POLITICAL COMMENTARY
Building coalitions and establishing fiscal credibility on gender issues: Labour's campaign to increase paid parental leave

SUE MORONEY

On the day before Good Friday 2012, my bill proposing 26 weeks' paid parental leave (PPL) was drawn out of the biscuit tin that gives members of parliament (MPs) who are not ministers a chance to have their ideas debated in parliament. Five years later, we have won an additional four weeks' PPL, extended eligibility to casual and seasonal workers, and provided up to 13 weeks' additional leave for parents whose baby is born prematurely – all from the opposition benches. Now, the scene is set for 26 weeks' PPL to be delivered by an incoming Labour-led government. It has been one 'wild ride' throughout those four years.

So what were the elements of this successful campaign? There were, of course, many – including the luck of having my proposal drawn out of the members' ballot twice and National's loss of one vote in parliament courtesy of the Northland by-election. Here, I want to explore two critical elements – the establishment of a coalition of support around the issue and the eventual success in terms of demonstrating the financial benefits of PPL – and provide some analysis of the controversial use of the financial veto.

Building coalitions

In 2005, when the Labour-led Government introduced 12 weeks' PPL, things were different. The government of the day included a minister who championed this issue (hat-tip to Laila Harré) and so the debate was had within Cabinet. This time, the debate about extending that 12 weeks had to be won in the public domain to put pressure on an unwilling government. Back in 2005, the Government was running substantial surpluses – by 2012, the global financial crisis was at its peak and the Government ethos was to freeze spending.

In 2005, the policy was presented from the perspective of women's rights at work and the desire to increase women's participation in paid employment. These are both important policy objectives and perfect for a debate around the Cabinet table of a Labour-led government. However, those messages did not particularly resonate with New Zealanders – older citizens, employers, and the more conservative elements within our society loudly voiced their opposition to it.

So, in Easter 2012, I presented the main purpose of my bill as being in the best interests of children. With that one shift in focus, the debate captured the public imagination and support. Of course, it helped that employers had come to embrace the advantages that the taxpayer-funded 14 weeks' PPL policy had given them in the intervening seven years. But the move to focus on the health and well-being of children built a much wider coalition of support around the policy. Despite the global financial crisis and the minister of finance deliberately exaggerating the cost of extending PPL to 26 weeks (almost doubling the amount his officials had advised him it would cost), New Zealanders said they supported

Women's Studies Journal, Volume 31 Number 1, July 2017: 70-73. ISSN 1173-6615
© 2017 Women's Studies Association of New Zealand Hosted at www.wsanz.org.nz/

the proposal – a Colmar Brunton poll of 1,000 people in May 2012 showed 63% were in favour of the increase.

I received many phone calls of support, but one particular call took the campaign to another level. A woman with two young children said she and her friend wanted to help. Their idea was to develop a coalition of community organisations to support the bill. And so the '26 for Babies Coalition' was born. These two smart, committed young women brought 26 organisations together to work on getting 26 weeks' PPL.

Organisations as diverse as Plunket and Family First worked together on promoting the bill (the full list of organisations is at the end of this article), making submissions, and keeping the pressure on political parties to support the bill in parliamentary debate. This gave the campaign a real 'grassroots' connection, and one of my favourite memories was of seeing prams lined up as the 26 for Babies Coalition brought their babies into the select committee room to make their powerful submission on the bill. When the 26 for Babies Coalition was in parliament, it truly did feel like a house of representatives.

26 for Babies was an important source of alternative information and opinion for the media, which meant the issue was commented on by more than solely politicians. The organisations also banded together to hold public rallies to demonstrate ongoing support and momentum for extending PPL.

The other important coalition built over this campaign was between the political parties that provided the 61 winning votes that allowed the bill to continue on its journey through parliament. Labour, Greens, NZ First, Maori Party, Mana, and United Future all supported the bill at every stage of the debate – despite considerable pressure from National, whose only response was to use the government's right of financial veto, which had never been used on an entire bill before. At one stage, I even had ACT supporting an amended version of the bill, which led to winning an increase of up to 13 weeks' additional PPL for the parents of pre-term babies.

All of this pressure ultimately resulted in the government having to agree to extend PPL to 18 weeks and to extend the eligibility to working families who were previously ineligible (enacted April 1, 2016).

Establishing fiscal credibility

Once the government recovered from the shock of realising the bill would have the support of enough MPs for it to pass, it announced it would use a financial veto to stop PPL from increasing. That meant the only way I could ensure 26 weeks' PPL had a chance under National was to demonstrate that a veto on financial grounds would be unjustified. The select committee process gave me access to official advice with which to mount my case, and we set about calculating the immediate cost savings of the bill.

Research and evidence (MBIE, 2016; New Zealand Government, n.d.; 26 for Babies) shows that major cost savings are gained from extending PPL in the long-term savings of reduced spending on health, education, and youth justice. However, quantifying this would have been too complex for a select committee hearing process, so I focused on the short-term benefits. These were primarily to be found in savings to the early childhood education subsidy the taxpayer funds for childcare for babies once the parent returns to work, reductions in infant hospital admissions due to a higher rate of breastfeeding to 26 weeks, and savings to taxpayer-funded benefit payments because employers are more likely to temporarily replace employees if they are on leave for six months.

