

Submission into Inquiry into Balancing Work and Family

29 August 2005

Dear Committee

I am writing from the perspective of a part time working mother of a two year old with a new baby due in the near future.

We live in Sydney and, like most families in Sydney who have been fortunate enough to get into the housing market, we need two incomes to service the mortgage, eat and pay the bills. But, in order for us to work we need childcare for our child.

By some miracle, despite the severe shortages of under two places, we were able to find high quality care for our child (a one carer to three babies ratio is very uncommon). I returned to work when he was seven months old satisfied that the care was high quality and the staff turnover is low and the staff are respected and paid above award wages.

As parents we want low carer to child ratios and we want the carers to be respected by their employer and with prospects for professional development. We believe the early years are the most important and are convinced quality care is essential.

Either my husband or I would have liked the choice to stay at home to look after our child but as we live in Sydney, and even though we are on fairly good incomes we both have to work to pay the mortgage. We pay child care costs of \$225 per week which means its like servicing a mortgage bill of around eleven to twelve percent with no chance of a capital gain (in cold hard financial accounting terms).

In the financial year 2003-2004 we were eligible for a child care rebate of \$400 (this included an immunisation rebate) for child care expenses of over \$12 000. Again, we are not extremely high income earners but we have not received the baby bonus or any other benefit.

It's taken us a while to realise we are the piggies in the middle.

The government's changes to the child care rebate means that we can't claim for expenses incurred the financial year just ended (2004-2005) until July 2006. And when we can it will be means tested and capped at \$4 000. We have no faith that we will receive much at all and if we do it will be too little, too late. We certainly don't expect it. Most families need security and need to know how much money they will have to plan their future and their weekly budget as it's usually very tight. The government has introduced even more uncertainty into the equation. So far from giving us relief, the situation has been worsened.

We have reached the point in Australia where the decision to have children is now a private choice with costs borne almost entirely by the parent/s, especially in the early years. But society as a whole will derive the benefits. The cost has been privatised but the dividends will be public when the children of today become tax payers.

Yes, we decided to have children as many would say and should bear the costs. Fair enough. Yet, our experience shows that the decision to have children is a financially irresponsible action (putting aside ecological impact concerns). Indeed when we were talking about whether to have another child or not we quickly realised that we should abandon the conversation as there would be very few 'positives' and lots of negatives if we were to use current societal models of accounting. It was, as it should be, a decision of the heart. As one commentator put it 'having children is subversive' in this culture for those who are not extremely high income earners and refuse to define themselves by the amount of money they earn.

Sadly, for many, children have become a 'luxury'. The costs have been successfully privatised. It no longer takes a village to raise a child but corporations in the absence of parents who are busy working to pay to live. I really feel for those people who would love to have children but are very worried about bringing them into a world where they can't offer them a home they own or financial stability and so decide not to have children.

As the birth of my second child approaches I have Treasurer Peter Costello's words of wisdom ringing in my ears. Have a child for the father, one for the mother and one for the country he famously intoned. Well do that and it's the fast track to poverty. Oh, and for those who want to work so they can put a roof they own over their family's head – forget it, unless somehow you can access affordable childcare. The federal government's recriminations to mothers out of the workforce 'Go back to work or we'll make you' makes me very angry. I don't want to leave the workforce but in the absence of affordable care my choice is being taken away from me. How many others are in a similar situation?

My experience is that we will have to sell our house to have another child or face running up debt incurred for staying in Sydney and having two children. My wage will disappear with two children in child care and I refuse to put them anywhere but in a centre which values its staff and puts the welfare and education of children at its core.

No wonder those with young families are leaving Sydney in droves. I will be forced out of the part time work I love to look after my children despite the fact I love the current balance I have. My husband would love to stay home and look after the children but as he earns more than me the option is less attractive to us. It's stalemate.

I cannot reconcile government urgings to go forth and procreate with the reality of daily existence. Do the people making policy in Canberra have any idea of how hard it is to balance family and work commitments?

It's exhausting and a crazy existence and I wonder where it leaves the children and the parents at the end of it all...

When I hear my childless friends in their 30s struggle with the inability to conceive (they've left it too late, worried about financial stability) or are concerned about the fact they don't own their own home sometimes I wonder if they have any idea what they are up for if they do have a child.

To support families I would urge the government to:

1. Make universal, high quality child care available to those who want or need to access it. Investment in the future of children will make economic and social sense in years to come. I can't believe the government wants to encourage people back to work yet its policies are driving those who want to stay in, out. Those who want to stay at home should not be demonised but respected

for the choice they are making and encouraged back into the workforce with transition back to work retraining.

2. Not threaten job security for families. The proposed industrial relations changes will further threaten families and their ability to pay mortgages or rents or just survive let alone have quality family time together. If we are struggling, I wonder how on earth others are getting by. And that's before any of the proposed industrial relations changes.

3. Encourage family friendly and flexible work practices. They are currently dead words and need to be resurrected by real practice. It's appalling Australia doesn't have paid maternity or paternity leave and it says it all about how we value our children and families. Government and politicians need to walk their talk. Use government departments as models of fair practice for families. Fund a campaign to celebrate families and extend to those without children flexibility at work as well – the flexibility should be universal so all are respected for their contribution. One part of society shouldn't be pitched against another to conquer us all.

4. Invite families in all their diversity to talk with government and non government MPs in parliament about how government could best serve families. The community needs to be brought back into decision making. Politicians should be inducted into the realities of working life for families – visit child care centres, preschools, talk to parents, workers and service directors. Open a debate about the nature of 'care' – what is it? Who should provide it? What does the electorate want?

5. Encourage employers to receive much heftier tax rebates for establishing high quality child care centres in their area for their staff which would lower the costs to parents and make their children accessible during the day as they would be on site or close by. These centres could be run by local councils or community based child care organisations and should not be for profit enterprises where the interests of children are second necessarily to those of shareholders.

6. Most importantly, this government needs to realise people don't exist to serve the economy but the economy exists to serve the people. Unless this realisation is made I fear for the future of families (their creation and longevity) and the well being of the individual. We are all impoverished despite our wealth when this mentality has us in its grip.

I hope this letter is of some use. Many thanks for the opportunity to have my say.

Yours sincerely

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