Power of the Pram: The Impact of Young Children on Job Satisfaction amongst Female Workers

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Recent debates in the Australian political arena on childcare provisions as well as paid maternity leave raise a long dormant issue; that of low female participation in the labour market after the birth of a child. Whilst the main arena of investigation concentrates upon the role of employability, the debate is more nuanced and this paper investigates the job satisfaction of working females with young children at home.

Easing the pathway into work for new mothers alone may not be enough to increase their participation into the labour force due to cultural and social reasons, not to mention potential financial government assistance that de-incentivise the urge to obtain work. This article intends to study whether working females with young children have different job values compared to working females with older or no children. Specifically, this paper investigates the impact of young children (aged below 5 years) on job satisfaction amongst working females in Australia.

Using the Household, Income and Labour Dynamics in Australia (HILDA) longitudinal dataset, we test and report upon these differing job satisfaction rates by testing two theories found within the job satisfaction literature. First, that differing rates of job satisfaction between two groups may be due to self-selection bias into employment, and second, that differences may be due to diverse groups emphasising distinct job values relative to another group.

This paper finds in favour of self-selection bias into employment amongst females with young children relative to females with older or no children. In sum, this suggests that working females with young children who are highly dissatisfied with some or all aspects of their employment are more likely to exit employment. This then results in an upward bias in the rates of job satisfaction within this group relative to working females with older or no children.

Nevertheless, the high rate of part-time employment among working females with young children (70%) relative to other working females (39%) is an incentive to keep the former within the labour force, and thus potentially minimises the aforementioned bias. This also leads to a further bifurcation in our analysis, where both groups are divided into those in full or part-time work. This allows for a more detailed look into any potential differences in job values between females with young children and those without.

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In terms of job values, our study encapsulates not just overall job satisfaction but also five other aspects of job satisfaction – satisfaction with pay, satisfaction with job security, satisfaction with the type of work undertaken, satisfaction with the hours worked and satisfaction with work-life balance. We find statistical evidence of significant differences in job values, particularly with respect to satisfaction with hours worked and satisfaction with work-life balance. This result suggests that working females without young children prioritise pecuniary aspects of their job compared to females with young children, who prioritise spending more time with their offspring. Econometric analysis that controls for a host of employment, personal, geographic and education factors strengthens this result, which clearly demonstrates that working females with young children in full-time work are generally less satisfied than working females without young children, particularly with their working hours and work-life balance. For part-timers, they are however significantly more satisfied than females with no young children with these two job values, once again intimating that both groups possess different job values.

In sum, we report the presence of selective self-selection bias that upwardly biases the rates of job satisfaction amongst working females with young children. Nevertheless, the fact that many of these females have chosen part-time work has minimised this bias. In terms of job values, we find clear evidence that those with young children prioritise aspects of job satisfaction that allow them to spend more time with their offspring, a supposed to other females who prioritise more pecuniary aspects of job satisfaction.

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