

**Family Policy in Australia: A review of recent
developments.**

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Abstract

During the 1990s government policies designed to meet the needs of families represented the fastest growing area of social policy in Australia. These policies reflected contradictory pressures, partly expansionary, from various commitments made by the ALP government in the 1980s, including social wage bargains under the Accord, attempts to end child poverty, and increased support for working women, and partly contractionary, including increased emphasis on means-testing, managerialist support for user-pays and private provision, and cost-shifting to states and community organisation. The Coalition government in its 1996 budget has continued contractionary approaches while indicating a return to the male breadwinner approach to family policy.

Contents Page

Introduction	1
1. The scope of family policy	3
2. Federal programs and outlays	4
3. Expansion: working women and the Accord	10
<i>Direct child support</i>	
<i>Supports for working women</i>	
4. Cutting at the margins: the bureaucratic agenda	13
<i>Targeting and means-testing</i>	
<i>The managerialist agenda</i>	
<i>Cost-shifting</i>	
5. Outcomes: the Labor legacy	16
6. Future directions: the Coalition agenda	19
References	21
Public Policy Program Discussion Papers	22

Introduction

Over the course of the 1990s government policies designed to meet the needs of families represented the fastest growing area of social policy in Australia. Whether measured in terms of the number of programs, the types of services or payments provided, or beneficiary numbers, the growth in family policy programs outstripped all other social policy areas including those for the aged and the unemployed. Departing from what had been a fairly static pattern of provision since the mid-70s – one major cash transfer program, rudimentary community service programs and the establishment of child care provision – developments since 1985 have produced a significant diversification in family policies and programs. The major developments were: the introduction of a range of child care payments; a hefty expansion in child care places; increases in the real value of social security payments for children; the introduction of a maternity payment; and the proliferation of community service programs to meet a range of family needs.

The growth of these policies may be traced to a range of social, economic and political pressures on successive ALP administrations throughout the 1980s. These included: social wage bargains struck under the Accord process; the culmination of programs implemented to fulfil the Hawke government's "no child in poverty" promise made during the 1987 election campaign; the increase in women's labour force participation and the emergence of a political agenda to address the needs of working women; and related to this, a shift in public policy attitudes towards women away from the traditional policy concept of "dependent spouse" towards an approach regarding women as independent carers/wage-earners.

At the same time as these pressures were effectively expanding and re-defining the family policy arena, a number of contractionary pressures were also in evidence. The most notable were: a continuation of policies from the early 1980s which emphasised targeting and means-testing; "managerialist" administrative changes designed to reduce Federal outlays and direct public provision of services; and finally, the re-definition of policy responsibilities between various levels of government. These pressures tended to cut at the margins of existing programs and to promote cost-shifting between the Commonwealth and the States, between the public and community (voluntary) sectors and between government and families.

An assessment of the net outcome of these conflicting pressures on family policy is not clear-cut and depends on whether one focuses on the areas of growth, which would result in a view that family policy in Australia has now become a much more

diverse and complex policy arena, or whether one focuses on the marginal cost-cutting and cost-shifting which has occurred, would lead to an assessment that these forces have resulted in program fragmentation, lack of policy coherence and uneven policy development.

Part of the explanation for this lack of cohesive development can be attributed to the absence of clear differences in the policy platforms of the major parties and the relatively minor status which has been attached to family policy in the past. During the 1996 election, however, the family policy arena was targeted by the major parties for active campaigning. Both the ALP and the Coalition parties presented extensive family policy platforms, the underlying directions of which were strongly opposed: the ALP favouring a more modernist approach to support working women, while the Coalition promoted a conservative agenda to re-orient policies to support “women at home”.

The discussion in this paper starts with an overview of the policies and programs encompassed by the term *family policy* and examines the growth in programs in this area from the Federal perspective. This is followed by a discussion of the expansionary and contractionary pressures which shaped policy development over the 1990s and the apparent outcomes of these opposing forces. The paper concludes with a discussion of future policy trends as signalled by the Coalition in the recent budget and the policy recommendations of the Coalition-appointed National Audit Commission.

