



# BETA research: Women's labour force participation

Presentation of research findings to the Women's Economic Equality Taskforce

Oct 2022

# BETA generates and applies evidence from the behavioural and social sciences to find solutions to complex policy problems



## Insights

Deeper understanding of a behavioural issue

We are a team of qualitative and quantitative researchers with a keen interest in how Australians interact with Government's policies and programs.

- Conduct primary research to better understand policy problems
- Offer quick turnaround behavioural advice

### Methods:

- Literature reviews
- Surveys
- Interviews and focus groups
- User testing
- Scoping sessions to apply BI to policies and programs
- Workshops



## Evidence

Rigorous testing of what works in the real world

We design solutions to support behaviour change and then evaluate them to find out what works. We pick the right tool for the job, such as randomised controlled trials (RCTs), qualitative research or data analytics.

We focus on outcomes and impact so you can have confidence your program or policy will make a difference.

### Methods:

- Behavioural design
- Randomised Controlled Trials (RCTs), including survey experiments
- Evaluation and data analysis



## Capability

Tailored BI training, networks and resources

One of BETA's core objectives is to develop APS capability to apply behavioural insights (BI) to policy.

We have crafted a suite of behavioural tools and training to deliver on that objective, and build knowledge and opportunities for collaboration.

### Methods:

- BI eLearning modules
- BI presentations tailored to our APS partner
- BI capability building networks
- BI seminars on topical issues

# BETA

# BETA partnered with OfW to gather evidence to build a better understanding of women's labour force participation

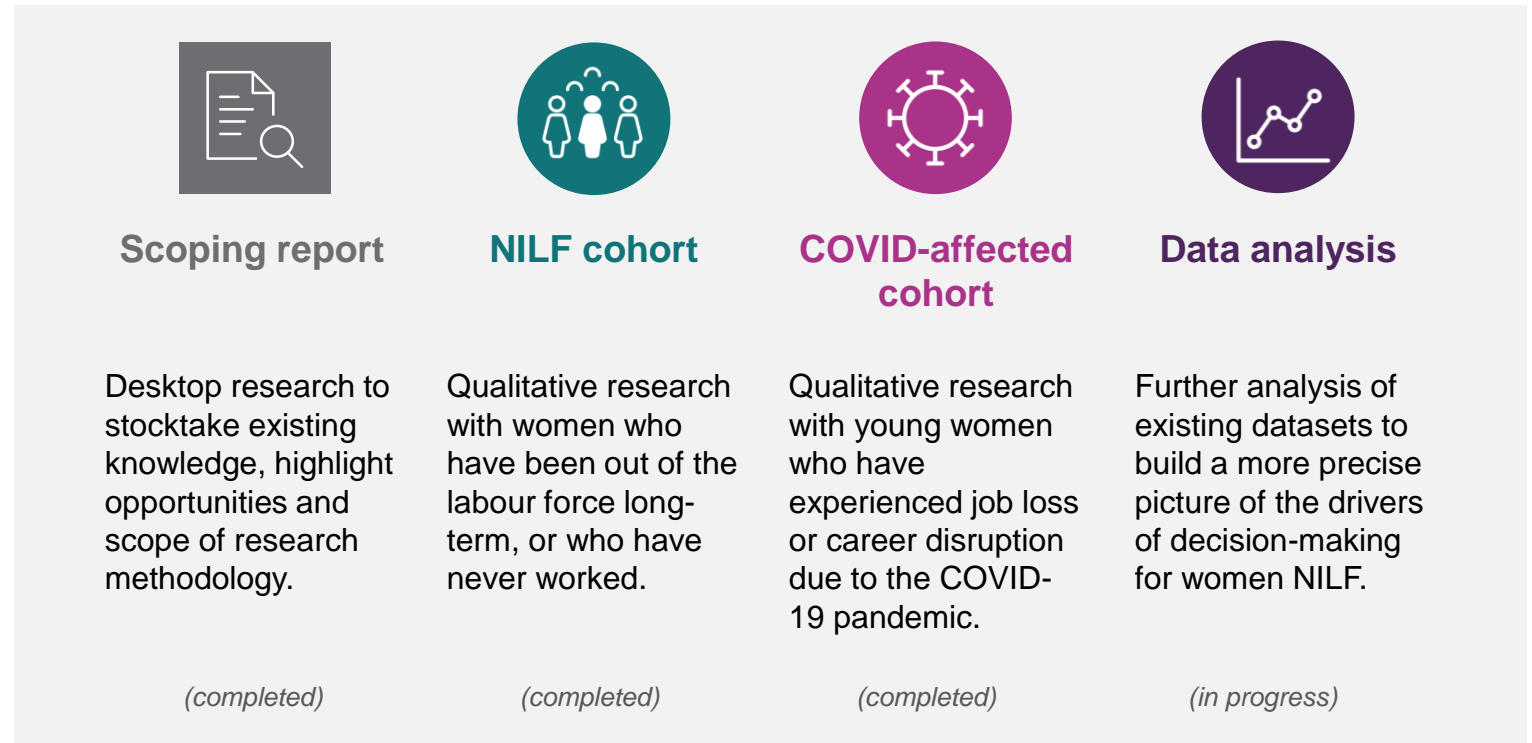
## Research questions

BETA is partnering with OfW to gather evidence to better understand women's perspectives and decisions around entering, leaving, and re-entering the labour force.

- What are the key barriers preventing women from re-entering the labour force?
- Can we see early signs of long-term impact on young women who lost their jobs during COVID?

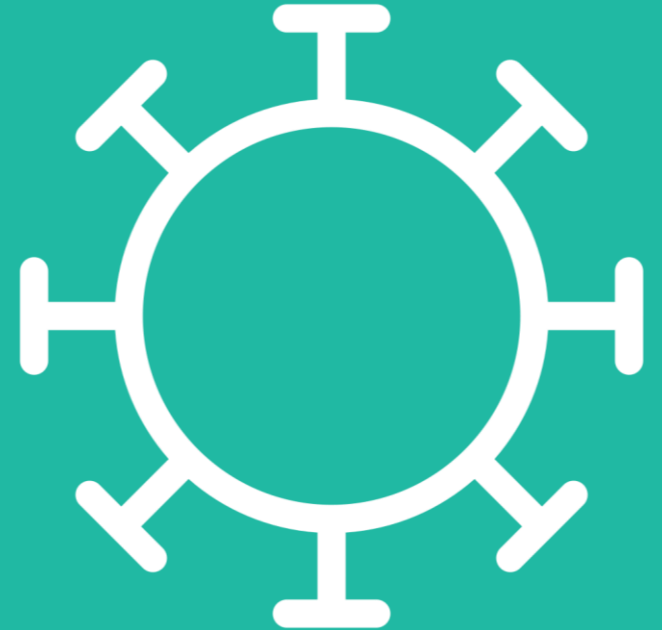
## A mixed-methods approach to understand the problem and identify opportunities

Qualitative research offers us nuance and understanding of the 'why', while data analysis gives us estimates of the prevalence across the population.



