

# Daddy Leave

Why Britain needs a father-inclusive parenting leave system

A Fatherhood Institute Working Paper: August 2022

Watch our video explainer here



# About the Fatherhood Institute

The Fatherhood Institute is a research, training and advocacy organisation (UK registered charity no. 1075104) which works to build a society that values, prepares and supports men as involved fathers and caregivers.

# **Time with Dad**

Time with Dad is the name we give our long term strategy to transform fathers' ability to take the time they need to support their children's health, wellbeing, learning and development. We are working to achieve four key changes:

- Maternity and postnatal services that support fathers' close attachment to their babies, and understanding of early child development
- Well-paid parenting leave for dads in their baby's first year to give them substantial and affordable time off work for bonding and caregiving
- Workplaces that recognise and adapt to men's caregiving roles including via flexible and home-based working options wherever possible
- Schools, early years and other family services that engage and support fathers to help their children learn.

We know that to achieve change in all these areas, we need new approaches from the 'top down' and 'bottom up'. With that in mind, as well as lobbying for national-level changes in policy and practice, we want to work with fathers, mothers, employers, trade unions, schools, early years providers and others to explore new ideas, form powerful partnerships and trial practical,, scalable approaches.

Be part of the solution. Join the Time with Dad network here.



# Introduction

The UK's parenting leave system is one of the most gender-unequal in the developed world. Its structure – followed by the vast majority of employers across the country – places responsibility for looking after babies, for the entire first year of their lives, firmly in the hands of mothers. New fathers, meanwhile, are expected to continue working almost as if nothing had happened.

# It's time to change the system.

At the Fatherhood Institute, we think the UK needs a parenting leave system that reflects the needs and aspirations of modern British parents – who want to be fully involved hands-on dads and mums, while also providing financially for their families and each other.

In this working paper we set out ten principles which are known from international research to enhance family well-being and promote gender equality – and drawing on these, we propose a model for what a better system might look like.

At the centre of our approach is an understanding that all leaves are not the same: some exist to enable mothers to recover from the birth, and to support their recovery and breastfeeding; some aim to support fathers and mothers to look after their new baby. We believe these two types of leave should be clearly defined and distinguishable, not left opaque.

We also take the view that leave for fathers should be an individual entitlement, 'owned' by them and not transferable from or to mothers.

And we argue that there should be an emphasis on closing the differential between fathers' and mothers' individual entitlements, while still supporting birthing parents' recovery and infant health, to support progress towards gender equality.

We hope you'll find our ideas interesting and useful, and will share them widely with your friends, family, colleagues, elected representatives, employers, and anyone you know who might be able to influence change in this vital policy arena.

To share your comments and feedback, please email Dr Jeremy Davies at j.davies@fatherhoodinstitute.org.

# Summary of our proposed model

If we're serious about gender equality, we need to give men the time they need to do a great job as involved fathers. That means levelling the playing field for men as caregivers, as well as for women in the world of work. With that in mind, we outline a new approach to leave for parenting.

Our model includes longer well-paid leave for mothers, to help them recover from the birth, build close bonds with their babies and establish breastfeeding. They would receive 12 weeks' maternity leave paid at 90% of their salary – with a 'cap' for high earners<sup>1</sup>. That's six weeks more than under the current UK system<sup>2</sup>.

But to help mothers we need to take fathers' role in the first year more seriously, too. So, we'd give dads two weeks paid paternity leave, as now – but we'd pay this at 90% of salary, to make sure the family can afford for dads to pitch in, helping mum and developing early bonds with their babies in those precious first days. In addition, we would give fathers<sup>3</sup> up to five individual days of 'crisis' leave (paid at National Minimum Wage) to be taken while the mother is on maternity leave<sup>4</sup>. These days would enable fathers to provide additional support to the mother during her maternity leave, if needed.

