

Parental leave: Mums vs Dads

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Childcare costs and changes to parental leave are creating a perfect storm for working parents – and setting them at each other's throats. Do businesses have the answers?

The Third Door nursery in Putney is nestled in a pleasantly gentrified part of south-west London, a stone's throw from the Thames, the chug of commuter trains punctuating the sharp early morning air as working parents hustle their young children inside.

It feels like the sort of functional, tailor-made childcare solution you only normally hear about in some snow-flecked Scandinavian utopia – which is why deputy prime minister Nick Clegg perched precariously on one of Third Door's under-sized nursery chairs in November and explained that reforms to “antiquated and out of step” maternity leave would allow parents to take charge of their careers, creating a “much more flexible and motivated workforce”.

It's not hard to see why working father of three Clegg chose Third Door, close to his own home, to launch the revised legislation (see below). The “blended” crèche offers parents a working space upstairs and nursery facilities below. But at £65 a day (£1,400 a month), it is a decidedly costly answer to Britain's working parents puzzle – and even Third Door's own users are feeling the pinch.

“No amount of legislation to make working more flexible will make a jot of difference unless childcare is sorted first,” says Kirsty Blair, mum to two-year-old Lexi. She believes it is her circumstances, rather than the system, that have made being a working parent possible. “I still have a worthwhile income after paying childcare costs. My employer [satellite communications firm Inmarsat] doesn't count hours, and on top of that my husband, who has his own IT business, can take over when I have to be at the office. Without all this, there's absolutely no way I would be able to have both a career and a family.”

This is, undoubtedly, a bad time to be a working parent. The average cost of childcare now equates to 35 per cent of salary (compared with 11 per cent in France), leaving many parents in a “pay-neutral” situation. The Daycare Trust says 37 per cent of families pay the same or more for childcare as they do on their mortgage or rent, and the squeeze appears to be accelerating: in 2010, parents needed to earn an hourly rate 30 per cent higher than the minimum wage in order to reach minimum living standards as defined by the Joseph Rowntree Foundation. By 2012, this had reached 55 per cent.

The results are not hard to guess. One million mothers would rather leave the workforce than stay in it, says Mintel, and only 20 per cent return to work within a year of childbirth. Childcare costs, and the squeezed working and financial situation many parents report, all cause huge strain on the family dynamic, forcing men into a breadwinning role that society had been slowly easing them out of and, say the likes of Gillian Nissim (see below), putting parents at “loggerheads”. Most importantly, it is setting back diversity and, if it does force parents out of the workforce in significant numbers, has profound implications for the future health of the British workplace.

The effects are seen across both the much-discussed “squeezed middle” of working professionals and in lower-paid positions where the economic benefits of work are lessening. Among most interested parties, there is widespread agreement that the benefits system, and employment legislation, are not addressing the problem.

“Government seems completely conflicted over the family,” says Sarah Jackson, CEO of the Working Families charity. Increases in child tax credit have been held at 1 per cent, she points out, while the right to transferable leave and flexible working, due to be extended to all employees in 2014, are seen as being undermined by other threats to employment rights. “All in all, it’s a cold-hearted way of treating families,” says Jackson. “It’s affecting employee behaviour. It’s madness that parents are choosing to give up work.” Indeed, Mumsnet reports that 20 per cent of parents actually turn down jobs because they are unable to afford childcare, while 12 per cent have left a job for the same reason.

Meanwhile, wider economic pressures are restricting what organisations can materially do to help parents. Only 35 per cent of companies offer childcare vouchers, while part-payment of childcare costs is rarer still.

Many campaigners feel alterations to Clegg’s maternity leave proposals have worsened the situation: originally billed as “flexible parental leave”, it gave either parent an indivisible right to leave that was not dependent on their employment status. “What we’re left with is still maternity leave,” says Adrienne Burgess, CEO of think tank The Fatherhood Institute. “Men can partake only if they are employed, and only if the mother meets employment eligibility criteria. It’s saying that maternity is still what women do, and that men are a waste of space.

“If businesses want to keep families together, they need mothers as earners and fathers as carers. This legislation enslaves families along gender divisions of labour and earnings.” It also leaves it up to employers to seriously consider and promote flexible working requests from men, she says.

“Families that work are an economic asset and show higher workplace engagement,” says Anne Longfield, CEO of charity 4Children. “But the ability for parents to maintain their jobs, at the right status, is not about flexible working. It’s actually the inflexibility of the workplace that is forcing parents into making stark choices. We believe parents should additionally have a right

to request family-friendly working, as distinct from flexible working, that would suit the family set-up.”

But is the notion of flexible working, though well-established, actually becoming a millstone for HR departments? “Companies become family-friendly by looking more widely at all working,” says Jackson. “We fought for the universal right to request flexible working – not just for parents – because that’s what we feel will make flexibility ‘normal’. That way it’s easier for managers to make decisions. If you start with family-friendly first, that’s what labels it as different, and, in my view, as a female-owned issue too.”

