

New voluntary service for parents

15 September 2023

Submission to the
Department of Employment
and Workplace Relations



Department of Employment and Workplace Relations (“Department”)

Sent by: online submission

To the Department,

My Pathway is a social and economic development organisation delivering services from the Top End and Torres Strait to Tasmania. We have been developing people, connecting them to opportunities and helping communities to grow since 2007. We are committed to supporting parents to co-create education and employment goals and prepare their family for entering work when the time is right.

My Pathway delivers a range of employment, social and economic development programs, including ParentsNext, Disability Employment Services, Self-Employment Assistance and the Community Development Program. We offer apprenticeships, training through our Registered Training Organisation and facilitate community projects (including Skilling Queenslanders for Work) to build local skills and deliver important cultural and community infrastructure.

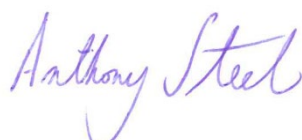
The decision to make ParentsNext voluntary is an important signal that raising children is a valuable role that should be supported. It enables parents to make more decisions about how they could retain or achieve independent long-term financial security. However, this change requires an appropriate level of communication and promotion to ensure the people who need the most assistance know about it. Although participation is voluntary, all eligible parents should still be referred to a provider and / or clearly communicated the opportunities afforded to them through ParentsNext. This will also provide a positive lead into the introduction of a new voluntary program.

Since May 2023, My Pathway has experienced a dramatic reduction in caseload referrals. We want to ensure parents with young children are aware of the support that is available so they can make an informed choice about how they participate. Our current participants get significant value from the program with 89% claiming they are very satisfied with the service and 84% being very likely to recommend the service.

A new program should be empowering, lift vulnerable women and children through affirmation, and proactively address structural barriers. It should incentivise participation in a way that supports the achievement of long-term financial security.

We look forward to continuing our involvement in the co-design of a new program for parents.

Regards,



Anthony Steel

Associate Director – Employment Services



Contents

Parents’ needs: what support parents get now, and what challenges they have that we can help with. ..	4
Eligibility: who can access the voluntary service and which groups to prioritise.	5
Timing: When parents can access the service, and for how long.	6
Features: What features, information and support options to prioritise to best meet parents’ needs.	7
Delivery: How the voluntary service should run, and its service deliverers should operate.	7
Engagement strategies: What engagement strategies and incentives would encourage participation.	8
Funding: how to structure and prioritise the funding for the service.	9
Recommendations.	10



Parents' needs: what support parents get now, and what challenges they have that we can help with.

The development of a new program should prioritise the value of parenting and recognise that caring for children comes first. This is supported by the ability for participants to set unique goals, which are met with individually tailored services.

It means the supports provided will be diverse, but in our experience will most commonly relate to skills development, education and employment planning and advice. Our participants have told us through a series of feedback forums that education (59%) and career advice (55%) are the top outcomes they want.

Some providers may offer a one-size-fits-all approach for efficiency. This may impede a participant's progress and engagement with the program. Outcomes should be weighted by alignment to the participant's plan to encourage a customer service culture among providers, leading to better outcomes for parents.

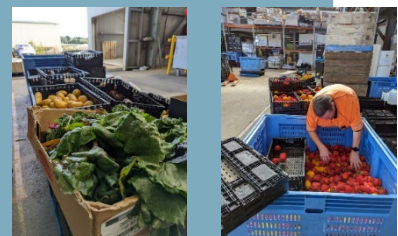
A new program for parents could provide a tailored case management service and be an effective gateway to social services such as childcare, housing services, domestic violence support, mental health care and financial advice. Currently, food security is an increasing concern for our participants, so we have partnered with aid organisations to address this specific issue. The supports most important to parents will likely vary by region and providers should retain the flexibility to address the concerns most important to their community.

Food security a growing concern

My Pathway has partnered with Loaves and Fishes Tasmania (LFT) to combat hunger for local families. The current cost-of-living pressures are affecting a growing number of people who need support.

