

Australian Institute of Family Studies Conference

“Families Matter”

Opening Address

by

**Senator the Hon. Kay Patterson
Minister for Family and Community Services**

Wednesday 09 February 2005

Introduction

Ladies and gentlemen.

Thank you to Ms Dianne Gibson, Professor Hayes and the Australian Institute of Family Studies for the opportunity to speak today.

Over the years AIFS has produced valuable research on families, and I know the Institute is in good hands with Professor Hayes at the helm.

Your conference theme is "*Families Matter*". I couldn't agree more with this statement - families have proven throughout history to be the single most important building block to a fair and decent society.

However, families don't exist in isolation or a vacuum. The social and economic environment has a major impact on how families function and how families fare.

Given the diversity of families and the fact that they face different challenges at different times in their lives, our approach cannot be "one-size-fits-all". By "our approach" I mean our approach as a national government, your approach as individuals, as family members and as members of a community.

My Role as Minister for Family and Community Services

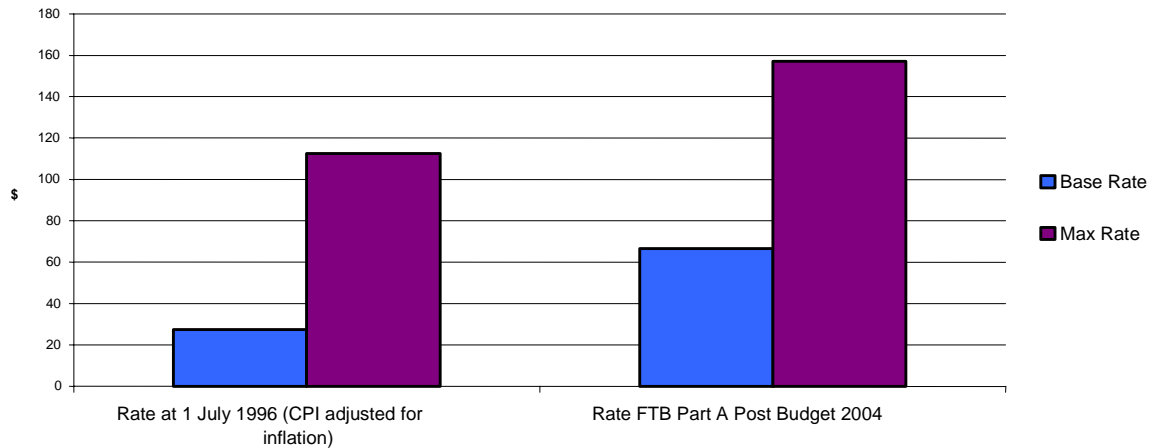
As a Government though we must look at how we can best support families without interfering in their lives. If we can get this balance right, if we can continue to run a strong economy, if we can help build and support resilient communities, then we will help create the economic and social environment that will allow families and Australia to prosper.

Australians rightly expect the government of the day, regardless of political persuasion, to play a lead role in providing social and community services.

This Government has a proud record of supporting families.

For example, the base rate of family assistance has increased from \$22.70 per fortnight in 1996 to \$66.50 per fortnight in 2004.

**Figure 1. Comparison of Family Payment Rates
1996 and 2004: \$ per fortnight**



Notes to Figure 1

•The indexation figures used are 1 June 1996 and 1 June 2004 (both annual indexation figures).•Figures are fortnightly for 1 child under the age of 13. •1996 base rate was the Basic Family Payment and Maximum rate was the Additional Family Payment. •Pre-Budget figures were as at 20 March 2004 and do not include the 2003-04 FTB Part A Supplement. The post-budget figures are as at November 2004 and include the 2004-05 FTB Part A Supplement. These figures do not include the one-off payment of \$600.00 paid in June 2004.

•The establishment of FTB encompassed many payments, therefore, the comparison of FTB with family payments from 1996 is not precise.

We have also introduced a maternity payment to help families with the cost of caring for a new-born and increased the number of child care places by a massive 83%.

While we continue to drive a strong economy and introduce reforms to meet the challenges of the future, it is never far from our thinking that Australia’s prosperity depends on strong, well functioning families. Families which support one another through loving and supportive relationships across generations are essential to our economic prosperity and societal well-being.

Strong families and a strong economy go hand in glove. Strong families support a strong economy and a strong economy gives Government the freedom to give back to families a higher social dividend in the form of better funded and better quality health, education and family assistance.

