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Submission to:

Supporting Working Parents: Pregnancy
and Return to work National Review

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Introduction

It is important to note at the beginning that while economic participation is not the only form of participation that increases capital or the value of our society it is the most easily measured form of participation in terms of economic growth. And given the current rhetoric around joblessness, welfare and fiscal conditions, it is this form of participation that will form the basis of this submission.

In Australia, economic productivity has reached a phase where it is unlikely to be further enhanced unless we make use of the existing pool of labour efficiently. To maximise economic participation, the Australian Government and field experts have gone to great lengths to utilise the current latent workforce, including encouraging older people to delay their retirements¹, as well as encouraging women to re-enter the workforce more quickly after giving birth to their child². As it stands, however, the legislation around issues of pregnancy and returning to work in Australia have not been as effective as expected in achieving this goal.

This national review and a previous research report conducted by the Human Rights Commission³ show that it is still common to see women being discriminated against in workplaces due to their (potential) pregnancies or having to fulfil family responsibilities such as breastfeeding and caring for their child⁴. Despite having these measures in place to encourage women to re-participate, (or participate for the first time in many of the cases seen by the Anglicare Australia network), workplace discrimination, directly and indirectly, has made it harder for new mothers to take part in the workforce as equals to their colleagues. Many have little choice but to stay at home or work part time jobs when they could otherwise contribute significantly to the economy.

Anglicare Australia is the national advocacy organisation speaking out especially for disadvantaged Australians. We believe in giving all Australians a fair go in realising their inherent potential through contributing and participating in the community. Engaging in a community takes many forms—economically, socially, academically, to name just a few—depending on a person's circumstances at different points in life. In analysing the impact of any social policy, it is therefore important not to only weigh in with economic arguments, but also to take into account the social consequences affecting people, especially those living at the margins of our society.

Anglicare Australia appreciates the opportunity to contribute to this national review, with particular regard to the effect that this type of workplace discrimination has on marginalised parents seeking, and cycling in and out of employment, and the flow on effects to their family and the community. Looking at these issues in the light of improving economic productivity, providing the best start for

¹ Productivity Commission (2013), *An Ageing Australia: Preparing for the Future*, Commission Research Paper Overview, Canberra. Accessible by <http://pc.gov.au/research/commission/ageing-australia>

² Daley, John (2012), *Game-changers: Economic reform priorities for Australia*, Grattan Institute. Accessible by: <http://grattan.edu.au/publications/reports/post/game-changers-supporting-materials/>

³ Australian Human Rights Commission (2013), *Supporting working parents: pregnancy and return to work National review issue paper*

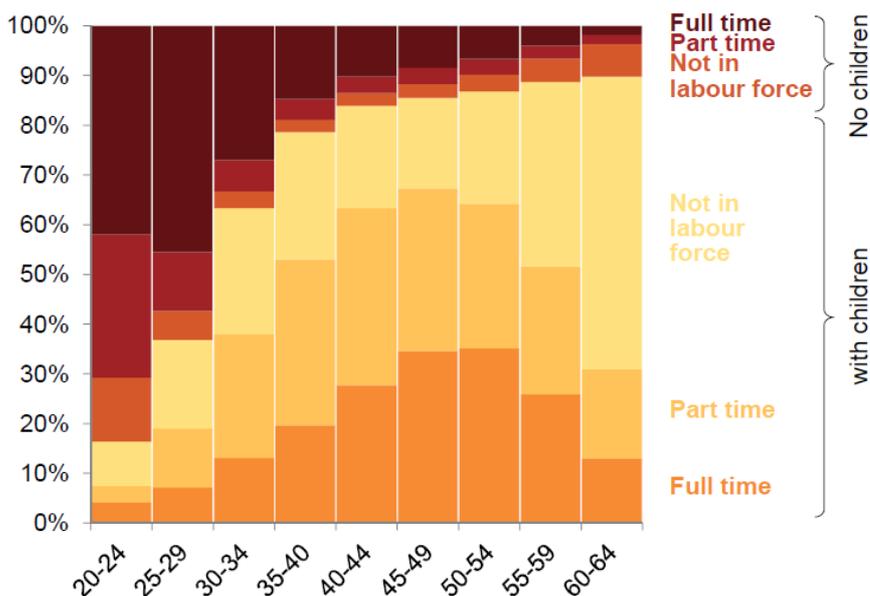
⁴ Human Rights and Equal Opportunity Commission (1999), *Pregnant and productive: It's a right not a privilege to work while pregnant*, Report of the National Pregnancy and Work Inquiry, Sydney: HREOC.

