

Select Committee on Workforce Australia Employment Services: ParentNext

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Dear Committee,

Thank you for the invitation to provide a submission to the inquiry into the Select Committee on Workforce Australia Employment Services specifically considering the role of ParentsNext. I have undertaken research examining the impacts of ParentsNext, as well as various other social policy programs affecting women's economic empowerment. I also worked on the United Nations Secretary General's High Level Panel on Women's Economic Empowerment in 2017/2018.

For this inquiry, I summarise below two research projects that both identify serious issues with the ParentsNext program. This research illuminates chronic and serious issues with the ParentsNext program which is unfair and leaves people behind including their children. My research does not suggest that ParentsNext helps people into paid employment.

About the Research:

My first project draws on interview data from women compulsorily placed onto ParentsNext to understand not only their experiences of ParentsNext, but illicit an understanding as how these experiences reinforce and produce related inequalities. This research draws on semi-structured interviews with 15 single mothers (Indigenous and non-Indigenous) compulsorily placed on the ParentsNext from various ParentsNext locations across Victoria and Western Australia including both intensive and targeted streams. The research did not aim to be a representative sample, however through giving insights into the challenges raised by women, a deeper understanding of the impacts of ParentsNext emerged (See Klein 2021).

The second project examined what happened for women on ParentsNext (and other social security programs) when the government provided the \$550 Coronavirus supplement and suspended ParentsNext during COVID-19. These temporary measures of 2021 provided a 'natural experiment' where the government gave people often deemed as needing to be compelled into the labour market, adequate financial security and no welfare conditionalities. The study's findings suggest an alternative approach to ParentsNext, and one where women with significant caring responsibilities were better able to thrive (See Klein et al. 2021).

Key design flaws in ParentsNext

There are various design flaws inherent in ParentsNext that affect people's ability to meet their basic needs (and those of their children), as well as have an adequate standard of living. **These issues stem from an implicit assumption in the ParentsNext that those subjected to the program are not working.**

The Australian Federal government claims to incentivise work through ParentsNext, however my research suggests the program makes single parenting harder. **ParentsNext is premised on an assumption that reproductive labour is not work—indeed, this is a structuring principle of the program as it overlooks and undervalues the gendered division of labour resulting in discarding the amount of labour that single mothers engage in on a daily basis by deeming them unemployed and not working.** Unpaid work is not valued as 'real work' within ParentsNext.

In interviews, women were asked how many hours a day they spent doing unpaid care work – including childcare, domestic work or looking after other people. Responses included between 18-24 hours a day. Many reported being time poor because of the amount of unpaid care work they do, especially looking after their children. One single mother looking after her niece with high care needs said, “Look I'm happy to work. But unfortunately, at the moment, I can't work. I've got commitments with my niece. My niece needs me. And that's just the way it is. Once she's in school, I will go back to working during school hours like I did with my older two.”

For my interviewees, care was not just unpaid childcare, it also included nurturing roles for people in the community and the women's extended families. Some interviewees were pursuing study for roles that would have them care for others – such as nursing and psychology. Others were home schooling their children and doing voluntary work caring for women in domestic violence situations – such as running voluntary support groups. Further, as the women interviewed were single, many of them were recovering from relationship breakdown and rebuilding and healing children and themselves.

Women talked about how being a single mother with **caring responsibilities for their children was hard enough, and only made harder by ParentsNext.** “I'm doing it all but I am stretched. I can't seem to do anything enough right”, said one single mother of two girls who was studying to be a qualified nurse in Australia, even though she was already skilled as a nurse in the UK. Another woman with a high needs daughter said, “It's not that I'm sitting at home watching telly on my bum. Not happening. I'll welcome you to come and watch me, see how busy a single mums life gets with no family support because it's very different to having family here where you can leave the kids with the grandma and then go or have a partner you can safely co-parent with. That's not the case”.

On top of these design flaws in ParentsNext, women's lives are further made harder because of the onerous compliance requirements and the enduring and pervasive impacts of domestic violence that ParentsNext doesn't account for.

a) Issues of Compliance

Women interviewed found that the conditions placed on their participation in ParentsNext were onerous, harsh and unnecessary. This included the compulsory nature of the program, the activities prescribed to women, and the reporting which often led to sanctions if not completed on time. ParentsNext is compulsory if you fall into the set criteria. The compulsory nature seemed at odds to how women thought about their parenting responsibilities – especially with young children. For example, a young First nations mum with two children stated, “I thought that was a bit early [to be on ParentsNext] because at the time my youngest son was one year old and I couldn't work when he was that young. I am a single parent and no one to help me”.

