Australia’s parental leave policy and gender equality: an international comparison

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AUSTRALIA’S PARENTAL LEAVE POLICY AND GENDER EQUALITY

AN INTERNATIONAL COMPARISON

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This research forms part of an Australian Research Council (ARC) funded study: Restructuring the Australian male breadwinner model? New challenges for a rapidly changing Australia. Principal Researchers: Professor Rhonda Sharp, Hawke Research Institute, University of South Australia, & Dr Ray Broomhill, Australian Workplace Innovation and Social Research Centre, The University of Adelaide.
The Australian Workplace Innovation and Social Research Centre (WISER) focuses on work and socio-economic change. WISER is particularly interested in how organisational structure and practices, technology and economic systems, policy and institutions, environment and culture interact to influence the performance of workplaces and the wellbeing of individuals, households and communities.

WISER also specialises in socio-economic impact assessment including the distributional impacts and human dimensions of change on different population groups and localities. Our research plays a key role in informing policy and strategy development at a national, local and international level.
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Until recently, Australia was one of only two OECD countries without a national parental leave scheme. However, in its 2009-10 Budget the Australian Labor government announced the introduction of a paid parental leave scheme to commence on 1 January 2011.

This study examines Australia’s new paid and unpaid parental leave provisions and compares them to recent developments in a number of European countries. Increasingly, gender equity goals have been incorporated in the formulation of the policy approaches within a number of these countries. In recent times the EU has been a powerful driver of incorporating gender equality goals in work and family policy areas.

The study addresses the question of whether, and under what conditions, policies such as the introduction of parental leave have the potential to achieve meaningful shifts in the existing gender order within a society towards a more equal dual earner-carer household structure. It suggests that there are several dimensions to an integrated work/family strategy that are likely to deliver progress towards a more equal gender order. Such a strategy would include all of the following:

1. a level of remuneration sufficient to allow parents, and men in particular, to participate in caring without experiencing a significant loss of income;
2. the allocation of a significant period of non-transferable leave for fathers on a ‘use it or lose it’ basis;
3. a legislated provision for greater flexibility in both women’s and men’s employment hours and conditions;
4. a legislative guarantee of job and career protection for those who take parental leave.

In addition, there are a number of other complementary policies that are important in encouraging or discouraging a shift towards a more equal dual earner/carer gender order.

After analysing the details of the Australian scheme in relation to these criteria the study concludes that the Australian paid parental leave scheme is an important advance towards improving the position of women in the labour market and will be of benefit for the many women currently without access to paid parental leave. However, the Australian scheme falls short of the standards provided in the best of the European schemes in several aspects and it identifies a number of areas where the Australian provisions could be improved in order to encourage further shifts towards gender equality within households and in society. These initiatives include:

- increasing the level of parental leave payment to more closely match parents’ normal earnings;
- increasing the provision of fathers’ or partners’ only leave to a level that encourages a greater level of responsibility for parenting;
- increasing the degree of flexibility in how parental leave may be taken and strengthening the present ‘right to request’ flexibility provisions;
- introducing stronger legislative measures to ensure job protection for working parents who take leave.
1 Australia’s parental leave policy and gender equality: an international comparison

The good news is that finally Australia has a national parental leave scheme. Until recently, Australia was one of only two OECD countries without such a scheme. The new Australian arrangements comprise an industrial relations provision for an extended period of unpaid parental leave available for the majority of workers and a separate legislative provision of government financial support equal to the minimum wage for working parents for a lesser period up to 18 weeks.

This paper examines these provisions and compares them to recent developments in a number of European countries. The paper addresses the question of whether, and under what conditions, policies such as the introduction of parental leave have the potential to achieve meaningful shifts in the existing gender order within a society towards a more equal dual earner-carer household structure. It also identifies a number of areas where the Australian provisions could be improved in order to encourage further shifts towards gender equality within households and in society.

