



Investigating the optimal duration of maternity leave: evidence from the Parental Leave in Australia Survey

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Data source & acknowledgements

- Research for this paper draws on data from *The Parental Leave in Australia Survey*, which was distributed to the Infant Cohort of the Longitudinal Study of Australian Children (LSAC) in 2005. The Infant Cohort is a random sample of infants born between March 2003 and February 2004 which in effect provides a sample of their parents/families.
- The cohort includes 5107 families recruited from a sampling frame provided by Medicare Australia. The initial response rate in recruiting this cohort was 64% (all tables in this presentation are weighted to account for non-response bias).
- The response rate to *The Parental Leave in Australia* survey was 70%. The dataset has information 3568 families, most of which are couple families with valid responses on the employment patterns and leave usage of mothers and fathers.
- Funding for the survey was provided by the Australian Research Council (ARC), through a project involving five industry partners. The academic team members included Gillian Whitehouse and Chris Diamond (University of Queensland) and Marian Baird (University of Sydney)
- The survey could not have been conducted without LSAC, which was initiated and is funded by the Australian Government through the Department of Families, Community Services and Indigenous Affairs (FaCSIA) and is being conducted in conjunction with the Australian Institute of Family Studies (AIFS) and a consortium of research agencies and universities.
- We thank the relevant organisations, and note that none is responsible for the use of data in this presentation.
- The dataset from the survey has been publicly released and is available to researchers for a nominal fee. Further information can be found on *The Parental Leave in Australia* website: <http://www.uq.edu.au/polsis/parental-leave> or on the LSAC website.

Perspectives on the optimal duration of maternity/parental leave

1. Health and well-being of mothers and children
2. Child development
3. Family formation and functionality
4. Effective resourcing of businesses/ employers' needs
5. Women's labour force attachment and career progression (and thus gender equity in paid employment)
6. Gender equity in the household

To what extent can the different end goals represented by these perspectives be accommodated in policy development?

Focus of this paper is primarily on gender equity outcomes (specifically in paid employment) but with concerns about how much 'optimality' on this dimension conflicts with, or coincides with, optimality on other dimensions

What can be determined about these issues from leave users' experiences and perceptions?

Figures 1 & 2: Duration of paid and unpaid maternity/parental leave usage in Australia

