

# **Grandparent childcare and labour market participation in Australia**

**September 2015**

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## Executive summary

### Background and purpose

This study explores the intersection between grandparents' childcare provision and their labour market and retirement decisions. In the context of an ageing population and the associated challenges this will pose, there is growing policy emphasis on keeping mature-age Australians engaged in the labour market. At the same time, many Australian grandparents are taking on considerable caring responsibilities for their grandchildren. In the context of these two major and potentially contradictory trends, there is as yet no research that explores the effect of intergenerational childcare provision on grandparents' decisions about labour market participation or exit, and the policy implications.

Using a mixed-methods approach, this study will address this gap in research. The study is motivated by the need to uncover what role grandparent childcare plays in grandparents' work and retirement decisions, and the role for policy in supporting grandparents to make real choices about work and childcare.

### Research methods

This study combined an online survey of 209 grandparents with focus groups and interviews with 23 grandparents who provided regular childcare, and who were attached or recently attached to the labour market. The online survey was open between November 2014 and March 2015. Five focus groups and two telephone interviews with grandparents were conducted in metropolitan and outer-metropolitan areas of Sydney between December 2014 and April 2015.

### Key findings

This study revealed that many grandparents were committed to the ongoing and demanding care of their grandchildren, often incurring costs and making considerable sacrifices. Many grandparents helped their children to overcome barriers in the formal childcare market such as lack of affordability, availability, flexibility, and appropriateness for young babies. Most grandparents in the study took on this role to enable their children and children-in-law – mostly mothers – to remain engaged in the labour market.

Many grandparents were 'working around care', balancing work and care responsibilities and making significant adjustments to their work as a result. Among those surveyed, 70% altered the days or shifts they worked, 55% reduced their working hours, and 18% had even changed their job because of their caring commitment. In addition, grandparents regularly accommodated atypical requests for care such as when a child was sick or when a parent was suddenly called into work. While many organised their work schedules around their regular care commitments, accommodating unpredictable demands for care was considerably more difficult.

Regular childcare provision also had an impact on the grandparents' retirement decisions and planning. A third of survey respondents reported that their childcare commitment had changed the timing or expected timing of their retirement. For many other grandparents, providing regular childcare was not the most important factor but it was still important in shaping their decision to retire. Caring commitments also had a considerable effect on what the grandparents planned for their retirement. While many were attracted to the ideas of moving and travelling, most said that where they lived, their travel arrangements, and even in some cases their recreational activities, were contingent on their caring commitments.

While the provision of childcare held many benefits and pleasures for grandparents, the costs of care – financial, health and leisure-related – could be significant. Policy has a key role to play in supporting grandparents to mitigate these costs and to make real choices about work and care.

### Conclusions

This study sheds new light on some existing policy issues and raises new issues for policy attention:

- After having a child, many women return to part-time or casual work. They have lower incomes and greater needs for flexibility, creating *barriers to the current formal childcare market*. This mismatch between what women and their families need and the services currently on offer in the formal market is what, in many cases, results in calls for grandparent childcare.
- Many families build complex *'childcare packages'* from formal and informal sources of childcare. The childcare provided by grandparents is important in its own right, but also underpins the effective functioning of whole childcare packages. Grandparents fill the gaps when other elements of the childcare package breakdown and are often central to successful transitions between parental care and other care options such as daycare, preschool and school.
- Many grandparents provide care within circumstances of *constrained choice*. They enjoy providing care and do not want to give it up. But many also feel a deep obligation to care, stemming from the high costs of living faced by their children and the absence of other appropriate childcare options. This means that many do not have the choice and control over the nature and extent of their caring role that they would prefer.
- There is a *'tipping point'* beyond which caring can become less enjoyable and greater in its impact on grandparents' work and retirement decisions. Grandparents who provide 13 or more hours of care per week are less likely to enjoy caring for their grandchildren and more likely to feel effects on their work and retirement decisions.
- There is an *'intergenerational trade-off'* between grandmothers' workforce participation and mothers' workforce participation. Many grandmothers are altering their patterns of employment to facilitate the employment of their daughters and daughters-in-law.
- Grandparents' decisions about workforce participation and retirement are *complex and relational*, not purely based what is in their best financial interests. For grandparent childcarers, financial incentives alone are unlikely to change their decision-making about work and retirement. Policies that support them to balance work and care are more likely to have an impact on their labour market decisions in later life.

Policy should recognise the importance of grandparent childcare to the wellbeing of families, communities, and the nation. This report recommends the redesign of ECEC policies such as childcare subsidies, flexible workplace policies such as leave and right to request provisions, mature-age employment policies, and retirement incomes policies, based on an understanding of grandparents' experiences and needs. Such changes will support grandparents to make real choices about work and childcare and mitigate the impact of their childcare provision on their labour market participation, incomes, and retirement incomes.

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# **Grandparent childcare and labour market participation in Australia**



# 1 Introduction

## 1.1 Background: Grandparent childcare in Australia

Grandparents are the most popular form of childcare in Australia today. In 2014, 837,000 Australian children were cared for by their grandparents in a typical week, far outstripping other forms of childcare like long day care or before and after school care<sup>1</sup>. Grandparent childcare is popular with families from across the socioeconomic spectrum, families from different cultural backgrounds, and urban, regional and remote families<sup>2</sup>. It is particularly popular for families with children aged 2 and under and families with school-aged children<sup>3</sup>. Nearly two-thirds (64.8%) of children receiving grandparent care are in this care for 10 hours or less per week; only 1 in 5 receive grandparent care for 20 hours or more per week<sup>4</sup>.

While the scale of grandparent childcare makes it difficult to make generalisations about the demographic profile of grandparent childcare providers, research shows that caregiving grandparents are likely to be aged in their 50s and 60s<sup>5</sup>. Grandparent childcare is also a highly gendered activity, primarily undertaken by grandmothers rather than grandfathers<sup>6</sup>. Even in cases where grandparents provide care together, grandmothers are more likely to undertake the routine or repetitive tasks associated with caregiving, such as bathing and feeding grandchildren<sup>7</sup>.

There are two main drivers of grandparent childcare in Australia. First, many families simply prefer it<sup>8</sup>. Seen as the 'next best thing' to parental care, grandparent childcare provision is perceived to hold many intrinsic benefits for families, including fostering closer intergenerational relationships and the satisfaction that grandparents can derive from the role<sup>9</sup>. Here, grandparent childcare is constructed as a mutually beneficial arrangement, freely chosen and negotiated by parents and grandparents<sup>10</sup>.

<sup>1</sup> Australian Bureau of Statistics, *Childhood education and care*, cat no. 4402.0, Australian Bureau of Statistics, Canberra, 2015.

<sup>2</sup> Australian Bureau of Statistics, *Childhood education and care*, 2015, op. cit.

<sup>3</sup> *ibid.*

<sup>4</sup> *ibid.*

<sup>5</sup> L Craig & B Jenkins, 'Grandparental childcare in Australia: Gender differences in the correlates of providing regular grandparental care while parents work', *Community, Work & Family*, 2015, DOI 10.1080/13668803.2015.1027176; B Horsfall & D Dempsey, 'Grandparents doing gender: Experiences of grandmothers and grandfathers caring for grandchildren in Australia', *Journal of Sociology*, 2015, DOI: 10.1177/1440783313498945; S Whelan, *Work or care: The labour market activity of grandparents in Australia*, retrieved 17 August 2015 <<http://www.natsem.canberra.edu.au>>

<sup>6</sup> Craig and Jenkins, op cit.; Jenkins, op cit.

<sup>7</sup> Craig and Jenkins, op cit.

<sup>8</sup> J Goodfellow, 'Grandparents as regular child care providers: Unrecognised, under-valued, and under-resourced', *Australian Journal of Early Childhood*, vol. 28, no. 3, 2003, pp. 7-17; J Wheelock & K Jones, 'Grandparents are the next best thing: Informal childcare for working parents in urban Britain', *Journal of Social Policy*-IT vol. 31, no. 3, 2002, pp. 441-63; J Goodfellow and J Laverty, *Grandcaring: Insights into grandparents' experiences as regular child care providers*, University of Western Sydney, Sydney, 2003.

<sup>9</sup> Horsfall & Dempsey, op cit.; B Wearing & C Wearing, 'Women breaking out: Changing discourse on grandmotherhood?', *Journal of Family Studies*, vol. 2, no. 2, 1996, pp.165-77.

<sup>10</sup> See for example Goodfellow and Laverty op cit.; Wheelock and Jones op cit.

However, a considerably larger body of work – both Australian and international – points to patterns of grandparent childcare as indicative of constrained childcare choices for families raising children, particularly where the primary parent caregiver balances work and care<sup>11</sup>. A number of researchers have therefore argued that grandparent care is used by parents as a safety net, or as part of their ‘childcare package’, because the formal<sup>12</sup> ECEC sector is unable to meet all or some of their childcare needs.

To understand the patterns and dynamics of grandparent childcare, therefore, it is necessary to briefly set out the current state of Australia’s ECEC sector. Relative to other OECD countries, Australia has a high reliance on the market provision of ECEC services<sup>13</sup>. By the time they start school, most Australian children have had some exposure to non-parental formal care or preschool<sup>14</sup>. In Australia, the marketisation of the ECEC sector is underpinned by federal financing mechanisms that partially reimburse parents for the costs of formal (or ‘approved’) care, including long day care, and before and after school care<sup>15</sup>. Grandparent childcare, and other informal childcare such as that provided by friends, neighbours and other relatives, may attract government subsidies if the person providing care ‘registers’ as a carer<sup>16</sup>, but at a significantly lower rate than approved care<sup>17</sup>. The onerous process of becoming a registered carer and the low level of subsidy that it attracts mean that most grandparent childcare providers do not apply or are not eligible, and therefore their families do not receive government financial support.

<sup>11</sup> A Aassve, B Arpino, & A Goisis, ‘Grandparenting and mothers’ labour force participation: A comparative analysis using the generaitons and gender survey’, *Demographic Research*, vol. 27, 2012, pp. 53-83; S McNally, M Share & A Murray, ‘Prevalence and predictors of grandparent childcare in Ireland: Findings from a nationally representative sample of infants and their families’, *Child care in practice*, vol. 20, no. 2, 2014.; J Posdas & M Vidal-Fernandez, *Grandparents’ childcare and female labor force participation: Forschungsinstitut zur Zukunft der Arbeit (Institute for the Study of Labor)*, Bonn, 2012; L Qu & S Wise, ‘Multiple child care arrangements in Australia’, *Family Trends*, vol. 69, 2004, pp. 56-61; D Vandell, K McCarthy, M Owen et al., ‘Variations in child care by grandparents during the first three years’, *Journal of Marriage and Family*, vol. 65, no. 2, 2003, pp. 375-81; Whelan, op cit.

<sup>12</sup> For the purposes of this report, ‘formal’ ECEC is defined in line with the ABS triennial surveys as before/after school care; long day care; or family day care. ‘Informal care’ includes grandparents, non-resident parents, ‘other relative’ and ‘other person’ categories.

<sup>13</sup> D Brennan, ‘The business of care: Australia’s experiment with the marketization of childcare’, in C Miller & L Orchard (eds.), *Australian public policy: Progressive ideas in the neo-liberal ascendancy*, Policy Press, Bristol, 2014; S Newberry and D Brennan, ‘The marketisation of early childhood education and care (ECEC) in Australia: A structured response’, *Financial accountability & management*, vol. 29, no. 3, 2014, pp. 227-45.

<sup>14</sup> Productivity Commission, *Childcare and early childhood learning*, Productivity Commission, Canberra, 2015.

<sup>15</sup> D Brennan & E Adamson, *Financing the future: An equitable and sustainable approach to early childhood education and care*, Social Policy Research Centre, Sydney, 2014.

<sup>16</sup> Becoming a registered carer entails, amongst other criteria, obtaining formal childcare qualifications, the maintenance of minimum care environmental standards, and an application to the Department of Human Services.

<sup>17</sup> Approved care can include long day care, family day care, out of school hours care, vacation care, in-home care and occasional care, and is approved by the Government because it meets certain standards and requirements. The subsidy for registered care for a non-school aged child is currently set at \$0.696 per hour. In contrast, approved care for a non-school aged child attracts a subsidy of \$4.17 per hour (both up to a cap of 50 hours per week).

Despite the high reliance on the formal childcare market to deliver childcare – and its expansion over the past five years<sup>18</sup> – the limitations of the formal market for meeting the needs and wishes of families remain well-documented. The literature reveals at least three key barriers. First, affordability of childcare remains a large concern for many parents<sup>19</sup>. Second is the issue of the availability of care during the hours that parents need care; a particularly acute issue for those parents who work unpredictable or non-standard hours, such as nights or weekends<sup>20</sup>. A final barrier is parents' values and viewpoints regarding the quality and appropriateness of formal childcare for their children. Parental attitudes driving grandparent childcare are known to be affected by many factors, including cultural background<sup>21</sup>, the age of the child in care<sup>22</sup>, and the perceived quality of care<sup>23</sup>.

Against this backdrop, grandparent carers are seen to be a flexible and desirable form of childcare for families. First, grandparent childcare tends not to incur monetary compensation and presents a more affordable option. For example, in 2014, over 97% of grandparent care in Australia was unpaid<sup>24</sup>, and similar figures have been reported in previous surveys<sup>25</sup>. Second, grandparents are more likely to be available during non-standard hours and in atypical situations. Figures from the ABS show that grandparents provide a substantial amount of routine care during non-standard hours, such as nights and weekends<sup>26</sup>. Grandparents are also a popular form of care during holidays and in emergencies<sup>27</sup>.

In sum, grandparents play an important, if undervalued, role in the provision of childcare in Australia. Whilst some parents may prefer grandparents over other care options, evidence suggests that the limitations of the formal childcare market also drive the prevalence and popularity of grandparent childcare. Grandparent childcare is generally better positioned to accommodate flexibility in childcare arrangements and to help parents address barriers associated with affordability, availability and attitudes.

<sup>18</sup> Productivity Commission, op cit.

<sup>19</sup> D Baker, *Trouble with childcare: Affordability, availability and quality*, The Australia Institute, Canberra, 2013.

<sup>20</sup> W Boyd, 'Maternal employment and childcare in Australia: Achievements and barriers to satisfying employment', *Australian Bulletin of Labour*, vol. 38, no. 3, 2012, pp. 199-214; C Steel, 'Flexibility in early childhood services', *Every Child*, retrieved 17 August 2015 <<http://www.earlychildhoodaustralia.org.au>>

<sup>21</sup> K Glasser, F DiGessa, G Ribe et al., *Grandparenting in Europe – The role of family policy environments, cultures and structures on grandparent childcare*, Grandparents Plus, London, 2012; R Lever, *Grandparents: The mainstay of modern families*, Australian Multicultural Foundation, Melbourne, 1995; D Silva & S Wise, 'Parent perspectives on childcare quality among a culturally diverse sample', *The Australian Journal of Early Childhood*, vol. 31, no. 3, 2006, pp. 6-14.

<sup>22</sup> B Jenkins, *Grandmother care and family power in Australia: Incorporating the complexities and contradictions of carework*, University of New South Wales, Sydney, 2013; Binks, op cit.

<sup>23</sup> J Sumison & J Goodfellow, *Parents as consumers of early childhood education and care: The feasibility of demand-led improvements to quality*, Sydney University Press: Sydney, 2009; C Vincent, A Braun & S Ball, 'Childcare, choice and social class: Caring for young children in the UK', *Critical Social Policy*, vol. 28, no. 1, 2008, pp. 5-25.

<sup>24</sup> Australian Bureau of Statistics, *Childhood education and care*, 2015, op cit.

<sup>25</sup> Australian Bureau of Statistics, *Childhood education and care*, cat no. 4402.0, Australian Bureau of Statistics, Canberra, 2009; Australian Bureau of Statistics, *Childhood education and care*, cat no. 4402.0, Australian Bureau of Statistics, Canberra, 2012.

<sup>26</sup> Australian Bureau of Statistics, *Child care, Australia*, June 2005, cat no. 4402.0, Australian Bureau of Statistics, Canberra, 2006. Note that questions about hours of care were discontinued in the ABS triennial childcare surveys from 2008 onwards

<sup>27</sup> M Gray, S Mission & A Hayes, 'Young children and their grandparents', *Family Matters*, vol. 72, 2005, pp. 10-17; L Qu, 'Minding the children during the school holidays', *Family Matters*, vol. 65, 2003, pp. 18-21.

Though much of the ECEC literature has focused on parents' decision-making, there is a small but growing literature that has sought to document grandparents' experiences of providing care. This research shows that grandparents report many benefits from providing care, including the building of stronger intergenerational relationships, and feelings of positivity from helping parents<sup>28</sup>. However, for many grandparents, caregiving takes place within complex circumstances of choice and obligation. Grandparent caregiving is an unregulated, relational exchange<sup>29</sup>, and grandparents' ability to set boundaries around their caring role can be inhibited, particularly where parents have few other childcare options and/or grandparents are supporting parental labour force participation<sup>30</sup>. Lack of choice over the caregiving commitment, the research shows, has negative effects on grandparents' wellbeing<sup>31</sup>. Long, irregular, or non-standard hours of care, higher numbers of grandchildren in care, and providing care alone, without the support of a partner or other family member, also contribute to grandparents' feelings of dissatisfaction with the caregiving arrangement<sup>32</sup>.

However, while the knowledge base on the experiences of grandparent carers is growing, little is known about the impacts of caregiving on grandparents' labour force participation, retirement decision-making, and financial wellbeing. To date, there is a small amount of research that suggests a possible gendered relationship between grandparent childcare and labour market participation. In the case of grandfathers, retirement or reduced work commitments do not strongly affect their propensity to care<sup>33</sup>. The findings are more mixed for women. One Australian study suggests that grandmothers are more likely to provide childcare if they are employed than if they are not<sup>34</sup>, but others have found the opposite<sup>35</sup>. Thus, the issue of causality remains unclear. In particular, is it the case that grandparents scale back their labour force participation *in response* to childcare commitments? Or, are grandparents *who are already* somewhat disengaged, or retired, from the labour force, more likely to be called on, or indeed offer to, provide care? Further, to what extent does gender influence these trends and decisions?

Currently these questions remain unanswered. While these studies have uncovered an association between grandparent childcare and labour force participation, to date, none have sought to tease out *how* and *why* it affects labour market participation and how grandparent childcare may interact with other factors associated with work and retirement. The detail is important. How individuals perceive and navigate the competing demands of mature-aged worker and grandparent childcare provider is of great significance for mature-age employment policy and how Australia confronts the challenges associated with population ageing. Yet the essential contribution of grandparents to childcare in Australia, and the impacts that this may be having on their labour market participation and retirement decisions – and, consequently, on their incomes and retirement incomes – remains invisible in the current policy context.

<sup>28</sup> G Ochiltree, *Grandparents, grandchildren and the generation in between*, Australian Council for Educational Research Press, Melbourne, 2006; Jenkins, op cit., Binks, op cit., Goodfellow and Lavery, op cit.

<sup>29</sup> S Sun, 'Not just a business transaction – the logic and limits of grandparental childcare assistance in Taiwan', *Childhood*, vol. 15, no. 2, 2008, pp. 203-24.

<sup>30</sup> Binks, op cit., Goodfellow and Lavery, op cit., Wheelock and Jones, op cit.

<sup>31</sup> Binks, op cit., Goodfellow and Lavery, op cit., Wearing and Wearing, op cit.

<sup>32</sup> Binks, op cit., Goodfellow and Lavery, op cit., Horsfall and Dempsey, op cit.

<sup>33</sup> J Condon, C Corkindale, M Luszcz et al., 'The Australian first-time grandparents' study: Time spent with the grandchild and its predictors', *Australasian Journal on Ageing*, vol. 32, no. 1, 2013, pp. 21-27.

<sup>34</sup> *ibid.*

<sup>35</sup> Whelan, op cit., Horsfall and Dempsey, op cit.

## 1.2 Background: The Policy Context

### 1.2.1 Mature-age workforce participation

Like many other OECD countries, Australia is increasingly confronting the challenges of an ageing population. Against this backdrop, policy makers have turned their attention to keeping mature-age Australians engaged in the labour force. Whilst Australia has a comparatively high mature-age (55-64 years) participation rate compared to other OECD countries, the participation rate of mature-age women is consistently lower (55%) than that of men (72%)<sup>36</sup>. In recognition of the importance of mature-age workers to Australia's future social and economic health, increasing policy and academic attention is being paid to the barriers and facilitators of workforce participation among mature-age Australians. These span workplace flexibility, employer attitudes, ill health, features of the tax and transfer system, and the provision of retraining and other support services for mature-age Australians<sup>37</sup>.

Accordingly, scholars have also turned their attention to the analysis of retirement intentions and patterns. In the last few years, this body of work has uncovered much about individuals' decision-making about retirement. Research suggests that retirement decisions are informed by many factors that operate on an individual level, such as job satisfaction, family circumstances, income, and health, and the macro-level such as availability of employment, superannuation and pension policies, and attitudes to mature-age workers<sup>38</sup>. Decisions are also shaped by socio-demographic factors such as age, gender and socio-economic status. For example, financial factors are much more likely to influence men's decisions about retirement<sup>39</sup>, while women are much more likely to cite family factors as a motivation for retirement<sup>40</sup>. Research also suggests that low income earners are more likely to cite financial reasons for wanting to continue working beyond pension eligibility age, but are also more likely to feel as though they have fewer labour market choices in older age<sup>41</sup>.

While these two growing bodies of literature have aimed to uncover the multiple demographic factors and social circumstances that shape mature-age labour market participation and retirement decisions, to date, none of these studies have explored the impact of grandparent childcare on the labour force participation, and/or retirement decisions, of mature-age workers.

