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Mr James Catchpole
Secretary
Standing Committee on Family and Human Services
House of Representatives
Parliament House
CANBERRA ACT 2600

STANDING COMMITTEE
12 APR 2005
on Family and Human Services

Dear Mr Catchpole

In response to your letter of 1 March 2005, I attach a submission from Families Australia to the Commonwealth Parliamentary Inquiry into Balancing Work and Family being undertaken by the House of Representatives' Family and Human Services Committee.

Families Australia would be pleased to make an oral submission should the Committee wish.

Yours sincerely

Sandie de Wolf
Chair

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COMMONWEALTH PARLIAMENTARY INQUIRY INTO BALANCING WORK
AND FAMILY:
FAMILIES AUSTRALIA SUBMISSION

The reconciliation of work and family life directly involves two goals that are important both to individuals and societies: the ability to participate fully in the labour market, generating income but also seeking fulfilment in the most important social activity of modern life, and to provide the best for one's own children, giving them the care and nurturing they need. These aspirations need not be mutually exclusive.

Extract from the OECD Report
*Babies and Bosses: Reconciling Work and Family Life;
Australia, Denmark and the Netherlands* (2002)¹

Families Australia presents the following submission to the Committee on the basis of belief that the issue of work and family is one of great importance to the wellbeing of the Australian community and the country's economic and social sustainability.

Families Australia Inc. is the first national not-for-profit non-government peak body specifically concerned with family-related issues. Under its Constitution, Families Australia is "to represent the interests of families in Australia, working from a network of services, organisations, carers, consumers and communities, which takes in a rich diversity of families and communities." Families Australia is part funded by the Commonwealth Department of Family and Community Services. Its mission is to improve policies and programs affecting families through advocacy and representation at all levels of government. Families Australia has a current membership of 362 organisations from across Australia, including 35 General Members which are national peak organisations in their own right. The Board of Families Australia is representative of the diverse range of family issues in Australia; it is also geographically representative. (Further information about Families Australia can be found at www.familiesaustralia.org.au).

Families Australia's involvement on the issue of work and family derives from its inaugural conference, *Globalisation, Families and Work: Meeting the Policy Challenges of the next two decades*, which was held in Brisbane in April 2004. The Conference, opened by Senator the Hon. Kay Patterson, Minister for Family and Community Services, was attended by international and Australian experts and by people from all

¹ Organisation for Economic Co-operation and Development (2002) *Babies and Bosses: Reconciling Work and Family Life; Australia, Denmark and the Netherlands*, Vol. 1.

levels of government, the community sector, women's groups, industry and business organisations, trade unions and the research community. The following submission reflects many of the themes which emerged at the Conference and through later research and input from Families Australia member organisations.

GENERAL

It is now well-known that over the last two decades there have been major changes to the configuration of work and family life in Australia. Most children in Australia now grow up in households with two employed parents. Between 1983 and 2002, the proportion of two-parent families with dependent children in which both parents were employed increased from 39.7% to 56.9%. Working hours have become longer for many, and work schedules less standardised. Average hours worked by full-time employees have increased since the late 1970s for both women and men. The majority of Australian fathers work full-time and many work long hours. Moreover, many grandparents have taken on caring roles. Many grandparents are in the paid or unpaid workforce at the same time as being responsible for the care of children or young people either on a part or full time basis.

Recent research shows that change in the balance between work and family responsibilities is having substantial negative effects on the quality of life for average Australians. In 1996, the *Australian Family Life Course Study* found that 44% of men and 28% of women said that work interfered negatively with family. In the 2003 *Relationships Indicators Survey* conducted by Relationships Australia, 89% of respondents "agreed that relationships are in trouble because finding a work/life balance is so difficult." Lack of time was identified as the main issue negatively influencing relationships. The Australian Childhood Foundation report *The Concerns of Australian Parents*, based on interviews with a sample of 500 parents nationally, highlighted that 3 in 4 parents struggled to balance work and family.

