'RECONCILING PAID MATERNITY LEAVE: THE WISER RESPONSE'

Submission to the

Productivity Commission

Inquiry into Paid Maternity, Paternity and Parental Leave

May 2008

Organisation: Women in Social and Economic Research (WiSER)

Curtin Business School

Curtin University of Technology



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ABOUT WISER

The Women in Social and Economic Research (WiSER) unit was founded in April 1999 in response to a growing void - within Australia and internationally - in the gender analysis of economic and social policy issues that confront women. To most effectively address this void, WISER was established as an inter-disciplinary research program, spanning two divisions of Curtin University, the Curtin Business School (CBS) and the Division of Humanities.

WiSER is committed to producing high quality quantitative and qualitative feminist research on a broad range of issues that women identify as undermining their ability to achieve equity and autonomy in the current context. Meeting this commitment is enabled by the breadth of experience and expertise brought to WiSER by an increasing range of researchers. Through its academic and consultancy research into women's experiences of social and economic policies WiSER provides a meaningful gender analysis of policy. An analysis strongly put forward via active contribution to government policy debates.

Our broad objectives include:

- Identifying the cases and causes of women's disadvantaged social and economic status and to contribute appropriate policy initiatives to address this disadvantage.
- Demonstrating the way in which social factors, particularly gender, influence the construction of economic theory and policy.
- Extending current theory and research by placing women and their social context at the centre of analysis.
- Contributing an interdisciplinary approach to the understanding of women's position in society. In turn, this should enable the unit to better reflect the interrelatedness of the social, economic and political discourses in policy and their consequent implications for women.
- Fostering feminist research both nationally and internationally.
- Expanding linkages with industry.
- Establishing and supporting a thriving Curtin University postgraduate research community with a common interest in feminist scholarship.

For further details see: www.cbs.curtin.edu.au/business/wiser



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FOREWORD & ACKNOWLEDGEMENTS

WiSER (formerly known as the Women's Economic Policy Analysis Unit (WEPAU)) is pleased to offer the following submission to the Productivity Commission's *Inquiry into Paid Maternity, Paternity and Parental Leave.*

Our submission is composed of two parts. *Part 1* focuses on the social and economic issues surrounding the work undertaken by women as mothers, carers and parents. *Part 2* outlines in detail WISER's proposed model for a nationally based, publicly funded *Paid Maternity Leave & Paid Parental Leave* scheme.

EXECUTIVE SUMMARY

Australia's economic prowess is laudable and has positioned the nation well to address issues relating to our greatest assets: the nation's future children, and their parents. In proposing a model of paid maternity leave and paid partner leave this submission engages with the Inquiry's focus on developing sustainable policies and practices for mediating women and men's work and family life.

This submission employs a framework of reconciliation, which considers that there are many areas of work and family life which require significant renegotiation and prioritisation. Within this context, paid maternity leave (PML) and paid partner leave (PPL) are viewed as one necessary element in a range of family friendly policies that are essential to adequately addressing the caring needs of our society.

The movement away from the traditional "male-as-breadwinner" model of family and labour market structures has seen women increasingly seek to benefit from the social, economic and political advantages of participating in paid employment. However, tensions continue to exist when women attempt to combine work and caring responsibilities. Measures to alleviate this tension have tended to be piecemeal rather than part of an integrated and systematic approach to ensuring that the long term caring requirements of our society are met.

The tensions between current labour market structures and household division of labour have far-reaching implications for women's workforce participation patterns, their hours of work, earnings and retirement incomes. Recent industrial reforms have also affected the way in which women's pay and conditions of employment are determined. WiSER acknowledges that these reforms have had specific implications for women, which, alongside women's concentration in part-time and casual employment, pose a number of challenges for designing an equitable system of entitlement to paid maternity leave. At the same time, the current skills shortage, which has direct implications for Australia's continuing economic prosperity and productivity, demands that Australia reassess the ways in which women as mothers could be supported in the workplace.

In promoting a PML & PPL scheme, WiSER promotes a model that includes people in same-sex relationships, where a baby/child is adopted or where a person becomes the primary carer for a child (i.e. a nominated guardian or other person nominated as carer through legal process etc). In the case of a same-sex relationship where a baby is present, PML will be available to the person nominated by the relationship as providing primary care for the baby and the 'partner', as the supporting parent. The same time periods and remuneration rates will apply.

In an effort to address many of the issues women experience through their participation in the workforce, WiSER propose's a PML models that is:

- □ Nationally-based
- □ Publicly-funded
- □ Available to all employed women who are pregnant or where a new-child is present (re: same-sex relationships, adoption or primary carer non-parent)

- □ 22 weeks PML
- □ Based on the minimum wage pro-rata

To accompany PML WiSER proposes a scheme of Partner Leave – partner here refers to the partner (male or female) of the 'mother'. This scheme should be:

- □ Nationally-based
- **□** Publicly-funded
- □ Available to all employed people who are the supporting parent/partner where a new-child is present
- □ 2 weeks leave
- □ Based on the minimum wage pro-rata

To be eligible for either PML or PPL requires a six-month history of employment. On meeting the 6 month eligibility criteria and having taken one period of PML, a woman would be entitled to PML and a partner, PPL, for each future child.

In relation to the proposed PML model, WiSER wishes to emphasise that it is designed specifically to be employment related and to provide income maintenance for the 22-week maternity leave period. As such, it is not designed to compensate for the subsequent financial disadvantage that women providing un-paid care face beyond this period.

Beyond the implementation of a national model of paid maternity and partner leave WiSER also believes that debate should be extended to consider both ongoing childcare needs (particularly for children 1-5 years) and the other significant caring roles that people (predominantly women) take on during their lifetimes. These other roles include caring for elderly parents, spouses and older children while they are ill. The issue of elder care is of particular importance given the ageing of the Australian population, with more and more people confronted by decisions relating to the care for parents and/or other family members. The issues of 'care' and in particular who and how it is provided, test Australia's foresight and responsiveness. How we engage now and in the next few years will determine how economically productive and socially inclusive we are as a nation. In this context, PML and PPL are both a necessity and an opportunity.

1. INTRODUCTION

In 2002 the issue of Paid Maternity Leave (henceforth referred to as PML) attracted national attention as women in paid employment, women's organizations and pro-equity economists, politicians and social researchers responded to the 'work and family' crisis plaguing the globalised labour market. Despite persistent demands from a range of individuals and organisations, including business associations (AiG 2008¹), labour market researchers (Preston, 2006, 2002; Jefferson and Preston, 2007a, 2007b; Charlesworth, 2007; Bullbeck 2005; Pocock, 2006, 2003) and women's and human rights lobby groups² (HREOC, 2002, 2007), the Howard Government was not amendable to a national, publicly-funded PML scheme wary of imposing what it considered would be a heavy tax burden on taxpayers and one that didn't address women not in the paid workforce (Charlesworth, 2007 p. 160). This rejection means that in 2008, Australia continues to remain one of only two OECD countries without a national paid maternity leave program (HREOC, 2007).

