



National Investment for the Early Years

NIFTeY NSW

**Response to the
Productivity Commission
Draft Inquiry Report
on Paid Parental Leave**

November 2008

Appreciation

We value these things

- the clear focus on the three central concerns of the paid parental leave recommendations:
 - the health and wellbeing of the mother and the baby
 - workforce attachment
 - gender equity/work-family balance issues
- the thorough assessment of evidence presented, particularly in Chapter 4 *Child and maternal welfare*; we know that the Commissioners listened to us
- the efforts made to balance child and maternal welfare with workplace issues
- this additional round of consultation, with opportunity to respond to the draft report.

Of course we have ongoing concerns

The period of leave proposed is much too short

In the strongest terms we argued for 12 if not 24 months' paid leave; the need for this time is acknowledged by the new Commonwealth entitlement to 2 years' unpaid parental leave. If 12 months is not to be even countenanced at this time, then the very minimum should be 6 months (26 weeks), with the option of part-time employment to follow and the use of other forms of leave to extend time with the baby beyond 6 months.

We acknowledge

that the choice of 18 weeks is better than 12 weeks, and
that lower cost to government seems politically attractive, and
that it is possible by using up other entitlements like annual leave, long service leave to stretch the 18 weeks to 26 weeks.

But why make it hard for parents?

The Report agrees that the evidence is compelling that six months' exclusive parental care fosters improved developmental outcomes, and that this may apply (evidence so far available was found to be inconclusive) for infants up to 12 months. The very parents the scheme is concerned to benefit by reducing income pressure, are the least likely to be able to do that stretching of resources. Offering less than 6 months while acknowledging the compelling evidence for the need for 6 months seems both contradictory and unethical, as well as poor economic sense if we know that not providing sound conditions for the baby's development means paying more later to try to make up for what was lost in health, secure emotional attachment, intellectual and social development.

In terms of future productivity, it's hard to think of a more effective investment than providing conditions for a sound start to life. The cost of the proposed scheme to government is \$452m; if we added 8 x \$70m for the additional weeks to 26, the total cost (\$1,012m) is still a relatively modest investment

compared with, for example, government spending (\$4,373m) on what could reasonably be argued is a much less effective investment: private schools.

Present economic circumstances are indeed challenging for the government. However there is no suggestion today of removing employee entitlements like sick pay and holidays. Our society has waited a long time for this leave. Perhaps we should use the term *paid baby leave* instead of paid parental leave, since its first purpose is the well-being of the baby.

Relationship of this universal scheme to employer-funded schemes presently in place.

There are questions that need to be answered:

- Will the present benefits of employer-funded schemes diminish?
- Can steps be taken to ensure there is no disadvantage to women presently in employer-funded schemes?
- The really desirable situation would be for employed mothers at the birth of a child to use both schemes flexibly with the aim of extending time with the child. We argue for the opposite of your current suggestion (page xxv); we would prefer that people first take up the proposed scheme, then extend the time with any employer-funded scheme, other available leave and part-time work.

Expand the status of 'employed'

to include people in CDEP programs, people on cadetships and traineeships where reasonable judgment would regard the person as working and having a serious intention to remain in the labour force.

Specific paternity leave

We are delighted to support enshrining this leave and making it non-transferable. We suggest that now, or at an early review, it be increased to 4 weeks.

Scheme not to disadvantage gender equity in the home and in the workplace.

Other groups will argue more cogently than we for being careful not to return women to a position of imputed lesser status within their relationships within the home, or of not being able to pursue careers, or of earning significantly less in their working life and negatively impacting on their retirement incomes. NIFTeY NSW supports the Commission in thinking through these potential impacts of its proposals.

Process for evaluation and improvement over time.

NIFTeY NSW argues for building into the paid parental leave proposal a well-designed method of collecting data on its effectiveness, including participation rates at different economic levels of society; effect on breastfeeding rates; in

families, their sense of self-worth, confidence and community-connectedness; participation of fathers; gender equity issues. On the basis of the ongoing research the scheme can be changed to extend the period of paid parental leave and specific paternity leave, and to change the amount paid to the primary carer to reflect their economic ability to care for the needs of the baby.

Need for a wider, whole-of-government framework

Throughout this response, our approach has been to address paid parental leave from the perspective of the care, attachment and optimal development of the baby. From this perspective there is a wider framework of early child development that needs to be made explicit. This framework would capture a universal developmental and preventive focus on supporting families, from the pre-natal period through at least the first three years of the child's life, as parents shape the way children grow and learn. This framework should shape and animate the whole of government policy as the foundational element in producing a flourishing society.