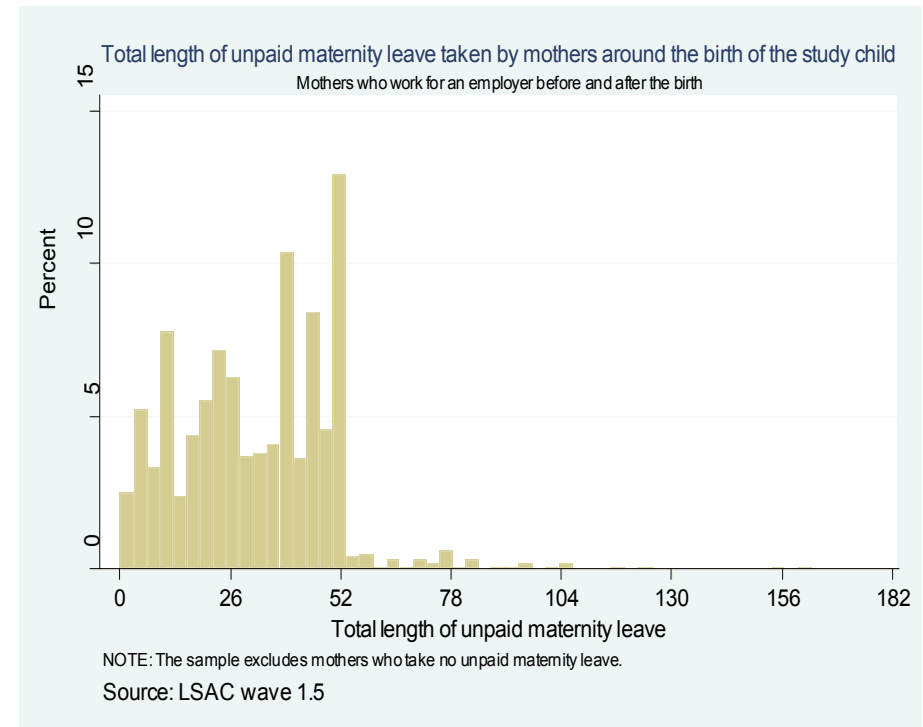
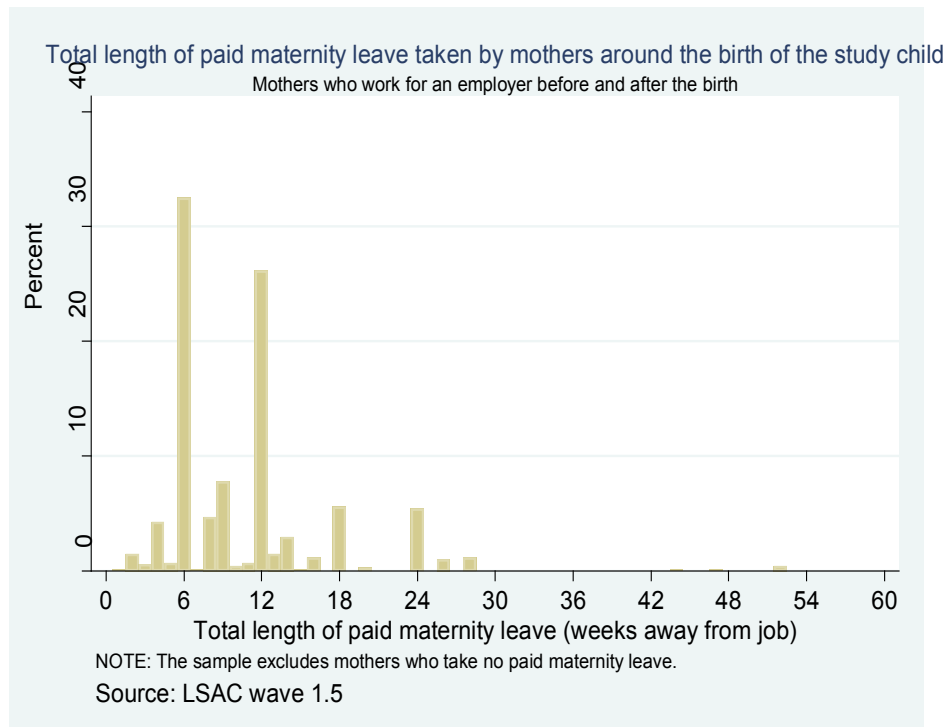