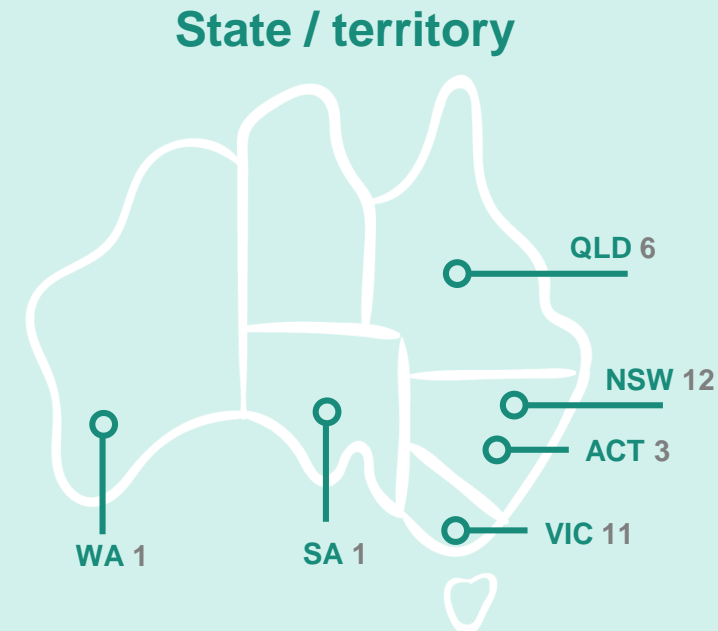
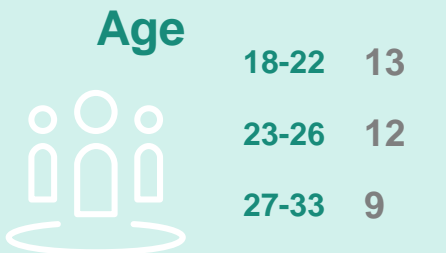
# COVID-affected cohort

Qualitative research findings



# Methodology

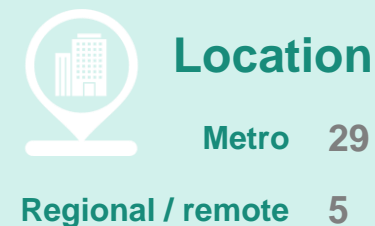
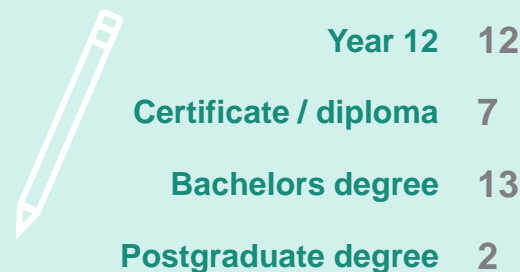
In March and April 2022, we conducted focus groups with 34 young women who have experienced disruptions to their early career during the COVID-19 pandemic



**Household structure**



**Educational attainment**



# Job loss, difficulty finding work, and the limitations of online study have disrupted young women's careers

## Young women have missed out on key life experiences

Lockdowns mean many young people missed coming-of-age experiences that would have helped them transition into the next stage of their lives.

## Mental health challenges were the norm

Uncertainty and isolation during lockdowns were confronting, compounding existing mental health challenges. Many young people still feel burnt out, lacking resilience and need mental health support to move forward.

## Young casual workers felt disposable, unsupported

We heard from several women about their negative, even exploitative, experiences in the workplace.

## Online learning has been disruptive, leaving gaps in practical skills and professional networks

The lack of hands-on training and opportunities for networking and collaboration has left many feeling unprepared to enter the workforce.

## Loss of financial independence set many back

Following a period of unemployment, many felt their careers are 'off track', and worry whether they will be able to catch up. Some expected they would need to delay milestones like moving out of home, buying property, or starting a family.

## Existing employment services were not found to be supportive or helpful

During the pandemic, many young women had a difficult time finding work that was a match for their skills, experience and interests.

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***"It was a lot of denial, and feelings of helplessness... The lack of control, not knowing what was coming, not being able to prepare for exciting things, or progression. You start to lose motivation, lose that sense of identity. "***

Female, 21, Brisbane, lost job in hospitality

***"I used to be excited for the future and have plans and dreams, goals. At the moment I don't feel I can have those goals, dreams, hopes, because we still don't really know what happens next. "***

Female, 22, Regional VIC, lost job in hospitality

# We found early evidence of potential long-term career scarring

These qualitative, self-reported experiences should be interpreted with caution. However, it is clear we need to measure scarring, and find opportunities to mitigate the impacts of career disruption.



## Decreased confidence

*Job loss, difficulty finding work and long-term unemployment has decreased some young women's confidence and self-perceptions.*



## Poor initial job matching

*Taking a job below their salary expectations, skill level or outside their area of study was common during the pandemic.*



## Lower levels of risk tolerance

*Risk aversion prevented women from leaving 'safe' jobs, avoiding highly-competitive situations.*



## Lack of skill currency and connection to networks

*The lack of opportunity for in-person training and networking was a unique feature of the COVID crisis, and many women feel this has set them back*



## Lowered expectations and aspirations

*Feeling devalued and uncertain, some young women have lowered aspirations for their career.*

Without intervention, women reporting these risk factors may not 'catch up', and have a lower job trajectory over the next decade or more – potentially widening the gender pay gap.

# Key opportunities for further work to support young women's economic security

This research has identified a range of opportunities for the government to support the careers of young women who have experienced disruption due to the pandemic



## Link mental health and careers support

Youth unemployment is associated with poor mental health long-term, and mental health support may help young women build confidence and pursue fulfilling careers.

This highlights a potential opportunity to offer linked or complementary careers and mental health counselling.



## Review suitability of existing job services

Existing employment services were not well suited to support high-achieving young women who found themselves unexpectedly out of work due to the pandemic.

There may be opportunity to make adjustments to the new Employment Services Model to better support young women whose careers have been impacted by the pandemic.



## Facilitate access to industry mentors and networks

Many young people missed opportunities for in-person networking during the pandemic.

The government could support young women to access mentorship programs – focusing on women who missed out on networking and professional connections due to the pandemic.



## Support businesses to provide on-the-job training

Challenges during COVID with online study and a lack of opportunities for in-person training mean some young people now need additional support to be 'job ready', or to move into their intended career path.

There may be a role for government in encouraging employers to offer additional on-the-job training for junior staff, including support for those in remote working environments.