Importantly a strong economy allows a government that is a responsible, sound economic manager to provide these benefits without borrowing from the next generation to pay for the services of today.

As the Minister for Family and Community Services, I have an important role to play in supporting the development of our social infrastructure.

A sound social infrastructure will support what I am confident are our mutual goals of stronger families and communities.

However, the Government alone cannot achieve these goals. That is why in talking about the Government's role in supporting families you will hear me talk about the social coalition in action - governments, communities, families and individuals working together.

Building on our record for families

In building on the Howard Government's good record of supporting families we have recently progressed two major initiatives. In fact the first is still under development.

That initiative is to deliver on an election commitment by the Prime Minister to introduce a **Family Impact Statement** into the Cabinet.

Families have always been central to our Government's deliberations. However, this initiative represents an important improvement in the way Cabinet will consider new policy because, as you would appreciate, issues affecting families don't reside neatly within a single government portfolio.

Families are not only affected by my portfolio they are also affected by the decisions we make in health, education, employment and industrial relations – to name just a few.

I have taken a lead role in the development of the Family Impact Statement as a tool for Cabinet to use to analyse and understand better the impact on families of new policies being considered across Government.

In the draft guidelines I have given attention to ensuring that each Family Impact Statement will address economic factors, families' access to services and infrastructure and the impact on the way families function and on families' varying responsibilities.

The use of a Family Impact Statement will formalise and standardise for Cabinet Ministers the centrality of family policy across government decision-making. This will help us as a Government make decisions that better support an environment in which people can pursue opportunity and build a better life for their families.

The second big change within Government is one with which many more of you will be familiar – what is quirkily called **changes to the machinery of government**.

I am very pleased that one of the major machinery of government changes made by the Prime Minister after the last election was to group all government service delivery functions like Centrelink and the Health Insurance Commission into a new Department of Human Services. This is an important change that allows Minister Hockey to concentrate on improving the delivery of government services across a range of areas and allows me to focus on the policy aspects of family and community services.

The Prime Minister has also decided on a Government structure that clearly supports our participation agenda. Working age payment policy is handled by Ministers Andrews and Dutton while I remain responsible for people with disabilities working in disability business services and policies to support carers.

I will be working closely with my colleagues on our participation-related reforms as some of my own policy areas, most particularly child care, are vitally important in helping parents participate in the workforce.

Families: Change; Challenges; and Choice

Change

As I think about policies affecting families, children and local communities I am very aware how the nature of families, and family dynamics in Australia continue to change.

Twenty-five years ago our understanding of family was more closely defined around the traditional nuclear family. Much has changed. For example, many more women are having children later in life, and people are living longer, meaning that it is not uncommon for people to find themselves simultaneously raising children and caring for elderly parents.

Dr David de Vaus' report for AIFS, *Diversity and Change in Australian Families*, tells us that whilst couple families with children still form the majority of families, as a proportion of all families they have declined by nearly ten per cent over the past decade.

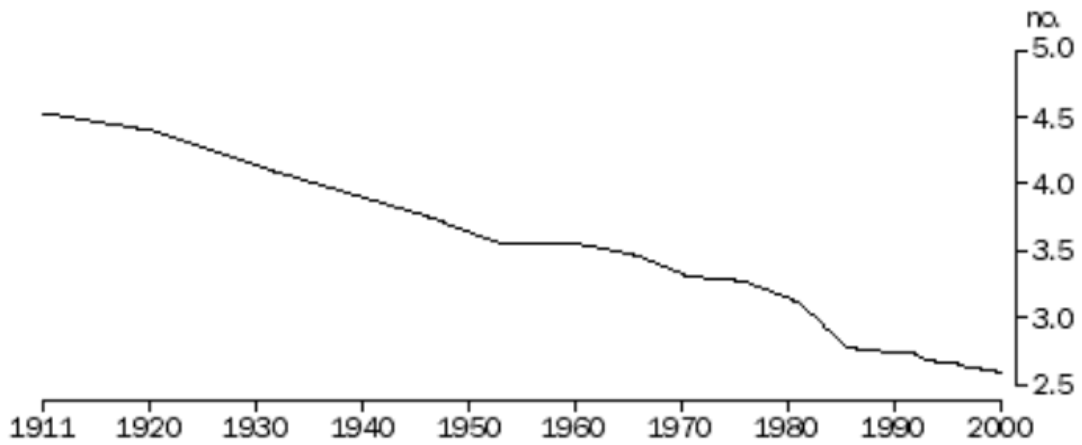
Proportions of lone parent, step and blended families have also increased over the same period.

