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Royal New Zealand Plunket Society (Inc.)

Submission on the Parental Leave and Employment Protection (Six Months' Paid Leave and Work Contact Hours) Amendment Bill

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To the Government Administration Committee, submission of the Royal New Zealand Plunket Society Incorporated on the Parental Leave and Employment Protection (Six Months' Paid Leave and Work Contact Hours) Amendment Bill

Introduction

1. The Royal New Zealand Plunket Society (Inc.) has been part of New Zealand's landscape for over one hundred years, and our mission - supporting the development of healthy children and families - is just as relevant now as it was when Plunket was established by Dr (Frederic) Truby King in 1907.
2. Plunket provides universal well child primary health services to over 90% of new babies in New Zealand, as well as parenting education and support services in communities throughout New Zealand. This submission represents the combined experience and views of around 6,000 volunteers who represent a broad spectrum of New Zealanders currently engaged in a variety of voluntary roles with Plunket, as well as more than 650 professional staff who deliver the Well Child/Tamariki Ora service framework to families with children aged from birth to 5 years.
3. Plunket has been a long-time advocate of paid parental leave as a way to improve indicators of child and family wellbeing. A remit on parental leave was passed at the organisation's Rotorua conference in 2009. Around a thousand Plunket volunteers, community services staff, clinical and national office staff attended. The remit was: "[t]hat the Royal New Zealand Plunket Society Inc. advocate for improvements to paid

parental leave to support parents to spend more time with their new baby to enhance a secure relationship". A further remit was passed at the 2011 conference.

Summary of submission

4. Plunket ***supports*** the intent of this Bill to increase the duration of paid parental leave from 16 weeks to 26 weeks in two stages (2016 and 2018).
5. **Clauses 14 & 28 concern work contact hours.** These provisions have some merit but we believe they risk inadvertently placing parents under pressure to reconnect with their workplace, albeit temporarily, at the expense of time connecting with their new baby. This is perhaps more likely to occur in cases where an employee feels that their employment is insecure. However, we recognise that work contact hours are a positive option for some parents.
6. **We propose that Clause 14 be amended and new section 71HD be inserted** to place the employee 'in the driving seat' so to speak. Our proposed new section is:

71HD Fair agreement for work contact hours

Any agreement for work contact hours shall be initiated by the employee following the employer's offer.

Employees who are not in contact with their workplace after the birth will not be prejudiced by this, as the employer may still make the offer of work or training. However, the initial steps to be taken in reaching fair agreement are to be taken by the employee. This would allow the employee the opportunity to think before responding to the employer's offer.

7. **Plunket submits that:**
 - a) There is compelling evidence of child and maternal health and welfare benefits from a period of absence from work for the primary carer of around six months and a reasonable prospect that longer periods (of up to nine to 12 months) are beneficial.¹
 - b) There is also evidence of gains from fathers participating in care in this early period.
The gains do not only accrue to parents, as society often has to pay for health costs and

¹ WHO (World Health Organization) 2000, Health Aspects of Maternity Leave and Maternity Protection, Statement to the International Labour Conference, 2 June 2000.

other consequences of poorer outcomes for children and parents. There may also be long run productivity benefits.²

- c) The benefits for society of extending paid parental leave will outweigh the costs over the long term.
 - d) Enhancing opportunities for infants' secure attachment in the family unit in that crucial first six months is socially responsible and likely to save significant expenditure in future health, education and social costs.
 - e) increased paid parental leave is likely to improve progress towards the attainment of Ministry of Health breastfeeding targets, resulting in health benefits for mother and child, and savings on health and welfare spending
 - f) It will always be possible to argue that fiscal constraints frustrate extensions to paid parental leave. Governments may choose to increase spending on policies that are known to improve child and parental wellbeing; the corollary would be to deny families the opportunity to create a family environment that offers their children the best start in life.
8. Plunket's submission includes experiences from clinical staff, Plunket volunteers and parents with 'Plunket babies'.
9. The final report of an evaluation of the Australian paid parental leave scheme has come out recently. It clearly shows that paid parental leave positively influenced women's decisions to delay returning to work and that the effect was greatest amongst mothers on lower incomes, with lower formal education, those who had been on casual contracts and self-employed mothers. It also showed a higher proportion of those returning to work returning to the same jobs that they had before paid parental leave.³

Long-term economic benefits of the proposed law change

² Above, note 1

³ Institute for Social Science Research, *Paid Parental Leave Evaluation: Final report*. University of Queensland, November 2014. At 18 weeks' leave, Australia's paid parental leave provisions are modest by OECD standards.