Given this background, it is with optimism that Women in Social & Economic Research (WiSER) welcomes the Rudd Labor Government's establishment of a *Public Inquiry into Paid Maternity, Paternity and Parental Leave*. In particular, WiSER acknowledges that the issue of paid maternity, paternity and parental leave intersects with an array of complementary and seemingly competing interests as is identified in the Inquiry's opening statement:

The Australian Government wants to consider how to improve support for parents with new born children. The context for this is the need to ensure strong and sustainable economic growth, adjust to the imperatives of an ageing population, promote the early development of children and support families in balancing work and family responsibilities (Productivity Commission Terms of Reference, 2008).

WiSER also wishes to acknowledge the shift that has occurred in both the site and construction of this Inquiry. In preparing for and writing a submission for the 2002 Inquiry, it seemed necessary for organisations such as WiSER (known at the time as WEPAU) to provide a detailed introduction as a way of convincing the federal government that there were indeed irreconcilable issues between women, maternity and work. This was prior to any discussion about PML. Recent debates surrounding the issue of paid maternity leave have now shifted from a focus on whether paid maternity leave should be introduced at all, to ideas about how best it should be introduced. The shift form HREOC to the Productivity Commission as the site for the Inquiry is also politically significant.

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¹ Ai Group is a peak body representing 10,000 employers in a range of sectors including manufacturing, construction, automotive, telecommunications, IT & call centres, transport and labour hire - http://www.aigroup.asn.au/scripts/cgiip.exe/WService=aigroup/ccms.r?pageid=30.

² These groups include the National Council of Women, National Foundation of Australian Women, Women's Electoral Lobby, National council of Jewish Women in Australia, National Council of Single Mothers and Their Children and WomenSpeak.

In setting out WiSER's position for an Australian PML scheme, a conceptual framework of reconciliation is engaged; a framing which brings together seemingly disparate or competing interests and demands relating to women, work and family. This framing will be used in addressing the various issues identified within the Commission's Terms of Reference.

Inquiry Terms of Reference:

- Identify the economic, productivity and social costs and benefits of providing paid maternity, paternity and parental leave.
- Explore the extent of current employer provision of paid maternity, paternity and parental leave in Australia.
- Identify paid maternity, paternity and parental leave models that could be used in the Australian context.
- Assess those models for their potential impact on:
 - the financial and regulatory cost and benefits on small and medium sized business;
 - the employment of women, women's workforce participation and earnings and the workforce participation of both parents more generally;
 - work/family preferences of both parents in the first two years after the child's birth;
 - o the post-birth health of the mother;
 - the development of young children, including the particular development needs of newborns in their first 2 years; and
 - o relieving the financial pressures on families;
- Assess the cost effectiveness of these models.
- Assess the interaction of these models with the Social Security and Family Assistance Systems.
- Assess the impacts and applicability of these models across the full range of employment forms (e.g. including for the self-employed, farmers, shift workers, etc).
- Assess the efficiency and effectiveness of Government policies that would facilitate the provision and take-up of these models (Productivity Commission 2008).

2. FRAMING THE ISSUES - RECONCILIATION

In developing this response to PML and the associated PPL, WiSER has adopted a theoretical framework of reconciliation, drawing on the OECD's Working Party on Social Policy (2000) proposal. The framework considers the many contentions between work and family as in need of 'family-work reconciliation'. In the preliminary report prepared by the OECD's Working Party (2000), reconciliation refers to "all those measures that facilitate the reconciliation of work and family life by fostering both the extension of family resources and parental labour market attachment". Whilst acknowledging this definition, WiSER proposes an extended conceptualisation of 'reconciliation' which includes the urgent need to re-negotiate the caring and support roles assumed by women and men in the twenty-first century. When framed from within this expanded discourse of (re)conciliation the focus of the discussions shifts from a

singular emphasis on the traditional role of 'woman-as-mother' to that which speaks of parental responsibilities, parenting and child-centred development. Within this context, discussions of paid maternity leave must be accompanied by discussions of parental leave and the promotion of a whole-of-family approach to parenting and child development. In this expanded conceptualisation the public and private domains of work and family are reconciled and notions of citizenship are explored (Cox 1995).

This broad and inclusive approach is evident in current policy discussions focusing on the 'new social risks' arising from income and service gaps developing within post-industrial societies, including Australia. Of particular concern are the risks emanating from transformations occurring within the work-family nexus engendered through women's increasing labour market participation and accompanied by inadequate access to social care for children, the inadequacy of familiarist discourses of responsibility (Adler and Brayfield 2006) and widespread skills shortages. These risks provide challenges and opportunities to re-think work and family interactions and actively participate in the "drawing and building a new social architecture" (Jenson 2008, p. 6). Australia is in a position, both economically and socially to rebuild a system of work and family in which all agents are considered as entitled to a reconciled work and family life. A universal system of paid maternity leave and parental leave form the foundations of this rebuilding, in fact, they are essential in and to, any socially progressive and economically prosperous community (Jenson 2008).

2.1. Reconciling PML & PPL at the local, everyday level

Extensive research over many years has confirmed that a child's first years are the most critical in its emotional, cognitive and physical development. Integral to this critical period is the engagement of appropriate and adequate caregiving. Reconciling the resources required for caregiving activities in families with a newborn child is a key motivation for PML, providing the necessary monetary funds and time for mothers to recover from the emotional and physical stresses of birth and with their partners, meet the demands of a baby's first months. Relationships Australia's NSW chief executive Anne Hollands (cited Sexton and Fleming, 2007) confirms the stress parents can experience around childbirth:

the first baby is a key turning point in most relationships. For many couples, it is the first time they have really had to pull together as a team. If they haven't managed to negotiate a relationship where that is possible ... then the cracks really start to appear at that point.

The Prime Minister Kevin Rudd (Kevin Rudd, Doorstop Interview 8/11/07) in the lead up to the 2007 election similarly acknowledged the critical first years in a child's life and the challenges that this raises;

if you've had experience of raising littlies, actually its those first two years that are pretty much the challenge.

This period can be marred by extreme financial stress with a vast majority of two-income families having to rely on one income for extensive periods of time. This scenario is heightened in an economic climate with increasing interest rates, high rents, rising food and petrol prices and inflation. One woman's Letter to the Editor of *The Bulletin* encapsulates these concerns in the following way:

When will our government address the issues of a standard period of paid maternity leave (and paternity leave, for that matter)? I am the mother of a sixmonth-old, returning to work. Not because I want to, not because my career is hurting but for the simple reason that interest rates have risen four times since our son was born...an entire generation of children are missing out on their parents and my child is soon to join them (Angela Price, Readers Letters, The Bulletin).

