



Balancing Work and Family

Labor's Baby Care Payment

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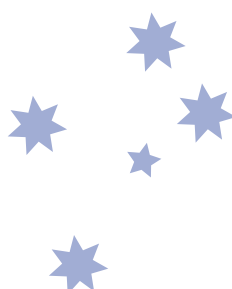
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AUSTRALIAN
LABOR PARTY

Policy Document



Mark Latham and Labor **Opportunity for all**

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Balancing Work and Family

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Easing the Pressure on Families

There is no more important job than that fulfilled by families.

Families are the building blocks of our suburbs and communities. They provide each of us with a sense of support and fulfil the important task of nurturing our next generation.

Labor has been listening to Australian families.

We know parents work hard to pay the monthly bills. They worry about how to get by, and how to give their children the best start in life.

Families today are under unprecedented pressure—they are squeezed for time and money.

Many parents are struggling to balance work and family commitments and many young couples are delaying having children because the pressures are so great.

Labor believes it is simply not good enough to stand back and expect families to cope on their own—not when a happy, secure, caring family environment is so important to the life chances of future generations of Australians.

Labor will help ease the pressures on families.

Families want access to quality childcare at an affordable price. As an essential piece of the work and family equation Labor will be making childcare announcements at a later time.

Families want to have a flexible family payment system that provides timely assistance without the risk of overpayments and debts.

Families want family friendly workplaces that can better accommodate caring responsibilities.

Families want a tax and benefit system that fairly rewards them for their hard work rather than doing endless overtime for next to no reward.

Families want to have extra financial support when a new baby arrives so they can devote all their attention to the baby at this crucial time.

Labor will deliver a new deal for families.

In the first of a series of work and family policies Labor is announcing a new Baby Care Payment for new mothers.

Labor's Baby Care Payment

Labor will introduce a new Baby Care Payment which will provide extra income to new mothers.

Following the birth of a baby, Labor will give eligible mothers a Baby Care Payment paid in fortnightly instalments for a minimum period of 14 weeks. This payment will be \$3,000 in 2005. By 2010, this payment will be \$5,380.

This simple and easy to understand payment will relieve the financial pressure on families at the time a baby is born, allowing mothers to recover from childbirth and care for their new born baby.

Who is eligible for the Baby Care Payment?

Labor's Baby Care Payment delivers on Labor's commitment to introduce 14 weeks paid maternity leave.

All eligible mothers, in and out of the workforce, will receive the payment. This means that working mothers will have the financial support to take time off work, and mothers who are at home will receive additional financial support when the family budget is under increased pressure.

The Baby Care Payment will be means-tested to ensure assistance goes to families that need it most.

All women whose family income is below the Family Tax Benefit Part A cut-out (the current cut-out is \$85,702 plus approximately \$7,000 for each additional child under 18) will be eligible for the new payment. For each additional dollar above the cut-out, the Baby Care Payment will be reduced by 30 cents.

The family's income will be assessed at the time of the child's birth.

The Baby Care Payment will not be affected by the unfair rules applying to the Family Tax Benefit that can result in payments being clawed back.

How will the Baby Care Payment work?

The payment will be easy to apply for, tax free and will assist parents trying to plan financially for the first year of their child's life.

Mothers will apply for and receive their Baby Care Payments through Centrelink or the Family Assistance Office.

The payment will be paid fortnightly over a minimum 14 week period. However, mothers may choose to receive the payment in smaller instalments over a period up to 12 months from the baby's birth. The payment may not be taken as a lump sum.

How much and when?

The Baby Care Payment will commence on 1 July 2005 and will be phased in over a five year period, delivering the equivalent of 14 weeks of pay for people on the Federal Minimum Wage (after tax) by 2010. This is the most financially responsible way to implement this important policy.

From 1 July 2005 eligible mothers will receive \$429 a fortnight for 14 weeks (\$3,000 tax free).

From 20 September 2006 the payment will increase to \$480 a fortnight for 14 weeks (\$3,366 tax free).

