



## **Response to the UK Government's consultation on the *Good Work Plan: Proposals to support families***

### **Parental Leave and Pay**

**October 2019**

#### **INTRODUCTION**

Close the Gap is Scotland's expert policy advocacy organisation on women's labour market participation. We have been working with policymakers, employers and employees since 2001 to influence and enable action that will address the causes of women's labour market inequality.

We welcome proposals to make changes to parental statutory entitlements, as we believe that regulatory change could more effectively further the Government's policy aims. While the introduction of Shared Parental Leave represents an improvement on previous parental leave schemes, the policy remains flawed. This is demonstrated by the fact take-up of the policy has been even lower than the Government's extremely conservative estimates. The design of parental leave policy has the potential to challenge or reinforce patterns of gender inequality. At present, the model is reinforcing the gender pay gap and gendered patterns of care.

Women's disproportionate responsibility for care and domestic labour significantly impacts their ability to enter and progress in the labour market on an equal basis with men. The need for women to balance earning with caring when they return to the labour market sees women concentrated in part-time work, predominantly found in the lowest paid jobs and sectors, contributing to the gender pay gap and women's higher rates of in-work poverty. Parental leave and pay policies are therefore critical in tackling the gender pay gap, furthering women's economic equality and enabling women to return to the labour market.

We are disappointed that the findings of the Government's review of shared parental leave have not yet been published, as this evidence this would have been extremely useful in responding to this consultation.

## **ANSWERS TO CONSULTATION QUESTIONS**

### **1. What emphasis should be placed on enhancing Statutory Paternity Pay versus the length of Paternity Leave available?**

We believe that extending the length of Paternity Leave and enhancing Statutory Paternity Pay are both vitally important and should be pursued simultaneously. However, it is clear that enhancing the length of Paternity Leave without enhancing Statutory Paternity Pay will be insufficient to improve take-up. Research has found that dearth of employers paying enhanced Shared Parental Pay was an important factor in low take up rates of Shared Parental Leave<sup>1</sup> and research by the TUC concluded that many low-paid fathers struggle to take the time off because Statutory Paternity Pay is so low.<sup>2</sup> Consequently, if the length of leave is extended, without a reassessment of the levels of Statutory Paternity Pay, the utilisation of these entitlements will not improve among fathers from lower socio-economic groups.

In addition to enhancing pay and increasing the length of leave, it is necessary that the Government reassess the eligibility criteria for Paternity Leave and Pay. TUC analysis of the Labour Force Survey found that more than one in four men who became fathers in 2016 did not qualify for Paternity Leave or Pay, this accounts for 157,000 new fathers. 44,000 of these men were ineligible because they had not been working for their employer for long enough.<sup>3</sup> With the increasing casualisation and precarity of the labour market, it is likely that the numbers of ineligible fathers will rise,<sup>4</sup> leading to a reinforcement of traditional gender roles. Fathers as employees should be eligible for both paternity leave and paternity pay as a day-one right, thus equalising the entitlement with maternity leave.

### **2. What impact would changing either leave or pay have on our policy objectives?**

Changing both leave and pay will have the most significant impact on the policy objectives. Targeting changes in both of these areas will assist with

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<sup>1</sup> House of Commons Women and Equalities Committee (2016) *Gender Pay Gap, Second Report of Sessions 2015-6*

<sup>2</sup> TUC (2019) *1 in 4 new dads missed out on paid paternity leave* <https://www.tuc.org.uk/news/1-4-new-dads-missed-out-paternity-pay-over-last-12-months-says-tuc>

<sup>3</sup> House of Commons Women and Equalities Committee (2018) *Fathers and the Workplace First Report of Session 2017-9*

<sup>4</sup> Women's Budget Group (2018) *Maternity, Paternity and Parental Leave: Briefing from the UK Women's Budget Group on the state of maternity, paternity and parental leave in the UK*

boosting female participation in the labour market. However, as noted above, increasing the length of leave without reassessing levels of pay is insufficient. Equalising pay levels would end current bias towards women taking leave because they are often paid more for taking maternity leave when compared with fathers accessing Paternity Leave or Shared Parental Leave. Ultimately, pay enhancement would also give families, across all income-levels, more choice and flexibility.