PART I

3. BACKGROUND: WOMEN, WORK & MATERNITY

"At the moment, Australia has one of the lowest workforce participation rates in the OECD for women aged 25 to 44" (Sharon Burrows 08/04/08).

The reconciliation framework draws attention to the fragmented relationship which many women experience in their engagements with paid work. Over the past thirty years Australian women have succeeded in breaking through many of the labour market barriers inherent within a context dominated by traditional "breadwinner" model of employment (Preston and Burgess 2003). Beginning with the rapid increase in women's labour market participation rates, the expansion of occupational choices and career path trajectories and subsequent attempts at gaining wage equality, women have sought to benefit from the social, economic and political advantages offered through paid employment. Despite such gains, many women who wish to combine work with family remain restricted to an either/or decision between work and family. The low participation rates of women aged 25-39 years has also been identified as an issue of concern, particularly given that the Australian rates are well below other leading OECD countries including New Zealand, the UK and the USA (ABS 2007a). Whilst Australian governments have sought to ease this tension through the provision of child-care subsidies and a few select family/parenting payments, such benefits are limited when costed in real terms, and require considerable, additional private spending. In particular the issue of paid maternity leave is yet to be resolved in a way that benefits rather than disadvantages women who wish to combine work with family.

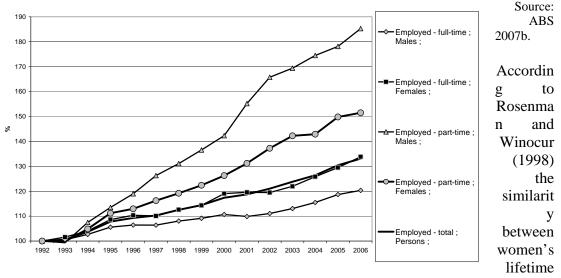
The significance of this issue relates to both social and economic factors, and as such requires policy initiatives which address the multitude of socio-economic realities for women in the workforce. The following sections outline some specific issues which WISER regards as of particular importance in the development of a comprehensive and viable national PML scheme. The issues selected are based upon our own research interests and expertise and should be read alongside other submissions to this inquiry.

3.1. Women's Labour Market Participation

In March 2008, female labour market participation rate was around 58% (ABS 2008c)³. This rate is in keeping with trends over the past decades which mark women's increasing participation in the Australian labour market (Figure 1). The most striking feature of the changing Australian labour market over the past few decades, is, arguably, the marked and increasing presence of women (particularly women in the 25-44 years and 45-64 years age brackets), participating in the labour market. These shifts can be noted in the following examples:

- In 1961 only 17.3% of married women were in paid employment by 1981 it had more than doubled to 44.3% (Norris 1993);
- In 1986-87 only 21.9% of women aged 55-64 were in the labour force by 2006-07 this number had drown to 48.4% (See Figure 3).
- In the same twenty year span (1986-87 and 2006-07) 55% of women aged 45-54 years were engaged in the labour force, by 2006-07, 76.6% of women in this age group were in the work force (2008a).

Figure 1: Employment Growth, Australia 1991-2007 (Seasonally adjusted, annual average increases).



labour force participation is such that it can be categorised into three dominant patterns. These are:

- 1. Continuous labour force participation in paid employment with a/some brief absence for child rearing or related purposes.
- 2. Continuous labour force participation in paid employment, with temporary exits from the labour market for moderate to longer periods, for example six or more years. Generally, such women return to the labour market and are employed on a part time basis.

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³ In 2008 the participation rate for all women and all men was around 58% and 72.5%, respectively (ABS 2008c).

3. Some labour force participation in paid employment until labour force withdrawal, which corresponds with marriage or child rearing purposes. These women have little intention of returning to the labour force.

These patterns can be mapped statistically, showing the marked variations over the life course (Figure 2 & 3). Women's highest rate of participation occurs within the 20-24 years age bracket after which it decreases during the main child-bearing years of 25 to 35 years. This period is followed by an increase in female participation as women re-enter the workforce after a career break for child-caring. When plotted on a graph (Figure 2 & 3) this gives rise to an "M" shape curve often considered characteristic of women's workforce participation patterns⁴. Conversely, men's participation is highest during the 20-44 years age group.

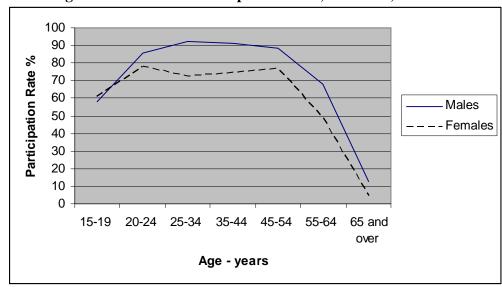
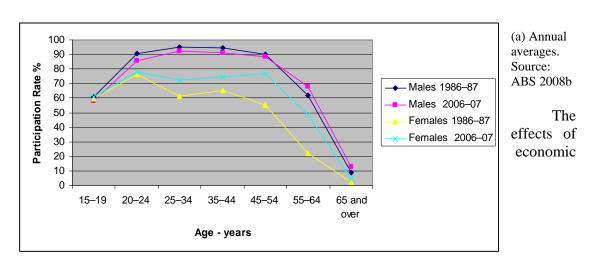


Figure 2: Workforce Participation Rates, Australia, 2006-07

Source: ABS 2008b

Figure 3: Workforce Participation Rates, Australia, 1986-87 and 2006-07a

⁴ In commonly available statistics the extent of this M shape is distorted somewhat by the use of age brackets which aggregate statistics for 10 year age spans (See for example, Bittman (1995)).



globalisation on participation patterns have become firmly established in the Australian context, with part-time work remaining a strong area of growth, representing 28% of all employed people (ABS 2008a). Women dominate this sector, accounting for 71% of all part-time workers, with approximately a third of each age group worked part time, with those aged 20-24 years and 25-34 years having the lowest proportions of part-time workers (37% and 33% respectively) (ABS 2008b). In terms of casual work, in 2006 nearly 20 percent (19.1%) of all employees (female, male) were employed in work without leave entitlements (Table 1 (ABS 2008). Within this 20 percent, males accounted for 15.6 percent and females 24.6 % of workers without leave entitlements (ABS 2008a).

Table 1: Employees With/out Paid Leave Entitlements, August 2006

	With paid leave entitlements (a) %	Without paid leave entitlements (a) %
Males	60.3	15.6
Females	61.3	24.6
Persons	60.7	19.7

(a) Excluding owner managers of incorporated enterprises.

