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TERMS OF REFERENCE FOR PROPOSED PRODUCTIVITY COMMISSION REVIEW INTO CHILD CARE

National women's groups, economic Security4Women and the National Foundation for Australian Women, welcomed The Hon. Tony Abbott MHR, Leader of the Opposition and The Hon. Sussan Ley, Shadow Minister for Childcare and Early Childhood Learning for supporting our call for a Productivity Commission review of child care.

However the National women's groups expressed regret that the proposed scope of the Opposition's reference of child care to the Productivity Commission does not address the key issues that affect women's work-force attachment.

eS4W and the NFAW previously suggested that the Productivity Commission should be tasked to examine both the supply of quality, affordable child care, as well the effect of the taxation and welfare transfer systems interacting with the cost of child care. This would have the effect of improving productivity, as well as taking account of appropriate service structure for child development.

Sandra Cook, eS4W Chair said ' we know that for many women the decision about whether to work part -time, or to work at all is dependent on how much net return they receive after factoring in possible loss of Family Tax Benefit Part B, plus the net cost of child care and other expenses of returning to work.

'Moreover, we know that Australian women have the highest rate of part-time work of all OECD countries. Balancing work and family, and the lack of good quality school vacation programs play a part in decisions about work. It is a pity that the Liberal Party proposal does not address out of school hours and school vacation care, and makes no reference to the interaction of the tax and welfare benefits with the cost of care.'

The national women's groups plan to write to the Prime Minister asking for a reference to the Productivity Commission that will be broad based in scope and include a review of the tax and transfer measures which would encourage female workforce participation.

economic Security4Women and the National Foundation for Australian Women calls upon the Government and the Opposition to broaden the terms of reference of any inquiry to include matters that would further identify pathways of increased participation in the workforce.

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