The 2001 Leadership Employment and Direction (LEAD) report commissioned by Leadership Management Australia and conducted by Quantum Market Research indicated that 51% of business leaders, 50% of senior managers and 40% of employees surveyed considered that their family lives were affected by work-life imbalance. The LEAD survey also reported significant impacts of work-life imbalance in areas such as health, leisure time, fitness, relationships and diet.

Indications from a range of research are that many parents want more family time, more flexibility in their working arrangements, more information both about their employment entitlements and about parenting, and financial support that assists transitions in and out work. For example, in the Relationships Australia survey, when asked what would assist, the highest ratings went to more flexible working hours (46%) and an increase in government financial support (47%). Another 34% said a change in their spouse's attitude would help achieve the balance and 39% said more part-time work for women.

FAMILIES AUSTRALIA'S POLICY ON WORK AND FAMILY

Families Australia believes that the definition of progress or development in Australia should go beyond economic growth and include the notion of sustainability in which the value of caring for others is counted, carers are not marginalised, and the goal of maximising wealth does not override the goal of optimising the health and well-being of individuals, families and community.

It is also important to register that communities need children. Disincentives to childbearing as a result of real or perceived difficulty in balancing work and family life will reduce further Australia's birth rate and further accentuate the trend toward an ageing population.

As most children in Australia grow up in families where both parents are in paid work, it is important for their wellbeing that parents are able to move in and out of employment according to family care needs and priorities. It has been estimated that 28% of sick children are at home alone. The wellbeing of children stands to suffer if working arrangements do not ameliorate this type of situation.

It is also important for the long-term financial security of families that parents and carers are able to maintain workforce attachment. For work to be sustainable for people with caring responsibilities, it needs to be reasonably flexible. In particular, parents and carers need access to adequate leave, to part-time work on return from leave, to family/carer's leave, and scope to modify their working hours or arrangements to attend school events, medical appointments and the like.

While dual earner families may be the new 'norm', almost one in five of our children are growing up in 'jobless families': this is strongly correlated with long-term disadvantage. For them it is especially important to address the barriers to workforce participation commonly associated with caring, which include lack of flexible work opportunities, and access to high quality and affordable childcare.

ISSUES AND RECOMMENDATIONS

Against the general background of rising work pressures, reduced time for family life and increased stress as workers try to juggle these two factors, we submit the following 14 recommendations aimed at making it easier for parents to return to, and continue in the paid workforce, as well as imparting greater flexibility in taxation and other fiscal arrangements to provide greater opportunity to improve work-family balance.

In many cases, the recommendations are designed to foster attitudinal change across the broader community to better support individuals, families and employers in choices about a better work-family balance. By giving greater public exposure to the issues and the initiatives already taken, parents, other carers and employers can be encouraged to view

employment arrangements in new ways, thus promoting return to the paid workforce as well as helping to retain employees in jobs.

1. ISSUE: PROMOTING RECOGNITION OF THE INTERCONNECTIONS BETWEEN FAMILIES AND WORKPLACES

Policy settings, government services and government information strategies need to reflect the reality that paid employment and family responsibilities are not alternatives but co-exist for most people in different combinations over the life cycle. At a basic level, family income security is linked with job security so issues such as casualisation of the workforce impacts on family wellbeing. Understanding the linkages between families and workplaces, rather than seeing them as separate spheres, opens up new opportunities for intervention and support that maximise the beneficial impacts of parents' work on family functioning and ameliorate negative spillover. It also helps to connect the Federal Government's workforce participation agenda with their stronger families and early childhood agendas.

Evidence suggests that there is a lack of community awareness of family-friendly work options. There is scope for initiatives to strengthen the links between workplaces and family support services. Such information could be included, for example, in antenatal and parenting information programs. At the same time the concerns of parents about how to improve relationships with their children may be addressed through workplace-based programs. Some employers already provide this².