Source: ABS 2008a

The trend towards casualisation is important to note and raises additional challenges for the development of a national PML scheme. As a workplace entitlement, access to PML has typically been contingent on demonstrated attachment to the workplace (usually in the form of one year continuous employment). Casual workers with strong labour force attachment (calculated as 6 months or longer) should be entitled to PML and protected from unfair dismissal in cases where they wish to exercise their right to this entitlement. Developing a framework that accommodates their needs will be a challenge.

3.3. Working Hours & Child-Care Costs

Turning to working hours, whilst the following data only permit comment on the number of hours worked (rather than *when* the hours are worked), the story told by figures 5 and 3 support employment data provided above and show that part-time employment is on the rise. Gender differences are, however, still apparent, with male working hour arrangements continuing tending to cluster around the standard full-time week of between 35 and 40 hours per week.

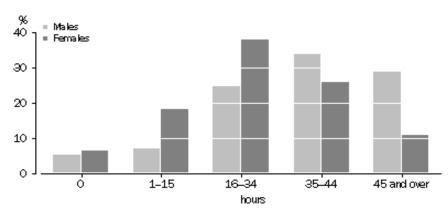


Figure 5: Employed persons, actual hours worked in all jobs, Australia, June 2007

(a) Includes employed persons who were away from work during the survey reference week Source: ABS 2008b

Figure 6: Employed Persons, Average weekly hours usually worked, Australia, 2006-07.

	Males	Females	Persons
	hours	hours	hours
Full-time workers	45.4	41.4	44.0
Part-time workers	18.2	18.5	18.4
All workers	41.2	31.2	36.7

Source: ABS 2008b.

Gender distinctions with respect to hours of work are undoubtedly linked to the gender differences associated with caring for dependants (young and elderly). The typical male still works on a full-time⁵ basis (85%), however, over the past decade there has been an increase in the number of men working part-time (ABS 2008a). Women are nearly evenly split between full-time and part-time work, with around 55% of women work full-time and the balance, 45%, work part-time) (ABS 2008a).

Preferences for part-time employment reflect, amongst other things, the cost and affordability of child-care (Pocock and Hill 2007), alongside limited access, social and cultural attitudes and norms relating to 'women and motherhood' (Maher and Saugeres

⁵ Full-time is defined as more than 35 hours per week.

2007), social and political pressure on women to provide at-home care for their children, and the numerous difficulties associated with 'juggling' work and family roles within full-time employment (double / treble burden of care) (Pocock and Hill 2007; Pocock 2006). Without a cultural shift in which a significant number of men opt for part-time employment so as to assist in the care of dependants, the responsibility for parenting will continue to fall upon women. Clearly child-care costs and availability affect the distribution of working hours in Australia. As such, it is apparent that the extent to which PML is able to mediate both labour demand and work and family balance is dependent on other supportive policies such as child care and working hour arrangements. These concerns were made blatantly clear in the conversations HREOC (2007) undertook as part of their 'Its About Time' report exploring the tensions between work, and family from employer, government, employee and family perspectives;

...employees were highly conscious of the economic and regulatory demands made on employers in the contemporary labour market and appreciative of employers who provided flexible work structures. However, the overwhelming feeling was that employees were so pressured by the combined demands of paid work and family life that better ways of combining them have to be found.

4. THE PML LANDSCAPE, AUSTRALIA, 2008

Whilst maternity leave has been a provision for female (permanent) workers within Australian workplaces since 1979 little has been done since to rectify what is now a gaping chasm between labour demands, women's parenting preferences and the social inclusion demanded by a civil society. According to Charlesworth (2007 p158) PML should be part of Australia's efforts to meet the United Nations (UN) and International Labour Organisation's (ILO) conventions safeguarding women's rights to maternity and broader issues of gender equality and the reconciliation of work and family. Broadening the debate to conceptualise PML as a social and community benefit, Charlesworth (2007 p158-9) points to the universal, publicly-funded system as "a measure to defray across society the costs of having children". In this way, PML is an investment in Australia's future for which we are collectively responsible and from which we collectively benefit (Cox, 1995: 7-8).

4.1. Business and PML

Whilst women working within the Australian commonwealth public service have had access to PML since 1973 the same entitlement has not been available to their female counterparts across the labour market. Within a post-industrial context in which demands for labour are increasingly unmet, companies are beginning to understand staff retention as a significant business asset. Further 'bottom line' cost-benefits identified by companies as associated with the provision of PML include "reducing absenteeism and turnover, and improving morale and productivity" (Charlesworth, 2007 p. 162). Numerous companies including Westpac Banking Corporation provide evidence of the positive results of introducing a six-week paid maternity leave scheme (EOWA, 2004). PML has also been placed on companies' social responsibility agendas and linked to good corporate

citizenship (Evans 2001). Skills and labour shortages which now plague many Australian industries and new tactics and resolutions are necessary. Whilst migrant workers on '457' visas are an effective resource in some industries, this practice is neither sustainable nor desirable where women remain an under-utilised source of labour. As one woman expressed it, integral to engaging women in the labour market is the provision of family friendly arrangements, part of which should be PML;

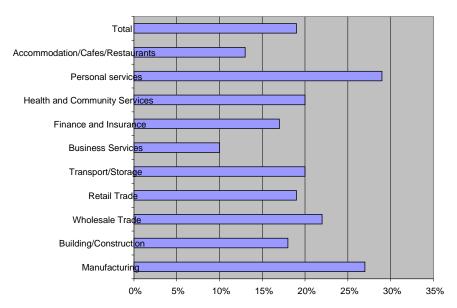
There is no one-size fits all solution for our children, families and partners as we juggle our lives and the long-running consequences they have on our kids, and relationships. Smart employers and governments need to afford families more flexibility to find the solution that works best for them. Otherwise they will continue to lose economically valuable and very time-efficient assets – working parents" (Leesa Vlahos, Readers Letters, The Bulletin).

4.2. Existing Arrangements of Maternity and Parental Leave

Jenny Macklin's concern over Australia's low female participation rates confirms what researchers have consistently asserted, that "a very low participation rate of mothers in the workforce" (Grattan, 2008). Existing paid maternity leave arrangements in Australia are both limited and haphazard, and approximately 65% of employed women have <u>no</u> access to paid maternity leave provisions (Broderick, 2008). A recent survey of 1800 small and medium enterprises / businesses (SME) undertaken by the Office of Women (2007)⁶ found that only 19 percent offered paid parental leave (See Figure 4). Access to paid parental leave was typically through unwritten informal agreements (49%) with Awards the next most utilised method (20%) followed by human resources policies (14%) (Office for Women 2007). The typical structure and characteristics of businesses which provided paid parental leave can be defined as a medium sized (39%) business, in the health and community services sector (29 %); located in the metropolitan area (20 %) and with equal / joint female and male operators (24 %).

