

# MATERNITY POLICIES: A DIFFERENT APPROACH

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**Raffaella Tenconi**  
Founder & Managing Director

# MATERNITY POLICIES: IMPORTANT FACTS

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## **These are some facts that we believe are very important:**

- Fertility rates are dropping everywhere, even in countries with historically outstanding maternity policies, such as Iceland and France.
- Women have a high drop-out rate from the labour force a few years after having children.
- Many women feel like they are trying to square an impossible circle: children, family, work, ambition and leisure.
- Children's early years are critical in defining their emotional development, and this includes abilities such as stamina, resilience and risk appetite.

In the attachment, you can find some solutions that we believe will make a genuine difference to mothers, children, society at large and, yes, GDP.

**Tell us what you think of it here:**

<https://www.surveymonkey.co.uk/r/GNLRWPH>

## WOMEN: HOPE, SWEAT AND DISRUPTION

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### *Addressing the maternity hurdle by changing the focus (& other things)*

Here, you can find some thoughts I have developed over the past five years. During this time I have done a range of different, but related, investigations.

First, it was my own research on the **risks of pregnancy and labour techniques**, ahead of the arrival of my first son.

Then my team and I looked for data on how the **participation and the education level of women has evolved over time** in Europe and China.

We later organised a dozen one-on-one interviews with professionally highly successful women with children, to **seek their wisdom and their desires** on how to handle the arrival of children, whilst maintaining momentum in their careers.

The result of all these views and information we collected, together with the work we do daily on mapping economies' business cycles and structural trend growth, led me to the following views.

**There is an obvious financial gap between the cost of rearing children and the financial conditions societies offer to prospective and “already” families.** This part is the most straightforward problem related to maternity, and the easiest to tackle, provided there is genuine political will, at a time of plentiful quantitative easing and “structural reforms”.

**There is a massive “structural” problem with the process of having children: it requires time.** A lot of time. And, perhaps an even bigger difficulty is that women do not want to be the “only ones” to be given extra time for children. Many women do not want to have longer maternity leave because they are aware of the damage it will do to their careers and income



prospects. However, longer paid leave would make enormous sense in practice. So, we need to approach this challenge from a different angle.

**Let's break up the working life of everyone more frequently than what we do today.** This would generate major productivity gains, in my view, as it would allow younger people to gain experience earlier and would introduce more regular career breaks to upgrade professional skills, which is a necessity in today's world of rapid technological change.

**There also is the subtle, but extremely important, issue of emotional development, which we should recognise and address.**

In the first five years of life, humans develop critically important skills and many of these skills relate to their emotional development and, ultimately, well being. Emotions are not just important for happiness, they are also critical in "storing" information for our brains and ultimately influence our willingness and ability to handle professional risk.

Mothers play an obvious critical role in this phase; however, to do this mothers themselves need time, as well as emotional and educational support, even before a child is born. During my experience as a mother, I have

encountered incredible women with extremely precious skills as midwives.

Today's society is investing way too little to train enough midwives and it is creating too many regulatory barriers that prevent midwives from taking a centre role in the process of supporting women before, during and after birth.

**This is a very serious mistake.** It is inflicting enormous stress and pain on families, who do not have the love and care needed to navigate this precious time of life. It is inflicting pain on babies, which very often come into this world in a excessively hospitalised environment.

**We must change on all these fronts if we want to properly address the bottlenecks we have very clearly in front of us.**

**Raffaella Tenconi**  
Founder & Managing Director

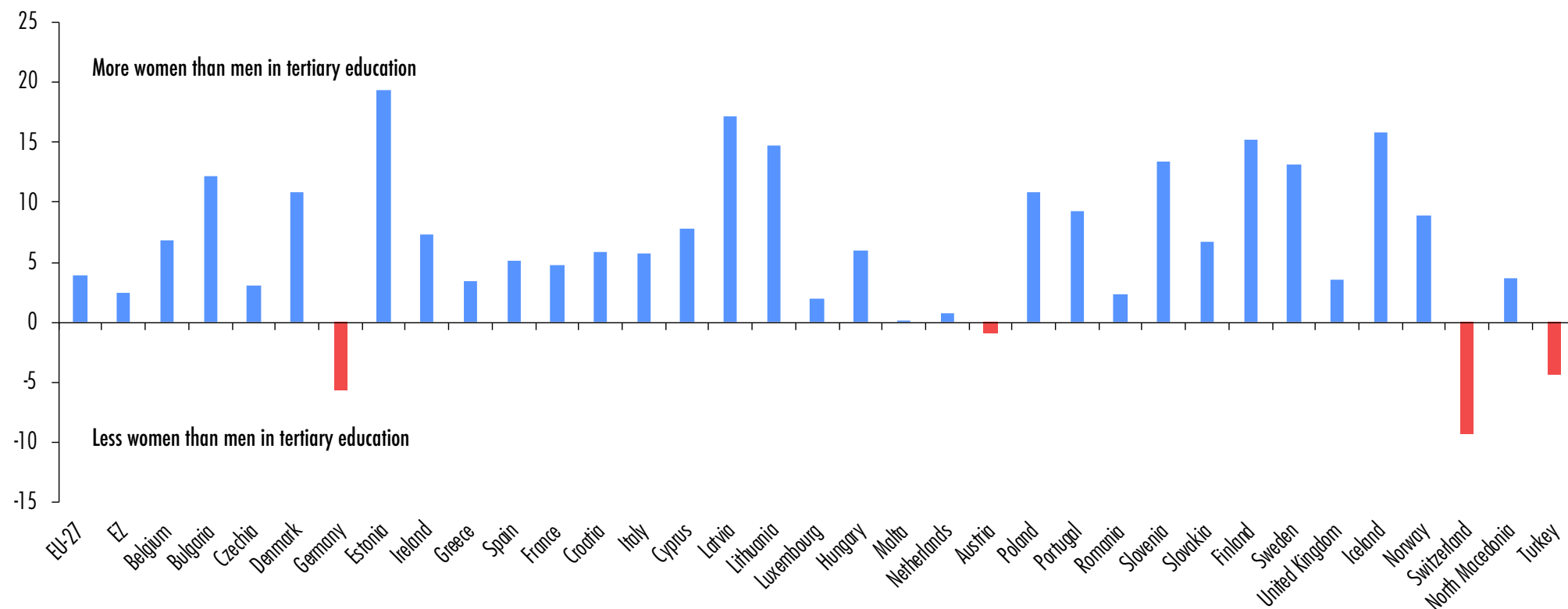
# SOME CHARTS FOR THOSE WHO LIKE NUMBERS