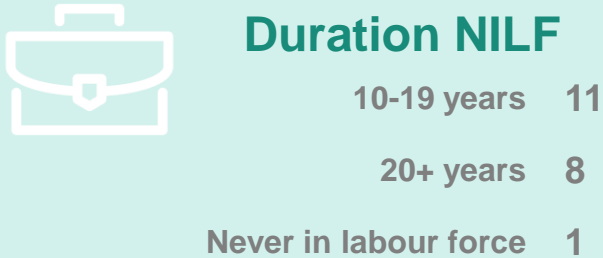
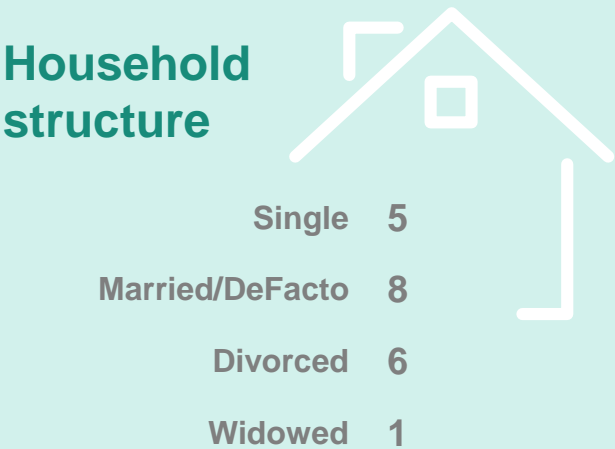
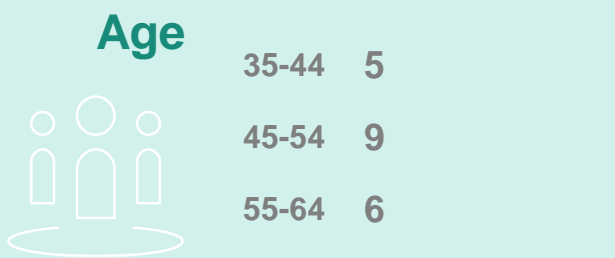
# Not in the labour force (NILF) cohort

Qualitative research findings

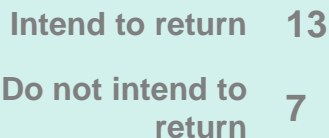


# Methodology

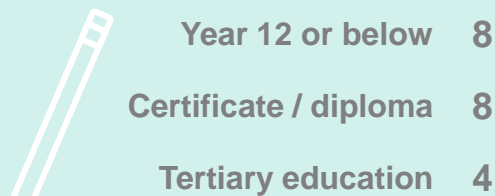
In March and April 2022, we spoke to 20 women who have been out of the labour force for 10+ years



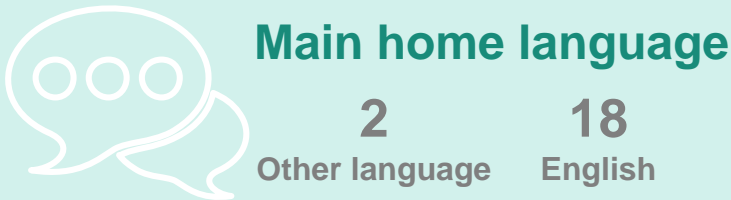
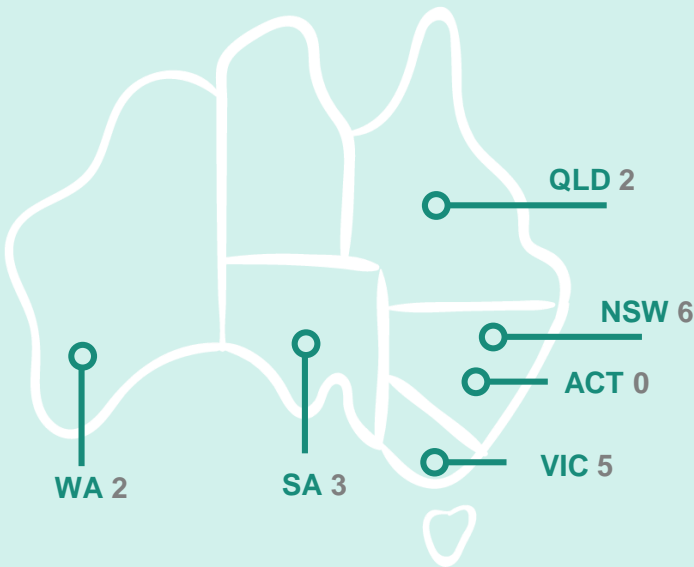
## Intent to return to labour force



## Educational attainment



## State / territory



# We heard five common stories, many related to caring



## Medical needs carers

### Key challenge:

Having a child or other family member needing long-term care, making it difficult to leave home or work predictable hours.

### Enablers to re-entry:

Have an intention to work, and can draw on past career experience and networks.



## Planned long-term carers

### Key challenge:

May not have a long-term economic plan for if their financial circumstances change.

### Enablers to re-entry:

Tend to be in a stable economic situation and have the time and resources to look for work.



## Unplanned long-term carers

### Key challenge:

Without a financial requirement to work, others in the household may not support the carer returning to employment.

### Enablers to re-entry:

Able to draw on past career experience and networks.



## Disability and chronic illness

### Key challenge:

Past experiences have taught them they do not fit into a traditional workplace and that no employer will accommodate their needs.

### Enablers to re-entry:

Have valuable skills and experience to offer.



## Multifaceted disadvantage

### Key challenge:

Multiple interrelated disadvantages including mental and physical health, finances, housing, and safety.

### Enablers to re-entry:

Have a desire to work as part of overall independence and self-esteem.



The burden of unpaid care is a barrier to workforce participation for most of these women.

# Labour force participation is determined by intentions, capability and opportunities

Intention	Capability	Opportunity
Do I want to participate in the labour force?	Do I have what it takes to join the labour force?	Are there jobs out there for me?
<ul style="list-style-type: none"> <li>• Belief in their prospects for finding suitable employment</li> <li>• Perceptions of work and past employment experience</li> <li>• Self-image and confidence</li> <li>• Values (caring, health, balance)</li> </ul> <p><i>“When I was working I was completely and utterly empowered. I was successful and I miss that.”</i></p> <p>Medical need carer</p> <p><i>“I promised my ex and I promised myself that I would be there for my daughter through her schooling.”</i></p> <p>Planned long-term carer</p>	<ul style="list-style-type: none"> <li>• Access to clothes, equipment, transport and other logistics</li> <li>• Skills being up to date, particularly for those in fast changing fields like IT</li> <li>• Knowledge of how to identify and apply for work</li> </ul> <p><i>“I’ve applied for a community grant for a laptop and printer, so I can apply for work from home jobs.”</i></p> <p>Medical need carer</p> <p><i>“The nature of software is that it’s changing rapidly. So a lot of my skills were outdated.”</i></p> <p>Unplanned long-term carer</p>	<ul style="list-style-type: none"> <li>• Domestic violence which affects financial security, health, housing, and child custody, which in turn, inhibit employment</li> <li>• Ability to share long-term caring responsibilities</li> <li>• Others in the household support for woman returning to work</li> <li>• Workplaces’ willingness to accommodate health condition/disability</li> </ul> <p><i>[My disability] cuts me out of an awful lot of jobs.”</i></p> <p>Disability or chronic illness group</p> <p><i>His thing was, I earn enough money that you don’t have to work. If you want to work, that’s fine, but I’m not going to help you.”</i></p> <p>Unplanned long-term carer</p>



