FAMILY AND WORK: ISSUES AND RISKS ACROSS THE LIFE COURSE

Paper for the Australian Social Policy Conference to be held 9 – 11 July 2003
at the University of New South Wales

David Hazlehurst,
Assistant Secretary
Family and Children’s Policy Branch
Department of Family and Community Services
FAMILY AND WORK: ISSUES AND RISKS ACROSS THE LIFE COURSE

My paper today explores a range of issues rather than reporting on a particular piece of research.

Balancing work and family is a complex and dynamic issue faced by individuals, their families and their workplaces. This paper presents a view of the challenges faced by families across the life-course as they manage their daily decisions on this front. It draws out some of the many dimensions that impact on these decisions and discusses the strong links between work and family issues and the debates around

- early childhood,
- workforce participation,
- structural ageing and
- retirement incomes.

The impacts of a life-course approach and the linkages with other key policy areas are drawn together to highlight policy implications for the future.

WHY A LIFE COURSE APPROACH?

The Commonwealth Department of Family and Community Services is responsible for payments and services for many millions of Australians. In fact, we provide support pretty much “from the cradle to the grave”

Increasingly we are recognising the need to look across the life cycle to see the critical transition points where early intervention can make a difference. We are more mindful that individuals that come into contact with the social support system have a past and a future that needs to be recognised in providing support.

* Paper delivered at the Australian Social Policy Research Conference (July 2003) by David Hazlehurst, Assistant Secretary, Family and Children’s Policy Branch, Commonwealth Department of Family & Community Services
A life-course approach also lifts our focus from single-issue debates such as the one we have all witnessed recently around Paid Maternity Leave. It recognises that work and family affects many people in an ongoing way – at different ages and at different stages. I think the OECD got it pretty right when they said:

“Work and family decisions are made in the context of a broad set of interacting factors including opportunities and preferences, family formation, parenthood, caring and intergenerational arrangements, education, and work and learning opportunities later in life, and retirement prospects”.

(OECD, 2002, Babies and Bosses: Reconciling work and family life)

ISSUES AT DIFFERENT STAGES IN THE LIFECOURSE

Deciding to have a child
Australia’s declining fertility rate partly signals to us how Australian women (and men) are deciding to balance work and family. Of course, a range of factors influence these decisions. But, it seems that more and more young Australian women are questioning whether it is possible and/or even desirable to try to ‘have it all’ in terms of both work and family.

Women with higher levels of educational attainment appear to be having fewer children. This may be partly because women with higher levels of education are less likely to be partnered. They are more likely to have their first child when they are older (once they have finished studying), which decreases their likelihood of having more children (Fisher and Charnock 2003). For them, having a child is also likely to have greater opportunity cost in terms of lost earnings.
More educated women tend to have fewer children

Mean number of children ever born for women aged 30 years and over by educational attainment, 1996

(Minister for Family and Community Services, 2002, Work and Family Fact Sheets)

Of course, there are many other dimensions to decisions and choices about having a family – for instance relationship stability, values and financial security. There also appear to be some links between fertility rates and family friendly provisions in the workplace (Castles, F., 2002, *The World Turned Upside Down*).

Countries that support women to participate in the workplace appear to be having more positive impacts on fertility rates than countries that don’t – many appear to be at least ‘stopping the drop’.

How well a society facilitates work and family balance in the workplace impacts not only on parents with children – who may be weighing up their options about staying at work, or having more children - but also prospective parents and their decisions about whether they will have any children at all, and how they think that will impact on their working lives.
Some speculate that work and family issues have an impact far earlier in the life-course than the actual point of decision around having a child – as young women look around and ask “Do I want to try and do all that?”

**Having a baby**

A lot of planning can go into the decision about when to have a baby, how much time to have off work, and how to manage the loss of one income, particularly during the first year of the baby’s life when many women remain at home.

Maternal and parental leave arrangements—both unpaid and paid—are important at this point and there has been much debate about these in recent times. How much leave is paid, who can access it and for how long, are all thrown into the decision-making melting pot. People often put aside savings for these periods, but this can be constrained by other expenses, such as mortgage repayments or rent costs. A major question therefore is— to what extent should government be responsible for assisting people during this period, to what extent should employers be responsible and then of course, how much should be left to individuals?

As the child grows and parents return to work other critical supports and services must come into play—child care has a particular role to play, as well as extended family and friends.

Availability and suitability of formal child care are key considerations— the type of care, proximity to work or home, quality, affordability and flexibility. The government will spend a record amount (more than $8 billion) on child care in the next four years.