2 The growth of parental leave policies internationally

Policies that provide an entitlement to employment leave for parents have a long history, with the earliest scheme of maternity leave introduced in Germany in 1883 (Kalerman & Moss 2009: 1). By the beginning of WWI, 21 countries had introduced policies that provided periods of maternity leave of up to 12 weeks and in 13 of those countries the leave was paid. Provision for a period of maternity leave spread to most western countries over the 20th century but the impetus driving the introduction of these policies, until the 1960s at least, was overwhelmingly based on health and welfare concerns for mothers and babies and can be seen in the context of the emergence of the modern welfare state. A second influence behind the emergence of maternity leave policies was a growing belief within several countries that fertility rates should be boosted by supporting working women to continue to reproduce. Underpinning the emergence of maternity leave policies was generally a concern to preserve existing gender arrangements even as women were being increasingly drawn into the labour market.

From the 1970s on, but particularly from the beginning of the 21st century, the range of policies that provide leave for parents have expanded greatly – in the number of countries enacting leave provisions, in the diversity of the types of schemes available, and in the goals that those schemes have.

Most OECD countries now have national paid parental leave schemes. However, there is considerable variation in the social and economic goals that underpin paid parental leave policies in different countries. While economic and labour market goals frequently remain the dominant influence on the formulation of policies, health and welfare goals remain important, as does the goal of maintaining fertility rates. However, increasingly gender equity goals have been incorporated in the formulation of the policy approaches within a number of countries. Gender equity initially appeared in policy debates in the Scandinavian states, and in Sweden in particular.

1 The US remains the only OECD country without a national scheme that provides parental leave for employees.

2 The term ‘gender order’ (Connell, 1987; Brenner, 2002) is used to describe the combined set of institutional and informal arrangements that, together, define gender norms and relations in a society.
from the mid 1970s. In recent times the EU has been a powerful driver of incorporating gender equality goals in work and family policy areas.

3 Parental Leave Policies and the Gender Order

Within the European Union countries, as well as in Norway and Iceland, major shifts have recently occurred in relation to the provision of policies to increase the participation of fathers in child rearing and thus alter the pattern of gender relations within households. O’Brien & Moss (2010: 259) note, in relation to strategies to enhance the visibility of fathers’ entitlements that, ‘the complexity, scope, and speed of policy change since the late 1990s in this area is striking.’ The majority of EU countries now have a paid entitlement to paternity leave or a parental leave provision to which fathers have access. Table 1 identifies eight EU countries (Austria, Denmark, Finland, Germany, Italy, Portugal, Slovenia, and Sweden) plus Norway and Iceland that have adopted father enhancement schemes. Iceland has the longest level of leave available to fathers. Three months are available to mothers, three months to fathers and three months that can be shared.

Fathers’ usage is further increased when the leave available is relatively well reimbursed. This can be clearly seen in 4 Nordic countries in which parental leave schemes have a non-transferable element and are well-paid (Moss: 2011: 38):

- **Denmark:** a survey in 2005 showed 24% of fathers took parental leave;
- **Iceland:** a survey in 2008 showed almost as many fathers as mothers took parental leave (91%) and overall accounted for one-third of all days of leave, a significant shift in gendered behaviour in a relatively short period of time;
- **Norway:** in 2007 70% of eligible fathers took more than 5 weeks of parental leave;
- **Sweden:** in 2008, 90% of eligible fathers took parental leave days that year amounting to almost one quarter of all leave taken (compared to only 7% in 1987).

Furthermore, it appears that fathers’ behaviour responds fairly quickly to the introduction of these types of policy changes (Moss 2011: 29):

- **Iceland:** from when father only leave was extended in 2001 until 2008, the average number of leave days taken by fathers has doubled;
- **Norway:** after the introduction of the fathers’ quota the proportion of fathers taking parental leave increased from 4% to 89%;
- **Sweden:** with the introduction and then extension of a fathers’ quota, the proportion of leave days taken by fathers doubled between 2004-2007.
### Table 1: Fathers’ access to paid parental leave in selected European countries