Unpaid care creates a barrier to opportunity

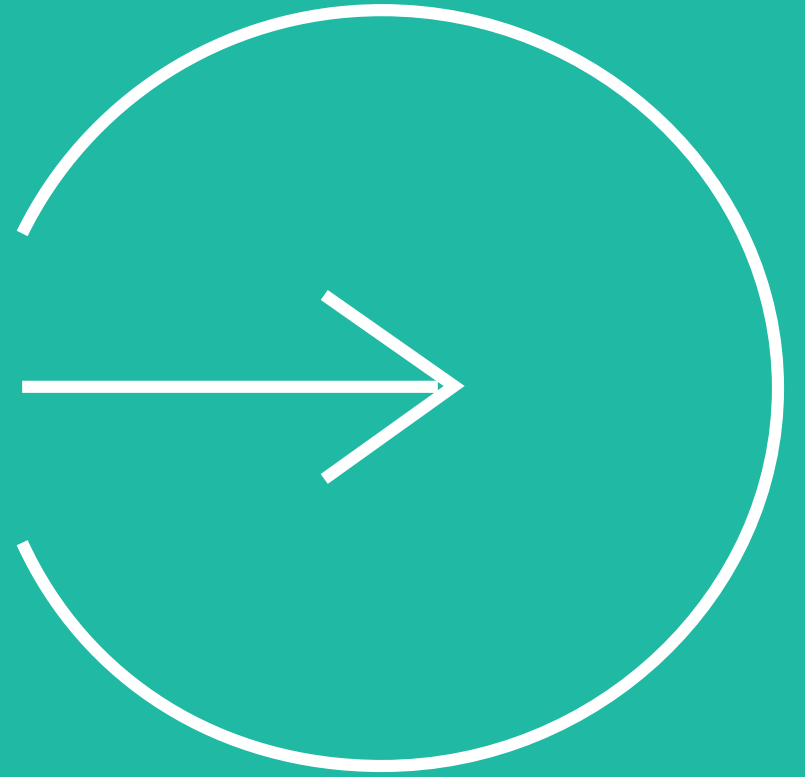
# Participants' views pointed towards policy options

Intention	Capability	Opportunity
How can we support women to pursue their intentions?	How can we support women to fill capability gaps?	How can we create opportunities for women to be employed in suitable jobs?
<p>Support women's existing preference for interpersonal job seeking by:</p> <ul style="list-style-type: none"> <li>• supporting women to connect with their existing social networks</li> <li>• creating additional opportunities for mentoring and networking</li> </ul> <p>Support those who do not want to work by:</p> <ul style="list-style-type: none"> <li>• connecting them with financial planning services</li> </ul>	<ul style="list-style-type: none"> <li>• Low cost training for those who need to reskill</li> <li>• Support employers to offer on the job training.</li> <li>• Small grants for home office, suitable clothes, or transportation fees</li> </ul>	<ul style="list-style-type: none"> <li>• Specialised employment services that would better understand their strengths and challenges</li> <li>• Flexible employment conditions</li> <li>• Support employers to recognise the existing skills (outside of employment) of older women and incentivise hiring older workers</li> <li>• Reduce the caring load for individuals</li> </ul>



Shared caring responsibilities  
enables women's workforce  
participation

# Potential future work



# There is no shortage of complex problems to solve

We take a behavioural approach to unpacking problems, designing and testing solutions

## Our research identified a number of barriers to women's economic security:

- Women who have been out of the labour force long-term often **lack the confidence** to attempt re-entry
- Young women were **more likely to lose work** during the pandemic than men, with potential implications for their longer-term economic security
- Existing **employment services are not well-suited** to support women into the labour force
- Men are **less involved in childcare** (including less caring duties at home, and are less likely to work part time to care for pre-school aged children)
- **Family and domestic violence** presents a lasting barrier to women's workforce participation and broader economic security, even after the relationship has ended



## *How could we encourage men to take a greater share of parental leave?*

Incentives, such as 'use-it-or-lose-it' provisions, will be crucial.

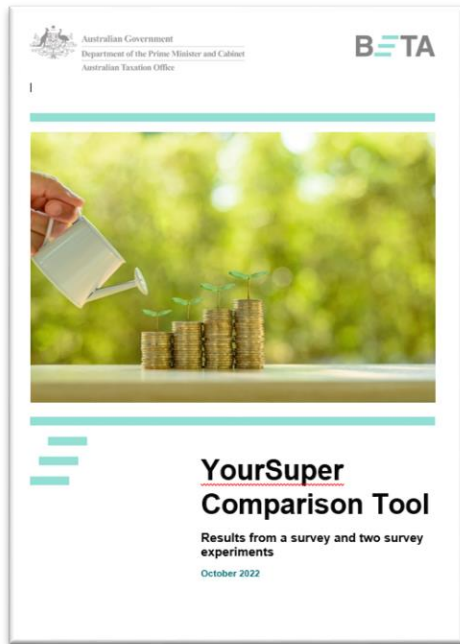
However, the **details of implementation**, and **how and when these options are presented to couples**, will also matter.

- How can we address the strong **defaults in the current application process**, which signal that PLP 'belongs' to the birthing parent? Can we move away from the model of a sole, permanent, '**primary carer**'?
- Could we make the division of PLP an '**active choice**', rather than involving a transfer of entitlement from one person to another?
- At what stage in the pregnancy or family planning process are couples making decisions about division of care? What information would support their consideration of sharing care?

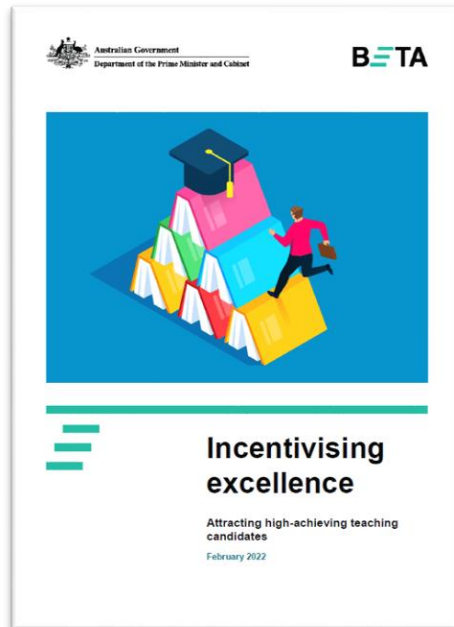
# Some examples to prompt ideas

## Some recent BETA publications

Helping people make  
better superannuation  
decisions



Attracting high-  
quality teaching  
candidates



Improving organ  
donor registration  
among young adults



## BETA's areas of focus for current and future projects

- Skills shortages and career decision-making
- Women's economic security
- Energy consumption
- Healthcare access for disadvantaged Australians
- Reducing complexity in government systems



# Questions and discussion



# Thank you

General enquiries [beta@pmc.gov.au](mailto:beta@pmc.gov.au)  
Media enquiries [media@pmc.gov.au](mailto:media@pmc.gov.au)  
Find out more [pmc.gov.au/beta](https://pmc.gov.au/beta)

Behavioural Economics Team of the Australian Government

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# Behavioural considerations for expanded PPL implementation

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## Background

The Australian Government has announced reforms for the Paid Parental Leave (PPL) scheme to improve gender equality, enhance women's economic security and encourage greater sharing of care arrangements for Australia's families.

The Women's Economic Equality Taskforce (WEET) has been asked to provide advice on the optimal policy settings for the expanded PPL scheme. Incentives such as 'use it or lose it' portions for fathers and partners will be crucial to achieving more gender-equal PPL. However, the details of the implementation, including how options are presented to families, will also make a difference to the uptake of more equal caring.

