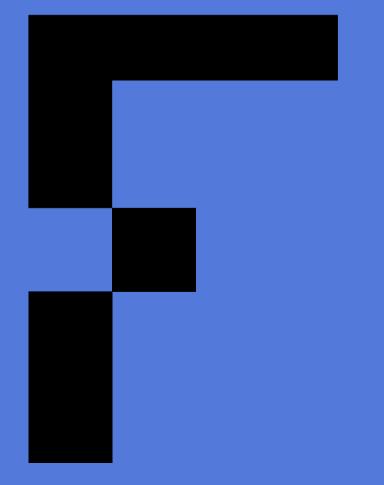


# **PROJECT F**

THE BUSINESS CASE FOR EQUAL PARENTAL LEAVE



# WHAT IS IT?

Equal parental leave is...
Paid Parental Leave (PPL)
that is given to all parents equally
and there are no primary or
secondary carer labels



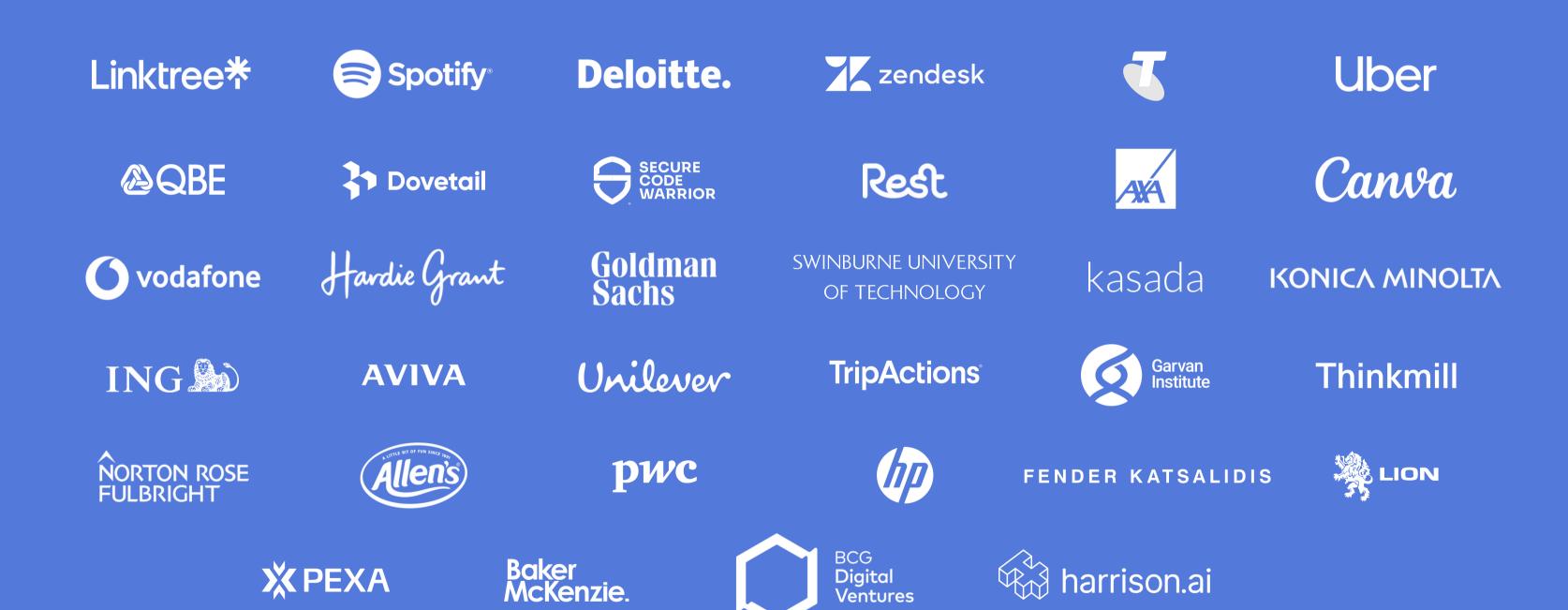
# WHAT IS IT?

"if we're serious about women's participation in the workforce then that means being serious about men having the opportunity to leave it, when they need to, just like women do."

Annabel Crabbe Australian Journalist



# SOME OF THE COMPANIES IN AUSTRALIA ALREADY OFFERING FULLY EQUAL PPL



#### **COMPETITIVE ADVANTAGE**

A company with best practice parental leave is considered an 'employer of choice' by potential employees.