<table>
<thead>
<tr>
<th>Country</th>
<th>Entitlement &amp; duration</th>
<th>Incentive/reserved period for father</th>
<th>Payment features</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denmark</td>
<td>32 weeks family leave until child is 47 weeks</td>
<td>3 weeks father only (industrial workers) 6 weeks father only (public sector)</td>
<td>100% of earnings (capped at a moderate level)</td>
</tr>
<tr>
<td>Finland</td>
<td>35 weeks family leave</td>
<td>24 additional days if father takes the last 2 weeks of family leave (called the ‘father’s month)</td>
<td>70% of earnings (capped at a high level)</td>
</tr>
<tr>
<td>Germany</td>
<td>12 months family leave</td>
<td>2 months ‘father only bonus’ to extend leave to 14 months</td>
<td>67% of earnings (capped)</td>
</tr>
<tr>
<td>Iceland</td>
<td>3 months mother 3 months father 3 months shared</td>
<td>3 months father only leave</td>
<td>80% of earnings (capped at a high level)</td>
</tr>
<tr>
<td>Italy</td>
<td>6 months mother 6 months father available till child is 8 years</td>
<td>Additional 1 month available if father takes 3 months</td>
<td>30% of earnings if child is under 3 Unpaid if child is 3-8</td>
</tr>
<tr>
<td>Lithuania</td>
<td>3 years family leave</td>
<td>Available to father after first 140 days</td>
<td>70% of usual salary</td>
</tr>
<tr>
<td>Norway</td>
<td>9 weeks mother 10 weeks father 37 weeks shared</td>
<td>10 weeks father only leave</td>
<td>100% of earnings for 44 weeks or 80% for longer period</td>
</tr>
<tr>
<td>Portugal</td>
<td>6 weeks mother 15 weeks shared Plus extra month if leave is shared</td>
<td>20 days ‘daddy leave’ (10 of which must be taken during the first month)</td>
<td>100% of earnings (no capping) if parents share (80% if not)</td>
</tr>
<tr>
<td>Sweden</td>
<td>60 days mother 60 days father 360 days shared Leave can be taken at any time until the child is 8 yrs</td>
<td>60 days father only leave There is also a substantial tax bonus for couples that share</td>
<td>80% of earnings (capped at a high level)</td>
</tr>
</tbody>
</table>

There is also evidence that some countries have significantly changed the direction of their previous work/family policy regime. One of the most outstanding examples is provided by Germany’s recent radical change of direction. From 2007 Germany has radically broken with past leave policy which supported mothers alone to stay out of the labour market for 3 years after the birth of a child. Paternity leave has now been reduced to 12 months with an extra 2 months highly paid paternity leave added on if fathers take 2 months of leave.

Our reading of the research on parenting leave policy approaches suggests that there are several dimensions to an integrated work/family strategy that are likely to deliver progress towards a more equal gender order. A parental leave scheme that has the capacity to shift the behaviour in households towards a dual earner/carer model would include all of the following:

1. a level of remuneration sufficient to allow parents, and men in particular, to participate in caring without experiencing a significant loss of income;
2. the allocation of a significant period of non-transferable leave for fathers on a ‘use it or lose it’ basis;
3. a legislated provision for greater flexibility in in both women’s and men’s employment hours and conditions;
4. a legislative guarantee of job and career protection for those who take parental leave.

In addition, there are a number of other complementary policies that are important in encouraging or discouraging a shift towards a more equal dual earner/carer gender order. These include provision or otherwise of a comprehensive and quality childcare system, the level of ongoing parental support and the relationship between the family support and taxation systems and the consequent impact on working parents. Of crucial importance also are policies that impact on the ability of parents to more equally share family and work responsibilities, for example by perpetuating or reversing the trend towards the increasing intensification of work.

4 The introduction of the national paid parental leave scheme in Australia in 2011

Over the past 20 years or so, parenting leave, including paid leave provisions in some instances, increasingly emerged on the Australian industrial scene and parental leave came to the fore in national policy debates. Even prior to the introduction of the national paid scheme in 2011, many employees had access to parental leave, often paid, through industrial awards, workplace agreements, company policies, or legislation covering public sector employees. Within the private sector of the economy an increasing number of, primarily larger, companies introduced paid parental leave entitlements for employees. In fact, a study in November 2007 by the Australian Bureau of Statistics estimated that 45.5% of all female employees were entitled to some form of paid maternity leave (ABS 2007).

