

Balancing Work & Family

Submission to the House of Representatives
Standing Committee on Family & Human
Services

Parliament of Australia

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Introduction

ANZ regards the work-life balance of its people as one of the most important issues in creating a productive and engaged workforce, and ultimately, a sustainable organization. ANZ's policies are aimed at supporting our people in a range of circumstances from maintaining a good work-life balance to parental leave to assisting people who care for disabled, unwell, injured or elderly relatives.

ANZ appreciates that families face many challenges when a new child arrives, not only financially, but also emotionally. Our policies aim to assist and encourage new parents to share in caring for their child. In turn, we hope that these measures help us to retain, educate and grow our staff.

ANZ believes that there is a role for both the Government and the private sector in addressing this issue.

The ANZ supports the Government's recent 2005/06 Budget commitments including:

- \$266 million commitment to provide additional child care support for parents of school aged children to assist them in remaining in or re-entering the paid work force;
- the extension of the Maternity Payment to adopted children under the age of two years; and
- the \$1000 bonus payment to eligible carers.

In this submission the ANZ has addressed each of the Committee's three terms of reference:

- *the financial, career and social disincentives to starting families;*
- *making it easier for parents who so wish to return to the paid workforce; and*
- *the impact of taxation and other matters on families in the choices they make in balancing work and family life.*

Throughout the submission, and where possible, ANZ has illustrated its experience and policies in these areas.

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1. Financial, career and social disadvantages to starting families

When deciding to start a family, many people have to carefully balance the costs and benefits of this decision, not only from a financial perspective, but also with regard to other factors such as the availability and quality of childcare.

Through its policies, ANZ is working toward minimizing the barriers individuals face in making the decision to start a family or to re-enter the paid workforce.

In a recent study by the National Centre for Social & Economic Modeling, it was estimated that the average cost for a family to raise two children from birth to twenty was approximately \$448,000¹.

The Taskforce on Child Care Costs (TOCC)² also found that the average cost of pre-school childcare is around \$249 per week per child, with significantly higher costs in both NSW and Victoria at \$348 and \$313 respectively. Putting this in perspective, average gross weekly income of an Australian family is currently \$1,351 per week³, making the cost of raising a child a significant financial burden on any family.

ANZ has a range of programs that are aimed at assisting its employees to address the financial burden of starting a family. These are outlined below.

1.1 Parental leave

ANZ provides two forms of paid assistance depending on the caregiver category:

- *Primary care givers assistance* - In December 2004 ANZ doubled parental leave assistance to 12 weeks' pay, which can be paid flexibly (either as a lump sum up front or paid in instalments over the first 12 weeks, or alternatively, taken at half pay over 24 weeks).

This assistance is available to the primary care-giver of the child until the child's first birthday or within one year from the placement date of the child in the case of an adoption. This policy enables either parent to take on primary caring responsibilities.

- *Co-parents assistance* - up to one week paid assistance immediately following the birth or placement of an adopted child for co-parents.

¹ Percival & Harding, National Centre for Social & Economic Modeling (NATSEM), University of Canberra, The Costs of Children in Australia Today, 2003, (*Note: Total costs include housing, transport, recreation, education & childcare, fuel & power, food, clothing, furnishings, services, health & other*)

² Taskforce on Care Costs, Policy Research Paper, Creating Choice: Employment and the cost of Care, 24 February 2005, p4.

³ Australian Bureau of Statistics (ABS), Cat. No. 3236.0 & 5206.0

1.2 Work flexibility

This policy enables full-time employees to apply to work part-time, either during their pregnancy or following parental leave. The period of part-time work is 'temporary' and determined through agreement with the employee's line manager. The employee also retains the right to return to a full-time role at the end of this period.

ANZ also allows for accrued sick leave to be used when caring for a dependant family or household member.

1.3 Childcare

In January 2004, ANZ engaged the services of a professional childcare provider, ABC Learning Centres Limited, to develop and operate special ABC childcare centres at sites convenient to ANZ workplaces across Australia. The centres are leased by ANZ and operated and managed by ABC Corporate Care, a wholly owned subsidiary of ABC, which provides a similar service to other corporations wanting to facilitate the provision of child care for their employees. Of the 14 proposed centres, five have opened in Queensland and Victoria.