My Pathway's ParentsNext participants – unemployed parents with young children – are among those feeling the effects of grocery price rises. Together, with LFT, we provide food hampers to those needing a bit extra help.

Earlier this year, My Pathway awarded a \$5,000 grant to LFT, which funded an additional 75 hampers for the community.



Eligibility: who can access the voluntary service and which groups to prioritise.

Enabling women to participate in the workforce equitably is a broad and persistent issue that can create disadvantage. A new program that is available to all parents with a child under six could be one way to support more women connect to suitable and quality employment. Investing in parents' future earning capability is valuable regardless of current income.

Inequality in Australia

The national gender pay gap is 22.8%.

Source: Workplace Gender Equality Agency, wgea.gov.au

48% of women who want to work cite the cost and availability of care for children as the main barrier.

Source: The gender wealth gap is a critical barrier to Australia's economic growth, ceda.com.au

15.7% of women will experience economic abuse.

Source: Economic abuse between intimate partners in Australia, pubmed.gov

Expanding eligibility to all parents with a child under six would support those who may find returning to work challenging or want to explore their options. Significant barriers such as domestic violence, a lack of confidence, social isolation, childcare availability and finding meaningful work can affect many parents beyond welfare recipients.

Where parents are receiving a Parenting Payment and/ or Family Tax Benefit Part B and have a child younger than four years old, they should have a good awareness of the services available to them. All parents who are in this situation should be connected with a provider to determine if they would like to continue receiving support and guidance. Their decision to access the program or not should be made with a good level of understanding.

In our experience, parents have indicated that ParentsNext would benefit their family beyond the current time allocation and generally require 12 to 24 months of engagement before securing appropriate employment. The Department could consider making the new program compulsory for parents receiving a Parenting Payment and/ or Family Tax Benefit Part B while their youngest child is aged six to eight. This would provide a more effective transition to Workforce Australia if required, and better recognises the important value of caring for children.

Very young parents, who are twenty years old or younger, could be particularly vulnerable given their limited time to gain employment skills and experience. They may require early, additional or more frequent communication to assist them to make positive decisions about engaging with the program. They should also be afforded additional supports to help them achieve long-term financial security.

We asked our participants what would encourage or motivate them to attend a voluntary service:

“Support and help regarding my kids.”

“To begin with it was compulsory with Centrelink but I continued...so I could improve my skills to up my chances of good employment.”

“Knowing the right support is there when returning to work, like funding for uniforms etc.”


“When I was first connected to ParentsNext I didn’t actually know or understand what it was. The delivery of the service is fantastic.”

Timing: When parents can access the service, and for how long.

Ideally, any person receiving a Parenting Payment would understand the services available to them and could commence at any time from the birth of their child. It would be beneficial to establish regular touch points for parents to be reintroduced to the new program and consider if the time is right for them to pursue opportunities.

Parents (on a Parenting Payment) enter a critical planning period when their youngest child turns four, where they need to consider if they are prepared for employment, can rely on alternate income sources (e.g., partner or family) or will need to enter the Workforce Australia initiative. This could be a point where they are required to engage with a new program provider at least once to assess their options. If the new program extends to a child turning eight, this planning period would relevantly extend to the time the child turns six.

Additionally, any parent with a child under six, should have the opportunity to access support services for as long as they need.



Features: What features, information and support options to prioritise to best meet parents' needs.

As discussed in the Parents' needs section (p.4), education and career advice are the leading supports our participants want to utilise. Providing a gateway and support for accessing childcare, housing services, domestic violence support, mental health care and financial advice are complementary to helping parents retain or achieve financial security. These could vary by individual or by region, depending on socio-economic factors.

The prioritised support options should reflect goals as set by parents. The new program should allow parents to self-direct their future, with assistance to overcome structural barriers to social and economic participation and independent long-term financial security.

