EQUITY

Parental leave and pay review: call for evidence

August 2025

About

Equity is the largest creative industries trade union with 50,000 members united in the fight for fair terms and conditions across the performing arts and entertainment. Our members are actors, singers, dancers, designers, directors, models, stage managers, stunt performers, circus performers, puppeteers, comedians, voice artists, supporting artists and variety performers. Equity members are generally treated as self-employed workers.

Contact

For further information about this response, please contact Dugald Johnson, Policy Officer (Employment Rights), djohnson@equity.org.uk.

Summary

1. The current parental leave and pay system is wholly inadequate in the support it offers to self-employed parents. Freelance mothers must rely on Maternity Allowance, paid at a very low rate, and only if they meet restrictive qualification criteria. They may well not meet the criteria if they have had significant gaps in their work, as is common for freelance creative workers. Equity calls for the uprating of Maternity Allowance at least to as generous a rate as Statutory Maternity Pay (SMP) and, in any case, for a roadmap to increase the rate of all parental entitlements to at least national minimum wage. Equity also calls for Maternity Allowance to be treated as earnings – as SMP is – for the purposes of Universal Credit, so that self-employed mothers are not unfairly penalised for continuing to work and maintaining their careers.

2. Our response also cites the overwhelming case for introducing a statutory entitlement for self-employed fathers – who currently have no entitlement to leave or pay – in order to support maternal health, the mother's return to work and the fair division of caring responsibilities.

Question responses

5a	***Do you think that the current parental leave and pay entitlements supports these objectives (Yes or No):***

1.
    a. Providing sufficient time off work with adequate pay to support maternal health – **No**
    b. Supporting economic growth through labour market participation by enabling more parents to stay in work and advance in their careers, including reducing the gender pay gap – **No**
    c. Ensuring adequate resources and leave for parents to facilitate the best start in life by supporting the healthy development of young children – **No**

d. Providing parents the flexibility to make balanced childcare choices, including co-parenting – **No**

5b	For each objective, briefly explain the reasons for your selection above. Please provide any evidence (including links) to support your view.

Objective 1: Providing sufficient time off work with adequate pay to support maternal health

2. Equity members generally work on a freelance basis on short-term engagements, for which they are treated as self-employed for tax and National Insurance purposes. As a result, Equity members tend not to qualify for Statutory Maternity Pay and must instead rely on the less generous Maternity Allowance.
3. It is well documented that even the more generous Statutory Maternity Pay (SMP) is paid at a seriously inadequate rate. For the small proportion of Equity members who do qualify, they receive 90% of weekly earnings for the first six weeks, after which the rate drops to £187.18 per week for up to 33 weeks. That rate is well below even what a full-time worker would earn on the National Minimum Wage (£444 per week) and represents 37% of women's median pay in the UK.[1]
4. However, for the vast majority of Equity members, they will not qualify for SMP because they do not meet either the 'continuous employment' rule or the 'earnings' rule. To qualify for SMP, the member would have to be an employee or worker who has worked for an employer for at least 26 weeks leading into the 15th week prior to their due date, generally paying tax via PAYE. Most engagements in theatre, film, TV or commercials will be for a matter of days, weeks or perhaps months at most. It will be rare, then, for a performer to gain the necessary continuity of employment to qualify for SMP, so they must rely on Maternity Allowance instead.
5. Maternity Allowance is a benefit administered by Jobcentre Plus for self-employed workers. Unlike SMP, Maternity Allowance is paid only at the rate of £187.18 per week for the entire 39 weeks, with no uplift to 90% of actual earnings during the first six weeks. This leaves self-employed mothers significantly worse off and reliant on a partner's income or other sources of income. The severely low pay available to mothers under Maternity Allowance has a direct impact on time off work: in its 2023 survey, Maternity Action found that 3 in 5 mothers returned to work early for financial reasons, with some going back to work only three months after giving birth.[2] Further, a survey by Parents in Performing Arts (PiPA) of freelance mothers working in dance found that 75% of respondents returned to work within six months

[1] Maternity Action, 'Forced to return early – the impact of low rates of maternity pay'
[2] Maternity Action, 'The Cost of Living on Maternity Leave Survey'

of giving birth, risking their health, recovery and career.[3] Such an outcome is self-evidently not compatible with supporting maternal health and giving the best start to young children.