Recommendations

1.1 That Government, business, unions and the community sector develop a work and parenting information strategy, to include information about family-friendly work options and tips on how to minimise 'negative spillover' from work to family relationships.

1.2 That Government develop a project with parent-teacher associations, employers and unions to identify and address work/employment related barriers to parents' participation in school, for example, ensuring parents are aware of the opportunities for taking time off work to attend significant school events and participate in school life.

1.3 That Government develop a community awareness campaign on 'fitting work around families' to run in partnership with business, unions, and the community sector, for example, in conjunction with National Families Week.

² For examples see *Winning Workplaces* – ACCI/BCA National Work and Family Awards, Department of Employment and Workplace Relations, Canberra, 2004.

2. ISSUE: RECOGNISING TIME AS A FAMILY RESOURCE

Time to spend together is an important family resource, and parents' working time arrangements determine when they are available to their children and to each other³. The matter of *when* parents work is important to family life. Research shows that working evenings, nights, and on weekends can mean that these workers miss out on shared family events, routines and outings. Not having time for a daily shared, planned family meal can increase the strain on family cohesion and communication, as well as have possible negative nutritional outcomes, especially for children. Evening and night work times can be stressful for parents and disruptive for families, and can diminish parent involvement and responsiveness to children. Linkages have been shown between shift work and relationship discord and breakdown which impacts on children's wellbeing.

Overseas research indicates that compared with parents on standard hours, those working non-standard schedules tend to spend less time reading, playing and helping children with school work, are less likely to share a family meal and are less satisfied with the time they spend with their children. Parents commonly attempt to buffer or compensate for the disruption, for example, by forgoing time with their partner or trying to spend extra holiday time together. Some workplaces have started to address this with employee-choice rostering systems. There are also ways for families to better manage the impact of shiftwork if they have the right support and information.

Recommendations

2.1 That model guidelines be established for family-friendly shiftwork arrangements, in partnership with employers and unions involved in negotiating and managing shiftwork and families where at least one parent works shiftwork.

2.2. That information on how best to manage the impact of shiftwork, long hours and unsocial working hours on family relationships be developed in conjunction with relevant experts and distributed through unions and employers.

3. ISSUE: SUPPORTING THE CHANGING ROLE OF FATHERS

In general, fathers still plan their family time around the demands of work time while mothers tend to plan their work around the family needs. However, the role and aspirations of fathers are changing. They want more time with their families and a closer involvement with their children⁴, but are wary of the consequences for their careers. Where men do take time off work after having a child, the bonding that results has lasting and positive effects on the father-child relationship. Men are less likely than women to take unpaid leave for family purposes, a factor contributing to low take-up by fathers of parental and other leave. There is also evidence of employer resistance and other

³ Silberberg, S. *Searching for Family Resilience*, Family Matters No 58, Australian Institute of Family Studies, Autumn 2001.

⁴ A recent survey by the New Zealand EEO Trust found 80% of respondent fathers said they wanted to spend more time with their children, and 82% said their paid work made this difficult (n=1,200).

workplace barriers to men's use of family-friendly work options. Bittman *et al*⁵ suggests that measures to increase men's awareness and take-up of family-friendly work options would 'expand the choices open to Australian family households and increase the ease with which they might combine their work and family responsibilities.'

Recommendations

3.1 That a National/International Conference on the Changing Role of Fathers, with a focus on work and family issues be organised to increase community awareness about the issue.

3.2 That a community based awareness campaign be organised that focuses on the needs and aspirations of working fathers, centred on a 'Daddy Go Home On Time Day' or message (in 2003, the Australia Institute last year sponsored a 'National Go Home on Time Day' on April 19).

3.3 That a network be established of employers who will champion workplace cultural change that enables fathers to spend more time with their children and partners.

