

# Council of Single Mothers and their Children

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The Hon Brendan O'Connor  
Minister for Employment Participation  
House of Representatives  
Parliament House  
Canberra ACT 2600

19 February 2008

Dear Mr O'Connor,

## Re: Review of Employment Services

Thank you for the opportunity to provide a submission to this review.

The Council of Single Mothers and their Children (Vic) (CSMC) is a community-based organisation that has provided support, information and financial aid to single mothers and their families in Victoria for nearly 40 years. Our telephone information and support service handles an average of 15 calls a day, and we have a membership of approximately 1,800 single mothers and 120 organisations.

CSMC, along with sister organisations in other states and the National Council of Single Mothers and their Children (NCSMC), is well recognised as a source of expert advice on issues of relevance to single mothers. Our expertise is grounded in the concerns expressed to us by single mothers calling our telephone contact line, putting us in an ideal position to respond to this review on behalf of these callers. Individuals, academic institutions, community support/welfare organisations, government departments and members of parliament are some of the bodies seeking our expertise.

The introduction of Welfare to Work has required single mothers to seek work when their youngest child commences school, thereby drawing many of them into the regime of Activity Agreements and Employment Service Providers when their children are at a much younger age than previously. The Welfare to Work legislation appeared predicated on assumptions that single parents would not seek work unless forced to do so. In reality, single mothers work at rates only slightly lower than those of partnered parents, and these rates increase as their children get older. Unfortunately the experiences of many single mothers' involvement with Employment Service Providers would indicate that the assumptions about single mothers' lack of motivation are shared by many of the employment consultants charged with assisting their clients obtain work.

It is clearly apparent to CSMC and our members that the current structure of Employment Service Providers is poorly suited to the needs of sole parents. ESP's were

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established to meet the needs of unemployed individuals who have had little engagement in the labour market or community, but who do not have primary caring responsibilities. As was noted in the recent '*Review of the developments in the Job Network*' (Parliamentary Research Paper, 24 December 2007, no 15, 2007-2008), the Productivity Commission in 2002 highlighted some serious shortcomings of the ESP system, including the need for greater flexibility, even for its intended clients. ESP's need significant reform to ensure they can provide meaningful and relevant support to single mothers whose parenting responsibilities and other community involvements, such as part time work and volunteering, already demonstrate their high levels of participation in the labour market and community in general.

CSMC applauds those Employment Service Providers and employment consultants who do provide a quality service to single mothers. However, the experiences of our members indicate that these are in the minority, and we have identified a number of serious concerns regarding Employment Service Providers. These are listed below, in addition to recommendations to address these issues.

*Relevance to the circumstances and needs of the job seeker:*

- 1. Employment Service Providers are not tailored to the needs or requirements of single mothers. Employment consultants are not sensitive to, nor trained in, the issues and barriers faced by single mothers.**

Single mothers face particular needs in re-entering the labour market. Some of these issues pertain to their role as the primary, and often sole, carer for their children. Other issues relate to the upheavals and complexities associated with the separation from their ex-partner. As sole carers for their children, the welfare of their children must be their first priority. Even with the provision of out of school hours care, children will need care when sick and during the 12 weeks of school holiday, which can make obtaining and maintaining employment difficult. For parents of children with particular medical or other issues, these challenges are compounded.

For many single mother families, the adjustment period following separation is a traumatic time and even when the separation is amicable, families often need to relocate and children need to change schools. If the family court becomes involved, the separation process can be long (often years long), laborious and time consuming. The stress of separation, parenting alone and overcoming the many associated barriers (domestic violence, housing/relocation, family upheaval) requires a great deal of time and energy.

Single mothers can be forced into participation agreements as early as 16 weeks post separation. Such a short allowance for transition time fails to acknowledge the intensity, in both a time and emotional sense, of such a period and leaves single mothers vulnerable in a system that may penalise them for not strictly complying.

Beyond the early post-separation period however, the needs of single mothers continue to differ from those of traditional ESP clients. For our members, it is essential that their parenting responsibilities be recognised as their first priority.

The punitive penalty system of Welfare to Work leaves single mother families vulnerable even when something as genuine as child illness calls them away from their mandated participation requirement. Sensitivity to the hard work of parenting alone, often with little or no outside support to speak of is essential when working with single mothers.

