



**From:** Julie Somerville [REDACTED]  
**Sent:** Monday, 11 April 2005 11:17 AM  
**To:** Committee, FHS (REPS)  
**Subject:** Inquiry into the Balancing of Work and Family

To the Secretary of the Committee,

Please find my submissions in relation to this important enquiry.  
My comments reflect the opinion of a senior associate in a major law firm working 3 days per week with 2 children under 5 years.

**1. Financial, career and social disincentives for starting families.**

I have worked in a major law firm for over 10 years. For the first 6 of those years I worked fulltime. Following the birth of my daughter I returned to work 3 days per week - 2 days in the office and the third day from home (3 hrs per day on the 3 days I was at home). I was fortunate enough to have family members to assist with informal child care on the two days that I went into the office. Within 1 year of returning to the workforce I had my second daughter. I have now returned to work 3 days per week - this time 2.5 days in the office and the remaining half a day spread out over my days at home. I now have my children in a privately run long day care centre 2 days per week and with a family member on the 3rd day.

Financial disincentives - I believe that there are real disincentives to families in their family planning. I do not necessarily think it would prevent the majority of couples from starting a family (putting aside those faced with the costs of IVF) but I do believe that there are serious disincentives to having larger families. I am lucky to be in an occupation that is well paid. Despite this child care still consumes one third of my after tax salary. If we were to consider having a larger family serious thought needs to be given to whether we could after another child in child care (ie an increase of our current child care costs by 50%) Unfortunately the expenses do not then stop when they go to school. I live on the Northern Beaches of Sydney. Our local state schools are single sex and my husband and I would prefer our children to go to a co-ed school. The nearby co-ed high schools are privately run. If all our children go to the local private coed high school we are facing approximately \$10,000 - \$12,000 pa per child in fees alone (based on current prices).

Due to my past medical history if I was to have a further child I would need to be treated privately by my previous obstetrician and uro-gynaecologist. Therefore I can expect private medical fees of approximately \$4,000 to have a further child delivered. I congratulate the government for the \$3,000 baby bonus as that would assist in the payment of medical fees.

Career disincentives - My career has plateaued since having my children. However I was aware that this would occur as I chose to return to work in a part time capacity. I purposely chose to have my children close together in age so that I could minimise the interruption my clients. However I expected my career advancement to improve once I had returned to the workforce after my second child. That has not happened. I suspect it may not happen unless I return to work 4 days per week (in which case I will most likely

be doing a 5 day job in 4 days). This is not something that I would contemplate at this stage unless my husband was able to reduce his hours to spend a day with the children. I believe that if I returned to work 4 days per week the strain on the family unit would outweigh and career of financial benefits.

So as to satisfy my employer that the flexible working arrangements would work I have been accessible by mobile and email on my days out of the office. While that worked while the children were younger and sleeping during the day, it is becoming increasingly difficult and unfair on the children. If I was to have any further children I would have to specify to my employer that I should only be contacted if it is really necessary. I am a litigator and it is not uncommon to be out of the office for extended periods while in Court, for some reason the office manages to cope with those absences but seems to have a conceptual difficulty with an absence because I am caring for my children.

Social disincentives - I don't perceive their to be any social disincentives to starting a family. Prospective parents who perceive social disincentives perhaps shouldn't become parents.

## **2. Making it easier for parents who so wish to return to the paid workforce**

This issue is a difficult one and I suspect there is no single solution but rather a variety of initiatives.

- A key item should be the availability of quality, affordable child care. I was on the waiting list of our local council run long day care centre for 3 years and still was not offered a place. I was able to secure a position for my children when I returned to work after my second child, however to do that I placed their names on the waiting list 18 months before I needed the place - I was only 6 weeks pregnant with my second child at the time.
- The cost of child care is often prohibitive for the majority of occupations. The centre to which our children attend cost \$85 per day (0-2yrs,) \$69 (2-3yrs), \$65 (3-5 yrs). If you add to those costs transport to your place of employment, clothing etc and the extra stress of juggling everything, for the majority of occupations it would not be financially sensible to return to work. While some council run long day care centres offer cheaper daily rates their hours are often shorter and they are often closed for extended holiday periods during the year.
- There should be more 24 hour child care centres. While this may seem to be offensive to some, it is not suggested as a place to send your children for days on end, but rather an option for people who work shift work or need to travel overnight for work. Centres open between 8am and 6pm will not assist those people.
- Private companies and government offices should provide a greater amount of workplace based child care centres, or work subsidised case. Perhaps the government should look at tax rebates/incentives to private employers who provide child care assistance.

- Child care should be tax deductible for working parents or paid from our gross salaries. I would not have my children in the expensive child care centre that they are in if it was not for needing to go to work. If I stopped working while my children were under 5 I would not be able to return to the legal profession - it is as simple as that. I need to keep working on a part time basis to remain skilled in my profession. The government assists in the training of the legal profession by providing funds to run the universities. The government should be addressing the issues facing parents (in particular women) to ensure that it is not wasting the skills it has trained so many people in.
- Prior to the last election there was a "promise" that a rebate of child care fees could be claimed for fees spent on child care fees. This does not seem to have eventuated. If it does, while it is a nice lump sum to receive back at the end of a financial year it does not assist in returning to the workforce. It is the weekly cost of childcare that is what makes it prohibitive. It would be preferable to have a system such that an employer provides a letter of employment which can be provided to the child care centre or family assistance office so that the weekly fees can be reduced.

### **3. the impact on taxation and other matters on families in the choices they make in balancing work and family life.**

While it would be nice to receive some assistance in caring for our children while I return part time to the work force, I recognise that I am in a well paid profession and probably do not need the same level of assistance that many others do who wish to return to the work force. I believe that child care assistance payments of some form should be made to people who are below a certain salary bracket. However I do believe that in addition all people who use child care so that they can return to the workforce should be able to claim their child care expenses as a rebate/deduction.

I do believe that the current Family Tax Benefit B is grossly unfair. While I support a payment for stay-at-home parents, I believe the Family Tax Benefit B should be means tested just as the Family Tax Benefit A is. Why should high single income earning families (earning \$100+K per year) receive benefits and middle income parents (earning \$80+K) with both parents working receive no government assistance! This is particularly obvious in the legal profession, many of the partners in the firm in which I work have spouses who stay at home with their children and receive a government subsidy because they are a one income family. Whereas my husband and I (whose combined income would be half of the income of some of the partners I work for) receive no assistance at all. I have written to Senator Patterson and Minister Abbott about this injustice but am yet to receive a satisfactory response. The most logical way to rectify this seems to put an upper limit on FTB part B payments. If it is set at a level that only the minority of the population earn eg \$150,000+K then it should not affect the masses and cause too many "voter concerns".

I appreciate that the government does give some non-means tested assistance to child care. Currently that is approximately \$3 per day. When the centre charges \$80 per day,

the \$3 is laughable. With current petrol prices that probably covers the petrol to drive them to child care.

Hope this is of some assistance  
Julie Somerville

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