Figure 3: Total duration of leave usage for parental purposes in Australia

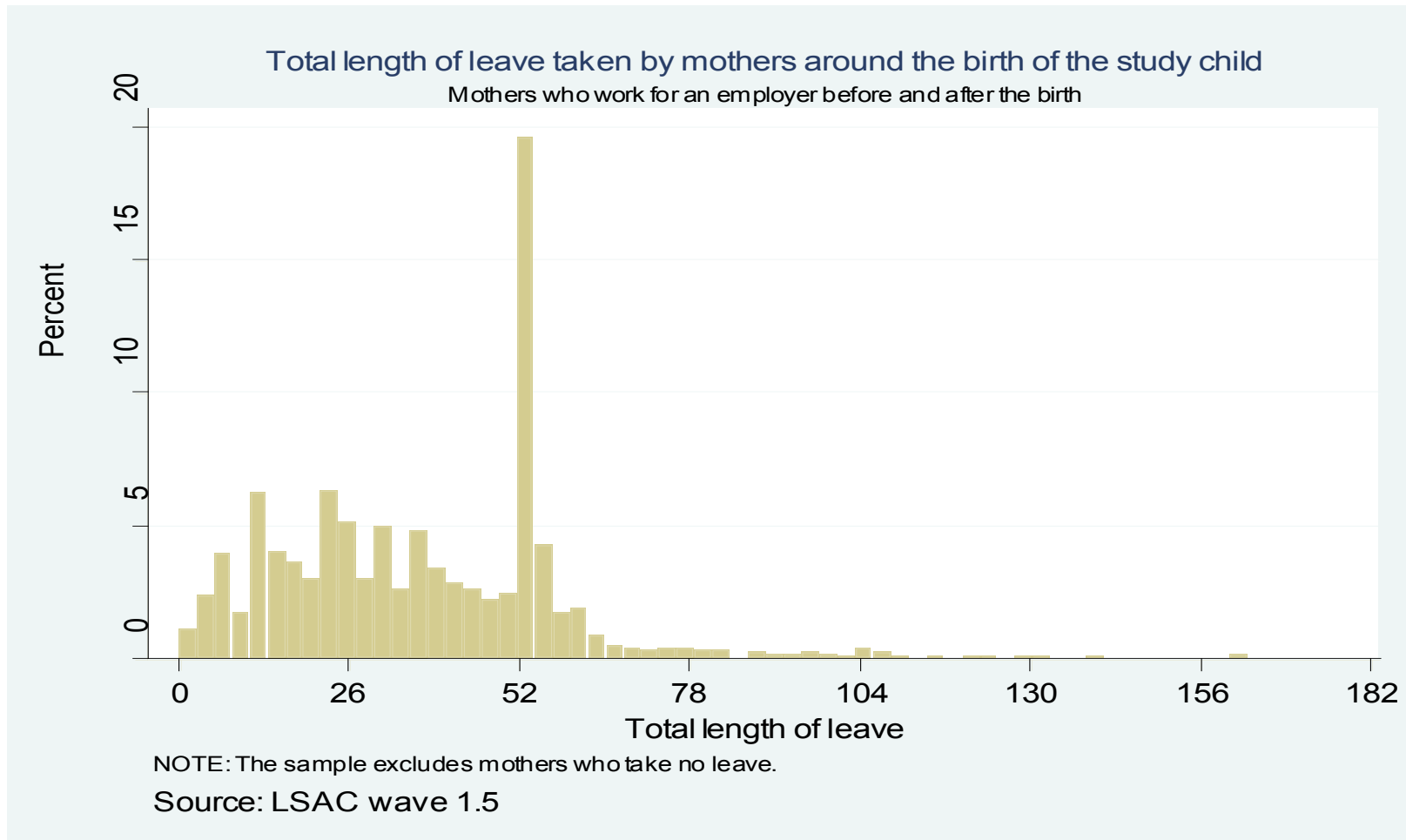


Table 1: Mothers' perceptions of satisfaction with leave duration

| | All employees who take leave and have returned to work for an employer (%) |
|---|--|
| (i) I would have taken longer leave if I had some, or more, PAID maternity leave | 46 |
| (ii) I would have taken longer leave if I had some, or more, UNPAID maternity leave | 8 |
| (iii) I returned to work earlier than I would have liked because I was worried about my job | 9 |
| (iv) I returned to work earlier than I would have liked because I /we needed the money | 45 |
| (v) My leave was too short to establish breastfeeding | 2 |
| <i>N</i> | 1267 |

Table 2: Mothers' perceptions of satisfaction by leave duration

| All employees who take leave and have returned to work for an employer | | |
|--|---|--|
| Duration of leave | I would have taken longer if I had some/more PAID maternity leave (%) | I returned earlier than I would have liked because I/we needed the money (%) |
| 1-12 weeks | 46 | 48 |
| 13-26 weeks | 58 | 58 |
| 27-39 weeks | 58 | 61 |
| 40-52 weeks | 36 | 35 |
| More than 52 weeks | 35 | 30 |
| <i>N</i> | 1288 | 1288 |

Logistic regression results (likelihood of satisfaction/ dissatisfaction depending on duration of leave taken while controlling for a range of other factors – see Table 3)