Encouraging periods of solo leave through non-transferable leave for fathers, as detailed below, will also be vitally important in increasing fathers' involvement in childcare.

### **3. How should the costs of providing Paternity Leave and Pay be apportioned between government, employers and parents?**

It is correct that employers and the Government have a vital role in valuing the workforce through covering the costs associated with Paternity Leave and Pay. In recognition of the economic arguments and the business case of providing such entitlements, costs should be apportioned between the Government and employers.

Research by Close the Gap has shown that closing the gender gap in employment is worth £17 billion to the economy,<sup>5</sup> and similar research at the UK-level has shown that equalising women's productivity and employment to that of men's levels could be equal to £600 billion to the UK economy.<sup>6</sup> Any increased costs associated with enhancing Paternity Leave and Pay will therefore be less than the potential economic benefits of enabling women to return to work, and to progress within work. Improved paternity policies are also associated with staff retention, lower absenteeism and improved productivity.

### **4. Could enhancing Statutory Paternity Pay and extending Paternity Leave result in differential impacts across families with different characteristics (e.g. families from different socio-economic groups or cultural backgrounds)?**

Enhancing these entitlements will have a particularly positive impact on those from lower socio-economic groups. Low-income fathers are currently half as

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<sup>5</sup> Close the Gap (2016) *Gender Equality Pays*

<sup>6</sup> UK Women and Business Council (2015) *Maximising women's contribution to future economic growth*

likely as better-paid fathers to take statutory paternity leave<sup>7</sup> and TUC research has also highlighted that 75% of fathers on the lowest income did not take their full entitlement to two weeks statutory Paternity Leave.<sup>8</sup> Evidence has shown that dual-earning couples with professional roles were more likely to know about Shared Parental Leave and were more likely to use it.<sup>9</sup> The Fathers and the Workplace inquiry by the Women and Equalities Committee concluded that *'we do not believe that the Government's objective of supporting fathers to share care can be met if paternity pay is so low that better-off fathers are more able to take time off at the start of their child's life'*. Improving the rates of Statutory Paternity Pay may therefore encourage greater take-up among those from different socio-economic groups.

The consultation document has not presented any disaggregated data on take-up by cultural backgrounds, and we are unclear whether "cultural backgrounds" refers to race, religion, or other factors. As we have not uncovered evidence relating to these characteristics elsewhere, it is difficult to make conclusions in this area. This does, however, highlight the need for the Government to gather additional intersectional data in the future.

**5. Should support vary according to family characteristics, including income levels? For example, should there be a cap on Statutory Paternity Pay for high earners?**

We do not believe that support should vary according to family characteristics, as we strongly support the principle of universal benefits. We would oppose a cap for high earners as this undermines the concept of universality.

**6. Should the level of reimbursement for employers vary according to their size (as now)?**

Yes, we believe that reimbursement should vary according to the size of employer. Evidence highlights that smaller employers tend not to have a discrete human resources function, and therefore are less likely to be familiar with good equalities practice.<sup>10</sup> Smaller employers have also been found to be less likely to effectively explain the policy to their employees.<sup>11</sup> In order to

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<sup>7</sup> Fatherhood Institute (2017) *Cash or Carry? Fathers combining work and care in the UK*

<sup>8</sup> TUC (2015) *Statistical briefing on fathers' leave and pay*

<sup>9</sup> Birkett, Holly and Forbes, Sarah (2018) *Shared Parental Leave*

<sup>10</sup> Close the Gap (2018) *The Gender Penalty*

<sup>11</sup> House of Commons Women and Equalities Committee (2018) *Fathers and the Workplace First Report of Session 2017-9*

ensure that entitlements work effectively and can be accessed by employees, regardless of the size of their employer, it is therefore essential that smaller employers can access additional support for administrative costs.

