National Investment for the Early Years

NIFTeY NSW

Submission to the Productivity Commission on paid parental leave

May 2008

NIFTeY NSW would like to present the case for not 12 or 26 but **at least 52** weeks' paid parental leave, on the basis of meeting the needs of the child.

In doing so we want to address two aspects of the Terms of Reference for the Productivity Commission:

The Commission has been asked to:
Identify the economic, productivity and social costs and benefits of providing paid maternity, paternity and parental leave.

Second, the fundamental basis for those benefits flow from:
The development of young children, including the particular development needs of newborns in their first 2 years.

Professor James Heckman, Nobel prize winning economist, estimates that *by far the most profitable societal interventions on behalf of children are those that occur earliest in their lives*:

Heckman's evaluation makes it clear that later remediation is many times more costly than the provision of support for proper early development. [An ounce of prevention is literally worth a pound of cure.]

Because of the dynamics of human skill formation, the abilities and motivations that children bring to school play a far greater role in promoting performance in school than do the traditional inputs [remediation, reduced class sizes, etc.] that receive so much attention in public policy debates.
(Heckman 2006)

The primary reason for this lies in the crucial developmental tasks that characterise the earliest years and the large benefits attendant upon their being adequately met. This makes developmental support a moral as well as a prudential obligation.

The drivers of earliest development are stable, secure attachment to a few adult carers, especially the mother, and the constant careful, loving attention of those significant care givers to the child's needs in its first explorations of the world. Thus in general the best way to insure that earliest developmental needs are met is to support parents in meeting them.

The benefits that such developmental support generates, and the correlative costs of not providing it, are broadly summarised in the following table.

Benefits of paid parental leave versus costs of not providing paid parental leave

	Benefits of paid parental leave	Costs of not providing paid parental leave
Health needs	Babies are breastfed for at least 12 months, exclusively for about 6 months. Babies establish their immune systems and are set upon a path of sound nutrition by parents who have time to access and apply sound nutritional information. Babies become healthy adults who enjoy a preventive advantage, and are unlikely to suffer chronic illness.	Babies may have a restricted amount of breastfeeding. Babies fail to receive the full immune system benefits that their mothers can provide and may acquire nutritional habits biased toward convenience foods from parents who are too busy to hear or accommodate sound nutritional advice. Some babies become adults with impaired health due to being overweight, sedentary, having precursor conditions to many debilitating illnesses. The costs of maintaining health in later life are enormous as well as uncomfortable for the sufferer.
Emotional needs	Babies thrive emotionally in a secure attachment with their significant care givers. From a basis of security they can reach out to explore the world, and develop cognitively and socially within a positive orientation.	Where lack of time and closeness with the primary caregiver effects babies, the consequences can affect mental health, ability to form relationships, diminished resilience in all areas (study, work, relationships). Risk factors (smoking, alcohol and drug abuse), the potential for delinquency and crime rates are all raised. The costs of remediation are huge and increase with age, and the effect never as good as prevention.
Cognitive needs	Learning begets learning with a multiplier effect. The relationship and the quality of the interactions between baby and significant care givers provide the basis for all future learning. Language development is of special importance, underlying as it does not only all cognitive learning and literacy, but social relationships, productivity and economic success as well.	Where parents have not been able to provide adequate cognitive engagement with their babies (often because of time and lack of access to situations from which they can learn), the babies grow into school-age children at least a year or two behind their peers in cognitive and language development. Evidence from neuroscientific research increasingly supports the need for adequate stimulation of the young child and that requires prolonged, attentive and caring interaction with the young child. The costs of trying to overcome disadvantage in children's learning are very large, increase with age, and almost never allow the child to 'catch up'.
Social needs	Parents with paid parental leave are available to learn from peers and professionals how best to interact with their babies. From this base parents can provide a positive framework for their babies to interact with others. From a secure emotional and developing cognitive base, babies will learn responsiveness, sharing fun, sharing things, taking turns, self-regulation of emotions, and resilience with other people.	Without parents with time to learn and to practise sound skills in helping babies in their social development, babies have difficulty in managing their aggression, developing gentle and responsive interactions with others, and learning the language of social interaction. Because these skills are so pervasive, babies need parents who can apply them in all the situations life provides. Anti-social behaviour can lead to ostracism, being bullied and bullying, anger, violent behaviour. Juvenile justice and crime are possible consequences. The costs are very large in terms of providing interventions, they increase with age, and their effectiveness is never as complete as prevention of such patterns of behaviour.