- Those who took 39 weeks (\approx 9 months) or less were more likely than those who took 40-52 weeks (9-12 months) to respond (i) that they would have taken longer if they'd had some/more paid maternity leave or (ii) that they did return earlier than they wanted for financial reasons. However those who took >52 weeks were not significantly less likely to report dissatisfaction.
- The relationship was not clearly linear (highest odds ratio or likelihood of dissatisfaction among the 13-26 weeks group, not the 1-12 weeks group)
- These kinds of dissatisfaction were more likely among respondents who took a combination of paid and unpaid leave than among those who took unpaid leave only. However the relationship with duration remained while controlling for this factor.
- These kinds of dissatisfaction were more likely among respondents who had experienced problems in their workplaces prior to the birth, but (at least for the first item) less likely among those working part-time or on a casual or fixed-term basis. The latter may reflect 'realistic' expectations among those with less 'standard' or secure forms of employment.
- These kinds of dissatisfaction were less likely among respondents with a spouse earning \$1000 or more per week. However the relationship with duration remained while controlling for this factor.

Controls in regression analysis include type of leave taken, 'pre-birth' employment characteristics (part-time and casual employment status, public sector, hourly wage, occupation), mother's individual attributes (education, age) and family characteristics (partner's weekly wage, single mother, number of children)

Figure 4: Predicted probability of responding that a longer leave would have been taken if mother had access to some/more paid maternity leave, by mother's duration of leave and partner's income (all other explanatory variables set to the modal categories)