Within this framework the efforts of various government departments can be coordinated (education, health, employment and workforce issues, community services, justice, treasury and so on). In particular, this wider framework would provide a coherent narrative of early childhood development within which paid parental leave would be readily related to other initiatives for early childhood, including supporting parenthood and linking with other major aspects of child development. While an excellent start, *A National Quality Framework for Early Childhood Education and Care* focuses on institutional care rather than the broader canvass. The risk of meddling in parts of a system without understanding the whole, needs to be heard and understood.

Under the current commitments of the Australian Government, all children four years of age will be entitled to 15 hours of early childhood education led by a 4-year university-qualified early childhood teacher. However, because so much important development and learning occurs before a child is 4 years old (emotional attachment, self-regulation, social skills, language and so on), we should be ensuring that supportive/preventive services are widely available, readily seen and easily accessible from birth.

In fact, to reap the greatest benefit, early investment in parenting support should start from before birth with supports for good nutrition and care, including mental health care, for the parents-to-be, as well as initial parenting classes and delineation of the roles and their value that fathers can play from birth in their children's lives. Beyond the early months, parent support should include support for social contact among parents (via playgroups and the like); ongoing parenting information as the development of the child challenges the parents; and targeted preventive measures and timely early intervention to forestall possible problems for the child and family.

Various models for this support exist around the world: Early Years Centres in Ontario; Sure Start Local Programmes in the UK. Our Prime Minister's suggestion for the 2020 Summit was Parent and Child Centres, a topic that

will be taken up and explored in a February 2008 NIFTeY Australia conference.

Paid Parental Leave and Parent and Child Centres (to use that terminology) are two sides of the one coin. The leave gives the parents, especially the primary care-giver, likely the mother, the time to engage with the baby in the endless interactions that facilitate new neural pathways in the brain that will build the baby's attachment to the mother, and shape the baby's emotional and intellectual development. Parent and Child Centres, with their array of inputs into building support for parenting, help the parental interaction to be most effective, and to assist parents when they need contact with others, reassurance, information and at times direction.

Parent and Child Centres would provide support at three levels:

1) A primary, universal level which would encompass a supportive and (in the widest sense) preventive system.

This level is characterised by

- universal easy access
- designed for the whole population
- a desire to find and exploit the strengths of the parents to build their own support structures and to build social supports within the wider community; such support is invaluable to community strength, parental mental health, family resilience
- programs or activities designed for every stage of a child's life from before birth, to the weeks after birth, to babyhood issues (healthy growth, interactions with the baby, sleep, nutrition, and so on), to toddler and pre-schooler issues (mobility, motor skills, language, self-regulation, emotional development, social skills, behaviour issues); parental learning is both embedded in activities and offered more formally
- led by degree-qualified early childhood educators integrated with a variety of health professionals
- easy access to the targeted and indicated levels of support as needed.

2) A secondary, targeted level, which would encompass prevention with specific supports and early intervention.

This level is characterised by

- the need to identify sub-populations where problems may develop but could be avoided
- early intervention before problems become established
- the same categories programs as in the universal level, but some programs may need to be delivered in more sustained, or intensive, or modeled ways
- still located at the Parent and Child Centre as a place or as the hub of interconnected programs and services
- more involvement of a variety of health professionals

3) A tertiary, indicated level, which would encompass a more rigorous and sustained level of both preventive action with specific supports and of early intervention.

This level is characterised by

- individual families and children that have been identified as needing considerable additional support, often across a range of functioning
- potential involvement of child protection services, mental health services, drug and alcohol services, homeless services
- child care designed particularly to support aspects of children's play their parents do not usually provide, and in which parents can participate
- various additional health supports (psychology, speech pathology, dental care and so on).

Recent evidence for the effectiveness of such integrated programs

The Lancet, Volume 372, Issue 9650, Pages 1641 - 1647, 8 November 2008

Effects of fully-established Sure Start Local Programmes on 3-year-old children and their families living in England: a quasi-experimental observational study

Summary

Children in the SSLP areas showed better social development than those in the non-SSLP areas, with more positive social behaviour (mean difference 0.45, 95% CI 0.09 to 0.80, $p=0.01$) and greater independence (0.32, 0.18 to 0.47, $p<0.0001$). Families in SSLP areas showed less negative parenting (-0.90, -1.11 to -0.69, $p<0.0001$) and provided a better home-learning environment (1.30, 0.75 to 1.86, $p<0.0001$). These families used more services for supporting child and family development than those not living in SSLP areas (0.98, 0.86 to 1.09, $p<0.0001$). Effects of SSLPs seemed to apply to all subpopulations and SSLP areas.

Interpretation

Children and their families benefited from living in SSLP areas. The contrast between these and previous findings on the effect of SSLPs might indicate increased exposure to programmes that have become more effective. Early interventions can improve the life chances of young children living in deprived areas.