Our members have described to us the lack of understanding and empathy with these issues, and feeling belittled and worthless after their dealings with their Employment Service Provider. It is essential to ensure that single mothers are afforded respect, sensitivity and understanding and have a reasonable opportunity to fulfil their requirements. ESP's are in unfamiliar territory as they negotiate the complex needs and responsibilities of sole carer's of children.

In a system that places such emphasis on compliance and penalties, the consequences can be severe if the constraints on participation are not clearly understood.

Additionally, it is important that ESP consultants are well able to identify the complex needs and barriers facing single mothers and offer them a level of assistance that best suits them. For some single mothers, this may mean offering a tailored approach or making intensive assistance available to those who want it.

**Recommendation:** Flexibility and a clear understanding of needs must be at the core of all assistance given to single mothers. ESP consultants must be provided with comprehensive training specific to single mothers. This training must include components on the process of family law, the detection and implications of domestic violence and sensitivity to the diverse needs of sole parents. Single mothers must also have priority access to relevant intensive assistance if they require it.

## **2. Single mothers are not provided with a realistic choice, guidance or decision making time when asked to select an Employment Service Provider.**

Most often, Centrelink provides a list of area ESP's at an initial interview and requires women to select an ESP immediately. This does not allow women the time to fully research each ESP and choose one that most suits their needs. Single mothers have indicated that choosing an Employment Service Provider is something they have not done before, yet they receive no assistance in how to choose a provider. CSMC has requested on a number of occasions both to Centrelink and (the then) DEWR that information be provided as to how to choose a provider (eg to visit providers, the types of questions to ask a provider to ascertain if it meets their needs). Unfortunately these requests have not resulted in the production of any resource to assist in this choice.

In addition, women may select an ESP that they're comfortable with only to be told that their 'books are full' and they will have to make another selection.

**Recommendation:** All clients should be provided with a list of ESP's at the point of first contact with Centrelink. This can be included with the initial letter requiring them to attend a 'participation interview.' Alongside the ESP list, clients must also

be provided with information regarding any specialist services they provide, and information on the process of choosing providers. This would allow clients to research the options and make a more informed choice about the service that best meets their needs. Clients should then be allowed no less than 3 days in which to make a decision after their 'participation interview.'

### **3. Clients are not able to transfer between providers.**

In its 2002 report, the Productivity Commission (*Independent Review of the Job Network*, Inquiry Report No. 21, Canberra, 3 June 2002) stated that ESP's needed to display greater flexibility, including a provision to allow clients to move between providers. Single mothers have reported serious problems in relation to the way they have been treated by their provider, or the lack of assistance they receive, however they are then unable to change providers. Not only does this force women to stay with inappropriate services, which may hamper their effective engagement in the labour market, but provides little incentive for ESP's to ensure they provide quality services. Given the manner in which single mothers are assigned to ESP's and the extra flexibility needed by single mothers, it is particularly important that such provider transfer is available.

**Recommendation:** Allow all clients to transfer between providers with relative ease and without prejudice.

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### ***Supporting sustainable outcomes and promoting quality service delivery:***

**4a. Employment Service Provider consultants have inadequate knowledge of the provisions of Welfare to Work and often provide inaccurate or inconsistent information and advice.**

As the intricacies of Welfare to Work continue to unfold, there have been clear problems with its implementation and training at both a policy and service provision level. We have heard numerous accounts from single mothers of ESP consultants who are not familiar with the actual provisions of the legislation, for example eligibility for exemptions from activity requirements, or the number of jobs which must be applied for each week.

Our members also report frustration and confusion at frequently being provided with conflicting advice each time they speak to a different worker. Ultimately this places them at risk of failing to comply and subsequent punishment (participation failures and 'breaching') through no fault of their own.

**4b. The interaction and 'buck passing' between Centrelink and ESP's is frustrating and time consuming.**

As with ESP consultants, Centrelink Customer Service Officers have varying degrees of understanding about Welfare to Work requirements and provisions. Single

mothers report receiving widely differing information depending on which Centrelink worker they speak to. When attempting to clarify matters either with Centrelink or their ESP it is not uncommon for the other service to be held responsible. Our members have reported great frustration about this and feel that a system of 'buck passing' has developed.

These frustrations are further compounded by the current complaints process which they find to be difficult to access and generally offers unsatisfactory outcomes.

**Recommendation:** Comprehensive and complementary Welfare to Work training must be provided to all Centrelink and all ESP consultants. A responsive, accessible complaints procedure must be introduced and clients must not be exposed to disadvantage or vulnerability to penalties due to misinformation.