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# ACHIEVEMENT OF TERTIARY EDUCATION

The education of women has improved so much that, **in many countries today there are more women than men reaching the highest level of education.**

Share of female population with a tertiary degree over the share of male

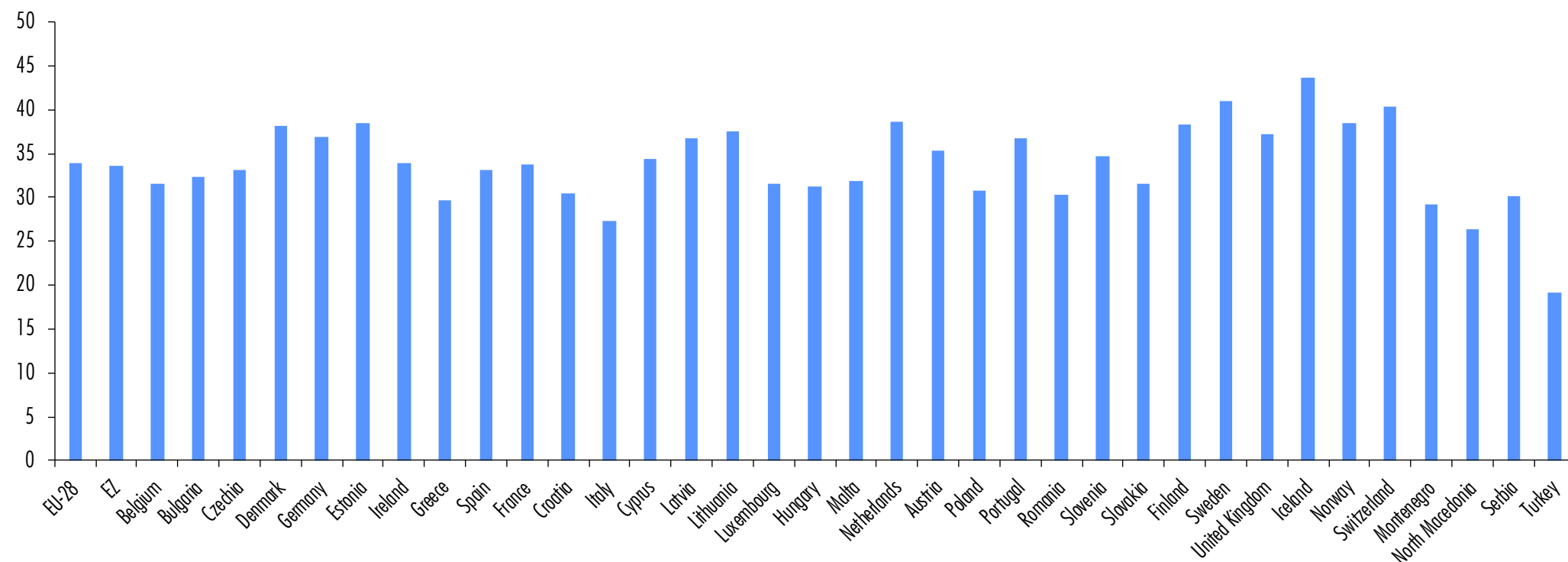


Source: Eurostat, 2017

# THE AVERAGE LENGTH OF WORKING LIFE...

The duration of the working life of women has **increased, on average, by 2.2 years in the past 10 years vs. 0.9 years for men.**

