

# **Is money the main reason mothers return to work after childbearing?**

**A quantitative analysis of reasons by timing of return, use of leave and other factors**

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# What we already know...

- **Decision-making is complex but factors likely to be important are**
  - ◆ Financial reasons
  - ◆ Preferences
  - ◆ Need to minimise absence because of skills or career



# This paper

- **Explores how reasons - especially financial reasons - vary for women with different characteristics**
- **Uses survey data to do quantitative analyses (supplemented by some of the responses to open-ended questions)**
- **Focuses on women who returned within (approximately) first 2 years after the birth**



# Data

- **The *Parental Leave in Australia Survey (2005)***
  - ◆ Nested survey within Wave 1.5 of Longitudinal Study of Australian Children (LSAC) infant cohort
  - ◆ ARC Grant : Whitehouse, Baird, Diamond + industry partners
  - ◆ N=3,573 (68% of LSAC Wave 1 respondents)
  - ◆ Infants aged 15-29 months
- **Women who have returned to work**
  - ◆ 56% of PLAS, N=2,085



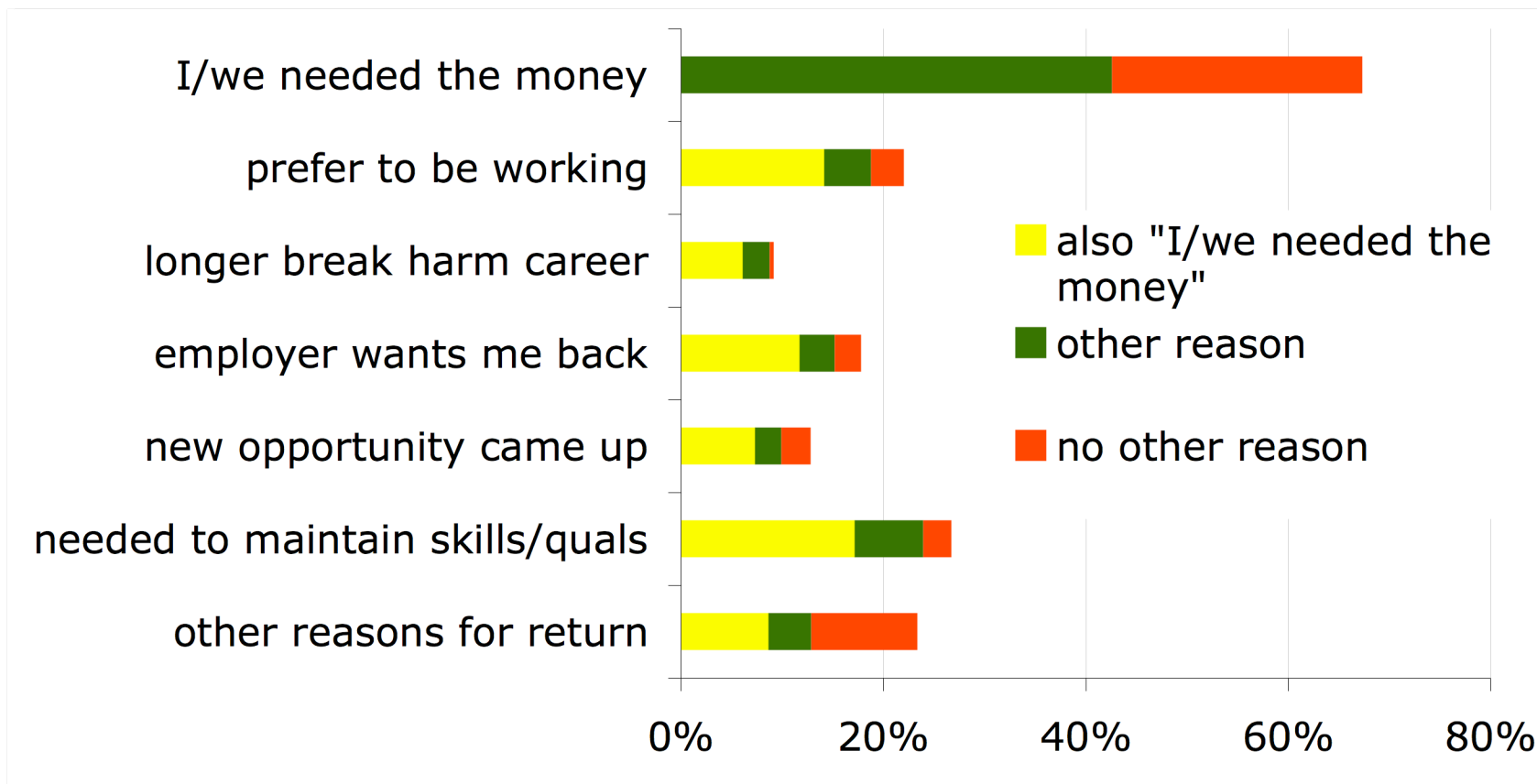
# Question: reasons for return

**“What were the main reasons you returned to or commenced work?” (multiple reasons permitted)**

- I/we needed the money
- I prefer to be working
- A longer break would have harmed my career
- My employer wanted me back