Crucially, we'd also give fathers a 'daddy month' – a new period of well-paid caregiving leave, just for them<sup>5</sup>. Paid at 90% of salary<sup>6</sup>, this time – to be taken only when the mother was no longer full-time at home – would help fathers build solid attachments with their babies, develop skills as independent, hands-on caregivers, and 'come out' as involved fathers in their workplaces. Dads wouldn't be able to hand this leave over to the mum – if they chose not to take it, it would be an opportunity lost.

Aside from these parent-specific periods of leave, we believe families should have as much choice as possible over who takes time at home, rather than – as in the current system – loading the caregiving responsibility automatically onto mothers.

So, under the system we describe below, in addition to the periods of parent-specific leave outlined above, families would get 40 weeks of parental (caregiving) leave to share between them – 27 weeks of it paid at National Minimum Wage (more than double the current statutory rate – in recognition of the high value we should place on parental caregiving), and the remaining 13 weeks unpaid. This parental leave

<sup>&</sup>lt;sup>1</sup> Pay for all types of leave for parenting – the 'health and safety' leaves (maternity leave, paternity leave and 'crisis' days) and the 'caregiving' leaves (the 'daddy month' and shareable months of parental/caregiving leave) - would be 'capped' for high earners.

<sup>&</sup>lt;sup>2</sup> Where neither parent has been the gestational parent and recovery from birth is not, therefore, at issue, parents should be able to divide this leave as they see fit.

<sup>&</sup>lt;sup>3</sup> Or the mother's cohabiting partner - on the very rare occasions where the birth father – cohabiting or non-cohabiting - is not around.

<sup>&</sup>lt;sup>4</sup> For multiple births, or where an infant is in a neonatal intensive care unit for more than ten days, this entitlement would be doubled.

<sup>&</sup>lt;sup>5</sup> Or, in the very rare cases where the birth father is not around, the mother's partner.

<sup>&</sup>lt;sup>6</sup> As above, with a 'cap' for high earners

would be available to each family, to divide as they wish; it would need to be taken in the first year after the birth.

# The background to this paper

At the moment, there's a HUGE gap between what mothers and fathers are, as individual parents, entitled to take.

The shared parental leave system (mis-named: it is really *transferable maternity leave*) was meant to even things out, by allowing mums to give some of their leave to dads. But hardly any do (take-up is less than 4%<sup>7</sup>): not through lack of interest in sharing, but because even if both parents are eligible (and most aren't), the leave is so poorly paid that families can't afford for dad to take the time off.

The system is broken. We're not the only ones who think so: several major organisations campaigning for a better deal for women, including Fawcett Society, Maternity Action, Pregnant Then Screwed and the Women's Budget Group, agree with us that an overhaul is necessary, as do the Trades Union Congress and the Working Families policy group. Here's a summary of how the current system works:

Who gets what under the current system		
	Mother	Father
Individual right to leave	52 weeks' maternity leave	Two weeks' paternity leave
	13 of these unpaid	
Individual right to pay	Six weeks' maternity leave (two weeks compulsory) and pay, at 90% of salary (uncapped), with Maternity Allowance if not an employee (paid at the statutory rate)	Two weeks' paternity leave at the statutory rate (£156.66 per week or 90% of salary, whichever is lower)
	33 weeks at statutory rate (£156.66 per week or 90% of salary, whichever is lower)	Nothing if not an employee
Transferability	Can transfer max 50 weeks' leave and 37 weeks' pay to father (assuming both are eligible) under SPL provisions	Can receive max 50 weeks' leave and 37 weeks' pay from mother (assuming both are eligible) under SPL provisions

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<sup>&</sup>lt;sup>7</sup> Estimate by Maternity Action <a href="https://maternityaction.org.uk/wp-content/uploads/Shared-Parental-Leave-briefing-May-2021.pdf">https://maternityaction.org.uk/wp-content/uploads/Shared-Parental-Leave-briefing-May-2021.pdf</a>

We believe the model we propose in this briefing would be much fairer, and much clearer, than the current system.

We should say at this point that it's not easy to design a 'bulletproof' parenting leave system when you haven't got the in-house capacity, or budget, to run complex economic models – as would be needed to work out the costs to HM Treasury, and set these against the important economic (and social) gains that would flow from the proposed redesign<sup>8</sup>. The government and opposition parties would need to do this – and we urge them to do so as soon as possible.