The WEET has asked the Behavioural Economics Team of the Australian Government (BETA) to provide advice on the behavioural considerations for implementation of the new PPL scheme, with a particular focus on encouraging greater uptake by fathers and partners.<sup>1</sup>

## Focus of BETA's advice

In this advisory note, BETA makes 11 recommendations (summarised on page 2) to promote and evaluate more gender-equal take up of parental leave. We focus on simple, inexpensive behavioural interventions aimed at encouraging take up by men who may already have an openness to sharing care, but who have been influenced by strong defaults and the administrative burden of transferring Parental Leave Pay (PLP) allocations. Broader cultural change and acceptance of gender-equal caring roles, (particularly for men who conform to traditional gender norms) will take time. However, encouraging just a few fathers and partners to take on a greater role in caring could influence peer networks through social modelling, creating a snowball effect that normalises more gender-equal use of PPL.




In this advisory note, we cover:

- A summary of relevant findings from academic literature on **behavioural barriers** to men taking up parental leave (p3)
- Recommendations for practical adjustments to the PLP **application process** to encourage more gender-equal parental leave (p5)
- Recommendations for how **communication materials** and resources could support families to discuss shared care arrangements (p9)
- Recommendations for how **employers** can support men to take parental leave (p11)
- Recommendations for an iterative approach to the roll out of the scheme, including considerations for **monitoring and evaluating** impact (p13)
- Options for BETA to conduct **research and design** work to inform the scheme (p14)

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<sup>1</sup> As BETA has been asked to focus on encouraging fathers and partners to take up parental leave, we have not included advice on the implementation of the scheme for single mothers, same-sex couples, or blended families.

## Summary of recommendations and target outcomes at each stage

Stage for families	Planning care arrangements 	Applying for PLP 	Ongoing care arrangements 
Implementation Recommendations	<p>Communication about the new PPL scheme should frame the expansion as being about <b>encouraging shared care</b>. (p9)</p> <p>The Government should develop an interactive <b>online decision tool</b> to help parents have informed, timely discussions about shared care options. (p9)</p> <p>The Government should facilitate <b>education, networking and social support</b> among (soon-to-be) fathers and partners. (p10)</p>	<p>The Government should create a <b>single form</b> that allows parents to jointly apply for PLP. (p5)</p> <p>The new PLP form should address existing defaults, and prompt parents to make <b>an active choice</b> about sharing PLP. (p 6)</p> <p>The new form should use <b>gender-equal language</b> and careful framing of questions to encourage shared care. (p7)</p>	<p>The application process should offer <b>flexibility</b> - allowing parents to change leave arrangements after a baby is born. (p8)</p> <p>The Government should lead by example to encourage <b>employers to offer gender-equal parental leave benefits</b> as a mechanism to attract and retain talent. (p11)</p> <p>The Government should support and challenge Australian businesses to <b>shift gender norms</b> in parental leave and <b>recognise those who succeed</b>. (p12)</p>
Target outcomes at this stage	<ul style="list-style-type: none"> <li>✓ Families start to think about PPL as a scheme available to both parents</li> <li>✓ Families are aware of their options for PPL under the new scheme</li> <li>✓ Families have an informed conversation about shared care options</li> </ul>	<ul style="list-style-type: none"> <li>✓ Couples share their joint PLP entitlement</li> <li>✓ Fathers and partners take up <i>more</i> than the minimum 'use it or lose it' leave allocation</li> </ul>	<ul style="list-style-type: none"> <li>✓ Fathers and partners are supported to engage in shared caring responsibilities beyond the first years of their children's lives</li> </ul>
Research recommendations	<p>Prior to the roll out of the new scheme, developmental research and testing should be conducted to inform <b>the design of the application process and communication materials</b>. (p13)</p> <p>After the initial rollout, the Government should undertake ongoing monitoring and evaluation, and adopt an iterative approach to continuous improvement in implementation. (p13)</p>		

## Behavioural barriers to men taking up paid parental leave

More gender-equal access to PPL provides many benefits for children and families, including improved well-being, stronger relationships between fathers and their children and improved school performance in children (Porter 2015). However, uptake by fathers and partners in Australia remains low (Coltrane et al. 2013; Wood et al. 2022). This can be attributed to a range of complex and interrelated barriers, including gender norms, workplace culture and financial considerations.

### Low awareness of PPL entitlements and related benefits

A lack of awareness about PPL entitlements has been identified as a barrier to uptake by fathers and partners (Rosin-Slater 2018). Limited understanding about the provisions offered by employers, how they interact with government schemes and the potential benefits of taking PPL are likely to contribute to be contributing factors to the underutilisation of PPL by fathers and partners. Fathers and partners cannot make informed decisions about taking PPL if they are unaware of the options available to them. Increasing the salience and accessibility of information about PPL and its benefits are crucial first steps for changing behaviour.

- Recommendations 5 and 6 offer options for how the new scheme could be communicated to families to increase awareness and understanding.

### High administrative burden and complexity in claim process

Many PPL applicants have highlighted the administrative difficulties of the Centrelink application process, reporting issues with the length and complexity of forms, the amount of information required, duplicative questions, and challenges interacting with Centrelink offices whilst caring for a new child (Wood et al. 2021). Under the previous DaPP system, fathers and partners were required to access Centrelink, negotiate unpaid leave with their employer and consider the financial implications of taking a relatively small amount of leave. The high administrative burden, effort required and bureaucratic complexity of the process likely reduce uptake of PPL.

- Recommendations 1 and 2 offer practical examples of how we can reduce complexity in the claim process.

### Gender norms

Deeply entrenched gender norms contribute to perceptions that parental leave, childcare and related caring responsibilities are 'women's work' (Australian Institute of Family Studies 2019). Due to these strong norms, men can internalise stereotypes that women are more nurturing, warm and more biologically prepared for taking on caring responsibilities (Cox 2021). As a result, men may fear they lack the skills or 'natural instincts' to play a role in caring, especially in the newborn phase of a child's life. Female partners can also internalise and endorse gender stereotypes, discouraging male partners from taking parental leave by believing they are not capable (Cox 2021). These gendered perceptions permeate institutional approaches to paid leave, which often characterise women as the default 'primary carer' in the way communications are framed and policies are implemented. Many employer leave schemes encourage women to shift away from paid work into the role of the

‘primary carer’, further perpetuating unequal division of childcare, caring duties and participation in the labour force (Wood et al. 2022).

The language and processes in the current PLP application form are highly gendered. The process defaults the mother into the ‘primary carer’ role with assumed ‘ownership’ of the total PLP entitlement. Reallocating part of their PLP entitlement to the father or partner is a complex, unclear process.

- Recommendations 3 and 9 offer options for challenging entrenched gender norms.

### Workplace culture and the ‘ideal worker’ stereotype

The gendered perceptions and behaviours that underpin the ‘ideal worker stereotype’ are notable barriers to increasing fathers’ and partners’ participation in PPL. The ‘ideal worker’ is expected to work long hours without interruption and ensure family issues do not impact commitment to work (Coltrane et al. 2013). Workers who conform to this stereotype are less likely to use all of their paid leave entitlements (Skinner and Pocock 2013).

Negative employer and colleague perceptions related to the ideal worker stereotype are one of the most common barriers to fathers accessing parental leave (Rehel 2014). Men who break the ‘ideal worker’ stereotype risk negative perception from peers and colleagues. Research suggests men who request family leave are viewed as poor workers by their colleagues, suffer a ‘femininity stigma’ and are at a greater risk of being demoted (Rudman and Mesche 2013).