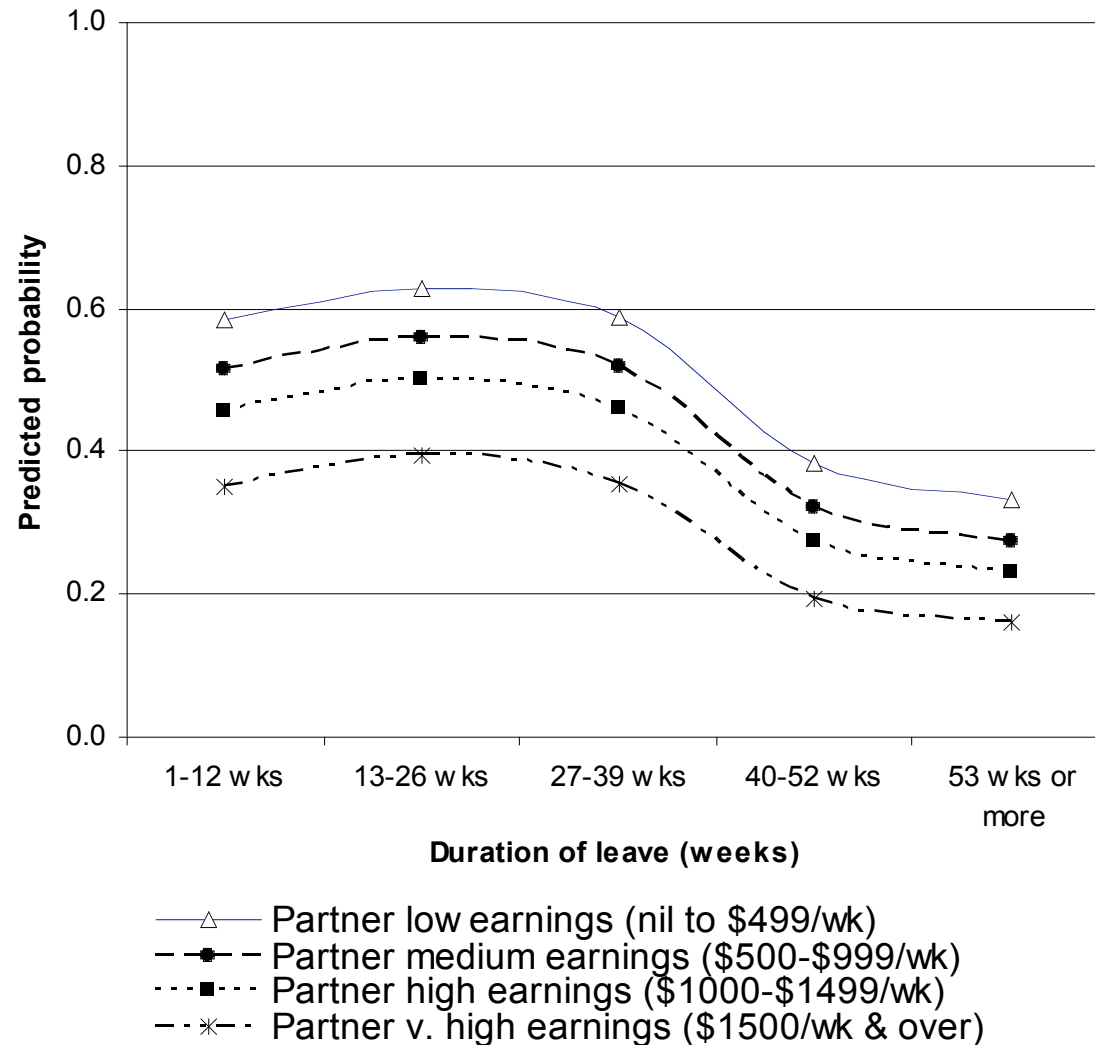


Figure 5: Predicted probability that a mother returned earlier than she would have liked due to financial pressure, by mother's duration of leave and partner's income (all other explanatory variables set to the modal categories)

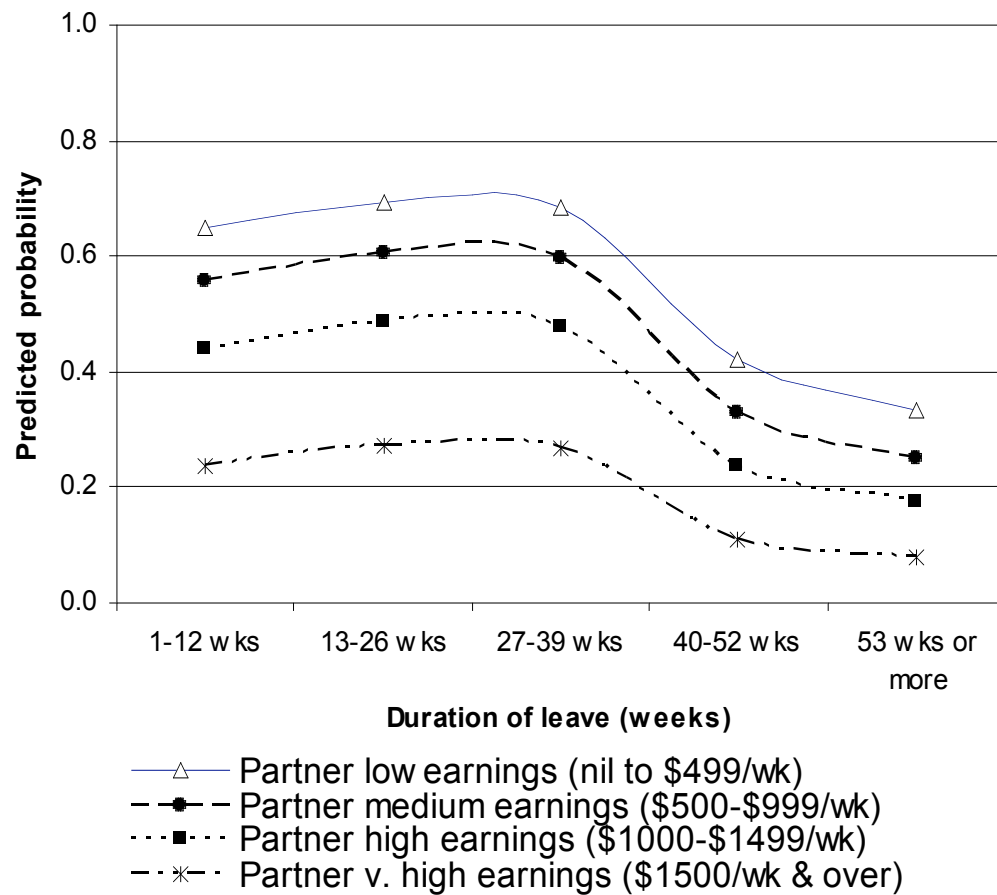


Table 4: Perceptions of career opportunities after returning to work, by duration of leave (row percentages)