This arrangement offers ANZ employees special benefits including priority enrolment for their children and the option of salary packaging or sacrificing part or all of their child care fees via a pre-tax salary deduction.

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

There are a range of decisions a family faces when the primary care giver wants to return to the paid workforce. These include:

- Finding and paying for child care;
- Continuity of the care-giver's career whilst on leave; and
- The career and social stigma associated with returning to the paid workforce (ie. time away from office, need to nurse a child, flexible work hours, etc.).

ANZ has attempted to ease the transition for those staff who choose to return to the paid workforce by providing ongoing support and contact both before, during and after taking leave from the workplace to care for a child.

In addition to the financial and leave provisions outlined in the previous section, ANZ offers the following.

2.1 Keeping in touch

A guideline is currently being developed that formalises many of the informal 'keeping in touch' arrangements that currently exist across the Bank which operate for those on parental leave. We currently have a comprehensive intranet site which provides tips for both line managers and parents going on parental leave.

In addition, ANZ staff are able to choose whether they would like to receive the ANZ Alumni newsletters and have access to ANZ's learning platform, e-train from their home PC. E-train gives staff flexibility with learning and development and ensures that our staff on parental leave have open access to continued learning.

2.2 Flexible working hours

As discussed, ANZ supports flexible working arrangements including working part-time, telecommuting and job-sharing to assist those making the transition back to into paid work. As part of ANZ's 'Quest for Balance' initiative, all meetings, where possible, are not to be held before 9.00am or after 5.00pm.

2.3 Provisions for nursing mothers

ANZ has a policy of providing facilities for nursing mothers and flexible work schedules by mutual agreement between the parent and their line manager. We have four nursing mothers rooms at four of our major CBD locations, with a fifth to be opened in the coming weeks.

2.4 Information & Support groups

- ANZ has a Diversity Advisory Council (made up of senior business unit representatives) which oversees and champions both staff diversity and life balance throughout the ANZ Group and acts as a forum for ensuring the effectiveness of ANZ's diversity and life balance policies.
- Comprehensive Work/Life Balance site on our Intranet "MAX" (See Appendix 1) which showcases latest policies and case studies of policies in action and includes tips from the CEO on how to maintain life balance. The site is available and promoted to all staff within ANZ as a primary site for information. A dedicated family friendly page on this site provides family specific information, contains useful tips for new parents developed by ANZ staff and contains links to Childcare and Elder Care Kits which provide a range of general information about child and elder care.
- Working Parents' Groups in Melbourne and Sydney - At the initiative of some of ANZ's working parents, groups in both Sydney and Melbourne have been established to support both new and prospective parents. Buddy programmes have also been implemented for the purpose of providing informal support to primary carers during their transition back into the workplace.
- Employee Assistance Program - providing staff with free counseling and support, by qualified counselors, for a range of personal and work related matters on a confidential basis.

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

In addition to workplace and anti-discrimination legislation, government incentives and allowances, such as favourable tax treatment of child care and education we believe would have a significant impact on reducing the financial disincentives faced by those deciding to have children.

3.1 Tax treatment of childcare payments

Whilst many of our ANZ families have utilised childcare provided through ANZ's partnership with ABC childcare it is impractical for a company that operates in so many communities across Australia to ensure these centres are accessible to every employee. ANZ locates centres in areas where there is likely to be a high demand from ANZ families which tends to be CBD locations. This excludes many of our staff outside CBD locations and staff based in regional Australia. We receive regular feedback from staff requesting the ability to salary sacrifice childcare other than that provided by ABC, however due to current Fringe benefits tax (FBT) arrangements salary sacrificing outside of our ABC partnership arrangement is not tax effective for either ANZ or for our staff.

These tax restrictions prevent ANZ from providing support to defray the cost of childcare for staff in non-metropolitan areas. The removal of FBT on all childcare would enhance ANZ's ability to assist our people with their caring responsibilities.