From 20 September 2007 the payment will increase to \$571 a fortnight for 14 weeks (\$4,000 tax free).

THE FOLLOWING TABLE OUTLINES THE TAX FREE AMOUNTS MOTHERS WILL RECEIVE:

<i>2005-06</i>	<i>2006-07</i>	<i>2007-08</i>	<i>2008-09</i>	<i>2009-10</i>
\$3,000	\$3,366	\$4,000	\$4,664	\$5,380

To make sure the Baby Care Payment keeps its value it will be indexed by increases in the Federal Minimum Wage (less tax) from 2009-10.

What are the benefits of the Baby Care Payment?

The Baby Care Payment is paid to eligible mothers at the time of the birth and for each subsequent birth.

Unlike the current Baby Bonus, the Baby Care Payment is not affected by how far into the financial year the baby is born.

Mothers will not be penalised when they decide to return to work and the payment is not affected by subsequent earnings.

The Baby Care Payment will reduce current effective marginal tax rates of mothers returning to work, because unlike the Baby Bonus, earning more income when the mother returns to work won't affect the entitlement.

What happens to existing benefits?

The Howard Government's Baby Bonus is a flop and will be replaced from 1 July 2005 by Labor's fairer, simpler and easier-to-access Baby Care Payment.

After this date Baby Bonus claimants will have their payments capped at a maximum rate of \$500 per annum. Baby Bonus recipients who have another baby and qualify for the Baby Care Payment will no longer receive the Baby Bonus.

The Baby Care Payment will replace the Maternity Allowance but the Maternity Immunisation Allowance will continue in its current form.

Who will pay for the Baby Care Payment?

Labor's Baby Care Payment will be funded by the Commonwealth Government thereby placing no financial costs on businesses.

The Baby Care Payment is not a substitute for employer-funded paid maternity leave which should continue to be negotiated between employers and employees.

This is an economically responsible policy that is fully costed and funded (details are attached).

Baby Care Payment Case Studies

CASE STUDY

1

Middle income working family

Joe and Anna are planning to start a family. They have a combined annual income of \$51,000. Joe works full-time in sales earning \$36,000 p.a. and Anna works as a casual in a clothing store and has earned \$15,000.

The baby is due on 31 March and after taking some time off work Anna intends to return to work at her previous earnings.

Under the Baby Care Payment Anna will receive the following assistance:

\$3,000 BABY CARE PAYMENT (EFFECTIVE 1 JULY 2005)

<i>Option A</i> Fortnightly Benefit over 14 weeks	<i>Option B</i> Fortnightly Benefit over 12 months	Total Benefit	Increase over Baby Bonus and Maternity Allowance ¹
\$428.57	\$115.38	\$3,000	+\$2,032

\$4,000 BABY CARE PAYMENT (EFFECTIVE 20 SEPTEMBER 2007)

<i>Option A</i> Fortnightly Benefit over 14 weeks	<i>Option B</i> Fortnightly Benefit over 12 months	Total Benefit	Increase over Baby Bonus and Maternity Allowance ¹
\$571.43	\$153.85	\$4,000	+\$3,032

Under the existing arrangements Anna would receive the Maternity Allowance of \$842.64² after the birth and a Baby Bonus of \$124.65 at the end of the tax year—a total of \$967.29.

Compared with the existing arrangements the \$3,000 Baby Care Payment represents an increase of \$2,032. The \$4,000 Baby Care Payment represents an increase of over \$3,032.

1. For the twelve month period after the baby's birth.
 2. For the purposes of the comparison the current Maternity Allowance rate is used, even though it will be subject to indexation.

**CASE
STUDY**
2

Higher income family

Steve and Tanya are expecting their second baby. Steve and Tanya have an annual income of \$96,000. Steve is a manager earning \$96,000 and Tanya is a full-time mum.

