

I wish to comment on Australia's Tax-Transfer System as it relates to families, focusing particularly on the transfer measures: Parenting Payment and Child-Care Benefit and Rebate.

A. Parenting payment

It is unjust and unacceptable that the Government requires that the primary carer **MUST** work 15 hours per week (every week of the year) in order to receive that Parenting Payment.

Parenting Payments' Labour Force Participation Requirement directs partnered Principal Carer Parents, whose youngest child has turned six, to place their children in child care.

The effect of this is that those who need the Government's financial support are those who are required to leave their children and place them in care in order to receive the Parenting Payment. Rather than look after one's own children and receive the Parenting Payment, the Government requires a parent to have almost anyone other than the parent look after the child in order to receive the Parenting Payment just so that the Government can have another person in the labour force (even though unemployment will be rising).

While there is so much emphasis on supporting the "working mother," support for the poorer stay-at-home mother is withdrawn unless the stay-at-home places the child in commercial childcare so that the parent can work.

The Government should not treat family as a labour pool from which to require the parent to work in order to receive the Parenting Payment.

The Government is beginning to recognize the need for a parent to be home when a baby is born (ie maternity leave). This support of a stay-at-home parent should be actively supported by the Government.

This same child for who maternity leave is being recommended needs to have a parent available at all stages of that child's development. This availability needs to continue through the crying baby stage, the play ground squabbles, **past 6 years of age**, and throughout teenage years up to the teenager stressed over the H.S.C.

To cut government support at this age of 6 suggests that mothering (or fathering) has ended at that stage and external care is preferable. Mothering is not a part-time "job" that then gets handed over to someone else at age 6. Of course, the "someone else" in the external child care does get paid for this "work" of caring for the child.

It is so difficult for primary aged children to have to go to care after school. Children need down time at home after school rather than having to go from school to After School Care. When the mother has to go to work, what happens to the 7 year old child before school, after school, during school holidays?? The younger children stay in care, the older children are on their own at home or out somewhere.

Given the cost of childcare and the pressure of employers, there are a significant number of children in the pre-teen and early teenage groups who are left unsupervised at home or on the streets. Yet it is during these impressionable years that the guiding hand of an involved parent is critical.

Before this “reform”, Parenting Payments extended uninterrupted until the youngest child turned 16. This approach reflected the fact that the family needs a parent to be available during the ‘working period’ of the family up until the youngest child turns 16. There is a strong recognition in the media and psychology of the difficulties facing teenagers and the need for parents to be available. Yet, the withdrawal of Parenting Payment means that the parent cannot be available because work must come first, in order to receive the Parenting Payment.

It is interesting that the Government encourages us to keep our aged family members at home and out of institutions as long as possible, offering financial support and a roster of carers. Yet the same Government encourages us to put our children into institutional care as early as possible - in fact compels the poorer via Welfare-To-Work.

Whether or not a child is put into child-care should be determined by the parent, not by the need of a parent for Parenting Payments.

It also is discriminatory to support children of poorer families only if their parents work.

Good parenting leads to a better society, with fewer other costs to society

Significantly, a number of families who have accepted the lower standard of living that usually results from having only one wage earner having to accept a further reduction in financial resources rather than place their children in non-parental care. They do this for reasons of conscience. They ask themselves ‘what is the best I can do for my children in the area of primary care’ and the answer is not ‘ABC Learning’. They are personally committed to their children ahead of their career, ahead of their self-realization, ahead of their consumer profile. This structure degrades family and destabilises children. It actively undermines the ability of lower income earners to remain committed to their resolve to be responsible for the care of their own children.

B. CHILD-CARE FUNDING – Child-care Benefit and Child-care Rebate

I turn now to the discrimination against stay-at-home parents and their children. If a parent decides that it is in their particular child's interests to go to pre-school/care for a limited numbers of hours, they are discriminated against because of the care they choose and because they are not working.

There is an anomaly in the child-care benefits and rebate which also favours working mothers. This discriminates against stay-at-home mothers and therefore against their children.

Child-care benefits and rebate are not paid to mothers who do not work, who choose to send their children to not-for-profit kindergartens, usually 9am-3pm. Only very, very few parents who send their children to this type of community based, not-for-profit kindergartens receive any child-care benefit or rebate.

If you consider the types of care which falls within "approved care" (where the child-care benefit and rebate is given), they include after school hours care, family day care, vacation care, long day care, in-home care, and some occasional care services. Examples are companies (such as ABC Child-care) which are profited-based company. Kindergartens and pre-schools, such as community-based pre-schools are registered. These "registered" child-care services are traditionally open from 9-3pm, only in school terms – therefore they do not suit "working mothers". They are usually "not for profit". These do not fall within the types of child-care that enable the parent to receive the child-care benefit or rebate.

The test for receiving the child-care benefit is the number of hours worked and the type of child-care. Further, the child care rebate is not triggered unless the mother is working or sending her child to a particular style of child-care. The mother and child miss out on government benefits in this area as well.

Much has been made of the glorious opportunities that pre-school gives a child in terms of socialization and school-readiness. If this is the case, then why are the children of non-working mothers discriminated against by not providing them with the child-care benefit to enable them to pay for and attend pre-school. Parents receiving the benefit and the rebate are working and therefore earning so the non-working parent is doubly hit with lack of funds through the first decision not to work (to be available for his/her children) and then lack of government benefit because he/she does not work.

An amazing 30% of 4 year olds are in long-day childcare-care which is as long as 8-11 hours a day, as defined by the childcare industry. This sort of long-day care

is supported by the Government benefits whereas the care-centres with a shorter day for children is not.

This structure is that the government discriminates against the non-working mother and child by not providing child care benefit and rebate.

With all the political talk about the value of “family”, how is it that the Government continues to support only working mothers and their children to obtain the benefits of politically applauded benefits of child-care? Stay-at-home parents are given almost nothing.

The non-working mother is also affected by the government’s decision to support long-day profit based kindergartens rather than community-based non-profit pre-schools. Why should a parent receive a higher benefit because the parent sends the child to a long day care rather than to a 9am-3pm non-profit community based centre?

Wayne Swan speaks of the “Unsung heroes who work to make our economy strong”. All should be speaking of the “Unsung (and unsupported) heroes who stay at home to keep the family and the fabric of society strong!”.

Anne Walker-Rolls