In what follows these claims are elaborated and explained.

The health needs of babies

The total health needs of babies are wide-ranging and include such matters as safety in the home, prevention of SIDS, vaccinations, sleep habits and so on. Babies need primary carers who are able to focus primarily on their baby's needs. Paid parental leave will support time available to the primary carer to provide these things. Some specific areas where parental leave is necessary follow.

Babies' need for breastfeeding

Babies need, if it is possible for their mothers, to be breastfed. The current (World Health Organisation) recommendation is that babies should be exclusively breastfed for the first six months. Breastfeeding confers maternal immunity, is associated with lower obesity rates, and is thought to provide protection against allergies when the introduction of solid food is delayed.

However this is a minimum and breastfeeding is best continued until the baby is at least 12 months old. While it is possible for working mothers to continue breastfeeding by expressing milk, it is not easy to do this, and working outside of the home mitigates against it. Australia should have policies and practices that encourage, not discourage, breastfeeding.

Babies' need for sound nutrition underlying the choices of food offered them as babies and children

We know that obesity can be avoided if people have sound nutritional habits; we know that many other later diseases are linked to early food choices and exercise (see for example ABC Radio National [2008] and Choice Health Reader [2008]); we know that most parents do not have extensive nutritional knowledge (see for example Choice magazine May 2008).

The time to support families with information is always at point of need. The point of need is when the baby is about to start solid food. Babies need parents who have time to both access nutrition information and to act on it. For many families, there is never a time when parents are more highly motivated to act on nutrition information. Often people mistakenly think that just providing information is enough; but even doctors as a group don't reliably act on evidence-based best practice. Nutrition information needs to be sound (not based on advertising), delivered in a way likely to receive attention and acceptance. We know that providing leaflets on nutrition, or giving talks on it, are in themselves of limited efficacy. Parents need access to nutrition information in a comfortable setting, and time to learn it and to adjust to what they learn. It is not realistic to expect parents who are juggling returning to work, managing a household and caring for the very time-intensive needs of a 6-month old baby to have the time and energy to research good nutrition and as well the motivation to change their own eating habits where they see that as desirable. They are more likely to grab what they already know from the supermarket shelves, and to use foods more on the basis of convenience than nutrition. That results in good nutrition becoming a luxury instead of a priority.

The emotional needs of babies

Babies need sound emotional attachment with their mother/parents/carer

Attachment is also central to babies' healthy development and not a luxury. We know from studies of Romanian orphans, as well as from neglected children in our own society, the damaging effects of lack of secure attachment on the developing child. The older the orphans were when adopted the less chance they had of growing up as emotionally and socially healthy people.

Attentive, sensitive and prompt responses to babies' signals help children develop a sense of security which facilitates their exploration of the world. Manne (2005) draws on a range of research to illustrate that the development of this loving bond between mother and child is a product of time, as mothers (and indeed other key adults in children's lives) become familiar with and adjust to the rhythms and nuances of their children's lives. Maternity leave is thus central to any platform of policies designed to support children's development. (What About the Kids, p. 15)

the research arising out of the NICHD raises concerns that long hours of infant care (more than 10 hours) can be disruptive to mother-child attachment and raises concerns that early entry into child care is linked to children externalizing problems (NICHD 2002) (What About the Kids, p. 10)

Secure attachment is not necessarily innate, and rates of insecure attachment are higher in some parents (mothers of lower socioeconomic status and mothers with post-partum depression for instance). All babies need lots of time with their primary caregiver. Parents need access to support, time to access support, and a non-stigmatising environment in which to do so.