Duration of women's working life in years

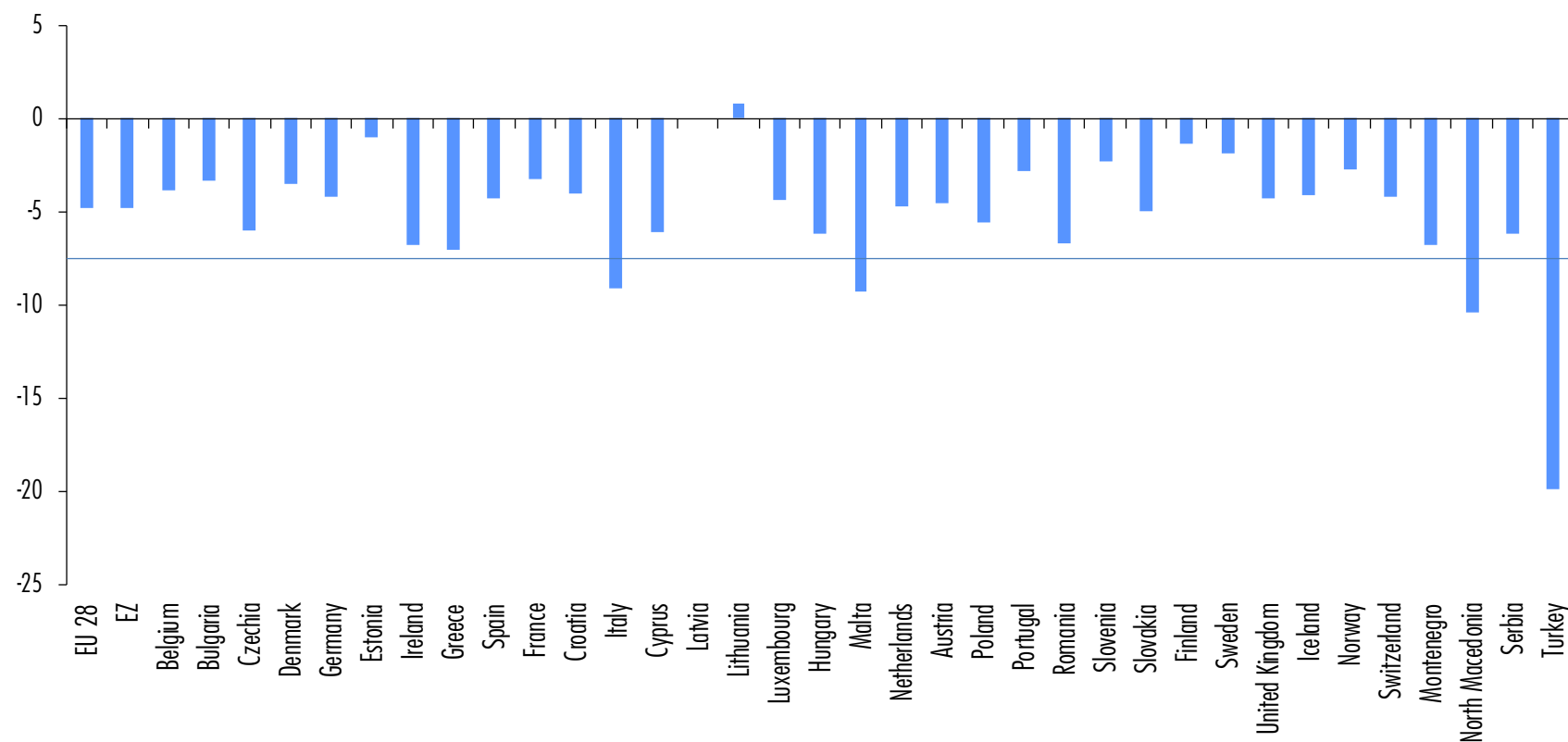


Source: Eurostat, 2019

## ... IS STILL SHORTER THAN THAT OF MEN

The duration of the working life of women is, on average, **7.5 years shorter than that of a men.**

Duration of men's working life in years vs. that of women



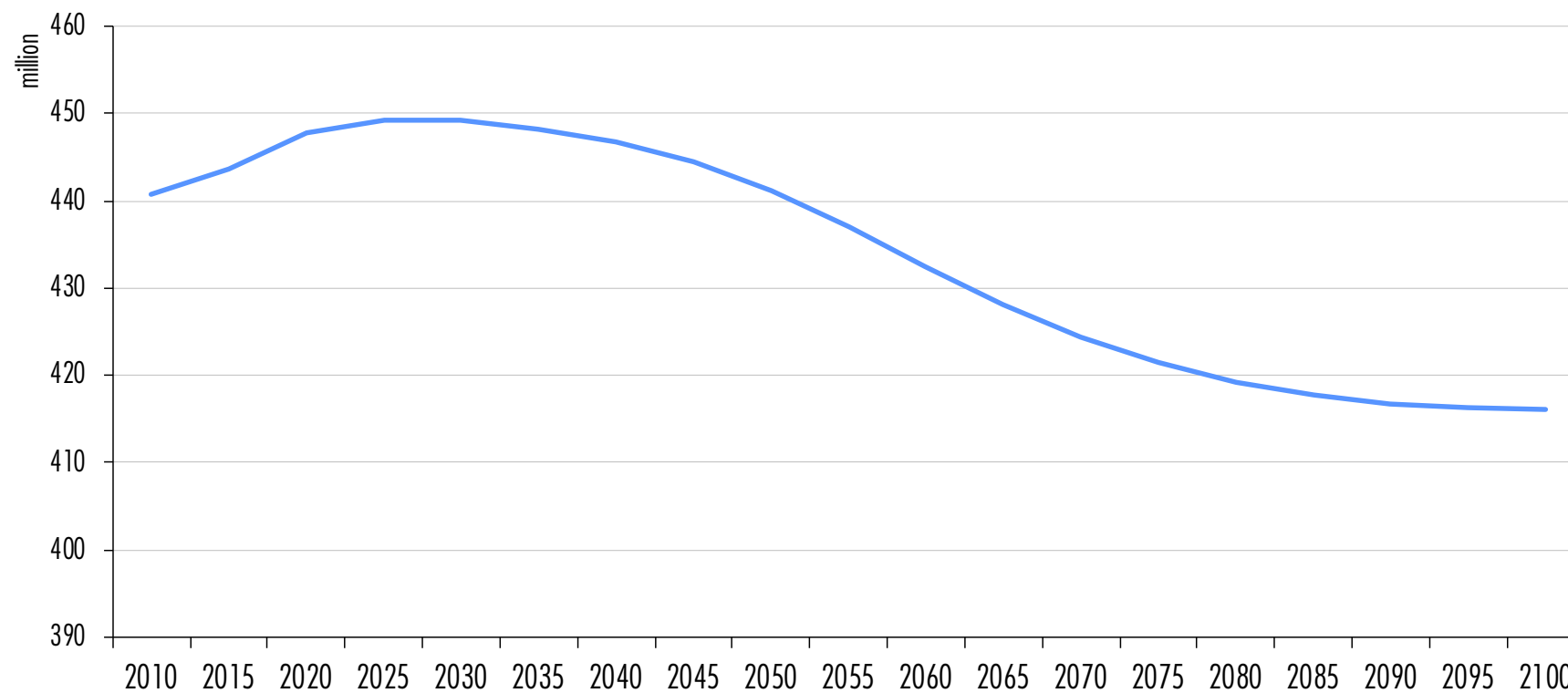
Source: Eurostat, 2019



# DEMOGRAPHICS CHALLENGES AHEAD

The combination of the **drop in fertility rates** and **longer life expectancies** leads to depressing population projections.

Total EU-27 population: currently and projected



Source: Eurostat – showing projections for the EU

# MATERNITY POLICIES: WHAT THE DATA DO NOT SHOW

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We travel around Europe to engage in conversations on economic and political topics, and have been doing so for four years – we do this with both active and non-active voters, across genders, education levels and income levels.

We have picked up a **high degree of frustration among people related to the arrival of children**, especially among women (but also among men). Impossible equilibria are sought stubbornly for the sake of personal satisfaction, family stability, and simply to make ends meet.

We have asked highly-successful women, with children, what their best advice is to cope with family/work challenges. **Their answers were remarkably standard:** more kindergartens, an extension of paternity leave, and more flexible working hours.

**In our view, however, this does not appear to be enough.**

Also, in any case, it would not address the gender pay gap, which is exacerbated by maternity.

**This is an incredibly sensitive topic** – women do not like to be singled out, and there is no one view that dominates on how to tackle this issue.

LET'S TRY A DIFFERENT APPROACH

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## EDUCATION: BREAK IT DOWN

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### *Introducing career breaks to remove the maternity leave stigma*

Extending maternity leave is controversial, due to its cost, and the perceived and real cost of remaining outside the workforce for too long.

**Our society is based on the continuity of working life, even though continuity does not make as much sense in today's society as it used to.**

Technological progress implies a constant need for acquiring new skills, and retraining occasionally. This takes time and money.