| | All employees who return to work for an employer | | |
|--------------------------|--|----------------|-------|
| | Career opportunities | | |
| | Better | About the same | Worse |
| No leave | 21 | 59 | 21 |
| Some leave | 7 | 66 | 27 |
| TOTAL | 9 | 65 | 26 |
| Duration of leave | | | |
| 1-12 weeks | 5 | 70 | 25 |
| 13-26 weeks | 6 | 68 | 26 |
| 27-39 weeks | 9 | 72 | 19 |
| 40-52 weeks | 7 | 59 | 34 |
| 53 weeks or more | 6 | 67 | 28 |
| <i>N (take leave)</i> | 85 | 967 | 382 |

Logistic regression results (likelihood of better or worse opportunities on return to work depending on duration of leave taken while controlling for a range of other factors – see Table 5)

- Those who took 27-39 weeks (6-9 months) were less likely than those who took 40-52 weeks (9-12 months) to think their career opportunities were worse on return to work.
- Among those who changed employers or jobs, there appears to be a non-linear relationship with an increased likelihood of both better and worse opportunities compared with those who made no changes (relative risk ratios are highest for 'better' opportunities).
- Those who changed from full-time to part-time status on return from leave were significantly more likely to think their career opportunities were worse; while those who made the reverse transition were significantly more likely to think their career opportunities were better.
- Some occupational and family characteristic effects that are difficult to interpret (perhaps having more children reduced the 'relative risk' of worse outcomes because these women have already made the 'downward mobility' step with an earlier child).
- Results for perceptions of career opportunities may reflect, among other factors, unmeasured differences in career plans and attachment.

Controls in regression analysis include: change in employer or job, or in working hours, on return to work, pre-birth employment characteristics (hourly wage, occupation), mothers' individual characteristics (education, age) and family characteristics (single mother, number of children)

Figure 6: Predicted probability of experiencing worse, same or better career opportunities on return to work, by mother's duration of leave for those returning to the same job with the same employer (all other explanatory variables set to the modal categories)

