/27/parentsnext-program-discriminatory)

the mental health of participants brought about by a sense of loss of power through compulsory participation and restrictive requirements.

Case studies: Voluntary attendance leads to better engagement

At Mission Australia's Mount Druitt service, many participants report seeing ParentsNext as just another part of a system that, while under the pretext of support, compounds an already chaotic situation.

An example is Jenna*, one of the service's Indigenous participants, who has stated that her "life is too chaotic at the moment, I can't even think of pathways to employment at this time". Jenna is trying to focus on her parenting responsibilities and is also currently experiencing issues with repairs to her accommodation with the Government Housing agency, and so repeatedly fails to meet her compulsory participation requirements. The Support Worker states: "The use of the TCF has not encouraged engagement but has only made the participant less trusting and more distant, as it does not encourage her perception that there is value to ParentsNext, no matter how much potential it has to support meaningful changes to her life".

*Names changed to protect privacy.

Conversely, voluntary attendance gains more buy-in from participants as they want to participate in the ParentsNext program and related activities and are more invested in the outcome.

We recommend that the ParentsNext program be made entirely voluntary for participants. Our service experience is that the program works most effectively when it is voluntary, as it was in the pilot program, and we would prefer to see a return to a voluntary model for all participants.

A less-preferred alternative would be for the mandatory requirement to only apply to parents whose youngest child is older than four years of age (rather than the current nine months of age). At this age, most children are attending pre-school and parents can start to make concrete plans to commence or recommence employment.

Conclusion

Having delivered ParentsNext in its pilot stage and with experience of other pre-employment programs, Mission Australia understands the value of providing pre-employment supports including to parents of young children who have spent time out of the workforce, where participants can be fully and genuinely engaged in the program. However, the imposition of the TCF has posed significant challenges for parents resulting in payment suspensions or cancellations, and the compulsory participation requirement has been a further barrier to engagement.

The 48-hour delay in payment suspensions announced by the Government at the end of 2020 may mitigate some of the harms caused by the TCF. However, its recent introduction and the only recent return of mutual obligations requirements through the TCF following a temporary suspension during COVID-19 means that we do not yet have sufficient evidence to comment on its effectiveness.

Nevertheless, this minor feature of the program's design is highly unlikely to be able to mitigate all of the negative effects of the TCF regime. Mission Australia therefore strongly recommends that compulsory participation in ParentsNext be removed as a feature of the program.