Organisational culture is central to the perpetuation of these stereotypes. A lack of senior role modelling and highly gendered organisational attitudes toward PPL are likely to perpetuate underutilisation of leave by fathers and partners.

- Opportunities to address these workplace cultural barriers are outlined in recommendations 7-9.

### Gender pay gap and financial barriers to fathers taking PPL

Another major barrier to fathers and partners taking PPL is a lack of financial viability. With PLP set at minimum wage, it is common for the lower paid parent to use PLP and the higher-paid parent to continue working. The gender pay gap in Australia persists at 14.1 per cent, meaning that women earn an average of \$263.90 less per week than their male counterparts (WGEA 2022). The combination of the gender pay gap and minimum wage PPL presents a significant barrier to increasing father and partner participation in parental leave. Research suggests a loss of family income has less impact when women take parental leave (Australian Institute of Family Studies 2019). Research also indicates men who take time off for family reasons earn substantially less over time relative to those who choose not to (Coltrane et al. 2013). These risks to economic security are likely to negatively influence father’s decisions to take parental leave, perpetuating the gender pay gap, unequal distribution of caring duties and gendered social norms.

- Recommendation 7 outlines how employers can play a role in reducing financial barriers to fathers taking PPL

## Recommendations for form design

In this section, we provide recommendations for simple, practical changes to the PLP claim process and application form, designed to encourage more gender-equal uptake of PPL. These changes aim to address existing defaults, while preserving choice and control for families to decide what will work best for their individual circumstances.

We have based our recommendations on changes to the current PLP application form. We understand Services Australia (SA) are already in the process of redesigning this form to accommodate the expanded PPL scheme. We would welcome the chance to work with SA on the design and testing of the new form.

### **Recommendation 1: The Government should create a single form that allows parents to jointly apply for PLP.**

Offering couples the option to jointly apply for PLP would signal a clear departure from the previous policy settings, help establish a new social norm for shared care and facilitate a specific opportunity for families to discuss their caring arrangements as they complete the form.

Individuals should still have the option to file separately if they prefer to, or if this better suits their circumstances (e.g. single parents).

A joint form has three main benefits:

- It is a signal that PPL is for use by both mothers and fathers, challenging the stereotype of the mother as the sole primary carer. A joint application process would communicate that the norm is for fathers to use *at least some* PPL to care for their new child (complementing the 'use-it-or-lose-it' component of the new scheme). Social norms (perceived or actual) are strong predictors of behaviour, as people tend to align their behaviour with what they think 'most people' do (Tankard and Paluck 2016).
- A joint form would also encourage shared care by streamlining the process of allocating some PLP to each parent. This would reduce the administrative burden and friction of each partner making separate claims, which can be a disincentive to fathers and partners sharing care.
- It would create a specific prompt for families to discuss their shared care arrangements.

The new joint form should follow best-practice standards for government form design, including pre-filled information, clear instructions, and personalised questions to make the application process as easy as possible (Commonwealth of Australia 2020).

During the design phase, it will also be important to consult experts in coercive control and financial abuse to ensure appropriate safeguards are embedded in the form to protect people experiencing domestic violence.

## Recommendation 2: The new PLP form should address existing defaults, and prompt parents to make an active choice about sharing PLP.

The existing form sets a strong default of all PLP going to the birth mother (which is aligned with the intent of the previous parental leave policy). Currently, in order for fathers and partners to share the 'main' PLP (outside of DaPP), this entitlement must be transferred via a separate application process, making it the 'harder' choice to make.

Introducing (or removing) defaults has proven to be one of the most effective behavioural insights tools at policymakers' disposal. People tend to 'go with the flow', using the default option as a reference point for their decisions (Jachimowicz et al. 2019). By contrast, 'active choice' refers to removing default options and prompting a more considered choice.

Rather than asking the primary carer 'if' they would like to share their PLP, moving to an 'active choice' approach, where couples are asked 'how' they would like to share their PLP allocation, will likely prompt more consideration of shared care options. An 'active choice' is a situation where users are required to choose between options rather than leaving or opting out of a default. Such an approach could also include information about the outcomes of choices to help people make an informed decision (see example below).

### What this could look like:

The below example is an option for how the redesigned form could present couples with an active choice to decide how they want to share their combined PLP.

#### Current form (previous policy settings)

Do you want to transfer some or all of your Parental Leave Pay to another person? (required)

☒ Yes ☐ No

You have indicated you are transferring some or all of your Parental Leave Pay to another person. The other person must also lodge a separate claim and be assessed as eligible for Parental Leave Pay before it can be paid.

You may choose to transfer:

- Some or all of your Paid Parental Leave period,
- Some or all of your Flexible Paid Parental Leave days, or
- Some or all of both your Paid Parental Leave period and Flexible Paid Parental Leave days.

Please select the Parental Leave Pay you want to transfer to another person (required)

☐ Some or all of my Paid Parental Leave period

☒ Some or all of my Flexible Paid Parental Leave days

☐ Some or all of both my Paid Parental Leave period and Flexible Paid Parental Leave days

Do you want to connect **some** of your Flexible Paid Parental Leave days to the end of your Paid Parental Leave period? (required)

☒ Yes ☐ No

#### Suggested active choice in redesigned form

##### Options to share Parental Leave Pay

Sarah and David, **how would you like to share your 20 weeks of Parental Leave Pay?**

Remember, you both can:

- Share your leave, including taking leave at the same time
- Take leave in between periods of paid work
- Take leave while also receiving other types of leave payments (e.g. paid leave from your employer)
- Change your allocation later (i.e. after the baby is born)

Part of Parental Leave Pay is reserved for each parent to use (minimum 2 weeks each).

Sarah's share:  weeks

David's share:  weeks

**Pop up message if 0-1 weeks entered for either parent:**

- Parental Leave Pay and Dad and Partner Pay have been combined into one payment. A minimum of 2 weeks is reserved for each parent to use. Any unused portion will be lost.



#### Notes on current form:

- The current form sets a strong default of all PLP going to the birth mother (e.g. “do you want to transfer some or all of **your** Parental Leave Pay?”).
- The steps to transfer PLP are complicated (requiring a separate form to be filled out), presenting a clear barrier to shared care arrangements.

#### Notes on suggested adjustments:

- In addition to an active choice, there is an opportunity at this decision point to remind parents about their options and how the new policy changes their entitlements.
- For simplicity, this example is based on the draft policy settings for the initial rollout in 2023 (20 weeks total, with 2 weeks of use it or lose it)

### Recommendation 3: The new form should use gender-equal language and careful framing of questions to encourage shared care.

The language used in the current PLP form implicitly encourages a single-carer approach to parenting. For example, the form refers to the mother as the “primary carer” and uses the term “primary carer” as an enduring identity. There is not an option to describe who will be primary carer at different times or an option to describe a “dual carer” model within a family.

The framing of options and careful choice of language in the redesigned PLP form could help challenge the social norm of the mother as primary carer and encourage shared care.

#### What this could look like:

##### Current form

**Expected care of child**

Help ?

Child details Employer details Work test Additional child details

What is your relationship to this child? (required)

Birth mother

What is DAVID's relationship to this child? (required)

Biological father

**Child details - Care details**

Help ?