1. The scope of family policy

Until the mid 1980s family policy in Australia was a relatively minor aspect of social policy, especially when compared with most other OECD nations. Apart from one universal child benefits program and social service programs funded by Federal grants and delivered by the States and community organisations, family policy at the Federal level remained relatively underdeveloped. To a large extent this situation arose from the over-arching character of the Australian welfare state which developed from the standpoint of the male breadwinner family, where the breadwinner was responsible for the maintenance and care of non-working dependents, whether young or old (Castles, 1985). Changes in women's social and labour market expectations in the post-Whitlam era placed this broader welfare framework under increasing pressure, resulting in a continuous shift in the content and relative importance of family policy over the past two decades. The three most critical sources of structural change to the welfare state are briefly described below and serve as a backdrop to which the specific pressures discussed in Sections 3 and 4 have been added.

First, under the male breadwinner policy model, the care carried out within families whether of children or aged parents has traditionally fallen to women. The rapid growth in married women's labour force participation during the 1980s called into question this basic assumption about the functioning of the Australian welfare state. The conversion of what was formerly unpaid care for dependents to government or privately provided care has increased government outlays on direct cash transfers, subsidies and services (Bryson, 1992; Cass, 1994; Shaver, 1995).

Second, the falling real wages of men and their rising unemployment throughout the 1980s, was accompanied by a growing perception that the male breadwinner unit was no longer capable of delivering the standard of living which Australian families expect. Increasingly it was believed that a two-earner family was required to maintain living standards (Carter, 1993). This further reinforced the pressure on government to provide social services and other supports which allow women to enter the labour market. Where this was not possible, there was increased demand from the unions and the electorate for transfer policies to supplement wages of low income (typically one-earner) families.

Third, following the introduction of no-fault divorce laws under the Whitlam government, the rise of the sole parent family added another dimension to income support policies and programs (Shaver, 1992). While most of the growth in this area occurred between 1975 and 1985, these programs remain a significant proportion of Federal government expenditure on family assistance programs.

In summary, family policy had previously been concerned with direct income support for children and dependent spouses. As a result of recent changes, the scope of family policy expanded to include the needs of women, especially working mothers. In addition, the delivery of family services was extended to all three levels of government plus the community sector. In order to place reasonable bounds around this extensive and growing policy area, this chapter will be confined to discussing Federal programs and funding patterns and, within the Federal orbit of programs, will focus on the major programs which deal with direct family responsibilities in relation to the care and financial support of dependent children.

2. Federal programs and outlays

In the ten year period to 1995, Federal outlays in the social security and welfare area grew at an average annual rate of 4.5%. Of the total growth in this period, the major growth areas were assistance to families with children (27%) and assistance to the aged (24%). Figure 1 shows the breakdown of outlays in the social security and welfare area since 1986 to the present and projections till the end of the century under current policy arrangements. As Figure 1 shows, the growth in outlays for family assistance measures was expected to peak around 1996 and remain stable until the end of the decade. In 1986, expenditure in 1990 prices amounted to just under \$0.4 billion rising to around \$1.4 billion in 1996.

While some of the growth in outlays over this period does reflect new areas of expenditure, expansion of existing programs and real increases in transfer payments for children, around half of the apparent increase is a result of a shift of existing program expenditures from elsewhere in the Federal budget. In Table 1 the chart of accounts for the Assistance to Families with Children component of the social welfare function is shown for 1985/6 and 1995/6. On the left hand side of the table, the 1985 expenditures are shown in 1995 dollars, in order to directly compare where significant changes have taken place. On the right hand side of the table, the 1995/6 chart roughly corresponds with the programs in existence in 1985/6.