Most policies haven't moved with the times but those that have adopted equal PPL are seeing significant benefits to:

- Talent Attraction
- Talent Retention
- Gender Equality Measures



#### **EMPLOYEE RETENTION**



Providing paid leave and familyfriendly workplace policies means lower rates of employee turnover, resulting in lower recruitment and training costs.



Studies show that first-time mothers who take paid leave are more likely than those who take unpaid leave or no leave, to return to the same employer.



1 in 4 parents and carers report that they had considered, or actively intended, leaving their job in the next 12 months due to difficulties combining their job with caring.



"Women will only have true equality when men share with them the responsibility of bringing up the next generation."

Justice Ruth Bader-Ginsberg

# IT'S THE FASTEST SOCIETAL ACCELERATOR OF GENDER EQUALITY







Creating an equal parental leave system will encourage balanced child care roles, improving the Gender Pay Gap and providing truly equal opportunities.

Where parents are given the same amount of PPL no matter what gender they identify as employers will be less likely to discriminate against women based on the possibility of them becoming pregnant.

If Australia genuinely aspires to equal workforce participation by men and women at every level, then there is a clear imperative to ensure that both genders are equally enabled to share the caregiving role.

A growing body of research demonstrates a strong desire among fathers today to play a more

equitable

role in parenting

85%

of fathers say they would be "willing to do anything to be very involved in the early weeks and months of caring for their newly born or adopted child."

60%

of men want more flexible working hours but there is a lack of senior support

x 2

Men are twice as likely as women to have requests for flexible work denied

27%

of fathers and partners
have reported experiencing
discrimination related to
parental leave and return
to work, despite taking
very short periods of leave

### **NEXT**

# LET'S REMOVE THE "MOTHERHOOD PENALTY"

There's been "almost no change" in the number of men taking up flexible work since 2008.

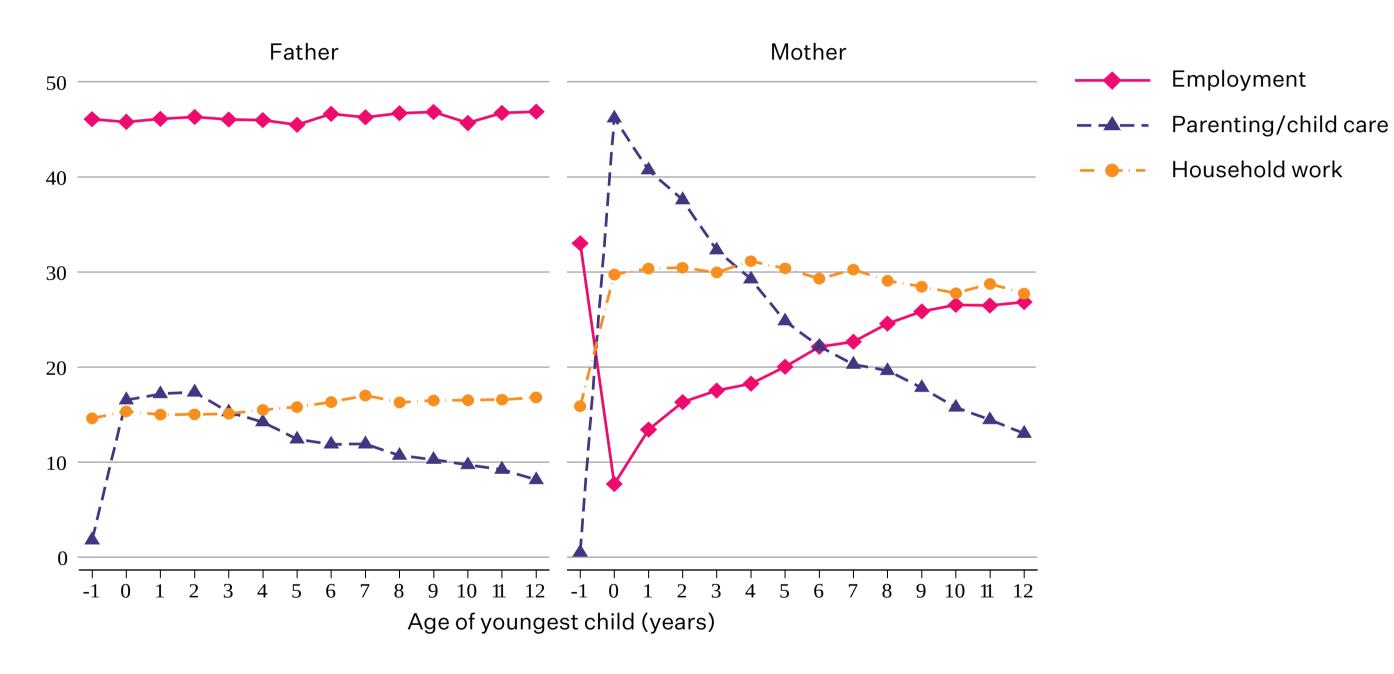
95%

The result is that mothers take up 95% of the primary carers leave in Australia and go on to return to work part-time in large numbers. Australia has some of the highest part-time work rates for women of any developed country in the world.