In 2002, for families choosing to use informal child care, about 58% of the children were cared for by grandparents and a further 27% by other relatives (ABS 4402.0 June 2002). This shows that this extended family network continues to be very important to parents.
The support of employers is also significant at this point – what accommodations they make for parents returning to work, how they assist the transition, their flexibility around working and home arrangements will all affect the decisions people make.

School age children
The transition to school and school hours and school terms can bring new challenges for working families, even for those who have had extensive experience with formal child care.

Quite often the school hours themselves are problematic as the general start and finish times - around 9am till 3pm - do not match up with standard work hours of 8.30 am to 5.00pm. This can mean significant pressures to get children to school on time yet not be late for work; and at the other end of the day, having to make arrangements to pick children up, supervise homework and get to after school activities.

The proportion of 5 to 11 year olds in some sort of child care has remained reasonably stable over the last 10 years, at about 40%. Children in this age group are more likely to be in informal care arrangements rather than formal care, although the rate of use of formal care in this age group is increasing. Growth in formal outside school hours care places over this period may account for some of this shift.

In many families with school children, the mother works part-time. While part-time work can help the balancing act during term time, school holidays bring their own particular problems, especially when most employees are entitled to a maximum of 4 weeks leave a year. Vacation care programs have been one means of managing this – especially for primary school children.

For older children (adolescents/teenagers) outside school hours care and vacation care may no longer be appropriate and many parents struggle to find ways to provide appropriate supervision or monitoring of their adolescent children. Purchasing additional leave with pay helps some families and there
are other options that can be pursued through workplace negotiations (University of Auckland changed university term times to match school terms; working only term time). Of course many families may not be able to afford the reduced income over a year and end up juggling a variety of arrangements.

**Elder care**

Workforce participation of women in the 55-65 age group has increased by over 15% in the past 10 years. This growth has impacts on work and family issues from a couple of angles.

![Growth in Labour Force Participation for women aged 55-64 years](chart)


Many of us know women in their fifties who are working, still with stay-at-home older children, also looking after their ageing parents and sometimes even on call to help out with grandchildren as well.

The absolute number of older people is growing because of falling mortality and the proportion of elderly is increasing as a result of falling fertility with implications for the age dependency ratio. Work and family balance for people with elder care responsibilities is likely to be a growing issue.

If we are to achieve both greater workforce participation and resilient, supportive families, within a structurally ageing society, we will be forced to
consider a variety of policy responses that enable women and mature age workers in particular to effectively balance their work and family lives.

**MULTI-DIMENSIONAL DECISION MAKING**
Across the life cycle it’s clear that decisions people make about balancing work and family are complex and multi-dimensional. There’s rarely a single or simple determinant. Families weigh up all sorts of information as they make their choices, and social and economic policies impact in lots of different ways.

Some of the factors they weigh up are personal, some are financial, some are values, some are future-oriented, some are to do with the past and some of them are purely about the here and now.

**Economic conditions**
Decisions around if and when to have children may take account of employment stability, the earnings of partners, costs of living and housing affordability. For example, there appear to be strong links between intentions to have children and home purchase. People who want to have a child within the next three years are 7 times more likely to want to buy a home, when compared to those without strong child-bearing intentions (Merlo, R and McDonald, P 2000). There is also evidence suggesting a possible link between fertility decisions to changes in a broader sense of security associated with the ups and downs of the economic cycle (Martin, J 2002).

**Family aspirations**
It appears our aspirations for material and personal well-being have changed and people want bigger houses, more cars, better education and to give their children more than what they had. To achieve this many families need 1½ to 2 incomes.

A reflection of these changing aspirations is the change in relationship between the average number of people and the average number of bedrooms in Australian houses. In the 1970s, there were on average more people than
bedrooms in each household. This situation has now been reversed. The average house now has more bedrooms than people!

People may also choose to delay having children until after they feel financially secure and settled - after going to university, establishing a career and buying a home. These things take time. Many women and men do not achieve these things until they are in their late 20s or their 30s.

Perhaps as a result, over the last 30 years, there have been significant decreases in the number of younger women who are having children. The birth rate is declining for women under 30 years and increasing for women over 30 years. The highest fertility rates in 2001 were for 30-34 year old women. After this age, while women may want to have children, it is just that bit more difficult with an associated element of health risk.

Fertility Rates by Age
Similarly, our lifestyle and leisure preferences play a significant role in determining if and when we have children, and how many. So do our values around having children – how important we think they are; how much we value parenting; and expectations around gender roles: male and female responsibilities in bringing up children.

**Infrastructure support**

The community supports available for parents with children and workers with elder care responsibilities play a part in decisions around work and family balance. Perceptions around the amount and the quality of this infrastructure – child care, public and community transport, meals on wheels, home and community care, sporting groups – form part of the mix in these decisions.