<sup>36</sup> R Chomik & J Piggott, 'Pensions, ageing and retirement in Australia: Long-term projections and policies', *Australian Economic Review*, vol. 45, no. 3, 2012, pp. 350-61.

<sup>37</sup> *ibid*; J Noone, K O'Loughlin & H Kendig, 'Australian baby boomers retiring 'early': Understanding the benefits of retirement preparation for involuntary and voluntary retirees', *Journal of Ageing Studies*, vol. 27, no. 3, 2013, pp. 207-17; J Oakman & Y Wells, 'Retirement intentions: What is the role of push factors in predicting retirement intentions?' *Ageing & Society*, vol. 33, no. 6, 2013, pp. 988-1008

<sup>38</sup> N Humpel, K O'Loughlin, M Snoke et al., 'Australian baby boomers talk about the global financial crisis', *Australasian Journal on Ageing*, vol. 29, no. 3, 2010, pp. 130-43; N Humpel, K O'Loughlin, Y Wells et al., 'Ageing baby boomers in Australia: Evidence informing actions for better retirement', *Australian Journal of Social Issues*, vol. 44, no. 4, 2009, pp. 399-415; M Walter, N Jackson & B Flemingham, 'Keeping Australia's older workers in the labour force: A policy perspective', *Australian Journal of Social Issues*, vol. 43, no. 2, 2008, pp. 291-309; K Sargent-Cox, K Anstey, J Kendig et al., 'Determinants of retirement timing expectations in the United States and Australia: A cross-national comparison of the effects of health and retirement benefit policies on retirement timing decisions', *Journal of Ageing & Social Policy*, vol. 24, no. 3, 2012, pp. 291-308.

<sup>39</sup> D Warren & U Oguzoglu, 'Retirement in Australia: A closer look at the financial incentives', *Australian Economic Review*, vol. 43, no. 4, 2010, pp. 357-75.

<sup>40</sup> S Austen & R Ong, 'The employment transitions of mid-life women: Health and care effects', *Ageing & Society*, vol. 30, no. 2, 2009, pp. 207-27; C Everingham, P Warner-Smith & J Byles, 'Transforming retirement: Rethinking models of retirement to accommodate the experiences of women', *Women Studies International Forum*, vol. 30, no. 6, 2007, pp. 512-22

<sup>41</sup> Hamilton and Hamilton, *op cit*.

The invisibility of grandparent childcare is also evident in the current mature-age employment policymaking environment. The focus in current policy debates is on addressing barriers to workforce participation such as age discrimination and employer attitudes<sup>42</sup>, mismatch of skills to industry demand, and limited re-training and up-skilling options<sup>43</sup>, through action to address age discrimination<sup>44</sup>, wage subsidies to employers and extra support for training for mature-age jobseekers<sup>45</sup>. Policy has also focused on measures to delay retirement such as incentives in the tax and transfer system, including the superannuation system, and increasing the pension eligibility age to 67<sup>46</sup>. The current Coalition Government announced its intention in the 2014-15 Budget to raise the pension eligibility age further, to 70 by 2035<sup>47</sup>.

These are important measures to support and encourage mature-age Australians to participate in the labour market. However, little attention has been paid to the role of *care provision* in shaping mature-age Australians' labour market participation. A small but important literature is emerging on mature-age carers of people with disability or frail older parents and the impact that their caring role has on their labour market participation<sup>48</sup>. In addition, several studies have explored the experiences of grandparents who take on guardianship or permanent care of their grandchildren due to parental illness, substance dependency, death or other reasons, and these studies have explored the impact on labour market participation<sup>49</sup>. However, there is 'policy silence' on the impact of regular childcare provision on grandparents' labour market and retirement decisions. Yet the data suggests that providing regular childcare for grandchildren is so prevalent among Australian grandparents that its potential impact on labour market decisions is considerable, and must be recognised and accounted for in current mature-age employment and retirement incomes policy.

<sup>42</sup> T Adair, J Temple, L Ortega et al., *Age discrimination and the labour market: Experiences and perceptions of mature age Australians*, National Seniors Productive Ageing Centre, Melbourne, 2013; National Seniors Productive Ageing Centre, *Ageing baby boomers in Australia: Informing actions for a better retirement*, National Seniors Productive Ageing Centre, Melbourne, 2012; National Seniors Productive Ageing Centre, *Ageing baby boomers in Australia: Understanding the effects of the global financial crisis*, National Seniors Productive Ageing Centre, Melbourne, 2012; C von Hippel, J Henry & J Kalokerinos, *Stereotype threat and mature age workers*, National Seniors Productive Ageing Centre, Melbourne, 2011.

<sup>43</sup> J Temple & T Adair, *Barriers to mature age employment: Final report of the consultative forum on mature age participation*, National Seniors Productive Ageing Centre, Melbourne, 2012.

<sup>44</sup> Australian Human Rights Commission, *Investing in care: Recognising and valuing those who care*, vol. 1 Research Report, Australian Human Rights Commission, Sydney, 2013; Australian Human Rights Commission, *National prevalence survey of age discrimination in the workplace*, Australian Human Rights Commission, Sydney, 2015

<sup>45</sup> Department of Employment, *Restart wage subsidy*, retrieved 17 August 2015 <[www.employment.gov.au/restart-wage-subsidy](http://www.employment.gov.au/restart-wage-subsidy)>

<sup>46</sup> M Hamilton, *Contracting old age pensions? A theoretical exposition of changes to provision for old age in Australia and Britain*, University of Sydney: Sydney, 2010.

<sup>47</sup> Department of Human Services, *Budget 2014-15: Increase the age pension qualifying age to 70 years*, retrieved 17 August 2015 <[www.humanservices.gov.au/corporate/publications-and-resources/budget/1415/measures/older-australians](http://www.humanservices.gov.au/corporate/publications-and-resources/budget/1415/measures/older-australians)>

<sup>48</sup> T Adair, J Temple, L Ortega et al., *Age discrimination and the labour market: Experiences and perceptions of mature age Australians*, National Seniors Productive Ageing Centre, Melbourne, 2013; B Cass, T Hill & C Thompson, *Care to work? Expanding choice and access to workforce participation for mature age women workers*, Australian National University, Canberra, 2012; A Page, M Baird, A Preston et al., *Taking care: Mature age workers with elder care responsibilities*, University of Sydney, Sydney, 2009.

<sup>49</sup> D Brennan, B Cass, S Flaxman et al., *Grandparents raising grandchildren: Towards recognition, respect, and reward*, Social Policy Research Centre, Sydney, 2013; Australian Law Commission, *Grey areas: Age barriers to work in Commonwealth laws*, Australian Law Commission, Sydney, 2012.

## 1.2.2 Maternal workforce participation

At the same time, social and policy trends are likely to see the demand for grandparent childcare continue. In 2011 almost two-thirds of Australian mothers (62%) with children aged 14 years or under were employed<sup>50</sup>. The proportion of mothers returning to work after childbirth is increasing in Australia and in other OECD countries, and many mothers are returning to work sooner after the birth of a child<sup>51</sup>. Research shows that decisions around work and care are influenced by a variety of factors including the availability of childcare, workplace flexibility, access to paid parental leave, partner leave arrangements, and attachment to the labour force<sup>52</sup>. The decision to return to work can be fraught for many parents. There is some evidence in the Australian context, for instance, that parents may return to work earlier than expected or desired due to financial factors, to keep a job, or because an employer requested their return<sup>53</sup>.

Lifting maternal labour market participation is currently encouraged by a strong policy narrative. Whereas the late 1990s and early 2000s saw a temporary return to maternalist labour market and retirement incomes policies under the Howard Coalition Government, through measures like Family Tax Benefit Part B and tax rebates for superannuation contributions made on behalf of a non-working or low income spouse<sup>54</sup>, recent policies have aimed to boost maternal labour market participation. These policies aim to provide women with more choices for remaining in or returning to work, and many have been highly important in supporting women to balance work and caring responsibilities. They have also, at times, been underpinned by the rhetoric of improving the nation's productivity<sup>55</sup>.

Recent policies aimed at lifting maternal labour market participation have included activation policies, which compel mothers in receipt of Parenting Payment to return to work once their youngest child turns 6 years old (introduced first for new claimants under the Howard Coalition Government and then extended to all recipients under the former Labor Government), 18 weeks Parental Leave Pay introduced by the former Labor Government aimed at supporting women to remain in the workforce, and activity tests that require women to work or study in order to receive subsidies for childcare (proposed by the current Government). They have also included flexible labour market policies such as the right to request flexible working arrangements, and greater emphasis on protecting mothers from workplace discrimination on the basis of motherhood, both of which support women to continue working once they have children<sup>56</sup>. At the same time, unlike in some European countries, boosting maternal labour market participation in Australia has been accompanied by little policy encouragement for fathers to step in and take on more of the childcare responsibilities<sup>57</sup>.

<sup>50</sup> J Baxter, 'Employment characteristics and transitions of mothers in the Longitudinal Study of Australian Children', *Occasional Paper No. 50*, Australian Institute of Family Studies, Melbourne, 2013.

<sup>51</sup> Australian Bureau of Statistics, *Gender indicators*, cat no. 4125.0, Australian Bureau of Statistics, Canberra, 2012; J Baxter, 'Parents working out work', *Australian Family Trends No 1.*, Australian Institute of Family Studies, Melbourne, 2013.

<sup>52</sup> M Coulson, H Skouteris & C Dissanayake, 'The role of planning, support, and maternal and infant factors in women's return to work after maternity leave', *Family Matters*, no. 90, 2012, pp. 33-44; M Nowak, J Naude & G Thomas, 'Returning to work after maternity leave: Childcare and workplace flexibility', *The Journal of Industrial Relations*, vol. 55, no. 1, 2013, pp. 118-135.

<sup>53</sup> Australian Bureau of Statistics, *Australian Social Trends, Nov 2013*, cat no. 4102.0, Australian Bureau of Statistics, Canberra, 2014.

<sup>54</sup> D Olsberg, 'Women, superannuation and retirement: Grim prospects despite policy changes', *Just Policy*, vol. 35, 2005, pp. 31-38.

<sup>55</sup> J Hockey, *Opening remarks at launch of National Seniors age management toolkit*, Sydney, 20 February 2015.

<sup>56</sup> Australian Human Rights Commission, *Investing in care*, op cit.

<sup>57</sup> *ibid.*

These trends are also taking place against the backdrop of increased insecurity in the labour force more generally. Over the last thirty years Australia has experienced a huge growth in casual employment<sup>58</sup>, temporary work<sup>59</sup>, and fixed-term contract work<sup>60</sup>. At the same time, there has also been a shift towards longer working hours, including unpaid overtime, and the worsening of work/life balance for many Australian workers<sup>61</sup>. Much of this is gendered, with women much more likely to take on insecure, non-ongoing work, and men more likely to work very long hours<sup>62</sup>.

This creates a greater demand for childcare. As grandparents already provide by far the greatest amount of childcare in Australia, and in the context of a crowded formal childcare market (addressed in the next section), this is likely to create greater demand for grandparent childcare. In particular, the trend that sees women return to work when their children are younger<sup>63</sup>, the casualisation of the workforce and the shift towards non-standard working hours<sup>64</sup>, and decreasing housing affordability<sup>65</sup>, may all see increased maternal workforce participation lead to a call for grandparent childcare. Yet the role of grandparents has been absent from policy debates and policymaking in the field of maternal workforce participation. While increased maternal workforce participation is likely to place continued demand on grandparents for childcare provision, with a possible flow on effect for grandparents' own employment participation, there has been no recognition in policy of the possible conflict here between mature-age and maternal employment policy. Policies encouraging maternal employment, if not designed with these considerations in mind, may support one generation of women to work at the expense of another. Grandparents, predominantly grandmothers, are likely to feel the pressures of both social expectations about being 'productively' employed and familial expectations about providing care.

<sup>58</sup> A Kryger, *Casual employment in Australia: A quick guide*, Parliamentary Library, Canberra, 2015; I Watson, 'Bridges or traps? Casualisation and labour market transitions in Australia', *Journal of Industrial Relations*, vol. 55, no. 1, 2013, pp. 6-37.

<sup>59</sup> A Knox, 'The temporary agency work industry and its regulatory environment: Evidence from Australia', in H Fu, *Temporary agency work globalisation: Beyond flexibility and inequality*, Gower Publishing Limited, Surry, 2015.

<sup>60</sup> Australian Council of Trade Unions, *Lives on hold: Unlocking the potential of Australia's workforce*, Australian Council of Trade Unions, Melbourne, 2012.

<sup>61</sup> D Baker, M Johnson & R Denniss, *Walking the tightrope: Have Australians achieved work/life balance?*, The Australia Institute, Canberra, 2014.

<sup>62</sup> S Charlesworth, 'Women, work and industrial relations in Australia in 2014', *The Journal of Industrial Relations*, vol. 57, no. 3, 2014, pp. 366-82; S Charlesworth & A Heron, 'New Australian working time minimum standards: Producing the same old gendered architecture?', *Journal of Industrial Relations*, vol. 53, no. 2, 2012; Organisation for Economic Co-Operation and Development, Australia, retrieved 17 August 2015 <<http://www.oecdbetterlifeindex.org/countries/australia/>>

<sup>63</sup> Baxter, 'Parents working out work', op cit.

<sup>64</sup> Charlesworth and Heron, op cit.

<sup>65</sup> G Wood, R Ong & M Cigdem, *Housing affordability dynamics: New insights from the last decade*, Australian Housing and Urban Research Institute, Melbourne, 2014.

The 2015 Intergenerational Report and the policy debate surrounding it is a timely example of this. In it, lifting labour force participation – particularly of women and mature-age Australians – was positioned as an issue critical to Australia’s future economic prosperity, particularly in the context of an ageing population and the economic and social policy challenges this will pose<sup>66</sup>. In a speech delivered in the week before the release of the Intergenerational Report, then-Treasurer Joe Hockey made the following statement:

How can we contribute more and get more from a nation that has given us much over such a long period of time? Now, from a Government perspective, that’s as much about making sure that as a nation we live within our means as it is about ensuring that we try and get as many people into work as possible... if we can increase by three per cent workforce participation from older Australians, that would lift the size of our economy by over \$40 billion a year. It’s the same with women. If we could lift workforce participation by women to the same levels as that of Canada, it’s arguable that we could increase the size of our economy by \$25 billion a year<sup>67</sup>.

However, in the *Intergenerational Report* and surrounding discourse, there was a lack of recognition of the implications for childcare of boosting the labour market participation of both mothers and grandparents. What’s more, there was no acknowledgement of the *intergenerational impacts* that boosting maternal labour force participation may create for the work and care undertaken by grandparents. While the *Intergenerational Report* made note of childcare as a possible barrier to labour force participation, this was only with reference to mothers. No recognition of childcare as a possible barrier for mature-age Australians, nor a discussion of the possible impacts on grandparents from lifting maternal labour force participation, appears in the Report. Similar to other Intergenerational Reports, the situations and needs of grandparent childcare providers remain invisible.

<sup>66</sup> J Hockey, *Intergenerational report: Australia in 2055*, Department of Treasury, Canberra, 2015.

<sup>67</sup> Hockey, *Opening remarks*, op cit.

### 1.2.3 Early Childhood Education and Care (ECEC) policy

In recognition that greater maternal employment will lead to increased demand for childcare, there has been considerable policy activity in the field of ECEC policy recently. But in spite of their importance in helping parents balance work and care, the contributions of grandparent childcarers have also been neglected in recent policy shifts in the ECEC sphere. For example, the recent Productivity Commission report, delivered in February 2015 and the Coalition Government's subsequent reform package, do not address the importance of grandparent childcare provision. Notably, the draft report released by the Productivity Commission recommended that nannies and other informal care providers such as grandparents be entitled to claim government childcare subsidies if they had at least a Certificate III in early childhood education. While the Commission's *Final Report* proposed that government assistance should be extended to home-based services such as nannies and au pairs (and dropped the requirement that they have a Certificate III), it made no mention grandparents and other informal childcare providers. This is despite the fact that only around 2% of children receive care from a nanny on a regular basis<sup>68</sup>, compared with some 26% of Australian children who received care from a grandparent in 2014<sup>69</sup>. The *Final Report* acknowledged in a cursory manner the important role that grandparents play in filling the gaps of the formal market - '[grandparents] tend to be relied on when suitable formal care is not available or too costly for the hours that parents work'<sup>70</sup>, but the importance of grandparent childcare and the needs of grandparents were not addressed.

The devaluation of the important supporting role of grandparent carers has been carried through into \$3.5 billion worth of ECEC policies announced by the Coalition Government in May 2015. The changes announced included: a two-year in-home care (nanny) pilot delivered to 10,000 children; an expansion of funding for preschool programmes; and the introduction of a new Child Care Subsidy, designed to streamline means testing and child care subsidies. These measures are intended to make it easier for parents to access suitable childcare.

Yet fundamentally, the invisibility and marginalisation of grandparent childcare remains. Under the Coalition Government's proposed Child Care Assistance Package, the Nanny Pilot that provides subsidies for in-home care explicitly excludes family members from eligibility<sup>71</sup>. In addition, the 'registered care' category for childcare subsidies will be removed<sup>72</sup>. This will remove the only method of compensation currently available to grandparent childcare providers. More broadly, while there has been a shift in focus and attention to in-home carers like nannies, this has not been extended to grandparents, who are still positioned as peripheral to – rather than part of – the ECEC workforce in Australia. In current ECEC policy, there is an implicit assumption that grandparent childcare will be drawn upon to fill gaps in the formal childcare market. Yet, despite its central role, grandparent childcare has to date been treated as a private, familial issue rather than an important subject of public policy.

<sup>68</sup> Productivity Commission, op cit.

<sup>69</sup> Australian Bureau of Statistics, *Childhood education and care*, 2015, op cit.

<sup>70</sup> Productivity Commission, op cit., p. 5.

<sup>71</sup> S Morrison, '246 million nanny pilot programme to support families in work', *Media Release*, retrieved 18 August 2015 <[www.scottmorrison.dss.gov.au](http://www.scottmorrison.dss.gov.au)>

<sup>72</sup> Department of Social Services, *Regulation Impact Statement – Child Care*, retrieved 18 August 2015, <[www.earlychildhoodaustralia.org.au](http://www.earlychildhoodaustralia.org.au)>

### 1.3 Purpose

In the context of these major and potentially contradictory trends, there is as yet no research that explores the effect of intergenerational childcare provision on grandparents' decisions about labour market participation or exit, and the policy implications. This project seeks to address this gap by drawing on quantitative and qualitative methods to answer the following research questions:

- How does the provision of regular childcare affect the employment and retirement decisions of grandparents?
- How does the provision of regular childcare interact with other factors, such as gender, age and income, in shaping grandparents' labour market decisions?
- What can policy do to support grandparents to make real choices about work and childcare, and to mitigate the costs of their childcare provision?

In answering these questions, this research aims to:

- Address a gap in knowledge about regular childcare provision by grandparents, and its impact on patterns of employment participation, contributing to the debate on ECEC policy and mature-age labour force participation.
- Understand where care fits in grandparents' decision-making about labour force participation and withdrawal, thereby contributing to the retirement literature.
- Make recommendations for policies that will help grandparents to balance work and care.

## 2 Survey findings

### 2.1 Survey method

The first phase of the study involved an online survey of grandparents providing regular childcare. The survey was designed to collect demographic data about grandparent caregivers, their intergenerational care commitments, and their current and recent labour force participation patterns. The survey also canvassed issues relevant to their decision-making about work, retirement and care, such as family dynamics, financial circumstances and familial relationships. The survey was open for a period of four months in 2014-2015, and the link to the survey was advertised on a range of online and print forums regularly visited or read by seniors, and on radio. Grandparents who provided regular childcare for their grandchildren, and who were either employed or had ceased work in the last five years were invited to fill out the survey online. In total there were 209 survey respondents and their characteristics are detailed below. To explore some of the findings from the survey, a statistical test called a two-group mean-comparison t-test was used. Throughout this chapter, where there was found to be statistical significance, the p-value is reported in brackets<sup>73</sup>.

The national data about grandparent childcare providers is very limited and it is therefore difficult to assess the representativeness of the survey respondents. In addition, this survey sampled grandparents who were attached, or recently attached, to the labour market – not all grandparent childcare providers. From what is known, the sample is broadly consistent with the limited data about grandparent childcare providers Australia-wide. For example, existing research based on survey data from Household Income and Labour Dynamics in Australia (HILDA) Survey and surveys of grandparents shows that grandparent childcare is undertaken primarily by women and that caregiving grandparents tend to be aged between around 55-70<sup>74</sup>. The survey sample was dominated by women (77.5%) and by grandparents in the age range 55-70, although the focus on working grandparents may have skewed the sample towards a younger age group. However, the survey is not representative, and further research and more comprehensive national data is required to create findings that are representative of grandparents Australia-wide.

#### 2.1.1 Limitations of the data

There are some limitations associated with the survey data and method. In particular, it should be noted that 209 respondents is a relatively small sample size, especially given the prevalence of grandparent childcare in Australia. In some cases, although trends were observed in the data, it was not possible to determine statistical significance due to small numbers. Further, it should be kept in mind that the respondents were self-selected, meaning that there may be inherent bias in some of the findings. Finally, because it was an online survey, people with limited access to computers, or low computer literacy, may be underrepresented in the sample.