In other research undertaken by the Australian Childhood Foundation 78% of parents surveyed wanted information on how to foster positive relationships with children (Tucci et al, 2005) What About the Kids, p. 12

The cognitive needs of babies

Babies need parents who will understand and encourage their developing exploration and understanding of the world

Babies are amazing learners. Very new babies will attend visually to sharp-edged black and white patterns, if parents know to provide them. Babies respond sensitively to being talked to, and will develop language more readily if this happens. Babies are even able to distinguish by the age of four months when their parents are speaking a different language (Science Daily 2007). Touch, taste and smell are other pathways for the earliest learning, beginning with the touch, smell and taste of milk with breastfeeding. Babies need parents who understand how they can provide conditions for complete acceptance, nurturing, relaxed, baby-centred learning from the baby's first days. In the second six months the effects of the earliest learnings become much more obvious. Babies need parents who are very aware of their total environment and can engage and respond to their babies' efforts to relate, to vocalize, to check in for security and then go to explore their expanding world.

As James Heckman says, *Learning begets learning. The earlier the seed is planted and watered, the faster and larger it grows.* He also points out that *There is substantial evidence of critical or sensitive periods in the lives of young children* and *Environments that do not stimulate the young and fail to cultivate both cognitive and socio-emotional skills, place children at an early disadvantage.* (Heckman 2006)

Heckman also says; "Invest in the ***very*** young" (our emphasis). If we look at the Heckman graph (p. 62) we notice that the rate of return on investment is something like **halved by school entry**

Parents are by far the most important influence on their children's lives, particularly their learning. It is wasteful not to use our resources to invest in supporting parenting so that children can develop optimally. Parents need the time in their children's earliest years to learn how to support their children's learning, founded as it is on experiences in the home. Good parenting is beyond price, and babies need lots of their parents' time both in interaction with them and in benefiting from their parents' growing skills in parenting.

When we talk of cognitive skills, there is ready agreement about their importance. What is less well understood is the equal importance of positive emotional attitudes to the world that support them and correlative socio-emotional skills. In the second six months, babies find themselves in situations where these skills are challenged.

Babies' mobility and exploration including the exploration of limits

In the second six months of life, babies need parents who understand their need for mobility and will provide a safe and encouraging environment for rolling over, pulling up, crawling, climbing and walking. Babies can get themselves into situations that call for restraining response from parents; they need parents who will share with them the joy of exploration, let them know their efforts are wonderful, and start to insist gently that there are things they can't do because they are harmful – like falling down the stairs. If babies don't have this firm, gentle and encouraging behaviour from parents, they may form fearful or aggressive responses to the world and/or begin a negative relationship with parents based on conflict, lack of understanding and unrealistically high expectations of how much babies can control their behaviour.

*Findings also indicate that patterns of mother-child interaction from six to 36 months can be less harmonious when children spend more rather than less time in any kind of childcare – irrespective or quality; or when exposed to poorer care (NICHD, 1999). (*What About the Kids 2006*)*

Babies need parents who have a wide and deep understanding of child development, again gathered at point of need, as babies are growing and learning. Mothers and significant other adult carers need access to conditions in which such knowledge and understanding can be supported by professional early childhood workers: conditions like time (above all) and access to environments in which the parent feels confident, happy, secure and comfortable. Such environments include supported mothers' groups, playgroups and early childhood workers in local environments. Neighbourhood-based early child development and parenting centres (which could be the core of the 'big idea' proposed by the Prime Minister before the Vision 2020 summit in April 2008: Parent and Child Centres that would be One Stop Shops) would be one way to provide such parenting support. In fact NIFTeY is working on developing this idea in order to support parenting.

Joan Gilbert from Café Enfield in Adelaide uses the enlightening example of the parent who scolds the baby for pulling tissues out of the box. While it is provoking to have tissues wasted by being strewn around the room, an entirely more positive interaction with the mother will occur if the baby's behaviour is seen as exploratory rather than naughty, and an alternative response (removing the tissue box and substituting another item to explore) offered. When and where are parents going to learn such wisdom? It isn't innate, but needs to be learned.

Babies' language development

Babies develop language as their mother (or father) speaks to, plays with, laughs with, reads books with, sings songs with, vocalises with them. They need parents who understand the crucial role of verbal interaction with their very young babies. Some parents will need to learn from watching other parents or early child development professionals modeling how this interaction occurs; some will need coaching in developing their own skills.