So, what we present here is not a fully costed blueprint ready for rubber-stamping by ministers, although we have done some very basic rough calculations to help make the case for change (see pages 11-13). Rather it is a vision for a new way of 'cracking the nut' of supporting mothers and fathers to share the earning and caregiving, improve infant outcomes and reduce gender inequality. We offer our proposals in a spirit of experimentation and provocation, in the hope that they might inspire parents and others to push harder for change – and galvanise more imaginative political action from our elected representatives.

Having said all that, we've resisted the temptation to outline an 'ideal world' system that feels so ambitious as to be utterly unachievable in the UK at this present time. So, we've limited ourselves to thinking about a system covering the baby's first 12 months, rather than extending it to 18 months; and have suggested one month's well-funded 'daddy leave' rather than three months or more, as currently in Scandinavia, for example.

This is not because we don't see the potential benefits of more ambitious (and costly) systems, but because we think the priority should be **to change the fundamental shape of what we offer families** now – itself a big, and no doubt expensive, challenge – and build from there.

It's also important to stress that parenting leave systems don't exist in a vacuum: so even a perfect system would not, on its own, be a 'magic bullet' that gave families free, uncomplicated choices over how to manage their earning and caregiving responsibilities. For example, we know that access to high quality, affordable early education and childcare is key to parents' decision-making and child wellbeing in the first year. But for the purposes of setting out a new vision for what parenting leave should look like, we leave that complex, if closely related, issue to one side for now.

releases/2022/06/takeup-of-equal-parental-leave-at-aviva-remains-high-after-four-years/

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<sup>&</sup>lt;sup>8</sup> An example of possible benefits comes from insurance company, Aviva – which for some years now has been providing well paid leave for parenting for UK mothers and fathers in the first year. It has found mothers returning to work three weeks earlier than previously <a href="https://www.aviva.com/newsroom/

# Our 10 key principles

We have identified 10 key principles that we think should underpin a fairer, father-inclusive parenting leave system. They are:

- 1. Maternity and paternity leave should support the 'health and safety' of the family. Maternity leave should be there to give mothers time to heal and recover from the birth, bond with their new baby and establish breastfeeding with support from the baby's father, relevant professionals and others. Paternity leave is for fathers/other partners to support their baby's mother in all of the above and give them time to bond with the baby themselves, jointly register the baby's birth<sup>9</sup>, and start to establish new routines.
- 2. After maternity and paternity leave, the rest of the parenting leave and pay available to the family should be framed as parental (caregiving) leave. This is to give parents time to look after the baby: something that can/ should be done by either parent.
- 3. Exclusive breastfeeding for the first six months is recommended by public health specialists.. So, even though, under our current, mother-focused system, exclusive breastfeeding in the UK at infant age six months is only 1%<sup>10</sup>, leave policy should be designed as much as possible with exclusive breastfeeding to six months in mind<sup>11</sup>.
- 4. To incentivise fathers to take parental leave, they should have their own, non-transferable leave quota to be taken within the baby's first year, and which is lost to the family if they don't take it (often described as 'use-it-or-lose-it' or 'individual entitlement' leave).
- 5. A substantial differential between leave available to mothers and fathers tends to shore up the gender-unequal status quo, so the system should be designed to minimise this as much as possible, while still protecting maternal and infant health.
- 6. To help reduce workplace discrimination, we want employers to see it as equally valid and equally *likely* for ALL employees, regardless of gender, to take substantial time off work when they have babies.
- 7. Parents need a degree of flexibility, but employers need a level of certainty, about new parents' absences from the workplace. So, the system should be easy for bosses, HR departments and line managers to understand,

<sup>&</sup>lt;sup>9</sup> If unmarried, when both parents need to register the birth in person

<sup>&</sup>lt;sup>10</sup> Exclusive breastfeeding at six months (as recommended by the World Health Organization) remained at around 1% in 2010. The rate of any breastfeeding at six weeks was 55% (rising from 48% in 2005), while at six months it was 34% (rising from 25% in 2005). <a href="https://www.unicef.org.uk/babyfriendly/about/breastfeeding-in-the-uk/">https://www.unicef.org.uk/babyfriendly/about/breastfeeding-in-the-uk/</a>

<sup>&</sup>lt;sup>11</sup> We also need more action to enable flexible working by breastfeeding mums, and facilities to enable them to express milk while they're at work.

administer and promote to women and men in their workforce.