<sup>73</sup> This involves testing the hypothesis that the means (or averages) for a particular event for two groups are equal. An example is comparing the average number of grandchildren regularly cared for by two groups – male grandparent carers versus female grandparent carers, to see if there are any statistically significant differences. In statistical data analysis, results of hypothesis testing are usually reported using the p-value. The p-value provides a measure of the strength of evidence, or estimated probability, of rejecting the null hypothesis (that is, where there is no relationship or no difference between two groups). When the p-value is less than 0.05, the event that has occurred is said to be statistically significant at the 0.05 level. If the p-value is less than 0.01, there is considerable evidence against the null hypothesis, indicating a strong relationship.

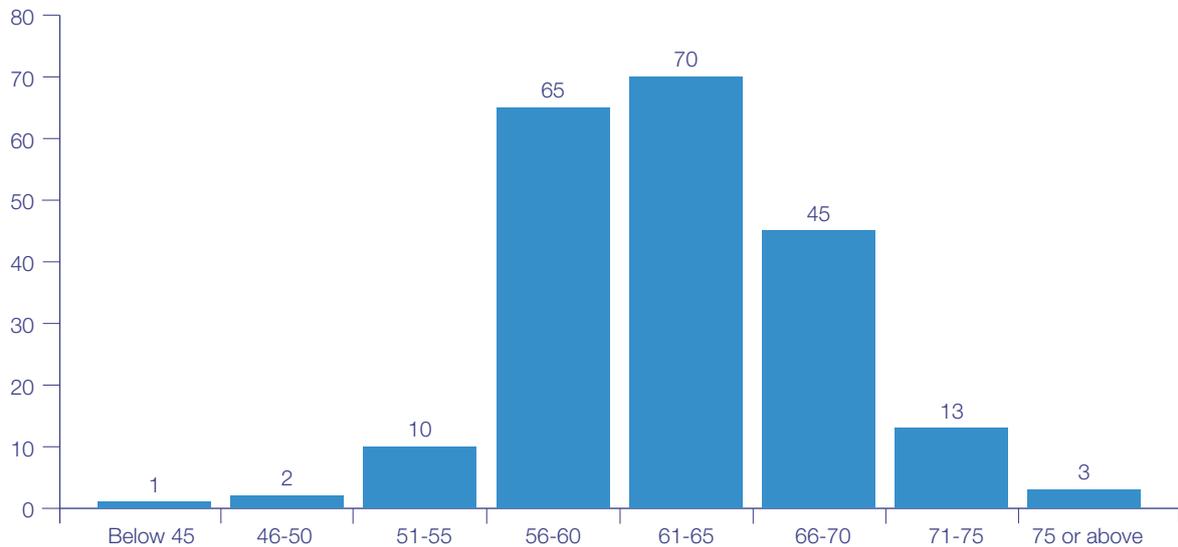
<sup>74</sup> Condon et al, op cit., Horsfall and Dempsey, op cit., Whelan, op cit.

## 2.2 Characteristics of the sample

### 2.2.1 Demographic characteristics

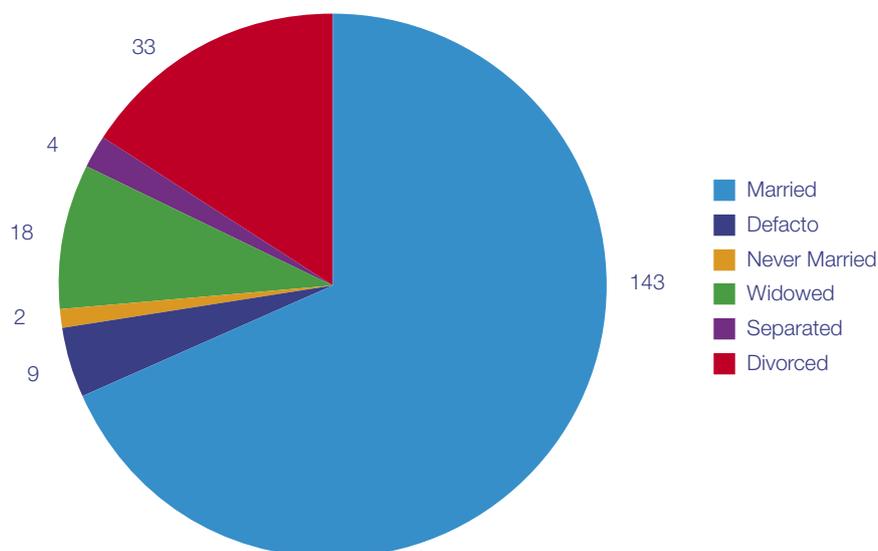
The sample ( $n=209$ ) was aged between 38 and 79 years. The majority of respondents were aged 55 to 70 years (see Figure 1), with a mean age of 62.6 years. In total, 77.5% were female and 22.5% were male. Only two respondents reported being from an Indigenous background.

**Figure 1:** Respondent age, by number of respondents



Overwhelmingly the sample was comprised of partnered individuals. Of 209 grandparents, 68.4% were married at the time of filling out the survey. Smaller numbers reported that they were divorced (15.8%), widowed (8.6%), or in de-facto relationships (4.3%). Generally, respondents were from one (23%) or two (53%) person households. Most lived with their spouse or partner, or lived alone. Smaller numbers were co-residing with their own children (17.7%), grandchildren (9.6%), or other relatives (3.3%) (see Figure 2).

**Figure 2:** Respondent marital status, by number of respondents

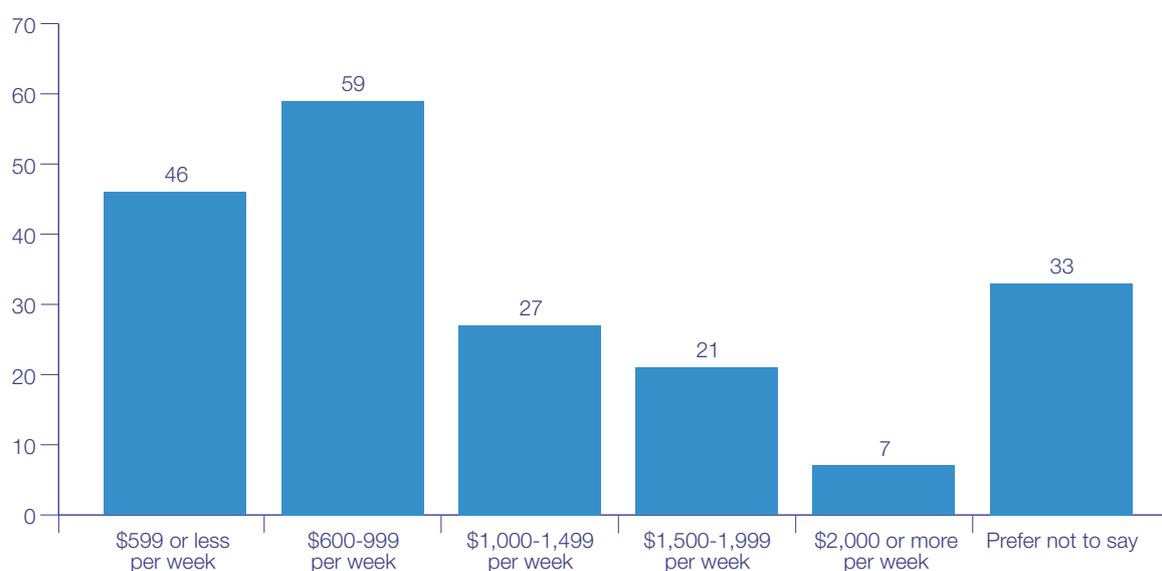


## 2.2.2 Income

The survey asked respondents four questions about their financial circumstances, gathering information about their income, main source of income, whether they received a government pension or allowance, and their views on how they are managing financially.

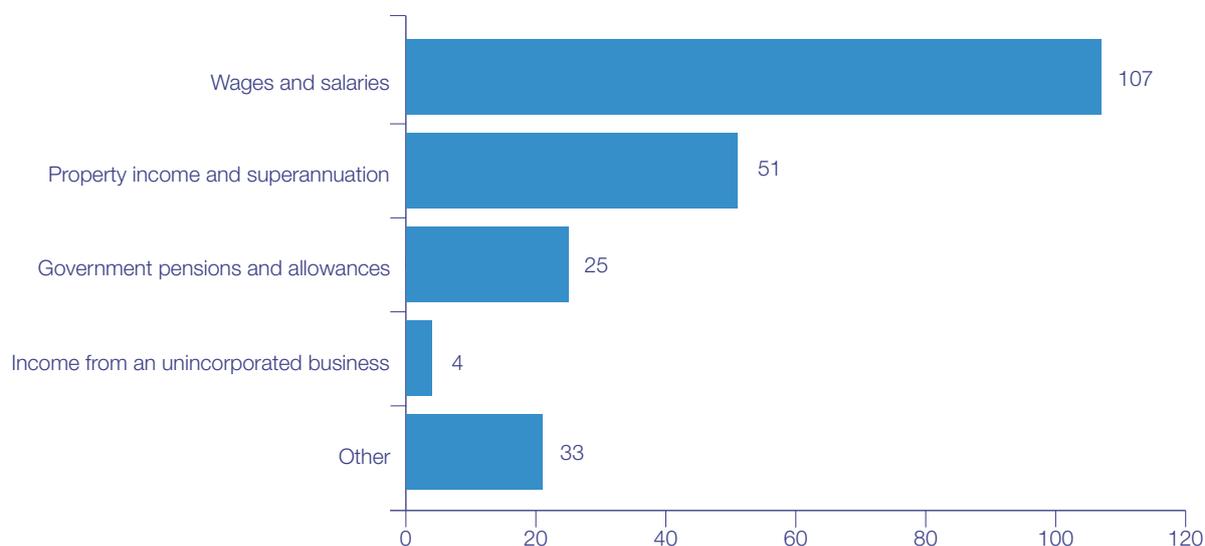
Once household income was equivalised<sup>75</sup>, the sample was concentrated in the low (\$599 or less per week) and lower middle (\$600-999 per week) categories. Thirty-three grandparents opted not to provide details of their income, and 16 people did not provide enough data to allow for equivalence calculations (see Figure 3).

**Figure 3:** *Equivalised household income, by number of respondents*



As shown in Figure 4, for just over half of the respondents (51.2%) wages and salaries were their main source of household income. This was expected, as the survey selected people with current or recent labour market attachment. Smaller numbers of grandparents reported that their main source of income was income from property and superannuation (24.4%), government pensions and allowances (12%), or 'other' (10%). In 'other', respondents were asked to specify, and added sources such as income from redundancy, savings, and private practice.

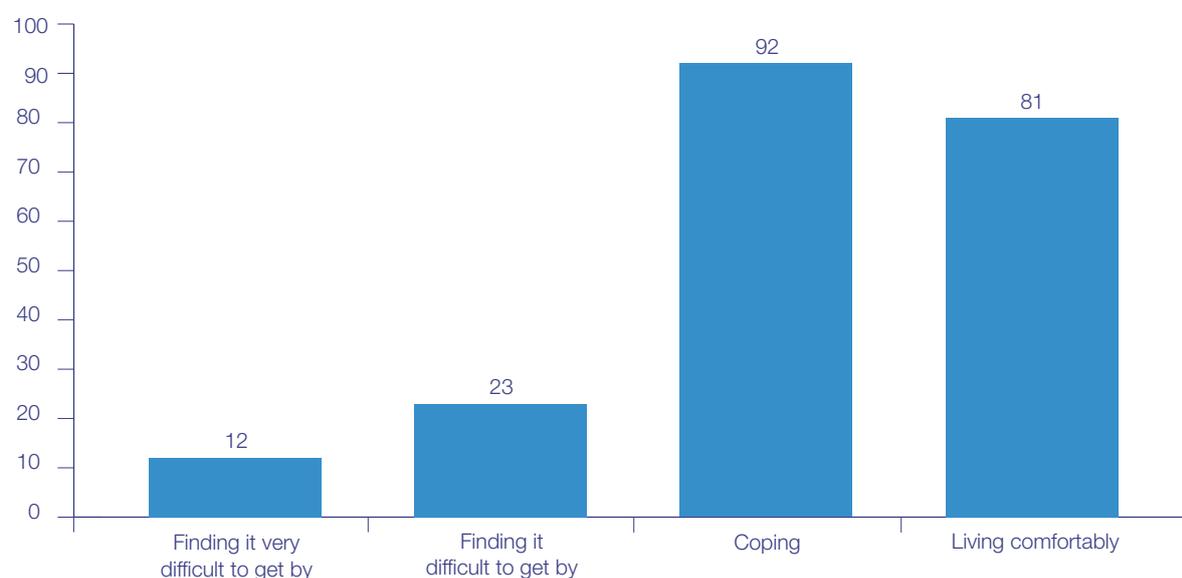
<sup>75</sup> Equivalised income was calculated using the ABS methodology, which takes into account both household income, and household composition. Calculations were facilitated through the collection of data about (a) household income; (b) number of adults – individuals aged 15 years or over – living in the household and (c) number of children (aged 14 years or under) living in the household.

**Figure 4:** Main source of household income, by number of respondents

One in 4 respondents ( $n=54$ ) reported that they received a government pension or allowance (25.8%), and nearly 1 in 5 ( $n=36$ ) received the Age Pension (17.2%). Relatively few grandparents indicated that they were receiving other allowances or benefits such as the Disability Support Pension or Carer Payment. While 1 in 4 respondents reported receiving a government pension or benefit, as shown in Figure 4 only 12% reported that this was their main source of income, suggesting that many received a part pension that supplements other sources of income.

The survey also asked grandparents to rate how they were managing on their current income. As shown in Figure 5, most grandparents reported that they were 'coping' or 'living comfortably'. A sizeable proportion ( $n=35$ , 16.8%), however, did report household financial stress – that is, that they were finding it difficult, or very difficult, to get by financially<sup>76</sup>.

<sup>76</sup> Note that almost all of the grandparents who 'preferred not to say' said that they were living comfortably or coping, thus indicating that they were not likely to be from very low income groups.

**Figure 5:** Managing on current income, by number of respondents

### 2.2.3 Employment status

There was considerable variation in reported employment patterns. Many grandparents were employed full-time, part-time, casually, or self-employed (see Table 1). However, many were not working or retired, and the group of retired grandparents represented a considerable proportion of respondents.

**Table 1:** Grandparents' employment status

Employment status	Number	Percentage
Employed full time	35	16.7
Employed part-time	41	19.6
In casual work	14	6.7
Self-employed	16	7.6
Retired and not working	54	25.7
Retired but still doing some work	36	17.1
Not employed and looking for work	7	3.3
Not employed and not looking for work	6	2.9
Total	209	100

In order to better understand the respondents' working environments, they were asked to provide details of their working hours, the sector in which they worked, and their employment conditions, as previous research has suggested that this may have an impact on their propensity to take on regular childcare responsibilities and the nature of that role (Jenkins, 2013; Whelan, 2012).

Grandparents were first asked to describe their employment conditions. If they were no longer working, they were asked about the conditions in their most recent job. Respondents were asked whether they had flexible leave arrangements and whether their employers were understanding of their caring responsibilities. Most respondents had access to flexible leave arrangements. Of those grandparents who answered this question ( $n=181$ ), only 25.4% ( $n=46$ ) agreed or strongly agreed with the statement 'my job *is/was not flexible* regarding leave arrangements', whereas 59.6% ( $n=108$ ) disagreed or strongly disagreed. Respondents were also asked whether their workplace is, or (for those who were retired), was, *understanding* of their care commitment. This produced a finding consistent with the previous question. Almost half (48.9%,  $n=70$ ) of the 143 respondents who answered this question agreed or strongly agreed with the statement 'My workplace is/was understanding of my care commitment', and only 20% ( $n=29$ ) disagreed or strongly disagreed. The remainder of the respondents answered 'neither agree nor disagree' or 'don't know'.

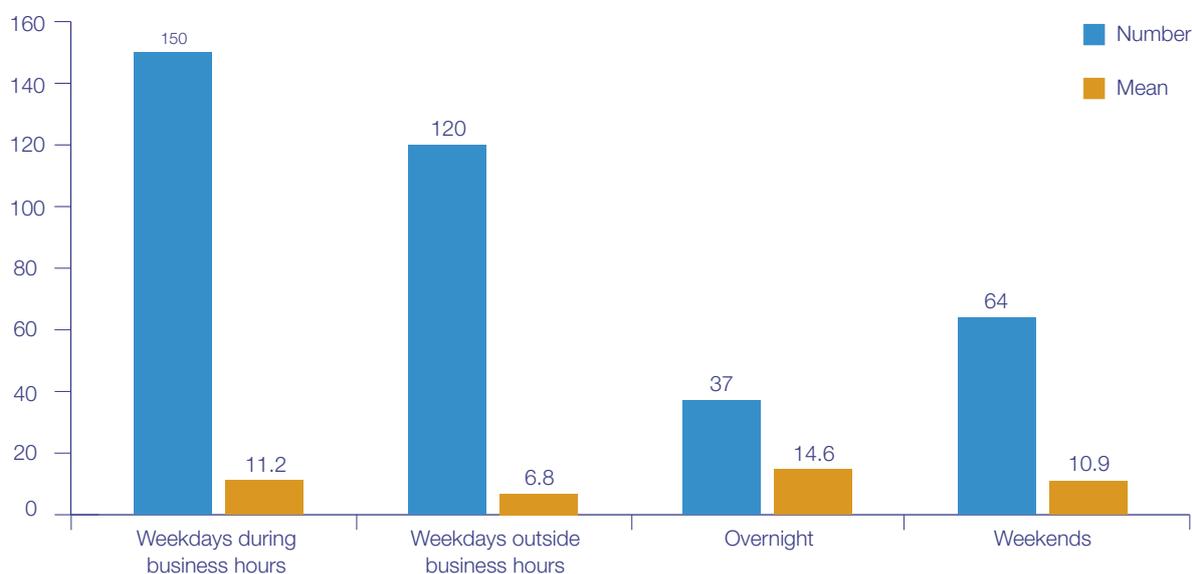
A smaller proportion of grandparents caring for long hours reported having accommodating employers, compared with grandparents who cared for fewer hours. For example, a higher proportion of respondents caring for long hours each week indicated that their employer was *not flexible*, and *not understanding*. Whilst these trends were observed, a t-test revealed that they were not statistically significant, possibly due to the small sample size.

### 2.3 How much care are grandparents providing and when are they providing it?

The data showed that the respondents provided a large amount of childcare, often for more than one grandchild, in a variety of care arrangements. Care was most often concentrated during business hours, but a considerable number also provide care on the weekends or overnight. In a 'typical' week, most grandparents were regularly caring for 1 ( $n=71$ , 34%), or 2 grandchildren ( $n=82$ , 39.2%). Smaller numbers were caring for 3 ( $n=32$ , 15.3%) or 4 or more ( $n=23$ , 11%) grandchildren. Grandparents were then asked how many hours of care they provided in a typical week. There was considerable variation in answer to this question, from 1 hour per week to 24 hours a day, 7 days a week. The mean number of hours of care was 19.43 hours per week, and the median was 13 hours ( $n=206$ )<sup>77</sup>.

Next, grandparents were asked *when* the care that they provided typically took place. Most care was provided on weekdays, which corresponds with the finding in the next section that the main reason for the need for grandparent childcare is parental employment. The fact that this care takes place both during business hours and outside of business hours reflects the fact that some parents work shift work and that some grandparents provide care either side of business hours to allow parents to get to and from work. This was teased out in more detail in the focus group discussion (*Chapter 3*). Figure 6 sets out the answers to this question. Note that grandparents could choose more than one time category.

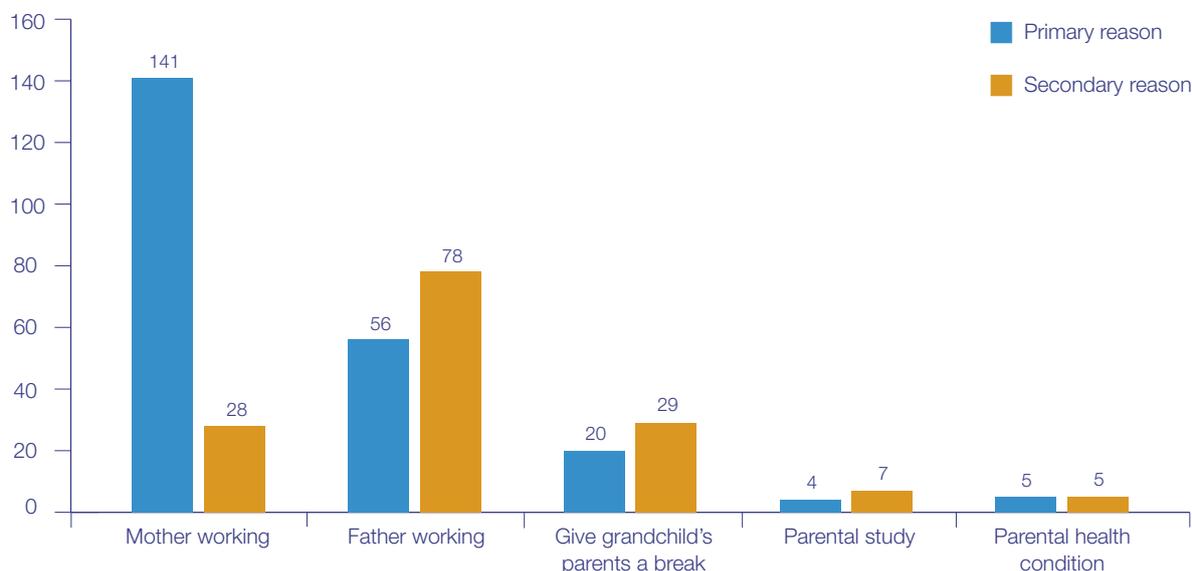
<sup>77</sup> Note that this figure includes grandparents who stated that they were also living with their grandchildren and thus caring 24 hours a day.