Figure 4: Proportion of SMEs providing paid parental leave by business sector

⁶ The report examined the availability and take-up of family friendly provisions in Australian small and medium enterprises (Office of Women, 2007).



Source: Office for Women 2007.

In their comprehensive survey of parental leave in Australia, Whitehouse, Baird and Diamond (2006) provide some alarming findings which further highlight the economic and social disadvantages to women of having children:

• Of women who were first-time mothers, 73 percent were employed in full-time positions, 76 percent had permanency and 31 percent were in the private sector.

The presence of the 'mommy track' is clearly at play here as can be read in the corresponding figures for women who had other children; 28 percent were in fulltime employment; 66 percent had permanency and 37 percent were less likely to be in private sector jobs

• For women and men who were in paid employment 12 months prior to the birth, 30 percent of the mothers and 35 percent of the fathers were not eligible for the statutory 52 weeks unpaid parental leave.

The reasons for non-eligibility include self-employment, not being with same employer for 12 months and not working for an employer for the full 12 months (Whitehouse et al., 2006). With the intense growth of subcontracting across a range of industries and the increase in casual work, particularly for women, these criteria are clearly out of step with the changing needs of the economy and labour market and discriminate against workers who are responding, often with little other choice, to these changes.

Table 3: Maternity/Paternity Only, Other Only and Maternity/Paternity + Other leave combinations, mothers & fathers of children born March, 2003-Feburary 2004, who took leave, Australia.

	taking Ave Types of leave ave comb duration Timing of return to work (percentage)				% taking leave comb	Ave duration
31	Up to (we			12 u		(days)
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 Paid retrumyto work 	18	 Paid paterni 	ty only	15mth:	14	8
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Source: Whitehouse et al., (2006 p. 13).

Table 3 provides evidence of the comparatively different patterns of leave taken by mothers and fathers when children are born. For both mothers and fathers, leave was taken in a variety of combinations, using available maternity or parental leave with other forms of leave. Mothers were most likely to take a combination of maternity leave and other forms of leave (49 percent). Women who accessed paid maternity leave only (4 percent) tended to take less than 10 weeks whilst women accessing a combination of paid and unpaid maternity leave with or without other forms of leave, took around 40 weeks. Fathers were more likely to access 'other' leave (63 percent), particularly paid other leave (57 percent) although the duration of the leave was markedly less than that of women. Fathers tended to take 14 days leave whilst fathers taking 28 days leave tended to combine unpaid parental leave with some other form of leave such as 'primary carer' leave.

Table 4: Influences on timing of return to work, mothers of children born March 2003-Feb 2004 who were employed in the 12 months prior to the birth, took leave and returned to work within 15 months, Australia (a)

Notes:

a. Percentages have been weighted to account for non-response bias

b. Base population 'mothers employed prior to the birth who took leave and returned to work within 15 months', unweighted; excludes cases with missing data on relevant questions.

Source: Whitehouse et al., (2996 p. 16) - The Parental Leave in Australia Survey (Whitehouse, Baird and Diamond 2005), conducted in conjunction with LSAC Wave 1.5.

As Table 4 clearly identifies, many women make decisions about work and family arrangements in a context of unequal options, with financial and employment insecurities overriding their preferences to provide care for a longer period of time than currently available. Sixty-five percent of women who returned to work within the first 15 months after the birth identified concerns about money, their job and lack of access to further maternity leave as key influences in their decision making (Whitehouse et al., 2006 p. 16). Within this group 45% identified that they couldn't afford to not return to work and 46 percent they would have taken more leave if they had been able to access paid maternity leave.

5. GOVERNMENT POLICY

Whilst a range of government payments to assist parents is available, they operate more as a welfare measure and income support rather than a means of promoting and ensuring income maintenance. The Baby Bonus, originally established in 2004, is set as a one-off payment of \$4258⁷ for every new-born baby. The *Child Care Benefit* and the *Child Care* Tax Benefit are also provided to a parent/s with young children in approved childcare facilities. As universal payments the Baby Bonus and Child Care payments are not exclusively work-related entitlements, unlike the Family Tax Benefit B which financially rewards families with a 'stay-at-home' mother. However, with a maximum entitlement of \$63 per week (approximately), the 'value' attributed to this 'reward' is clearly controversial in its blatant undervaluing of the work undertaken by 'stay-at-home' mothers. The lack of 'realistic' financial support provided within these policies reinforces their status as 'welfare' and income support, and the neo-liberal emphasis on family responsibility and adherence to traditional gender roles. As research consistently reports (see Pocock and Hill, 2006; Barns and Preston 2002), not only are the existing arrangements failing to provide a coherent framework for addressing the needs of women who have or wish to have a child/ren but they are not designed to specifically address the work-related issues of parents, children and employment.

PART II

6. WISER'S PROPOSED PML & PL SCHEME

This section of the submission outlines the specifics of WISER's proposed PML & PL model. As a complete model PML & PPL is a 26 week two-tiered interrelated scheme consisting of paid maternity leave and paid partner leave.

i. Paid Maternity Leave

⁷ As at 5 May, 2008 from the Australian Government's Family Assistance Office http://www.familyassist.gov.au/Internet/FAO/FAO1.nsf/Content/payments-maternity_payment

PML is available to women in paid employment (full-time, part-time/casual⁸) who have a 6 month history of employment. Payment is at the level of the minimum wage and is provided for 24 weeks. Employer contributions or 'top-ups' are encouraged, if available/appropriate. On meeting the 6 month eligibility criteria and having taken one period of PML, a woman would be entitled to the same PML for each future child.

ii. Paid Partner Leave

PPL is available to the partner (of women on PML), who are in paid employment (full-time, part-time/casual⁹) and who have a 6 month history of employment. Payment is at the level of the minimum wage and is provided for 2 weeks. Employer contributions or 'top-ups' are encouraged, if available/appropriate. On meeting the 6 month eligibility criteria and having taken one period of PPL, a partner is entitled to the same PPL for each future child that they are parent to.

Key components of WISER's model of PML & PPL are that it is:

- □ Nationally-based
- Publicly-funded
- □ Available to all employed women who are pregnant or where a new-child is present and the supporting partner
- □ 26-weeks leave in total
- □ Based on the minimum wage pro-rata

6.1. Nationally Based

WISER's proposed model promotes a national PML system funded out of federally generated general revenue.

6.2. Publicly Funded

Whilst recent budget measures indicate that there is scope within the current federal budget 10 to finance paid maternity leave it seems strategic to adopt a longer-term focus, recognising that the funding base will become increasingly narrow as outcomes on older Australian's are projected to rise dramatically. The previous Federal Government's *Intergenerational Report* predicted a budget deficit of \$87bn (or 5 per cent of GDP) by 2042, driven mostly by increasing pressures of an ageing population. This prospect in combination with increasing inflation and rising interest rates has placed pressure on governments to retain a 'disciplined' or 'conservative' approach to fiscal policy.