In the absence of consensus, organisations are finding their own workarounds. Take accountancy giant Deloitte: “We certainly don’t label our policies family-friendly,” says head of HR, Stevan Rolls. “For us, it’s an approach we take to all people. There can be too much focus on policy and procedure.” The company has offered transferable parental leave for a year, and says its rate of returning mothers has grown from 82 per cent to 93 per cent since 2009.

In November, American Express began rolling out Back-Up Care, a service that allows parents (or people with elderly parents needing care) to get a replacement carer if their usual childcare arrangements fail. The company says the service, which staff can use up to 15 times a year, is cost-neutral.

The London School of Economics is running a 90-minute course, called Balancing Work and Being a Dad, to empower men to ask for flexible working or restructured roles. “Evidence suggests that if men become carers from an earlier point, they’ll continue being carers, they’ll be more equal partners and it will give women more opportunities to return to work too,” says Burgess. It is a step in the right direction, without a doubt, but holding the baby still seems to be the one job nobody wants to take responsibility for.

Gillian Nissim - Founder, Working Mums

Your organisation started life in 2006. What’s changed since?

A core of businesses have always seen the benefit of the family and flexible working, but the last few years have seen a rise in the rate of discrimination against mothers. If workplaces were so brilliant, Working Mums wouldn’t need to exist.

Do working women suffer more when they become parents?

Not always. But the real problem for working mothers is that they often don’t go back to the same field, which means a lifelong loss of earnings. Many are working, at a loss, just to keep their toe in the door. Mothers should be able to get back to their careers.

We're seeing more men involved with parenting, but more could be working flexibly to alleviate pressure on mums. Government policy to extend paternity leave, and allow couples to divide their total leave, will put things on more of an equal footing, but men are not taking up their paternity entitlement.

Because childcare is still seen as a woman's role?

Maybe. I fear childcare is forcing family life to swing back to being female-led because of changes to child tax credits. We're hearing mothers really question their ability to continue working. It's got to the point where they're having to decide whether it's cheaper for them to stay at home. That will be bad news for families long term, as women will re-enter the workforce doing lower-skilled work.

Despite legislation, there won't be wholesale changes to family dynamics overnight. Families are at loggerheads. In an ideal world it shouldn't be one person staying at home and the other not – it should be more of a conversation. Only when both parents have a choice will the work/family dilemma be solved.

What should employers be doing?

They must focus more on the benefits of a diverse workforce. More work is also needed around job design. Mothers feel they have no way of resuming their roles after having a family. But women won't be able to work and have a family if there aren't more women in the pipeline.

Men need to demand more of a role in family life too, and there's nothing to be ashamed of for them in being a parent. HR shouldn't see flexibility as about gender – it's more about when and where all parents work.

Matt O'Connor - Founder, Fathers4Justice

You're known for your stunts. Has Fathers4Justice grown up?

We did all the stunts because we wanted to change the world, and how can people support you if they haven't heard of you? Today, I class us as an equal parenting group. The real cost of family breakdown is £47 billion, and most MPs don't support joint parenting. Fathers are not seen in the context of parenting.

Is that the case in workplaces?

The workplace definitely lags behind society. Workplaces don't understand that fatherhood is a normal thing. HR needs to be alive to this.

But flexible working is available to all fathers...

Men are sometimes their own worst enemies. They're bad at articulating how they feel, when they should understand they're simply talking about their kids. But government gives sops. Flexible working is a sop. Tax breaks are a sop. I'd be £600 a month better off if I lived separately from my wife. Men can have all the flexible working in the world, but it's no good if they have to work all the hours to pay for childcare.

What role does childcare play?

High childcare costs are forcing men back into the workplace. It's driving families to suffer parents – mostly men – working long hours, often doing low-paid work. It's anti-family, and it's reinforcing old gender stereotypes.

So are you fighting for men's rights or family rights?

Ultimately, we want to see work as a genderless thing, so that parental rights aren't about whether you're male or female. But we're continually fighting anti-father prejudices. Men at the moment are reduced to being cashpoints and sperm banks.

Parental leave: What's next?

The changing legislative landscape explained

Since 2011

A father can take up to 26 weeks' additional parental leave on top of his two weeks' ordinary leave, but it can only be taken 20 or more weeks after the child's birth and after the mother has gone back to work, and in a single block. He must have been on a continuous contract with his employer for at least 26 weeks by the end of the 15th week before the baby is due.

From 2015

Employed mothers (who will still be eligible for 52 weeks' maternity leave) will be able to return to work after two weeks if they want to (four weeks for manual workers). Couples will then be able to share the remaining time between them by either taking it in turns to stay at home or by taking leave together (provided the total does not exceed 52 weeks). They will need to be "open" with their employers and give "proper notice" (expected to be eight weeks).

From 2018

Ordinary paternity leave (two weeks) is scheduled to be reviewed.