6. The less generous provision of Maternity Allowance relative to SMP is not justified on a number of grounds, including in view of the tax and National Insurance contributions (NICs) which self-employed workers pay, often paying more than employees do for less in the way of benefit entitlements in return. Take, for example, a worker earning £35,000 per year. Based on 2025/26 rates, an employee will pay £4492.80 in income tax and £1792.96 in Class 1 NICs. A self-employed worker will pay the same income tax but pay £2018.69 in Class 4 NICs, which, unlike Class 1 NICs, does not go towards entitlement to any contribution-based benefits. The employee, then, pays £6285.76 per year to the Exchequer while the self-employed worker pays £6511.49, an additional £225 per year.
7. Despite their equal contribution to income tax and NI, self-employed workers also often experience acutely precarious working conditions, low pay and late payment of invoices. There are, therefore, very good reasons to treat self-employed workers the same as employees in terms of maternity pay and to at least uprate the initial payments of Maternity Allowance accordingly. In any event, that would not go far enough; as above, the rates of pay are woefully inadequate to support maternal health and should be uprated to at least the National Minimum Wage.
8. Self-employed mothers take a further financial hit when it comes to the impact of Maternity Allowance on Universal Credit (UC). Whereas SMP is treated as earnings for UC purposes, Maternity Allowance is treated as unearned income. This means that SMP is subject to the normal income taper – 55p in the pound taken into account for the UC calculation – whereas MA is deducted pound for pound.
9. For example, for a single woman with one baby paying £1000 per month in rent, if she claims Maternity Allowance her UC payment will be £591 per month less than if she claimed SMP. This is a significant anomaly in maternity pay policy that puts self-employed mothers at a serious disadvantage, most of all those who are already in very low-paid and precarious work. Indeed, applications for Maternity Allowance have fallen sharply in recent years as many self-employed or casually employed mothers conclude it is not worth it. Yet this anomaly could be addressed by making two small amendments to secondary legislation to treat Maternity Allowance as earnings for the purposes of UC[4].
10. Self-employed mothers also face particularly onerous and confusing administrative processes in applying for Maternity Allowance. Whereas mothers claiming SMP will receive maternity pay via their employer, mothers claiming Maternity Allowance must submit their claim and evidence eligibility themselves. Specifically for self-employed mothers claiming Maternity Allowance, they face the challenge of proving sufficient Class 2 NICs. Generally, for a self-employed worker NICs are updated only annually when the Self-Assessment tax

[3] Parents in Performing Arts, 'Identity Crisis and Talent Loss: Impacts of Pregnancy and Caring Responsibilities on Freelance Mothers in Dance'

[4] Regulations 55(4) and 66(1)(b) of The Universal Credit Regulations 2013

return is processed by HMRC after 31 January, a time-lag which is often exacerbated by HMRC's slow updating of NI records. At the time of making a Maternity Allowance claim, the record may therefore be incomplete. This leads the mother to have to pay voluntary NICs to temporarily make up the record, only for a Class 2 refund to later be administered at the request of the mother. It can also take several weeks for DWP to decide the claim, whereas the process is generally faster for employees. It is unsurprising take-up of Maternity Allowance has fallen when the administrative process for self-employed mothers is so complex and sluggish.

11. The total lack of paternity leave and pay for self-employed fathers and partners – addressed further below – also pertains to the objective of maternal health. A period of non-transferable paternity leave/pay is crucial so that fathers and partners may support the mother in recovering from birth.