Figure 1: Current and Projected Outlays on Social Welfare 1986-1999

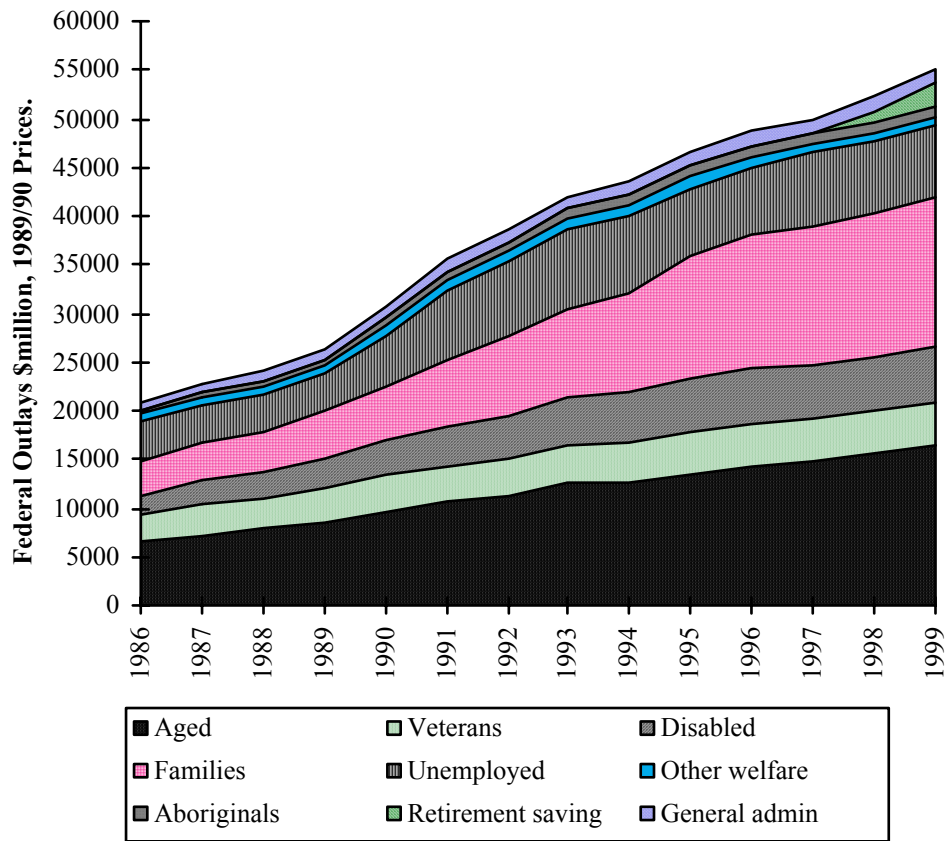


Table 1: Assistance to Families with Children: Federal Outlays 1985 and 1995.

1985/86 Budget Year		1995/96 Budget Year	
Program	Outlays (1995\$m)	Program	Outlays est.(\$m)
Family Allowances	2563.2	Basic Family Payment	2118.1
Family Income Supplement	82.3	Additional Family Payment	3679.7
Children's Services	244.2	Child Care Services	1107.5
Orphans Pension	6.5	Other Cash Payments	218.7
Other	19.2	Other	487.1
Total	2915.4	Total	7611.1
Supporting Parent Payments	2063.7	Supporting Parent Payments	2685.6
		Home Child Care Allowances	3.0
		Parenting Allowance	2235.0
		Child Care Rebate	14.0
		Maternity Allowance	78.1
Total	4979.1	Total	12626.8

Source: Budget Paper No: 1, Australian Treasury (1985, 1995)

The main budget item in 1985/6 was the Family Allowance program which provided cash transfers to families with children, irrespective of family income. In the 1986/7 budget, this program was subjected to an income and assets test which immediately decreased expenditure on this program by around 11% through the exclusion of 3% of existing recipients and a further 7% of potential beneficiaries in the following year. In 1992, the Family Allowance program was subject to further tightening of income tests and re-named the Basic Family Payment. By the 1995/96 budget year the effect of continued targeting measures had reduced outlays on this program by 17.5% in real terms.