Increased understanding of language develops after the first six months as babies respond to their names and exchange vocal interactions with significant people in their lives. Babies need their parents to give them lots of time for language interaction, and time to develop parental knowledge and practice around language interaction, reading to and singing to babies. Paid parental leave gives parents the time to do this, and to learn, for the benefit of their baby.

Later on, when as children these babies enter kindergarten, their ability to become literate is very dependent on how many words they heard at home and in their environment; on their awareness of the sounds of language (phonemic awareness is a foundational skill of learning to decode our writing); their comprehension is totally linked to their vocabulary, knowledge of the world at large and children's books in particular (one of the best predictors of later reading is how often a child is held and read to as an infant [Wolf, 2008]); and on millions of linguistic interactions with significant adults. There is a huge discrepancy in language skills between children as they enter school (a gap of 32 million words separates the children from linguistically rich and linguistically impoverished homes [Hart and Risely, 1995]) and a huge discrepancy between their chances of success in school as a result. There is no easy or even effective 'fix' for this differential in skill as children enter school. Evidence suggests that those who are behind at age 5 remain behind, and increasingly so, over the school years.

Preschool at 4 years is also rather too late. The real foundations are set during the first year in the interaction between the primary caregivers and the child. Babies need parents who have time to do this, and to do their own very significant learning about the learning babies need to do.

There is no cheap alternative to interaction with the significant people in very young children's lives. The claims of DVD programs touted to increase babies' vocabulary and knowledge have been shown to be without foundation by empirical research which concluded that children who were not exposed to these DVDs had twice the vocabulary of those who were exposed. Language is actually a hugely complex fusion of intention, attitude, action, perception and context and human beings learn language in an environment of interaction with real people in real situations, not in a distanced technological environment (ABC Radio National March 2008).

Non-cognitive learning needs of babies

Babies need parents who recognize and respect their persistence

It's astonishing how dedicated babies are to learning, if they have not been made fearful of it, or suffered severe neglect. Once they feel the need to work on something (rolling over, crawling) it's very hard to stop them. No need to tell them to practice, to rehearse, to do that again, as one might with kids in school. They just want to try and try and try. Parents and care givers need to know the importance of patience: to stay with the baby as she practises crawling up a slope then down a slope, until she knows she can do it. Tumbling over a step and falling over stops a baby only temporarily: if given a cuddle and encouragement, she gets up and has another go.

This persistence is essential to all learning and to overcoming temporary setbacks in all walks of life. How urgent it is for babies' parents to recognize the value of their child's persistence, and to give it explicit recognition. Heckman (2006) emphasizes that socio-emotional skills are also important for success in life. Cognitive ability is important, but so are qualities like persistence, ability to weather set-backs and continue to overcome difficulties.

Social learning needs of babies

In the first year of life, and especially in its second half, babies begin to interact with others. It's an intake-of-breath moment for a parent when their sweet child grabs the toy another child is playing with. What should the parent do? The reaction of the parent is very important for the child. Will the child just experience condemnation, or will the child be gently taught the beginnings of sharing and respect? This is the point of need learning for parents: how to guide the interaction between their baby and other children to build the foundations of respect and empathy, how to share, how to cope with frustrations, to develop persistence and resilience, how to learn self-control. These skills feed into interacting socially at large, and even influence scores on achievement tests.

Again, the provision of paid parental leave will materially assist the parent's opportunities to be with their child in these initial social situations, to interact with and learn from other parents, their peers, and from early childhood professionals working with a playgroup or other setting.

Maternity, parental, paternity leave: which?

We would argue for **at least 52 weeks'** paid parental leave, with an initial period of specifically maternity leave for establishing breastfeeding with the newborn baby, and at least two weeks of paid paternity leave also to be taken from birth.

Paid paternity leave will support the father bonding with the child, adjusting to the new family of three and helping out with coping with house and baby, particularly if there are other children. Babies benefit from close attachment to father independently of the baby's attachment to the mother (Fletcher 2008).Fathers can offer important support to mothers with post natal depression, and will do so all the more effectively for having a secure bond with the baby that starts from birth (Fletcher 2008). Men also often need assistance in understanding their own transition from central figure in a family to support role for a baby who is now the central figure, the feelings this can generate, and the constructive things they can do to acquire a new rewarding family role. Successful management of this transition can substantially benefit the family and specifically the baby's sense of security and father relationship. Again, some paternity leave can provide the time and learning opportunities for this, especially through local neighbourhood-based early child development and parenting centres.

