

ParentsNext, including its trial and subsequent broader rollout

Senate Standing Committees on Community Affairs
February 2019



Volunteering Australia Response

Volunteering Australia welcomes the opportunity to provide a response on ParentsNext, including its trial and subsequent broader rollout.

The ParentsNext program is a prevocational program aimed at single parents with pre-school aged children. From July 2018 the program was made compulsory with the Targeted Compliance Framework (TCF) also made a component of ParentsNext. Volunteering is a legitimate pathway to employment, by increasing workforce participation, and connecting people to career paths that are better paid and more stableⁱ. It is also a component of ParentsNext.

Volunteering Australia stresses that the ParentsNext program does not meet the needs of jobseekers and is inconsistent with Australia's human rights obligations. We echo widespread concern regarding ParentsNext, including that it affects some of the most disadvantaged parents and children, and has resulted in severe financial impacts on single parents.

The goal of the social security system should be to support people experiencing financial hardship, ease monetary stress and ensure individuals have adequate income to access food, transport and secure housing.

Instead, departmental figures show that thousands of parents have had their parenting payments suspended. Welfare payments have been suspended or terminated for parents who fail to meet certain requirements, including attending mandatory activities such as 'story time' sessions, playgroups or volunteering activities.

Recent reporting from the Guardian Australia cites that "more than 16,000 parents received a payment suspension between July and December 2018, representing 21 per cent of the 75,000 participants."ⁱⁱ The suspension rate for Indigenous participants is notably higher at 27 per cent.ⁱⁱⁱ The ParentsNext program is also targeted in locations with a high concentration of Indigenous and culturally and linguistically diverse (CALD) single parents, who can experience higher levels of vulnerability and lower levels of literacy.^{iv}

The Targeted Compliance Framework introduced by the Government from the 1 July 2018 brought about a punitive demerit system and mandatory fortnightly income reporting for eligible parents. Volunteering Australia argues that when there is no evidence-base to suggest that the TCF assists jobseekers with finding employment, there can be no justification in compelling single parents with infant children in finding employment. This system is not tailored and does not consider the individual circumstances of participants.

We emphasise that the TCF and demerit point system does little to improve the financial prospects of participants and undermines positive social outcomes for ParentsNext participants. The current system also means that participants are forced to attend specific parenting-related activities in order to receive a payment and are unable to exercise choice in their own social outcomes and parenting decisions.

Program participants have also experienced issues with the digital system that sits alongside the face-to-face aspect of the program, with delays accessing customer service support, default codes making online reporting mandatory and have also experienced confusion between employment service agencies and the Department of Human Services.

Jobseekers as part of the Jobactive program also experienced a similar issue with the introduction of new activity requirements, the Targeted Compliance Framework, with misinformation, delays getting through to customer service lines and varying communication from employment service providers and the Department of Human Services or Centrelink. The volunteering sector received many enquiries from confused jobseekers, unsure where to seek correct information and who were similarly anxious about their payments being affected if they did not comply with the TCF.

Volunteering provides a flexible option for single parents to undertake prevocational training, build skills, connect with the community and ensure social supports. However, forcing people to engage in programs in order to receive a payment does not meet our definition of volunteering - "time willingly given, for the common good and without financial gain."^v

Volunteering Australia is always pleased to see more people engaged in volunteering but emphasises that the act of volunteering should be an end unto itself and should be done of a persons' free will. While volunteering is a key path

to employment and enhances social connectedness, emphasis should be put on the voluntary nature of the activity, with no compulsion put on individuals to participate in activities.

We call on the Government to urgently review decisions made in relation to payment suspensions in the ParentsNext program, as well as the appropriateness of the Targeted Compliance Framework (TCF) for parenting payments.

Recommendations

- **The Targeted Compliance Framework (TCF) should be removed immediately from ParentsNext and an urgent review into those who have had parenting payments suspended.**
- **Participation in ParentsNext should be voluntary. Volunteering Australia reiterates that forcing people to engage in these programs under some form of compulsion does not produce positive outcomes and does not meet our definition of volunteering.**
- **Parenting payment recipients should have the choice to volunteer as part of the ParentsNext program, given the flexibility it provides, as well as the key social and employable skills it can produce.**

Conclusion

Volunteering Australia thanks the Senate Standing Committees on Community Affairs for the opportunity to provide a response on the critical issues relating to ParentsNext.

As demonstrated, volunteering is critical in addressing joblessness by allowing individuals to engage with the workforce, build key employable skills and connecting them to career paths that are more stable. However, Volunteering Australia stresses that this inquiry should consider the punitive nature of the Targeted Compliance Framework and its appropriateness for the ParentsNext program. We also emphasise the need for the program to be voluntary.

We look forward to working with the Government to reaffirm the benefits of volunteering as a pathway to paid employment and that free will is a key aspect of volunteering. Volunteering Australia would welcome further opportunity to consult or expand on any of our recommendations raised in this submission.

Authorisation

This submission has been authorised by the Chief Executive Officer of Volunteering Australia.



Ms Adrienne Picone
Chief Executive Officer

Endorsements

This submission has been endorsed by the seven State and Territory volunteering peak bodies.



Glossary

- VA Volunteering Australia is the national peak body for volunteering in Australia. We work collectively with the peaks to deliver national, state and local volunteering programs and initiatives.
- VIO Volunteer Involving Organisations are organisations that engage volunteers as part of their workforce.
- VSS Volunteering Support Services (also known as Volunteer Resource Centres or Volunteer Support Organisations) provide place-based volunteer support services to volunteers and VIOs in their locality.

References

- i Indicators of Community Strength in Victoria, op. cit., p17.
- ii Luke Henrique-Gomes (2019), One in five parents had payments cut in first six months of new welfare program, Guardian Australia, Welfare in Australia, <https://www.theguardian.com/australia-news/2019/feb/07/one-in-five-parents-had-payments-cut-in-first-six-months-of-new-welfare-program>
- iii Luke Henrique-Gomes (2019), One in five parents had payments cut in first six months of new welfare program, Guardian Australia, Welfare in Australia, <https://www.theguardian.com/australia-news/2019/feb/07/one-in-five-parents-had-payments-cut-in-first-six-months-of-new-welfare-program>
- iv Jobs Australia (2018), Jobs Australia Welcomes Senate Inquiry into ParentsNext, <https://www.ja.com.au/news/jobs-australia-welcomes-senate-inquiry-parentsnext-media-release>
- v Volunteering Australia (2015), Definition of Volunteering, <http://www.volunteeringaustralia.org/policy-andbestpractise/definition-of-volunteering/>

About Volunteering Australia

Volunteering Australia is the national peak body for volunteering. We work to advance volunteering in the Australian community.

Volunteering Australia's vision is to promote strong, connected communities through volunteering. Our mission is to lead, strengthen, promote and celebrate volunteering in Australia.

We work collectively with the seven State and Territory volunteering peak bodies to deliver national, state/territory and local volunteering programs and initiatives in accordance with the Government's priorities.

As the primary link between the volunteering sector and federal government, Volunteering Australia provides feedback into key decision making. All feedback is informed by research, evidence and consultation with the volunteering sector.

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