The Family Income Supplement (FIS) program was introduced in 1982 as a measure to overcome 'poverty trap' problems for low income families with children. At the time, the government was concerned that social security entitlements - especially for families with three or more children - often provided a better income alternative than low wages from the market. Thus the FIS program was designed to maintain work incentives by providing direct cash supplements to low wage earners with children. Over the period since its introduction, the FIS program (later re-named Family Allowance Supplement and now Additional Family Payment) has experienced considerable growth in beneficiary numbers. In 1985 there were approximately 30,000 families in receipt of FIS; by 1995 nearly 180,000 families received the equivalent Additional Family Payment. Like the Family Allowance program, FIS was re-named in 1992 and the expenditures shown in Table 1 now include approximately \$1200 million of child related payments transferred from other parts of the social security budget. Even allowing for these shifted expenditures, this supplemental program is now the dominant element of Federal assistance for families

with children. The reasons for the growth of this particular program are discussed in detail in Section 3.

Expenditure under the Children's Services Program covers three forms of support: income-tested fee relief to eligible families using approved services whether provided by non-profit organisation, private or employer sponsored services. In addition to these fee subsidies, the program also provides capital grants and operational subsidies for a wide range of child care services. The dominant element of the program is direct child care fee relief to families with two-earners, with the growth in expenditure largely driven by the increase in working mothers.

After a decade of rapid growth in the numbers of sole parents, the number of claimants has remained fairly stable since 1985. In recent years there has been a slight decline in the number of sole parent claimants due to the introduction of labour market programs specifically designed to encourage sole parents into the labour market rather than remain in receipt of pensions. The expenditures on Supporting Parent Payments shown in Table 1 reflects this change with the growth in expenditure primarily due to real increases in benefit levels, rather than reflecting increased numbers of beneficiaries.

The bottom of the chart shows four 'new' programs that were introduced during the 1990s. Two of these programs - the Child Care Rebate and Maternity Allowance - were a direct response to the movement of married women into the labour market. The Child Care Rebate was introduced to assist working parents with the costs of child care. This non-means-tested rebate is generally taken up by those families whose incomes preclude them from the two major child benefits programs and child care fee relief. The Maternity Allowance was introduced in 1996 to provide a one-off payment to families following the birth of a child. Although income tested, the income eligibility threshold is quite high, excluding around 10% of potential recipients.

The Home Child Care Allowance (HCCA) was introduced in 1994 to provide a direct cash transfer for those parents who care for their children at home. The expenditure on the HCCA was funded by the cashing out of a tax rebate previously available to the working partner (generally the husband) who supported a non-working spouse. As such, the program represented a shift of funds from the tax system to the social security system, rather than new outlays.

Parenting Allowance was introduced in the 1995/96 budget and like the HCCA represents a shift in funds from other parts of the Federal budget. This allowance is

paid directly to the spouses of pensioners and beneficiaries, rather than the pensioner/beneficiary receiving an additional allowance in respect of the partner. At the same time as this change was made, the program was expanded to incorporate the HCCA.

Because of the number of changes which have occurred over the past decade it is difficult to give an accurate estimate of how much real growth has occurred in the family program budget. An approximate assessment is that: gains were made in the FIS (later AFP), Children Services, other cash payments and programs, Supporting Parent Pension, Child Care Rebates and Maternity Allowances, totalling \$4654m. Payments shifted from other parts of the Federal budget include approximately \$1200m of Additional Pension and Benefit for children from unemployment and other transfer programs (now part of the AFP program) and a shift of \$2238m from the re-direction of tax rebates and partner allowances into the HCCA/Parenting Allowance, a total of \$3438m. From the original Family Allowance program there was a loss of \$445m in real terms. The net addition being \$4209m in real terms over the decade. So rather than an apparent growth rate of 15.3% per annum according to a literal reading of the budget documents, real growth over the last decade is probably closer to 8.4% per annum. The following sections seek to explain the forces which lie behind these apparent gains, losses and shifts in family assistance measures.