In 2002 HREOC the Human Rights Commission presented a proposal for a national paid maternity leave scheme that generated considerable debate (HREOC 2009). However, the Howard government ignored these calls for a national paid scheme, instead favouring a so-called ‘baby bonus’ program for all mothers. In actual fact, the policy approach of the Howard government was quite confused and contradictory with other aspects seemingly designed to encourage women into the labour market. This reflected the philosophical divisions that existed within the government. Nevertheless, under the Howard government the overall balance in work/family policy remained weighted towards approaches that reinforced the maintenance of a male breadwinner gender order.
In 1996 the Keating Labor government had introduced the *Workplace Relations Act* that provided for a period of 52 weeks unpaid parental leave which could be shared between parents with a guarantee of employment protection. This leave was available to all full or part-time permanent employees who had 12 months continuous service with one employer. Casual employees were also eligible who had been employed for a sequence of periods of employment during the previous 12 months (Baird, Whelan & Page 2009: 9). Shortly after Labor next was returned to office in 2007, it introduced the *Fair Work Act 2009* that provided an extension of the maximum period of unpaid parental leave from 12 to 24 months.

Following the federal election of 2007, the new Labor government initiated a Productivity Commission inquiry into ‘strategies for improved support for parents with newborn children’ (Productivity Commission 2009:iv). This move actually marked quite a significant turnaround in the attitude of the Labor Party to paid parental leave. Anne Summers, a former Women’s Advisor to the federal government has attributed this turnaround to the role taken by the former Deputy Prime Minister and later Prime Minister, Julia Gillard:

Paid parental leave was politically dead in the water until she used her position as deputy prime minister to revive it through a reference to the Productivity Commission. She has thrown the government’s support behind the bid for large pay increases for workers in the community sector (such as women’s refuges), most of whom are women, and she has indicated her keenness to develop policies that would increase women’s workforce participation rates (which are low by OECD standards, especially for women of childbearing age) (Summers 2010).

The government’s stated reasons for the inquiry related to improving workforce participation and economic growth, but also gender equity through improving work/family balance:

The Australian Government wants to consider how to improve support for parents with newborn children. The context for this is the need to ensure strong and sustainable economic growth, adjust to the imperatives of an ageing population, promote the early development of children and support families in balancing work and family responsibilities (Australian Government 2009: iv).

Submissions to the Inquiry from organisations such as the Australian Council of Trade Unions (2008) and the Work and Family Policy Roundtable (Pocock and Hill 2008), stressed the need for at least 26 weeks paid leave, broad eligibility, the right to claim after 6 months’ employment and payment at the federal minimum wage with employer top up or at average weekly ordinary time earnings with employer top up, respectively. In February 2009 the Commission recommended a scheme with broad access but a longer qualifying period, limited length and minimal pay.

Then, in May 2009 as part of its 2009-10 Budget, the Australian Labor government announced the introduction of a paid parental leave scheme to commence on 1 January 2011. The main features of the scheme are:
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**NATIONAL PAID PARENTAL LEAVE SCHEME: AUSTRALIA COMMENCED JANUARY 1, 2011**

- Tax payer funded paid Parental leave of 18 weeks duration at the federal minimum wage (currently A$543.78 (€305) per week, or 52.7 per cent of full-time average ordinary time female earnings).
- Where possible, the benefit would be paid by employers, with the government pre-paying employers for the cost.
- To be eligible for the paid parental leave scheme, the primary carer (usually the mother but potentially the father also) must be in paid work and have: been engaged in work continuously for at least ten of the 13 months prior to the expected birth or adoption of the child; and undertaken at least 330 hours of paid work in the ten month period.
- The benefit is restricted to those earning less than A$150,000 (€84,560) per year or approximately four times average female annual earnings (or 2.7 times average female full-time earnings).
- The benefit can be taken in conjunction with other forms of paid leave to which the employee may be eligible (recreational leave, long service leave, employer-funded parental leave) but must be taken before the employee returns to work.
- Any unused portion of the leave benefit can be transferred to another primary care-giver (usually the father) in the event that they also meet the eligibility criteria.
- Where employees are covered by an existing industrial award or enterprise agreement that includes paid Parental leave, that entitlement cannot be withdrawn; the government-funded Parental leave scheme is in addition to any existing employment conditions.
- Those mothers not working (or not working for a sufficient period or hours) prior to the birth of a child are still eligible for the existing baby bonus of A$5,000 (€2,820) and have access to family tax benefit B (primarily payable to single income families). These benefits of the social security system are no longer available to those claiming the paid Maternity leave benefit.