To secure funds for an on-going national PML scheme, WISER advocates for and supports the introduction of a special levy on all taxpayers. Similar to the Medicare levy,

⁸ See this submission's section on 'Eligibility' for further details

⁹ See this submission's section on 'Eligibility' for further details

¹⁰ 2008-09 Budget surplus is \$21.7billion (1.8 per cent of GDP). Total revenue for 2008-09 is expected to be \$319.5 billion and total expenses for the same period are expected to be \$292.5 billion (2008-09 Budget Overview).

the funds gathered through the levy could be used to support a Government Paid Maternity Leave (GPML) allowance of 24 weeks and a Government Paid Partner Leave (GPML) allowance of 2 weeks both at the minimum award rate (state awards to be followed for all workers not covered by the federal award), pro-rata.

The levy would see the cost of PML & PPL, as a family-friendly policy, shift from employers to the community. Clearly many employers will support such a proposal – indeed their support may be necessary if the system is to work. Available evidence clearly illustrates that given the attitudes of many employers to Affirmative Action programs and/or EEO policies, it should not be an employer responsibility. As an employer responsibility, PML would result in a 'patchy' system (as is evident in the present system¹¹) and may disadvantage female employment prospects. This is of particular importance in relation to small business where capacity to 'carry' the costs of PML are typically limited and/or attitudes are less than supportive towards 'family-friendly' initiatives. The scheme must, therefore be supported at the public-community level.

6.3. Employer Contribution, Benefit, Role and Responsibility

Within this GPML scheme outlined above employers would still be required to meet their own remuneration obligations to the individual, such as employer contributions to superannuation (currently at 9%), employer supported health insurance and other employer benefits, over the 24 or 2 week periods.

Given the benefits accruing to employers from the implementation of PML (eg. impact on turnover, skills atrophy etc.) and the fact that, at any one time, less than two per cent of the workforce is on maternity leave, we believe that employers will not be unduly burdened by an arrangement which vest responsibility for administration of the PML scheme in them.

Accordingly, under our preferred model we advocate that the GPML payment be made by the employer directly to the mother, with the government reimbursing the employer on application. The payments should be taxed in the usual manner. The same could occur with the payment of PPL.

The employer and mother may enter negotiations as to form of payment of the eligible amount. In other words, while we advocate that the payment be spread out over a 24 week period we acknowledge that differing arrangements may be negotiated at the workplace level – eg. lump sum 24 week payment at the commencement of the leave, or 48 weeks of payment at a 50 per cent rate. Given that PPL is 2 weeks it would most likely be payed in a lump sum of 2 weeks or if negotiated, 4 weeks at 50%.

Notwithstanding the form of PML & PPL payment, the employer should retain responsibility for non-wage components of the remuneration package (such as health

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¹¹ See 'Existing arrangements of maternity and parental leave' in Part 1 pp. 9-12.

insurance and superannuation) over the 24 / 2-week period. If this is the case the employer contribution will not drop to zero in the scenario proposed. WiSER also proposes that the employer should count the time on maternity and partner leave as part of the service record of the employee in relation to other entitlements such as long service leave, provided she returns to the job at or before the end of her unpaid leave entitlements.

In the event that an employer is unable to undertake the process, for example in work setting where there is no current employer, or an employer refuses or is unable to manage the process, the Commonwealth should contract the process to Centrelink or some other suitable organisation to ensure payments are made as specified above.

6.4. Eligibility

Despite the overwhelming benefits to both women and the broader community facilitated through the PML & PPL proposal, the greatest challenge will be in determining the eligibility rule. This is particularly significant for women who may reduce their hours in the last few months prior to their child's birth, women as casual workers and women holding more than one job¹². As a means of addressing the rate of PML for women who may decrease their hours of work prior to the birth of their child, WISER proposes that the rate of remuneration (the minimum wage) for PML is calculated as a proportion of the employee's working hours/earnings over the previous 6-12 months. In calculating rates for women involved in casual work WISER proposes that women should have access to PML providing they have undertaken work on a regular and systematic basis for at least 6 months with a reasonable expectation of on-going employment. Students in qualification or work related courses should also have access to PML (provided they meet the 6 months eligibility criteria).

The choice of 6 months as the criteria for eligibility to PML & PPL is in keeping with the context of rising part-time and casual work¹³. People who have switched jobs or have had periods of unemployment but are in employment at the time they need PML should not be disadvantaged by a longer period of eligibility. This is evidenced in recent labour market figures which suggest a high level of labour market mobility particularly in casual work (ABS 2007c). Whilst 25% of part-time workers reported that they had worked with current employer for at least ten years, 29% of casual workers had been with their current employer for between 1 and 2 years and approximately half (46%) had been with their current employer for less than one year (ABS 2007c).

6.5. PML, PPL and Parental Leave

Whilst the figures on multiple-job holding are scarce, available evidence suggests that women's involvement in more than one-two jobs is a growing trend – symptomatic of the 'working poor'.

¹³ The increase in part time work over recent years has been consistently taken up by women, with 45 per cent (equal to 21.9 percentage points) of employed women participating on a part-time basis. Part-time work is largely based upon casual contracts and located in low wage sectors of the labour market (abs 2008b).

PML would be available for 24 weeks however *Parental Leave* (unpaid) can also be taken so as to extend the period of leave to 52 weeks. There would also need to be provisions made for women who may choose to return to work at an earlier date – arrangements would need to be made between the individual worker and the employer.

6.6. PML & PPL at Minimum Wage

The level at which PML (and PPL) should be paid is also a controversial issue within the broader PML debate. A general assessment suggests that there are four main proposals up for debate:

- □ PML to be paid at a flat rate with the level equal to the full-time minimum adult weekly wage (currently \$522.12 in the federal jurisdiction for a 38 hour week (AFPC, 2007));
- □ PML to be paid at the level of the minimum wage on a pro-rata basis (ie. linked to current hours of work):
- □ PML to be paid at a flat rate amount equal to a proportion of male average weekly earnings (as of February 2008 the AWE ordinary time, seasonally adjusted was \$1124.00 (ABS, 2008 6302.0));
- □ PML to be paid at the rate of pay currently received by the employee.

WISER's preferred position is for a guaranteed minimum wage for a 24 week period of leave (and 2 week period for PPL) surrounding the birth of a child. We believe the amount should be determined on a pro-rata basis rather than paid at a flat rate (eg. \$522.12). Under this arrangement a women working 18.9 hours per week on the minimum rate would normally earn \$259.70 per week plus \$23.37 per week in SGC payments. If she were to go on to the PML she would still take home \$259.70 per week and the employer would still pay \$23.37 per week into her superannuation fund. The employer would be eligible to recoup the \$259.70 (but not the \$23.37) from the government via the GPML scheme.