### **7. How might businesses that already provide enhanced Paternity Pay respond to any enhancement to Statutory Paternity Pay?**

It is difficult to predict how employers will respond to these changes. However, in our experience of working with employers, employers who have good equalities practice, and understand the business case and advantages of awarding these benefits to employees will extend their entitlements. It is possible that employers who are not persuaded by the evidence of the business case for equality may make the decision not to enhance entitlements.

### **8. How should the timing of when Paternity Leave can be taken be balanced between giving families choice and flexibility, and incentivising particular parental behaviours? For example, should fathers/partners be able to take Paternity Leave at any point in the first year or be required to take their leave when the mother has returned to work to incentivise solo parenting?**

The Women and Equalities Committee's inquiry into fathers and the workplace concluded that deep-rooted social norms about gender roles mean that, when couples take leave at the same time, it is all too easy for the mother to be the primary carer and the father to become the 'helper'.<sup>12</sup> This means that rather than challenge gender roles, as the policy intended, it reinforces existing stereotypes. As it stands, the policy of Shared Parental Leave runs the risk of further entrenching the view of fathers as secondary carers. We are therefore supportive of a move towards a model which enables solo parenting with flexibility.

Incentivising solo parenting may require removing the employer veto on discontinuous leave, or providing for Shared Parental Leave to be taken on a part-time basis in order to offer employees maximum flexibility.<sup>13</sup> As outlined in more detail later in this submission, it would also be beneficial to explore the adoption of additional 'use it or lose it' non-transferable leave. This type of

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<sup>12</sup> House of Commons Women and Equalities Committee (2018) *Fathers and the Workplace First Report of Session 2017-9*

<sup>13</sup> Atkinson, Jamie (2017) *Shared Parental Leave in the UK: Can it advance gender equality by changing fathers into co-parents?*

leave has been shown to correspond to a higher uptake by fathers, and ultimately establishes care as the responsibility of both parents.

Encouraging solo parenting will assist in furthering key policy objectives such as boosting female participation in the labour market and increasing paternal involvement in childcare. Women continue to have disproportionate responsibility for care which leads women to find work which enables them to balance earning with caring, reinforcing women's concentrated in low-paid part time employment. The current Shared Parental Leave policy reinforces this trend.

### **10. What aspects of the current Shared Parental Leave and Pay scheme are most successful, and which are most in need of reform?**

We believe that those aspects of the current Shared Parental Leave and Pay scheme that are in most of need of reform are:

- the qualifying period;
- low rates of statutory pay;
- lack of dedicated leave for fathers; and
- the complexity of the system.

#### Qualifying period

We believe that access to Shared Parental Leave, and Paternity Leave more broadly, should be a day one right. Whilst the Government aims to facilitate parents sharing childcare more equally, the qualifying period for Shared Parental Leave is at odds with entitlements to maternity leave, which does not require any period of continuous employment. Ultimately, this reinforces the stereotype that mothers should be primary carers.

#### Low rates of statutory pay

The Women and Equalities Committee's inquiry into fathers and the workplace concluded that the maternal transfer design of the current policy and the low rate of pay militate against fathers, who are likely to be higher earners, from utilising the policy in greater numbers.<sup>14</sup> As a result of the gender pay gap, women earn less than men. The gender pay gap in the UK is currently 16%, while part-time women earn on average 31% less than men working full-time, illustrating the systemic undervaluation of 'women's work' which continues to

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<sup>14</sup> House of Commons Women and Equalities Committee (2018) *Fathers and the Workplace First Report of Session 2017-9*

be concentrated in part-time, low-paid jobs.<sup>15</sup> Consequently, only one third of women in dual earner households bring home at least half of the household income.<sup>16</sup> When making decisions as to which parent should return to work, it is highly likely that the higher earner will return to employment. As this is more likely to be the father, this further entrenches women's inequality and the gender pay gap.

That Statutory Shared Parental Pay is not as generous as maternity pay means that the mother will continue to take maternity leave rather allocating leave to their partner via Shared Parental Leave because of financial considerations. A further key point of difference is that many employers enhance Statutory Maternity Pay, while only 4.4% of employers enhance Paternity Pay.<sup>17</sup> This enhanced rate of Maternity Pay further disincentivises mothers ending maternity leave to take-up shared parental leave at a lower rate. While some employers do match their Shared Parental Leave offerings to maternity entitlements, this is not the norm. Again, this aspect of the policy undermines the Government's policy ambitions.