3. Expansion: working women and the Accord

The growth in family policy under the Labor Government was directed at two major goals, first improvements to programs which directly address the costs of raising children; and second, the introduction of new programs which recognised the social consequences of the movement of women out of unpaid labour in the household and into the paid labour force. The former goal may be seen as an extension of the policy frameworks of the 1970s and early 80s, while the latter represents a shift on to new policy terrain. In other countries the supports provided to working women are generally regarded as part of labour market policy. In Australia, however, the legacy of the male breadwinner construction of social policy has pushed changes in these areas into the orbit of family policy. A major implication of this choice of policy framework is that measures designed to reflect the changing role of women have been grafted on to older policy structures which supported the male breadwinner - dependent spouse role model, creating potential conflict between working women and those at home. The Labor government dealt with this conflict by creating parallel sets of entitlements for these two groups of women, whereas the Coalition has chosen to

emphasise these differences by campaigning for a return to state support for traditional “home-makers”.

While the discussion in this section separates out developments into these two broad areas, it is important to stress that there was considerable overlap in the implementation and timing of these changes. In particular, negotiations under the Prices and Income Accords throughout the 1980s provided a focus for co-ordinating policy direction on both these fronts.

Direct child support

The increased value of child related payments observed in the 1990s can be traced to two inter-related pressures which developed as a result of policy measures taken in the late 1980s. Within a year of the introduction of income-tests for Family Allowances, a long-standing debate over the level of child poverty in Australia was given new vigour by community organisations which were experiencing an increased demand on their resources, primarily from the unemployed and low wage families (Carter, 1993). These organisations argued that the savings made from the introduction of income testing arrangements should be ploughed back into improved child benefit levels. Turning the government’s social justice rhetoric to their own purpose, the community sector obtained a commitment from the Hawke Government, during the 1987 election campaign, to increase the real level of payments made under the Family Allowance and the then Family Allowance Supplement programs.

Second, as real wages were restrained by agreements reached under the Accord processes, the size of the population eligible for the Family Income Supplement program increased considerably. As part of the negotiations to improve the social wage of low income earners, the FIS program received considerable attention from the unions and government. This trade-off of wages-for-benefits had a number of advantages for the government: holding down real wage growth while at the same time using the existing framework of the social security system to target improvements in the social wage to low income families.

The combined effect of these changes can be seen from Table 1 where expenditures on the Family Allowance program fell in real terms over the decade while expenditures on the FIS program increased in real terms by a factor of thirty over the same period, a massive reversal of the relative importance of the two transfer programs.

Supports for working women

While the provision of child care places had been the main expression of government support for working women throughout the 1980s, a range of new measures was added to this element of government support over the course of the 1990s. Under the Accord processes, parental leave provisions were introduced and improved; part-time work opportunities were expanded; and maternity allowances were introduced as part of the Accord Mark VII, although heavily prompted by Australia's ratification of ILO Conventions 103 & 156.

For working women, however, the major gain over the decade was undoubtedly the continued expansion in child care places. As Table 2 shows, child care places increased from around 50,000 in 1983 to 234,000 by 1995, nearly a five-fold increase.

Table 2: Numbers of child care places by type.

Year	Children's Services Program	Family Day Care	Commercial/ Employer	Outside School Hours	Occasional/ Other Care	Total
1983	20008*	20100	na	9870	*	49978
1990	39185	40424	na	36416	4648	120673
1993	44347	47079	42400	58386	6704	198916
1995	48247	50979	55300	72186	6704	233416

* Includes occasional/other in 1983

Source: Budget Paper No: 1, 1995.