Sources: Australian Government (2010a); Alexander, Whitehouse and Brennan (2009: 107)

A rather quirky aspect of the Australian paid parental leave scheme is that the legislation itself does not actually provide the right for parents to take leave from employment. Rather it provides a supporting payment for parents on unpaid parental leave. The right to parental leave itself is provided through the separate industrial legislation that had been introduced in 2009 known as the *Fair Work Act* (Australian Government 2010b: 49-50). The consequences of this arrangement are discussed further below.
5 THE AUSTRALIAN PAID PARENTAL LEAVE SCHEME AND THE GENDER ORDER

The Australian paid parental leave scheme is an important advance towards improving the position of women in the labour market and will be of benefit to the many women currently without access to paid parental leave. It will relieve some of the income and time pressures placed on women and families. For the purposes of this paper, however, we will focus on the extent to which the introduction of this scheme will potentially contribute towards the transition to a dual worker/dual carer gender order in Australian society.

Firstly, however, it is instructive to consider the stated aims of the federal government in introducing the legislation – particularly, to what extent was there a deliberate intention within the legislation to promote gender equality? This question was raised by a number of witnesses at the Senate Committee that considered the Bill as it passed through the Australian parliament. In fact, it became clear that the legislation contained no statement of social or economic aims and appeared unclear about its fundamental goals. In response to a question on notice however, the government provided the following statement of the objectives of the Paid Parental Leave scheme. Its aims were identified as being:

• to enhance child and maternal health and development;
• to facilitate women’s workforce participation by offsetting the disincentives to paid work generated by social welfare and taxation arrangements;
• to promote gender equity and work/family balance. (Australian Government 2010b: 14)

While each of these aims was no doubt in the mind of the government and the Productivity Commission, it was clear that the primary goal was the need to facilitate the increasing participation of women in the labour market. For example, while parental leave payments are available to both parents the legislation is written as if it will apply primarily to mothers. Policymakers were very aware that Australian women’s labour market participation rate is considerably lower than the OECD norm and were being frequently told that by increasing women’s participation in the workforce Australia’s economy could be boosted by as much as $25 billion per annum (Weekend Australian 9-10 June 2012: 18).

In relation to assessing the likely success of the legislation in promoting gender equality, we return to the criteria we have developed by which a parental leave policy regime can be evaluated.

5.1 THE LEVEL OF REMUNERATION

The Australian Paid Parental Leave scheme provides 18 weeks of paid leave at the federal minimum wage level (which is approximately 53% of full-time average weekly earnings). This aspect of the Australian scheme is likely to disadvantage many women employees and mitigate against the participation of fathers. For the majority of employed fathers, payment at only the minimum wage is likely to be a significant disincentive to participation. These provisions are considerably less than those provided by the best European schemes. For example:
### Australia’s parental leave policy and gender equality: an international comparison

<table>
<thead>
<tr>
<th>Country</th>
<th>Duration</th>
<th>Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>18 weeks per family</td>
<td>Approx 53% of national average weekly earnings</td>
</tr>
<tr>
<td>Denmark</td>
<td>32 weeks per family</td>
<td>100% of personal earnings</td>
</tr>
<tr>
<td>Finland</td>
<td>26 weeks per family</td>
<td>Approx $75% of normal earnings</td>
</tr>
<tr>
<td>Germany</td>
<td>12 months per family</td>
<td>67% of earnings</td>
</tr>
<tr>
<td>Italy</td>
<td>6 months for mothers, 6 months for fathers</td>
<td>30% of earnings</td>
</tr>
<tr>
<td>Norway</td>
<td>39 weeks @ 89% of earnings or 27 weeks @ 100%</td>
<td>89-100% of earnings</td>
</tr>
<tr>
<td>Sweden</td>
<td>480 days per family</td>
<td>80% of earnings for most of leave period</td>
</tr>
</tbody>
</table>

Source: Baird, Whelan & Page 2009; pp 96-101

The Productivity Commission Report recommended that employers pay superannuation contributions (at the statutory amount) for the period of the parental leave benefit. This recommendation was not adopted by the government but may be reviewed at a later date. The failure to require payment of superannuation during leave continues women’s income inequality into retirement.