Families today are smaller than ever,

- with two thirds of households occupied by four people or fewer, and,
- a quarter of households occupied by only one person.

This trend, combined with our fertility trend, means that family size will continue to decline over time.

Figure 2. Average Household Size, Persons Per Household

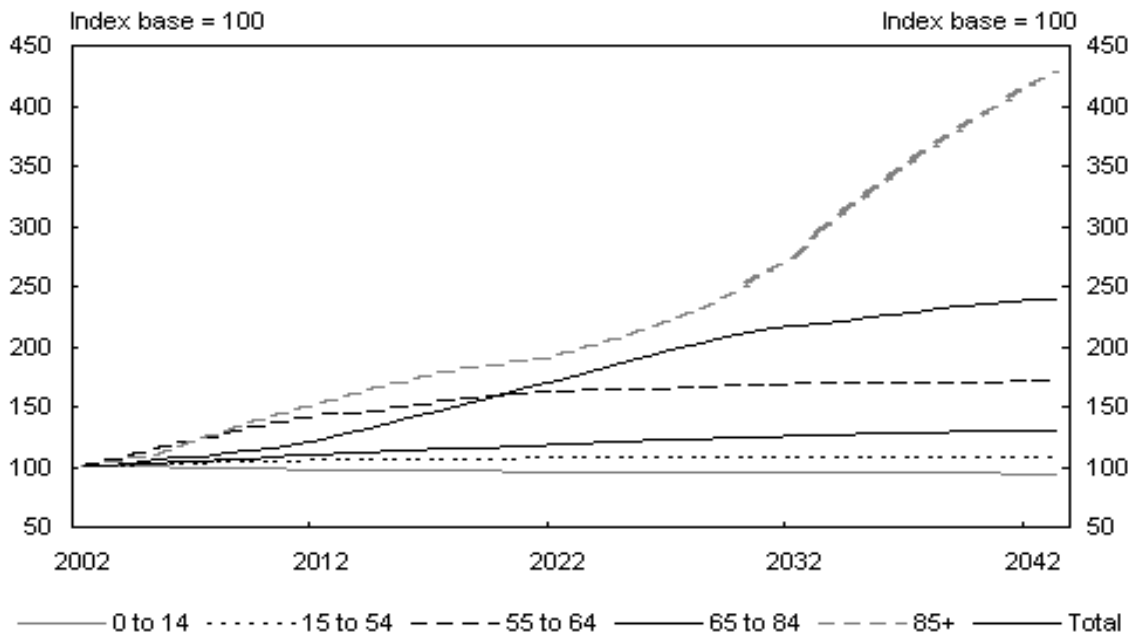


Source: ABS Yearbook Australia 2002 (1301.0)

Population ageing

Our population is also ageing. The proportion of older people is set to more than double from less than 13 per cent to more than 27 per cent by 2050.

Figure 3. Australian Population - Growth Indices by Age Group
(on a 2001 population base)



Source: Intergenerational Report, 2002-03 Budget Paper No. 5

While this will affect longer-term workforce participation trends we are certainly not facing a crisis in ageing.

As the Treasurer's Intergenerational Report tells us, despite this ageing trend, our health, aged care and aged pension systems will be sustainable well into the future if we act responsibly now.

The Intergenerational Report underscores the importance of our forthcoming workforce participation reforms that I have already mentioned and indeed the importance of our existing industrial relations changes that have been repeatedly and irresponsibly blocked in the Senate.

Workforce Participation

As the Minister Assisting the Prime Minister for Women's Issues I am also interested in female labour force participation. In the mid 1980s, 58 per cent of women with young children participated in paid work, and by 2002 their participation had risen to 67 per cent.

This shows the critical importance of child care in allowing mothers to participate in the workforce. This simple statistic also underscores the value of the massive investment the Howard Government has made in childcare.

Over the next 4 years the Government will spend \$8 billion on child care – double the amount spent by Labor in their last 6 years in office.

