

## **Executive Summary: Catholic Welfare Australia submission to House of Representatives Standing Committee on Family and Human Services Inquiry into Balancing Work and Family**

### Introduction

Balancing Family and Work is fundamental to the welfare of Australian families. Catholic Welfare Australia considers the rearing of and caring for children, the care of elderly and disabled relatives, and energy invested in building family and civic life, as the most important work an adult can undertake.

Catholic Welfare Australia's submission is focussed on low-income families, for whom subsistence rather than reaching a balance is a focus of their lives. The submission is built around the three Terms of Reference of the Inquiry, to support low-income families.

### The financial, career and social disincentives to starting families

The opportunity that individuals have in life to partner and start a family, and their ability to manage the financial and relationship pressures involved in having a family, is strongly linked to their socio-economic status. Better data on the socio-economic characteristics of families having children would assist in identifying the differing set of incentives to starting a family.

Low skilled men have experienced a decline in partnering rates which means that fewer are able to consider starting a family. A national training strategy would increase the ability of low-skilled individuals to compete for employment, and at the same time give low-skilled men a greater chance to partner and start a family. Fewer people marrying and relationship breakdown also has an impact on the Australian fertility rate. One of the first ways of addressing this problem is ensuring that marriages are supported strongly through avenues such as pre-marriage education.

Another one of the major barriers to starting a family is one parent being out of the workforce for a period of time. It is critical that the Government acknowledges this necessary time and supports parents to return to the work force with the training and support that will aid the transition back to work.

Government policies can have a critical impact on domestic violence, especially for the poor. For example, our members noticed increased reporting of domestic violence as male partners sought to get access to the Maternity Payments made to mothers. It is essential that policies are carefully filtered through extensive consultation for unexpected consequences.

The recent rise in the cost of housing has acted as a disincentive to starting a family. Housing costs as a percentage of disposable income has risen by 10% in the last 6 years, and there are now shortages of affordable rental accommodation. There are a number of

initiatives available to Government that would increase housing affordability, including better targeting the assistance provided under the first home owners grant.

#### Making it easier for parents who wish to return to the paid workforce

Sole parent families face a different set of issues when attempting to re-enter the workforce. A better framework is needed to assist these parents who wish to return to work. Many couple families with dependant children are still without work, or have only part-time income. Strategies are needed to help these families who are characterised by very low levels of education, and marginal attachment to the labour market.

Childcare is a critical issue for families. Currently in Australia childcare is difficult and expensive to access. This instantly disadvantages the poor. Consideration of 'childcare credits' for grandparents would recognise the important contribution that many mature Australians make through provision of unpaid childcare.

In order to maintain the security of a pension during the passage from welfare to work, it is necessary for social security recipients to have a guaranteed return to income support in situations where they have trialled employment and the job is found to be unsuitable. The impact of losing associated benefits must also be factored in by Policy makers.

#### The impact of taxation and other matters on families in the choices they make in balancing work and family life

The ability of low-income families to balance work and family life would also be improved by better targeting the assistance provided under the family payments system. Research indicates that the cost of children rises with age, particularly as children reach their teenage years. Family assistance payments rise only marginally with the age of children however. Family assistance also needs to be better linked to movements in average incomes.