# 6 years

It takes most women an average of 6 years to scale their work hours back up after going parttime to care for young children and many never recover their earning potential.

#### Mother and father's time use up to and after the birth of the first child



Note: Age of youngest child - -1 is the year before the first birth

Source: HILDA, pooled Waves 2-16

Credit: Australian Institute of Family Studies 2019 (aifs.gov.au/copyright)

## THE COST

### CASE STUDY #1



"We believe the business cost was neutral. The outcome gives us significant competitive advantage in a way branding alone could not deliver and it reduces turnover."

Catherine McNair Head of Diversity & Inclusion

QBE did its cost modelling based on men taking blocks of parental leave. Out of 33 men that they saw the uplift from, 18 took their leave flexibly (eg. a day a week). They did not see a drop in productivity in that during the time spent at work, these parents became more efficient (eg. delegating more, moving meetings from 60 to 30 minutes etc).

### CASE STUDY #2

Linktree\*

"We want to attract the best talent that's out there. We want to retain the best talent, and we want to drive the agenda forward when it comes to equity."

Isa Noterman former Global Head of People & Culture & DEI

Linktree was sub 100 people when it introduced this highly progressive suite of provisions for parents. The 'program' includes 18 weeks of paid leave for all new parents, regardless of gender and family constructs. A key component of the strategy is encouraging fathers and partners to take their leave allowance in long stretches of time.

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THE COST

### CONSIDER THE COST VERSUS:

- Employer branding
- Employee turnover
- Re-hiring & training
- Employee engagement



In order to assess true cost implications, calculate the number of men who would have taken up parental leave at your company in the last 12 months

**COST NEUTRAL?** 

2010 MAJOR US STUDY FOUND

89%

No noticeable effect or a positive effect on productivity (89%), profitability (91%), turnover (93%), morale (99%)

87%

Of employers reported no associated cost increases

9%

Reported cost savings via reduced turnover

A SUBSEQUENT 2011 STUDY FOUND

91%

Of employers said the policy either boosted profits or had no effect. They also noted improved productivity, higher morale and reduced turnover.

"we know that also has a positive effect on families and our business."



**PROJECT F** 

# SOURCES

Wall St Journal

<u>HBR</u>

New York Times

National Partnership for Women & Families

State of The Worlds Fathers, 2019

Parents At Work (APLEN)

Bain & Co/CEW 2016

Bain & Co/CEW 2021

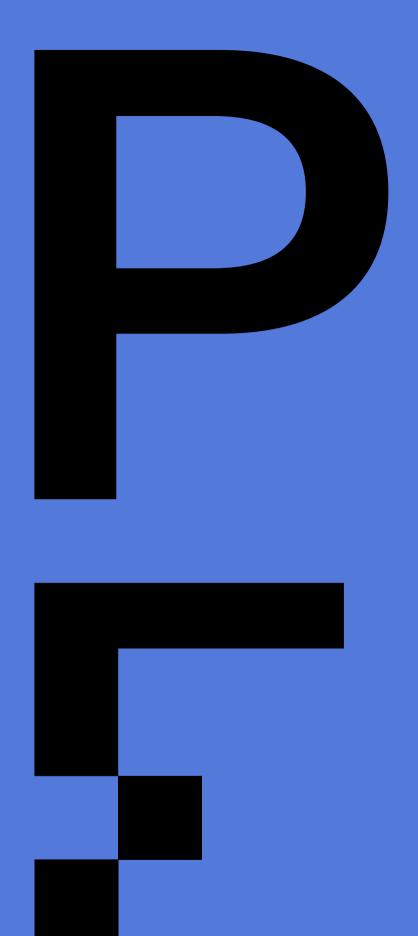
AHRC 2014

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THE BUSINESS CASE FOR EQUAL PARENTAL LEAVE GOOD FOR PEOPLE GOOD FOR BUSINESS