The changing labour force participation of women also required a re-conceptualisation of their role vis-a-vis public policy, and the support needed to make this transition possible. The re-definition of women from dependents to independent carers/wage-earners is reflected in policy changes which have taken various forms. For example, the re-direction of family support payments away from men as the primary breadwinner and toward women as the primary carer. Often referred to as a transfer "from the wallet to the purse", this policy push was made explicit in the 1994 Budget when the Labor government removed a tax rebate for men and created a new direct cash transfer for women (the Home Child Care Allowance):

The Dependent Spouse Rebate for couples with children will be removed simultaneously with the introduction of the Home Child Care Allowance as part of the Government's continued commitment to the transfer of payments from the wage-earner to the primary carer. (emphasis added)

This change of approach under the Labor Government may turn out to be short-lived, since one of the major election commitments of the Coalition was to re-institute tax rebates for working men with a partner caring for children in the home.

Other changes which reflect this changing status include the introduction of the Child Care Rebate and the creation of separate entitlements to social security payments for women that were previously paid to their partners.

4. Cutting at the margins: the bureaucratic agenda

During its term in office, the Labor government was confronted by a bureaucratic policy agenda shaped by neo-conservative economic doctrine, described by Pusey (1991) as “economic rationalism”. This agenda while not explicitly opposed to the changes taking place in the family policy arena, nevertheless under-cut many of the policy innovations brought about under the Accord and political pressure by working women. Carter’s (1993: 258) assessment of these countervailing policy forces was that:

While conservative economic rationalism provided the ‘bottom line’ of social policy, social corporatism was the antidote which encouraged the modest extension of the provision of economic benefits to families to offset the impact of fiscal and wages policies which reduced real incomes and permitted tax inequality.

This section focuses on the way in which the economic rationalist agenda promoted marginal cost-cutting and cost-shifting in search of an improved budgetary bottom line, to the detriment of a cohesive family policy.

Targeting and means-testing

The income-tested nature of transfer payments in the Australian social security system has generally enjoyed widespread public support (Mitchell, Harding and Gruen, 1994). This support has been engendered by the avoidance of severe applications of income tests and the pursuit of a fairly balanced approach to eligibility which in the past sought to exclude only the top 10 or 20 percent of income earners from measures such as Family Allowances. Over the course of the past decade, however, the dominance of the economic rationalist agenda in the Federal bureaucracy has seen a relentless pursuit of ever increasing targeting of benefits for families. This policy approach has excluded a much larger proportion of families from benefits than was perhaps originally envisaged by the Labor government in 1986. In each year subsequent to the introduction of income tests for family payments, incremental changes to the income and assets tests and/or other eligibility criteria have been implemented. The primary effect of this continuous targeting was to switch the emphasis in child support away from the basic child benefit toward the supplementary income program. Table 3 shows the ratio of the basic child benefit payment (universal in 1985/6, means-tested by the following year) to the supplemental program for very low income earners.

Table 3 : Relationship between FA and FIS

Year	Family Allowance (\$m)	Family Income Supplement (\$m)	Ratio FA:FIS
1985/86	1537.6	49.4	31

1986/87	1381.0	60.6	23
1987/88	1353.6	187.7	7
1988/89	1315.0	400.0	3
1989/90	1810.3	513.3	3.5
1990/91	1894.0	572.2	3
1991/92	2329.0	723.8	3
	Basic Family	Additional Family	
	Payment	Payment ^a	BFP:AFP
1992/93	2074.7	2124.1 (1724)	1.0 (1.2)
1993/94	2056.5	3420.4 (2550)	0.6 (0.8)
1994/95	2046.5	3530.8	0.6
1995/96	2118.1	3679.7	0.6

^a Figures in brackets are the net expenditure after the exclusion of APB.
Source: Calculated from Budget Papers No: 1, various years.

In 1985, the ratio of expenditure was around 30:1 in favour of the basic payment. By 1988, this was down to 3:1 and by the early 1990s the ratio was about even. In 1992/93 the consolidation of other child related payments into the supplemental program (described in Section 2) makes it difficult to estimate the exact size of the supplemental program, the bracketed figures being approximations. Suffice to say that what was once a minor supplemental program of assistance is now the core form of assistance to families with children and addresses a far narrower range of families than the Family Allowance program of a decade ago.

