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Removing Designated Fathers Leave Threatens to Worsen Gender Inequality

"Australia has missed a great opportunity to improve its parental leave policies, invest in children's early years, support parents and improve gender equality," said Professor Andrew Scott at Deakin University and Convenor of The Australia Institute's Nordic Policy Centre.

"The Budget decision to abolish the designation of two weeks parental leave for fathers from Australia's existing 20 weeks paid parental leave will only serve to reduce men's role in parenting.

"Australia's current paid parental leave is essentially a maternity leave scheme. The 18-week component is only half of the World Health Organisation's recommendation of a minimum of 6 months leave needed for mothers.

"New mothers already have such a minimal amount of time so soon after giving birth. The idea that men or other secondary care givers would now take up some of those precious 20 weeks leave, paid at minimum wage, flies in the face of reality.

"Such a decision shows yet again that the current government has no understanding of gender inequality.

"Over the past decade only 30% of fathers have taken up Dad and Partner Pay, and if this Budget measure is implemented it risks even fewer fathers taking paternity leave.

"If this Government was serious about genuine parental leave reform, it would extend paid parental leave to six months at a replacement wage and provide a further month of non-transferable parental leave to be taken by the father or other secondary care giver," Professor Scott said.

Background:

- In Sweden, where there is 16 months paid parental leave, of which a minimum 3 months must be taken by the father if the family is to gain the full entitlement.
 - o In turn, the proportion of women in full-time employment is nearly 83%, whereas in Australia it languishes at less than 63%.
- The Swedish system gives parents the proper amount of time they need in children's crucial early years, and providing high quality and affordable childcare (not run for private profit), ensures that women return to the workforce in much great numbers in the medium and long term.
- This policy in turn boosts national wealth and ensures more gender-equal lifetime earnings. In fact, <u>Australia Institute research shows</u> if Australia had the same labour force participation rates as Nordic countries do, then the economy would be \$60 billion, or 3.2% of GDP, larger.

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