our children and upholding social equity, Anglicare Australia submits the following:

A new life and a job

In Australia, women returning to work after childbirth provide a great source of untapped potential in improving economic productivity. According to a Grattan Institute study looking at economic reform priorities for Australia, the vast majority of women aged 30 to 64, who have ever had children, work part time jobs, or do not engage in paid work at all (see figure 1)⁵. With appropriate measures to reverse the trend, such as improving the effectiveness of Family Tax Benefit and Childcare Benefit and Rebate, both the Productivity Commission and the Institute agree that an annual GDP increase of \$25 billion is feasible through the injection of an additional 6% of women in the workforce. This would bring substantial benefits to government budgets with a rise in income tax payers. Similarly, it would bring a better return on Australia’s investment in higher education, as women make up 58% of Australia’s tertiary education enrolment, constituting a substantial potential economic contribution⁶.

Figure 1: Female workforce participation—Percent of age cohort⁷



Note: Refers to women who have ever had children. Women who are unemployed and looking for fulltime or part time work are included in the FT and PT figures. Those who were employed but did not state their hours have been included here as a proportion of FT and PT work for their age bracket.

Source: ABS (2006a)

⁵ Daley, John (2012), *Game-changers: Economic reform priorities for Australia*, Grattan Institute

⁶ *ibid*

⁷ *ibid*, p. 39.

Encouraging women to re-enter the workforce after childbirth is a smart and viable way to improve their economic participation. But at what cost? Sometimes, women return to the workforce earlier than they would have liked at the expense of their maternal responsibilities such as breastfeeding and bonding with their child. This is due mostly to the lack of accommodation of mothers' needs in workplaces⁸.

In a study aiming at identifying best-practice strategies for breastfeeding support in Australian workplaces⁹, it was found that the lack of accommodation of women's needs in their workplaces results in lower national productivity growth because this source of highly educated workers is underused. Improperly prepared workplaces lead to inadequate support for parents, not allowing them to juggle both work and maternal duties. Workplaces that do not cater for breastfeeding also give rise to poorer maternal or child health, leading to parental absenteeism and further reduction of labour productivity downstream.

Economic productivity aside, businesses and policy makers could better appreciate and act on the fact that today's infants will become tomorrow's decision makers of our society. Giving newborn babies the best start in life by according the provision of family-friendly workplaces and policies should be considered a long-term investment benefitting not only business, parents and their families, but the wellbeing of the future economy.

Providing the best start in life

In his renowned research on neuroscience and early child development, Dr Fraser Mustard, world leader in the field, investigated extensively the interplay between nature and nurture in brain development. This included how nurturing by parents in the early years has a decisive and long-lasting impact on how young children develop, their capacity to learn, their behaviour, their ability to regulate their emotions and their risks for disease in later life, including mental health and addictions¹⁰.

He stipulated that a young child's brain develops through stimulation of the sensing pathways—seeing, hearing, touching, smelling and tasting—from early experiences, and parental interactions with the child, such as a mother breastfeeding her baby, or a father reading to a toddler on his lap, provide essential experiences for critical periods of brain development. The development not only affects the parts of the brain that control vision and other senses, but influences the neural cross connection to other parts of the brain that stimulate arousal, emotion regulation and behaviour.

A child who misses positive stimulation or is subject to chronic stress in the first years of life may therefore have difficulty overcoming a bad early start. There is also disturbing evidence that children

⁸ Smith, Julie P. (2013), "Workplace support, breastfeeding and health", *Family Matters* Issue no. 93, AIFS.

⁹ *ibid*

¹⁰ Mustard, F, et al. (1999), *Early Years Study: Reversing the Brain Drain*, The Canadian Institute for Advanced Research, Canada.

who do not receive the nutrition and stimulation necessary for good development in the earliest months and years of life may have great difficulty overcoming deficits later¹¹.

Parents from the lowest socio-economic background can be most susceptible to this situation with limited resources to provide the best circumstances for their children. A chain of problems may therefore follow; for instance, these young children are more likely to have serious behavioural problems, poorer school performance, or tend to be loners who lack social skills and confidence.