10. Plunket’s vision of ‘Together, the best start for every child’ ‘Mā te mahi ngātahi, e puāwai ai ā tātou tamariki’ is best met by policies and legislation that put children first and take immediate and long-term benefits for children and therefore society into account. This Bill benefits children whose parents are employed at the time of the birth; other strategies are needed to enhance prospects for children born into families without paid work at the time of the birth. Plunket encourages steps to address the needs of these children equitably.
11. The Bill proposes a progressive increase in the length of paid leave to a maximum of 26 weeks, whilst responding to the research showing the benefits to society of extending paid leave for a primary parental caregiver. Plunket submits that children’s needs require further priority if New Zealand is to improve indicators of child and family wellbeing.
12. The evidence is clear that New Zealand is well behind many OECD countries in its provision of paid parental leave (as well as when measured on other OECD indicators of wellbeing). As our submission will show, failing to invest in increased paid parental leave for New Zealand families is a false economy. A report into international parental leave comparisons by the Labour Group (of the Ministry of Business, innovation and Employment) states:
- “Very many countries are now strengthening their statutory leave policies, with the state intervening increasingly to regulate the labour market and increase social benefits for parents taking leave. In nearly all cases, the direction of the change is toward increasing the scope and flexibility of leave entitlements, and many focus on extending fathers’ rights.”⁴*
13. That was in 2006. Today, the value of investing in the health and well being of young children and their mothers has become even clearer: from an economic, moral and political perspective.

The value of secure attachment

⁴ <http://dol.govt.nz/publications/research/parental-leave-international>

14. The creation of secure infant-parent relationships is termed 'attachment' in child development theory. Secure attachment is shown to build resilience, which is a protective factor in the face of adversity later in life. Resilience is an area of interest for social policy research, because it begins to answer questions about why some people or families don't cope under adversity, while others do.⁵

15. All babies are vulnerable, dependant as they are on their caregivers. Evidence suggests that babies develop attachment optimally when provided care by one primary caregiver in their first six to eight months. They will also recognise and show a preference for their mother from birth. This is a time of phenomenal brain development; millions of neural pathways are built over this time. Perry and Pollard (1998) identify the primary caregiver as the major provider of the environmental cues necessary to this development:

*"This development can proceed in an optimal fashion when the presentation of new stimuli is safe, nurturing, predictable, repetitive, gradual and attuned to the infant's or child's development stage."*⁶

16. Babies' development at this stage is heavily focussed on social and emotional skills, skills that will be required to support optimal cognitive development in later life.⁷ Secure attachment (the deep connection established between a child and caregiver) profoundly affects a child's development and ability to express emotions and develop relationships in later life. The proposed increase in paid parental leave will enhance opportunities for healthy attachment. We know the personal and societal costs of disordered attachment: relationship difficulties, educational problems, mental illness and crime.

⁵ Sir Peter Gluckman, the Prime Minister's Chief Scientist, emphasizes the importance of secure attachment as a protective factor as children develop. Refer: Gluckman, P. (2011) *Improving the Transition: Reducing Social and Psychological Morbidity During Adolescence*, A Report from the Prime Minister's Chief Science Advisor, Wellington, May 2011, at page 36ff.

⁶ Perry, B. and Pollard, R. (1998). Homeostasis, stress, trauma and adaptation. *Child and Adolescent Psychiatric Clinics of North America*, 7, 1, 33-51, at 37.

⁷ Perry, B. *Speech to Littlies Lobby Parliamentary Breakfast*, March 2005.

17. Enactment of this Bill's proposals would contribute to the time and low-stress components that are so important to successful attachment. Many first-time mothers report that they were surprised about how they felt about returning to work after their baby's birth. One mother reports:

"I have just recently had a baby. During pregnancy I thought I'd be fine returning to work after my Paid parental leave had run out, but now as I watch my baby grow and learn - I want more time than Paid Parental leave allows.

18. This quotation touches on the importance of the opportunity for optimal attachment for mothers also, many of whom experience distress when forced to return to work when their baby is still so young.

19. As the Committee would expect, secure attachment is particularly important for babies who are adopted. Happily, the principal Act extends paid parental leave to parents adopting a baby. This has been interpreted as formal adoption to date. Plunket supports the Employment Standards Legislation Bill's⁸ extension of paid parental leave eligibility to those without formal adoptive arrangements. This is intended to include whāngai, and non-biological primary carers such as Home for Life parents, grandparents, and other permanent guardians.