- 8. Parenting leave and pay should be available to all parents, not just those who are employees and with as minimal a qualifying period as possible. Fathers and mothers who are self-employed or work in the 'gig economy' should also be eligible for support.
- 9. Our aim should be, not to reduce the overall amount of leave and pay available to mothers in the baby's first year, but at the same time to fund more time off for fathers while also minimising additional costs to the state. Placing a 'cap' on maternity pay for high earners might help contribute to this goal.
- 10. Maternity, paternity and parental leave should be reimbursed by the state at a level that makes it affordable for both mothers and fathers to take and, as an absolute minimum, acknowledges the importance to society of having both parents provide good quality hands-on care during their babies' first year<sup>12</sup>. Reimbursement at National Minimum Wage level for some periods of leave rather than the current statutory rate may help towards achieving this; and the ambition to improve pay over time should be articulated.

 $<sup>^{12}</sup>$  Under the current system, fathers have no individual entitlement to well-paid leave, positioning the UK at the bottom of the international parenting leave league table

https://www.leavenetwork.org/fileadmin/user\_upload/k\_leavenetwork/annual\_reviews/2021/Well-paid.pdf

# How a better model might work

Who would get what under our proposed new model			
NB: All parenting leave pay would be capped for higher earners	Mother-specific	Father-specific	Available to either parent
Health and safety leave	Twelve weeks' maternity leave paid at 90% of salary	Two weeks' paternity leave paid at 90% of salary - plus up to five individual days of 'crisis' leave paid at National Minimum Wage, to be taken during the mother's maternity leave	
Caregiving leave: non- transferable		A 'daddy month': four weeks' parental leave paid at 90% of salary	
Caregiving leave: for the parents to divide as they see fit			40 weeks' parental leave: 27 weeks paid at National Minimum Wage and 13 weeks unpaid
Overall maximum available	Twelve weeks paid at 90% of salary, plus a maximum of 40 weeks' parental leave (27 weeks paid at National Minimum Wage, and 13 weeks unpaid)	Six weeks paid at 90% of salary, plus up to five 'crisis days' (paid at National Minimum Wage) and a maximum of 40 weeks' parental leave (27 weeks paid at National Minimum Wage, and 13 weeks unpaid)	

# The benefits of our proposed model

# For families

- Families would be eligible to 60 weeks' leave (+ five days' 'crisis' leave) in total: 12 weeks reserved for mothers only, six weeks reserved for fathers/second parents only, and the remaining 40 weeks usable by either.
- In the early weeks after the birth, families would have access to a total of 14 weeks of 'health and safety' leave (12 weeks' maternity leave for mothers, two weeks' paternity leave for fathers) paid at 90% of salary (capped for high earners). Dads/second parents would also be able to take up to five 'crisis days' while mum is on maternity leave
- Later, dads would get four weeks of dad-only 'caregiving' (parental) leave paid at 90% of salary.
- The remaining two-thirds of leave (40 weeks, with 27 weeks paid at National Minimum Wage level, and 13 weeks unpaid) could be taken by either parent.

# For mothers

Mothers would receive 90% of salary (capped for higher earners) for 12 weeks' maternity leave – double what they now get.

They would also be able to take up to 40 weeks' caregiving leave, more than twothirds of them (27 weeks) paid at the National Minimum Wage rate, and the remaining 13 weeks (as now) unpaid. These 40 weeks could all be taken by one parent, or shared between the couple.