#### Lack of dedicated leave of fathers

Under the current model of Shared Parental Leave, fathers and partners do not have an independent right to parental leave beyond the two weeks of low-paid paternity leave. Research analysing shared parental leave in the international context has identified that the most important factors in improving take-up in Sweden, Norway and Iceland is the dedicated period of leave that is reserved for fathers and a higher level of pay.<sup>18</sup> Transfer of leave models have been shown to have limited impact on fathers' take-up of parental leave, whereas models that provide both parents with an equal share of leave, have been shown to be more effective at encouraging take-up of leave and improving parental involvement in childcare.

The need for a 'father's quota' has been raised previously by the Women and Equalities Committee, which recommended that the Government undertake an analysis of the costs and benefits of an alternative policy of 12 weeks paternal leave and pay to replace shared parental leave. This would be a non-

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<sup>15</sup> ONS (2019) *Gender Pay Gap*

<sup>16</sup> Women's Budget Group (2018) *Maternity, Paternity and Parental Leave: Briefing from the UK Women's Budget Group on the state of maternity, paternity and parental leave in the UK*

<sup>17</sup> Fisher, Duncan (2019) *Caring Inequality in UK Politics and Policy*

<sup>18</sup> Atkinson, Jamie (2017) *Shared Parental Leave in the UK: Can it advance gender equality by changing fathers into co-parents?*

transferable entitlement reserved for fathers only.<sup>19</sup> We recommend that the Government build on this recommendation and introduce a model similar to the Icelandic model whereby a three month quota of non-transferable leave is allocated to both the mother and the father/partner respectively, and an additional three month leave can be split between them as they wish.<sup>20</sup> This also enables solo parenting, as parents can take discontinuous leave and have flexibility to take leave together, or on a solo basis. Again, we note that this non-transferable ‘use it or lose it’ leave would have to be combined with higher statutory pay. In Iceland, this leave is paid at 80% of the parent’s previous earnings up to a ceiling of 520 Icelandic Krona.

### Complexity of the system

Compounding these factors is the low awareness of parental leave policy and the complexity in administering the policy. Research by the University of Birmingham highlighted that the real or perceived complexity of the policy has limited the uptake of Shared Parental Leave. This research concluded that there is a lack of knowledge around the policy from human resource managers and line managers in the workplace which adds to the sense of complexity.<sup>21</sup> There is also a lack of communication relating to the policy in the workplace, and any communications appear overly complicated, or not timely enough. The system is seen as bureaucratic and complicated in a number of aspects, including the way in which employers are notified.

Building capacity in human resources professionals and managers and ensuring that employees receive simple, timely communications may improve take-up of the policy. It may also be necessary, as suggested within question 23, to move towards a more radical change of policy and introduce a single ‘family’ set of leave entitlements in order to streamline entitlements.

### **11. Should there be a dedicated pot of leave and pay for each parent within the Shared Parental Leave and Pay scheme?**

Yes, as mentioned above, we believe there should be a dedicated pot of leave and pay for each parent as this demonstrates that care of a young child should be done by both parents. A dedicated pot of leave for each parent also improves fathers’ utilisation of these entitlements, which will further the

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<sup>19</sup> House of Commons Women and Equalities Committee (2018) *Fathers and the Workplace First Report of Session 2017-9*

<sup>20</sup> Close the Gap (2018) *The Gender Penalty*

<sup>21</sup> Birkett, Holly and Forbes, Sarah (2018) *Shared Parental Leave*



Government's policy objectives. Such a call has previously been supported by key stakeholders including the Women's Budget Group, the OECD and the Women and Equalities Committee.<sup>22</sup>

## **12. Should mothers continue to be the 'gatekeeper' for the Shared Parental Leave and Pay scheme?**

Research has shown that the maternal transfer mechanism encourages maternal gatekeeping which reinforces traditional gender roles.<sup>23</sup> We are therefore supportive of a move towards the introduction of a protected entitlement for fathers which operates on a 'use it or lose it' basis.