Another concern for ANZ is the provision of an equitable approach for providing staff with support for childcare payments. It is clear from our analysis that higher income earning parents receive a greater financial benefit by paying for childcare out of pre-tax dollars (earnings that also do not attract FBT) than they would under the Federal Government's existing Child Care Benefit Scheme. However, lower income earning parents get a greater financial benefit under the existing Child Care Benefit Scheme. ANZ considers it a priority to provide the most equitable solution to all staff or else to ensure staff continue to have access to the support approach that provides them with the greatest financial benefit. The Government's proposed childcare rebate would assist staff who may otherwise not benefit from ANZ's existing childcare arrangements.

3.2 Availability of childcare

Often parents are faced with insufficient childcare facilities, particularly in the inner suburbs of Melbourne and Sydney, when making the decision to return to the paid workforce, or in deciding to come back on either a full or part-time basis. Waiting lists of up to two years exist in some centres. While the arrangement ANZ has reached with ABC ensures our staff receive priority enrolment at ANZ/ABC centres, as outlined above, this does not assist those of our staff requiring childcare who are unable to access these centres. The ANZ supports the Government's recent

2005/06 Budget commitments including the allocation of \$266 million to provide additional child care support for parents of school aged children to assist them in remaining in or re-entering the paid work force.

3.3 School care

Many programs we have discussed here relate to the first few years of a child's life. Consideration must also be given to the costs, challenges and demands faced by families once children reach primary and secondary school age. ANZ's policies are directed to maintaining and sustaining a good work-life balance and as such initiatives such as flexible hours, leave provisions and ANZ's 'Quest for Balance' meeting guidelines all aid in achieving this aim.

3.4 Elder & Disabled Care

Caring for elderly and disabled people is an emerging issue for employees and may influence their need to take career breaks or prevent them from re-entering the workforce. It is estimated that 20% of Australian employees have caring responsibilities for elderly people or people with disabilities⁴. This is likely to grow with the ageing of Australia's workforce.

The TOCC's⁵ research found that 40% of people providing elder care and 33.3% of people providing disability care were likely to consider leaving the workforce due to the cost of care. This will be a significant issue for Australian companies, as staff will need to be sufficiently supported in this caring role. Currently, at ANZ, in addition to other flexible working and leave arrangements, staff are able to utilise carers leave and other flexible working options not only for starting families but also for caring for elderly and disabled dependants and relatives.

ANZ will continue to examine its policies and initiatives to assist employees who have responsibilities for elderly and/or disabled care and encourages the Government to examine ways it can further support these carers, including extending the proposed child care rebate to cover elderly and disability care costs.

⁴ Taskforce on Care Costs (TOCC), Policy Research Paper, Creating Choice: Employment and the cost of Care, 24 February 2005, p7

⁵ *Ibid*, p20

Appendix 1 – Screen shot of the ANZ 'MAX' site on Life Balance

ANZ Max ANZ Frontline Info People At work At play Search **Max**

Max > People

People Pathway

Life balance

Get the right balance between home and work

Audience AUS and NZ | **Date** 16 Feb 2005

At ANZ we believe in providing flexibility and benefits to help you perform best both at work and at home. Use the links below to help find your balance.

life balance is important

- ▶ [Message from John](#)
- ▶ [Message from Shane](#)
- ▶ [Benefits of life balance](#)

Balancing your family

- ▶ [Family-friendly ANZ](#)
- ▶ [Childcare](#)
- ▶ [Working Parents' Group](#)

Balancing your work

- ▶ [Flexible leave \(Aust\)](#)
- ▶ [Flexible leave \(NZ\)](#)
- ▶ [Flexible work](#)
- ▶ [Career extension](#)

Balancing your interests

- ▶ [Volunteering](#)
- ▶ [Holidays](#)
- ▶ [Social events](#)
- ▶ [Learning and development](#)

▶ [Employee Assistance Program](#)

▶ [People Assist](#)

▶ [Life Balance at Esanda](#)

▶ [Australian Corporate Games](#)

▶ [Diversity](#)

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