**Figure 6:** Care arrangements, by time of day/week and number of respondents

Grandparents were then asked whether they provided care in atypical or exceptional circumstances, such as in school holidays or family emergencies. The findings suggest that most grandparents combined childcare in a routine, regular manner with childcare in atypical or exceptional circumstances. Of the respondents who answered these questions, the majority always or sometimes provided care in school holidays ( $n=161$ , 83.4%), when the grandchild was sick ( $n=179$ , 93.7%), when the child's parents were sick ( $n=148$ , 80%), in an emergency or crisis ( $n=187$ , 96.4%), and many ( $n=135$ , 72.6%) also provided childcare when parents were suddenly called into work. As was explored in the previous chapter, these atypical or exceptional circumstances are more difficult for formal childcare to accommodate.

## 2.4 Why are grandparents providing care?

The survey asked the grandparent respondents about the reasons parents required care for their children. As previous research suggests that there can be multiple reasons that result in the need for childcare, respondents were asked to rank, from 1 to 5, the most important reasons for their care. This was to provide the respondents with an opportunity to cite multiple reasons and their relative importance. The figure below shows to what extent particular reasons were seen to be 'primary' (that is, ranked 1) or 'secondary' (that is, ranked 2) reasons for grandparents to provide care.

**Figure 7:** Primary and secondary reasons for childcare, by number of respondents<sup>78</sup>

As demonstrated in this figure, by far the main reason generating the need for childcare was parental work commitments, and particularly maternal work commitments. The next most important reason for needing childcare was that parents wanted a break.

Next, grandparents were asked why parents had called on *them* when the need for care arose, rather than taking advantage of alternative childcare options. The responses suggest that often there are several reasons why grandparents assume the caring role. As reported in Table 2, 100 respondents (47.8%) cited difficulties in accessing formal childcare as the primary reason they were called upon, including lack of affordable childcare, lack of a suitable childcare place, and lack of high quality childcare. A further 14 grandparents stated that they were called upon because of a familial belief that the child was too young for formal childcare. Of the difficulties associated with formal childcare, by far the most commonly cited barrier prompting the need for grandparent childcare was affordability. This was not an issue confined to low income parents: 80% ( $n=50$ ) of grandparents whose children were paying off a mortgage strongly agreed that parents could not afford alternative childcare, compared with 42% ( $n=13$ ) of those whose children were renting.

Grandparent respondents also cited wanting to spend time with their grandchildren as a very important reason for providing care over other childcare options. As shown in Table 2, almost 40% (39.2%) said that this was the primary reason that they and their children decided not to access an alternative childcare option (and this was combined with five grandparents who cited as the primary reason a desire to pass on their culture and/or language).

<sup>78</sup> Note that some grandparents reported more than one primary reason.

**Table 2:** Reasons why grandparents provide childcare, by number of respondents

Reason	Primary (number)	Secondary (number)	Total
Parents can't afford other childcare	71	17	88
Parents can't find childcare in the right location	4	13	17
Couldn't find childcare at the right time	21	19	40
Couldn't find high quality childcare	5	3	8
Grandchild has special needs	6	3	9
I wanted to spend time with the grandchild	82	44	126
I wanted to pass on my culture or language	5	8	13
Parents feel that grandchild is too young for formal childcare	14	15	29

Respondents whose equivalised gross household incomes were in the bottom 30% of the sample were less likely to identify 'spending time with the grandchild' as a reason for care, compared to those who were not in the bottom 30% ( $p < 0.05$ ). According to the focus group discussion, this may be because many low income grandparents had low income children who struggled to afford formal childcare, making this the main reason for needing grandparent care. Among respondents who said that spending time with their grandchildren and passing on language and culture were the *primary* reasons for care, these were often coupled with other reasons, such as the lack of appropriate, available or affordable childcare.

This suggests that often there are several reasons why grandparents assume the caring role over other childcare options, and that this was often a combination of internal familial values and preferences and external constraints associated for the most part with the formal childcare sector. Consistent with the literature, the findings suggest that the availability and affordability of formal childcare plays a crucial role in prompting families to draw on regular grandparent childcare. At the same time, for some (i.e. those who cite family values or preferences as the primary reason), changes to the formal childcare sector may not necessarily affect their regular caring responsibilities.

## 2.5 Balancing work and care

The survey invited grandparents to respond to a series of questions about the impact of their childcare commitment on their employment. The results, reported in Table 3, suggest that childcare responsibilities had a considerable impact on the employment participation patterns of grandparents. Half (50.7%) of the grandparents reported that their childcare commitment came before their work, though around a quarter (23%) said that their commitment did not come before their work. Another quarter neither agreed nor disagreed with the statement.

Despite these mixed findings on the prioritisation of work and care, most grandparent respondents had altered their employment participation in some way in order to accommodate their caring responsibilities. The greatest effect was on the way in which they organised their working hours. Seventy per cent of grandparents reported that their childcare responsibilities had altered *the way they organise* their work, such as the days or shifts they work. Over half (53.8%) also reported that their childcare responsibilities had affected the *number of hours* or days they worked. Almost one in five grandparents (16.8%) even reported that they had changed their job because of their childcare commitment. However, while most grandparents reported that they had changed their working arrangements in order to accommodate their childcare responsibilities, most said that this did not affect their ability to do their job (see Table 3).

**Table 3:** Impact of care commitment on employment, by number and percentage of respondents

	Strongly agree	Somewhat agree	Neither	Somewhat disagree	Strongly disagree	Don't know
My childcare commitment comes/ came before my work ( <i>n</i> =144)	30 (20.9%)	43 (29.9%)	36 (25%)	36 (25%)	12 (8.3%)	2 (1.4%)
My childcare commitment affected/ affects the number of hours or days I work ( <i>n</i> =143)	42 (29.4%)	35 (24.5%)	18 (12.9%)	18 (12.9%)	29 (20.8%)	1 (0.7%)
My childcare commitment has affected/affects the way I organise my work ( <i>n</i> =146)	67 (45.9%)	39 (26.7%)	12 (8.2%)	6 (4.1%)	21 (14.4%)	1 (0.7%)
I changed my job because of my childcare commitment ( <i>n</i> =143)	11 (7.7%)	13 (9.0%)	22 (15.4%)	13 (9.0%)	81 (56.6%)	3 (2.1%)
My childcare commitment has affected my ability to perform my job ( <i>n</i> =144)	6 (4.2%)	24 (16.7%)	23 (15.8%)	19 (13.2%)	69 (47.9%)	3 (2.1%)
It is/was difficult to juggle work and caring for my grandchild ( <i>n</i> =143)	18 (12.6%)	41 (28.7%)	23 (16.1%)	22 (15.4%)	38 (26.6%)	1 (0.7%)

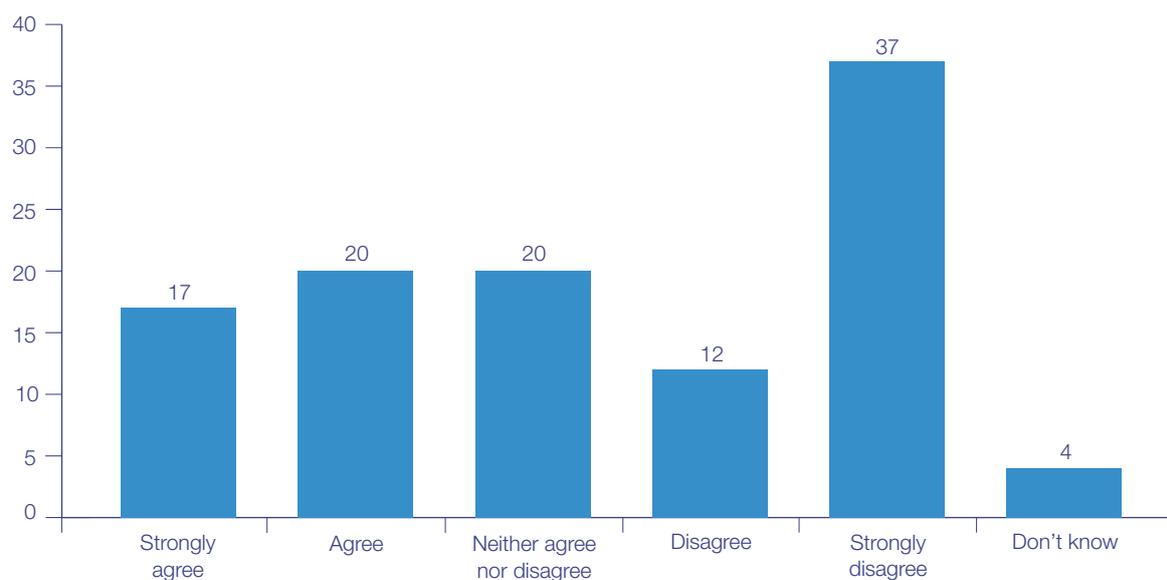
The respondents were also asked whether they found it difficult to juggle work and caring for their grandchild, and were split in their responses. While most had altered their working arrangements in some way to balance their work and caring responsibilities, not all had found this difficult: 41.3% agreed or strongly agreed with the statement 'it is/was difficult to balance work and caring for my grandchild' and 42% disagreed or strongly disagreed with the statement.

Some groups of respondents were more likely to find juggling work and care difficult than others. Grandparent respondents who were 64 and under tended to agree more that it is difficult to juggle work and care, compared to those who are 65 and over ( $p < 0.05$ ). Respondents aged 64 and under were also more likely to be in employment ( $p < 0.01$ ), so the previous finding may be because retired participants were reflecting on difficulties in their previous job whereas the employed participants were living the difficulties in the present. Higher levels of care were also correlated with difficulty balancing work and care. Respondents who cared for 13 hours or more per week tended to agree more that it was difficult to juggle work and care compared to those caring for 12 hours or less per week ( $p < 0.01$ ). Finally, difficulties balancing work and care could also be linked to employment conditions. A higher proportion of respondents who reported that their employers were not accommodating of their care commitment reported difficulty juggling work and care, compared with those whose employers were accommodating, though this finding was not statistically significant.

## 2.6 Care and retirement decisions

The survey invited respondents to comment on whether and how their caring responsibilities had affected their retirement decisions. Respondents were asked whether their caring responsibilities had affected the timing of their retirement. The responses are set out in Figure 8 below. They were also asked if their caring responsibilities affected their other plans for retirement, such as where they plan to live or the activities they participate in.

**Figure 8:** My childcare commitment changed the expected timing of my retirement, by number of respondents

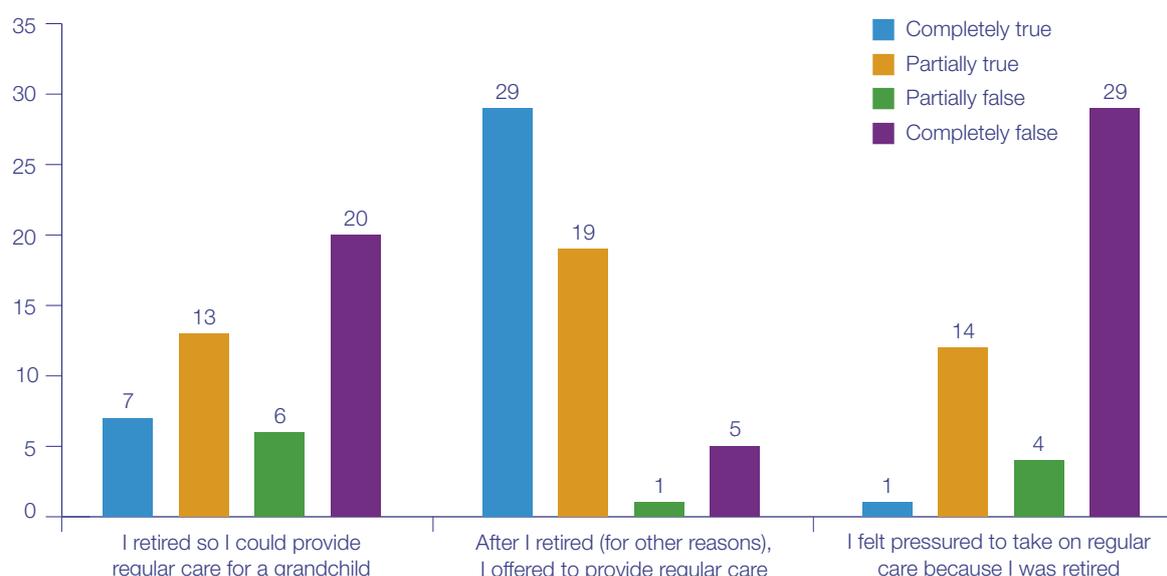


As shown in the above figure, a third of total respondents to the question ( $n=37$ , 33.6%) reported that their childcare commitment had changed the expected timing of their retirement. More grandparents ( $n=49$ , 44.5%) however, reported that it had not. Women were more likely than men to indicate that the childcare commitment had changed the expected timing of their retirement ( $p<0.05$ ), as were younger grandparents (aged 64 and under) ( $p<0.05$ ). Again, this finding could be linked to the fact that younger grandparents were more likely to be employed and anticipating retirement whereas older grandparents were more likely to be retired. Grandparents who cared for 13 hours or more per week were also more likely to indicate that the expected timing of their retirement had changed as a result of providing childcare ( $p<0.05$ ), perhaps due to the difficulties of balancing work and care.

A series of questions in the survey sought to probe in more depth the relationship between childcare responsibilities and the decision to retire. While the above questions asked *all* respondents whether their childcare commitment affected their plans for retirement, the more detailed questions were posed to those who had already retired, asking about the *actual impact* of their childcare responsibilities on their decision to retire. The survey asked respondents who were already retired whether they had commenced their regular childcare responsibilities before or after they retired. A larger proportion of respondents ( $n=57$ , 63%) said that they commenced providing regular childcare *after* they retired, while 37% ( $n=33$ ) said that their regular childcare provision commenced *before* they retired. While this tells us about when the care commitment commenced, it does not tell us whether the care commitment or anticipated care commitment figured in the decision to retire.

The relationship between childcare responsibilities and the decision to retire is far from clear cut. When grandparents retire or leave the workforce they have more time available in which they can provide care for their grandchildren. Some may retire in order to have more time to care for their grandchildren. Others may retire for other reasons and, finding themselves with extra time on their hands, agree to take on childcare responsibilities. In order to tease out this relationship, respondents were asked to evaluate three statements, set out in Figure 9.

**Figure 9:** Relationship between retirement and the childcare commitment, by number of respondents



As is seen in Figure 9, in response to the statement ‘I retired so I could provide regular care for a grandchild’, 43.4% of respondents said that it was completely or partially true. Another 13% said that the statement was partially false, suggesting that there may be *some* truth to the statement that they retired to provide regular care (perhaps because other factors figured more heavily in their decision to retire, see Table 4 below). Hence, for between 20 and 26 respondents, they retired, at least to some extent, specifically in order to care for their grandchildren. This figure represents approximately 1 in 4 of all retired grandparents in this survey ( $n=90$ ), who decided to retire, at least in part, to provide regular care for their grandchildren.

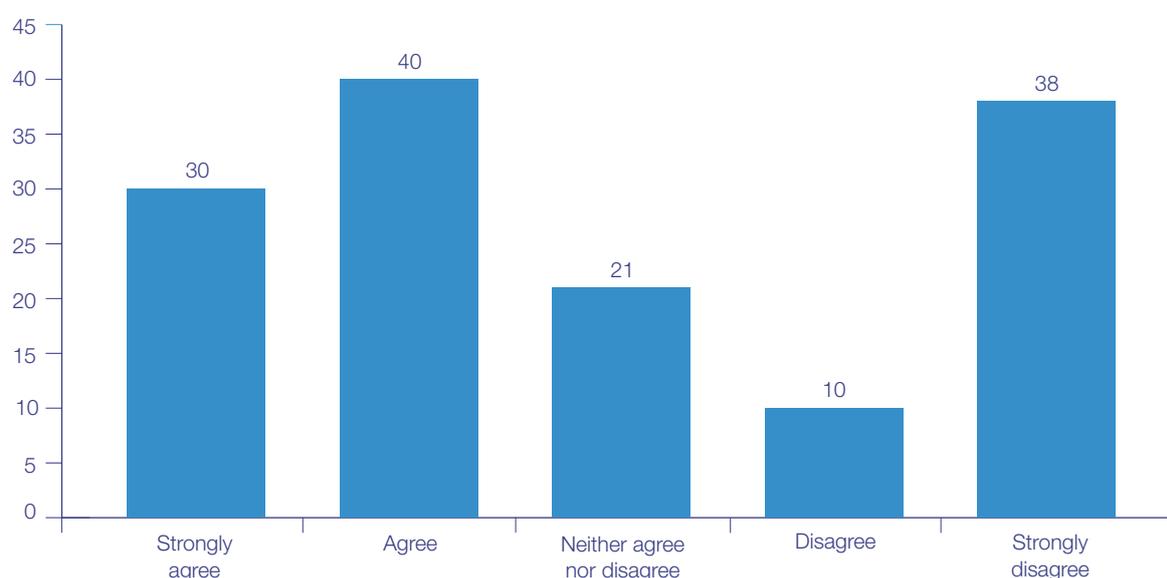
As was explained in the previous chapter, decisions about retirement are complex, and result from a range of interacting push and pull factors. This suggests that childcare responsibilities are likely to be one factor in a complex range of others. Grandparents were asked about the importance of childcare in the context of the range of other possible factors shaping the decision to retire. While Figure 9 above suggests that some grandparents retire specifically in order to provide regular childcare, Table 4 below suggests that childcare was sometimes one contributing factor among several.

**Table 4:** Importance in decision to retire, by number and percentage of respondents

Measure	Very important	Somewhat important	Somewhat unimportant	Very unimportant	N/A
Reached retirement age/eligible for superannuation (n=77)	28 (36.4%)	26 (33.8%)	3 (3.9%)	3 (3.9%)	17 (22.1%)
Retrenched/dismissed/no work available (n=72)	14 (19.4%)	7 (9.7%)	4 (5.5%)	0 (0%)	47 (65.3%)
Temporary/seasonal/ holiday job (n=67)	2 (3.0%)	4 (6.0%)	0 (0%)	1 (1.5%)	60 (89.5%)
To provide regular care for a grandchild (n=70)	10 (14.3%)	20 (28.6%)	9 (12.9%)	2 (2.8%)	29 (41.4%)
Own sickness, illness or disability (n=68)	15 (22.0%)	5 (7.4%)	2 (2.9%)	2 (2.9%)	44 (64.7%)
To have a holiday/pursue leisure activities (n=68)	13 (19.1%)	13 (19.1%)	13 (19.1%)	4 (5.9%)	25 (36.8%)
To care for ill/disabled/elderly person (n=69)	6 (8.7%)	8 (11.6%)	4 (5.8%)	0 (0%)	51 (74.0%)

This data suggests that the most important factor shaping respondents' decision to retire was reaching retirement age or becoming entitled to access superannuation. The next most important factor was to provide regular childcare. This was followed by pursuing leisure, being retrenched or having health issues. But while childcare was an important reason for many, often it was rated as 'somewhat important', suggesting that it was secondary in importance, after another factor such as being retrenched or having ill health (rated as 'very important').

While regular childcare responsibilities affected the decision to retire for some grandparents, childcare responsibilities more commonly affected grandparents' other plans for retirement, such as where they lived or the activities they had planned. Fifty per cent of respondents reported that their childcare commitment had changed their other plans for retirement, while roughly a third (34.5%) reported that it had not (see Figure 10 below).

**Figure 10:** My childcare commitment has changed my other plans for retirement, by number of respondents

Hence for some grandparents, while their childcare commitment may not affect their decision to retire, it may have an impact on their other retirement plans and decisions. Those grandparents who indicated that the childcare commitment had changed the expected timing of their retirement were also more likely to indicate that their other plans for retirement had changed. This suggests that some grandparents are doubly affected, with their childcare commitment changing the timing of their retirement and their other plans for retirement.

## 2.7 Financial impact of caring

The grandparent respondents were asked whether their childcare responsibilities had an impact on their finances and if so, what kind of impact it had. For example, grandparents were asked about the impact on their household incomes. Of the grandparents who answered questions about income ( $n=87$ ), just under half ( $n=43$ , 49.4%) indicated that the childcare arrangement had a negative impact on their income, whilst 50.6% ( $n=44$ ) indicated that their household income had not been affected or had increased. Eight grandparents said that the care commitment had affected their income 'in another way' and were asked to specify. Some of their comments were:

Household income has decreased because I am no longer working full-time (casual only) – limits the amount of work I can do...

Less spending on extended vacation as committed to care for them when needed.

Commitment prevents me from undertaking additional hours of work.

Subsequent questions also revealed other financial impacts. Forty-four respondents reported that the financial outlays related to care had put pressure on their household budgets; and 24 stated that childcare responsibilities had reduced their retirement savings.

In total, just over one-third (34%) of the whole sample reported that their childcare responsibilities had a negative impact on their incomes, household budgets and/or retirement savings. Most grandparents in the sample were mature aged and were approaching retirement age or retired already, and so were likely to have few opportunities to recover the forgone income and savings. As might be expected, higher income households (those in the top 30% of the sample) were much more likely than those in the bottom 30% to indicate that their household income had not been affected by the childcare commitment ( $p<0.01$ ). Younger grandparents (aged 64 and under) were more likely to state that their childcare responsibilities had reduced their retirement savings, compared with grandparents aged 65 and over ( $p<0.05$ ).