Families differ in their needs. In some families it is the woman who has the permanent job and the career path or it may be the father who has a particular affinity for the baby. In these families there will be more economic advantage and possibly personal reward, and/or better parenting, if the mother returns to work. In an increasing number of families, the father more strongly desires the role of basic carer of the young child.

Some businesses, notably St George bank, are offering unpaid leave and flexible salary arrangements for **grandparent leave**, recognising both the strong desire many grandparents have to contribute to their grandchild's nurturing and the important role grandparents can perform as support for parents who return to work part time or full time. The support is more than financial; grandparents become significant attachment figures for the baby as well as part of the parents' support networks.

We would like to re-state that **at least** 12 months' paid parental leave is desirable.

Beyond paid parental leave

Family-friendly work practices

Family-friendly workplaces allow all employees to remain competitive in the workplace even if they have children (MacDonald, 2005). They enable employees to better balance the expectations of the workplace with their commitments to family. Although essential for both parents, family friendly work conditions have the potential benefit of encouraging closer relationships between fathers and their children. This is an important goal at a time when fathers maintain the same work hours, rather than reduce them, upon the birth of a child (Craig, 2005). What About the Kids, p. 15

When the primary carer returns to work, there need to be options that continue to support the child-parent relationship. Family-friendly work practices include:

- converting some of the full-time paid parental leave to part-time leave so that the period of leave can be extended
- part-time work to allow parents to continue personal care for their children until they reach school age
- paid parental leave for family responsibilities, including for sick children
- reliable and predictable work hours
- provisions that do not penalise the career path of the carer taking leave.

Principles to apply to how paid parental leave is funded

The first principle is that the primary objective should be support for the needs of babies, determined by sound evidence, rather than opinion or lobby groups.

The second principle is equity: the needs of babies of unemployed, student, part-time and casual workers are the same, and should be valued the same, as the needs of babies of full-time and professional workers. In terms of long-term gains to our society as a whole, the babies from disadvantaged households need additional supports.

Paid parental leave will bring problems for many employers - in particular industries with a high female workforce (for example the early childhood workforce) will face particular difficulties, as will sectors like retail and hospitality that have relied on casual, part-time and flexible workers, often female – and these industries should be provided appropriate support consistent with the previous principles.

NIFTeY NSW defends and supports the right of parents to dedicated time to care for their own babies, without prejudice.

Conclusion

NIFTeY NSW has focused on the needs of the baby to argue the case for at least 12 months' paid parental leave, having in mind the particular development needs of newborns in their first 2 years.

In relation to the first task of the Productivity Commission, Identify the economic, productivity and social costs and benefits of providing paid maternity, paternity and parental leave, we have argued the health, cognitive and social benefits for the baby. Implicit in our case are the economic, productivity and social costs and benefits of 12 months' paid parental leave.

We have also pointed out in the summary table the potential costs of not providing paid parental leave.

We put the case that ultimately the benefits flow from the support of parenting.
As Professor Fiona Stanley says, we undervalue parenting.

Her statement is supported by a longitudinal study in the US for the National Institutes of Child Health and Human Development that has followed over 1000 children born in 1991. A recent report (see an article by Adele Horin *Family still first for the child-care set*, in the Sydney Morning Herald 10/07/2006) summarized findings from NICHD comparing the effects of good day care and not so good day care with the effect of the home. The study's findings are that home effects dominate; in particular the following factors could be identified within the study design:

- family income
- mother's education
- mother's mental well-being
- mother's sensitivity to the child

Heckman says
*Early family environments are major predictors of both cognitive and socioeconomic abilities. (*This is*) A major source of concern because family environments in the US and many other countries in the world have deteriorated in the past 40 years (2006, p. 66)*.

We can **invest now** for the benefits of paid parental leave.
Or we can **pay later** for the costs of not providing it.

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