- A new opportunity came up
- I needed to maintain my skills/qualifications; and
- Other (please specify)



# Results: all main reasons for return to work



# “Other reasons” examples

**Combination of wanting to work, needing to keep up to date in field of work and money being helpful but not essential.**

*Permanent, returned when child aged 4 months*

**It was great to be able to do the odd shift in between breastfeeding and husband’s schedule: fun to be back, use my brain again.**

*Permanent, returned to work when child aged 6 month*

**We have a small staff base and it put a lot of pressure on other staff.**

*Casual, returned when child aged 2 months*



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# If selected only “other reasons”: types of responses

- **Self-employed**
- **Family businesses that needed supporting**
- **Enjoying work (not the same as preference for working)**
- **End of maternity leave: threat or perceived threat of losing job**
- **How they returned: flexible, work from home, few hours**



# Question: returned earlier than preferred

Only asked of women who used leave

**I returned to work earlier than I would have liked because...**

- I was worried about my job (yes/no)
- I/we needed the money (yes/no)



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# Per cent returned earlier than preferred

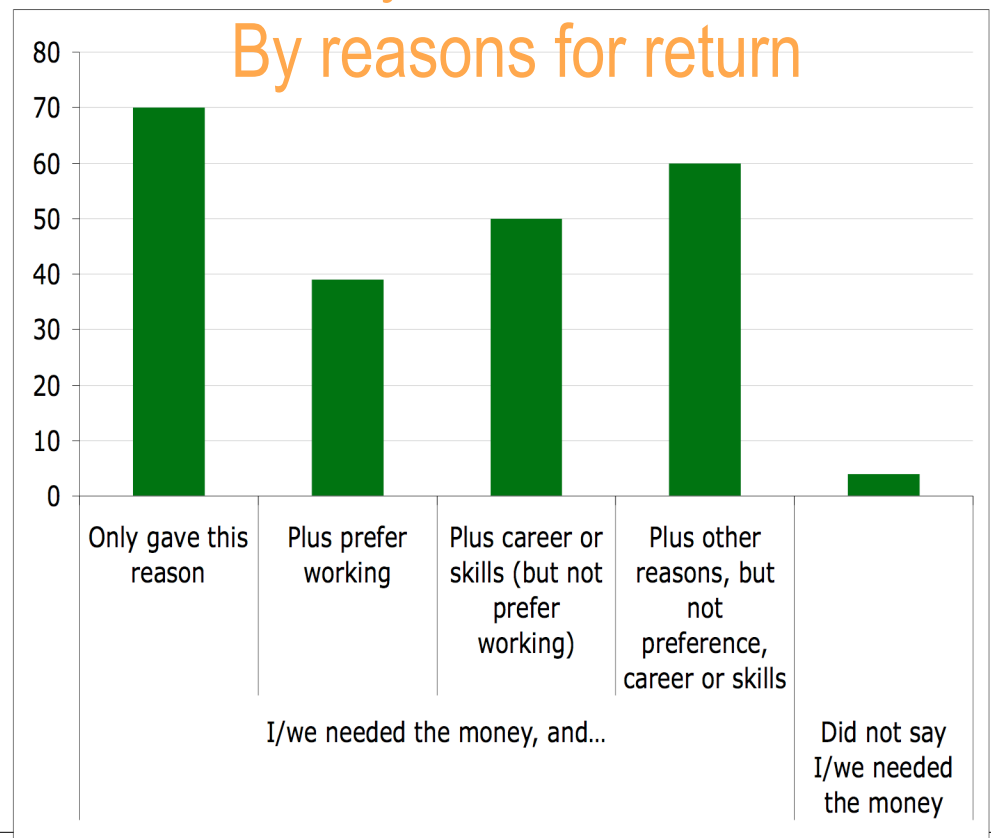
Of all who used leave:

- **42% returned earlier than preferred because of money**

Of those who said financial reasons were why they returned to work :

- **57% returned early for financial reasons**

## Returned early for financial reasons By reasons for return



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# Multivariate analyses

**Logistic regression : Response variables are**

- 1. Each of the reasons for return (7 models)**
- 2. Combinations of financial with other reasons (3 models)**
  - | (1) only financial reasons; (2) financial + preference; (3) financial +career/skills
- 3. Whether returned early for money or job (2 main models)**



# Explanatory variables

- **Pre-birth characteristics**

- ◆ Job contract, hours, sector, occupation, size of business, earnings.

- **Return to work timing and leave use**

- ◆ Age when first returned to work
- ◆ Leave use: *Paid leave only, unpaid leave only, both, no leave.*

- **Post-birth job**

- ◆ Whether returned to same job, hours worked on return

- **Other characteristics**

- ◆ Education, single/couple, partner's income/work status



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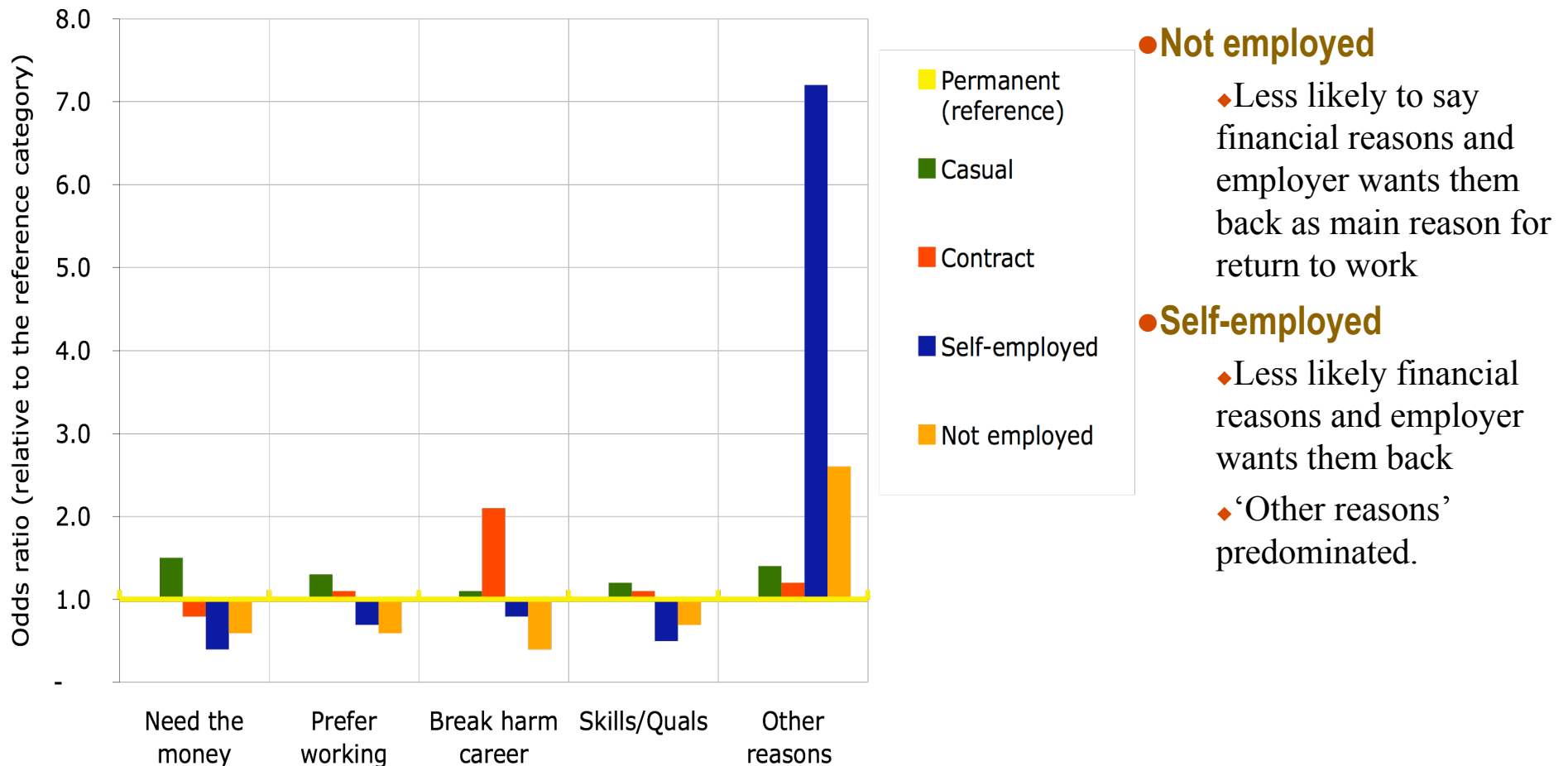
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# Odds ratios for selected reasons for return: by job type