**We concentrate our education in bulk:** from 5 to 23-25 years old. However, this underuses the young and energetic (17-20 years) and over-relies on the older generations (via the extension of the retirement age past 60 years old).

**How about introducing frequent education-career breaks?**

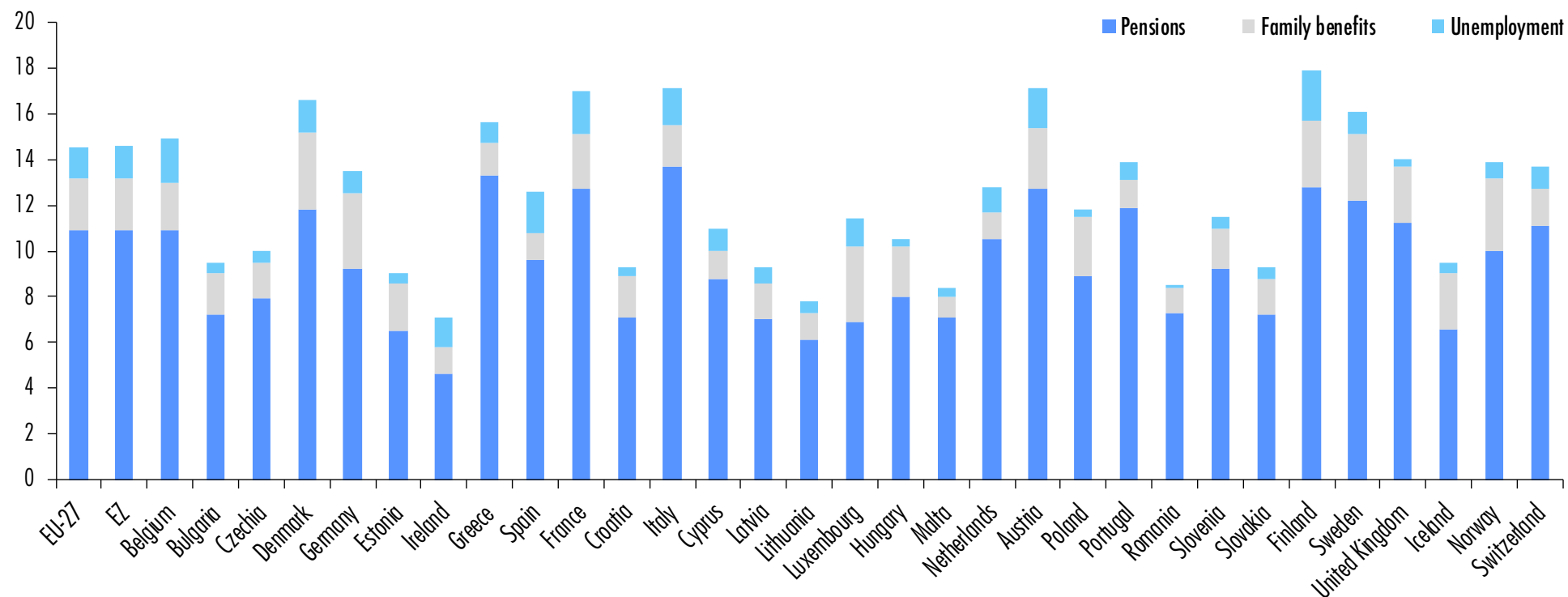
This would involve stopping traditional education at 17 years old, getting some work experience, returning to education at 22 years, with a break at 35 years, then returning at 38, and so on.

**This would allow the time for men and women to re-energise and re-train, and would help to remove the stigma attached to maternity leave.**

# CHILDREN: SPEND MORE MONEY ON THEM

Do we spend too much money on pensions and too little on families?

Public Spending as % of GDP in 2017

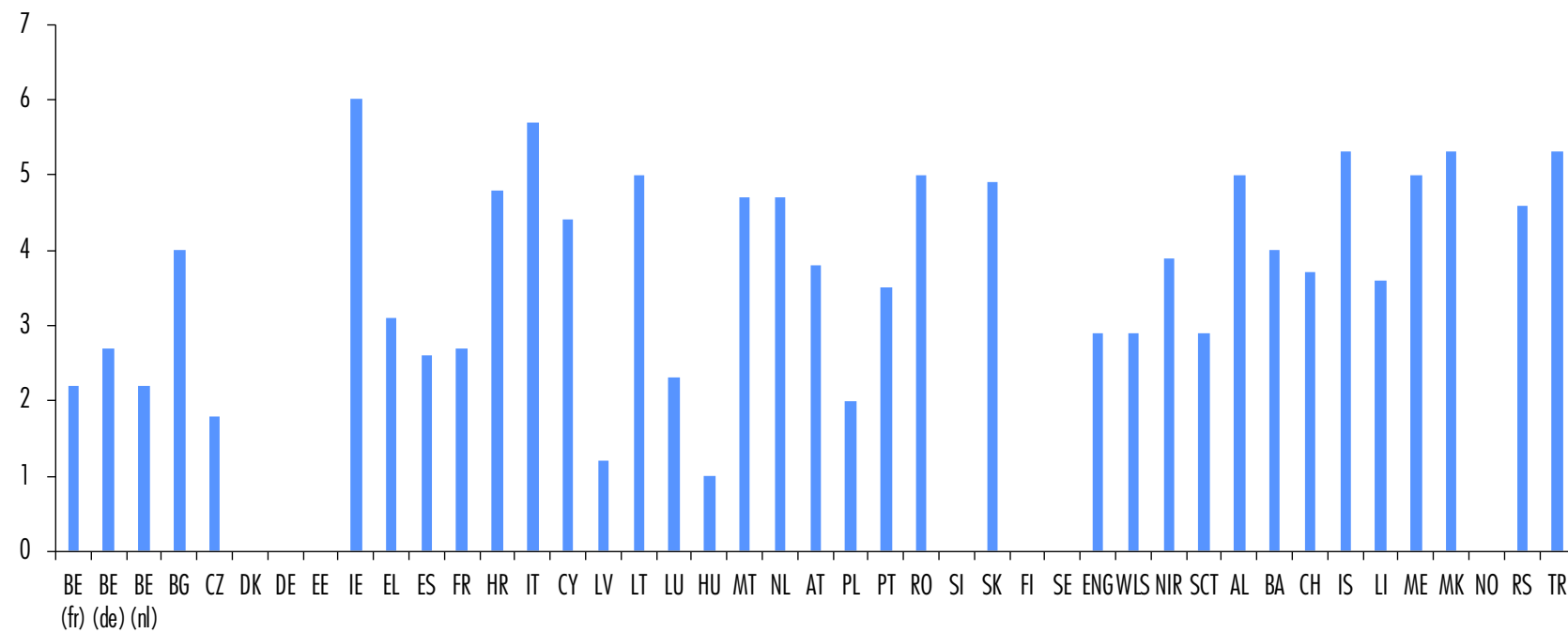


Source: Eurostat

# CHILDREN: SPEND MORE MONEY ON THEM

Do we spend too much money on pensions and too little on families?

