

DOING NOTHING IS TOO COSTLY



Submission to Productivity Commission Inquiry into Paid Parental Leave

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Maternity Support Scheme:



**We know it's
best for baby,**

the economy

and Mum.

**So let's not
wait any
longer!**

Sharon's Story



Sharon Eurlings is a LHMU member with two young children, working as a croupier in a casino.

Her story, which was presented orally to the Productivity Commission on May 20th, is reproduced and expanded:

“My name is Sharon Eurlings. I have been working at the Casino for nearly 13 years. I am a mother of two kids. The eldest is 3 years and 8 months old and the youngest being 14 months. I have taken maternity leave for both kids and have been lucky to receive the 6 weeks paid maternity leave i.e. 3 weeks paid before the leave and 3 weeks paid after two months of returning to work. I have also been fortunate enough to take the full 12 months off without pay for both kids.

For my first-born I took the first 12 months off without pay and my husband resigned from his job to look after our daughter, Aaliyah for the next 12 months. He in return did casual work forgoing all his work entitlements such as Superannuation and Annual leave to fit in with my work commitments. My husband gave up work because I had more to lose. My long service was coming up and it was easier for me to go back to work and him change his career.

The year after that I took another 12 months off after having our second baby Dylan. My husband on the other hand went back to full-time work. It was a picture perfect arrangement but our finance has taken a beating. We pulled equity out of our home despite the 6 weeks paid maternity leave and the baby bonus.

To recover financially, we have decided to both work full-time. We have made arrangements with family to help us without compromising the welfare of my children. I have managed to get permanent Thursdays and Fridays off. I work from 4 am to midday on a permanent basis. My husband looks after the kids on Saturdays and Sundays, my mother in law on Mondays and my own mother on Tuesdays and Wednesdays. Both moms are still at a young working age and as a consequence my poor mom misses out on her days off as she is at my place looking after my kids.

I have been working at the Casino for nearly 13 years and I did not go for any of the promotions with the fear of losing my preferred shift which would upset my current arrangements with my husband, mother and mother-in law.

Maternity leave is important to give both parents a chance to achieve a work-life balance. It also allows the family to get into a routine before going back to work without too much disruption.”

It shouldn't be this hard

Nobody could listen to Sharon's story and not appreciate the complexity of issues and difficult choices connected to working and having a young family in Australia today. It just seems so hard. And arguably Sharon is one of the better placed workers in that she has two things going for her:

- a relatively supportive work environment - a permanent job; membership of, and benefits from, a well unionised workplace; an employer who will provide some flexibility in employment options; unpaid maternity leave and limited paid maternity leave, and
- on the home front, Sharon has an employed partner and a supportive extended family.

Even with all those things going for her you can clearly see the strain and effort work-life management takes for Sharon and her family.

LHMU welcomes the Productivity Commission's Inquiry into Paid Maternity, Paternity and Parental Leave as a long overdue opportunity for our community to right a serious wrong. In responding to the Commission's Inquiry we do so recognising that many voices will be raised in support of initiating measures beyond what exists currently in this country.

Our particular perspective comes from the experience of many LHMU members who work in low-paid, mainly private sector service occupations. Many of these industries are feminised and systematically underpaid and undervalued.²

Our submission is strongly focussed on the third or so of women who struggle to make their labour market experience a positive one. Low levels of skill recognition, pay and employment security, mean that many women workers are already struggling to make ends meet or build a fulfilling career.

Labour market marginalisation and vulnerability is only exacerbated by the limited system of support for birthing mothers currently.

The result is that many women lose their accumulated labour force status and prospects – for example, Sharon's story refers to her need to forgo promotion to maintain particular working hours - or indeed lose their labour market attachment entirely.

This is why we urge the Productivity Commission's Inquiry to particularly consider the needs of women already doing it tough:

- *For the third of working women who, despite being reliant on their income for their family's basic lifestyle, have no access to leave or return-to-work entitlements following childbirth.*
 - *The third of all families earning less than \$1000/wk for whom any loss of earnings or increased costs associated with employment will be problematic.³*
 - *An increasing number of single parent families with young children – one in five families – with limited family and financial support.*
-

For too many in our community, the joyful prospect of a newborn must be tempered with very real fear and likely hardship.

Family formation is fundamentally a community good. It is a reflection of our humanity that we care about each other, that we see perpetuation of our community through child bearing and rearing as a positive and to that end we work to make the world a better place for those that come after us.

- Listen to any worker meeting and the message is one about the need to pass onto our children a set of wages and conditions better than those we inherited.
- The driver behind the Work Choices backlash was largely from Australians worried about the legacy we were passing on.
- The debate around the environment is the same.

