

I write regarding the Childcare and Early Childhood Learning Productivity Commission Issue Paper.

My Family

I have a 20 months old son, both my husband and I are working full time, my son is in a GoodStart Childcare centre 5 days a week. My gross income is 120k, and my husband is around 70k, we are in Canberra. I believe that we are the kind of middle class family in Australia. Compare to many other families in the country, we are not at a bad place at all. However, the childcare fee is \$99/day, nearly \$500 a week, every single week. I have to admit, the current childcare rebate helped a lot. Towards the end of last FY, we paid almost 3 months full fee, and the fact is, with our income level, after all the mortgage, living expenses, \$500 a week non-discretionary payment is hardly affordable. We can't even think about a second baby, the fact is even with our income level, we can not afford to have a second baby without government assistance.

Discouraging System

I am thought to be independent, to work hard, and not to create burden for other people, for the society. I have been doing all the right things, study hard, work hard, support my family, look after my career, and contribute to the society. However, I found the current system is not encouraging at all. The government keep saying that we want more women to go back to work after birth. But the women who overcome all the difficulties, and took all the stress and keep paying all the tax, did not get rewarded and encouraged, at all.

I have been working so hard, and try to resolve my family stress and childcare difficulties by myself. I've seen many of other mums like me who struggle between work responsibilities and parent obligations. We don't get family tax benefit at all because we work too hard, we buy private health cover as mandatory item because we work too hard, we pay all the non-Medicare items at the highest price because we work too hard, we pay the same amount of tax and much higher childcare fees for some other women to stay at home to concentrate on their parenthood, because we work too hard.

The current system is actually encouraging people not to work. If they don't work, things will be free or very low cost, if they don't work, the government will look after them, they will get all sorts of benefit to support their basic living, and some of them can even get some cash on hand job.

There are women who want to go back to work but they can't due to the childcare issue, and there are women will not go to work does not matter what. Our system should be able to understand and deal with these groups differently.

Problems In The Current System

There are many other submissions addressed all the issues in detail with good data, I just summarize the problems I found:

- Limited Childcare Centres
- Shortage of Childcare workers
- Unaffordable Childcare Fees
- The discouraging system for women to go back to work

Comments to the New Proposal

The government proposals are very much focused on how to re-distribute the childcare related welfare benefit, which are not addressing the root cause at all. The root cause is that we need more affordable childcare centres, not to compensate people for the increasing fees. And also, how to encouraging women to go back to work. The real question should be how can we lower the cost and have more centres available, and what reward the women can get if they can go back to work as early as they can.

Moreover, governments just keep taking flesh and blood from the middle-income family, who do not have much left to give any more. That \$7500 CCR is almost the only help we can get from government, can't imagine the government even want to reduce that.

The low income families are receiving CCB as well, together with CCR, they already paying only 25% of the fees.

Recommendation

a. Government funded public childcare centres

I recommend to establish government funded public childcare centres which are free, just like the public schools. Private childcare centres are still engaged, just like the private schools. The public childcare centres should be included in the current public school system.

Denmark and Germany have government funded childcare centres, basically most of women will be expected to go back to work within one year of after the birth. There are arguments that Denmark is charging 50% of income tax, which is different to us. However, to be honest, if the government can make childcare, education and healthcare completely free for the people, we really don't mind to pay a bit more. The question for the government is, if the tax payer are paying that much, can the government really guarantee to match up the service standard to those countries? The simple theory is, we want to get what we pay for, not pay without return.

b. Allocate scholarships to encourage more people to take Childcare education and trainings, and provide better wage and benefit to the workers.

Staff shortage is a problem, childcare related training and education should be encouraged. Job should be guaranteed after training/education, or a fix years service agreement should be established when free education is provided.

Unemployed people should be considered and trained since our unemployment rate are high now. Of course, safety and suitable for deal with children type of checks still need to be enforced and strengthened.

c. Consider slightly relax the current Childcare ratios by referencing Denmark and Germany systems.

Denmark and Germany have slightly more relax ration that what we have now. I believe we can reference and make adjustments accordingly.

d. Extend the current school hours.

Parents are paying for pre-school and after-school care. The school times are out of date, they are still stay at the era where mums never go out to work. However, time has been advanced, a lot of women are working as same as men, and standard working hours are 9-5. School hours need to be adjusted. Schools should arrange more activities after 3pm, e.g. teacher lead outdoor play etc. It should be covered as the standard school hours.

e. Introduce an encouraging system and culture

I agree with 'the people who can work should work'. We should respect the personal choice of not to go back to work after birth, however, the tax payers should not pay for the lifestyle choice. Before we have government funded childcare centres, and before we can lower the childcare cost. Women who go back to work should be rewarded a tax offset bonus in the first 3 years after the birth.

I've seen a lot of women choose to stay at home even their children all entered primary school, and because they are not working, their family can then get family tax benefit. The family tax benefit should not pay for the lifestyle choice. To get family tax benefit, one condition should be: both parents are working full time if all their children are over 5 years old.

f. Consider import overseas cheaper labours and provide appropriate training.

There are places are using overseas labour (e.g. Hong Kong) to do specifically help with housework and childcare. It is something we can consider, but proper training need to be provided, and the labour need to be well managed.