Childcare gap, years (2018/19)



Source: Eurydice.

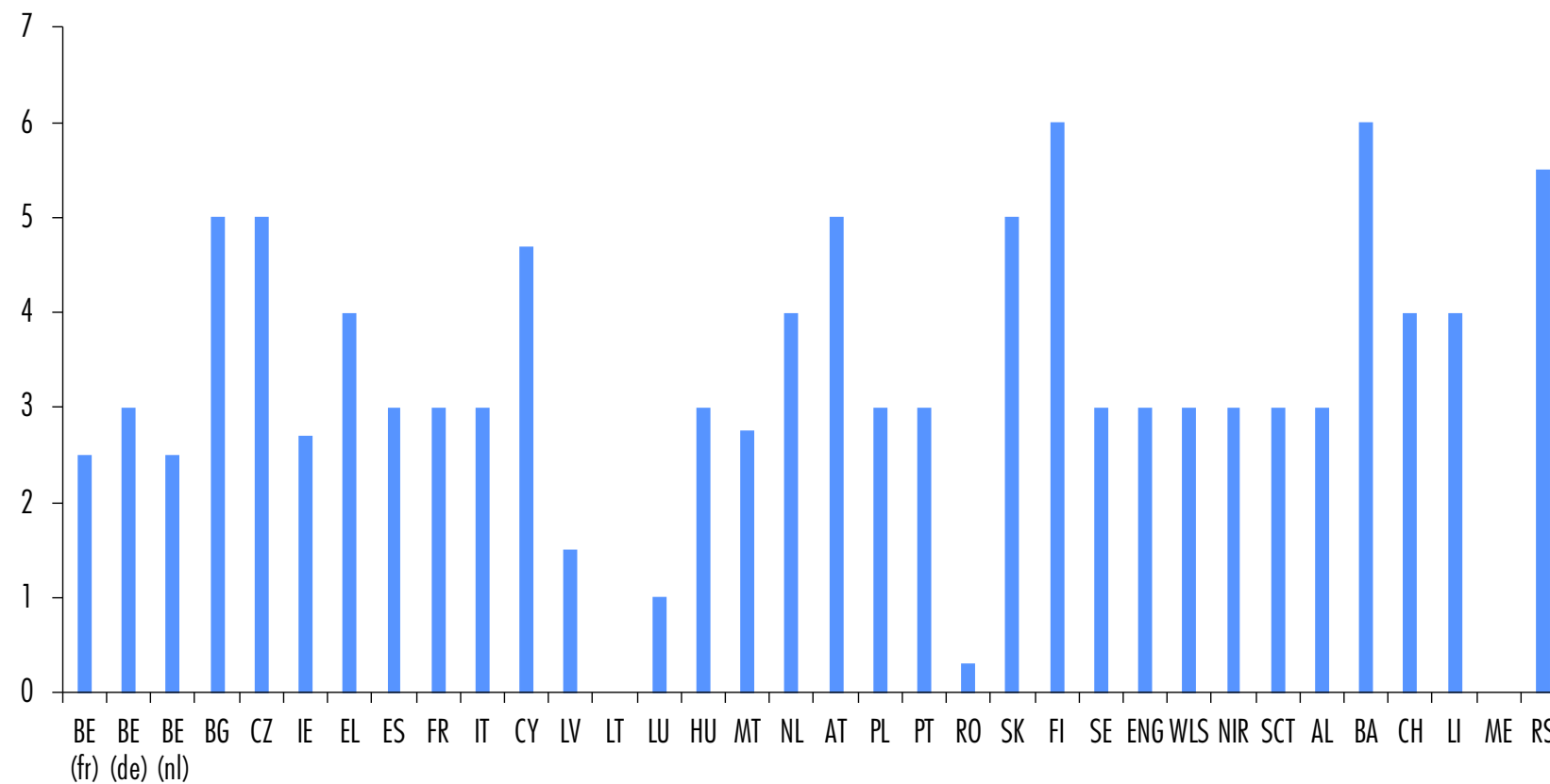
The childcare gap is the difference between the maximum length of adequately compensated post-natal childcare leave and the earliest start of a universal place guarantee in ECEC (legal entitlement or compulsory ECEC). When there is no guaranteed place in early childhood education, the gap is calculated until the start of compulsory primary education.



# CHILDREN: SPEND MORE MONEY ON THEM

Do we spend too much money on pensions and too little on families?

Starting age of early-education free of charge (2018/19)