We see this arrangement as more equitable and simpler to administer when compared to a flat rate PML equal to the adult full-time minimum rate. Two examples illustrate our position:

- □ If a woman works 3 hours per week and her neighbour works unpaid, at home, it would be difficult to justify paying the woman in the paid workforce \$431.40 per week (rather than \$34 per week) whilst the woman who works for no pay, receives no payments.
- □ Assume a woman works 38 hours per week but over two jobs, each of which pays the minimum. Her weekly pay would be \$431.40 per week. Under a pro-rata scheme she would continue to receive this amount (and each employer would make a claim for salary recoupment). Under a flat rate arrangement paid by the employer and recouped from the government, one employer (the one nominated to pay the PML) would find their weekly financial obligations increasing from

\$214.56 per week to \$431.40 per week (not to mention associated SGC implications).

Whilst the proposed minimum payment of \$522.12 (linked to movements in the federal minimum wage) to women in full-time employment would, for many women, fail to meet minimum paid maternity leave standards as specified by Article 6 of ILO Convention 183 (which specifies income replacement at two-thirds of previous earnings), we do see this as a minimum amount with employers encouraged to contribute or 'top up' subject to workplace/enterprise based negotiations. Assessed against available statistics, the current federal minimum wage of \$522.12 is equal to:

- □ 52 per cent of female average (full-time) weekly earnings (\$1003.00 as at February 2008, ABS Cat. 6302).
 - o 46 per cent of male average (full-time) weekly earnings as at February 2008 (\$1124.00 as at February 2008, (ABS 2008, 6302.0)).
- □ 63 per cent of female average (full-time) weekly earnings for women aged 25-34 years (based on August 2007 earnings \$824 per week) (ABS Cat. 6310.1). 14

6.7. Other Leave Entitlements and Special Considerations

The provision of PML does not cancel out or override any other leave entitlements. Additionally in the case of a miscarriage, if the child dies or the adoption does not proceed, special arrangements will need to be made with the employer to access other forms of leave and/or the workers return to work.

7. UPACKING THE WISER RESPONSE

Given this context, WISER proposes that a centrally coordinated, national approach is warranted. WISER's support of PML and specifically a nationally-provided/funded universal scheme, underpinned by the idea of reconciliation, is informed by a commitment to ensuring women's positions within and access to the labour market is not limited or barred on account of their reproductive capacity/role; and that women are able to combine work and family responsibilities in a way that is both sensitive to the roles women assume as 'new mothers' and in their careers. In keeping with this objective, the key tenets in WISER and other pro-equity campaigns which advocate PML, seek to ensure that:

- □ Women are able to achieve financial security across their life-course;
- ☐ The economic costs associated with skills atrophy and employability following periods of extended absence from the labour market are recognised;
- □ Concerns with respect to low (and falling) fertility rates are addressed; and
- ☐ Issues related to an ageing population and the tax-payer 'burden' are taken into account.

¹⁴ For further disaggregated information on earnings by age group and details on the distribution of earnings, see Appendix B.

In considering the development of a centralised-national system of PML there are a number of issues which require specific attention. In particular:

- □ Who should pay for PML?
- □ How can adequacy and equity be ensured? and
- ☐ How can the long-term viability of a national paid maternity leave scheme be ensured?

Furthermore, there is a corresponding need to recognise the broader economic and social context within which a national system of PML would occur:

- □ An ever-increasing public demand on the welfare budget, which, in large part, is the product of an ageing population;
- □ A preoccupation with government debt and a desire to produce budget surpluses;
- □ A political climate which favours smaller government;
- ☐ The political risks of dependency on the welfare system. Aside from the stigma attached to welfare recipients, can we be confident that, under budgetary pressures, successive governments will not gradually withdraw support for this form of payment?
- □ Continuing wage and income inequality and the role of means testing in the provision of government allowances;
- □ The *International Labour Organisations' Convention 183* and an income maintenance requirement that PML be equivalent to two-thirds of the woman's previous earnings.

Given the tenuity of any nationally-based government response within this context, it is essential that the longer-term directions and objectives of a national PML system are agreed upon by all relevant players at the time of its introduction. Using evidence from the literature on the Australian retirement income system shows that occupational superannuation is now firmly entrenched and that the time to implement a national superannuation scheme has now passed (see Keith Hancock, 1980). In similar vein, major structural changes in the national PML scheme will be difficult to implement once the system is implemented and established. The difficulties of enacting major change post adoption suggests the need to secure bi-partisan political support at the outset.

7.1. Responding to key questions

In both presenting WISER's model of PML & PPL it is first necessary to reiterate our position on key issues related to both the development and implementation of a nationally-based PML & PPL program. As a starting point we take that PML is a workplace entitlement and focus our discussions on the form of arrangements that might be adopted. In other words, we focus on the *how* and not the *should*. That said, the following 'question and answer' format outlines our views with respect to some community concerns regarding PML and PPL.

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7.1.1. What would a 'National' Paid Maternity Leave Scheme Entail?

Reports such as *It's About Time* (HREOC 2007) and the earlier *Valuing Parenthood* (HREOC, 2002) identify a range of international arrangements and provide a variety of proposals for the implementation of a national PML & PPL scheme in Australia. Borrowing on research undertaken in the development of a national retirement incomes policy (Foster, 1998), the term 'national paid maternity leave' implies a government-controlled scheme for providing paid maternity & paid partner leave. As such, it can be expected to include one or more of the following features:

- □ Universal coverage all women with a minimum period of employment history are eligible to receive a benefit from the scheme;
- □ Compulsory contributions by all persons (employers and employees) either through the establishment of a special levy or by ear-marking existing taxes for this purpose;
- □ Non-means tested benefit benefits are paid to all eligible persons regardless of other available resources;
- ☐ Minimum wage benefits the amount paid should be based upon the Minimum Wage. Employers are encouraged to 'top up' this amount.

The Howard Coalition Government's insistence that tax incentives, such as the Family Tax Benefits policy (2001) and the later, Baby Bonus, were an effective means of providing for or remunerating women-as-mothers, in reality such recompense did little to relieve the multiple costs of maternity leave currently borne by individual women. Indeed, the current system is structured to encourage women to remain out of the workforce thus increasing (not decreasing) the cost to the individual.¹⁵ The Baby Bonus which has continued to create debate, whilst providing some relief at a time of considerable financial pressure is not and cannot be an alternative to paid maternity leave. The Baby Bonus is not a labour market related entitlement. As such, it does not acknowledge and preserve women's attachment to the workforce nor does it allocate and guarantee women specific leave for maternity. The physical and emotional effects of pregnancy, with or without complications, and ongoing maternal-baby needs must be recognised as both particular and specific (Bruinsma, Brown and Darcy 2001). These health aspects have informed both the World Health Organisation (WHO 2000) and the International Labour Organisations' (ILO 2000) up-dated conventions and standards relating to women and maternity.