**Workforce participation**

Compared to previous generations, more women now return to work after having children (and sooner) – 30% of sole mothers and over 50% of partnered mothers with a youngest child aged 2 are in paid work. Part-time work appears to offer opportunities to balance work and family life and in 2001 around 62% of women with children (16 years and under) worked part-time (ABS Census Data, 2001, special data request). Data from the Household Income and Labour Dynamics in Australia survey (HILDA) suggests, not
surprisingly, that those working full-time are more likely to have some sort of tension around balancing work and family responsibilities (Kruesmann 2003).

Older women are also staying in work longer, which has implications for their availability to provide care for their grandchildren. These trends seem set to continue and will have strong direct and indirect impacts on the balance between work and family for many people.

**Work – building resilience and flexibility**

Work plays a critical role in building resilience and flexibility for women over the life course. Of course, it helps them and their families to achieve the standard of living to which they aspire. But, it is also critical for many women as insurance against family breakdown and in ensuring that they can continue to enjoy their standard of living into retirement. This insurance role is very important against the backdrop of ABS estimates that 32% of marriages are likely to end in divorce. Maintaining skills and contact with the labour market helps to ensure that relationship breakdown, in itself a significant trauma, does not lead to a breakdown of living standards (often for them and their children), nor leave them solely reliant upon income support in their later years.

Analysis into the experience of financial stress and, in particular, those households which experience the poorest outcomes (characterised as recording multiple hardship) suggests that employment makes a difference that goes beyond the income generated (Bray 2001). While this relationship has yet to be fully explored, and causality is very open, it is not unreasonable to consider that incidental aspects of employment, such as social contact and development of life-skills, have positive spin-offs in other areas of people's lives.

**Smoothing the transition back to work**

Women returning to work, even after short absences, may need to re-skill or upgrade their knowledge. The availability of supports to do this may influence decisions — to delay the return or precipitate it. Practical help with job
applications, resumes, career counselling and courses can all make the decision to return to work easier.

**Workplace flexibility**
Demand for and take up of family friendly provisions has been steadily increasing. More organisations, especially large companies and the public service are seeing sound business reasons for offering work-life policies. These include the capacity to attract skilled staff in competitive labour markets, the wider pool of potential employees, reduced staff turnover and absenteeism, reduced recruitment and training costs, and increased loyalty and productivity.

Family-friendly work arrangements used by working parents include flexible working hours, permanent part-time work, working from home and job-sharing. There has been a steady increase in the use by both fathers and mothers of these family-friendly work arrangements in the last 10 years, although mothers are still more likely to access them than fathers. Thirty percent of employed fathers use some sort of family-friendly work arrangement, while they are used by about 70% of employed mothers. (ABS 4402.0, June 2002, table 25)

It is interesting to note, however, that comparisons of the availability within and between workplaces of family friendly provisions indicate that access to family friendly policies appears to have little relationship to whether an employee has dependent children or other caring responsibilities. Rather, access is often directed to the more valued employees within companies (Gray and Tudball, 2002).

**SO WHAT DOES THIS MEAN FOR FUTURE POLICY?**
Government plays a key role in setting the policy parameters in which families and workplaces operate, in promoting the value of work and family, in setting the institutional framework and encouraging key players, including business and the community to contribute to and support that framework.
The multi-dimensional nature of the issue demands policy attention and consideration from a number of directions. There is a reasonable consensus now that the challenges of structural ageing demand consideration of how best to encourage people of workforce age to stay attached to the labour market. Making it possible to have both work and family will be critical to keeping mothers and older workers engaged. As the Government develops its National Agenda for Early Childhood the availability of quality childhood experiences at home or elsewhere will impact on decisions around work and family.

The Government’s Participation Agenda which seeks to increase the participation of people reliant on income support also needs to factor in support available to transition to work and, once within work, to enable work and family lives to be sustained successfully.

There may be policy tensions across the life course and between policy agendas. Moves to support work and family directions for one group at one point may have consequences for others. Balancing work and family across the life course presents challenges for us all and the associated social policy development is not simple, but a complex and dynamic arena.
References

ABS, Child Care, 4402.0, June 2002
ABS, Marriages and Divorces, Australia, 3310.0, 2000


Minister for Family and Community Services Work and Family Fact Sheets, 2002 (Sources: ABS 6203.0 Labour Force; Survey of Families in Australia, in ABS Focus on Families: Demographics & Family Formation 4420.0 1994; ABS 3301.1 – Births, 2000: 1996 Census Data; DEST)