## ● Not employed

- ◆ Less likely to say financial reasons and employer wants them back as main reason for return to work

## ● Self-employed

- ◆ Less likely financial reasons and employer wants them back
- ◆ 'Other reasons' predominated.



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# Self-employed other reasons

**Didn't have a choice as we have home business.  
Someone needed to answer the phone.**

*Self-employed, returned when child aged <1 month*

**We own our business and I needed to keep up the  
accounts.**

*Self-employed, returned when child aged <1 month*

**As I am self employed and work from home it was  
easy to maintain work.**

*Self-employed, returned when child aged <1 month*

**Only takes a few hours a week. From home. Do it  
while baby slept.**

*Self-employed, returned when child aged <1 month*



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# Other job characteristics

- **Few significant differences between previously permanent, casual, contract**
- **Occupation**
  - ◆ Higher status = more likely returned because worried about career
  - ◆ More likely returned earlier than preferred because worried about job
  - ◆ Money less likely to be an issue

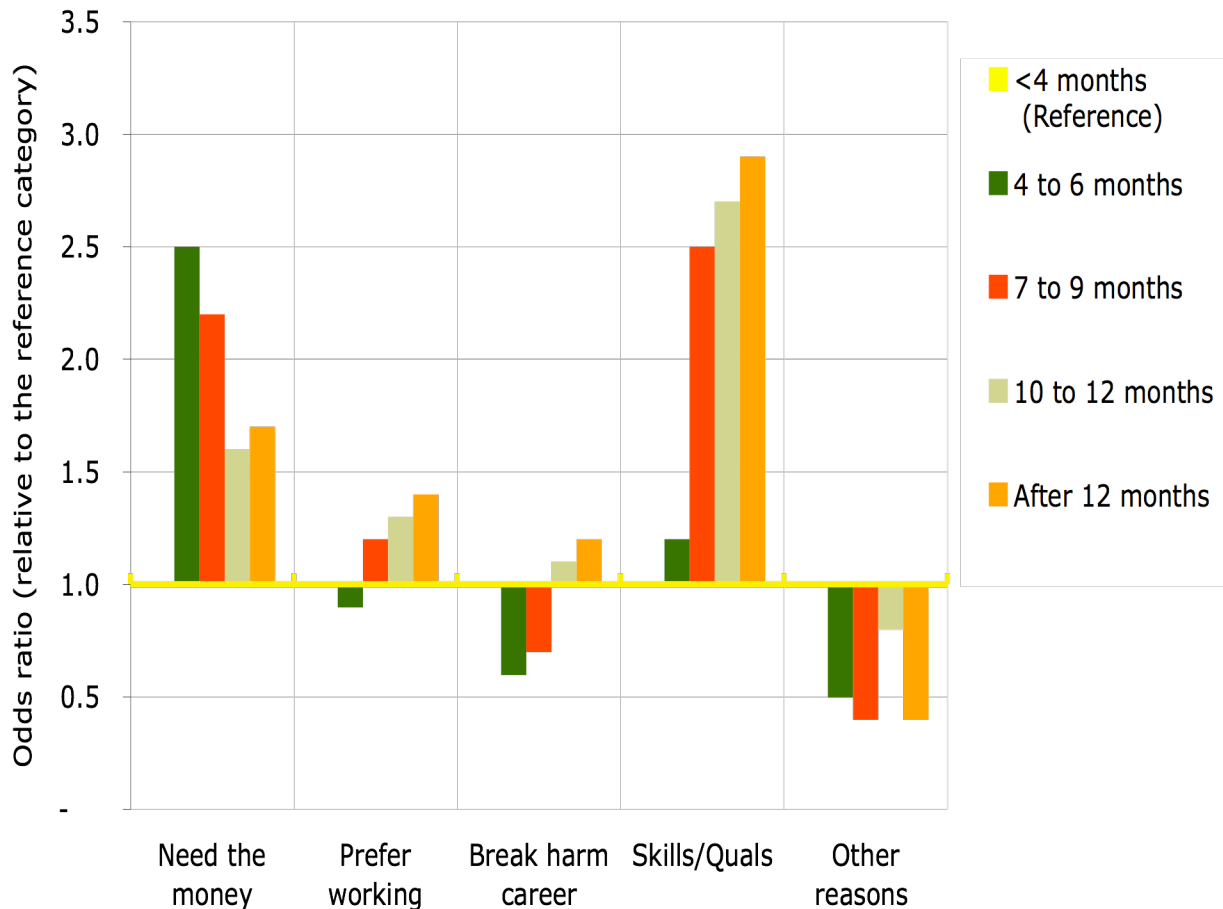


# Results : Leave use

- **Only applies to those who were employed in pregnancy**
- **Leave combination (no leave, paid only, unpaid only or both paid & unpaid)**
  - ◆ Few significant associations with reasons
  - ◆ ‘No leave’ different (reflecting their having left a job)
  - ◆ Both paid & unpaid leave - more likely to say returned early for financial reasons (even though were more likely to have longer absence)



# Odds ratios for selected reasons : by timing of return



## ● In first 3 months

- ◆ Less likely financial reasons
- ◆ Less likely (with 4-6 months) return to maintain skills/quals
- ◆ More likely ‘other reasons’ (reasons relate to flexible or self-employment)

- ◆ Also relatively high % gave ‘other reasons’ at 10-12 months



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# Return at 10 to 12 months 'other reasons'

