



The Hon Bronwyn Bishop MP  
Chairman of the Standing Committee into Family and Human Services  
House of Representatives Standing Committee

### **Inquiry into Balancing Work and Family**

Thank you for the opportunity to comment on the important issue of balancing work and family. It is my hope that this inquiry will deliver solid and effective solutions to what is an increasingly difficult problem facing many Australians today.

#### **Background**

My husband and I work as skilled professionals and are fortunate to have a sizeable although not enormous income. I have both a post graduate and under graduate qualifications.

I have invested significant energy into both my education and my career and take pride in my achievements. I also greatly enjoy my job and derive significant satisfaction out of the work that I do.

My husband and I have an apartment in Sydney in a beach side suburb that has excellent entertainment and restaurant facilities. We choose to live in this suburb because we enjoy the amenities and living with people who have similar attitudes and values to us.

It has become clear that we will not be able to raise our children in a house in the area that we currently live. We are faced with the options of raising our child:

- in our apartment
- in rented house
- in a less desirable suburb

We have not resolved this issue, but many of our friends have chosen a mixture of these options.

#### **Reasons for delaying having children**

I am closer to 40 than 30 in age and have not felt ready to have a child until this point in time for a variety of reasons including:

- I didn't meet with my husband until I was 28 and both of us felt cautious about taking on the commitment of a child due to previous relationship failures and being the product of failed marriages.

- My husband was retrenched and did not find employment for 12 months. This drained us of any financial safety net we had built up previously and delayed us having children.
- I work for a large corporation that regularly (approximately once every one and half years) restructures the area that I work in. I have survived every round of retrenchments so far but there is limited job security. During the last round of retrenchments in my firm a high proportion of pregnant or women on maternity leave were retrenched.
- The desire to raise children in a house not an apartment
- We both feel that it is important to have a reasonably firm financial footing before taking on the costs associated with having a child because of the concerns we have about the quality of public education and the wish to ensure our children receive a good education

Since we agreed to have child a few years ago both the retrenchment and the cost of having children have been major factors in how long it has taken to feel that we are ready to take this step.

The most significant costs associated with having children are:

- the loss of full year of wages
- Following the loss of wages for a full year we face child care costs of \$16-\$20k POST TAX DOLLARS per annum.

Taking all this into account, it seems almost inconceivable that we would be able to afford more than one child without significantly downgrading our lifestyle.

### **Impact on career**

It has become apparent in my company that it is unlikely that a woman will be promoted once she has had a child. Many women I know have held off having children until they have reached a certain level in their career, knowing that their chances of promotion are significantly limited once they have children. I don't blame corporations for this it is a perfectly rational way to perform if it is relying on an employee to fulfill a crucial role then it is more likely to assign this to the person it believes can go the extra mile and put in the extra hours.

In this type of environment I believe it would be a serious mistake to introduce longer periods of paid maternity leave. Economically rational employers would take this signal as a further disincentive to promote women of a child bearing age because it will cost them more in maternity leave.

### **Availability of flexible work arrangements**

Whilst I have not participated in part time work, three of my female colleagues have returned to part time positions after having children. All of them described a situation

whereby they were expected to fulfill a full time role just in less time at the office. Essentially the part time work option means that our company gives the impression of having a family friendly policy when it just expects the same amount of work from a part time employee as a full time employee but with the added benefit of paying them less.

### **Discrimination in the work place**

Child care is expensive. Any woman who has two children must be earning more than \$32-40k post tax dollars a year to make it economically sensible for her to return to work. Many of the women I know are electing to only have one child or not to work because of this issue. This may not be the case if women earn more, in my case the additional \$15k per annum that my male colleagues enjoy.

Women on higher wages are more likely to return to work and place their children in child care. It is women who are earning less than this who cant return to work.

I believe that the issue of discrimination in the workplace and the reasons why women do not seem to progress beyond a certain level in corporations and are generally paid less than their male colleagues is inextricably tied to the willingness of professional women to have children.

### **Availability of child care**

A colleague who I work with is pregnant. She approached the child care centres in the areas that we work. One has a two year waiting list. The other has closed its books because it has too many children on the list. Another child care centre is about to open shortly in our area. Whilst I will leave this to the economists to examine it seems that the child care market is working inefficiently because there is a much greater demand than supply.

The provision of affordable, quality and flexible child care is a key issue for prospective mothers who can't afford to stop working and those mothers wishing to return to the workforce.

If Australia is keen to raise its birth rate to greater than 1.77 and ensure that highly educated and productive members of society participate in the work force then it needs to remove the additional marginal cost of having extra children. A one off \$3000 payment that covers the up front costs needs to be supported by either assistance in child care or provision of government run child care facilities or higher real wages for women. Surely there is some form of economic loss associated with educating women and then loosing access to their skills and productivity because their personal salary doesn't make it sensible for them to return to work if they have more than one child.

I am sure that much assessment and costing must to be done to find the most equitable and efficient outcome but from my personal perspective I would have had more children earlier if I had access to some or all of the following:

- reasonably priced, quality and reliable child care
- greater job security
- higher wage
- cheaper real estate

I thank you for the opportunity to provide my comments and I wish the committee every success in its deliberations.

I applaud the initiative of establishing an inquiry to look into this issue.

Regards

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