## 2.8 Experiences of care

The survey also collected information about grandparents' experiences of care: the benefits they derive from caregiving as well as the challenges and downfalls. Understanding how grandparents subjectively experience the childcare commitment is important in contextualising how they make decisions about work and care.

### 2.8.1 Benefits

The respondents derived a range of benefits from their childcare commitment. Most grandparents ( $n=142$ , 71.2%) strongly agreed with the statement 'I enjoy providing childcare', with most others ( $n=43$ , 23.6%) somewhat agreeing. Only two respondents disagreed with this statement and nine neither agreed nor disagreed. Whilst gender was not related to enjoyment of the caregiving role, respondents whose equivalised gross household incomes were in the bottom 30% of the sample were less likely to agree that they found care enjoyable, compared with the rest of the sample ( $p<0.01$ ).

Grandparents also reported that providing regular childcare improved their family relationships. Almost all (97.1%) agreed that their relationship with their grandchild was better because of their regular childcare provision, and 78.2% agreed that their regular childcare provision improved their relationship with their own child (that is, the grandchild(ren)'s parent(s) (see Table 5 below).

**Table 5:** Family relationships, by number of respondents

	Strongly agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Strongly disagree	Don't know
My relationship with my grandchild is better as a result of providing childcare ( $n=207$ )	171	30	4	2	0	0
My relationship with my child is better as a result of providing childcare ( $n=202$ )	100	58	34	6	4	0
My relationship with my partner is worse as a result of providing childcare ( $n=190$ )	4	22	40	23	86	15

Respondents were also asked about the effect of their childcare responsibilities on their relationship with their partner. Many respondents (57.4%) stated that their relationship with their partner was no worse as a result of their regular childcare commitment, and a small but noteworthy proportion (13.7%) reported that their relationship with their partner was worse as a result of their childcare commitment. The focus groups suggested that for some, this may be a result of the pressures of living apart for several days per week or in some cases on an ongoing basis, as one member of the couple stays with the children to provide childcare.

### 2.8.2 Choice

The respondents were asked about the reasons they provided childcare and many stated that they provided care because they wanted to spend time with their grandchildren. But also of interest was the extent to which grandparents' decisions about childcare took place in a context of real alternative options that made them feel they exercised choices about the nature of their childcare responsibilities. Intergenerational caregiving is often underpinned by strong feelings of duty and relational connection.

Grandparents were asked a series of questions that set out to discover in more detail the extent of 'choice' in: whether they took on their childcare responsibilities; the nature of their childcare responsibilities; and whether they could cease their childcare responsibilities. Overall, the respondents were split in their responses to these questions (see Table 6).

**Table 6:** Choice and childcare provision, by number and percentage of respondents

Measure	Strongly agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Strongly disagree	Don't know
I feel/felt under pressure to provide childcare ( <i>n</i> =144)*	22 (15.2%)	35 (24.3%)	28 (19.4%)	15 (10.4%)	43 (29.8%)	1 (0.7%)
I could stop providing childcare for my grandchild at any time ( <i>n</i> =207)	37 (17.9%)	51 (24.6%)	24 (11.6%)	42 (20.2%)	53 (25.6%)	0 (0%)
I would prefer to provide less childcare ( <i>n</i> =205)	7 (3.4%)	34 (16.6%)	36 (17.6%)	34 (16.6%)	91 (44.4%)	3(1.4%)

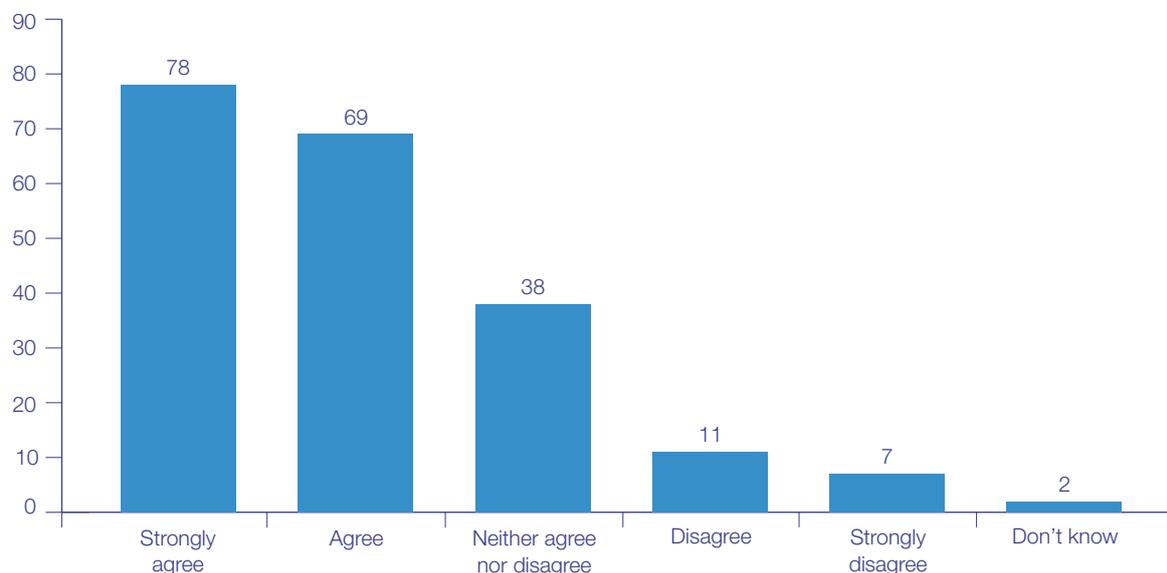
\*This question was asked of all respondents but in a different part of the survey to the subsequent two questions.

When asked if they felt under pressure to provide care, 39.6% strongly or somewhat agreed and about the same percentage (40.2%) strongly or somewhat disagreed. Respondents who cared for 13 hours or more a week tended to agree that they felt pressured to care more than those who cared for 12 hours or less ( $p < 0.05$ ). When asked if they could stop providing care at any time, 42.5% strongly or somewhat agreed and 45.9% strongly or somewhat disagreed (see Table 6). There was a possible relationship between equivalised household income and choice, with a smaller proportion of lower income respondents agreeing that they could stop providing care at any time, but this was not statistically significant. Grandparents were less split in their responses to the third statement. One in five respondents said that they would prefer to provide less childcare, and approximately three in five (61.0%) said that this would not be their preference (see Table 6). Analysis did not reveal any statistically significant relationships between gender and choices around care provision.

Further analysis revealed the extent to which respondents' 'constrained choice' in childcare provision affected their enjoyment of care. Of the grandparents who felt pressured to provide care, preferred to provide less care, and felt that they were unable to stop the caregiving commitment, the proportion enjoying their childcare responsibilities was lower than those without 'constrained choice', but this was not statistically significant.

Also shaping the context in which grandparents make decisions about their childcare commitment are implicit values and attitudes about the grandparent role. Value-laden assumptions about the role of grandparents can shape choices about childcare provision in more subtle ways. Almost three quarters of the grandparents ( $n=147$ , 72.4%) believe that childcare is a 'normal part of the grandparent role' (see Figure 11 below).

**Figure 11:** I believe that childcare is a normal part of the grandparent role, by number of respondents



### 2.8.3 Support and recognition

The results above suggest that the provision of regular childcare, while having important benefits, can have considerable impacts on grandparents' employment participation, incomes and retirement decisions. Furthermore, they suggest that decisions about childcare can take place in conditions of constrained choice and obligation. The next section of the survey explored the extent to which grandparent respondents could and should be supported to carry out their childcare responsibilities, including the extent to which they felt recognised for the care they undertook. Most (85.6%) felt that their contribution to childcare was appreciated, but that more could be done to support them in their role. The data are set out in Table 7 below.

**Table 7:** Recognition and compensation, by number and percentage of respondents

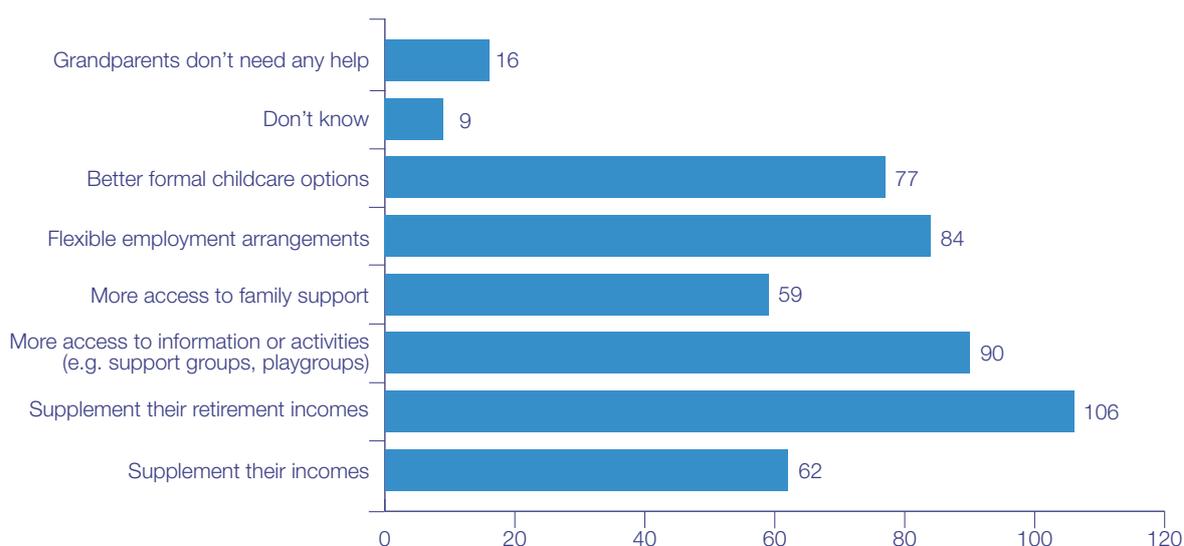
Measure	Strongly agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Strongly disagree	Don't know
I feel my contribution is appreciated ( <i>n</i> =208)	123 (59.1%)	55 (26.4%)	16 (7.7%)	10 (4.8%)	4 (1.9%)	0 (0%)
Parents should compensate grandparents for childcare ( <i>n</i> =203)	9 (4.4%)	31 (15.3%)	77 (37.9%)	34 (16.7%)	51 (25.1%)	1 (0.5%)
Governments should compensate grandparents for childcare ( <i>n</i> =208)	48 (23.1%)	67 (32.2%)	49 (23.5%)	13 (6.3%)	27 (13.0%)	4 (1.4%)

An overwhelming majority (85.2%) felt that their contribution was appreciated. Respondents whose children were paying off a mortgage tended to agree more that they felt their contribution was appreciated compared to grandparents whose children were not paying off a mortgage ( $p < 0.01$ ). There was also a relationship between feeling appreciated, and enjoyment of the childcare commitment, but this was not statistically significant.

As shown in Table 7, while many grandparents believed that they should be compensated in some way for the childcare that they provided, more believed that this compensation was the responsibility of governments rather than their children. One in five grandparents (19.7%) believed that parents should compensate grandparents for the care they provide, whereas 41.9% did not think that parents shouldered this responsibility. In contrast, 55.3% believed that governments should compensate grandparents for their childcare responsibilities, while 19.2% disagreed. Grandparents who provided 13 hours or more of care per week were more likely to support both parental ( $p < 0.01$ ) and government ( $p < 0.05$ ) compensation than those who provided 12 hours or less.

Forms of parental compensation were discussed in more detail in the focus groups and will be presented in the next chapter. However, the survey asked respondents about how they could be better compensated or supported by governments at all levels. Their responses are set out below.

**Figure 12:** How could grandparents be better supported?, by number of respondents



According to the respondents, the most popular way in which governments could better support grandparents was by supplementing their retirement incomes, followed by more access to information or activities, flexible employment arrangements, and better formal childcare options for parents.

There were also a number of open-ended responses to this question. Many of the answers related to costs of transport. For example, respondents suggested providing subsidised transport for children in the care of a grandparent, or subsidised petrol for grandparents on the days that they provide care. Other suggestions related to better targeted support for parents, and included: improving the system by which the government subsidises childcare fees, and better support through the taxation system.

## 2.9 Conclusion

Whilst this survey has limitations due to the small sample size, it provides important insights into the experiences of grandparent childcare providers and the impact of care provision on their work, retirement plans and intentions, and incomes. The sample, which was dominated by women, partnered individuals, and individuals in the age range of 56 to 70, was broadly consistent with the existing research about the age and gender of grandparent childcare providers in Australia. Roughly half of the respondents were employed, and a sizeable proportion of the sample was retired.

Consistent with the literature, a key finding of the survey related to the flexibility of grandparent childcare. While the majority of grandparents indicated that they provided care during business hours, many were also providing care outside of business hours, overnight, and during weekends – all times when formal childcare is typically unavailable. The survey found that parental employment underpins the need for regular childcare, and affordability and availability-related limitations of the formal childcare market mean that parents turn to grandparents to provide this care. Especially against a backdrop of increasing shift work, casualisation, and long hours – a context, in short, where many people’s employment patterns no longer fit neatly into a nine-to-five timeframe – grandparents play a valuable role in addressing the limitations of the formal childcare market to accommodate the realities of modern employment. Grandparents also tend to be called on in unusual or atypical circumstances, such as when a grandchild or a grandchild’s parent is sick, in an emergency or crisis, or when parents are suddenly called into work.

Grandparents derive many benefits from providing childcare, and many stated that they provided care because they wanted to spend time with their grandchild. Yet this survey also revealed serious costs associated with providing care. For example, many grandparents reported difficulties balancing work and care. Most had altered their working arrangements in some way to accommodate caring for grandchildren, whether scaling back the hours that they worked, or re-organising their work commitments. Additionally, nearly a third of grandparents indicated that their childcare commitment had changed the timing or expected timing of their retirement. However, the relationship between retirement and childcare provision was not clear cut; retirement, it was found, was affected by many factors, of which childcare was only one. Childcare also affected grandparents’ other plans for retirement, such as where they lived or the activities they had planned.

Some groups felt the costs of care more strongly than others. Perhaps surprisingly, gender did not produce much that was statistically significant. Age did have some significance. Those aged 64 and under were more likely than those aged 65 and over to report an impact on their expected retirement timing and retirement savings. They were also more likely to say that care affected their working arrangements and that they struggled to juggle work and care, but some of this this was probably a result of the fact that most under 64s were in work and most over 65s were not.

Income was also important, with lower income grandparents (those with gross equivalised incomes in the lowest 30% of the sample) less likely to enjoy providing care and less likely to be providing care to spend time with their grandchildren (citing other reasons such as barriers in the formal childcare system). They were also likely to be working fewer hours than the rest of the sample and have less understanding employers. Higher income grandparents (those with gross equivalised incomes in the highest 30% of the sample) were likely to be caring for a greater number of grandchildren but, at the same time, were less likely to say that their income was affected by their caring responsibilities.

The greatest predictor of variation was hours of care. Grandparents who provided 13 hours of care or more per week were more likely to say it affected their work, were less likely to have understanding employers, were more likely to face difficulties juggling work and care, and were more likely to report an impact on the expected timing of their retirement. They were also more likely to feel pressured to care, and were more likely to say that they should have support or compensation from parents and/or governments.

While most grandparents felt that their contribution to care was appreciated, many also felt that their care should be compensated, though by governments rather than parents. The next chapter draws from the voices of grandparents to explore in more depth some of the implications of these findings for grandparents' lived experiences of balancing work and care.

## 3 Qualitative findings: Talking about work and care

### 3.1 Focus group and interview method

In addition to the online survey, five focus groups and several interviews were conducted between December 2014 and March 2015 with grandparents who provided regular care for their grandchildren and who were either employed, or had left work in the last five years. The participants were recruited by advertising the project on social media sites that grandparents are likely to frequent, in local clubs, libraries and community centres, and through snowballing. The online survey also finished with a question asking participants to provide contact details if they were interested in learning more about the focus groups and some participants were recruited in this way. The scope was limited to the Sydney metropolitan and surrounding regions but the socioeconomic, geographic and cultural/linguistic diversity of these regions meant that a wide range of voices were captured in the fieldwork. Locations were also selected to include grandparents from across the socio-economic spectrum, and included two predominantly high income inner metropolitan regions, and two outer metropolitan areas, including one low income and one with a high culturally and linguistically diverse population. It also sought participants from a regional area north of Sydney to capture a low income and sometimes commuter population. The project was approved by the UNSW Human Research Ethics Committee. Participants received a \$30 Coles/Myer voucher to thank them for their contribution and defray the costs of participating.

The five focus groups were conducted in Sydney's east, southwest, northwest and two in the inner west. The qualitative fieldwork also included two telephone interviews with grandparents on the Central Coast. In total, there were 23 participants in the focus groups and interviews and their characteristics are detailed in Table 8.

**Table 8:** Characteristics of focus group and interview participants

Characteristics	Data	
Gender	Female	19 (82.6%)
	Male	4 (17.4%)
Age	51-55	1 (4.3%)
	56-60	6 (26.1%)
	61-65	6 (26.1%)
	66-70	7 (30.4%)
	71-75	2 (8.7%)
Marital status	Married	15 (65.2%)
	Separated	2 (8.7%)
	Divorced	4 (17.4%)
	Widowed	2 (8.7%)
Place of birth	Born in Australia	19 (82.6%)
	Born overseas	4 (17.4%)
Aboriginal or Torres Strait Islander	Yes	0
	No	23 (100%)
Employment status	Employed full time	2 (8.7%)
	Employed part time	2 (8.7%)
	Employed in casual or temporary work	1 (4.3%)
	Self-employed	4 (17.4%)
	Not employed and looking for work	3 (13%)
	Retired and not working	8 (34.8%)
	Retired but still occasionally doing some work	3 (13%)
Hours of care in a typical week*	Range: 5-50 Mean: 23.4	

\*n=21 – data not satisfactory for 2 grandparents

Participants in the qualitative research, although small in number, were broadly similar to the survey respondents in terms of key demographic characteristics such as gender, age, employment status and marital status. Details around childcare arrangements, including hours of care and number of grandchildren cared for in a typical week, were also comparable with the survey respondents.

Groups were facilitated by the researchers using a semi-structured discussion guide. The findings of the online survey informed the development of the discussion guide. The focus groups were designed to allow the researchers to probe key issues regarding labour force participation and intergenerational childcare provision, providing a more in-depth understanding of grandparents' decision-making. Such decisions, like many involving balancing work and care<sup>79</sup>, are likely to be highly contextual<sup>80</sup>. The focus groups provided the opportunity for participants to discuss the contextual factors shaping their own decisions and to reflect on their perceptions and experiences in a group setting<sup>81</sup>. This allowed the researchers to explore both shared experiences and interpretations among this group and important contextual differences, unique experiences, and divergent interpretations and decisions.

The qualitative data were transcribed in full and thematically coded using NVivo coding software<sup>82</sup>. Included in the analysis was the qualitative data elicited in the final question of the online survey: 'Is there anything else that you would like to add?'

The setting of the focus groups should be considered in interpreting the findings of the research. The city of Sydney has consistently been ranked as one of the most expensive in the world, and cost of living pressures have been found to be particularly acute for middle and low income families raising children<sup>83</sup>. Whilst cost of living pressures are not unique to Sydney, as one of the world's most expensive cities they may be of more significance in driving patterns of grandparent care than in other parts of Australia.

## 3.2 Grandparent childcare

The focus groups provided a forum in which the intergenerational care arrangements could be discussed in depth. They allowed for the exploration of the complexity of care arrangements at any one time and the ways in which they changed over time. This section sets out what the focus groups revealed about why parents need care, why when the care need arises, they call on grandparents, and what the caring responsibilities of grandparents entail.

### 3.2.1 The need for childcare

The online survey suggested that the primary reason why parents required childcare was their employment commitments. Most grandparents in the survey stated that parental employment commitments, particularly the mothers', were the primary reason creating the need for childcare. Some grandparents also said that parents needed childcare in order to have a break, or because of parental study commitments or health conditions.

<sup>79</sup> J Finch & J Mason, *Negotiating family responsibilities*, Routledge, London, 1993.

<sup>80</sup> N King, 'The qualitative research interview', in C Cassell & G Symon (eds.), *Qualitative methods in organizational research*, Sage, London, 1994.

<sup>81</sup> P Liamputtong & D Ezzy, *Qualitative research methods*, Oxford University Press, Oxford, 2005.

<sup>82</sup> The analytical framework combined axial and open codes, in order to allow for the analysis of the study's research areas and the emergence of other themes.

<sup>83</sup> NSW Council of Social Service, *NCOSS cost of living report*, NSW Council of Social Service, Sydney, 2015.

Like the survey respondents, the grandparents in the focus groups also said that maternal employment was the primary reason that parents needed someone to care for their children. The discussion suggested that the mothers', rather than the fathers', employment commitments were seen as the main reason behind the need for care because it was mothers who had the changing work status: mothers are most often the ones to leave the workforce to care for the baby and it is their return to work that generates the need for childcare. It also reflects dominant normative attitudes that childcare replaces *maternal* care rather than paternal care. Moreover, childcare is not viewed as replacing paternal care, even though the need for childcare may not arise if the father was not working. This is consistent with the literature, which shows that grandparents tend to cite maternal labour force participation as the major reason for providing care<sup>84</sup>.

According to many focus group participants, their daughters and daughters-in-law returned to part time or casual work initially and gradually increased their hours as the grandchild became older, creating changing care needs as their hours of work increased. Many participants said that their daughters and daughters-in-law returned to work out of a financial imperative, to pay the mortgage or other living expenses. Where mothers were single or separated, this was even more important. Many participants said that their daughters and daughters-in-law would be unable to work the hours they preferred if it weren't for the care that they provide.