The Women's Budget Group have also suggested that non-transferrable parental leave could shift cultural attitudes around caring. Changing these cultural attitudes is extremely important in improving take-up of shared parental leave and in challenging persistent stereotypes around caring responsibilities. This claim has been supported by the previous work of the Women and Equalities Committee in their inquiry into the fathers and the workplace which concluded that a dedicated period of leave for fathers could create change with regards to the Government's objectives of sharing care more equally between parents and supporting mothers back into the workplace.<sup>24</sup>

## **13. Should there be an element of pay enhancement in the Shared Parental Leave and Pay scheme? If so, how should the cost of any enhancement be apportioned between the government, employers and parents?**

We believe there should be parity with Statutory Maternity Pay, so there should be an element of pay enhancement in the Shared Parental Leave and Pay scheme. Increasing pay could encourage fathers to take additional time off to fulfil childcare responsibilities and enabling mothers to return to work if they want to.<sup>25</sup>

Statutory Shared Parental Pay is relatively low and, while maternity pay is often enhanced by employers, Statutory Shared Parental Pay is rarely

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<sup>22</sup> House of Commons Women and Equalities Committee (2016) *Gender Pay Gap, Second Report of Sessions 2015-6*

<sup>23</sup> Birkett, Holly and Forbes, Sarah (2018) *Shared Parental Leave*

<sup>24</sup> House of Commons Women and Equalities Committee (2018) *Fathers and the Workplace First Report of Session 2017-9*

<sup>25</sup> House of Commons Women and Equalities Committee (2018) *Fathers and the Workplace First Report of Session 2017-9*

enhanced. As a result of the gender pay gap, women earn less than men.<sup>26</sup> When making decisions as to which parent should return to work, it is highly likely that the higher earner will return to employment. As this is more likely to be the father, this further entrenches women's inequality and the gender pay gap. For many families, fathers taking Shared Parental Leave would represent a financial hit. Critiques of the policy have established that it will only be successful if the policy is reformed to include a higher rate of pay and a period of leave reserved for fathers.<sup>27</sup>

**14. Could enhancing Statutory Shared Parental Pay and/or giving fathers access to 'use it or lose it' leave through the Shared Parental Leave and Pay scheme result in differential impacts across families with different characteristics (e.g. families from different socio-economic groups or cultural backgrounds)?**

Enhancing Statutory Shared Parental Pay will have a particularly positive impact on those from lower socio-economic groups. Research has found that employers not paying men above the statutory benefit was an important factor in low take up rates of Shared Parental Leave.<sup>28</sup> This represents a particular challenge for low earners in utilising these entitlements.

However, enhancing pay alone will be insufficient to create the cultural or behavioural change necessary to meet the Government's objectives. For this reason, it is necessary to enhance pay and also move to a 'use it or lose it' leave which allocates additional dedicated leave for fathers. We are supportive of the introduction of 'use it or lose it' leave as we believe that this will have a positive impact on women's equality and the dismantling of traditional gender roles. As evidence has shown that dual-earning couples with professional roles were more likely to know about Shared Parental Leave and were more likely to use it, the introduction of better-paid non-transferable leave may assist in encouraging families from other socio-economic backgrounds to utilise this leave.

Research has shown that fathers make limited use of shared or transferable entitlements, but are much more willing to make use of well paid, non-

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<sup>26</sup> Close the Gap (2019) *Gender Pay Gap Statistics*

<sup>27</sup> Atkinson, Jamie (2017) *Shared Parental Leave in the UK: Can it advance gender equality by changing fathers into co-parents?*

<sup>28</sup> House of Commons Women and Equalities Committee (2016) *Gender Pay Gap, Second Report of Sessions 2015-6*

transferable parental leave entitlements.<sup>29</sup> Evidence has shown that women are reluctant to relinquish their allocated time and the policy has become viewed as a ‘gift exchange’ by some which fails to meaningfully tackle stereotypical gender roles.<sup>30</sup> In this way, ‘use it or lose it’ leave, if combined with improved rates of statutory pay, has the potential to enact transformational change in the way parents distribute caring responsibilities and how they engage with the labour market.