Under the Baby Care Payment Tanya will receive the following assistance:

\$3,000 BABY CARE PAYMENT (EFFECTIVE 1 JULY 2005)³

<i>Option A</i> Fortnightly Benefit over 14 weeks	<i>Option B</i> Fortnightly Benefit over 12 months	Total Benefit	Increase over Baby Bonus and Maternity Allowance ¹
\$284.44	\$76.58	\$1,991.10	+\$1,491.10

\$4,000 Baby Care Payment (Effective 20 September 2007)³

<i>Option A</i> Fortnightly Benefit over 14 weeks	<i>Option B</i> Fortnightly Benefit over 12 months	Total Benefit	Increase over Baby Bonus and Maternity Allowance ¹
\$427.30	\$115.04	\$2,991.10	+\$2,491.10

Under the existing arrangements, Tanya would not be eligible for Maternity Allowance (MA) because her family income is beyond the Family Tax Benefit Part A cut out of \$92,637. Tanya currently receives the \$500 minimum Baby Bonus for her first child.⁴

Compared with the existing arrangements the \$3,000 Baby Care Payment represents an increase of \$1,491. The \$4,000 Baby Care Payment represents an increase of \$2,491.

3. As family income is in excess of the FTB-A cut out a means tested rate is paid. In this case family income is \$3,363 over the FTB-A cut out of \$92,637. As a result the maximum Baby Care Payment is reduced by 30 cents in each dollar over ($\$3,363 \times 0.3 = \$1,008.90$).

4. Upon entering the Baby Care Payment, further entitlements to Baby Bonus for former children are forgone.

**CASE
STUDY**
3

Low-income single income family

Daniel and Mia are expecting their third child. Daniel is a labourer and earns around \$28,000. Mia currently stays at home looking after their two other children.

Under the Baby Care Payment Mia will receive the following assistance:

\$3,000 BABY CARE PAYMENT (EFFECTIVE 1 JULY 2005)

<i>Option A Fortnightly Benefit over 14 weeks</i>	<i>Option B Fortnightly Benefit over 12 months</i>	<i>Total Benefit</i>	<i>Increase over Baby Bonus and Maternity Allowance¹</i>
\$428.57	\$115.38	\$3,000	+\$1,657.36

\$4,000 BABY CARE PAYMENT (EFFECTIVE 20 SEPTEMBER 2007)

<i>Option A Fortnightly Benefit over 14 weeks</i>	<i>Option B Fortnightly Benefit over 12 months</i>	<i>Total Benefit</i>	<i>Increase over Baby Bonus and Maternity Allowance¹</i>
\$571.43	\$153.85	\$4,000	+\$2,657.36

Under the existing arrangements Mia would receive the Maternity Allowance (MA) of \$842.64² and also receive the \$500 minimum Baby Bonus payment for her second child⁴—a total of \$1,342.

Compared with the existing arrangements the \$3,000 Baby Care Payment represents an increase of \$1,657. The \$4,000 Baby Care Payment represents an increase of \$2,657.

Daniel and Mia's other Centrelink payments will not be affected by the Baby Care Payment.

Costings

Labor’s Baby Care Payment is a \$2.2 billion investment in the future of Australian families.

Labor will fund the Baby Care Payment by re-ordering the Howard Government’s skewed priorities.

Like all Labor policies, this investment is fully costed and funded.

Labor will fund its investment by abolishing the Howard Government’s failed Baby Bonus and the current Maternity Allowance. This saving of \$1,730 million over four years will be redirected to Labor’s Baby Care Payment.

Savings of \$436 million are achieved by redirecting the Government’s misplaced priorities in workplace relations to this work and family initiative. Labor has already announced its policy to protect 100 per cent of employee entitlements. This policy replaces the General Employee Entitlements and Redundancy Scheme (GEERS).

In addition, Labor will redirect \$324 million of the Government’s latest deal on health with the independent Senators to its Baby Care Payment. Labor’s \$2.3 billion Medicare and dental package better protects the health of Australian families by lifting bulk-billing and providing a comprehensive national dental care plan for Australians who hold a concession card and their dependents.