Our focus on participation over the last few years has not just been related to the workforce, we have also been promoting the value of people engaging in community life more generally. For example, we have an army of great volunteers that make an extraordinary contribution to so many of our local communities. Seniors in particular make an enormous contribution as volunteers. Senior Australians also make great mentors and as our population ages I see much more scope to harness the knowledge, wisdom and energy of this group for everyone's benefit.

But what do all these changes mean for families? And what does it mean for Government and how we can better support families?

I said earlier that families face different challenges at different times in their family lifecycle. So we need to appreciate that families don't exist in a static state, they change over time.

From the decision to have a baby; transition from the workforce to childbirth; re-establishing a connection to the workforce; and, then the ongoing challenge of balancing work and family life.

The relationship and financial pressures associated with having children, balancing family with work and the life changes associated with moving from work to retirement would be experiences common to most Australian families.

The challenge we face as policy makers is to understand better these changing social and economic environments and respond with real, practical support for families to help provide them with more choices in how they live their lives.

Key challenges for families, community and government

Family pressures in many households with children revolve around three main priorities: raising and educating children; balancing work and home life; and maintaining healthy relationships within the family unit.

Raising and Educating Children

First, let me talk about raising and educating our children. Compared with other OECD countries, Australian children rate well across a range of indicators.

We do particularly well in literacy and numeracy. The 2000 OECD PISA (Program for International Student Assessment) study compared 15 year olds across 32 countries, and in each of the reading and mathematical literacy sections Australian students were outperformed by only one country – Finland topped the league in reading and Japan in mathematics.

But there is room for further improvement. Worrying trends, such as the incidence of obesity among young children for example, need to be addressed.

This is of concern to the Government and several of my Ministerial colleagues are already working with the community to address this problem.

Beyond this, we know that some groups are more at risk than others. In particular we know that outcomes for Indigenous children remain well below that of the broader population across a range of health and development indicators.

That is why, for example, we provided \$4 million over four years to the Secretariat for National Aboriginal and Islander Child Care to assist Indigenous communities and services to develop and implement early childhood development and child and family support programs.

To achieve better outcomes for children we need to act on multiple fronts and perhaps coordinate our efforts better across all levels of government. Early intervention also has significant benefits for children. Certainly it is much more cost effective than trying to deal with difficulties later in life.

That much of the literature in the field of early childhood development refers to “the critical early years” is hardly a surprise to most parents who intuitively know that nurturing their children in the early years is critical to their future.

While a good start doesn’t guarantee success and a poor start isn’t a life sentence, the first five years of life set in place a future that is much more difficult to alter later in life.

Balancing work and family

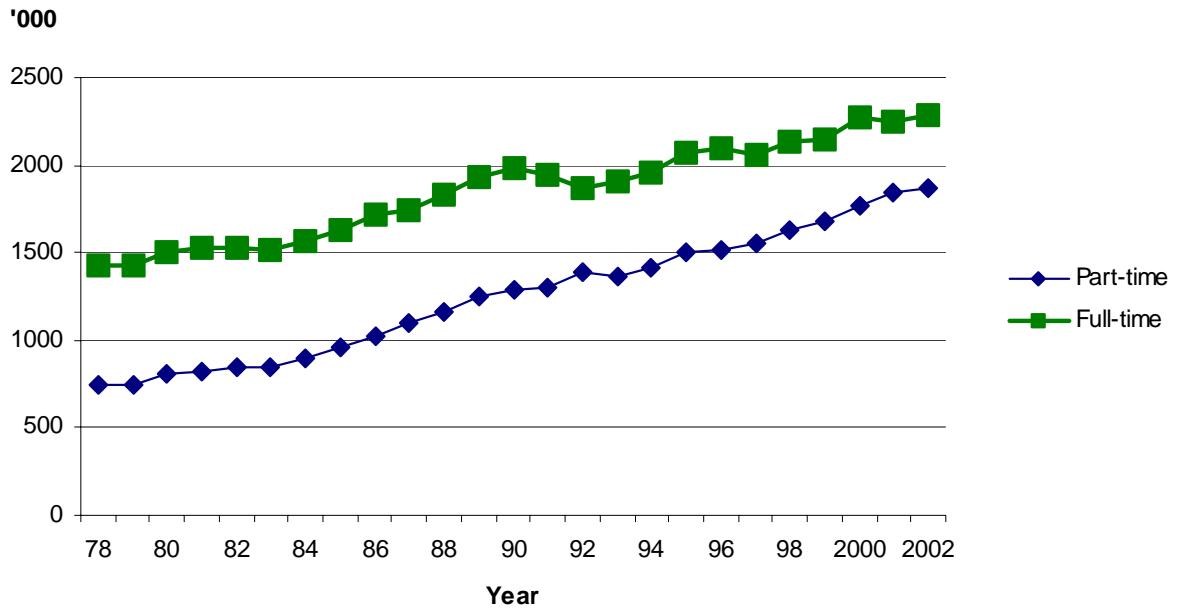
The second common priority that I identified a moment ago as facing many families with children is balancing their work and family responsibilities.