**5. ESP consultants do not always advise single mothers of the most appropriate programs and supports available to them.**

CSMC often speaks to single mothers whose recent dealings with their ESP have clearly not resulted in relevant or appropriate referrals. It would seem that ESP consultants are not trained in referral beyond government agencies. Often such agencies will not or cannot address the specific needs of single mothers yet community organisations such as CSMC or Welfare Rights Unit who are well versed in specific single mother issues are not utilised as they should be.

**Recommendation:** ESP consultants must be provided with training and regular updates of services and supports available to single mothers, emphasising those in their local area.

**6. The star rating system for ESP's does not gauge quality of service or outcomes.**

The star rating system for ESP's is based on a limited range of criteria, which does not include feedback from clients regarding the quality of their service provision. Currently this is the measure by which Centrelink suggests clients chose their provider, and clients would assume service quality is a component of the rating system. Where there are concerns about the way single mothers can be treated by ESP's, a lack of time for informed choice and virtually no ability to change providers, it is remiss and somewhat deceptive that the star rating system does not incorporate a quality component.

**Recommendation:** Quality measurements, including client satisfaction and long term outcomes, must be incorporated into all service rating systems.

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*Incentives for training to improve employability; Job seekers receive appropriate training:*

7. ESP's do not always inform clients about training opportunities, rather focus on pushing people into any job as quickly as possible.

Participation Agreements under Welfare to Work are such that single mothers are no longer able to engage in tertiary or other significant study in order to improve their long term employment and economic prospects. CSMC has therefore been disappointed to hear reports of ESP consultants who also do not inform clients of potential training opportunities, rather favouring a direct route into low paid, low opportunity work. This approach is short sighted and prevents single mothers from improving their skills and employment prospects in order to navigate their families away from poverty.

The system whereby Employment Service Providers are paid on the basis of a job seeker obtaining any job, and the speed at which this happens, rather than on the duration of the job, or improvement in long term prospects is a clear disincentive the provision of training that can improve long term prospects.

**Recommendation:** Prioritise training opportunities for single mothers. Encourage single mothers to seek further training and ensure that all who want job training are provided with meaningful, relevant training. Disincentives that may encourage ESP consultants to direct single mothers away from training opportunities must be removed.

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8. ESP consultants have excessive discretionary power.

The legislative instruments in the Welfare to Work legislation are such that they allow great room for individual interpretation by ESP consultants. A number of provisions are based on concepts of what is 'reasonable' or 'suitable' - concepts that can be open to a wide range of interpretations depending on the knowledge and attitudes of the decision maker. Considering the lack of understanding of the provisions of Welfare to Work, and of the particular needs faced by single mothers entering the labour market, this could lead to serious repercussions for ESP clients. CSMC has heard accounts from single mothers forced to accept jobs that an ESP consultant has deemed 'suitable' even though accepting the job would jeopardise the welfare of their children. Women questioning these decisions have been told a participation failure will be recorded against them if they fail to accept such a position. This is of extreme concern and threatens to particularly disadvantage those most vulnerable, with least knowledge of their entitlements and with the fewest resources for challenging decisions and rulings.

**Recommendation:** The Welfare to Work legislation must be amended to ensure that policy is clear and fixed and ensure that each client is subject to the same rules and regulations. Job seekers must be better informed of their rights and entitlements, and additional funding should be made available to services that advocate on behalf of those whose rights have been compromised.

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Single mothers already have a high rate of labour force participation (ABS (2007), Australian Social Trends, One-parent families, Catalogue 4102.0) - similar to that of their partnered counterparts. Many feel that the increased participation required of them under Welfare to Work fails to acknowledge the realities of parenting alone or the many other contributions they already make to society. Our members are parents, workers, volunteers and community members. Their lives are rich, diverse and busy. They feel burdened, victimised and overwhelmed by the changes to income security and the added responsibilities now expected of them.

Single mothers deserve Employment Service Providers which can provide an informed and flexible service delivered with sensitivity, compassion and respect - without which, progressive and lasting change cannot be achieved for single mother families.

For further information regarding this submission, please contact Jessica Permezel on (03) 9654 0327 or [projects@csmc.org.au](mailto:projects@csmc.org.au). We would welcome the opportunity to meet with you to discuss this and other relevant issues at your earliest convenience.

Yours sincerely,

Jane Stanley  
Coordinator