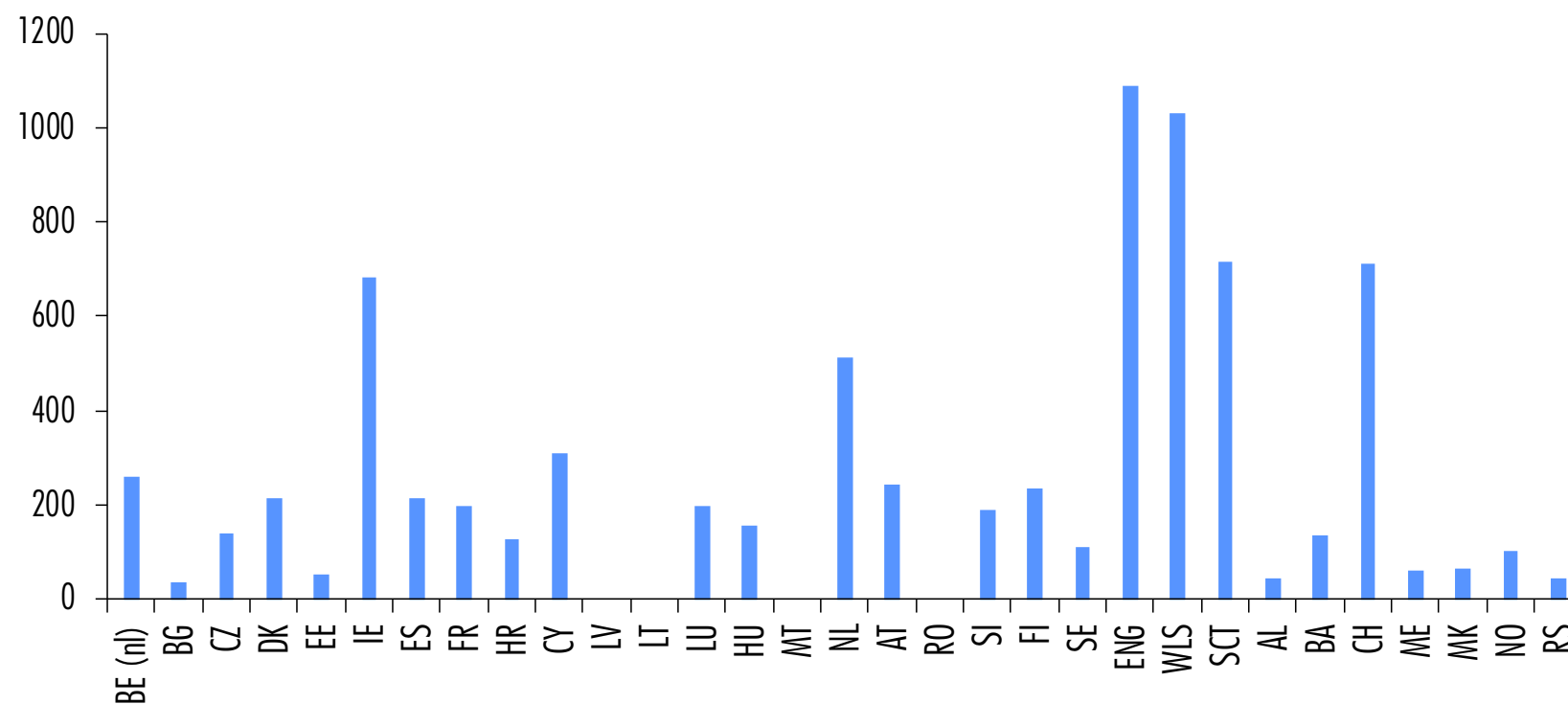


Source: Eurydice. Data not available for the remaining EU countries

# CHILDREN: SPEND MORE MONEY ON THEM

Do we spend too much money on pensions and too little on families?

Early-education cost, PPS (2018/19)



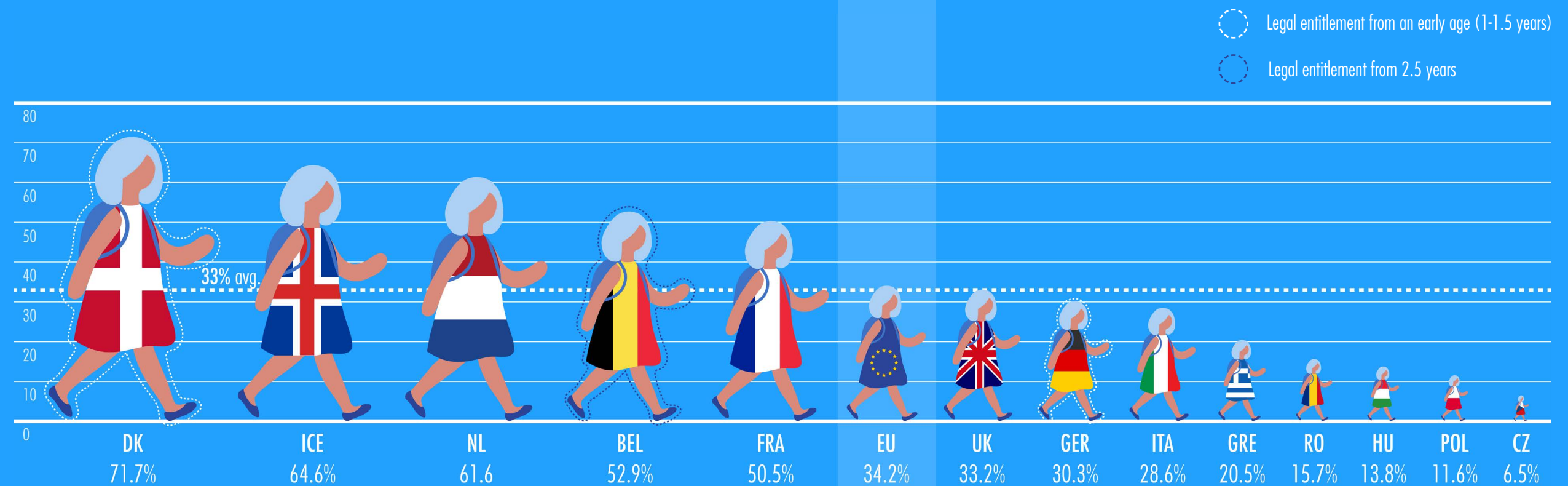
Source: Eurydice.

Countries (Switzerland, Hungary, Norway, North Macedonia, Spain, France, Serbia, Austria and Cyprus) in which data was provided with an interval, we present the average level. Data not available for the remaining EU countries.