As past gender-based roles have changed and the pace of life has increased so have the challenges for balancing work and family responsibilities.

In Australia, the traditional single job family is in decline, mainly because increasing numbers of women with children are participating in the workforce.

This includes a significant increase in the number of single mothers undertaking work.

**Figure 4. Growth in Women's Full time and Part time Work
1978 -2002**

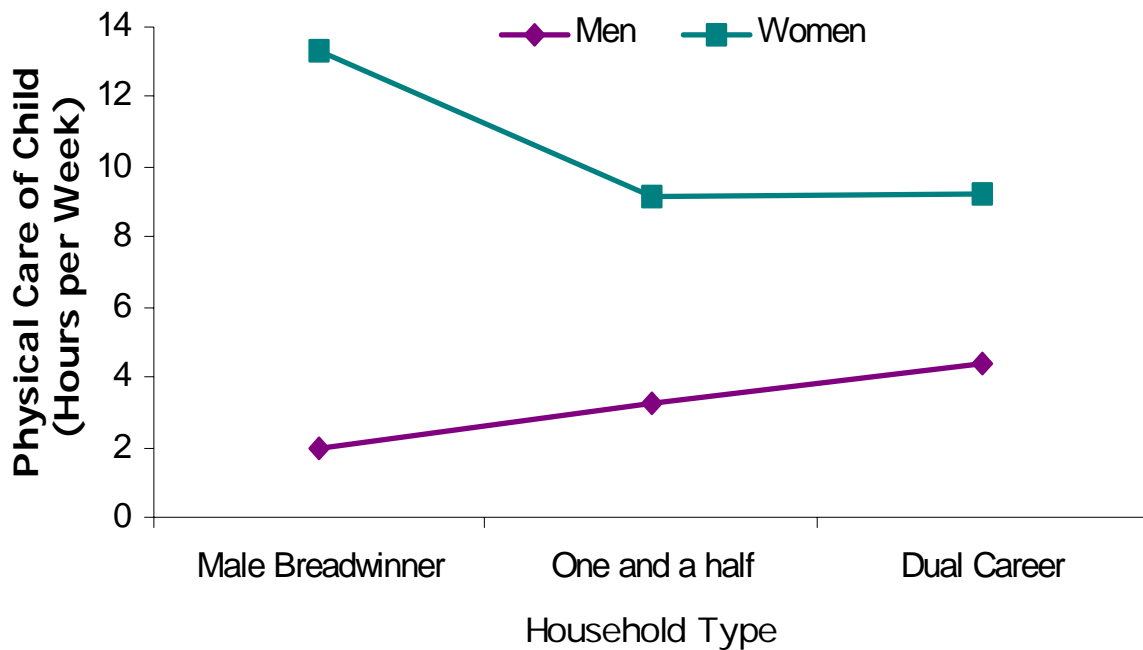


Source: ABS Labour Force, Australia 1978-95 (6204.0) and Labour Force, Australia (6203.0) August issues 1996-2002

So more couple families have both parents in work, and more single parent families now have their parent in the workforce. As a result, the balance between paid work and family responsibilities is becoming ever more complex.

Supporting the role of fathers is one factor in helping our families achieve a healthy work and home life balance.

Figure 5. Physical parental care by household type and gender



Source: M Bittman and J Brown, *Managing Work and Family Balance*, in progress report for FaCS

The new diversity in working arrangements also mean families are relying more heavily on child care, which I will talk more about in a moment.

Maintaining strong relationships

It is undeniable that the third priority - maintaining strong and supportive relationships within the family unit - has always been important. And it is undeniable that there have always been strains on relationships. However, modern life can exacerbate the stresses and strains on the relationships we have with the very people we look toward to support us when going through tough times.