On the other hand, the Australian scheme compares quite favourably with some European programs and appears to have the capacity to make it possible for an average family to maintain employment continuity while providing quality care for a new infant, at least for the first four and a bit months of the newborn’s life. In addition, for the almost 50% of Australian workers who have paid parental leave entitlements under other existing schemes, whether as public employees, through industrial awards or though provision by individual corporations, the capacity exists to top up their parenting leave payments by adding on their other entitlements. Where employees are covered by an existing agreement that includes paid Parental leave, that entitlement cannot be withdrawn. One of the criticisms that has been made of the scheme by unions and women’s groups is that the eligibility requirements exclude a percentage of part-time and casual workers – most of whom of course are women. Overall, however, most of those who had previously advocated for the introduction of a parental leave scheme seemed quite satisfied with the outcome, at least as a first significant step.

### 5.2 Fathers’ participation

The Australian paid parental legislation provides what has been called a ‘transferable parental leave scheme’ (Finch 2006: 127), one which provides leave to a family as a unit and can be shared between partners. In this sense it is gender neutral and makes it possible for fathers to utilise the leave – either by taking the whole of the leave or by taking the remainder for which the family is eligible if it is not used by the mother. However, as has been seen from international experience, in these circumstances the take-up rate by fathers is likely to remain extremely low. The possibility of a significant change in fathers’ participation in parental leave only occurs when a portion of the leave is allocated to men on a ‘non-transferable’ basis (use it or lose it).

The Productivity Commission recommended that paternity leave of two weeks payable primarily to fathers (or other care-giver in other circumstances) be available within the first 12 months of the birth of the child. The government initially rejected
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WISeR (2012)

this aspect of the legislation. However, in March 2012 the government announced that paid parental leave will be extended to fathers (or partners in cases where the main caregiver is the father or in same-sex relationships) from 2013 once new legislation is passed. Fathers will be able to claim 2 weeks pay at the minimum wage under the scheme’s extension. They will be able to claim the 2 weeks leave even if the mother is not eligible. This ‘Dad and partner pay’ provision will work on a ‘use it or lose it’ basis and cannot be transferred to the primary carer. This adjustment to the scheme may be seen as a step forward but still remains far short of some of the substantially more generous European non-transferable leave provisions that have had success in improving fathers’ participation in parental leave.

5.3 FLEXIBILITY

Among the ten core ‘National Employment Standards’ that are guaranteed by the Fair Work Act 2009 are provisions for the ‘right to request’ flexible working arrangements by parents. Each parent is entitled to 12 months unpaid leave and one parent has a right to request a further 12 months unpaid leave if the other parent does not use it. However, an employer can refuse this request on ‘reasonable business grounds’ and there is no right of appeal. Similarly, under the Fair Work Act, parents of under school age children and parents of children under 18 with a disability are provided with the ‘right to request’ flexible working arrangements if the employee has at least 12 months service. However, again, employers can refuse on ‘reasonable business grounds’ and there is no right of appeal (Sharp, Broomhill & Elton 2012).

One of the key issues facing parents in balancing their earner and carer roles, especially fathers, is the pressure created by work intensification within the Australian labour market. While underemployment remains a large problem in Australia for many workers, approximately one-third of all employees are working over 45 hours per week (Rafferty & Yu 2010: 19) and over a quarter are not compensated for the extra hours or overtime worked (Baird, Charlesworth et al 2009: 16). The Australian Council of Trade Unions has also pointed to pressures on fathers, in particular, to increase working hours:

Ironically, fatherhood is currently associated with increased hours of work; with fathers of newborn children working on average nearly 5 more hours than men without dependents. This is likely to be related to the need for the family income to compensate for the primary carer (usually the mother’s) loss of income (ACTU 2010).