### For fathers

Fathers would continue to receive two weeks' paternity leave, but it would now be paid at 90% of salary (capped for higher earners) – plus a further five days' 'crisis' leave, paid at National Minimum Wage rate, to be taken during the mother's period of maternity leave.

They would also get a 'daddy month': four weeks' non-transferable parental (caregiving) leave: theirs alone, and lost to the family if they didn't take it. This leave would be paid at a high salary replacement level (90% of salary, with a cap).

Like mothers, they would also have the chance to take up to 40 weeks' caregiving leave, more than two-thirds of them (27 weeks) paid at the National Minimum Wage rate, and the remaining 13 weeks (as now) unpaid. These 40 weeks could all be taken by one parent, or shared between the couple.

# **Costing our model**

We are not economists. Indeed, such is the lack of support for father-inclusive policy research, we don't even have funding to cover the time we've spent producing this report – let alone the costs of paying a member of staff dedicated to crunching the numbers and lobbying on such issues. So what we present below are unapologetically simplistic, 'back of a fag packet' figures. The people whose job it is to create policy<sup>13</sup> would need to unpick and refine these, using more accurate figures and modelling of current and future take-up of the various elements we describe.

We've kept things simple by making the assumption (which is clearly false) of 100% eligibility, full-time working and take-up by all mothers and fathers. So the figures you see here are certainly overestimates<sup>14</sup>. We've presented the figures in this way to give a sense of the worst-case (or best-case, depending on your viewpoint!) spending on mothers and fathers, under both the current and proposed systems; the gendered relativities of those costs – and the comparative costs of each system.

Current system	Who gets what	How much it could cost
Mothers	Six weeks' maternity leave at 90% of salary  Assuming average female full-time wage £558 per week; 90% of this is £502. Multiply by six = £3,012 per mother	Assuming one average- earning, full-time working mother for every live birth (613,936 in England & Wales, 2020 <sup>15</sup> ), the cost would be £1.85bn.
	33 weeks' statutory pay at £156.66 per week  33 x £156.66 = £5,170 per mother	Assuming one eligible mother for every birth, the cost would be £3.17bn.
Fathers	Two weeks' statutory paternity pay at £156.66 per week  2 x £156.66 = £313.32 per father	Assuming one eligible father for every birth, the cost would be £0.19bn.
Total	£8,495.32 per family % spent on 'mother- owned' leave: 96% % spent on 'father- owned' leave: 4%	£5.21bn

<sup>&</sup>lt;sup>13</sup> The UK government; Her Majesty's Opposition and other political parties.

<sup>&</sup>lt;sup>14</sup> According to Maternity Action, 404,000 women took maternity leave in 2020/21. Using those figures would have brought the estimated cost of the current maternity leave system down to £3.31bn (63% of our estimated total). Latest figures suggest that only a third of fathers take paternity leave.

<sup>&</sup>lt;sup>15</sup> We have used this figure throughout the 'How much it could cost' column, assuming that every one of these newly born children has an eligible mother and father taking the full amount of leave and pay. This is, of course, not the case, but helps make our deliberately simplistic calculation possible.

Proposed model	Who gets what	How much it could cost
Mothers	12 weeks' maternity leave at 90% of salary  Assuming average female full-time wage £558 per week; 90% of this is £502. Multiply by 12 = £6,024 per mother	Assuming one average- earning, full-time working mother for every live birth <sup>16</sup> , the cost would be £3.7bn.
Fathers	Six weeks' paid leave (2 weeks' paternity plus 4 weeks' parental at 90% of salary)  Assuming average male full-time wage £652; 90% of this is £587. Multiply by 6 = £3,522 per father	Assuming one average- earning, full-time working mother for every live birth, the cost would be £2.16bn.
	Up to five days' 'crisis leave' paid at minimum wage.  Assuming £9.50 per hour x 35 hours = £332.50 maximum per father	Assuming all fathers used the maximum, the cost would be £0.2bn.
Either parent	27 weeks' parental leave paid at minimum wage  Assuming £9.50 per hour for a 35-hour week = £332.50 per week. Multiply by 27 = £8,976 per family	Assuming family uses full entitlement, the cost would be £5.5bn.
Total	£18,854.50 per family  % spent on 'mother- owned' leave 37% % spent on 'father- owned' leave: 24% % spent on leave either parent could take: 39%	£11.6bn

To put these estimates, flawed as they are, into perspective – in 2020/21 the UK Government spent £220bn on health, £96bn on education and £44bn on defence<sup>17</sup>. It spent £29.5bn on the NHS Test & Trace scheme during the pandemic<sup>18</sup>, and wrote off £9bn on unused PPE<sup>19</sup>.

