

The Work and Family Policy Roundtable (WFPR) Election Evaluation, June 2016

How the major parties rate against *The Work, Care and Family Policy Election Benchmarks* issued in May 2016

<http://www.workandfamilypolicyroundtable.org/>

In May 2016 the WFPR, made up of 34 academics from 16 Australian Universities released the **2016 Election Benchmarks**. We identified 8 priority policy areas in the current election context: Early childhood education and care; paid parental leave; job security, flexibility and working time; pay equity; workforce participation and the tax/transfer system; superannuation; work and care for the aging; leadership for work and care. The WFPR found policy in many of these areas is moving backwards.

EARLY CHILDHOOD EDUCATION & CARE:

High quality, affordable ECEC is a work and family priority in view of the increasing rate of mothers' participation in paid work and their concentration in part-time work. Both major parties share the policy objective of increasing women's participation rate. Lack of access to suitable ECEC services inhibits women's workforce participation and concern about affordability is acute.

The Coalition's proposed childcare system includes structural reform with the introduction of a new single means-tested subsidy paid directly to ECEC providers calculated against a 'deemed' rate set by government. This is expected to deliver downward pressure on the price of ECEC and additional support for low and middle-income households. However, the new system includes a tightened three-tiered work/study activity test which makes the system very complex, halves the provision of subsidised ECEC to children from households with unemployed adults and limits access to children in households where employment is sporadic or casual. The new scheme is not due to begin until July 2018.

Labor does not address systemic problems with the current ECEC system and will increase existing subsidies: a 15% increase on CCB and lift the cap on CCR to \$10,000. The ACCC will be responsible for monitoring prices in the sector. These changes will be introduced January 2017. The ECEC policies of both major parties are inadequate, for different reasons, and will not deliver the economic and social benefits Australia should derive from increased investment in ECEC. The WFPR recommends a minimum of 2 days per week of subsidised high quality ECEC for all children, regardless of parents' workforce participation.

PAID PARENTAL LEAVE: The Coalition's policy on parental leave will reduce many new parents' access to the government scheme limiting paid time at home with a new baby. This will expose new parents to higher levels of economic insecurity and stress. Labour will leave the design of the current system unchanged but fail to develop it further. The WFPR endorses the basic design of the current system. However we recommend extending the current Parental leave scheme, including the Dad & Partner Pay, to 26 weeks in the near future and eventually to 52 weeks, raising the payment level from the minimum wage and including superannuation.

SUPERANNUATION: The legacy of a woman's lifetime of caring and part-time work should not be an old age of money worries and poverty. Both parties recognize that at present superannuation benefits favour the rich. The Coalition will reduce the tax benefits for high income earners on superannuation contributions and restore

opportunities for low-income women (and their partners) to top up superannuation accounts. Labor also proposes to cut back concessions to higher income earners – in their case by reducing the tax-free concession available to people with annual superannuation incomes from earnings of more than \$75,000. Superannuation concessions must address the intermittent workforce participation patterns of women who do the majority of unpaid care work. The WFPR recommends a liveable aged pension as a cornerstone of Australia's retirement system.

DECENT SOCIAL CARE FOR BALANCED LIVES:

The election focus on balanced budgets has left the national conversation about balanced lives on the political sideline. The social and economic costs of such neglect are high. Policy in the many areas that affect households' capacity to manage their work and care has gone backwards. Employment regulation in particular fails to provide inclusive protection for all worker-carers. Neither Labor nor the Coalition has proposed a more sustained and integrated approach to managing public policy on work and care and national well-being. Australia needs coordinated planning and action across the whole of government in the area of work and care and the data to support good quality policy design and evaluation. Reinstatement of Australia's Time Use Survey is imperative.

FOR FURTHER INFORMATION

See full text of the WFPR 2016 Benchmarks, and Roundtable membership and principles at

<http://www.workandfamilypolicyroundtable.org/>

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