Job flexibility is an important element of men’s ability to participate in parental leave. However according to one recent survey, nearly 44% of Australian fathers stated that they believe that asking for flexible arrangements would mark them as lacking in work commitment (Russell & White 2012). Parents who need, or desire, to reduce their hours of work or to re-organize their hours of work to meet their caring responsibilities, often face strong resistance from employers.

5.4 JOB PROTECTION

As has been noted above, the new paid parental leave legislation does not actually guarantee the right for parents to take leave from employment. Rather it provides the right to a payment for parents to support them on parental leave. The right to parental leave itself is provided through the Fair Work Act 2009. One of the important consequences that follows from this is that those in the workforce who are not eligible for unpaid parental leave under the Fair Work Act because of lack of continuity in employment over the past 12 months may not be granted leave by their employer and may therefore have to choose between retaining their job or receiving their parenting pay entitlement. The disconnection between the two bits of
legislation potentially creates a degree of uncertainty about the level of job protection available for those seeking to take parental leave without putting the employment status at some degree of risk.

Under the previous conservative government’s ‘Work Choices’ policy the level of job protection and job security was substantially eroded including in particular through removing the previous legislated protection against unfair dismissal. Under Labor’s Fair Work Act employee protections have been strengthened significantly. Basic safety net conditions have been expanded and can no longer be removed as under Work Choices, giving greater security of income, public holidays and hours/patterns of work. Reinstatement of unfair dismissal remedies is crucial for some measure of job security and bargaining power and for men’s willingness to participate in parental leave. However, the retention of individual flexibility and non-union bargaining under the Fair Work Act may also be a threat to workers’ sense of job security and hence their willingness to take full advantage of their rights under the parental leave provisions.

5.5 PARALLEL POLICIES

In relation to the broader policy regime that potentially impacts on the development of a more equal dual earner/carer gender order, under the current Labor government a number of reforms are likely to improve the labour market position of parents. For example, considerable more resources have been directed to improving the availability and quality of childcare that had been largely privatised under the previous conservative government. Similarly the changes to the employment and industrial relations arrangements have in a number of important ways improved the labour market situation of women workers – especially through support for pay equity within the industrial relation system. However, in most instances it would be fair to say that the focus of Labor’s policies have been on increasing womens’ labour market participation rather than on directly addressing inequalities in mens’ and womens’ gender roles (see Sharp, Broomhill & Elton 2012).

6 CONCLUSION

The Australian paid parental leave scheme is an important advance towards improving the position of women in the labour market and will be of benefit for the many women currently without access to paid parental leave. It will relieve some of the income and time pressures placed on women and families. For the purposes of this paper, however, we have focused on the extent to which the introduction of this scheme will potentially contribute towards the transition to a dual worker/dual carer gender order in Australian society.

Our conclusion is that there are a number of positive aspects of the present scheme, namely:

- It provides a relatively generous period of paid leave and an extended period of unpaid leave which will assist working mothers, in particular, to maintain their attachment to the labour market;
- In principle it allows fathers to be full participants in both paid and unpaid parental leave;
- There is provision from 2013 for a short period of fathers or partners leave available on a ‘use it or lose it’ basis.

However, there are also a number of obvious areas where the scheme could be improved in order to encourage further shifts towards a genuine dual earner/carer gender relationship within households. For example by:
• increasing the level of parental leave payment to more closely match parents’ normal earnings;
• increasing the provision of fathers’ or partners’ only leave to a level that encourages a greater level of responsibility for parenting;
• increasing the degree of flexibility in how parental leave may be taken and strengthening the present ‘right to request’ flexibility provisions;
• introducing stronger legislative measures to ensure job protection for working parents who take leave.

In order for these measures to become political reality, policymakers also need to look to the Nordic model in which the focus of work/family policy goes beyond employment and welfare goals and explicitly articulates gender equity as an important aim to be prioritised in structuring parental leave policy.
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