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<sup>&</sup>lt;sup>16</sup> Figure as above, see Current system>Mothers>How much it could cost column, and footnote 13.

<sup>&</sup>lt;sup>17</sup> https://www.gov.uk/government/statistics/public-spending-statistics-release-february-2022/public-spending-statistics-february-2022

<sup>18</sup> https://fullfact.org/health/test-and-trace-37-billion/

 $<sup>\</sup>frac{19}{\text{https://www.theguardian.com/politics/2022/feb/01/department-of-health-writes-off-9bn-spent-in-uk-covid-ppe-drive}$ 

It's also worth noting that the costs of a more expensive parenting leave system would likely be offset by economic and social gains arising from its impacts, such as:

- More mothers able to re-enter employment sooner, and experiencing a reduced 'motherhood penalty'<sup>20</sup> in their career earnings – bringing a boost to overall employment and economic growth<sup>21</sup>
- A reduced gender pay gap. A Swedish study found that women whose husbands took a month's parental leave saw their earnings rise by 7%, for example<sup>22</sup>
- More fathers becoming expert caregivers, enabling them to better share the unpaid childcare work which currently falls mostly to mothers
- Improved maternal and paternal mental health and wellbeing, which may be negatively affected by stress and relationship conflict arising from gendered parental roles and expectations
- Reduced parental conflict and separation, with resulting savings to the economy<sup>23</sup>.
- More babies benefiting from strong attachments with two parents, setting them up for a wide range of improved lifetime outcomes (e.g. doing better at school, having higher self-esteem, forming better relationships within and beyond the family, and being less likely to indulge in risky behaviours)
- Less sex-based discrimination in the workplace, since employers would know
  that a high proportion of men as well as women are likely to take a substantial
  period of time away from work in their babies' first year.

The financial effects of such impacts could be estimated by policy experts when considering the relative merits of different models – and we would be very happy to collaborate with any academic and other partners to help achieve this.

# Tell us what you think

The model we describe here is not the only possible approach. Other organisations have proposed different solutions to the current vacuum of policy on parenting leave reform. Follow the links below to read their proposals:

Maternity Action
Fabian Society/ Centre for Social Justice
Trades Union Congress
Pregnant Then Screwed

# Please share your ideas and feedback. Email Dr Jeremy Davies at <u>i.davies@fatherhoodinstitute.org.</u>

<sup>&</sup>lt;sup>20</sup> https://www.vox.com/2018/2/19/17018380/gender-wage-gap-childcare-penalty

<sup>&</sup>lt;sup>21</sup> In the EU it has been estimated that closing the gender activity rate gap (the percentage of people in or looking for jobs) could raise GDP by as much as 5% by 2050 <a href="https://eige.europa.eu/gender-mainstreaming/policy-areas/economic-and-financial-affairs/economic-benefits-gender-equality/activity-pay">https://eige.europa.eu/gender-mainstreaming/policy-areas/economic-and-financial-affairs/economic-benefits-gender-equality/activity-pay</a>
<a href="https://www.econstor.eu/handle/10419/45782">https://www.econstor.eu/handle/10419/45782</a>

<sup>&</sup>lt;sup>23</sup> The annual cost of family breakdown to the UK economy has been estimated at £48bn <a href="https://www.familylaw.co.uk/news">https://www.familylaw.co.uk/news</a> and comment/family-mediation-can-help-address-the-annual-multi-billion-taxpayer-cost-of-family-breakdown