Objective 2: Supporting economic growth through labour market participation by enabling more parents to stay in work and advance in their careers, including reducing the gender pay gap

12. In the creative industries, DCMS figures for the 12 months to December 2023 showed that men's hourly median earnings were 20% higher than the figure for women, higher than the average across the economy of 15%. The figure is not surprising in view of the precarious and fragmented way in which artists are engaged in the industry, though it is not helped by maternity provisions which impede new parents from maintaining their careers.
13. First, statutory paternity leave and pay are wholly inadequate, offering new fathers just two weeks of paid leave at the same rate as SMP. This means that new mothers must take more time out of work for childcare than if fathers were offered more generous parental leave.
14. Self-employed fathers are entitled to no paternity pay or leave whatsoever, leaving couples where both parents are self-employed at a double disadvantage: the father has no freestanding right of his own and neither can the mother share her pay/leave with him. Research by Parental Pay Equality with parents in music and the performing arts found that 62% of self-employed fathers took no paternity leave whatsoever.[5] There is an urgent need for a regime of leave and pay for self-employed fathers at least as favourable as statutory paternity pay, albeit the latter is inadequate as above.
15. Besides the minimal statutory rights for fathers, the wider context is, of course, that in heterosexual relationships the majority of mothers earn less than their male partner, which in any case is a financial disincentive to new parents from shifting more parental leave onto the father. There is a need, then, for improved paternity provisions to be done in tandem with other efforts to tackle pay inequality and pregnancy/maternity discrimination in the workplace.

[5] Parental Pay Equality 'Self-employed paternity leave – briefing'

16. In the performing arts and entertainment industry, pregnant performers are at a particular risk of pregnancy discrimination when they disclose to a production company that they are pregnant. Equity has supported a number of pregnant women in recent years who, upon disclosing their pregnancy to an engager, have been told in response that it will not be possible to accommodate the pregnancy in the production and they cannot continue in their role. This can leave pregnant women out of work for many months of their pregnancy and make it more difficult to continue their career while having children. It can also affect eligibility for Maternity Allowance.
17. As explained in relation to objective 1, the way in which Maternity Allowance is accounted for in the UC calculation disincentivises new mothers from returning to the workplace. Instead, if they have a partner, it is likely to be far more financially advantageous to claim UC in full while the partner works full time. In research done by PiPA with parents in the performing arts, 85% of women surveyed said they reduced their availability or working hours to manage caregiving duties, limiting their income and career progression.[6]
18. This is compounded by the disparity between Maternity Allowance and SMP when it comes to taking on self-employed work during maternity leave. Mothers claiming Maternity Allowance will lose their entitlement if they work more than ten "keeping in touch" days while those claiming SMP can do so without it affecting their maternity entitlements. This means new mothers claiming Maternity Allowance are not able to keep up small pieces of work here and there, which would significantly ease their return to the labour market. There is also significant lack of clarity about what amounts to a "keeping in touch" day for a self-employed worker.
19. Equity also warns of the particularly acute impact of poor parental leave/pay for self-employed workers on working class, women and minoritised workers in the performing arts. Many performers get their entry into the industry through particularly low-paid and precarious work, such as fringe theatre, training videos and voiceover work, where work can be particularly intermittent and short-term. As a result, disadvantaged workers are even less likely to qualify for statutory entitlements for the self-employed.

Objective 3: Ensuring adequate resources and leave for parents to facilitate the best start in life by supporting the healthy development of young children

20. The overall inadequacy of current rates of maternity pay is, of course, an obstacle to the healthy development of young children. In research with parents in the performing arts, PiPA found that over half (54%) of respondents had to cut back on household items to manage parent and carer related cost, with one in four having to borrow money from friends or family.[7]

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[6] Parents in Performing Arts, 'Balancing Act – Take Two: the experiences of parents and carers in the post-pandemic performing arts' (2023)
[7] Ibid.

21. As detailed in the TUC's response to this call for evidence, Maternity Action's research has found significant hardship experienced by new mothers, such as that one in ten struggled to afford formula.[8] Improving rates of maternity and paternity pay – and making the process more accessible for self-employed workers – would have a significant impact on reducing rates of poverty among new parents, with a corresponding impact on the health and development of their children.
22. Besides parental leave and pay, it is well established that one of the most impactful policy changes the government could make to improve the health and development of young children is to remove the two-child cap on benefits. The Institute for Fiscal Studies estimates that removing the cap would bring 500,000 children out of relative poverty.[9] Improvements to parental leave and pay must, then, be done in tandem with improvements to other relevant aspects of social security, such as removing the two-child cap and improving the provision of free childcare.