According to the focus group participants, although less important than maternal employment, paternal employment also had a bearing on the need for care. While several said that fathers and mothers were attempting to work complementary shifts in order to manage childcare, most said that their sons and sons-in-law were working fulltime hours and the intensity of their working commitments generated an additional need for care. For example, some said that fathers' employment demands such as travelling away for work, being called in for extra shifts, and starting early or finishing late created the additional need for care.

According to the online survey, parents' need for a break was also an important reason generating a need for childcare. Grandparents in the focus groups also discussed this reason. Some said that they gave the parents of their grandchildren a break by providing care while parents went to an event, went on a holiday, spent some time as a couple or in the case of single parents, had some time to themselves, or settled into life with a new baby. However, for most participants, giving parents a break generated only an occasional need for care on top of the routine care that accommodated parental employment. Only one or two participants had a regular childcare commitment where one parent was not working. Hence, the routine care of grandparents was almost always to facilitate employment of the parents, in almost all cases the mother's employment.

The focus group participants also discussed several other, less important, factors that created the need for care. A small number provided care because their child or child-in-law was undertaking study at university or was experiencing mental ill health.

<sup>84</sup> Jenkins, op cit., Ochilree, op cit.

### 3.2.2 Asking grandparents

Why do parents involve grandparents in childcare provision rather than relying on other childcare options? The survey suggested that around half of the grandparents were meeting a care need that the formal childcare system could not meet, either because it was too expensive, unavailable, or not appropriate. At the same time, over a third of survey respondents said that the primary reason they provided care was because of family desires and values, such as wanting to spend time with their grandchildren and wanting to share their culture and language with them. However, some of the grandparents who cited family desires and values as the *primary* reason also cited barriers in the formal childcare system as secondary reasons for being called upon. According to the focus groups, decisions to use grandparents for childcare were complex and changed over time, and often involved a mixture of external barriers in the formal childcare system and familial desires and values.

#### Barriers to formal childcare

As in the survey, focus group participants placed a heavy emphasis on the challenges associated with the formal childcare system, with a particular emphasis on the *affordability* of childcare. The issue of affordability dominated the focus group discussions about the reasons that the grandparent participants had been called upon to care for their grandchildren. In all focus groups and in many qualitative responses in the survey, the grandparents spoke of the cost of formal childcare cancelling out the financial benefits of returning to work, particularly for their daughters or daughters-in-law. For example, according to one grandparent:

I think these days there are more and more grandparents providing this service for their children so both parents can work without the horrendous cost of childcare. If my daughter had to pay for childcare for the 5 days a week there would be no point in her working.

There was also extensive discussion about the combined role of childcare costs and mortgage pressure placing excessive stress on household budgets, making it necessary for parents to rely on grandparent care over formal childcare. This was particularly the case for parents of more than one child. According to the participants, some parents combined one or two days per week of formal childcare with one or more days of grandparent care, as families made calculations about what was financially possible to manage in terms of childcare costs and at what point the Child Care Rebate would cut out. Grandparent participants described wanting to help their children 'get ahead' financially.

A less dominant but substantial issue generating the need for grandparent childcare was the *availability* of formal childcare. This included being unable to find a childcare place at the time and location that was required, with grandparents describing the challenges of long waiting lists for childcare places. It also included the lack of formal childcare with the flexibility that was required by parents. For example, parents had difficulty finding childcare that accommodated early starts and late finishes, and which could accommodate varying hours or changes to working hours at very short notice. The problem of lack of flexibility was particularly acute for shift workers and those with long commutes to and from work. These were all challenges that grandparents felt that they could overcome. For example, a number of the participants were doing drop offs and pick-ups at formal childcare services instead of or in addition to their own full days of childcare.

Several participants said that they provided care out of a perception, often shared by their children, that formal childcare was of a poor quality, or out of concerns that their grandchildren were too young for formal childcare.

### **Familial desires and values**

In contrast to the survey, which specified eight ‘reasons for care’ from which respondents could choose, in the focus groups, participants were asked the open-ended question ‘why did your children ask you to provide care, rather than taking up other childcare options?’

While in the survey ‘wanting to spend time with my grandchild’ was a very commonly cited reason, in the focus groups, the most immediate response to this question was barriers in the formal childcare sector and these barriers dominated the discussion. Nonetheless, in the course of the discussion, the participants did raise familial desires and values as additional reasons for caring for their grandchildren. The first thing that emerged was that parents were not always the ones ‘asking’ for care. In many cases, the grandparent participants said that they had approached their children and offered to provide care for their grandchildren. The participants expressed sentiments like being keen to ‘get to know’ their grandchildren and wanting to ‘invest early’ in relationships with their grandchildren.

They also described wanting to support their children, financially and in other ways. Among the grandmothers in the focus groups, a narrative emerged about supporting their daughters to ‘be professional’ and to have or maintain careers, both because they had learned from the challenges they faced in juggling children and careers and because they wanted the best for their daughters. Some participants had children whose relationships had broken down, and provided childcare because their children had difficulty finding new care arrangements upon the relationship breakdown and once grandchildren commenced living across two locations. The grandparents were also able to provide emotional support to their children and grandchildren in these circumstances.

Finally, the focus groups revealed that the grandparents were often engaged in changing ‘trajectories of care’, caring for one grandchild initially and then others as siblings were born, their other children had babies, care needs changed, and their own availability changed. These trajectories of care were inextricably linked with family decision-making about care provision: often, they were asked or offered to provide care on the back of a pre-existing care arrangement for a sibling or a history of care provision for another of their children’s children. Family histories were important in shaping the nature of the care commitment.

### **3.2.3 What grandparents do**

The online survey showed great variation in the caring commitments of the grandparent respondents. The focus groups supported this finding. The participants revealed considerable variation in the number of hours they cared, the number of children they cared for and what their caring commitment entailed. However, one common theme was the extent to which the participants committed themselves to the ongoing and demanding support and care for their children and grandchildren, often making considerable sacrifices in order to do so.

For many participants, their trajectories of care spanned several years, sometimes 15 to 20 years as they cared for grandchildren from multiple children. Most provided substantial amounts of care, sometimes one but often several days per week. Many made themselves available to provide full time or more substantial care every school holidays. On top of their regular care commitment, they often provided care at short notice, giving up their own plans. They sometimes cared for several grandchildren – a few cared for up to six or seven grandchildren in the one week – with many juggling the more intensive demands of a baby or toddler on some days with the pick-ups and drop offs of older school-aged children on others. Some had grandchildren overnight, others stayed at their children's places overnight to care for grandchildren, and some even had their children and grandchildren living with them so that they could provide care while the parents worked full time. Most equipped their houses for their grandchildren, including cots, change tables, nappies and food. Some participants lived away from their partners several days a week – in one case, permanently – so that they could stay with their children to provide care for their grandchildren. And many travelled quite substantial distances to fulfil their caring commitments.

### Providing regular and irregular care

Consistent with the survey findings, the focus groups revealed that, on top of their regular or routine caring responsibilities, most grandparents provide additional care in irregular or exceptional circumstances. The grandparent respondents all described instances when they were called upon, often at short notice, to help out when parents or grandchildren were sick, when parents were called into work, or when other contingencies arose. Examples of this included picking up a sick grandchild from formal childcare, taking the child when a parent is called into work at short notice, taking the child for another night while the parents attended an event, or even attending a significant event at the child's school when the parents were unable to get away from work. For example, one grandparent recounted this story:

Or the other day we got a phone call just before high school finished and the eldest one was getting some sort of award. His mum and dad were both working that day. He only told them that morning that he was going to get an award so they said [to me] "what are you doing?" I went oh - we did have plans but it was just to be at the high school to listen, to go and watch him get the award. So those sort of things they're not child minding as such but it still takes chunks out of your day.

While the original emphasis of the focus groups was regular childcare responsibilities, it became apparent that this additional, irregular care was essential in supplementing the routine care and enabling the parents to undertake their employment responsibilities. This required a considerable extra commitment from grandparents and often involved them cancelling their other plans in order to undertake this additional irregular care.

### The grandparent shuttle

A theme that dominated the focus groups was the large role that travelling played in the participants' caring responsibilities. Many grandparents were regularly travelling considerable distances, sometimes hundreds of kilometres, and spending a large amount of time travelling, in order to provide regular care for their grandchildren. Sometimes this involved travel to and from the grandchild's house in order to care for them there. Several grandparents travelled to other cities each week or fortnight to provide care for their grandchildren at their grandchild's home. But in most instances, the travel involved transporting grandchildren around. Many grandparents would drive to pick up their grandchildren in the morning, take them back to their place, and drive them home in the evenings. Many parents required grandparents to be available early in the mornings and in the evenings to accommodate long working hours, long parental commutes or, in some instances, shift work. For these grandparents, an important part of their caring role was getting children ready for daycare or school, dropping them at school and then picking them up in the afternoon or evening. As most grandparents did not live near to their grandchildren or to their grandchildren's school or daycare (which tended to be close to their grandchildren's homes), they described spending long periods in the car each day. The travel was frequently at peak hour, and the participants recalled spending long periods in traffic with their grandchildren in the car. Some even did this on their own way to work.

There was weeks on end where I'd take Billie\* to school, pick her up which meant that because she wasn't going to school near where I lived I'd spend the morning - it would take me two and half hours to get her to school. I'd have a four hour window at home and then two and a half hours to go and pick her up again in the afternoon. But just I didn't have any constructive days for weeks on end<sup>B5</sup>.

The participants discussed having to purchase and fit car seats and, in a few cases, having to buy a new car, and noted the cost of petrol and in some instances, tolls. While grandparents emphasised the enjoyment they derived from caring for their grandchildren, the travel time was something that many found most challenging about their caring role. There was a notable gendered element to the travel discussion, as this was a task that grandfathers often participated in as much as grandmothers, and in some cases it was their 'allocated task'.

Of course the situation has been made easier because my husband's retired so I mean he can do the school runs. He's available. But he's just realising how exhausting it can all be...

### Underpinning the care package

It became clear from the focus groups that parents often constructed complex 'care packages' for their children, combining grandparent care with formal childcare or au pairs, nannies or babysitters. In some instances, the focus group participants were sharing the care of their grandchildren with the 'other grandparents'. In others, parents both adjusted their working arrangements so that they could create seamless care transitions between parents and grandparents throughout the week. The commitment of the various grandparents often depended on their own employment status, and the grandparents with the less intensive work commitments often took on the greater proportion of care.

<sup>B5</sup> \*Names have been changed to protect anonymity.

Regardless of the care package configuration, however, it became clear that grandparents provided the ‘glue’ that allowed these care packages to operate effectively. They were flexible and accommodating, filled in when other components of the care package broke down (such as when a parent was called away or the childcare centre was closed, or during school holidays), and often provided the ‘links’ between parental care and formal care arrangements, such as taking grandchildren to and from daycare or school. Hence, not only were the caring commitments of grandparents important in their own right, but often they were essential in underpinning the effectiveness of other care arrangements.

### 3.3 Balancing work and care

In the online survey, just over 40% of grandparents reported difficulties with balancing work and care. A slightly lower proportion said that they did not have difficulties balancing work and care. The focus groups provided a more detailed picture about what these challenges entailed, and why some may have felt them more than others. In the focus groups, almost all grandparents described having to undertake a ‘balancing act’ between their employment and their caring responsibilities. However, not all of them found this difficult, and this depended on the nature of their work and care commitments. Whether they found it difficult or not, most participants described ‘working around care’, that is, altering their employment circumstances to accommodate their caring responsibilities.

There were two ways in which grandparent participants juggled work and care. One was to deliberately alter their employment commitment, such as the days or hours of work, in order to accommodate their regular, routine care commitment. In these instances, grandparents often split their time into ‘work days’ and ‘care days’ (*Section 3.3.1*). For many participants, altering their employment commitment in this way had not been especially difficult. They managed this by negotiating with their employers (*Section 3.3.2*), their partners, and their children to come up with a care arrangement that accommodated their work commitments while providing the care that was required.

...it just meant I did longer hours around dropping him off, picking him up, because he was also in childcare, then he was at school. So it was taking him to school, picking him up. He did after school care sometimes, so yeah, we did work around it that’s all. So... I just did later hours at home.

In some instances both grandparents altered their work commitments so that they could share the caring responsibilities. For example, in some couples, one grandparent started work late and did the daycare/school drop offs and the other started early and did the pick-ups.

The second way that grandparents juggled work and care was in response to irregular, atypical requests for care. On this issue, grandparents were split on whether or not it was difficult to balance work and care. Some, particularly those who were self-employed or in casual employment, found it easier to flexibly accommodate extra and unpredictable demands for childcare. Many participants accommodated these demands by taking family leave or annual leave, asking colleagues to cover their shifts, or saving up their annual leave in the knowledge that they may need to use it in school holidays. For other grandparents, while their work was flexible enough to accommodate their *regular* caring responsibilities, they found the irregular demands for care disruptive to their work commitments. The flexibility that they had access to in their employment was *planned flexibility*, and they found non-planned requests difficult to accommodate. In some instances, these grandparents did their best to meet these extra needs. One grandparent recalled taking her baby grandchild to a meeting. However, these grandparents were not always able to respond to the additional requests for care and in these instances described feeling guilty.

A number of participants said that combining work and care left them feeling exhausted at the end of the week. Several described feeling tired at work as a consequence (see also *Section 3.5.2*). This, combined with the interruptions of unanticipated additional childcare responsibilities, may have been a factor for the 17% of survey respondents who said that their caring responsibilities affected their ability to perform their job. Many participants, however, found strategies for successfully managing the challenges, including altering their working commitments and negotiating with their employers.

### 3.3.1 Reorganising work

The survey suggested that grandparents reorganised their hours, reduced their hours, or even changed jobs to accommodate their childcare responsibilities. The focus group discussions also demonstrated that childcare commitments had a considerable impact on the grandparents' employment. According to the survey, approximately 70% of the grandparents had reorganised the hours they worked to accommodate their childcare responsibilities. Like the survey respondents, most of the participants in the focus groups said that they had reorganised their hours of work in order to accommodate their care. This included reorganising shifts, condensing their work into fewer days to allow for full 'care days', finishing early, starting late, or working in the evenings to make up for time taken out of the working day.

The survey also found that, for approximately 55% of grandparent respondents, their childcare affected the *number* of hours they worked. In the focus groups, many said that they had reduced their hours in order to accommodate their caring responsibilities. Most of those who were working were doing so part-time or casually, and many recalled the time they reduced their employment commitment from full-time or longer hours to part-time or casual work with fewer hours per week. This made a very large difference in their ability to carry out their care responsibilities. According to two participants:

I couldn't have done it if I had a 9-5 job.

Personally I don't think I could have made a regular commitment when I was in my last paid job to say three afternoons a week. I couldn't have done that.

But the focus groups also suggested that reducing employment was a complex decision, and taking on childcare responsibilities often coincided with other life events or circumstances, such as ill health. Sometimes a confluence of factors prompted the participants to reduce their hours or to become self-employed, and taking on childcare responsibilities was intrinsically linked to other factors in the decision to reduce hours. In some instances, where a grandparent had been considering a reduction in hours for some time, or was of an age and financial status where reducing hours was a desirable option, taking on childcare was the catalyst that prompted them to act on this desire. This is evident in the following exchange with a grandparent in the focus groups who described how her health issues affected her work:

Facilitator: So when you made that decision to drop down to three days a week, was that mostly health related was it?

Female: Probably both... I have three daughters and I have this connection with my daughters, it's a very strong bond together, you know, as a family. So when they got married... and I just told them, as soon as you've got a baby I'm going to stop working full time, that's my decision and that is it... so it was a little bit of both things, the decision.

In every focus group, one or more grandparent was self-employed. In most instances, these grandparents had made a career change to become self-employed later in life. This decision was in most cases not directly precipitated by caring responsibilities but, once made, did allow these grandparents more flexibility to accommodate the caring needs of their grandchildren. Those grandparents who were self-employed described re-organising or reducing their working hours once they assumed caring responsibilities.

### 3.3.2 Employer flexibility

Echoing the survey findings, most focus group participants reported that their employers were relatively understanding of their childcare responsibilities and where possible tried to accommodate them. Only two participants were working full time, and some reflected that their previous employers, when they were working full time, may not have been so flexible. However, for the most part, participants were able to negotiate fewer hours per week or reorganise their hours to accommodate their caring responsibilities. In some instances, while employers were understanding of their caring role, the nature of the grandparent's position or the requirements of their job made it difficult for their employer to accommodate the demands of care. For example, grandparents described times when their employers could not schedule a meeting in a manner that fit in with their care responsibilities, or when they were unable to leave a shift because there was no replacement. Regular care commitments were easier than irregular ones for employers to accommodate. The participants were sympathetic to the needs of employers and recognised that it can be difficult for employers to be flexible all the time.

Where employers could improve, according to the focus group participants, was in the flexibility accorded to their children and children-in-law. If their children's employers were more flexible, they said, there would be less need for grandparents to ask their own employers to be flexible. The participants gave examples of employers not allowing their children to respond to their child's needs for care or employers placing what the participants thought were excessive expectations and demands on their children, both of which resulted in grandparents needing to adjust their own employment instead in order to meet the need for care. This was particularly the case for sons and sons-in-law.

### 3.4 Caring into retirement

For many Australians, retirement is no longer a distinct transition from full-time work to complete withdrawal from the labour market (Hamilton and Hamilton, 2006). Some gradually reduce their working hours until they are no longer working at all. Others 'retire' from their 'career job', and may begin drawing down on their retirement incomes, but stay engaged in the labour market through employment of a different form, such as consulting. In this sense, the distinction between reorganising or reducing work commitments, discussed in the previous section, and 'deciding to retire', discussed in this section, is far from clear cut. Nonetheless, the normative transition towards a time dominated more by leisure, recreation and family time and less by labour market participation, and characterised by drawing on retirement income in the form of superannuation or the age pension, was one that focus group participants identified with and discussed. Like the survey respondents, many focus group participants said that childcare was an important factor in their plans for and decisions about retirement, though there were other important factors at play.

#### 3.4.1 Deciding to retire

According to the online survey, approximately a third of the sample reported that their childcare commitment had changed the timing or expected timing of their retirement. Approximately 45% of the sample reported that it had not changed the timing or expected timing of their retirement. When the retired people in the sample were asked some more detailed questions about the role that childcare had played in their decision to retire, a complex picture emerged. While many survey respondents said that childcare was an important factor in their decision to retire, other factors, such as becoming eligible for super or the age pension, being retrenched, or having health problems were often more important factors.

The focus group discussions allowed for a more detailed exploration of the complex factors at play in grandparents' decisions to retire. A few focus group participants said that they had retired solely for the purpose of providing care for their grandchildren. But for most of the grandparent participants, other factors were more important in shaping their retirement decisions, though their childcare responsibilities or potential future childcare responsibilities were not far from the fronts of their minds. For example:

So, I had actually retired when Jeremy\* was born but the fact that he was on the way was a contributing decision maker for me in when I retired.

For those who were already retired, some said that their access to superannuation (or for some, the age pension) was the most important factor shaping the timing of retirement, but their actual or anticipated childcare responsibilities were 'latent' or contributing factors in their decision. That is, once they were in a financial position to retire, they began to think 'it would be good to stop work and spend more time with the grandchildren'. According to one male participant:

So I mean, as I say it became a no-brainer as to what to do because it was superannuation is due, they will pay me to stay home, and they will pay me the same amount whether I go to work or come home... I will go home and I gained the kids.

Others said that ongoing health issues or just being tired or jaded with work prompted them to seriously consider retiring anyway, and taking on childcare responsibilities provided the catalyst to exit the labour market. For example,

Oh I just offered when she was due... Because with health issues I had taken time off from my contracting, so I said I'm now - I am available and I'd like to do it. And so that's how we worked out, so when she was looking at centres, I said my preference for days, and we went from there.

Those who had not yet retired said that they had developed a balance of work and care that worked reasonably well, and did not anticipate leaving the workforce to accommodate their childcare responsibilities. They said that, when they did retire, it would be likely to be a result of poor health or other reasons, not childcare, but that it might have nice spin offs for their childcare responsibilities such as providing them with more time and energy to devote to their grandchildren.

### 3.4.2 Plans for retirement

According to the online survey, while regular childcare responsibilities affected approximately a third of grandparents' decisions to retire, childcare responsibilities more commonly affected grandparents' other plans for retirement, such as where they lived or the activities they had planned. Fifty per cent of survey respondents reported that their childcare commitment had changed their other plans for retirement.

The focus group discussions provided important detail about how grandparents' childcare responsibilities affected their other plans for retirement. Most of the focus group participants said that their travel plans in retirement were or would be affected by their childcare responsibilities. Many said that the timing and nature of their holidays were dependent on their childcare responsibilities, and some said that they were unable to go on the holidays that they would like because of the constraints associated with their care. For example, several said that going away on extended holidays or overseas travel was made difficult by their caring responsibilities. Grandparents with school-aged grandchildren organised their annual travel plans around school holidays, so that they could ensure that they were available to provide additional childcare during these periods.

Some said that they were able to execute their desired travel plans but they needed to plan them well in advance so that they could provide their children with lots of notice to enable them to arrange other childcare. According to one grandparent:

Our childcare commitments (every Tues and Wed) mean that our retirement travel and social activities are governed by this situation, and will be until our grandson reaches school age. Then it will be after school commitments for both our grandchildren.

