

PARENTAL LEAVE

Maternity, Paternity, and Parental Leave Policies: The Potential Impacts on Children and Their Families

Sheila B. Kamerman, DSW

Compton Foundation Centennial Professor Columbia University, School of Social Work, USA

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Introduction and Subject Relevance

Over a century ago, maternity policies were enacted to protect the physical health of working women and their babies at the time of childbirth. With the dramatic rise in female labour force participation rates since the 1960s (especially among married women with young children), these policies have become increasingly important. More recently, child rearing, paternity, and parental leaves were developed in response to the needs of working women (and parents), but also out of concern for child well-being. A European Union (EU) directive mandating a paid 14-week maternity leave was adopted as a health and safety measure in 1992 and a directive mandating a three-month parental leave was enacted in 1998.¹⁻³

Job-protected leaves following childbirth (and, more recently, adoption) have become the policy norm in almost all industrialized countries, and are paid for through statutory sickness (temporary disability) benefits, unemployment insurance benefits, family allowance systems, employment benefits, or as a separate social insurance benefit. The major trends in the 1980s and 1990s have been to establish parental leaves as supplements to existing maternity leaves, to extend leave policies with a view to creating real alternatives to out-of-home infant care, and to make policies stronger instruments of gender equity.

The original drive towards a post-childbirth leave policy was not motivated by concern for the needs of children but rather by the needs of mothers. The drive towards a parental leave policy, however, was motivated by both concern for child well-being and interest in supporting gender equity.

Cross-nationally, leave policies vary in their eligibility criteria, duration, benefit levels, and take-up. Europe is creating a new standard, with parental leaves becoming the norm and, increasingly, parents can choose to

substitute a paid and job-protected leave for out-of-home care. Among the advanced industrialized countries, Canada's one-year leave ranks among the most generous policies in its duration, but among the least generous in its benefit levels. Nonetheless, leave provided in Canada still outstrips that in the United States, where only brief, unpaid leaves are the norm.¹⁻⁴

Cross-nationally, the critical policy differences have to do with the extent to which a policy is designed:

1. To support family work and child rearing and to create an incentive for women to leave the labour force when children are very young; or
2. To facilitate women's work outside the home and help reconcile work and family life by protecting and promoting the well-being of children while their parent(s) are in the labour force; or
3. To allow women and parents to choose between the above options to suit their own preferences.

Problems and Research Context

Thus far, research in this field has focused largely on the consequences of leave for women (e.g., maternal employment; mother's wages over time), and, to a lesser extent, for employers. The literature suggests that there have been no negative consequences of the policies for women or for employers where short and intermediate term leaves are concerned; but there may be negative consequences for women who take extended leaves (e.g., three years), particularly if they take multiple, sequential leaves.^{1,5}

Leaves have a positive effect in that they stimulate higher rates of female labour force participation. As more women are employed, more pay income tax and government revenues rise. Other benefits, harder to quantify or monetize, are the positive consequences for workers trying to reconcile work and family life.^{1,2,5}

Recent Research

While research into the consequences of leave on children is comparatively limited, the positive consequences of leave on the health of mothers and children have been documented in several countries. Increasingly, child well-being is being discussed as an important component of policy and warrants further attention by researchers. A study by Ruhm found that paid parental leave policies improved child health as measured by birthweight and infant or child mortality. He found that "Parental leave has favourable and possibly cost-effective impacts on pediatric health." (p.23)⁶ The most likely reason, according to Ruhm, is that leaves provide parents with additional time to invest in taking care of their young children. More generous leave policies appeared to reduce infant and young child mortality. "In particular there is a much stronger negative relationship between leave durations and post-neonatal mortality of fatalities between the first and fifth birthday than for perinatal mortality, neonatal deaths, or the incidence of low birthweight. The evidence further suggests that parental leave may be a cost-effective method of bettering child health."⁶ Moreover, the availability of these policies reduces the need for out-of-home infant and toddler care, since the demand for such services is linked to the duration (and benefit adequacy) of the leave policy.

In a study of 18 OECD (Organization for Economic Cooperation and Development) advanced industrialized countries, Sakiko Tanaka assessed the outcomes of parental leave policies on child health outcomes.⁷ Covering more than three decades (1969-2000), her study confirms and updates Ruhm's earlier work described

above. The outcomes she studied are infant mortality, low birth weight, and immunizations. Her major finding is that longer periods of paid leave are associated with reductions in infant mortality while unpaid and/or non-job-protected leaves have no significant effect.

In their study of outcomes for children in the U.S., Berger, Hill, and Waldfogel compared children whose mothers were still at home at twelve weeks after childbirth (the maximum leave permitted under the U.S. Family and Medical Leave Act) with those whose mothers returned to work earlier.⁸⁻⁹ They found that children whose mothers returned to work in less than twelve weeks fared worse on a number of health and development outcomes. They were less likely to have had regular medical check-ups, less likely to be breast fed, less likely to have had all their immunizations by age 18 months, and if their mothers worked full-time, were more likely to have behaviour problems at age four.

Implications

The key policy issues around leave policy are three-fold: eligibility criteria for qualifying for a leave, duration of leave, and level of benefits. Policies covering about one year of fully job-protected leave and targeting parents with strong prior labour force attachment with benefits covering close to full wage replacement, and with a guaranteed place for a child from the age of one, in a good quality, affordable, out-of-home care facility appear to be garnering support. It is now recognized that both *parental choice* and support for child well-being are enhanced by this kind of approach.¹

Conclusions

Parental leaves are a modest budget expenditure, but should constitute an essential part of any country's child and family policy and an essential component of a country's early childhood education and care policy. It is up to researchers to monitor the impacts of leave policy on children and child development as, clearly, no industrialized country today should be without such a provision.

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