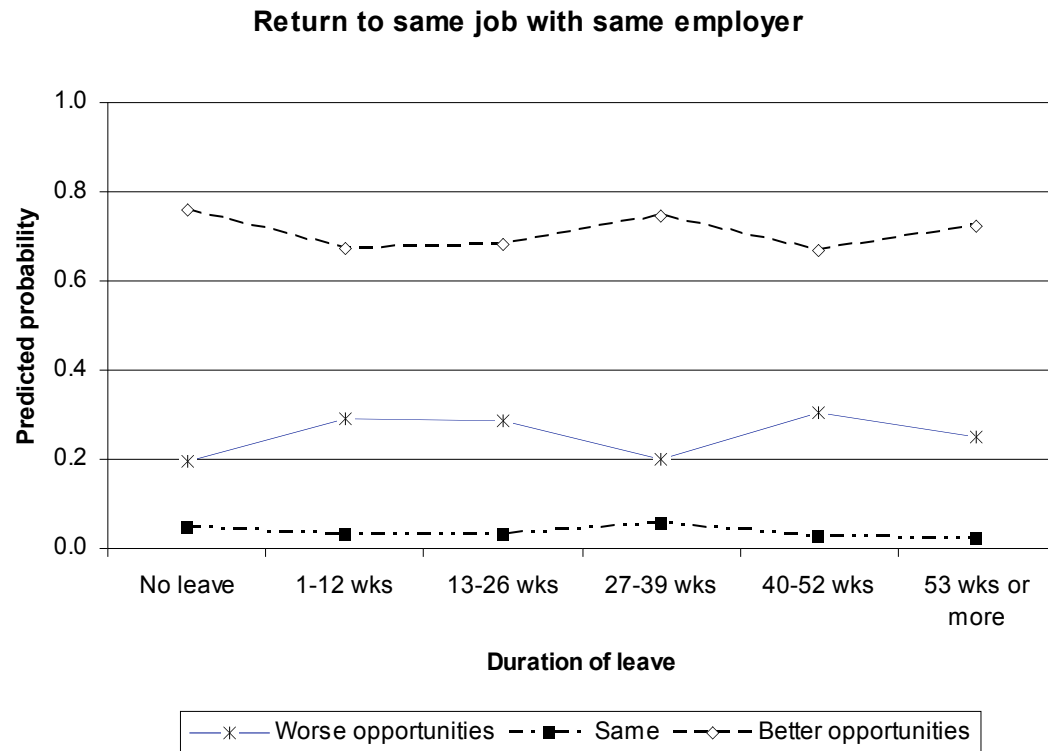


Figure 7: Predicted probability of experiencing worse, same or better career opportunities on return to work, by mother's duration of leave for those returning to a different job with the same employer (all other explanatory variables set to the modal categories)

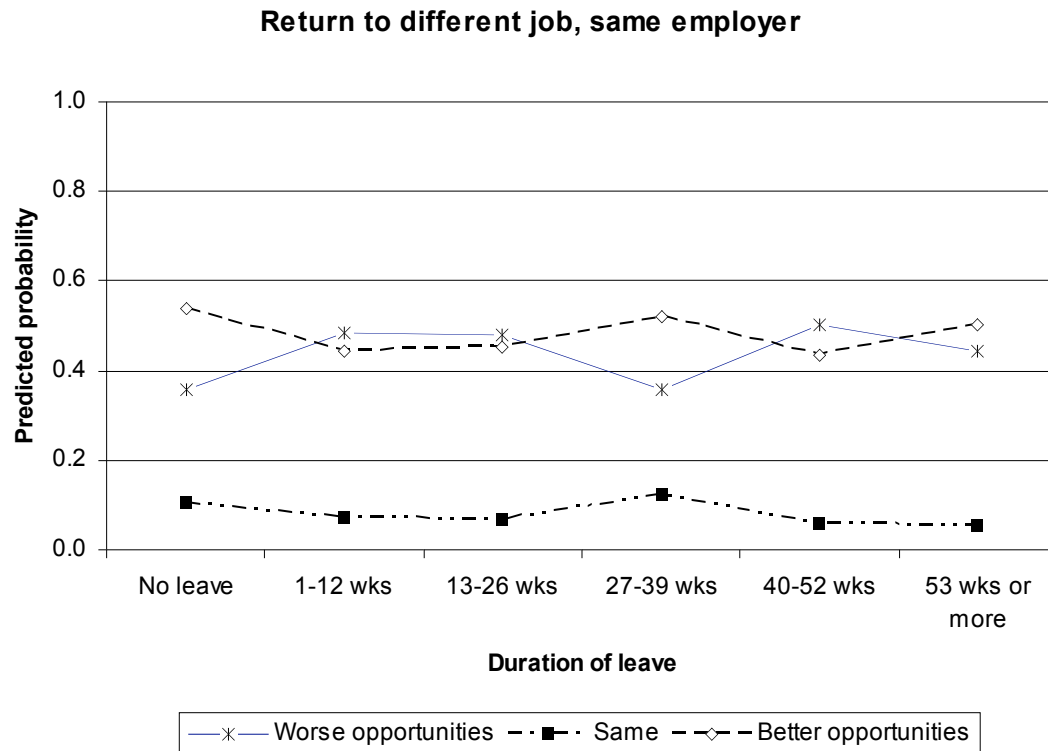


Figure 8: Predicted probability of experiencing worse, same or better career opportunities on return to work, by mother's duration of leave for those returning to the same kind of job with a different employer (all other explanatory variables set to the modal categories)