Child details Employer details Work test Additional child details

Will you be this child's primary carer? (required)

☐ Yes ☒ No

Are you giving this child up for adoption, or as part of a surrogacy arrangement? (required)

☐ Yes ☒ No

Family Tax Benefit Part B cannot be received while you are receiving Parental Leave Pay. In order to avoid being overpaid, do you want to pause your Family Tax Benefit Part B payments from your child's expected date of birth or expected date of entry to your care? (required)

☐ Yes ☐ No

##### Suggested use of gender equal language

##### Expected care of child

Sarah and David, you told us you are expecting a child in the next 3 months.

##### Sarah, what is your relationship to this child?

Birth mother

##### David, what is your relationship to this child?

Biological father

##### Do you plan to share care and custody of this child?

- ☐ Yes
- ☐ No, one parent will have primary or sole custody (please specify)
- ☐ No, someone else will have custody (please specify)

##### Note:

- If your care arrangements change, you can update this form at any time

#### Notes on current form:

- The current form defaults the birth mother into an official (and seemingly permanent) 'primary carer' role.
- The form does not provide an option for partners to share care, or flexibility to adjust caring roles later.
- In the current form, if the mother indicates they will not be the primary carer, a follow up question asks if they will be giving up the child for adoption instead. There is no option available to indicate their partner will be the primary carer.

#### Notes on suggested adjustments:

- We recommend removing the question asking if the birth mother is the primary carer and replacing this with framing around plans for shared care.

### **Recommendation 4: The application process should offer flexibility - allowing parents to change leave arrangements after a baby is born.**

Flexibility is key to making PPL work for as many families as possible. The Government's planned updates for PPL already establish greater flexibility by allowing parents to work between periods of PLP. The implementation of the policy can also enhance flexibility by making it easy for parents to make changes to their PLP allocations.

The shift to parenthood changes priorities and behaviour, and it is difficult for first-time parents to know how they will respond to the transition to being a carer. Research shows that fathers' intentions to be involved in caring can shift after the birth of the child. While some studies show couples' roles become more traditional after the birth (DeRose 2019) others observe fathers increasing their caring behaviours by the influence of peers (Dahl et al. 2014).

The new PLP form should allow parents to indicate their intended caring roles prior to the birth of the child, but then offer opportunities for parents to easily adjust the division of care to accommodate changing circumstances and preferences.

## Recommendations for communication materials

How and when families receive information about the new PPL scheme will be crucial in supporting discussions about the care arrangements that will work best for their individual circumstances. In this section, we offer three recommendations for how communications and informational resources could encourage shared care arrangements.

### **Recommendation 5: Communication about the new PPL scheme should frame the expansion as being about encouraging shared care**

The new PPL scheme represents a significant change to Australia's approach to supporting parents to care for their children. While the reforms have a range of intended outcomes, including improving gender equality and women's economic security, a key change from the previous scheme is a specific focus on encouraging greater sharing of care arrangements.

Given the gendered nature of the existing PPL scheme, the Government could change the name of the scheme to signal the shift to a shared care emphasis (e.g. Child Raising Leave). Communications about the scheme will need to explain the new entitlements and overcome existing assumptions about parental leave being primarily (or exclusively) for mothers. Communication materials should frame the new program as giving fathers and partners more opportunities for shared care, and explaining the benefits this can offer families.

Research shows a range of benefits associated with fathers and partners taking parental leave. Greater involvement in childcare has been linked to improved wellbeing, reduction of risky behaviours, and learning of new skills for father and partners (WGEA 2019). Fathers taking PPL in the months after birth can also have enduring impacts on mothers' workforce participation, development of healthy family relationships and childhood development (Aidukaite and Telisauskaite-Cekanavice 2020).

Research suggests children experience profound benefits from the increased parental investment, exposure to diverse stimuli and varied social interactions afforded by early engagement from both parents (Wood et al. 2021). Positive, early engagement from fathers also has significant positive social, behavioural, psychological and cognitive outcomes for children. For example, father's engagement has been linked to higher educational attainment, higher self-esteem and greater social aptitude in children (Wood et al. 2021; Allen et al. 2012).

### **Recommendation 6: The Government should develop an interactive online decision tool to help parents have informed, timely discussions about shared care options.**

Making decisions about PPL is difficult. There are challenges in learning the rules for government and employer entitlements, understanding the application process, and completing the necessary administration. There are also personal and relationship challenges in undertaking a major life change and negotiating new roles in the family. The Government could support individuals and couples to plan for parenting and follow through with their intentions by creating an interactive online decision tool to help parents discuss and make decisions about shared care.

In order to reach families in a timely way (when they are having conversations about care arrangements), the tool could be incorporated in the existing Government resources for [how to claim Parental Leave Pay](#) and [preparing for having a baby](#).

***What this could look like:***

The tool could include:

- **A summary of the benefits of shared parenting.** There is a large body of research highlighting the benefits of shared parenting for both parents, children and the broader family unit. Shared parenting allows mothers to recuperate after childbirth whilst also receiving more emotional support from their partners, reducing stress and supporting wellbeing (Porter 2015). It facilitates a more equal division of caring and household responsibilities, challenging gender norms and providing strong foundations for the transition back into paid work (WGEA 2019). When fathers and partners take PPL early in the child's life, they also are more likely to participate in ongoing caring, express a stronger commitment to their family and have stronger relationships with their children (WGEA 2019). The tool could include information about these benefits to support decision-making. It will be important to ensure this advice is non-judgmental and supportive of single parents.
- **Examples of how couples can share care.** Many users will be considering PPL for the first time and may not know what to expect for the first years of parenting. Others will have had children under the previous scheme and may not understand the scope or intent of the changes. The tool could provide vignette examples for how care can be distributed, including options for shared care early on and shared care while both parents return to work.
- **A leave calendar calculator** to help couples optimise caring and finances. Parents could enter their employer and Government PLP entitlement details to coordinate leave scheduling and understand their after-tax income over the course of the first year(s).
- **A Q&A service for questions about entitlements and legal protections** for taking PPL.

**Recommendation 7: The Government should facilitate education, networking and social support among (soon-to-be) fathers and partners**

Although a written summary of the benefits of shared caring (see Recommendation 6) may reach some families, others won't seek out such government advice. One option to reach some of these families is to support existing community groups such as '[beer and bubs](#)' to educate men about the benefits of shared parenting and encourage active consideration of shared caring arrangements.

***What this could look like:***

- The Government could develop factsheets and evidence-based presentations for adaptation and use by the organisers of these groups to engage men in a considered conversation about active parenting.

Support is also important for fathers and partners who take on an equal parenting role early in their child's life. Given the social nature of entrenched gender stereotypes, peer support is particularly important to validate their choices and support their mental health. However, in some states, birth mothers are linked with government-facilitated mothers' groups in pre-natal care while fathers and partners are required to actively reach out to not-for-profit groups such as [Dads Groups](#) to receive similar social support. Although parents' groups are a State Government responsibility, the Commonwealth could lead a conversation at National Cabinet about support for new fathers and partners to coincide with the rollout of the new scheme.