We know also that particular events place extra stress on relationships. Even the most wonderful of events such as the birth a child can put stress on relationships.

The Government's approach to supporting family relationships is to fund the programs which help couples learn a range of skills to assist them to work through difficult times, while providing the necessary support in cases where family breakdown does occur.

Relationships within the family are an important influence on childhood development. The Government's main aim is to support strong family relationships – children have the best chance when they grow in families that are strong and nurturing, with parents taking an active role in raising the child.

Research undertaken by my Department in 1999 tells us that men don't spend enough time with their families, and even when the time is provided, they generally don't use it. This suggests to me that we have some longer-term work to do in changing societal attitudes in this area.

Certainly I noted the comments made earlier this week by Pru Goward, the Sex Discrimination Commissioner, regarding the need for fathers to play a greater role in raising their children. Ms Goward was noting that fathers who followed the traditional male-breadwinner role, and particularly those 25% of men working more than 50 hours a week, would find it more difficult to be as involved with their children on a daily basis and form a strong and enduring relationship.

The Coalition Government supports an industrial relations system which provides more flexible workplace conditions and allows fathers to take a more active role in the upbringing of their children. I suspect that this will require not only a change in approach from some fathers but also a greater acceptance and understanding by some employers and the community more generally of fathers who choose more time with their family over more time at work.

Unfortunately family breakdown is a reality and ongoing conflict within the household can be detrimental to children's development. Where this is the case it is important that we strive for functional relationships after breakdown that allow the constructive involvement of both parents in the child's life.

The Government is responding to these needs through the further roll-out of Family Relationship Centres to support improved relationships for couples at risk of breakdown. This is an example of a sensitive policy area where the

Government needs to work very carefully in supporting families and communities.

The Government has also established a Taskforce, chaired by Professor Patrick Parkinson, which is due to report in March 2005 with advice on whether particular changes to the child support formula are warranted.

We need to continue to intervene early and provide support for families under relationship stress, while working with separated parents to provide a stable environment. Our goal must be to pursue an approach that always puts the children first.

Government philosophy: choice

Having talked about some of the priorities common to families now is an appropriate point to talk about the priorities common to the Howard Government's approach to supporting families. One of the elements of our approach that is central to our philosophy and common across a range of policy areas is our desire as a Government to help families exercise choice in how they live their lives.

As the Prime Minister has said, choice is the golden thread that flows through many of our policies. Choice about whether to stay at home and care for the children or return to work; choice about childcare; choice about schooling, and choice about healthcare.

As our families become more diverse, it will be important that we ensure our responses continue to support and strengthen families, providing them with the choices that promote wellbeing and encourage self-reliance.

Government Action: Direct and Indirect

I talked a moment ago about the importance of putting children first. This is a key policy priority of the Coalition Government's approach to family policy –

giving children the best start in life. While many of our policies are delivered to parents, they are actually targeted at children.

Family payments such as the Family Tax Benefit and the \$3000 Maternity Payment are two important forms of assistance delivered to parents in the interests of children.

Family Tax Benefit is now a central feature of our family policy.

- Eight in ten Australian families receive a payment, which averages \$7,000 per year.

During the election campaign the Government committed to a \$300 increase in the Family Tax Benefit Part B payment. This payment, which assists parents who choose to stay at home to care for their children, is now a maximum of almost \$3,000 per year for children under 5 years and over \$2,000 for children aged 5 to 15 years.

I am announcing today that the Government has decided to bring forward by six months the \$300 increase to the annual rate of Family Tax Benefit Part B.

Recognising the overwhelmingly positive reception to our decision last year to pay the \$600 per child increase to Family Tax Benefit Part A as a lump sum this \$300 increase will also be paid as a lump sum.

The decision to provide a six-month advance will mean that families receiving Family Tax Benefit Part B will be eligible for a lump sum payment of up to \$150 from 1 July 2005 after they lodge their tax return. Every year thereafter families will be eligible for the \$300 annual increase after they lodge their tax return.

Increasing this payment for stay at home parents, usually mothers, is just another example of how the Howard Government seeks to improve the choices available to families in how they arrange their lives according to their personal circumstances.

We know that many parents choose to stay at home and we want to support that choice as far as possible. Similarly many other parents want to remain engaged in the workforce, sometimes for more than just monetary reasons. As a government we want to support that choice as well. Hence our heavy investment in child care.