The first time the bill went through the select committee process, Ministry of Health officials

© 2017 Women's Studies Association of New Zealand Hosted at www.wsanz.org.nz/

informed our select committee that, while they accepted the correlation between increasing breastfeeding to six months and a resulting reduction in infant hospital admissions, they would not accept that extending PPL would result in an increase in women breastfeeding to six months. It was obvious to the thousands of submitters who supported the bill that extending the financial support for parents to be at home longer with their baby would result in fewer breastfeeding regimens being interrupted by a return to work, but our Ministry of Health said they could not find a link – it seems likely this was due to the immense political pressure regarding the bill. This extraordinary assertion happened late in the first select committee process, and contesting it would have prolonged the hearing beyond the agreed date to report the bill back to the house for its second reading debate.

However, when my bill was drawn out of the members' ballot the following year, I got a second chance to challenge this advice through the second select committee hearing. This time, the Ministry of Health agreed there was a link and delivered the most conservative costings they thought they could get away with. Along with some rather complex tax changes, we found a total estimate of $NZ28 million per year of cost savings from increasing PPL to 26 weeks. At full implementation, this meant the proposal would cost around $NZ79 million net each year. In year one of implementation, it would cost just $NZ12 million.

All of these figures paled in comparison with the announcement, the week before the government vetoed PPL, of $NZ20 billion of spending on defence. While my proposal that benefited women and children was costed within an inch of its life, the defence announcement was made without any costings or fiscal justification – just the promise of lots of new and exciting war toys.

Some things never change!

Overturning democracy

During this campaign, I was surprised to find myself somewhat of an authority on the financial veto – this certainly was not by choice! The bizarre result of National's decision to veto the bill was that, for the first time in our parliament's history, a bill was debated a third and final time, and no vote was allowed at the end of the debate. If a vote had been allowed, the bill would have passed.

People might be surprised to hear that I do think there is a place for the use of a financial veto in mixed member proportional (MMP) parliaments. After all, it is a feature of MMP that minority governments can and do exist, and they should be able to execute their programmes through the Treasury benches. However, MMP also means that parties elected to represent the views of the people must be able to do so even if that defeats the view of a minority government. I believe that last-minute amendments that do impact on the Crown accounts but have not been subject to full select committee scrutiny should face the prospect of a veto from the government. But I also believe there are circumstances under which vetoes should never be allowed, such as when

1. The measure has been scrutinised by a select committee, and
2. The majority of public submissions have been in favour of the measure, and
3. Official costings have been obtained to inform MPs on their vote.

Despite my request to do so, the National Party MPs on the select committee refused to put the agreed official costings in the report on my bill that was returned to the House. They then spent the next six weeks making up figures to exaggerate the cost and muddy the waters – that is not democracy.

Women's Studies Journal, Volume 31 Number 1, July 2017: 70-73. ISSN 1173-6615
© 2017 Women's Studies Association of New Zealand Hosted at www.wsanz.org.nz/

I also think parliament needs to define what 'more than a minor impact' on the Crown accounts actually means, as this is the criteria the government currently needs to meet in issuing a financial veto. The way the standing orders apply at present means the minister of finance can issue a financial veto on a measure that costs just $NZ10 without having to prove that it is 'more than minor.' For the record, my bill would have cost just 0.7% of the *new* spending for Budget 2016 and 3.6% of the new spending planned by National for 2017. At full implementation, it would cost 0.03% of the $NZ3 billion worth of tax cuts John Key proposed. Is that more than minor? I don't think so.

SUE MORONEY is a Labour MP based in Hamilton. She is the mother of two teenaged boys and a former community newspaper editor, trade unionist, and health advocate. She was elected to Parliament in 2005 and is a former Chief Whip for Labour. She is currently the Labour spokesperson for Transport; ACC: Workplace Health and Safety; Pay Equity; and Paid Parental Leave.

26 for Babies Membership

Action Station, Canterbury Breastfeeding Advocacy Service, New Zealand Council of Trade Unions (CTU), E tū (formerly EPMU + SFWU), Every Child Counts, Family First New Zealand, FIRST Union, La Leche League NZ, Maritime Union of New Zealand, Maternity Services Consumer Council, National Council of Women of New Zealand, New Zealand Breastfeeding Alliance, New Zealand Nurses Organisation, NZEI Te Riu Roa, Parents Centres New Zealand Inc., NZ Playcentre Federation, Royal New Zealand Plunket Society Inc., New Zealand Post Primary Teachers' Association (PPTA), New Zealand Public Service Association (PSA), New Zealand Tertiary Education Union, Tick for Kids, UNICEF New Zealand, Women's Health Action Trust, Auckland Women's Health Council, Women's Studies Association/ Pae Akoranga Wāhine, Working Women's Resource Centre, YWCA of Aotearoa New Zealand

References

Parental leave and employment protection (six months' paid leave) amendment bill (Report of the Government Administration Committee 13–1), (n.d.). Wellington, New Zealand. Retrieved from https://www.parliament.nz/resource/en-NZ/50DBSCH_SCR6119_1/a062e8e73778aa0f2892f30e16788f29389638f6

Ministry of Business, Innovation & Employment (MBIE). *Response to information request from the Government Administration Committee on the Parental Leave and Employment Protection* (Six Months' Paid Leave and Work Contact Hours) Amendment Bill. 2016 Retrieved from https://www.parliament.nz/resource/en-NZ/51SCGA_ADV_00DBHOH_BILL64527_1_A499541/2de4871dd653e24442e315ced4498d6d3f5c59c4

26 for Babies. *26 for Babies Submission to the Government Administration Committee on the Parental Leave and Employment Protection (Six Months'Paid Leave and Work Contact Hours) Amendment Bill*. Retrieved from https://26forbabies.files.wordpress.com/2012/07/26-for-babies-submission1.pdf

© 2017 Women's Studies Association of New Zealand Hosted at www.wsanz.org.nz/