This is not to say that all these outcomes might be mediated by inclusive and flexible workplaces, however, without proper intervention such as provision of more affordable childcare and family support services, and businesses that are willing to accommodate workers with family responsibilities, this group of youngsters will more likely be inclined to cycle in and out of casual and low-quality employment for the long term. The limited income generated from these employments mean that vulnerable people find it difficult to participate meaningfully in society, for instance acquiring housing, accessing health and education and forming relationships and families, all of which in the long term may lead to an ongoing poverty spiral.

To ensure Australia's future prosperity is equipped with a competent, productive, confident and healthy workforce, Anglicare Australia argues that the Australian Government should invest more in early childhood and families, and that business should appreciate the importance of parental support in this critical time of a child's life.

Impact of Job insecurity

Anglicare Australia has on previous occasions acknowledged the importance of flexible working conditions in ensuring workers' work/life balance and the prosperity of businesses in the long run¹². Here we will reinforce our stance on the issue, addressing in particular the impact of workplace discrimination due to pregnancy on people living on the periphery of our economy and society.

Women who are discouraged from working while they are pregnant face substantial inequalities later in life, as the Grattan study¹³ rightly pointed out:

After several years of working part time, or not working at all, many women are either discouraged from returning to work where their previous colleagues are substantially further advanced, or lack confidence to re-engage with demanding roles. Women who do not work for several years often find it difficult to find meaningful work again. They may then miss out on both the benefits of meaningful workplace interaction, and financial independence, particularly in retirement.

If this is the general experience Australian mothers face having to juggle both work and family commitments, the impact of such would be more pronounced for parents from lower socio-economic

¹¹ ibid

¹² Anglicare Australia (2012), *In and out: The challenges of work insecurity submission to ACTU work insecurity inquiry*. Accessible by <http://www.anglicare.asn.au/userfiles/document/file.4f2b181f1ba75.pdf>

¹³ Daley, John (2012), *Game-changers: Economic reform priorities for Australia*, Grattan Institute

backgrounds who find it increasingly challenging to move back into the workforce. This especially rings true for young mothers, who may be entering the workforce for the first time. The Grattan Institute excerpt¹⁴ above talks about a type of skill atrophy where workers lose pace with their counterparts. However, the Anglicare Australia experience is that people—young or otherwise—with few skills or limited experience are further disadvantaged.

The Australian labour market is increasingly characterised by a casualised workforce that reflects the internationalisation of the economy and rapid technological advancement¹⁵. People living on the fringe of our society are bearing the brunt of this situation, as they are more likely to be employed in insecure casual jobs that are low-skilled, low-paid and low-quality with minimal entitlements and training, often for a prolonged period of time. Due to their low education and financial standing, as well as the urge to provide financially for their families, these workers are less likely to raise health and safety concerns at their workplace, accept poor conditions and exploitation and so face greater risks of injuries, physical and mental illness.¹⁶

Viewing the issue of workplace discrimination due to pregnancy and motherhood in terms of job insecurity, one may fairly argue that due to the entrenched discrimination noted above, mothers from a poorer background are effectively barred from meaningfully participating in a workplace.

Other than impacting on physical and mental health, the lack of income security caused by casual low paid jobs can have severe impacts on worker's living standards and financial independence. Firstly, these people are less able to secure a home or car loan, and when they do manage to secure a loan, it is more likely to be from a second-tier lender meaning they face high rates of interest which further snowballs their burgeoning debts. These vulnerable workers may also struggle to find affordable housing in the private rental market without a secure stream of income that ongoing employment would offer. Some may need to hold down several casual jobs to make ends meet, affecting their chances of having a normal social life, building friendships, and participating in community affairs. In the interests of this inquiry, at risk employees may have insufficient time to bond with and properly raise a child. Others may find it difficult to maintain healthy relationships with their loved ones as life for them is a constant struggle of uncertainty, fear, powerlessness and vulnerability¹⁷.

As training and career development opportunities are much less likely to be available for those in insecure work, they tend to become trapped in a succession of insecure jobs, and find it extremely difficult to improve their employment situation. Taking into consideration the challenge of childcare, these workers and their families are particularly vulnerable to unexpected events or expenses that may cause extreme financial hardship, more so than other individuals with higher education attainment. Less able to ameliorate these circumstances through paid work, the outcome may lead to an ongoing cycle of poverty, disadvantage and social exclusion.