Childcare

For parents to have real choice in balancing work and family they need access to high quality and affordable child care.

Access has been improved by increasing the of number places by 83% and affordability improved by introducing Child Care Benefit and the 30% Child Care Tax Rebate.

It is now time to turn my focus towards the quality of childcare services. The decision to return to work will be affected by access to affordable and quality child care, and people need to feel confident that their children are safe and well nurtured.

I have already put my state and territory counterparts on notice that I see no reason for the lack of regulation of some forms of child care in some states. I intend to pursue responsible Ministers to ensure improved, more consistent national standards to provide parents with the peace of mind they deserve that their children are attending safe, high quality child care services.

Child care is much more than a mechanism to enable workforce participation.

Affordable, accessible and quality child care is not only a good start in helping parents balance work and family commitments, but it also an important first step towards achieving a positive early childhood experience.

We must consider that this is an environment in which many children spend a significant amount of time at stages critical to their development in which childcare workers and pre-school teachers have a strong influence.

I see early childhood education and care as a cornerstone of our Government's support for parents, and a critical investment in our children. That is why the Australian Government has led, in close collaboration with state and territory governments, the development of The National Agenda for Early Childhood.

The National Agenda for Early Childhood

Recognising that this issue transcends tiers of government, the National Agenda provides a framework to coordinate existing government activities and to improve the integration of children and family support services, including child care, pre-schools, relationship services and public health.

I am keen to continue working closely with state and territory Ministers on the provision of early childhood education and care, and earlier this week I wrote to responsible Ministers seeking an early meeting to discuss further the establishment of a joint planning process and way forward.

The benefits of early learning experiences are now widely accepted and an area in which I believe a collaborative effort by governments across the country is the only fair approach to providing families and children with access to the same opportunities.

I would like to see a more consistent and expansive pre-school education environment. Ensuring well-funded, quality preschools and a planned continuum between child care and preschool will improve development opportunities for children.

This is an area where governments must work closely with families to get it right, and is an area in which we have so much to gain. I believe this is an

opportunity to develop the building blocks of literacy and numeracy, and prepare our children for a more active and productive school life.

Communities

Supporting stronger communities has proven to be a very good way of supporting stronger families.

In Australia, we have a long and proud tradition of support for families and communities through the non-government sector.

As a national government we recognise that in a Federal system rolling out national one-size fits all programmes is not always the best way to meet local needs.

We recognise that communities themselves and the non-government agencies that are part of these communities, are much better placed to identify what support they need at a local level, and how these programs should be delivered.

It's all about being Canberra funded, not Canberra run.

This is the philosophy behind our Stronger Families and Communities Strategy.

Initiatives under this strategy, including Communities for Children and Local Answers, rely on the community to identify local needs to support early childhood development and then provide the funding required for local organisations to deliver the services on the ground.

I am pleased to announce today that as part of our Stronger Families and Communities Strategy the Australian Government will contribute \$4 million towards the development of a new website to provide quality parenting information to Australian families.

Called the **Parenting Information Website**, it will be developed by the Raising Children Network, a consortium of community organisations with a focus on early childhood.

Parents will no longer have to trawl the internet looking for information, and will have access to the most up-to-date information and services all in the one place. Parents can be assured of the quality of information and links provided, as they will all be subject to assessment by an expert editorial committee.

This is a great use of technology to create a one-stop-shop for all parents, regardless of geographic location, to have better access to the same range of information.

Conclusion

Underpinning our policies and philosophy is the development of strong resilient children.

And, strong resilient children are nurtured by not only strong resilient families, but a sound social coalition of governments, families and communities.

We will continue to offer greater choice and opportunity, and take a long-term view in building the best possible social infrastructure for our children, their children and generations to come.

Families will remain central to Government policy development and I will be working hard to ensure that their interests are represented across all portfolios. As I have outlined there are many policy areas I will be pursuing, not least my dogged determination to ensure the states live up to their responsibilities as part of that important social coalition.

I am proud the Howard Government has managed a strong economy, enabling us to provide Australian families with record financial assistance. But rest

assured, I will continue to tackle issues which affect families on a daily basis, and engage my colleagues on a range of issues.

As a result of our combined efforts I hope the next generation, the children of today, will be strong and resilient and be prepared to face all of life's great challenges.

I thank you for the contribution you are making to achieve that goal, and I wish you all the best in your deliberations over the next few days.

Thank you