Further, Labor has identified an additional \$186 million in efficiency savings in the Commonwealth bureaucracy and will redirect these savings into Labor’s Baby Care Payment for Australian families.

Budgets are about priorities. Labor’s choice is to invest in a Baby Care Payment for Australian families.

The costings of the Baby Care Payment, the Maternity Allowance and the grandfathering costs of the Baby Bonus have been verified by Peter McDonald, Professor of Demography and Program Head at the Australian National University.

LABOR’S INVESTMENT IN FAMILIES:

	<i>2004–05</i>	<i>2005–06</i>	<i>2006–07</i>	<i>2007–08</i>	Total
Labor’s Baby Care Payment		658	721	847	2,226
Grandfathering the Baby Bonus		196	164	121	481

Savings⁵

	2004–05	2005–06	2006–07	2007–08	Total
Abolition of the Baby Bonus ⁶		360	430	367	1,157
Abolition of Maternity Allowance		187	191	194	572
Abolition of the General Employee Entitlements and Redundancy Scheme (GEERS)	75.8	75.8	75.8	75.8	303
Office of Employment Advocate and response to the Building Industry Commission and taskforce	28	28	28	28	112
Reversal of the Government measure to fund additional Industrial Relations Commissioners	5.1	5.1	5.2	5.2	21
Merging Australian Broadcasting Authority/Australian Communication Authority	18.8	18.8	18.8	18.8	75
Abolish Invest Australia	11	11	11	11	44
National Capital Authority Savings	11.9	11.9	11.9	11.9	48
Bureau of Rural Sciences folded into Australian Bureau of Agricultural and Resource Economics	4.7	4.7	4.7	4.7	19
Subtotal	155	702	776	716	2,351
Reversal of the Government's Senate deal on Medicare ⁷					324
TOTAL SAVINGS					2,675

5. Figures are subject to rounding.

6. These estimates are lower than the Government's original estimates in 2002–03 Budget. In the 2003–04 Budget the Baby Bonus figures were substantially revised downwards. However, the Government only provided revised forward estimates for the 2002–03 and 2003–04 years. Despite numerous requests, the Government has refused to release all the revised Baby Bonus forward estimates.

7. These figures relate to the Government's deal on 10 March with the independent Senators. The figures exclude the non-dental component of the allied health initiative and James Cook University Medical places. The Government has only provided funding for its Senate deal to 1 July 2007 after which no funds have been committed. The Minister for Health and the Treasurer have not provided a funding profile for this Senate deal.

Labor's Baby Care Payment

Frequently Asked Questions



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► Who is eligible for the Baby Care Payment?

All new mothers whose family income is below the Family Tax Benefit Part A cut out at the time of the baby's birth will receive the full Baby Care Payment.

The Family Tax Benefit Part A currently cuts out at annual family income of \$85,702 plus approximately \$7,000 for each additional child under 18. Above this income the Baby Care Payment will be reduced by 30 cents for each additional dollar over the cut out.

The following table shows the income limit at which Family Tax Benefit Part A stops being paid⁸ (\$pa):

No. children 0–17 yrs	No. children 18–24 years			
	Nil	One	Two	Three
Nil		\$86,956	\$95,144	\$103,332
One	\$85,702	\$93,891	\$102,079	\$111,046
Two	\$92,637	\$100,826	\$109,792	\$118,759
Three	\$99,572	\$108,539	\$117,506	\$126,473

Source: <http://www.familyassist.gov.au/Internet/FAO/FAO1.nsf/Payments/FTBA.html#COP>

The following table shows the income range in excess of the cut out points listed above where a partial Baby Care Payment is paid:

Baby Care Payment	Taper range above the cut off points
\$3,000 (2005)	\$10,000
\$3,366 (2006)	\$11,220
\$4,000 (2007)	\$13,333
\$4,664 (2008)	\$15,546
\$5,380 (2009)	\$17,933

► How is family income assessed?