Some grandparents also said that their childcare responsibilities were shaping where they chose to live in their retirement. Several said that, while they had entertained the idea of moving house, downsizing, having a seachange, or becoming a 'grey nomad', these did not feel like real options given their commitment to childcare, so they chose to stay in their homes nearby to their children and grandchildren. Several also said that their childcare responsibilities affected the social and recreational activities that they had planned for their retirement, including their relationships with friends. This is evident in the following two passages:

Female 1: What I've found is that my friends are missing my contribution at their coffee mornings, and a few of them have said something...

Female 2: We take our grandchildren with us.

Female 1: Well I have done that a few times too, but a few of them are saying things like oh well I think you're giving too much of your time – they think I'm giving, I said well it's my choice, it's my pleasure...

And:

I am part of the child care arrangements for two families. I am hoping my son does not also need help in the coming years as I feel I am wearing out quickly. I also feel I miss out on some of the retirement activities my friends enjoy. At the same time I am very happy to be a close and trusted adult in my grandchildren's lives.

As is clear in the above quotes, the participants were careful to say that their children did not 'expect' them to do this, rather they did it because they wanted to help their children and they enjoyed caring for their grandchildren.

### 3.5 The costs of care

The previous section revealed that the care commitment could affect retirement plans such as leisure, travel, and decisions about where to live. The focus group data also indicated that caring for grandchildren incurred other costs for grandparents.

#### 3.5.1 Financial costs

The survey revealed that many caregiving grandparents bear financial costs indirectly, as a result of scaling back or changing their work commitments, or retiring early. Some grandparents in the focus groups said that scaling back working hours, changing the hours of their work, and/or retiring had reduced their household incomes. For example, one grandmother, who had previously been employed on a contract basis, spoke about the impact her care commitment had had on her household income. Her work had involved intense, short-term commitments, and she was unable to marry this with her regular, two day a week caring commitment:

I couldn't provide the childcare and do the sort of work I was doing... It's [the care arrangements] launched, I think, financially, into retirement planning, about five years earlier than we had thought. So if I could be doing part-time work, that would help with the income, and building up our retirement funds, but on the other hand, she'll [granddaughter] only be little for a little while.

The focus groups revealed that most grandparents also bore more direct costs associated with childcare provision. Grandparents commonly spoke about ongoing expenses associated with the day-to-day care of children such as food and nappies. Ongoing fuel and other transport costs could also take a toll on grandparents; especially those who were dropping off or picking up children regularly from school or extracurricular activities (see also *Section 4.2.3*). One couple spoke about how they had to keep a second, larger car so that they could 'ferry' the grandchildren around. A few grandparents reported that outlays for entertainment, such as taking grandchildren to the movies, could also be quite expensive.

There were also one-off costs, which, though irregular, could also be quite a burden for grandparents. When their caring responsibilities commenced, most grandparents had to purchase the appropriate provisions, sometimes at considerable cost. Furniture was a common example here. As one grandmother reported:

Well, over the years – cots, change tables, we have car seats... potties, toilet training stuff, you name it we've got it all.

Particularly where grandparents were caring for multiple grandchildren, costs could add up quickly. Some grandparents were not only purchasing supplies for their own households but picked up extra provisions such as household groceries and children's clothes for their children's households.

Indeed, while grandparents were able to identify costs associated with care, it is important to note that the majority were not keeping close track of the financial costs. Drawing attention to the relational, open-ended nature of grandchild care, there was a strong sense from many grandparents that it was difficult for them to practically separate the cost of care; as one put it, 'it all blends in'. Another grandparent noted, 'the kids always have breakfast at our place, they always have lunch, it just gets absorbed into your own routine, you know?' Thus, whilst the focus groups uncovered multiple financial costs directly associated with care provision, these costs were difficult to discuss independently of the ongoing, relational exchange.

### 3.5.2 Health

The costs of care were not just financial. Many grandparents incurred costs to their health. In particular, grandparents repeatedly spoke about feeling 'tired' or 'exhausted' at the end of the day as a result of providing childcare for their grandchildren. As might be expected, these experiences were particularly acute for those grandparents caring for multiple and/or younger grandchildren.

Several grandparents spoke about having more serious physical health issues. These issues not only presented difficulties for undertaking the day-to-day labour associated with care for children, but in some cases could also be exacerbated by caregiving. One grandmother noted:

...well even just getting the prams out, you know, both of us have got sort of health issues that affect our movement and whatever. So yes, it does make me tired.

It was also the case that the care commitment could cause emotional stress for some participants. For instance, in an interview, one grandmother reported that caring for her grandchildren caused her stress because she felt constantly accountable to the parents of her grandchild.

I don't know whether it is our age, or our health issues – probably all of the above – but you're more anxious. You know all the sorts of things to take in your stride with your own, [so you] become more stressful and you're more anxious [with your grandchildren].

For several grandparents, the physically taxing nature of the care commitment compounded the exhaustion they felt at work, and the two interacting factors played a role in their decisions to retire.

I'd really started to feel that it was a long day and by then I was starting to think, no, I'll retire.

### 3.6 Experiences of care

While their care incurs costs, most grandparents find their caregiving a source of pleasure and satisfaction. At the same time, their enjoyment of care was linked to their sense of control and choice over their caregiving role.

#### 3.6.1 Enjoyment and reward

In the online survey almost all of the grandparent respondents agreed or strongly agreed that they enjoyed providing care. The focus group findings were consistent with this. Throughout the focus groups, without diminishing the costs and challenges of care, many participants spoke with great enthusiasm about their day-to-day experiences of providing care. Participants, without exception, were able to nominate many benefits of providing care. Overwhelmingly, the importance of having the opportunity to build a strong, meaningful relationship with grandchildren was a key theme to emerge from the groups. Grandparents valued the time they spent with their grandchildren and enjoyed building a bond with the next generation. One grandparent simply said:

I would really miss it because it is special. I have got a special relationship with the two grandkids.

There were other pleasures. Some spoke about the caregiving arrangement against the backdrop of missing out on their own children growing up. Many spoke fondly of learning from their grandchildren, and their grandchildren 'keeping them young'. Additionally, many grandparents spoke with pleasure about being able to do the 'fun' things with their grandchildren with few or none of the childrearing responsibilities. This was seen as what set grandparents apart from parents. As one participant explained:

The difference in your relationship with your grandchildren to your own children, it's just amazing... When you're a grandparent, you can put the cooking and cleaning and whatever aside and just concentrate on the child.

#### 3.6.2 Choice and obligation

The survey results revealed that experiences of choice and control over the caregiving arrangement were mixed. In particular, significant numbers indicated that they felt pressured to take on the care commitment. In the focus groups, however, most grandparents indicated that they had freely offered to take on the care of grandchildren, as well as freely negotiating the parameters of their caregiving at the outset of the commitment. The following comments were quite typical:

Our daughter-in-law told us she was expecting a baby and she wanted to go back to work, and I said I can help you out on my day off.

I find it easy, I live by myself, so I just work around them.

At the outset of the care arrangement, therefore, care provision was often seen as a favour that grandparents were performing for their grown children.

However, there was a minority of grandparents who felt that they were unable to freely refuse to care. Perhaps unsurprisingly, those whose children were experiencing financial stress seemed to feel a particularly strong obligation to care. For example, one grandfather from an outer-metropolitan focus group stated that his daughter was struggling to pay her mortgage and that this weighed heavily on his mind when deciding to care.

I don't feel like I can say no because that's her opportunity to get some extra money, to get their head further up so they can afford some luxuries maybe.

In these situations it was not necessarily the case that grandparents were being openly pressured by their own children; rather, it was more that grandparents were aware of the high cost of living, particularly formal childcare and mortgage costs, and felt a sense of obligation to help out where they could. Such feelings may also be connected with the survey finding that many grandparents view caregiving as a 'normal' part of the grandparent role; it may be, therefore, that grandparents also experience guilt if they do not provide care. As another grandparent observed:

I could say no, but that's like, when your child comes to you and says, 'mum, I need this'. Would you say no? Of course you wouldn't.

It was also found that experiences of control and choice were intrinsically linked with respectful negotiation with the middle generation. Those grandparents who were able to set rules and boundaries at the outset as a way of ensuring that their wishes were heard and that the care commitment did not start to encroach unduly into other aspects of their lives appeared to fare better in this respect. As one grandparent said:

It's like when you move into a unit with a group of people, you've got to make the rules. So you make the rules before you start minding.

Some grandparents spoke about a 'creep' of hours, where their care hours were extended without adequate negotiation or discussion on the part of parents. For instance, one grandmother, who was late to the focus group, explained:

I was asked to pick up Ethan\*... even though I said I had to be [here at the focus group] at 6.00, he arrived home at 6.00.

A recurring theme in relation to a 'creep' of hours was the strong sense of duty and obligation grandparents felt to care, which complicated their ability to push back:

I've found that it's mostly okay, but there are times, even though I promised I wouldn't do it, there are some times when I get asked to do something and I look at what the situation is... if I was being cold hearted and just looking after what's good for me, I would have said no, but that's only occasionally.

Finally, some grandparents also spoke about feeling that they were unable to stop providing care.

### 3.7 Support and recognition

Grandparents did not provide childcare in order to receive support or recognition in return. However, the focus group discussions suggested that being appreciated by their children and grandchildren played an important role in the extent to which they were able to enjoy and maintain their childcare responsibilities, and recognition from government would also enhance their experience of care. It also became clear that, while the participants did not expect support, some kinds of support could help to mitigate some of the costs.

#### 3.7.1 Appreciated by families but not by government

Many grandparents in the focus groups felt that they received appropriate recognition for their care contribution from their children. Consistent with the literature reviewed in the first chapter, most grandparents did not receive regular payments from their children. A lack of monetary compensation, however, was not problematic for many grandparents; indeed, some grandparents said that receiving payments from the parents of grandchildren was inappropriate, especially in cases where parents were struggling with cost of living.

Rather than financial payments, however, most grandparents regularly received gifts or other forms of non-monetary compensation from parents, including dinners or nights out, flowers, chocolate and text messages. By and large grandparents appeared to be satisfied with such arrangements. Appreciation, acknowledgement, and recognition, rather than compensation *per se*, appeared to be of primary concern for participants. As one grandparent, reflecting on gifts received from their child, said:

You don't have to have anything, but it's nice to be acknowledged.

Echoing the findings from the survey, while the focus group participants felt that their role was appreciated by their children, they stated emphatically that they did not feel that the government recognised or valued what they did. Not only did the government fail to show appreciation for the contribution they make, including the saving they make to the government through reducing expenditure on formal childcare subsidies, but that they felt taken for granted by government. The government *assumed* that they would take on this role, they said, but then failed to recognise them for it.

Some of the participants lamented that the needs and voices of grandparents had been marginalised in recent policy debates and media coverage. One grandparent summed up the situation: 'they [the government] seem to be zeroing in on centre-based care and that's it'. There was broad agreement that there should be more recognition of grandparents' important role as caregivers from policymakers and politicians.

#### 3.7.2 Supporting grandparents

In the focus groups, grandparents were asked to provide suggestions for how they may be better supported by governments and their communities. In response they provided numerous recommendations. Many felt that community activities, in particular grandparent playgroups, were an important source of support that could be offered. Playgroups or other gatherings of grandparents would allow them to connect with others in similar circumstances, swapping tips and experiences. Another recommendation was that governments compensate grandparents for the care that they provide. While a number of grandparents felt that payment would be a good step forward given the general invisibility of grandparent carers in ECEC policy, few felt that it was likely to happen anytime soon. Grandparents also advocated concessions on public transport or at the movies, in order to defray some of the financial costs associated with caregiving.

Additionally, several grandparents made recommendations for changes to the formal childcare system. Some stated that more childcare centres should be opened, as this would address the lack of available spaces. Making childcare more affordable was also a high priority, especially given that so many of the participants felt that their children were confronting high costs of living. Whilst such changes would operate to enhance parents' care options, they would indirectly benefit grandparents, given that so many grandparents provided care to fill the gaps of the formal childcare market.

Finally, there was some discussion about a need for wider cultural changes around the modern realities of families balancing work and care. In particular, some grandparents felt that workplaces needed to modernise to better recognise that both mothers and fathers had caring responsibilities. For example, one grandparent observed:

I think that companies are also bad with dads because quite often the situation is that my son might be expected to do things which really impact on the family, where I might be called in then, to come to be an extra person to help.

### 3.8 Conclusions

The focus groups revealed the great variation in the caring arrangements and employment patterns of the participants. However, they also elicited shared feelings and experiences, particularly about the participants' enjoyment of caring and the way in which this took place within contexts of choice, obligation and guilt. They discussed similar pressures and challenges faced by their children that created the need for care. The participants also shared experiences of a transition in their lives in which their identity was shaped less by work and more by their role as grandparent childcare provider.

The survey found that many grandparents change the way they organise their work or reduce their hours to accommodate their care, and the focus groups provided valuable data on *how* they changed their working arrangements, the negotiations they had with their employers, and the impacts this had on their lives. The focus groups also elicited important complexities and differences in the dual roles that grandparents carry out – *regular* childcare provider and provider of irregular care when contingencies arise – and how these two roles had different impacts on their working lives.

The focus groups also painted a picture of the complex relationship between the different factors shaping retirement decision-making. They shed light on the way in which the decision to retire emerges from an interplay of financial factors, health concerns, employment circumstances, and childcare responsibilities but that often childcare responsibilities were an influential but 'latent' factor shaping these decisions.

In sum, the focus group discussions provided a detailed picture of the extensive childcare responsibilities that grandparents assume and the substantial impact that it can have on their lives. This detail is important in developing policy that recognises the contribution made by grandparents and supports them to make real choices about work and care.

## 4 Conclusions: what does it mean for grandparents, families and governments?

### 4.1 The contribution of grandparents to families and the community

#### 4.1.1 Above and beyond

This research revealed the vast scope of the commitments to care made by grandparents. Many engaged in long trajectories of care over many years, some caring for multiple grandchildren from several of their children. These trajectories of care often entailed regular provision of long hours of care, on weekdays and sometimes on weekends and overnight when other childcare options were not typically available. Grandparents were not only negotiating routine care arrangements with their children, but were 'on call' day and night should unanticipated care needs arise. They often went to great lengths to accommodate the need for care. Among those surveyed, the median number of hours of care they provided in a typical week was 13. Beyond this routine care, most grandparents also provided care in a range of atypical or exceptional circumstances such as during the school holidays, when their grandchildren were sick, when their children were sick, in an emergency, and when their children were called into work.

While this additional commitment was irregular, it increased the scope of their care commitment considerably. The focus groups also made clear just how far grandparents go to meet the care needs of their children and grandchildren. Grandparents travelled long distances, stayed away from their own homes for several nights a week, had grandchildren stay overnight with them, and took on much longer hours during school holidays. The grandparents often dropped their own plans at the last minute, creating significant disruption in their own lives, in order to meet a care need.

#### 4.1.2 Contribution to families

These demanding care commitments make a fundamental contribution to the lives of their children and grandchildren. The grandparents provided ongoing care, play and education for their grandchildren. The care that they provided gave parents a break, gave them time to recover when they were unwell, and supported them to study. But most of all, the care that grandparents provided was essential in allowing parents to work the hours that they wanted or needed to, or in many cases to work at all. Among those surveyed, most began providing childcare because of parental, and particularly maternal, employment. The focus groups suggested that, in most cases, grandparents assumed a caring role to support their daughters and daughters-in-law to return to work after a period outside of the workforce.

This care also made a critical contribution to the financial wellbeing of their children and grandchildren. Not only did their care provision enable their children to re-enter or remain in work and increase their household income, but they saved them the high costs of formal childcare. Grandparents did this to help their children with high costs of living, including mortgage repayments, and to help them 'get ahead' financially. They became essential to the happy and healthy functioning of their family units.

### 4.1.3 Contribution to the community

The contribution that the grandparents make is not confined to families. Their childcare provision also makes a substantial, largely unrecognised contribution to Australia's social and economic fabric. By supporting their children to participate in employment, they are allowing them to earn incomes and pay taxes. The care they provide for their grandchildren fills a care need that Australia's current formal childcare system does not meet: it is flexible, available outside of business hours, provides quality care for children from a very young age, and overcomes barriers of affordability and availability faced by many Australian families. Almost half of the survey sample cited barriers in the formal childcare system as the primary reason they required grandparent childcare, and many of those who cited other primary reasons cited barriers to formal childcare as a secondary contributing factor.

By providing a substitute to formal childcare that attracts no or very little government subsidy, grandparent childcare providers also save the nation considerable expense on childcare subsidies. The care undertaken by grandparents can also be fundamental to the effective functioning of other care systems, by providing 'links' between parental care and formal childcare arrangements such as daycare and school. By providing the care they do, grandparents not only improve the wellbeing of families but also support the functioning of Australia's formal childcare and educational institutions. They also save the government considerable expense.

## 4.2 At what cost?

However, this important contribution comes at considerable personal cost to grandparents. Consistent with the existing literature<sup>86</sup>, the research found that the grandparents who participated derived great benefit from their care. But at the same time, their care had costs for their own labour market participation and placed constraints on their decision-making about work and retirement, and as a consequence had an impact on their incomes and retirement incomes.

### 4.2.1 Labour market participation

For most grandparents surveyed, their patterns of labour market participation changed because of their caring commitments. Most had made a permanent change to their working arrangements to accommodate their caring commitment: 70% altered the days or shifts they worked, 55% reduced their working hours, and 18% had even changed their job because of their caring commitment. In addition to making major and ongoing changes to their working arrangements, the grandparents in the study also regularly disrupted their patterns of work to accommodate atypical, often short notice, requests for care such as when a child was sick or if a parent was called into work.

<sup>86</sup> Jenkins, 2013, op cit., Horsfall and Dempsey, op cit., Goodfellow and Laverty, op cit.

The focus groups shed further light on how grandparents altered their patterns of labour market participation. They condensed working hours into several days so that they could offer ‘whole care days’ to their grandchildren, they started late or finished early so that they could do drop-offs and pick-ups, they worked at night to make up for time spent caring during the day, and they cut down from full time to part time or reduced the number of shifts they worked in order to accommodate caring commitments. Their care commitment also affected the way in which they used their workplace entitlements: many organised their leave around their care, such as saving annual leave for school holidays or drawing on their carer or family leave to care for grandchildren in emergencies, and many requested flexible working arrangements.

The research found, therefore, that many grandparents were ‘working around care’, balancing work and care responsibilities and making significant adjustments to their work as a result. Among the grandparents surveyed, approximately 40% said that juggling these dual responsibilities was difficult, while another 40% did not experience difficulty. The strongest factor shaping whether or not grandparents found the ‘juggling act’ difficult was the number of hours of care they provided. Those grandparents who cared for 13 or more hours per week were much more likely to find it difficult to balance work and care.

The focus groups provided a clearer picture of what was going on here. They suggested that reorganising work to accommodate *regular* caring responsibilities had, for most grandparents, not been too difficult, perhaps because many had flexible and/or understanding employers. However, it was much more difficult to juggle work and the *unpredictable* care commitments that were also a large part of what the grandparents did. Some participants, such as those working casually or sporadically, or those who were self-employed, found it easier to accommodate these unpredictable demands for care. Others found that they only had access to ‘planned flexibility’, that is, they were able to create a permanent arrangement with their employer to change their working hours but it was difficult for them to respond to a last minute demand for care if it coincided with a time when they were working.

Hence, for most, their care commitments did not stop them from working but it did initiate a shift towards more flexible, and often reduced, working hours, alongside a change in focus in the way they organised their lives, from a focus on their role as ‘worker’, to one that was much more focused on their role as family carer.

#### 4.2.2 Retirement decisions

For many, assuming a regular caring role formed the beginning of a transition into the ‘retirement phase’, or a phase dominated less by work and more by non-work activities. In addition to this more subtle impact on retirement decisions, many grandparents’ caring role had a direct impact on the timing of their retirement and on their plans during their retirement years.

A third of survey respondents reported that their childcare commitment had changed the timing or expected timing of their retirement, more so among women. The amount of care provided also mattered: people who provided 13 or more hours of care per week were also more likely to report that the timing or expected timing of their retirement had changed as a result<sup>87</sup>. For those who had already retired, approximately one in four reported that they had decided to retire, at least partially, to provide regular care for their grandchildren.

The research also revealed that, for many grandparents, while providing regular childcare may not have been the most important factor, it was a secondary factor that still played a role in shaping their decision to retire. The focus groups revealed that the relationship between childcare responsibilities and other factors in shaping the decision to retire was complex. In some instances, participants in the focus groups had retired specifically to care for their grandchildren. But more often, grandparents were planning to retire anyway and their regular childcare responsibilities were 'latent' or contributing factors in their decision-making. For example, some retired ostensibly because they became eligible for their super or because they were experiencing health problems, but when discussing their decision they said that their caring responsibilities, or anticipated caring responsibilities, were also important.

So for many participants their caring commitment was not the main reason and did not in a broad sense shape the fact that they were ready to retire but it did shape the timing, or provided the catalyst that prompted them to retire when they did. For the minority who said that their childcare commitment did not or would not affect their decision to retire, they were still considering their role as family carer in making the decision, mentioning the positive consequences that retiring would have for their caring role.

The research also suggested that caring commitments had a large impact on what 'retirement' looked like for grandparents. Many of the sample were baby boomers, but in contrast to the common media perception that baby boomers will be the generation to 'redefine retirement', engaging in seachanges, grey nomading, and international travel<sup>88</sup>, many of the grandparents in this study said that their retirement plans were heavily shaped by their caring commitment. While many were attracted to the ideas of moving and travelling, most said that their planning around where they lived, where and when they travelled, and sometimes even the recreational activities they could participate in were contingent on their caring commitments.

