

What mothers want and what mothers take: maternal leave choices and constraints in New Zealand

Policy brief

Summary

We studied 2,588 antenatally employed mothers in the Auckland, Waikato, and Counties-Manukau regions who had children in 2009/10. This research shows mothers are generally able to accurately plan the leave they will take from work when their child is born. However, some still find themselves having to unexpectedly return to work, while others fall out of employment and are unable to return due to childcare inaccessibility, inability to secure a suitable job, or simply being too busy parenting. Mothers who remain out of work long term after having a child are not necessarily doing so by choice.

Financial concerns are a central constraint that limits the leave women plan to take and necessitates their eventual return to work. Lower income women don't expect to be more constrained in the leave they can take, but turn out to be more constrained. Mothers who were stressed about money antenatally are more likely to return to work because they have to (e.g. they run out of Post Parental Leave (PPL) or need the income), whereas high income mothers are more likely to return to work because they want to (e.g. because they enjoy work or for the sake of their careers).

The research will inform PPL policy, efforts to reduce Child Poverty, family support mechanisms, assistance for parents transitioning to work from benefits, and estimates of women's retirement savings.

Context

Women form half of the paid workforce and are a significant contributor to the economy. Parental leave conditions and wider employment settings provide an environment that can help or hinder working mothers and their whanau to achieve economic security. Here we look at the cohort of mothers from the GUINZ study and consider their intentions, preferences and actual leave taken after the birth of a child. The research provides behavioural context around the critical post-birth period managing small children and labour market re-engagement for different groups of women.

The research provides evidence to inform PPL, address Child Poverty, improve family support mechanisms and supports to parents transitioning to work from benefits, and estimate women's KiwiSaver contributions and retirement savings.

Findings and Implications

Leave taking

Employed mothers who had a child in 2009/10 took an average of 53 weeks maternal leave. This period is less than their average preferred leave (69 weeks), and more than their average anticipated leave (36 weeks). Notably, many mothers plan a spell of parental leave longer than their PPL entitlement.

Mothers largely adhere to their leave-taking plans. Only 20% of those working 9 months after the birth of their child did not anticipate working at this stage; 31% of those not working at 9 months expected to be working. Non-working mothers who expected to be working report higher stress about money and work/life balance than non-working mothers who accurately predicted not working.

Many women who end up out of work for several years after having a child did not prefer or plan this, but instead had their work opportunities eroded over time, triggered by a lack of accessible childcare and/or flexible work access. Among mothers who are unexpectedly out of work 9 months after the birth of their child, 37% reported the absence of a suitably flexible job or affordable/accessible childcare as a reason for their nonemployment.

The results reinforce the need for flexible working conditions that enable parents to remain in employment if they desire. As an employer, the government has the opportunity to model best employment practice through ensuring work can be done flexibly, allowing for part-time work, providing childcare, and otherwise supporting parents to combine work with parenthood.

Mothers with more than one child and women with lower incomes end up being more constrained in the leave they take than other mothers, as evidenced by the leave they take falling more short of their preferred leave. However, they do not necessarily anticipate ahead of time that this will be the case.

The gap between PPL entitlement and planned leave means lower income women are more subject to shocks that see them returning to work earlier than planned. The universal entitlement to PPL is an easy-to-administer policy but may be insufficient for low income families.

A non-trivial group of women leave or lose their jobs while on parental leave. This may mean some mothers experience job insecurity while on parental leave, perhaps because employees are not fully aware of their rights to re-employment or employers do not know their obligations. Support for women to re-enter the workforce could include information about their rights for re-employment.

Return to work

Many women who have not returned to work by the time their child is 9 months report being busy with their child or family, but around 10% of those not working reference difficulties accessing affordable, suitable childcare. Another 10% can't find a suitable job that accommodates their parental responsibilities (e.g. with enough flexibility).

Money is the most common reason women return to work, followed by enjoying work, which encompasses enjoying getting out of their house and interacting with colleagues as well as enjoying the work itself. The third most reported reason for returning to work is having used up their PPL.

Return to work is associated with high stress for mothers, particularly for those who work full time or are self-employed. Financial difficulties push some mothers back to work before they are ready, which may negatively affect their wellbeing. Mothers considering return to work may need more support (e.g. in income, childcare, accommodation) to enable them to make genuine choices about what will be best for them and their children.

Self-employed mothers

Self-employed women prefer and take much less maternal leave than employee mothers. However, their "preferences" likely incorporate the difficulties their businesses will face in their absence; they are more likely to return to work because of work responsibilities. When they return to work they experience high stress about work/life balance.

PPL entitlements for self-employed parents may do little to enable later return to work due to the need such parents face to maintain their business. More flexible PPL could help self-employed women maintain their business through working a low number of hours while remaining financially stable through PPL payments. Current settings allow only one stretch of PPL to be taken; the ability to dip in and out of leave or take partial leave might work better for self-employed parents.

Internationally, motherhood is a predictor of self-employment due to the flexibility it can offer. A more gendered consideration of start-ups could increase the success rate of new businesses and improve support for families.

Recommendations

- Improve and strengthen messaging to women going on parental leave about their employment rights.
- Provide information to employers about their obligations to mothers taking parental leave.
- Provide information to employers about flexible working practises and how these can improve employee retention and enable them benefit more from their investment in employees.
- Consider leave-taking patterns and how the PPL system can support preferences, especially for low-income families.
- Consider increasing flexibility in how parents can take PPL to better accommodate self-employed parents' need to maintain their business.
- Consider improving supports for mothers' employment (e.g. access to childcare, incentivising fathers to take parental leave, improving accessibility of flexible working arrangements and job sharing).
- Improve careers guidance, taking into account the experience of parenthood on labour market choices specifically for mothers (or others considering becoming parents) who seek to return to the labour market or change careers following the birth of their child.

Methods

Definition of leave taken: We consider a mother who is not working to be still on leave, regardless of whether she has separated from her employer.

Sample: The sample is of mothers who were employed antenatally and planned to take parental leave, who were living in the Auckland, Waikato, or Counties-Manukau region, and who had a child in 2009/10.