It is not surprising then that these changes led to a political ‘backlash’ and the formation of various coalitions of interest to recoup this loss of entitlement via other means. In particular, working women as taxpayers, sought to have their child care costs recognised and partially offset by government. There is some considerable irony in the fact that the removal of universal entitlement to a single benefit has resulted in the proliferation of a range of new payments as substitutes for families who were income tested out of the Family Allowance system. In turn, the creation of many over-lapping programs has led to considerable complexity in the income transfer system, with low income families in particular often being eligible for several payments, as opposed to the one allowance.

The managerialist agenda

Prior to Pusey’s exposure of economic rationalism, scholars of public administration had identified a related trend in public policy making referred to as “managerialism” (Yeatman,1987). The managerialist agenda looked to the private sector to provide new models of public service provision. The resulting policy changes are now a familiar part of the policy landscape: user-charging, the contracting out of services to the private sector and the public subsidy of privately provided services.

In the family policy arena, the main effect of this agenda has been the entry of private (for profit) providers of child care into the fee relief system and the payment of child care rebates to families using private care services. While it could be claimed that this change has effectively expanded child care places (see Table 2), critics have argued that funds going to the private sector may crowd out future public provision. There is also a concern that quality standards in privately provided services are below those of public or community-based services which have had to meet quality targets (Cahir, 1996).

Cost-shifting

A third feature of the search for reducing the budget bottom line at the Federal level was the retreat from direct provision of services by Federal Departments. The Federal government retreat from direct service provision since the late 1980s has seen services such as the Family Support program transferred to the States and the shifting of costs for emergency family relief and other forms of family related care on to the community sector (Carter, 1993).

With the tightening of fee relief arrangements for long-day child care and a reduction in real levels of the Child Care Rebate, child care costs have increasingly been shifted back on to families or absorbed by community organisations.

5. Outcomes: the Labor legacy

The previous sections have concentrated on more recent developments in the family policy arena. To appreciate the full complexity of the current configuration of family policy we need to consider taxation and other income supports that developed prior to the last decade. Table 4 reveals the range of programs currently in operation and highlights the extent of overlap which has developed.

The programs in the first panel of the table are the remnants of provisions made for non-working wives under the male breadwinner policy model. The Dependent Spouse Rebate (DSR) is now a minor tax relief for wage-earners with a partner at home. The value of this rebate has been eroded through non-indexation of the rebate since the early 1980s. As discussed earlier, the DSR for taxpayers with children was cashed out to provide a direct payment (Home Child Care Allowance) to the mother in 1994. The age restrictions placed on the Partner Allowance and the cut-out of new entrants to the Wife Pension are a further indication of the shift away from treating women as 'dependents'. These restrictions also reflect an implicit policy view that women are now primarily wage-earners or temporarily out of the work-force due to care

commitments. It is precisely on this point that Coalition policies strongly differ from those of the previous Labor government, as indicated by the introduction of the Family Tax rebate in the recent budget - a rebate paid to the primary breadwinner (usually the husband).

Table 4: Family- related Payments in the Social Security and Taxation Systems, 1995.

Program/payment	Eligibility
<u>1. Dependent Spouse Payments</u>	
Dependent Spouse Rebate (Tax)	Taxpayer with a dependent spouse
Partner Allowance	Partners of pensioners/beneficiaries without children, over 40 and with no recent labour market experience
Wife Pension	No new grants from July 1995. Existing wife pensioners continue to be eligible
<u>2. Caring-related Payments.</u>	
Sole Parent Rebate (Tax)	Sole parent caring for at least one child
Sole Parent Pension	Sole parent caring for at least one child
Home Child Care Allowance	Parent at home with at least one child
Parenting Allowance	Primary carer at home of child/ren under 16
Carer Pension	Carer of a disabled/elderly pensioner/beneficiary
<u>3. Child-related Payments</u>	
Basic Family Payment	Parent/guardian caring for child under 16 (Income test threshold \$64,000)
Additional Family Payment	Parent/guardian caring for child under 16 (Income test threshold \$22,000)
Child Care Rebate	Parent of child under 13 in formal or informal care
Long Day Care	Carer of child in approved care centres or family day care schemes (Income test threshold \$25,000)
Outside School Hours Care	Carer of child in before/after school care