The Department will need to publicly promote the new program as an additional strategy to support and value parents while they are caring for young children. It should be approached similar to other supports provided by Services Australia including but not limited to Paid Parental Leave, Parenting Payments and the Child Dental Benefits Schedule.

My Gov data could be used to capture an individual's milestones such as birth, vaccinations (age of child) or an application for the Child Care Subsidy. This would assist to identify the people and communication channels that can be utilised to raise awareness about support for parents. Identifying relevant recipients and the best life events or economic triggers for communication will be instrumental to understanding and success.

Delivery: How the voluntary service should run, and its service deliverers should operate.

It has become expected and commonplace that human services are delivered by hybrid models that include phone, online and face-to-face options. In order to prioritise caring duties, participants should be able to nominate their preferred service delivery type.

To improve outcomes and attract quality candidates to the industry, a recognised training package co-designed between government, industry bodies, providers and participants could be made available to consultants nationwide. This could include development pathways such as mental health first aid, a Community Services Certificate III (or components of) and domestic violence recognition and referral.

The vulnerabilities experienced by participants can vary by region and providers will require connections to specific networks of support services or groups. The data generated by a new program could also be accessed to create a view of the social and health supports that may be needed or lacking in the community.

Engagement strategies: What engagement strategies and incentives would encourage participation.

It may be an option to seek the support of the Behavioural Economics Team of the Australian Government (BETA) to recommend options that would improve participation in a new program. Creating more positive interactions with program supports coupled with participant incentives could improve outcomes and reduce entrenched disadvantage.

A system that incentivises active engagement would attract those most likely to want to improve their current and future ability to earn an income. In addition to accessing the Participation Fund for short-term or immediate needs, participants could receive extra superannuation contributions and increased access to free or subsidised childcare hours. These incentives, along with social, education and work-related activities identified through a new program, would help to create greater long-term financial security.



Funding: how to structure and prioritise the funding for the service.

Many aspects of the new program could contribute to existing government mandates and budget commitments. The existing funding allocation could be set as a minimum, with extra monies obtained from other initiatives for families, parents, and in particular women.

2023 Federal budget commitments

The new program could be a useful framework to help deliver existing budget commitments that are particularly relevant to parents with young children:

- \$4.7 billion over 4 years to deliver cheaper childcare for 1.26 million families.
- \$531.6 million over 4 years to expand Paid Parental Leave to 26 weeks by 2026.
- Supporting women's workforce participation and advancing gender equality.
- \$1.7 billion over 6 years to support women's safety.

It's widely recognised that Australian women fall well behind men when it comes to long-term wealth. Women are more likely to take time out from the workforce to care for children and on average their wages are 22.8 percent less. Both factors contribute to lower superannuation balances and a higher risk of welfare dependency following relationship breakdowns or retirement.

A new program could support improved economic equality and workforce participation, specifically for women during some of their most financially vulnerable years of raising children. Improving childcare accessibility, boosting long-term financial security (e.g., superannuation), and expanding opportunities for women to access higher paying jobs would decrease the likelihood of entrenched disadvantage.

Women fall behind

Source: [Workplace Gender Equality Agency, wgea.gov.au](https://www.wgea.gov.au)

On average women who work full time until 65 accumulate \$463,101 in assets, while men accumulate \$946,557.

61% of national superannuation is held by men and 39% by women.



Recommendations

1. Apply program objectives that recognise the valuable the role of parenting and reflect long-term social and economic benefits to parents
2. Review program eligibility to target those most likely to benefit from engagement, including those not receiving welfare payments
3. Extend a new program as compulsory for parents with children six to eight, who would otherwise participate in Workforce Australia
4. Implement participation incentives that build independent, long-term financial security
5. Utilise the new program to refer complex social and health supports and identify service gaps
6. Introduce development pathways for consultants covering areas such as mental health first aid, community services and domestic violence recognition and referral
7. Improve program awareness and understanding to allow informed decision-making about participation