**I would have lost my permanency with my employer if I had taken longer than a year.**

*Permanent, returned when child aged 10 months*

**Had to return because only allowed 52 weeks leave.**

*Permanent, returned when child aged 11 months*

**My position was held for the one year only.**

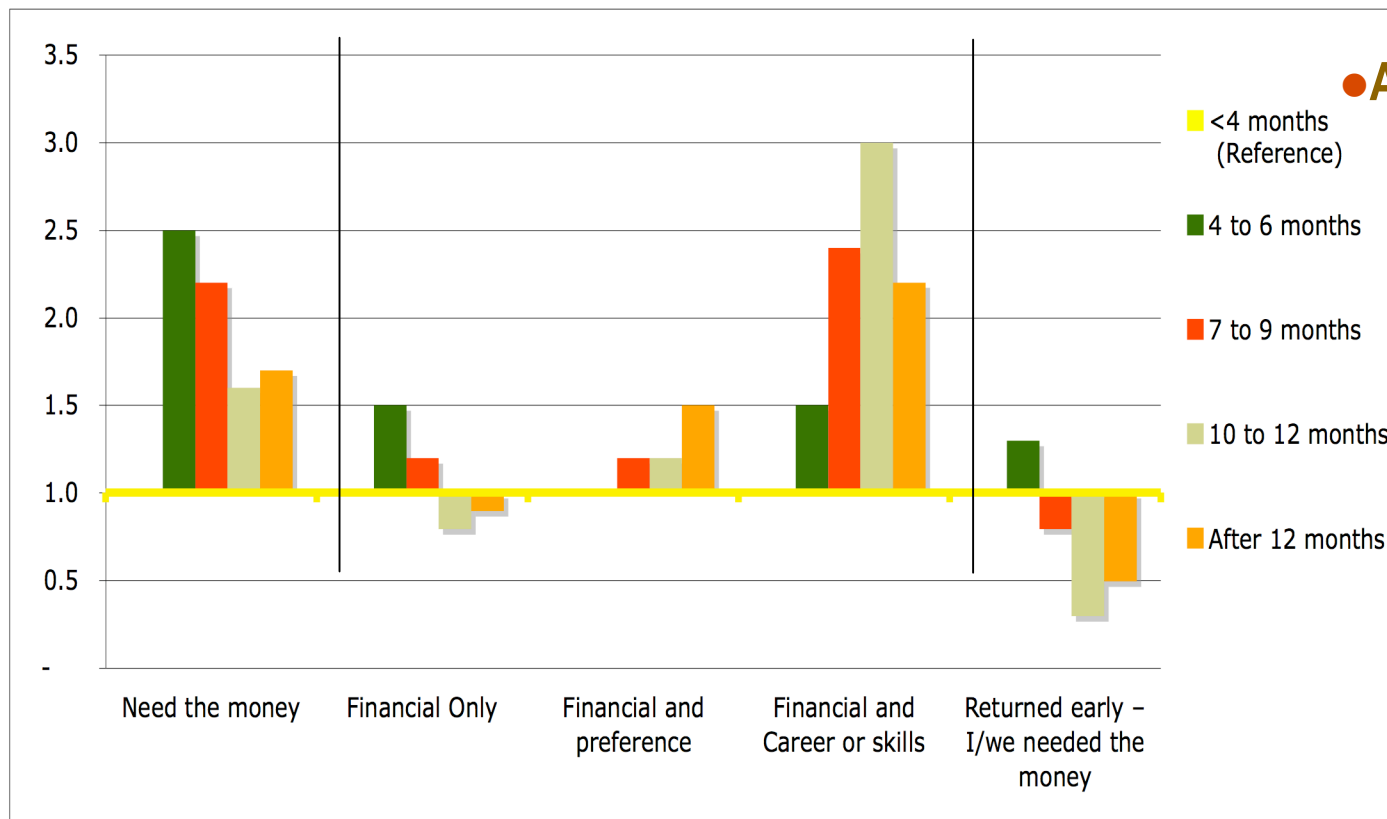
*Permanent, returned when child aged 11 month*



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# Odds ratios, financial reasons by timing of return



## ● After 3 months

- ◆ Return between 4 & 6 months most likely ONLY financial reasons
- ◆ Combination of financial & career or skill issues most likely if returning after 6 months, especially 10 to 12 months



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# Maternal education

- **Maternal education**

- ◆ Higher education = more likely maintain skills/qualifications, worried about career.
- ◆ Higher education = less likely financial reasons



# Income / work status of partner

- **Single parents and those with low-income partners not significantly different.**
- **With high income partners (relative to low income)**
  - ◆ less likely money a reason for returning
  - ◆ especially less likely to say money the only reason for returning
  - ◆ less likely to say returned earlier than preferred because of money
  - ◆ more likely returned because new opportunity came up, need to maintain skills/qualifications