Another single mother talked about how she could not work as she needed to care fulltime for her daughter with a disability. She could not get the carers payment due to recent changes in eligibility requirements. This mother said that on top of all the running around she does to keep her daughter functioning, ParentsNext is the icing on the cake. After reflecting on all the appointments and activities she takes her daughter to, she said the extra requirements of ParentsNext makes things harder ‘And if you are having to add ParentsNext onto it, parents just give up’. Another single mother stated, “it's [ParentsNext] not made my life easier for sure. It's actually just burdened me further. I don't have a lot of free time.”

The activities often enforced on women were superfluous, especially because many of the women were already doing many of the activities themselves, or they were ineffectual because the providers didn't have activities that suited their career and life goals (sometimes due to limited funding, sometimes due to lack of initiative and flexibility). One single mother was told she had to take her child to a library group. She couldn't understand how this helped her get job ready as she was already a qualified chef taking time off to look after her sister's high needs daughter. Other women were already studying for degrees when they were put on ParentsNext and their activities given to them by the provider was just to continue doing the study. The interviewees often were aware the provider was paid up to AU\$600 to have them part of the program, despite the provider offering no further value or financial support to activities they were already doing themselves.

Many of the women I spoke to had their payments suspended. This meant that their main source of income, or sometimes their only source of income was withdrawn for a period of time. One First Nations single mother told of how her payments were suspended because of an administrative fault, "I was suspended in the first fortnight as well because no one had told me that I needed to go online and report". Sometimes women were suspended after missing the reporting deadline by a matter of minutes as was the case for the friends of one interviewee who were left with no money to put food on the table because they missed the reporting by 5 minutes, "They were in the middle of changing a nappy and just dealing with a crying baby all day".

b) Issues regarding Domestic Violence

Another aspect of why ParentsNext made single parenting harder, was because it **didn't take into account the high prevalence of women exposed to domestic violence**. Not all, but many women interviewed had experienced domestic violence where they were abused by their male partners which forced the women to leave with the children. Often, it was the domestic violence that pushed women into needing social security support as they had to leave quickly with limited financial support, or had to quit or reduce employment in order to look after their children, or take time to recover from the trauma of the abuse. For example, one single mum studying with a three year old said that, "I was in an abusive relationship at the time my husband was refusing to go to work, so it was to keep a roof over our head, and I wasn't prepared to give up the goal of study either". Women also talked about even after leaving the immediate abusive situation, many of these men continued to engage in abusive relations including withholding paying child maintenance. Some interviewees asked how these men were allowed to get away with not paying child maintenance which added to the risk of children falling into poverty. One interviewee asked, "Why target women and not the men?"

Telling is how **women recovering from the trauma of domestic violence, but still put on ParentsNext, felt that ParentsNext was like entering another abusive relationship**, "The conditionality is like a new violent relationship – financial and psychologically abusive", one interviewee said. It did not provide the nurturing or caring space needed to support them from recovering from their trauma, even producing further trauma and stress.

ParentsNext fails to address barriers to education and employment

One of the main findings of my research is that women are already working, through undertaking unpaid care of children. The pressure, and onerous conditions placed on women makes this work harder. Still, interviewees talked about other aspects that further made it harder to find paid employment.

The government's focus on getting women employment ready through ParentsNext obscures how skilled women were to begin with. Many women on ParentsNext were already educated with university degrees, TAFE qualifications or had worked in skilled professions only taking time off to raise their children. For example, One First Nations single mother had several certificates and qualifications as well as an impressive work history in community organisations said she had to stop work to look after her children. She found that ParentsNext only attempted to give her skills and qualifications she already had. Another First Nations single mother also on ParentsNext worked for over 10 years as a teacher, but had to stop work because she was looking after her children. These women were utilising the parenting payment to subsidise their unpaid care work and expressed a desire to go back to work when their children were in school. Often, the women in the interviews didn't need training or direction, instead they pointed to two main barriers discussed as to why women couldn't get back to work when they would have liked.

First, the lack of suitable jobs was an issue for many interviewees where they needed either flexible work arrangements or specific work hours to fit around their childcare responsibilities. Not only were women precarious in these unpaid caring roles, but often the only work they could find was precarious casual or contract work which continued to subject them and their families to economic insecurity.