Family income is assessed at the time of the birth of the child and tested according to the Family Tax Benefit Part A means test. The payment of the benefit is intended to take into account the circumstances of the family around the period of the child's birth.

The income a woman receives from employer funded paid maternity leave will be counted as income for the purposes of the means test—however it will only have an impact if total family income is above the cut out amount.

8. These cut out points are current to July 2004. As they are indexed annually, higher cut out points will apply in subsequent years.



▶ **Will employers have to pay?**

No. The Baby Care Payment is fully funded by the Commonwealth Government and places no financial costs on employers.

▶ **Are women who receive employer funded paid maternity leave eligible for the Baby Care Payment?**

Yes. The Baby Care Payment does not affect current entitlements or the current practices at your workplace. The Baby Care Payment is the Government's contribution to eligible new mothers and their families at a time in their lives when they are under significant financial pressure.

▶ **Won't the Baby Care Payment mean employers stop negotiating paid maternity leave with their employees?**

No. Family friendly workplace practices like employer funded paid maternity leave will continue to be important to employers seeking to attract and retain their female employees. However, it is the case that a large number of low paid and casual workers have found it difficult to negotiate paid maternity leave.

The Baby Care Payment guarantees these workers financial support at the time of the birth so that they do not have to return to work before they have recovered from childbirth.

▶ **Will women receiving social security payments also receive the Baby Care Payment?**

Yes. The birth of a child places great financial pressure on all families, especially those on low incomes. Labor's Baby Care Payment will give mothers the additional financial support they need to meet extra costs associated with a baby, giving their child the best start in life.

▶ **How will mothers get the Baby Care Payment?**

The Baby Care Payment will be administered through Centrelink and the Family Assistance Office. New mothers will receive information and application forms for the Baby Care Payment and other family assistance while they are in hospital.

▶ **How does the Baby Care Payment relate to the paid maternity leave scheme promised by Labor?**

Labor's Baby Care Payment delivers on Labor's commitment to 14 weeks paid maternity leave. By 2010 the value of the payment will be equivalent to 14 weeks of pay for people on the Federal Minimum Wage (after tax).

▶ **Why is it being paid to mothers at home?**

Labor's Baby Care Payment recognises the work of all eligible new mothers.

It gives working mothers the financial support to take time off work to fully recover from childbirth and it also gives much needed financial support to mothers not in paid work who also face significant costs associated with a new baby.

A new baby means radical lifestyle changes, new sleeping and feeding routines and a mountain of expenses. Money needs to be found to cover the costs of cots, prams, clothing, toys, nappies and a host of other new and often unexpected expenses.

All families need support with these extra costs and Labor's Baby Care Payment recognises the hard work of all eligible mothers.

▶ **Can the payment be taken as a lump sum?**

No. The payment must be taken over a minimum 14 week period. However, families can choose to take the payment at a lower rate for an extended period of up to 12 months after the birth.

This payment gives mothers financial support to recuperate from the birth of a child and is therefore paid over a minimum 14 week period.

▶ **Why is it means tested and not a universal payment?**

The Baby Care Payment is means tested so that it goes to the families that need it the most. This is a fair and fiscally responsible approach.

The means test is generous and the vast majority of mothers will be eligible for the payment.

▶ **When does the payment start?**

The payment will apply to all births from 1 July 2005.

▶ **Is the Baby Care Payment taxable?**

No, it is a tax free payment.

▶ **Why is the payment being phased in over five years?**

The Baby Care Payment will be phased in over a five year period because this is the fiscally responsible approach.

The payment will begin at \$3,000 from 1 July 2005. By 2010 the value of the payment will be equivalent to 14 weeks of pay for people on the Federal Minimum Wage (after tax).

The following table outlines the value of the Baby Care Payment over the five year phase in period.

