

WIDER TAKE-UP OF SHARED PARENTAL LEAVE WOULD REDUCE THE IMPACT OF MATERNITY LEAVE ON THE GENDER PENSIONS GAP BY 60%

This International Men's Day, new research by NOW: Pensions and the Diversity Project is putting a spotlight on the extremely low take-up of paternity leave and calling on the financial services industry to support all working parents with parental leave policies that work, and not hinder their careers.

What is stopping more fathers from taking parental leave?

In the survey, only 5% of respondents took more than 26 weeks off and almost half of respondents (43%) expressing concerns about catching up on their workload when they returned after extended leave.

- Almost 1 in 5 fathers feel that taking extended parental leave would be negatively viewed by their place of work
- Only 27% feel that taking extended leave has had any impact on their career
- 64% say that it has changed their view on maternity leave and provided more perspective on that their partner would be expected to go through when they request leave

Enhanced Parental Leave is an important step to help close the gender pensions gap

Recent research by the PPI has revealed the huge impact that enhanced parental leave by fathers could have on the gender pensions gap. If more men were to take time off, which would allow a mother to return to work more quickly after having a child, this would reduce the impact on their pensions by 60%.

Each year that a mother is away from the workforce on maternity leave, their pension wealth decreases by an average of £1,823. If they were to reduce this time away, by sharing parental leave, this reduces the amount that their pension wealth decreases to £755.

The impact of national lockdowns on parental responsibilities

Following the Covid-19 pandemic, we have seen a greater number of fathers take on parental and childcare responsibility in the home. The share of households in which the father is the main childcare provider has risen by nearly eight times, from 2.7% in 2016-17 to about 18% in April and May 2020.

Yet, research from 2019 revealed that less than 12% of fathers in the UK took parental leave over the statutory 2 weeks.

Childcare costs increased throughout the pandemic

Research by NOW: Pensions has revealed that 34% of working parents have had to pay more for their childcare throughout the pandemic. When asked which two childcare options they relied on most during the pandemic:

- 67% said they looked after their children themselves
- More than 4 in 10 (43%) relied on grandparents, other family member or friends

- 25% said they relied on nursery or preschool
- 12% say they relied on a nanny, au pair or childminder to care for their children

The positive experiences from dads who did take extended parental leave are clear

The research, has revealed the positive experiences from those interviewed:

- 97% would recommend taking extended leave
- 72% had already taken extended leave and would consider doing so in the future
- 78% said the internal process was straight forward
- 45% feel that they took the right amount of time off
- Over half, 52%, say there was no difference to their work when they returned

Baroness Helena Morrissey, Diversity Project commented: *“We are excited to be part of this cross-industry campaign to raise awareness of the benefits of extended Parental Leave. Currently, in the UK, less than 12% of working dads take extended leave other than the typical two week’s leave and we are proud to share our own research with 101 dads from the asset management industry who talk about their positive experiences of being at home with their families.*”

Businesses benefit when their employees have strong family lives, and those companies which support extended parental leave report greater employee loyalty. As part of this campaign, we are developing a “best practice” guide to be launched early next year which we will be sharing with our member firms and asking them to pledge to review their current family leave policies. We have the opportunity for our industry to Reset4Inclusion and start raising the bar and ensure equality for all colleagues experiencing parental leave.”

Mickey de Lathauwer, Chairman of NOW: Pensions and D&I Group Lead commented: *At NOW: Pensions, we have long been campaigning on initiatives to help close the gender pensions gap. Furthermore, we are committed to providing our employees with a fully flexible and collaborative approach to working. The survey findings released today show the huge benefits to both employees and organisations who are supportive of inclusive family leave policies. We are proud to sign up to the Diversity Project pledge and are committed to reviewing our family leave policies across our organisation.”*

Danielle and Lee Bassin, who shared parental leave commented:

D: *“In 2016, we decided to take Shared Parental Leave to enable me to get back to work more quickly. I took the first 6 months and Lee took the remaining 6 months to spend with the girls. This was important to me to support my career progression and allowed my husband to spend quality time with our children.”*

L: *“I absolutely loved the opportunity as it was such a special time to be able to bond with my children. My eldest had just started school so I was able to be there in those precious few months and making friends with all the other parents at the school as well as looking after our little girl. If you can make it work financially, I couldn’t recommend it highly enough.”*

Ends.

Notes to editors

For more information, please contact: [Samantha Gould, NOW: Pensions](#)

Contact at Lansons XX

LIVE Webinar being hosted today at 12pm >> Registration is free

The graphic is a dark blue rectangle with a yellow circle in the top right corner. In the top left, the 'NOW: Pensions' logo is displayed. The yellow circle contains the text 'JOIN US: FRIDAY 19TH NOVEMBER 12PM - 1PM'. The main title 'The Benefits of Parental Leave' is centered in white and yellow. At the bottom, five circular headshots are arranged horizontally, each with a name and title below it.

**NOW:
Pensions**

**JOIN US:
FRIDAY 19TH
NOVEMBER
12PM - 1PM**

The Benefits of Parental Leave

David Blackburn
FSCS

Debs Ingham
How Do You Do It

Samantha Gould
NOW: Pensions (host)

Lauren Wilkinson
PPI

Claire Black
Principal and Diversity Project ally

Diversity Project “Best Practice Guide” for organisations

The Diversity Project will be launching a new guide in January to support its member firms to review their family leave policies. To date, the following organisations have already started reviewing their parental leave policies;

- SLA
- Baillie Gifford
- Jupiter Investment Management
- Fidelity
- Invesco
- Aviva
- M&G
- Columbia Threadneedle
- Zurich asset management
- AGI UK branch
- Brunel Pension Partnership
- St. James’ Place
- Cardano Group, including Cardano, Cardano Advisory and NOW: Pensions



Check our socials

We are using hashtags #IMD21 and #SPLRoleModels