# Summary

- **Money is a common reason for returning**
  - ◆ But often one of a number of reasons
  - ◆ If was only reason, this was associated with greater feeling of constraint
  - ◆ Most likely to say they returned early for financial reasons included
    - Returned in first 9 months, who used paid & unpaid leave, returned to longer hours
  - ◆ Less likely included
    - Self-employed, manager/professional, high-earning partners



# Policy response ?

- **Financial assistance ?**
  - ◆ Paid leave, or more generous birth-related payments
  - ◆ However, women motivated to return for reasons other than money
- **To address other constraints ?**
  - ◆ Pull of business, need to maintain connection to job/skills
  - ◆ Leave running out
    - But financial reasons likely also to be a factor
- **Need to support women who do want or need to return to work 'early' (eg self-employed)**



.... for more AIFS research

- [www.aifs.gov.au](http://www.aifs.gov.au)

## The Longitudinal Study of Australian Children

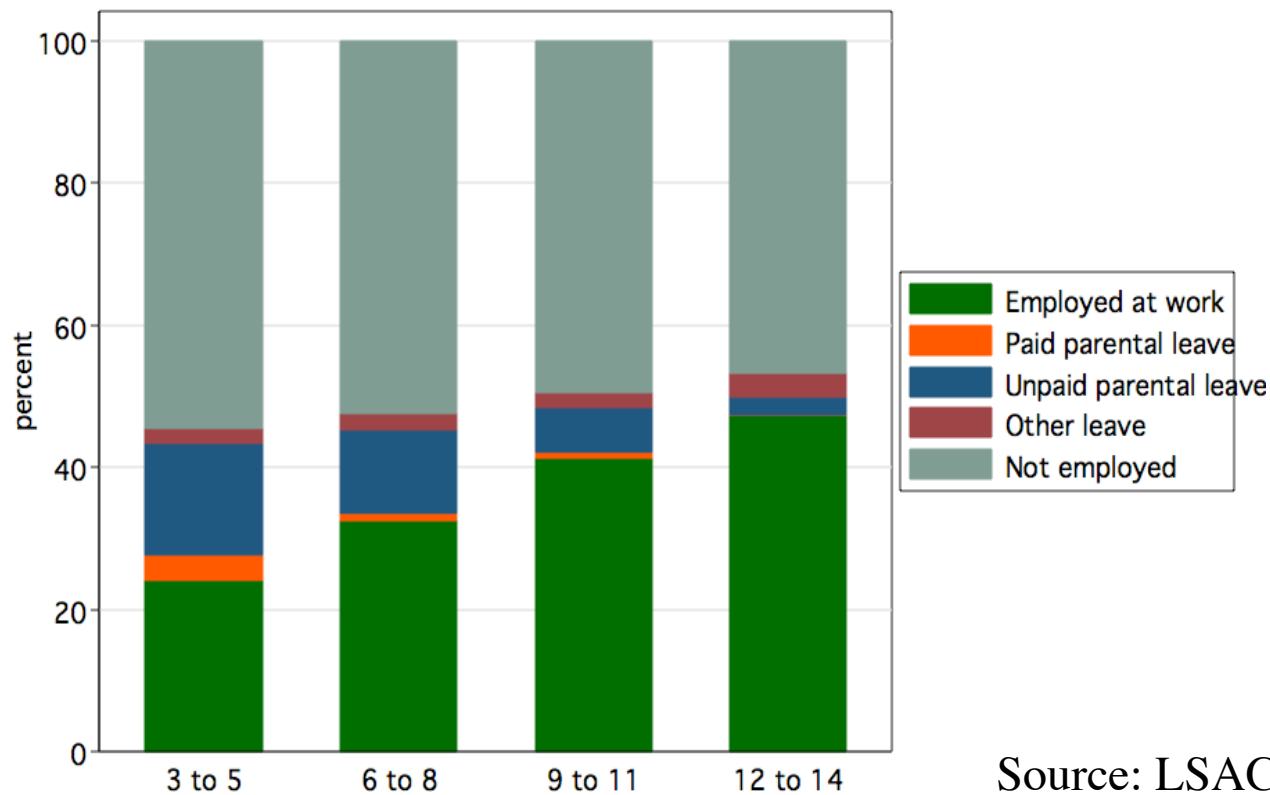
- [www.aifs.gov.au/growingup](http://www.aifs.gov.au/growingup)