Year	2005-06	2006-07	2007-08	2008-09	2009-2010
Baby Care Payment	\$3,000	\$3,366	\$4,000	\$4,664	\$5,380

▶ **Will people still receive their Baby Bonus payments?**

The Baby Bonus will be grandfathered and capped. Recipients will still receive a rebate up to a maximum of \$500 per year.

▶ **What happens if a Baby Bonus recipient has another baby?**

People currently receiving the Baby Bonus will continue to be eligible, but from 1 July 2005 Baby Bonus payments will be capped up to a maximum of \$500 per year.

However on the birth of a subsequent child they would be eligible for the Baby Care Payment and forfeit the Baby Bonus.

The vast majority of mothers will be better off under Labor's simpler and easy-to-access Baby Care Payment.

Why is the Baby Bonus capped up to a maximum of \$500?

- ▶ The Baby Bonus is a regressive family payment. It gives the most money to the wealthiest families. Capping the maximum Baby Bonus payment at \$500 is fair.

The Baby Bonus is a dismal flop. One in three new mothers have not received a single cent under the system since its implementation.

The vast majority of new mums claiming the Baby Bonus—a massive ninety per cent—received \$500 or less.

Over half received a payment of \$300 dollars or less.

Will new mothers still receive the Maternity Allowance?

- ▶ **No**, Labor's Baby Care Payment will replace the \$842 Maternity Allowance.

Will new mothers still receive the Maternity Immunisation Allowance?

- ▶ **Yes**, the Maternity Immunisation Allowance will continue.

From when does the Baby Bonus cap apply?

- ▶ From payments made after 1 July 2005.

Will this policy increase the birth rate?

- ▶ A sound work and family policy is just one important measure for helping arrest Australia's declining birthrate.

Australia's birth rate has dropped dramatically over the past four decades.

The birth rate fell from 3.5 babies per woman in the early 1960s to just 1.7 in 2001.

Many women are delaying having a child until they have completed their education, established a career, and purchased their first home. The median age for women having their first child has risen to 30 years.⁹

Is this policy fiscally responsible?

- ▶ **Yes**, Labor is phasing in the Baby Care Payment over a five year period starting at \$3,000 and means testing it so that the money goes to those in most need of financial support.

9. ABS, *Births Australia, 3301.0, 2002*.



The Howard Government's Record

The Howard Government's Work and Family Record

NO COMMITMENT TO PAID MATERNITY LEAVE

The Howard Government's Cabinet report on work and family shows its policies are failing to provide financial assistance to families when they need it most—on the birth of a new baby.

John Howard has report after report showing that Australian women need financial assistance to take time off work to recuperate after the birth of their child but he won't act.

His own Cabinet report on work and family says this about his policies:

- *Parents . . . face an abrupt change in their finances in the period following the child's arrival. Their family income often falls substantially at the same time as they have to cope with the direct costs of having a child.*
- *. . . Because the Baby Bonus and the Family Tax Benefit are reconciled on a financial year basis, assistance may not be well-timed.*
- *A government-funded scheme would ensure universal coverage of eligible women for at least some level of income support for a certain period unlike the current patchy cover of employer provisions at present.*¹

ONE-SIZE-FITS-ALL POLICY

John Howard has imposed a one-size-fits-all model to work and family policy.

Under John Howard's policies, families must conform to the 1950s model family—mum at home with the kids and dad out working—or lose financial assistance and risk being hit with a massive family debt bill.

John Howard's one-size-fits-all policy approach leads to many families receiving incorrect family payments and big family debts.

The figures show that in the three years the Government's Family Tax Benefit scheme has operated:

- 2.9 million incorrect payments (56% of all payments) worth \$2.5 billion have been made to families;
- the percentage of recipients with family payment debts remains extremely high and the level of debts has also remained significant (an average of around \$900 for every family with an overpayment); and

1. Paragraphs 84, 92, 104, *Work and Family Initial Report of Inter-Departmental Taskforce*, December 2002.

- there has been a significant increase in the percentage of families who are being underpaid throughout the year (an average of \$32.50 a fortnight forgone).²

The latest family payments data shows the Government's Family Tax Benefit is having a harsh financial impact on families whose income varies during the year—particularly families where a parent is returning to work after time out of the workforce caring for a child.