Breastfeeding

20. The Ministry of Health aligns with the World Health Organisation in setting targets to affirm breastfeeding as the normal and preferred infant feeding method to around 6 months of age.⁹

21. A large body of research shows that breastfeeding has a whole range of short and long-term health benefits for both the child and the mother. Breastfed babies are less likely to develop gastric and respiratory conditions. There is evidence that breastfeeding helps protect against Sudden Unexpected Death of an Infant (SUDI) and may decrease the

⁸ To be reported back on 12 February 2016 by the Transport and Industrial Relations Committee

⁹ New Zealand's breast feeding targets are set in the Well Child Tamariki Ora Framework Quality Improvement Indicators. . <http://www.health.govt.nz/publication/well-child-tamariki-ora-quality-improvement-framework> .

likelihood of obesity in later life. It is also thought to enhance bonding between mother and child and contribute to healthy brain development. Health benefits for the mother include a reduction in the risk of post-partum bleeding, ovarian and breast cancer and post partum fertility, for instance.¹⁰

22. Women report that there are considerable barriers to sustaining breastfeeding when they return to work after only three months. Many feel conflicted about continuing to breastfeed even during parental leave and begin introducing formula in preparation for their return to work. One Plunket nurse (working with families in areas with high deprivation scores of 7 to 10) describes it this way:

“Family A: First time mum who started introducing one bottle of formula at the five weeks so that she could get baby taking a bottle for her anticipated return to work at three months. At my second visit i.e. 8 weeks the amount and frequency of bottles had increased to top ups after every feed. Return to work is anticipated in 4 weeks. ...At the third visit baby is 12 weeks and mum returns to work in a week. Baby is fully bottle feed apart from night time feed to settle.”

23. A new Australian study¹¹ indicates a small increase in the initiation of breast feeding since the introduction of paid parental leave; this is supported in international literature. The study also supports the premise that paid parental leave increases the *duration* of breast feeding, this being especially marked after 20 weeks post partum. The indication is that *cessation* of breastfeeding is later, due to the effect of parental leave delaying mothers’ return to work. This is in line with Plunket’s experience.

24. Plunket data shows that the more socioeconomically deprived the area, the less likely it is infants will be breastfed. For these babies, this is a health opportunity missed. Māori infants continue to have lower breastfeeding rates than other ethnicities except for Pacific infants. Pacific infants continue to have lower breastfeeding rates than all other

¹⁰ Communication with Marianne Grant, Grant, National Advisor Quality Systems,, RNZ Plunket Society. National Breastfeeding Advisory Committee (2007). Primary research includes work by Rosenblatt and Thomas 1993, Bernier et al 2000, Negishi et al 1999, Gross and Burger 2002.

¹¹ Institute for Social Science Research, *Paid Parental Leave Evaluation: Final report*. University of Queensland, November 2014.

ethnicities except at three and six months. While there have been some gains in breastfeeding,¹² overall rates are still below the Ministry of Health's current breastfeeding targets.¹³

Affordability of the proposed extension

25. As the Committee will know, New Zealand's public investment in children is very low when compared with other OECD countries. There is unlikely to ever be an optimal fiscal environment to introduce extensions to paid parental leave if the focus is not on children's needs as a priority budget area. Yet by failing to extend paid leave for babies' parents, we are denying many ordinary New Zealand families the opportunity to create an environment that offers their children the best start in life. As one mother says:

"I was lucky enough to have 6 weeks' annual leave to use prior to my Paid parental - so I will have some form of income until early-mid November, and I am due to return to work start of December. But I am so scared that I am going to miss out on so many milestones of my child's development.

I agree that it is important for parents to work - but not at the expense of raising their child, bonding and being part of/seeing those most precious moments in their child's development."

26. Ultimately, by saving public money in the first few months of babies' lives, government risks creating costs at later stages. A mother described her vulnerable [premature] baby and the start they had together:

¹² June 2014- June 2015 Plunket data shows that 66% percent of 'Plunket babies' up to age of six weeks were fully or exclusively breastfed.

¹³ Source: Royal New Zealand Plunket Society breastfeeding data. Plunket has very robust information about breastfeeding; it sees over 90% of New Zealand babies and breastfeeding data is collected at each Plunket 'core contact'. For January - December 2014, for instance, that represented 53,183 (90%) new born babies. Statistics NZ recorded a total of 58,610 births:

<http://www.stats.govt.nz/infoshare/http://www.health.govt.nz/publication/well-child-tamariki-ora-quality-improvement-framework>

“By 3 months of age he was [the size of] and feeding like a typical new-born, breastfeeding was only just established. For the whole first year he was pretty vulnerable. I avoided situations where he was likely to pick up bugs as what is just a ‘cold’ to the average baby put him into hospital. My views on returning to work completely changed after this experience, I didn’t feel I could put him in a day-care situation with bugs etc. I was lucky that financially I could afford to quit my job and be a full time mum due to my husband having well paid work.”