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# Mothers of infants: return-to-work



Mothers' work /  
leave status by  
age of infant

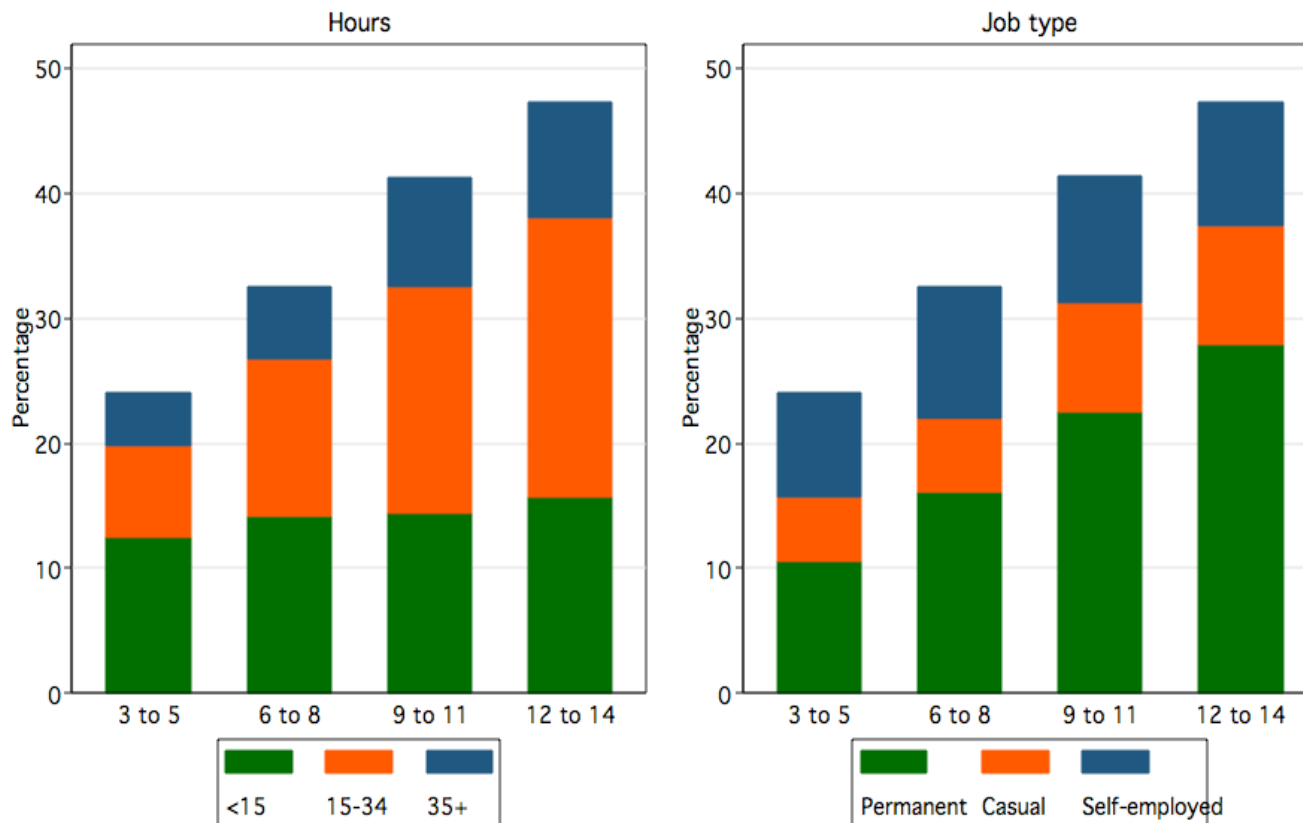
Source: LSAC Wave 1 infant cohort,  
2004



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# Mothers of infants: job characteristics



Mothers' job characteristics by age of infant