**15. Should support vary according to family characteristics, including income levels?**

As above (question five), we do not think that support should vary according to income levels because of this undermining the principle of universal benefits. Other than income levels, we are unclear what other family characteristics this question is relates to. Again, we note the lack of data pertaining to the uptake of the scheme.

**17. How might businesses that already provide enhanced Shared Parental Pay respond to any enhancement to Statutory Shared Parental Pay? For example, would they extend the period of contractual leave and pay?**

See response to question seven.

**22. Do you agree with the government’s objectives for parental leave and pay policies?**

We are supportive of the detailed objectives for parental leave and pay policies. However, we believe that there is scope to introduce additional policy objectives. For example, the Government should adopt additional objectives relating to the promotion of wider equality for women, and equalising the distribution of unpaid work.

**23. Do you think the government should consider a more radical change – potentially moving to a single ‘family’ set of leave entitlements, or seek to reform the existing entitlements?**

We think that the Government should consider a more radical change while analysing responses to this consultation. The system of parental entitlements is

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<sup>29</sup> Women’s Budget Group (2018) *Maternity, Paternity and Parental Leave: Briefing from the UK Women’s Budget Group on the state of maternity, paternity and parental leave in the UK*

<sup>30</sup> Women’s Budget Group (2018) *Maternity, Paternity and Parental Leave: Briefing from the UK Women’s Budget Group on the state of maternity, paternity and parental leave in the UK*

already viewed as being fairly complicated and bureaucratic. It is highly likely that further changes and reform will increase the complexity, perhaps discouraging take-up of these entitlements.

Establishing a single entitlement to parental leave could mark a step change in how these benefits are viewed. Recalibrating the system in this way may also facilitate the realisation of the Government's objectives with regards to closing the employment gap, enabling women to return to work, giving families more choice and flexibility and increasing parental involvement in care.

If the policy objectives of parental leave are to be realised, there is a need for systemic change, and tinkering at the edges of these benefits will be insufficient to facilitate the necessary improvements.

**24. If we were to move to a new model for parental leave and pay, which areas for reform are most important? Please give a reason for your answer. In particular:**

**b) Should any incentives for fathers to take more responsibility for childcare focus on: a specific paternity entitlement; changes to the Shared Parental Leave and Pay scheme; or parental leave for older children?**

We believe that the adoption of a use it or lose it system will incentivise fathers to take more responsibility for childcare and therefore advocate for a specific paternity entitlement. The evidence we have presented in this submission has highlighted the limitations of the current Shared Parental Leave scheme and the relative success of a non-transferrable dedicated leave for fathers. This is, therefore, a key priority for reform.

**c) Should the government give greater priority to the length of leave available or to the pay enhancements available?**

We believe that both length of leave and pay enhancements are vitally important and are supportive of improvements to both. However, existing evidence highlights that pay is the key barrier to greater uptake of Shared Parental Leave and Statutory Paternity Leave. Therefore, increasing the length of leave without reassessing the levels of statutory pay will be insufficient to improve take-up of these entitlements.

**d) Should support be directed to any particular groups of families? If so which groups, and how?**

These entitlements should be universal and should not be directed at any particular groups. However, the implementation and operation of these benefits should ensure that it is not unaffordable for families from low-paid families to access these entitlements.

## **25. Should government prioritise reform of parental leave policies over other government policies which support parents to combine work with family life?**

A suite of measures is necessary to address the complicated and multiple causes of women's inequality. While the reform of parental leave policies is an excellent starting point for advancing gender equality, this should be accompanied by reforms to other policy areas. Two key policy areas for supporting parents to combine work with family life are childcare provision and flexible working.