## Recommendations for workplaces

As many of the existing barriers to men taking PPL relate to unsupportive workplace cultural norms, employers will play a vital role in encouraging more men to take parental leave. In this section we offer four recommendations to encourage workplaces to support shared care arrangements.

**Recommendation 8: The Government should lead by example to encourage employers to offer gender-equal parental leave benefits as a mechanism to attract and retain talent.**

Organisations with more generous PPL benefits for fathers and partners report better recruitment, retention and promotion rates, leading to stronger performance and productivity outputs (Porter 2015). Paid leave benefits for all genders communicate a strong message that a business is committed to its employees and values equity in the workplace (Rau and Williams 2017). Research indicates parental leave is an attractive feature for fathers and a key driver of employment decisions and job performance for Australian men and women, including young men and fathers (Diversity Council of Australia 2012; Hill et al. 2019). Providing equitable parental leave schemes and the opportunity for more equal distributions of caring responsibilities has a myriad of benefits, including talent retention of both men and women, embedding diversity in the workforce, building more responsive and productive organisations and designing gender equality into the Covid-19 economic recovery (Hill and Cooper 2021).

In recent years, some of Australia's major employers have introduced more gender-equal parental leave schemes, removing the 'primary' and 'secondary' carer distinction to encourage equal opportunity and division of caring responsibilities (Wood et al. 2021). King & Wood Mallesons, Ashurst, Gilbert and Tobin and KPMG all provide flexible, gender-neutral parental leave up to 26 weeks at full pay. Deloitte, EY, Accenture, PwC and Allens also now provide 18 weeks of gender-neutral parental leave (Australian Competition and Consumer Commission 2022). This paradigm shift has resulted in an increase in the proportion of parental leave taken by men in these organisations. For example, Deloitte has reported an increase in the proportion of male users of its parental leave scheme, from 20 per cent to 40 per cent with PwC also reporting an increase to more than 45 per cent (Wood et al. 2021).

To encourage more employers in the private sector to offer gender-equal parental leave benefits, the Government could lead by example.

***What this could look like:***

To increase the uptake of parental leave by fathers and partners across the Australian Public Service (APS), all agencies could adopt a standardised gender-equal approach to employer PPL. Standardising the approach communicates a message that the Government and its agencies are committed to cultivating equitable and diverse workplaces. As a major national employer, the Australian Government could help establish gender-equal parental leave as a new norm.

**Recommendation 9: The Government should support and challenge Australian employers to shift gender norms in parental leave, and recognise those who succeed**

Beyond employer-funded PPL schemes, shifting norms around fathers and partners taking leave will also require leadership and organisational cultures that promote flexible work and caring (WGEA 2019). Providing employers with information removes barriers associated with a lack of awareness or uncertainty about the best way to design their PPL entitlements.

Crucially, male employees will need to see successful men in their organisations take PPL and successfully return to work. Increased uptake of leave by men normalises the practice across workplaces, challenging gender norms, altering employer expectations and providing fathers and partners with greater confidence their career progression will not be negatively impacted (Wood et al. 2022). This is supported by research conducted in Switzerland and the UK which found uptake of parental leave is higher in male-dominated team contexts. This was attributed to the modelling behaviour of male colleagues who took leave, challenging gendered representations of fatherhood and workplace attitudes (Moran and Koslowski 2019; Valarino and Gauthier 2016).

The Government does currently offer support to employers to implement good practice parental leave policies—both the Fair Work Ombudsman and WGEA have developed best practice guides. These materials could be updated to reflect emerging research and highlight new features of the government’s PPL scheme. The guides could also draw on behavioural insights to ensure they are easy to implement and include behaviourally-informed recommendations.

The Government could also build on existing processes and networks to cultivate cultural change among employers and recognise exemplars.

***What this could look like:***

- The Government could update existing best practice guides to reflect emerging research and recommend actions such as sharing personal testimonies from senior men in the organisation who have taken extended parental leave.
- The Government could highlight the Workplace Gender Equality Agency’s (WGEA) existing recognition of employers who prioritise men taking parental leave and create a normative culture of the carer-worker model, earning “employer of choice” status. The Government could also help boost the profile of the WGEA award, making it a more commonly known badge, used by government departments and displayed for employers on private sector employment websites like SEEK and LinkedIn.

- The Government could engage with and leverage the work of organisations such as the [Champions of Change Coalition](#) to promote and encourage broader private industry support for fathers and partners taking PPL. This group could also help draw attention to senior and high-profile male employees who have taken paternity leave.
- The Government could challenge Australian business to match or exceed current provisions under the recently announced PPL scheme.

## Recommendations for iterative roll out, monitoring and evaluation

Even with due diligence in research and design, it is possible that the changes to PPL will not have the intended effect of increasing flexibility, shared care and women's economic security. The Government should adopt a continuous learning approach to strengthen impact and avoid unintended consequences. This includes testing forms, communications materials and policy settings before the initial rollout and undertaking continuous monitoring and evaluation for the duration of the scheme.

**Recommendation 10: Prior to the roll out of the new scheme, developmental research and testing should be conducted to inform the design of the application process and communication materials.**

BETA is well placed to work with DSS and SA to conduct research to inform the roll out of the scheme, including:

- Qualitative research with families to inform communication content and channels regarding the new policy settings.
- User research and framed field experiments to test proposed changes to the online form, communications and decision tool prior to implementation.

**Recommendation 11: After the initial rollout, the Government should undertake ongoing monitoring and evaluation, and adopt an iterative approach to continuous improvement in implementation.**

This could include:

- Monitoring rates of use of the scheme in different demographic groups to understand trends in take-up of the scheme over time.
- Longer term studies of how the scheme is influencing trends in shared care. Studies could look for the involvement of fathers and partners in care beyond the leave period, and whether the scheme has had any flow on effects for family wellbeing, women's economic security or child welfare.
- Monitoring how employers respond to changes in government policy. It is possible employers may increase (support/match the expanded policy) or decrease their employer provided entitlements in response to the expanded scheme. Understanding the market response to Government policy change will help guide future PPL policy decisions.



- Monitoring potential backfire effects. It is possible that the scheme will be helpful to some cohorts but present challenges to others. For example, the jointly filed PLP form could pose risks to women's autonomy and financial independence. The government will need to understand how vulnerable groups experience the form and communications. Another possible unintended consequence would be that the "use-it-or-lose-it" initiative creates a new default in which fathers and partners do not participate beyond the "required" amount of PLP.
- Trialling adjustments to the framing and allocation of the 'use it or lose it' provisions to explore the impacts on take up by men. For example, the Government could conduct small scale pilots that offer additional entitlements for participants to explore different use-it-or-lose it allocations in a way that does not disadvantage participants.

### Immediate next steps

In the short term, BETA has offered to work with researchers Marian Baird and Elizabeth Hill on their Phase 2 PPL research program for the WEET. BETA could support:

- Research on family/couple decision making to understand how they currently make caring allocation decisions, identify key friction points in the PPL current process and ideal use of PPL for diverse family types.
- Research on employer (small, medium, large) views and influence on PPL decisions and shaping organisational culture.

We suggest this research expand its objectives to include both policy settings (reserved period, concurrent weeks and flexibility) and implementation (claim process and potential decision tool).

BETA will also reach out to the Department of Social Services and Services Australia to discuss collaboration on the form and supporting materials.



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