27. This mother emphasised that she had options because of her husband’s level of income. For many families this is not the case. The most obvious costs with babies such as the one described above are health-related, but as we have said, there are other costs when parents return to work too early. Sometimes these costs only become apparent as the child grows older. Of particular concern is the comment made by the Labour Group that:

“Kamerman (in Moss and O’Brien 2006) points out that longer paid maternity leave reduces infant mortality and neo-natal mortality, but unpaid leave does not have the same protective effect. In addition, longer leave improves other health outcomes, as children whose mothers return to work within the first three months after birth receive less health care.”¹⁴

28. A number of researchers have identified adequate parental leave policies as one of a small number of essential strategies to lift child outcomes. Such policies keep mothers attached to the labour force.¹⁵ Women who continue to participate in the labour force stimulate productivity to support New Zealand’s aging population, as well as keeping their skills within the workforce and decreasing turnover costs to employers.¹⁶ The costs of their

¹⁴ *Parental leave and carers’ leave: international provision and research*. Department of Labour, 2006.

¹⁵ Vleminckx and Smeeding (2001), Oxley, et al (2001) and Immervoll, et al (2001), quoted in *Social Policies, Family Types, and Child Outcomes in Selected OECD Countries*, an OECD working paper, Kamerman, et al, 2003.

¹⁶ Refer for example to: *Paid Parental Leave: Support for Parents with Newborn Children*. Australian Productivity Commission Inquiry, No. 47, 28 Feb 2009.

tertiary training are then well-utilised by the paid economy. One mother, whose baby had poor health, reported:

“I would have extended my Maternity Leave (which would have been no problem with my employer) except that having already had 3 months on one income we couldn't afford for me not to go back to work at that point.”

29. She goes on to say:

“The financial implications of unpaid Maternity Leave are also one of the main problems in our discussions of whether or not to have a third child. I would love to have a third child but my husband is convinced that we can't afford for me to be off work with no pay for the same period of time and I wouldn't/couldn't consider going back to work any sooner than 6 months ”

Additional issues

30. Plunket's engagement with clients, volunteers and clinical staff raised two issues not covered above. These are referred to below.

31. Partners' entitlements based solely on maternal entitlements

A woman who suffers considerable ill health during pregnancy might be unable to average 10 hours' employment per week, thereby not meeting the principal Act's hours of work threshold.¹⁷ Partners in such cases are not entitled to *any* parental leave (because their entitlement is purely subject to the woman's entitlement). The result can be partners struggling with a new baby, an unwell mother, possibly another child, and leave that's limited to any annual leave entitlements that partner might have.

¹⁷ Section 7 requires an average of 10 hours with the same employer for the 6 or 12 months immediately preceding delivery.

32. The role of fathers

Increasing paid leave for the mother will support a healthy relationship between the parents of the child. One of the most important influences a father can have on his child is indirect—there is a body of literature suggesting fathers influence their children in large part through the quality of their relationship with the mother of their children. Additionally, it is clear that a mother who feels affirmed by her children’s father and who enjoys the benefits of a happy relationship is more likely to be a better mother. Furthermore it can be concluded the quality of the relationship affects the parenting behaviour of both parents. Parents are more responsive, affectionate, and confident with their infants; more self-controlled in dealing with defiant toddlers; and better confidants for teenagers seeking advice and emotional support.¹⁸

Conclusion

33. Plunket supports the Parental Leave and Employment Protection (Six Months’ Paid Leave and Work Contact Hours) Amendment Bill to extend paid parental leave to 26 weeks by 2018. The Bill represents an opportunity to put children first by allowing families the opportunity to create an environment that offers their children the best start in life.

34. As a State Party to the Convention on the Rights of the Child, the New Zealand government has undertaken to ensure that children’s best interests are paramount when legislative decisions are made and that children have the care and protection necessary for their well-being.¹⁹

¹⁸ Lamb, M. E. (2002). Infant-father attachments and their impact on child development. In C. S. Tamis-LeMonda & N. Cabrera (Eds.), *Handbook of father involvement: Multidisciplinary perspectives* (pp. 93–118). Mahwah, NJ: Erlbaum; Cummings, E. M., & O’Reilly, A. W. (1997). Fathers and family context: Effects of marital quality on child adjustment. In M. E. Lamb (Ed.), *The role of fathers in child development* (3rd ed., pp. 49–65, 318–325). New York, NY: John Wiley & Sons; Lamb, M. E. (1997). Fathers and child development: An introductory overview and guide. In M. E. Lamb (Ed.), *The role of fathers in child development* (3rd ed.)

¹⁹ Article 3, United Nations Convention on the Rights of the Child (ratified by New Zealand in 1993).

35. The advantages to the labour force economy and improvements in social and health outcomes that stand to be gained by increased paid parental leave are critical factors weighing in favour of the Committee recommending that the Bill be progressed into law. We reiterate that the benefits of the proposed extension to paid parental leave will be seen to outweigh the costs over time and request that this Committee recommends the Bill be progressed into law.

Thank you for considering Plunket's submission. We would appreciate the opportunity to appear before the Committee.