The prohibitive cost of childcare remains a barrier to women's labour market participation and progression. Families working full-time spend up to 45% of disposable income on childcare<sup>31</sup> and the high cost of childcare means that 25% of parents living in absolute poverty in Scotland have given up work, a third have turned down a job, and a further 25% have not been able to take up education or training.<sup>32</sup>

The right to request flexible working was extended to all employees in 2014. However, research by Close the Gap has found that there is no early evidence that it has resulted in the normalisation of flexible working, as was envisaged.<sup>33</sup> The research suggests the persistence of barriers to flexible working, including negative line manager attitudes and a general organisation-wide cultural resistance. The decreases in the use of flexible working patterns more commonly used by women to balance parenting responsibilities with work raises concerns about the value placed by employers on a true 'flexible working culture', and the ability of women to participate equally in the workplace. Enabling flexible working at all levels of an organisation is a critical component in closing Scotland's gender pay gap.

There also remains work to be done around facilitating cultural change which will enable fathers to enhanced entitlements. Continued assumptions about who within a family is responsible for childcare can mean that fathers are 'embarrassed' to ask their employers for their entitlements, for fear the impact

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<sup>31</sup> Family and Childcare Trust (2017) *Childcare Survey 2017*

<sup>32</sup> Save the Children (2017) "Soaring childcare costs push parents out of work in Scotland".

<sup>33</sup> Close the Gap (2019) *Flexible working for all? The impact of the right to request regulations in Scotland*

it could have on their career if they do so.<sup>34</sup> 40% of fathers responding to the Modern Families Index (2017) said they had lied or bent the truth to their employer about family-related responsibilities that might be seen as interfering with work. Research has shown that while less than one-third of people agree with the statement that childcare is the primary responsibility of the mother, three-quarters of mothers said they have primary responsibility for childcare in the home.<sup>35</sup>

## **26. If you consider that the government should prioritise reform of parental leave and pay policies, which policies are most important and why?**

A key priority for reform is the introduction of additional non-transferable leave for fathers. This protected entitlement has the potential to redistribute caring responsibilities, and to encourage greater uptake of these entitlements. Enhancing Statutory Shared Parental Pay and Paternity Pay are also vitally important as the low-rates of pay have been continually shown to be a key barrier for fathers accessing leave, particularly those in low-paid employment.

There remain issues with the lack of entitlements for self-employed fathers. The TUC have also raised concerns around fathers who are in precarious employment, including agency work, zero-hour contracts or casual hours contracts, who have no access to the employment rights that would enable them to spend more time with their families. Given the increasing precarity of the labour market, the lack of access to paternal entitlements is likely to become a more serious barrier to take-up in the future. There is therefore a need to extend Shared Parental Leave entitlements, and Paternity Leave and Pay to self-employed fathers. A further option would be to introduce paternity allowance similar to maternity allowance for self-employed fathers.

## **CONCLUSION**

Overall, the evidence is clear that caring responsibilities are a significant barrier to women's pay and progression prospects in the UK labour market. Current policies relating to parental leave and pay are reinforcing traditional gender stereotypes and the gender pay gap. Making changes to parental leave and pay policies has the potential to reduce the gender pay gap.

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<sup>34</sup> House of Commons Women and Equalities Committee (2018) *Father and the Workplace First Report of Session 2017-9*

<sup>35</sup> House of Commons Women and Equalities Committee (2016) *Gender Pay Gap: Second report of session 2015-6*

Our key recommendation is the introduction of additional ‘use it or lose it’ leave for fathers. Increasing the length of available leave for fathers should be accompanied by improved statutory pay. There is clear evidence that levels of payment for different types of leave impact levels of take-up. While Statutory Paternity Pay and Statutory Shared Parental Leave is lower than Statutory Maternity Pay, and while these other types of paid leave are less likely to be enhanced by employers than Statutory Maternity Pay, the take-up of these entitlements by fathers will not improve to the levels at which would achieve the Government’s policy objectives.

Moving forward, we also note that it is vitally important that the UK Government improves data collection relating to parental leave and pay entitlements. At present, the Government does not hold accurate data and there appears to be no intersectional data relating to take-up.<sup>36</sup> This lack of data makes it difficult to assess the effectiveness of these policies.

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<sup>36</sup> House of Commons Women and Equalities Committee (2018) *Father and the Workplace First Report of Session 2017-9*