4. ISSUE: EXPANDING FAMILY CHOICE AND FLEXIBILITY

Ensuring that families have real choice and flexibility in how they manage paid work and caring over the life-cycle is a challenge that involves commitment from governments, business, communities and individuals. Family-friendly workplaces are a key element. Parents, grandparents and carers in lower socio-economic groups are less likely than those in professional jobs to feel they have any choice or control over their working hours or arrangements. The increase in the casual workforce affects not only the financial security of families but also access to leave. Casuals are not entitled to sick leave, carer's leave or annual leave, all of which are particularly important to working parents. Part-time work is not necessarily family-friendly, is concentrated in certain sectors, much of it is casual and offers limited training and promotion opportunities. For many, it is not a preferred option but the only alternative to unemployment.⁶ The issue of 'poverty traps' and effective marginal tax rates are important in this regard, and together with the costs of childcare can inhibit workforce participation.

While there appears to be a belief amongst some employers that "family friendly practices" are likely to be expensive and are therefore reluctant to enter the debate, some employers and industry groups have taken important steps to improve work-family balance. In February 2005, the Australian Computer Society, using economic modeling by Access Economics, announced policy guidance and recommendations for employees and employers in the ICT industry. The proposals included: flexible working hours, work

⁵ Department of Family and Community Services, Policy Research Paper No. 22 *Men's Uptake of Family-Friendly Employment Provisions* by M Bittman *et al*, 186.

⁶ Kryger, T. *Casual Employment: Trends and Characteristics*, Research Note No 53, Parliamentary Research Library, May 04; see also ACOSS submission to National Wage Case, Feb 2004.

location options, employee friendly working arrangements, paid parental leave, job sharing and part time work, and promoting healthy life style alternatives. Of especial interest are proposals for worker access to parental leave by providing favourable tax arrangements to encourage employees to salary sacrifice a portion of income that can be used to fund parental leave, and introducing arrangements that allow employees who invest more in superannuation to be able to draw down on this investment (at a favourable tax rate) prior to the current retirement age to fund parental leave, providing tax deductions for child care arrangements for working parents.

Many individual Australian companies have also taken initiatives in areas such as supporting part-time management positions and introducing job-share registers. While some of the larger Australian companies have done cost-benefit analyses of different models of family and work practices, there is particular need for more work to be done in relation to small and medium size enterprises. In some areas of the Commonwealth public sector, Certified Agreements have converted what was formerly known as sick leave in respect of a single individual into "personal carers' leave", able to be taken both for individual ill health, or for care of an ill dependent.

In sum, it is necessary for comprehensive work to be done to better understand the costs (financial and non-financial) of a range of family-work practices and to open up a more fully informed debate amongst a wide range of public, private and community sector stakeholders.

Recommendations

4.1 That Government commission comprehensive economic modeling of the costs and benefits (financial and non-financial) of a range of family-friendly work practices, in particular, greater flexibility in working hours, salary sacrifice schemes, superannuation draw-downs, and conversion of sick leave to carer's leave on an industry-wide basis.

4.2 That a national project be undertaken to examine and promote wide dissemination of information about quality, secure, family-friendly flexible employment arrangements (including part-time work and job-share opportunities) building on initiatives to date by public and private sector organisations and industry groups. The project could have a 'transitions to work' emphasis and identify the costs and benefits of options for those returning to the workforce whilst caring for family members, and the significance of part-time work for the economy.

4.3 That a Families and Work website be developed that would provide workers, parents and other interested people with access to practical information, resources and research on balancing work and family, including re-entry to the workforce, adjusting work patterns around the needs of dependents, financial issues, and support services.

4.4 That a Charter for Family-Supportive Workplaces be developed in consultation with employer, business, government and community sector organisations and other relevant stakeholders.

4.5 That Government include provisions for personal leave (for example, to care for sick grandchildren, attending school events and functions) within the broader Industrial Relations framework.

4.6 That Government give clear focus to continuing policy development on work and family issues by designating a portfolio which would take the lead in relation to these matters at a whole-of-government level and by dedicating appropriate staffing and other resources to these matters.

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