The second barrier as to getting back into paid employment was **the cost of privatised childcare**. Women interviewed talked about the many responsibilities of being a single mother and how paying for childcare was an expensive barrier for getting paid work. One interviewee said, "you need to give women the right tools to get back into the workforce. So say for example if there was another single mum who was job ready, had all the degrees, had everything ready but then you give her free childcare. So she doesn't have to think for example out of the AU\$200 she makes, AU\$75 is going to go into child care. What is the point? Because she still has to pay for her rent Out of the AU\$125 left. She's got to pay her rent; she's got to pay for transport. She's got to pay for all the utilities. And food. So there's nothing left". Another interviewee suggested, "Perhaps the funds should go to childcare, not the ParentsNext program".

But while some women expressed their interest in formal employment, they also valued spending time caring for their children. Paying someone else to look after their children wasn't always desired or possible as privatised care did not always offer care that the women valued and already provided for their children (Brady, 2016). Michelle Brady (2010) makes a similar point in her research which finds there can be a difference in the quality of care given between informal caring relations (such as through parents, close relations and friends) and care given by privatised care institutions. Specifically, informal care provides not just basic material needs but also nurturing, teaching values and knowing and observing the child's particular and unique characteristics and needs (Brady, 2010).

Alternatives to ParentsNext

In my second study, we used an online survey to examine the impacts of the changes in social security payments during COVID-19 lockdowns. Specifically, in 2020, the Australian Government made an additional \$550 per fortnight 'Coronavirus Supplement' temporarily available to people receiving various social security payment types, as well as suspending, in part, mutual obligation activities such as mandatory job applications, work for the dole, and Centrelink or ParentsNext interviews with case workers. People who had been long stigmatised as needing compulsion to engage with the labour market were given the \$550 supplement and their time back.

This was an important moment to understand how people used their time during this period and whether it differed from how they spent their time pre-COVID. We examined how social security recipients used not only the supplement, but also their time as a result of the Coronavirus Supplement and reduction of mutual obligations.

The research found that the \$550 Supplement was used by respondents for meeting basic needs, as well as other strategic expenditures to improve their livelihoods. The Supplement and suspension of mutual obligations improved respondents' physical and mental health and contributed to their overall wellbeing. **These dramatic changes enabled people to turn their attention away from day-to-day survival and towards envisioning and working towards a more economically secure future for themselves and their dependents.** For example, one single mother with a suspension to ParentsNext said that one positive of the \$550 supplement was "I was able to pay bills on time, buy medical supplies for my health conditions, attend medical appointments without financial impact on budget and was able to keep fridge and pantry full of food".

The Supplement and suspension of mutual obligations increased respondents' engagement in labour market and other economic activities. **The Supplement and suspension of mutual obligations also allowed people to better engage in many forms of unpaid productive work, including care work and community support.** For example, one single mother who had ParentsNext suspended said that one positive from the suspension was she "Was able to focus 100% on remote learning for 6yo twins during lockdown as well as my own mental health and wellbeing".

These policy changes meant that for people receiving social security payments, **the pandemic was a period of reprieve due to the easing of financial stress, scrutiny, and uncertainty.** This is very different to normative characterisations of the pandemic and associated lockdowns by people not subject to social security payments, which was experienced as a period of great stress and uncertainty for many people.

From these findings, we argued there is a **substantial gap between Australian Government policy, policy rhetoric and the lived experience of people receiving ParentsNext and other social security payments.** This was also echoed by people in our research; one single mother said "It's an unrealistic expectation to have all single parents looking for work/working when they have no support and young children to raise alone". Current social security policy is operating contrary to the outcomes government are purportedly trying to achieve by creating barriers to work, compromising physical and mental health, reducing self-worth and wellbeing, providing inadequate financial resources for basic living needs, reducing capacity to focus on anything other than survival and compliance, and disregarding people's unpaid caring responsibilities, community contributions and long-term goals. The multiple negative impacts of social security policies are making it more difficult – not less – for individuals to engage with meaningful employment and severely misses the wide range of contributions people make to society, whilst being accused of not contributing.

Recommendations for the Committee

1. Abolish ParentsNext completely.
2. Increase Jobseeker to an adequate rate (at least back to levels which included the \$550 Coronavirus Supplement)

Sincerely,

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