# CHILDREN: SPEND MORE MONEY ON THEM

## Participation rates in centre-based ECEC

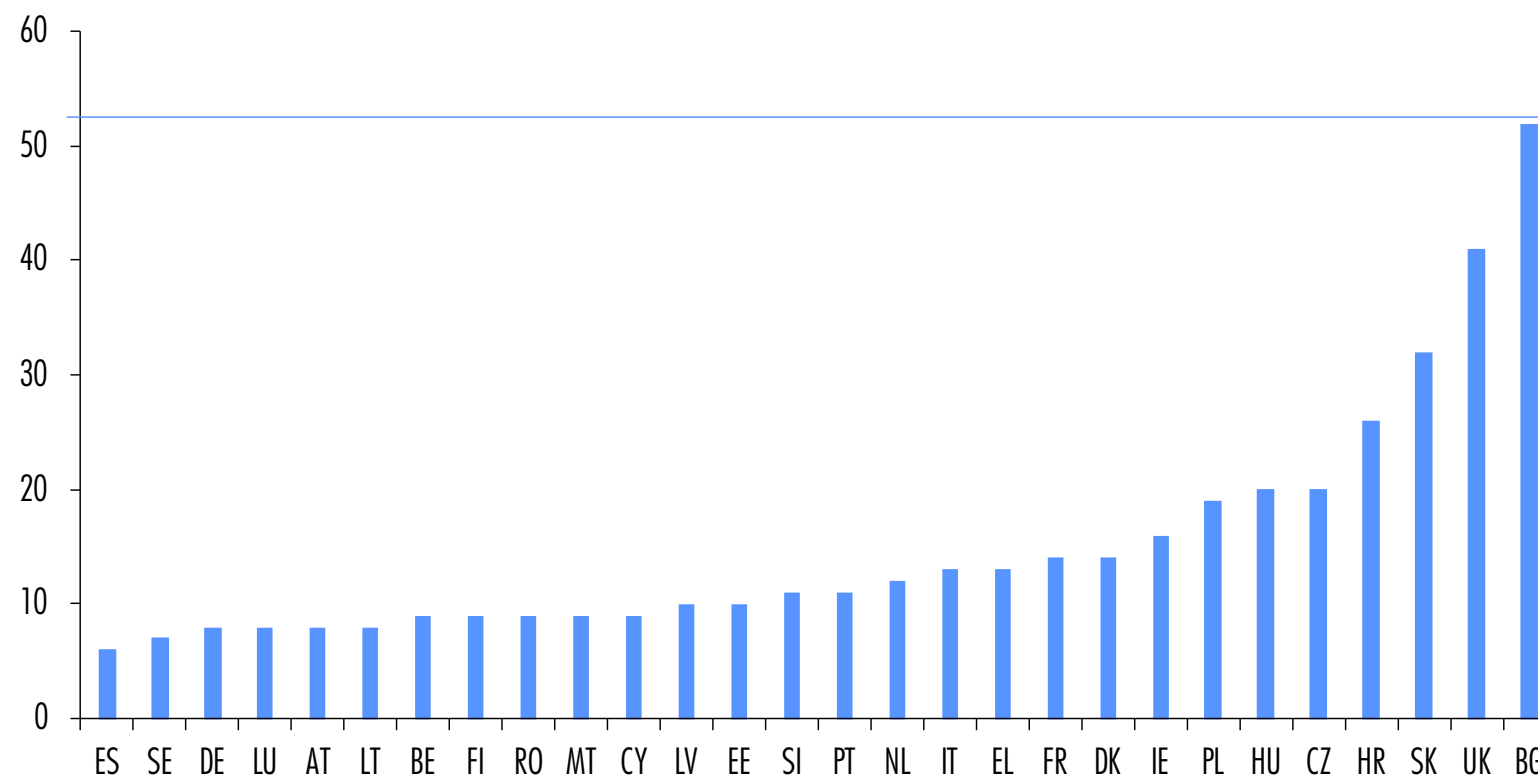
Children under age 3



# CHILDREN: SPEND MORE MONEY ON THEM

Do we spend too much money on pensions and too little on families?

Duration of maternity leave (weeks)

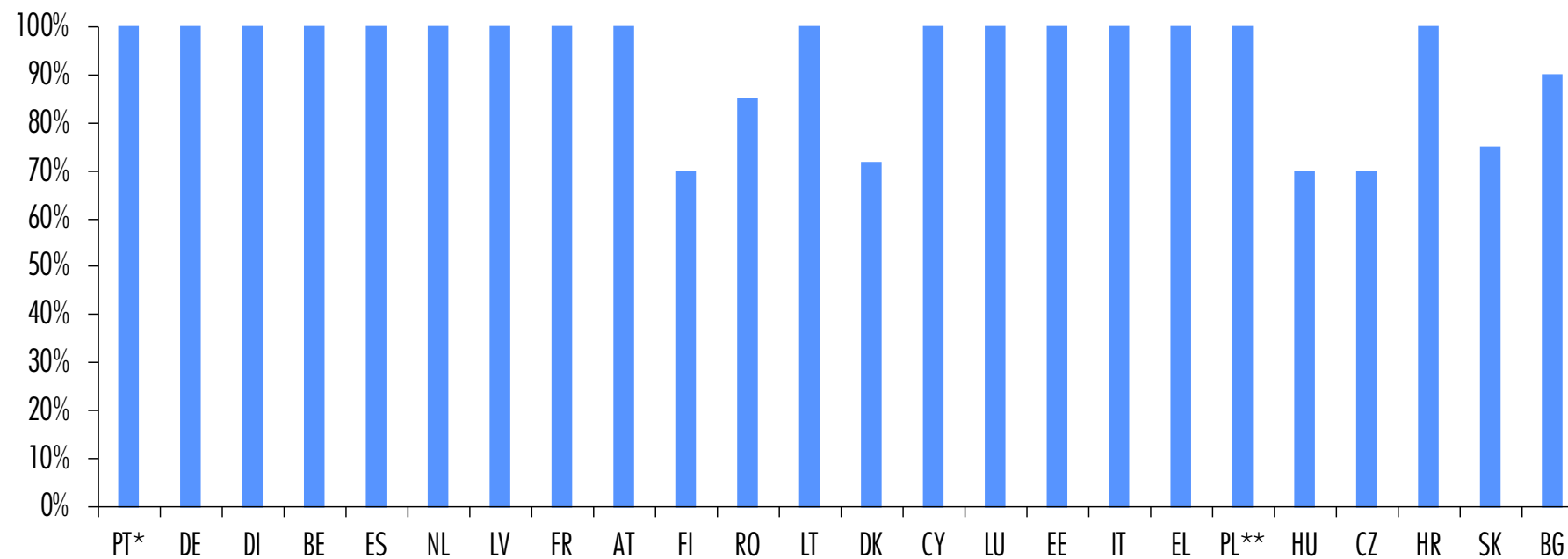


Source: European Parliament (2014). Values presented in graph are for total (mandatory and non-mandatory) number of post-natal maternity leave weeks

# CHILDREN: SPEND MORE MONEY ON THEM

Do we spend too much money on pensions and too little on families?