The second panel of programs include long-standing tax rebates and pensions for sole parents and three new programs which reflect the new policy attitude to women as carers. The Home Child Care and Parenting Allowances are paid to women in lieu of payments/rebates previously received by the breadwinner. The Carer Pension was

introduced partly in response to the shift away from expensive forms of institutional care for the elderly and disabled toward “community” care but also in recognition of the severe effect which care responsibilities may have on the carer’s (usually a woman’s) ability to participate in, or re-enter, the labour force.

The child-related payments in Panel 3 either directly boost the incomes of families with children (Basic and Additional Family Payments) or seek to defray the costs of child care for working women.

The complexity of these arrangements is partly a reflection of the major transition in women’s lives from being home-makers and full-time carers in the 60s and 70s to breadwinners/working mothers in the 90s. Some complexity in family policy arrangements is inevitable given the fact that at present there are essentially three generations of women, with varying labour force participation patterns, who make different claims on the state. Moreover, these generational differences are accentuated by women’s changing needs across their life-course and an ambivalent public policy attitude toward “mothers at home” versus “working mothers”.

These structural complexities, due to generational change, were further exacerbated by the introduction of a range of programs in response to a backlash against the loss of entitlement to child benefit by a significant proportion of working families. The overlapping entitlement criteria shown in Table 4 indicates that there has been a breakdown in the coherence of family policy over the 1990s. This is not just apparent from an administrative viewpoint, but also from the standpoint of claimants on the system (Cass, 1994).

The uneven nature of family policy development under Labor was due, on the one hand, to a series of gains being made under the Accord processes and the political pressure applied by women seeking improved outcomes from the welfare state, and, on the other, to losses through policy interventions dominated by economic rationalist and managerialist aims which picked away at the margins of these programs, fragmenting this policy arena to an ever increasing extent.

6. Future directions: the Coalition agenda

With the election of the Howard Government, many social policy commentators take the view that the future for family policy is one of significant cuts to income transfer and social service programs. This view is partly borne out by the changes announced in the first budget of the Coalition. A series of marginal cuts and restrictions on current programs have resulted in a decrease of around \$36 million to family program

expenditures. Two major changes in policy, however, will see the abolition of parts of the child care support structure by the end of the decade. First, operational subsidies to support family day care services, occasional care and community based long day care centres will cease after 1997. Second, the budget papers reveal that by the end of 1997 the Child Care Rebate program will disappear. These plus other cost-cutting at the margins of other programs, will have the effect of reducing outlays by \$207 million (in current prices) by the end of the decade. Most importantly, the Family Tax Rebate, foreshadowed during the election campaign was introduced in this Budget at a first year cost of \$147 million, rising to \$600 million by 1999.

The net impact of these changes in monetary terms is probably far less important than the policy attitudes demonstrated by the nature of the changes. The main budgetary cuts to family programs were to measures which assist working women, re-directing expenditure to breadwinners with a non-working partner. Despite the Howard Government's rather low-key reception of the National Commission of Audit (NCA) Report delivered in June 1996, the policy directions presaged in that report – a continuation of cost-shifting, especially to the States; the extension of means-testing to programs which are currently universal; and direct cuts to some cash transfer programs in lieu of the tax rebate – were given expression in the 1996/7 Budget and thus the NCA document is likely to be a fairly good guide to future change. Taken together, the 1996/7 Budget and the NCA recommendations firmly indicate that the Coalition intends to re-institute a male breadwinner approach to family policy.

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