### 4.2.3 Incomes and retirement incomes

Many grandparents changed or reduced their working hours to accommodate their caring commitment. For some, their care role prompted them to retire earlier than they would have otherwise. As a result, regular care commitments had a considerable effect on many grandparents' incomes and retirement incomes. Caring commitments also placed extra pressure on household budgets, as grandparents met the expenses of feeding, transporting and entertaining their grandchildren and fitting out their houses and cars with the appropriate equipment.

<sup>87</sup> See also Whelan, op cit.

<sup>88</sup> Hamilton and Hamilton, op cit.

One in three of the grandparents surveyed reported that their caring commitment had a negative impact on their incomes or retirement incomes. This problem was felt more strongly by women, and the lower income grandparents in the sample. In the focus groups, some grandparents agreed that their childcare had an impact on their incomes and expenditure but viewed this as a 'normal' part of the support that they provide and, particularly for those with higher incomes, did not believe that it placed undue pressure on their incomes or household budgets. The normative character of this financial outlay was evident in the fact that all focus group participants, regardless of income, were not paying close attention to the costs of their care provision and found it difficult to practically separate their care expenses from their own expenses. However, most grandparents in the sample were approaching retirement age or had already retired and thus were likely to have few opportunities to recover the forgone income and savings. This important cost was largely unrecognised by grandparents themselves.

#### **4.2.4 Health and wellbeing**

The research also found that childcare commitments had an impact on grandparents' health and wellbeing. According to the focus groups, for some of the grandparents, their care commitment was exhausting and took a toll on their physical and/or emotional health. Those with existing health conditions had particular difficulty. The care commitment also affected the extent to which some were able to participate in social and recreational activities in the way they would prefer.

### **4.3 The issues for policy**

This pioneering study of the impact of regular childcare provision on grandparents' labour market and retirement decisions has revealed the magnitude of grandparents' contribution to the private and public spheres, and its costs for their patterns of employment participation. It raises some important issues for policy.

#### **4.3.1 Barriers to formal childcare**

The study findings support previous findings<sup>89</sup> on the problems with Australia's formal childcare system. The findings revealed that the type of employment that many women participate in when they return after having children is incompatible with what is on offer in the current formal childcare market. For many grandparents, their daughters and daughters-in-law were returning to part-time or casual work, with less income and greater needs for flexibility, both of which were prohibitive of formal childcare. Moreover for many, formal childcare was not meeting their children's needs: it was too expensive or too difficult to find a place when and where they needed one, it was not flexible enough to meet their needs, and it was difficult to find outside of business hours. This prompted many families to opt for grandparent childcare, a more affordable, available and flexible option.

<sup>89</sup> Baker, op cit., Boyd, op cit., Steel, op cit.

### 4.3.2 Balancing ‘childcare packages’

The study revealed that, for many, the current system necessitated mixing formal and informal childcare provision to meet a family’s care needs<sup>90</sup>. Many families in the study built what Wheelock and Jones called ‘childcare jigsaws’ from multiple childcare providers. Barriers in the formal childcare market meant that grandparents were often required to make seamless the transitions between parental care and other care options such as daycare, preschool and school. This included providing care for very young children until the family felt that they were old enough for formal care, providing care on days (and nights) when formal care was unavailable, providing care before and after formal care options and transporting grandchildren to and from care and school. The interplay between formal and informal childcare was essential to the functioning of families and other care options. Yet, the importance of grandparent childcare to Australian families’ childcare packages is not adequately considered in current ECEC policy. It would make greater policy sense to consider the multiple sources of childcare that families use, both formal and informal and the interplay between them, in assessing how governments can support families with childcare.

### 4.3.3 Constrained choice

The grandparents in the study enjoyed and valued providing care, but many did so within circumstances of constrained choice. Because of high costs of living faced by their children, and the absence of other childcare options that met their children’s needs, many grandparents assumed their caring role within a context of pressure and obligation. Among the grandparents surveyed, approximately 40% said that they felt pressured to take on their childcare commitment, and over 46% felt that they could not stop providing care at any time. Further, approximately 20% of the grandparents said that they would prefer to be providing less care. Exercising choice and control over their caring commitment was important: according to the survey, constrained choice affected the grandparents’ enjoyment of care and their labour market decisions.

This was supported by the focus groups, where grandparents discussed the importance of setting boundaries on their care commitment in order to maintain or regain choice or control. The focus groups also suggested, however, that while many grandparents felt a sense of constrained choice over their caring role, in the absence of these constraints they would still want to undertake a caring role for their grandchildren. Removing financial pressures associated with high costs of living and barriers to formal childcare may remove the *need* for parents to ask grandparents to care, but grandparents and their families’ value grandparent childcare, and grandparents enjoy it, so most grandparents would still provide some regular care. However, they might change the nature or extent of their caring commitment somewhat, such as providing less care.

<sup>90</sup> See also Australian Bureau of Statistics, Child care and early education, 2015, op cit.

#### 4.3.4 The tipping point

The research provides interesting findings about the point beyond which caring can become less enjoyable and greater in its impact on work and retirement decisions. The research suggests that grandparents who provide 13 or more hours – roughly equivalent to two days – of care per week are more likely to feel constrained choice and less likely to enjoy their care. This group felt the impact of their care on their labour market decisions more strongly. They were more likely than those who cared for 12 hours or less to say that their care commitment affected their work, were less likely to have understanding employers, were more likely to face difficulties juggling work and care, and were more likely to say that it affected the timing of their retirement. They were also more likely to say that they should have support or compensation from parents and/or governments.

The focus groups supported this finding, and also suggested that less care is also less likely to take a toll on grandparents' health and incomes. Hence, while the previous section suggested that, in the absence of other pressures and barriers faced by their children, grandparents would continue to provide care for their grandchildren, the research also suggests that reducing weekly hours of care to below 13 may provide grandparents with more choice in balancing work and care and create happier, healthier caring arrangements (see also Whelan, 2012).

#### 4.3.5 Intergenerational 'trade-offs'

The research also revealed some important 'intergenerational trade-offs' in the familial dynamics of childcare provision. It suggests most grandparents who provide childcare reorganised their own employment commitments accordingly, to enable their children to participate in paid employment. This is a highly gendered issue: most grandparents providing regular childcare are *grandmothers*. At the same time, most grandparents said that the reason they provided care was to support the labour market participation of *mothers*. Thus it would appear that one generation of women is reorganising or reducing their employment participation to increase the participation of another.

In addition, many grandparents were requesting flexibility from their employers because their children's employers were not being flexible enough. The grandparents in the focus groups reported requesting flexibility from their employers to meet their families' care needs when their children could not get away from work, or when extra work demands were placed on their children by their employers, particularly fathers. In developing policies to support people to combine work and care, such as leave provisions and the right to request flexible working conditions, policymakers must take into consideration the intergenerational dynamics at play rather than treating the generations in isolation.

#### 4.3.6 Rational versus relational

Current labour market and retirement incomes policies are underpinned by the assumption that people make decisions about work and retirement according to what will be in their own financial best interests. Among the grandparents surveyed, however, decisions about workforce participation and retirement were complex and relational, not purely rational. Among the grandparents surveyed, over half said their childcare commitment came before their work (and only a quarter disagreed with this statement). For many, their decisions about work in later life were closely interwoven with their caring commitments as many reorganised or reduced their working hours, or left the workforce entirely, to accommodate their caring responsibilities.

When making the decision to take on a regular care commitment, the grandparents in the study did not weigh up the financial costs and benefits: most had not even made any attempt to calculate the household outlays associated with their care. Rather, many thought it was a normal part of their grandparent role. Hence, while the current paradigm provides financial incentives for mature-age Australians to ‘work longer’, for grandparents who provide care, these incentives alone are unlikely to change their behaviour or decision-making when it comes to work and retirement. Policies that recognise their care commitment, and support them to balance work and care, are more likely to have an impact on their labour market decisions in later life.

#### 4.4 The policy discussions we need to have

The largest issue for policy is the almost complete invisibility of grandparent childcare in the policy areas in which it is likely to have the biggest impact: early childhood education and care; maternal employment policy; mature-age employment policy; and retirement incomes policy. The issues raised by this research draw attention to the policy conversations that we should be having across each of these policy areas. The research helps us to understand how policy can better support grandparents to make real choices about work and childcare, and to mitigate the impact of their childcare provision on their labour market participation, incomes, and retirement incomes.

##### 4.4.1 In ECEC policy

Grandparents are largely invisible in the ECEC policy space. In the recent Productivity Commission review of childcare in Australia, and the Coalition Government’s policy response, the important role of grandparents in the provision of childcare in Australia is largely excluded. This is in spite of a shift towards recognising and subsidising home-based care, largely through the ‘Nanny Pilot’ in which families can have the cost of their nannies subsidised. However, ECEC policy has an important bearing on the choices available to grandparents in balancing work and care, and has important potential in mitigating some of the costs of their care provision.

*How can we improve formal childcare options to provide parents and grandparents with greater choice?*

The grandparents in the study enjoyed providing childcare but many would prefer to have greater choice over the nature and extent of their caring role. Improving the affordability, flexibility and availability of formal childcare is likely to create better childcare options for parents, and by implication provide greater choice for grandparents about their caring responsibilities. The provision of childcare options outside of business hours, alongside better access to out of school hours care, would also relieve the pressure on grandparents. While this study revealed that, even with better formal childcare options, many families would still draw on grandparent childcare, it may provide grandparents with more choice in the hours they care and improve the extent to which they can manage work and care. Some, for instance, would prefer to provide fewer hours of care. All of these goals have been the subject of considerable policy attention and debate, including in the recent Productivity Commission *Final Report*, but without considering the important role of grandparent care and the needs of grandparent care providers.

*Should we include grandparent childcare in the system of government-funded childcare subsidies, and what is the best way to do so?*

One issue that has not been the subject of policy attention has been the subsidisation of grandparent childcare in the way that other forms of childcare are subsidised. On the one hand, grandparents provide childcare because they enjoy it and consider it to be a normal part of the grandparent role. It is a relational exchange that takes place within families and most grandparents do not expect compensation from their grown children, indeed, they think this would be inappropriate. On the other, childcare provision can incur considerable costs, directly through increasing household expenses and indirectly through reducing workforce participation and therefore household incomes. Many grandparents in this study thought that compensation from governments would help them to defray some of these costs.

Currently, parents are not entitled to the Child Care Rebate to subsidise the cost of grandparent childcare. Child Care Benefit (CCB) can be used to help cover the costs of childcare provided by grandparents if they are 'registered' as regular carers. However, the process of becoming a registered carer is onerous and the low level of the subsidy that it attracts means that most grandparent childcare providers do not apply or are not eligible. In addition, for those who are registered, in contrast to international arrangements, the CCB is not paid directly to grandparents but rather goes to parents so that they can 'purchase' grandparent care. Under the Coalition Government's proposed Child Care Assistance Package, the 'registered care' category will be abolished, removing the only method of compensation currently available to grandparent childcare providers<sup>91</sup>. In addition, grandparents and other family members are explicitly excluded from receiving subsidies under the Coalition Government's proposed 'Nanny Pilot' for in-home care<sup>92</sup>. Other countries have developed mechanisms for compensating grandparents directly. For example, in Hungary, the childcare allowance (or income support payment while caring for children, which includes a compulsory pension contribution) for parents becomes available to grandparents once the child turns one<sup>93</sup>.

*How can we better support grandparents in their communities?*

At the community level, many grandparents state that grandparent playgroups would be a useful method of helping them to feel engaged in their communities and to deal with the challenges of taking on the care of young children in later life. A very small number of grandparent playgroups exist in the Sydney area and the grandparents who attend them derive a great sense of belonging and support from them<sup>94</sup>. Support for grandparents establishing community-based playgroups in greater number would allow more grandparents to benefit from these groups.

<sup>91</sup> Department of Social Services, op cit.

<sup>92</sup> Morrison, op cit.

<sup>93</sup> Australian Human Rights Commission, 2013, op cit.

<sup>94</sup> Jenkins, 2013, op cit.; Goodfellow and Laverty, op cit.

#### 4.4.2 In maternal employment policy and flexible workplace arrangements

In recent years, Australia's workplace entitlements have been improved in order to better support parents and, more recently, carers of people with disability, a chronic illness, or frailty due to old age, to balance work and care. Grandparents are entitled to use some but not all of these provisions, and none of them have been designed with the responsibilities and needs of grandparent childcare providers in mind.

*Are workplace entitlements meeting the needs of grandparents who balance work and care?*

Currently under the National Employment Standards in the Fair Work Act 2009, employees are entitled to ten days of personal (sick or carer's) leave per annum, unless they are casual employees. They can draw on this leave to care for an 'immediate family or household member who is sick or injured or help during a family emergency'<sup>95</sup>. If paid leave is exhausted, employees (including those casually employed) can also access two days of unpaid carer's leave each time an immediate family or household member needs care or support due to an injury, illness or an emergency<sup>96</sup>.

Carer's leave can support those who provide care to stay in the workforce and, in the case of paid carer's leave, can 'reduce the impact of time spent caring on an individual's earnings'<sup>97</sup>. 'Immediate family member' includes a grandchild, so grandparent employees are entitled to take carer's leave to care for a grandchild. However, research suggests that the small size of this leave balance prompts some parents and carers to exhaust all of their personal leave to provide care for their family members and, as a result, have no sick leave to draw on when they are unwell<sup>98</sup>. This has the potential to have a particularly strong impact on grandparents, many of whom are mature aged and more likely to need to draw on their personal leave to manage their own health needs.

Another measure designed to support parents to balance work and care is the right to request flexible working arrangements. Grandparents with permanent guardianship of their grandchildren have the right to request, however grandparents who provide regular childcare for their grandchildren do not have this right. While they may of course make a request to their employer for flexible working hours - and this research suggests that many do this and indeed, that many employers are understanding of their caring responsibilities - these grandparents do not currently have access to the legal right to make this request. Mature-age employees who care for a person with disability, a chronic illness or frailty due to old age are entitled this provision, but mature-age employees caring for their grandchildren are not. Other countries have specifically recognised grandparent childcare providers in their right to request provisions. In the UK, for instance, the right to request flexible working hours was recently extended to grandparents providing regular childcare<sup>99</sup>.

In Australia, a handful of companies and organisations, such as the Heritage Bank and Westpac, have recently offered grandparent leave (usually of around a week) to new grandparents.

<sup>95</sup> Fairwork Ombudsman, *Sick & Carers Leave*, retrieved 17 August 2015 <[www.fairwork.gov.au/leave/sick-and-carers-leave](http://www.fairwork.gov.au/leave/sick-and-carers-leave)>

<sup>96</sup> Australian Human Rights Commission, 2013, op cit.

<sup>97</sup> *ibid.*

<sup>98</sup> *ibid.*

<sup>99</sup> *ibid.*

### 4.4.3 In mature-age employment policy

*How can we accommodate the dual roles of mature-age worker and family carer?*

Internationally, there has been a large policy emphasis on boosting mature-age labour market participation. This has taken place in the context of an ageing population and associated concerns about the decline in the proportion of the working relative to the non-working population and the impacts this may have on the sustainability of social protection systems and population living standards<sup>100</sup>. The aims of boosting mature-age labour market participation are therefore to improve opportunities and incentives for mature-age Australians to participate in work, boosting workforce participation rates, reducing expenditure on social protection and improving the tax base and retirement savings<sup>101</sup>.

In Australia, this has seen a number of trends in policy, including extending activation requirements for the over 50s, investment in mature-age education and training, anti-discrimination legislation and awareness campaigns, employer incentives to employ mature-age workers, and increasing the retirement age<sup>102</sup>. However, mature-age employment policy has emphasised removing barriers and producing incentives to workforce participation without considering the importance of childcare commitments to the lives of many mature-age Australians. In order to understand the barriers to mature-age employment, and create incentives that are effective, recognising grandparent childcare commitments and supporting grandparents to balance work and childcare is necessary in order to achieve the policy goal of boosting the labour market participation of this group of mature-age Australians.

### 4.4.4 In retirement incomes policy

*How can the superannuation system, and retirement income system more broadly, better accommodate grandparent childcare?*

Women face a retirement income penalty for bearing and rearing children<sup>103</sup>. Research consistently reveals that they have considerably lower superannuation balances than men. For some time in Australia, policy debates have canvassed the idea of paying superannuation contributions for women while they are on parental leave<sup>104</sup>. While the current Parental Leave Pay does not include a superannuation component, both major parties have expressed in principle support for this proposal. When care provision has an impact on labour market participation, this affects retirement income accumulation in all phases of the lifecourse, not just during childbearing years.

This research suggests that many women do indeed alter their labour market commitments later in life to accommodate new care commitments – this time for grandchildren. This is likely to have a further negative impact on their retirement income accumulation. It is also likely to put additional pressure on their retirement incomes during the draw down phase by increasing their household outlays. Women are much more likely to be in receipt of the age pension in their older age and are therefore particularly likely to feel the pressure of extra expenses associated with childcare provision.

<sup>100</sup>Organisation for Economic Co-Operation and Development, op cit.

<sup>101</sup> ibid.

<sup>102</sup>Chomik and Piggott, op cit., Noone et al., op cit., Oakman and Wells, op cit.

<sup>103</sup>Australian Human Rights Commission, 2013, op cit.

<sup>104</sup>Olsberg, op cit., Australian Human Rights Commission, 2013, op cit.

There could therefore be greater discussion of the impact that childcare has on workforce participation at all stages of the lifecycle, and methods of ameliorating its impact on retirement incomes. In recognition that some individuals, especially women, face challenges to accumulating superannuation earlier in life due to childbearing and rearing and other pressures, there has been an emphasis in policy on supporting people during the ‘catch up’ phase of superannuation accumulation. These policies are designed to provide additional support for people over 50 to make contributions to their superannuation, based on the assumption that this is a time in their lives when they are likely to have higher disposable incomes. For example, people aged 49 years or over are entitled to a higher cap on the level of concessional superannuation contributions they can make.

However, grandparents who reduce their labour market participation and increase their household expenses in order to provide childcare are less likely to be able to enjoy the benefits of these measures. In recognition of the impact that regular childcare provision can have on retirement income accumulation, some countries are beginning to introduce measures for ameliorating some of this impact. In the UK, for instance, the system of carer credits (or credits to a person’s public age pension account while they are outside of the workforce providing childcare) was extended to grandparents<sup>105</sup>.

#### 4.4.5 Recognising grandparents

Despite its importance, the contribution of grandparents to regular childcare provision is currently invisible in policy discourse. There has been great progress in recognising the dual contributions of mothers (and to a lesser extent, fathers) to work and care. There have also been slower improvements to recognising the important contribution of informal carers of people with disability, frailty due to old age, and chronic illness, through the Commonwealth and state Carer Recognition Acts and the associated action plans and policy frameworks. In the last five years, there has been a small amount of research and policy interest about the importance of grandparent kinship care, that is, grandparents who have permanent guardianship of their grandchildren because their children are unable or unwilling to care for them<sup>106</sup>.

However, in spite of its importance to the functioning of Australian families and to Australia’s social and economic fabric, there is currently no recognition in Australian policy discourse of regular childcare provision by grandparents. This would be an ideal and important place to start the policy discussion about grandparents, and something that the grandparents in this study suggested would be important to their sense of wellbeing and identity.

What is required is the recognition of the importance of grandparent childcare in underpinning Australia’s childcare system and a redesign of policies based on an understanding of grandparents’ experiences and needs. This would support grandparents to make real choices about work and childcare and to mitigate the impact of their childcare provision on their labour market participation, incomes, and retirement incomes.

<sup>105</sup> Australian Human Rights Commission, 2013, op cit.

<sup>106</sup> J Backhouse & A Graham, ‘Grandparents raising their grandchildren: An uneasy position’, *Elder Law Review*, vol. 6, 2009; Brennan et al., op cit. Notably, the Coalition Government’s Child Care Assistance Package announced in May 2015 proposed cutting the support presently offered to grandparents who are primary carers, that is, full time guardians or kinship carers of their grandchildren. It made no mention of regular grandparent childcare provision.

## 4.5 The need for further research

This study provides the first analysis of the effects of grandparent childcare on work and retirement decisions, and draws some important findings. Because of the scope of the research project, there are some limitations of the research findings. These limitations could be overcome in a larger study, providing a strong case for further research.

Perhaps the most significant limitation of this research is the fact that the voices of parents are missing. As this research has shown, grandparent childcare is driven by the needs of grown children, with the parameters and nature of the caregiving commitment negotiated between the two generations. Incorporating the viewpoints of parents would help shed light on many of the issues uncovered in this research, including issues around choice and control, reasons for care, and recommendations for support and recognition.

Further, as has been noted, this was a relatively small-scale research project. With 209 participants, the online survey is limited by the sample's small size and unrepresentative nature. Although it was possible to observe, and report on, interesting trends in the data, some were not found to be statistically significant. It is unclear to what extent this is due to a relatively small sample size or response rates to some of the questions. Future research could look to test the fidelity of these findings by drawing on a larger sample.

Finally, some groups are underrepresented in this research. In particular, Aboriginal and Torres Strait Islander grandparents were underrepresented. Grandparents from non-English speaking backgrounds were also underrepresented. Previous research looking at non-English speaking grandparents has found that their care tends to be driven more by a desire to pass on culture and language, and that they may have particular needs for support around networking and social isolation<sup>107</sup>. It was not possible to test these findings in the current research. In addition, given that the focus groups took place in and around the Sydney area, the specific needs of rural or regional grandparents are not represented in the findings. It may be that these groups have different needs for supports and services which are mediated by geographic location. Future research should look to include these groups to further test and explore the prevalence of some of the key issues reported.

<sup>107</sup> Lever, *op cit.*; Goodfellow and Lavery, *op cit.*

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