## Maternity leave pay



Source: European Commission (2013) based on postnatal rates. Malta has a fixed rate of EUR 66.25 per week; Denmark is capped at EUR 576 per week, based on former earnings; Ireland has 26 weeks of 100% of earnings and additional 16 weeks unpaid; UK first 6 weeks at 90%; 33 weeks at 90% of gross earnings or 145 GDP per week and 13 weeks unpaid.

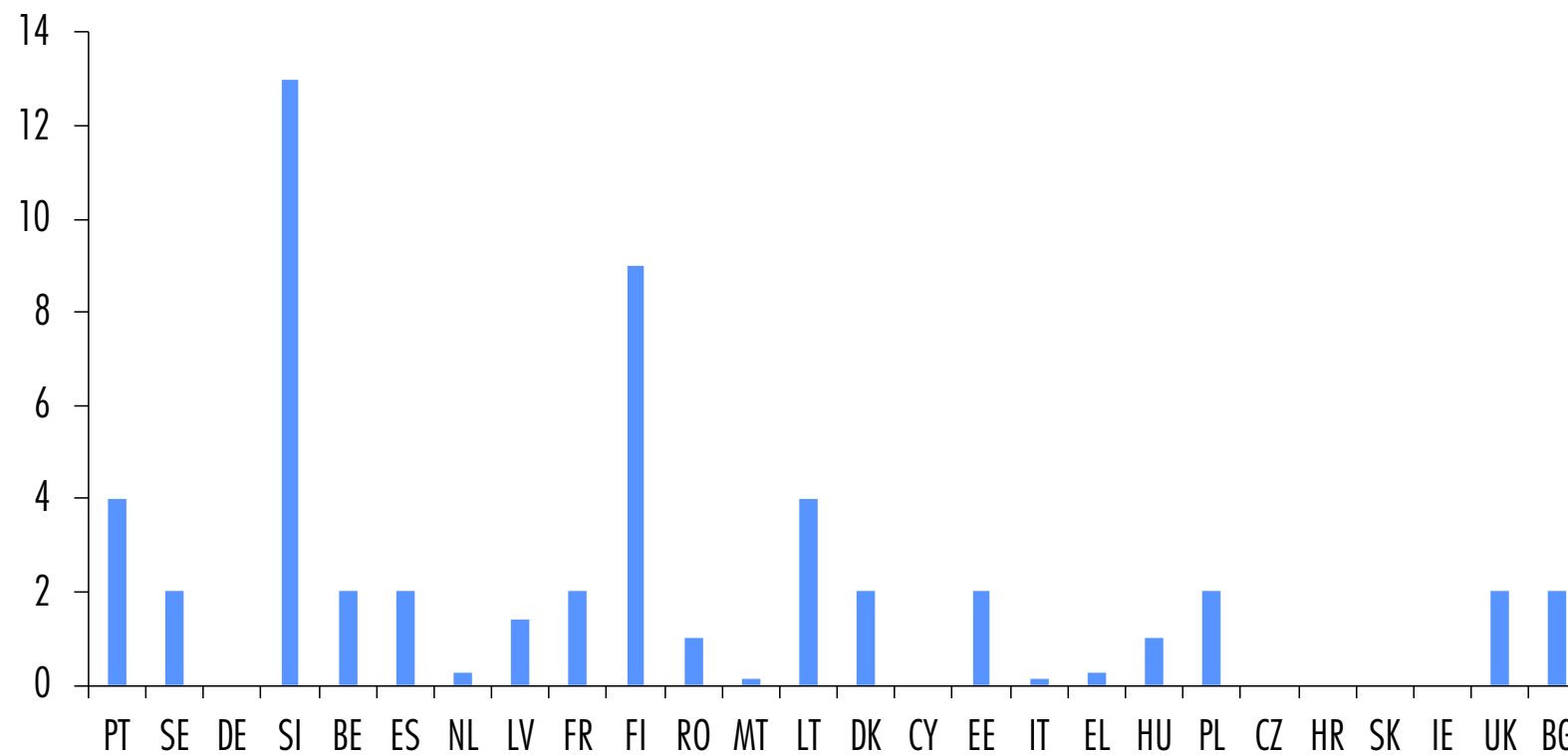
\* Portugal: 100% payment for a 120 day leave or 80% for a 150 day leave.

\*\* Poland: There are two options 1) 100% paid in during 6 weeks and the rest of the period at 60% 2) Full period paid at 80%.

# CHILDREN: SPEND MORE MONEY ON THEM

Do we spend too much money on pensions and too little on families?

Duration of paternity leave (weeks)



Source: European Parliament (2015)



## CHILDREN: SPEND MORE MONEY ON THEM

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*Changing the focus to change the system*

### **Compulsory paternity leave.**

**Sounds extreme?** This is actually the way it used to be in some countries.

**Kindergartens and nurseries should be made widely available,** and open six days per week, from 07:00 to 23.00, 50 weeks per year.

**Sounds extreme?** This is actually the way it used to be in some countries.

**Extend maternity leave for to up to three years,** to allow women to cope with pregnancy and the arrival of a newborn, without the incredible amount of stress it can put on a family and finances.

**Sounds extreme?** Without this, women end up dropping out of the labour force anyway after a few years post-partum because they are burned out. Or worse, shortcuts are taken in child rearing, with potentially significant, long-term consequences on a child's emotional development.

**Change the funding for maternity leave:** spread the cost over the whole society, so it is not as concentrated on the employer, nor fully on the self-employed.

**Children are, to some extent, a “public good”.**

**Too expensive?** Well, with interest rates at rock bottom, why does it sound “safer” to boost asset price bubbles and underinvest in the future of society, rather than trying to recalibrate between the two?

# REVOLUTIONARY OR EVOLUTIONARY?

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# COMPETITIVENESS: FROM A NEW ANGLE

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*The evolution starts with a revolution*

In a world with the free movement of labour and capital, the quality of living is likely to increasingly become a **key driver of the competitiveness of countries.**

**Creating an environment that is supportive of happy families would help the attractiveness of a country** and, implicitly, the public debt sustainability.

You can add as many robots as you want, but robots do not pay taxes and corporations pay much less in taxes than humans.

**Maternity policies and industrial policies are the two most important areas that must evolve** in the face of the demographic challenges and technological changes ahead.

It would also make people happier.

**Isn't this what we should be striving for?**

*Thank you for your time & feedback,*

*Raffaella & the ADA team*

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