7.1.2. PML as a labour market entitlement

A central tenet of positions opposing the introduction of a PML scheme argue that it is both socially and economically unjust; "It reeks of more middle-class welfare and it means non-working mothers are being discriminated against" (Minchin, 2002 cited Sunday Times, 16/6/02). However, PML is and always has been, proposed as a workplace entitlement, related to income maintenance. It is not a welfare policy, that is, a

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¹⁵ See 'Government payments' Part 1 for details.

needs-based payment. Under ILO (International Labour Organisation) Convention 183, PML is treated as a workplace entitlement designed to compensate for the financial losses and disadvantage that women in the paid workforce suffer as a result of their reproductive roles. As an entitlement and not a welfare allowance, PML should not be subject to means-testing. The provision of PML is a statement which acknowledges the costs, emotionally, physically, financially and socially of childbirth and maternity, whatever income the woman has been receiving. Similar to other forms of leave, such as annual leave and sick leave, these are not means-tested or subject to factors external to the workplace.

PML is designed specifically to provide income maintenance for a 24-week maternity leave period. It is not a policy designed to compensate for the subsequent financial disadvantage that women providing un-paid care face beyond this period. Whilst the financial disadvantage that many women currently experience when they take time out of the workforce to have children, is both unjust and unfair, the disadvantage continues well beyond this period. If current patterns of caring (where care responsibilities are not shared between mother and father/partner) continue into the future, women, whether in paid or unpaid work, will continue to disproportionately bear the financial, social and emotional costs of child-rearing.

7.1.3. Why Paid Partner Leave?

In previous submissions relating to PML, the tenuity of women's issues on the political agenda meant that the focus of discussions was primarily on women, with the related issue of paternity/parental leave a secondary concern. Since this time many local, national and international research discussions have provided evidence to suggest that paid maternity leave needs to be accompanied by paternity or, as WiSER, advocates, partner leave. A plethora of literature now exists which identifies the benefits to both the child and parenting capacity when the partner-as-parent is involved. Whilst the dominant cultural story relating to fathers remains constrained by traditional notions of gender and work, alternate voices, both nationally and internationally, are continuing to challenge this passive resistance (Julian 1999; Hawkins et al 2002). This willingness and desire to be involved is evidenced in international research which shows a steady increase in the number of men (and partners (female or male) where the option is available) who have taken up paid paternity or partner leave (Ekberg, Eriksson and Friebel, 2004; Brandth and Kvande, 2002). This is especially evident for schemes based upon a 'use it or lose it' approach (Thompson, Vinter and Young, 2005). If Australia is serious about ensuring women's attachment to the labour market and is committed to changing the gendered culture of childcare, then it must make PPL available. Paid Partner Leave is a powerful statement which acknowledges the important role that fathers/partners play in the early stages of parenting.

7.1.4. What about PML & PPL for same-sex relationships, adoption or where a person becomes the primary carer for a child through other means?

WiSER considers that the presence of a baby is a significant event in any relationship and should have access to all social and economic programs, such as PML and PPL. As such PML & PPL should be available across an array of relationship arrangements, including:

- □ People in same-sex relationships where a child is born to one partner or is adopted into the family;
- □ People who adopt a baby/child;
- □ People who become a primary carer for a child (i.e. a nominated guardian or other person nominated as carer through legal process etc).

In families where there is no 'birth mother' PML will be available to the person nominated by the relationship as providing primary care for the baby and PPL to the partner. The same time and remuneration rates will apply.

7.1.5. What about financial recompense for non-employed mothers?

WISER is committed to advocating for the recognition that is due to women in whatever place or form of work. To promote PML is not, therefore, to ignore the experiences of many women currently working at home as unpaid carers (mothers). WISER regards the economic and social disadvantage experienced by many of these women as an issue of grave concern and in need of specific attention. Whilst not suggesting that current government allowances, such as Parenting Payments, Family Tax Benefits and the 'Baby Bonus' scheme are adequate, either in economic or social value, WISER considers that such forms of compensation can be used as the basis of a remunerative package for the work women undertake outside the paid workforce.

7.1.6. Why should my taxes pay for PML?

Within the diverse array of discussions relating to the funding of a national program of PML & PPL, the idea of a tax-payer funded scheme seems to have garnered the most weight with business, Government and women's lobby groups agreeing that it should not be an individual employer responsibility. However, some in the community are reluctant to see their taxes fund a Paid Maternity Leave scheme, whilst they (themselves and their partner) received no such support or recognition when they had children or are not planning on having children. These arguments are typical when broad-based, government-funded schemes are proposed. In response to these positions WISER argues that the PML policy proposed is both an intergenerational issue – one that will help future cohorts of young / older women - and an issue of capacity building. Strengthening women's engagement with the labour force and providing opportunities for partners to take an active role in caring for the child, have wide ranging positive effects for the community and a civil society (Cox 1995).

Paid maternity leave is also about community sharing the financial responsibility for its future. In this sense it is about investing in Australia's ongoing social and economic productivity. Within a social democracy taxpayers often pay for services, programs etc. which they themselves may not need, choose to access or be eligible for, but which produce outcomes which support 'a greater public good'. A close analogy may be made

with the introduction of the Aged Pension. When it was initiated there was a windfall gain for those who received the pension but had not contributed; the mirror of this as applied to PML, is that there will be many women / men who have paid and do not directly benefit. This will always be the case at the point in which such significant schemes are introduced. It is hoped that the community / societal benefits which flow from the implementation of such socially responsible policies, address and perhaps outweigh, any costs borne in the short-term.

8. SUMMARY AND CONCLUSION

WISER is committed to advocating and supporting the social and economic value of the work undertaken by women as mothers, parents and carers as children. Integral to this commitment is WISER's promotion of a woman's right to Paid Maternity Leave and the importance of the supporting parent (partner) sharing in the event. In keeping with this commitment and as a means of seeking to inform policy debates surrounding the issue of women's roles in caring for child/ren, WISER has developed a comprehensive model of PML & PPL which is both economically sound and socially equitable.

The model proposed by WISER and as outlined in this document ensures that PML provides universal coverage and meets the income maintenance needs of 'new mothers'. Whilst there will be many taxpayers who will contribute to the fund and receive no direct benefit (such as families which are already established and individuals / couples who choose not to have children), these people will benefit in the future from the anticipated rise in Australia's fertility rates, an increase in labour market participation rates, enhanced skills utilisation, high level productivity and an expanded tax base. As such PML is a scheme that works to benefit all Australians and Australia's future

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