¹⁴ *ibid*

¹⁵ Australia Council of Trade Unions (2012), *Lives on Hold: Unlocking the potential of Australia's workforce – the report of the independent inquiry into insecure work in Australia*.

¹⁶ *ibid*

¹⁷ *ibid*

While the aforementioned life situation echoes with many Australians living at the margin of our society, one can only imagine the effect on desperate mothers with young children managing to scrape by. Intergenerational poverty may follow if they do not receive the much needed support to help them get back on their feet, such as workplaces and employers who seek to look beyond circumstance and engage people for their potential rather than overlooking them because of stigma and prejudice.

Importance of Job creation for the vulnerable

A related issue to work insecurity is one's ability to acquire employment. Research has been published introducing a concept of *theoretical jobs*, which are jobs that exist in principle in the economy, but are not actually there for people to take up.¹⁸ The term helps to explain the discrepancy between the vast number of jobs reported in the media and the high levels of unemployment found in the lower third of the social gradient, including parents from disadvantaged background, who try to juggle work and caring responsibilities with limited social support while facing stigma.

Think of the comparison: If a married, tertiary-educated woman *returning* to work for an accounting firm faces barriers in securing a fulfilling job that provides adequate support for breastfeeding and flexible working conditions, one can only imagine the hurdles a single mother with high school qualifications faces *seeking* casual work in supermarket.

Due to the low-skilled and non-specialised nature of casual jobs, employers tend to employ those with less experience and family responsibilities, who will accept lower pay—high school students make up a prominent group—leaving mothers from lower socio-economic backgrounds little chance to be employed, given the extra conditions they require to balance work and caring responsibilities. It is with regard to the importance of job creation for vulnerable Australians that Anglicare Australia recommends the following:

1. To help long-term unemployed people get back on their feet, the Australian and State Governments and businesses have the responsibility to create job opportunities that provide enough income to meet critical expenses, allow room for growth and development, and provide job security for the long-term. It is also imperative to create meaningful jobs, as work that has little meaning or quality for the person could create long-term impacts on their mental health and wellbeing.
2. To look at other ways to support parents returning to work, such as through improving transition arrangements between income support payments and working and by increasing payments to a level that supports people to look for work rather than trapping them in a poverty spiral.

¹⁸ Organisation for Economic Cooperation and Development. (2008), *Growing Unequal? : Income Distribution and Poverty in OECD Countries* in Catholic Social Services Australia, Anglicare Australia, UnitingCare Australia & the Salvation Army. 2011. *What if employers say no?* Canberra.

3. To encourage all sectors, government, industries and businesses to be open to and be mindful of considerations outside the workplace so that employees will be able to pursue other responsibilities outside work, while being productive in the workplace.

Conclusion

This submission explored the impact of workplace discrimination due to pregnancy and related family responsibilities on our economy and community, especially for those on low income. Not only do improperly facilitated or inflexible workplaces reduce workforce productivity, people who are provided with little support to return to work tend to leave the workforce for the long term, diminishing Australia's national productivity.

The lack of flexible conditions in workplaces is especially taking its toll on disadvantaged people—especially young single mothers entering the workforce for the first time—who are essentially barred from the job market as they tend to possess lower financial and educational standing. Without critical incomes generated by a stable job to support daily expenses, they are vulnerable to spiralling into ongoing poverty, with homelessness, family breakdown, growing debts and mental illness too likely to follow. The lack of resources available to the vulnerable families also means youngsters raised in these families may be less equipped to contribute economically and socially in the future.

To create a community where everyone is given a chance to have a fair go, and to ensure the long-term wellbeing of the Australian economy and community, Anglicare Australia suggests the Australian Government and businesses invest more in creating jobs for people living on low income. Jobs that are meaningful and allow for growth and development would facilitate vulnerable people in transitioning out of their underprivileged situations, so they can get better access to social support, nurture a sense of belonging to their community and be given a chance to participate in society. In terms of providing the best start for children, the Australian Government should invest more in early childhood and families support programs, and businesses too should recognise the importance of parental support in this critical time of a child's life.