Objective 4: Providing parents the flexibility to make balanced childcare choices, including co-parenting

23. The current system of parental leave does not offer families flexibility in how they manage caring responsibilities, owing to the lack of statutory entitlement for self-employed fathers and restrictive criteria to qualify for Maternity Allowance.
24. For parents in the performing arts, flexibility is a key consideration. As a freelance performer, work opportunities or significant auditions may arise at short notice. Parents in the performing arts therefore need a system of parental leave and pay which allows them to flexibly cancel or rearrange blocks of their leave without financial penalty.
25. The government introduced Shared Parental Pay and Leave in an attempt to encourage greater sharing of parental leave between parents and reduce the burden on the mother. However, the scheme is only available to employees and take-up has remained low due to the system's complexity and lower rate of pay (compared to SMP) during the first six weeks. An employed partner of a self-employed mother may share the mother's Maternity Allowance; however, where both parents are self-employed, there is no scope to share Maternity Allowance and, as above, there is no freestanding provision for self-employed fathers.
26. The result is that freelance mothers in the performing arts are generally unable to take work opportunities at short notice without sacrificing maternity pay. For example, suppose a new mother gets a significant career opportunity that will last 12 weeks; as a result she will lose £2246 in Maternity Allowance at 2025/26 rates. Meanwhile, if her partner foregoes work in this period to care for their child, they will receive no parental pay at all, so that their income suffers on two fronts.

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[8] Maternity Action, 'The Cost of Living on Maternity Leave Survey'
[9] Institute for Fiscal Studies, 'The two-child limit: poverty, incentives and cost'

27. In PiPA's research, 44% of self-employed parents said they rely on working from home and 31% rely on part-time work to manage care responsibilities, impacting their career development options.[10] For many in the performing arts, working from home is not an option. The lack of flexibility in parental entitlements thus leads them with no option but to reduce their work or take a career break. Further, 63% of freelancers told PiPA that they rely on friends and family for childcare, compared to just 8% of employees, highlighting a stark disparity in support available to employed and self-employed parents.
28. Equity supports the principle of separate non-transferable entitlements for each parent. Shared Parental Pay and Leave has demonstrated that shared schemes which rely on the mother transferring her entitlement to the other parent do little to rebalance parenting between men and women. However, the government should consider how individual entitlements can be designed so as to accommodate freelance careers in which short-term work opportunities arise at short notice, allowing parents to move periods of leave flexibly.
29. At a minimum, the government should introduce a scheme of paternity pay for self-employed fathers, which can work in tandem with Maternity Allowance, so that self-employed couples can take blocks of their freestanding entitlements flexibly to facilitate the mother's return to work and the labour market participation of both.
30. The above steps to improving paternity leave/pay would also make significant steps towards achieving objective two in relation to mothers' labour market participation. A survey by HR Magazine found that, where fathers played an equal or main role in childcare, 47% of mothers had progressed in their careers, while only 26% did so where the father played a limited role in childcare.[11]

6a 6b	***Are there further or other objectives that you would like to see included as part of the parental leave and pay review? (Yes or No)*** ***Please list and briefly explain each one, including providing links to any relevant evidence.***

31. Equity considers that specific reference to advancing gender equality should be made in objective four as follows: "Providing parents the flexibility to make balanced childcare choices, including co-parenting, **and advancing gender equality by promoting more equitable sharing of childcare responsibilities between parents."** [emphasis added]
32. Clearly, the division of labour in the household with regard to childcare is so fundamental to improving gender equality overall that the objective ought to include specific mention of gender equality.

[10] Parents in Performing Arts, 'Balancing Act – Take Two: the experiences of parents and carers in the post-pandemic performing arts' (2023)
[11] HR Magazine, 'Women progress when childcare duties are shared more equally'

7	***Please prioritise the objectives, including any additional objectives, in order of importance (for example with 1 being most important).***

33. We would list the objectives in order of importance as follows:

    1. Providing sufficient time off work with adequate pay to support maternal health
    2. Ensuring adequate resources and leave for parents to facilitate the best start in life by supporting the healthy development of young children
    3. Providing parents the flexibility to make balanced childcare choices, including co-parenting
    4. Supporting economic growth through labour market participation by enabling more parents to stay in work and advance in their careers, including reducing the gender pay gap