The Howard Government is a tired old government that has failed to deliver for Australian families.

THE BABY BONUS IS A FLOP

The Baby Bonus is a dismal flop.

One in three new mothers has not received a single cent under the system since its implementation and less than one per cent received more than \$1,500. The vast majority of new mums claiming the Baby Bonus, a massive ninety per cent, received \$500 or less. Over half received a payment of \$300 dollars or less—that's not even enough to cover the cost of a new stroller.³

The Baby Bonus reflects John Howard's one-size-fits-all approach—which penalises parents who decide to return to the workforce and earn any income.

The Baby Bonus payment is not made until the end of the tax year—potentially long after the child is born, the time when additional funds are most needed.

Second and subsequent children do not even qualify for a payment even though families with more than one child are under even more financial pressure.

The Howard Government's Baby Bonus system has been a policy disaster and its own Cabinet report suggests the baby bonus should "*be redesigned so that it mimics the effect of paid maternity leave.*"⁴

ALL TALK NO ACTION

A Prime Minister committed to relieving the financial pressures facing families would have done more than talk about the issues for three years.

5 October 2001, *Announcement of the Federal Election*

"Ladies and gentlemen, this election is not only about the record of the Government . . . It is about how we better balance work and family responsibilities, so important to millions of Australians and their families."

18 July 2002, *PM to focus on work and family policies (7.30 Report)*

"Paid maternity leave has a legitimate claim in the debate. There's merit in it. We are looking at it."

2. Questions 218 and 219, Senate Estimates Community Affairs Committee, 6 Nov 2003.

3. Question 27, Senate Economics Legislation Committee, 3–6 June 2003.

4. Paragraph 107, *Work and Family Initial Report of Inter-Departmental Taskforce*, December 2002.

19 July 2002, *Howard may extend family tax breaks (The Age)*

Prime Minister John Howard wants to reshape work and family policies as the domestic centrepiece of his third term . . . “*This is the biggest ongoing social debate of our time. I call it a barbeque stopper.*”

1 August 2002, *PM in no hurry on family issues (The Australian Financial Review)*

The Prime Minister, John Howard, said new initiatives on family and work were some way off, despite being the centrepiece of Tuesday’s strategy session of Federal Cabinet.

14 December 2002, *Maternal leave of 14 weeks on way (The Age)*

Australia’s working women will win the right to 14 weeks of taxpayer-funded maternity leave in next year’s federal budget as part of an overhaul of family benefits and increased support for child care.

Prime Minister John Howard has ordered senior ministers to craft a three-plank “work and family” package to give women greater flexibility over whether they stay at home or return to work after the birth of a child.

1 March 2003, *PM vetoes maternity leave pay (The Weekend Australian)*

John Howard has virtually ruled out ambitious proposals for taxpayer funded maternity leave, saying the Government would instead improve opportunities for mothers to work part-time.

6 April 2003, *Interview (Sunday Sunrise)*

Journalist: *Work and family package, is that still on the table as well?*

Howard: *Well, we never said we were going to have that in this budget.*

6 June 2003, *Speech (Liberal Women’s Conference)*

“Now, can I come to the question of paid maternity leave. And can I say at the outset that it is still very much on the table as far as the Government is concerned. Any idea that we are opposed in principle to paid maternity leave is wrong. In fact, we strongly encourage employers to provide it.”

4 February 2004, *Interview (The 7.30 Report)*

Journalist: *Before the last election, you promised to make the needs of working families a priority of your third term . . . balancing work and family responsibilities better . . .*

Howard: *I would have thought the first obligation you owe in terms of work and family balance is . . .*

Journalist: *This term?*

Howard: *This term, yes. Is to give people the opportunity of a job.*