So, the sense of self perpetuation, of creating and shaping the future, is intrinsic to our view of ourselves as Australian.

Yet we don't make it easy to have children.

Women are still the child bearers and the dominate carers but they are also critical participants in both the larger economy and their own family economy.

Women's contribution to the economy in providing both a current labourforce, and through reproduction, a future labourforce, needs to be acknowledged as an economic input critical to the overall functioning of the economy.

As such it should be paid for by the whole employer class rather than simply seen as an impost on female dominated industries. Male dominated industries reap the benefit of women's reproductive role and as such should be equally supportive.

So not only is family formation a fundamental community good it is also a critical economic good. And one that is in short supply.

It would seem reasonable then that both the community, via the federal government, and employers as a class, assist working families better cope with the strain of reproduction and the early years of child rearing.



A long time coming...

The high cost of doing nothing...

Any proposal for change will invite comment on costs. It is critical then that the cost of inaction is emphasised.

1

The personal costs of struggle, deprivation and broken play in women's capacity to enjoy seamless lifetime earnings has an impact on both family units and women's ability to enjoy real economic equity.

2

The impact on infants of not enjoying the best start, acknowledged to be a breast-fed start, has real long term developmental and health costs.

3

The strains on couple and family relationships has a very real societal impact, particularly on family cohesion, general wellbeing and sense of security and community.

4

On the economic front:

- the loss of women's participation in the labour market – in terms of loss of skills, experience and numbers,
- the impact on fertility rates, and
- the secondary impact on older women's participation as they play the critical 'back-up' care role

have very real economic costs, particularly in a tightening labour market.

LHMU Proposal

We ask the Commission to consider a two pronged response:

1. A universal government payment to all women, upon the birth of a child, equivalent to 26 weeks payment of the minimum wage.
2. For women in the workforce an additional payment – a top-up payment to ordinary time earnings. That this be funded via a levy on all employers.

We acknowledge that both have costs associated. But doing nothing has an even higher cost – both personal and economic.

This is an historic moment - a convergence of raised community expectation, articulated business need and appropriate political will - to address one aspect of real need in our community.

In recognition of its importance to the wellbeing of both young infants and mothers we have dubbed our proposal AIMSS – An Infant & Maternity Support Scheme.

Objectives for maternity support scheme

The debate around paid maternity leave in Australia has become more urgent and more nuanced over the past decade, driven by a series of issues:

- the current tight labour market and emergent skills shortage;
- the need to address long term labour market displacement and replacement, particularly in light of an aging population and fertility rates lower than replacement;
- a continuation of the labour market changes experienced over the past three decades, and the rise of the two-income family;
- the growing evidence based research on factors promoting early childhood development and family cohesion;
- the need to address mounting work-life balance tensions, and
- international embarrassment at Australia's comparative poor performance in this area.

LHMU seeks a fair and just national plan for a comprehensive Maternity and Infant Support Scheme (as opposed to a more narrowly defined maternity leave scheme). The Commission has asked the community to comment firstly on the objectives of what such a scheme should be seeking to address and that is largely the focus of this submission.

We suggest that there are three compelling, inter-related concerns:

1. **Gender Equity** - women's own role in benefiting from their own "economic output". How will women ever attain equal economic standing with men when they remain principally responsible for both reproduction and child rearing and as a consequence are denied seamless lifelong earnings?
2. **Economic Sustainability** - women's role as it relates to 'economic inputs'. How do we increase and enhance women's labour force participation, in particular how do we increase women's return rates to work and the full utilisation of skills and experience? And how do we positively impact fertility rates in response to falling birth rates?
3. **Social Cohesion** - women's role as it relates to the "social inputs". How do we ensure that three sets of needs are met - the birthing mothers' needs for recovering after the birth and re-establishing themselves as a person who is a mother; the needs of the child taking account of the variety of means of meeting these needs and the needs of the family unit and what it takes to ensure that cohesion with-in the family is not sacrificed or deteriorates to the detriment of relationships or capacity to care?

1. Gender Equity



- Women earn less than men
- Women work less hours than men
- Women work less years than men

Women's economic input has for cultural and political reasons been valued less than that of men's economic input. Women continue to be paid less for their work in spite of increasing participation in the labour market, shifting emphasis away from production to service delivery, significant changes in our industrial relations system and the progress made under anti discrimination legislation.

As a result, occupations and industries with heavy concentrations of women workers, remain lower paid than male dominated areas of the economy. Even within same industries there remains a wages gap between the earnings of equivalent houred men and women workers.

Women are also concentrated in less secure employment. This, together with broken service from child rearing, results in a failure to accumulate the same levels of entitlements, seniority, experience and superannuation that assist with lifetime income generation. This section of our submission overviews some of these labour market challenges facing women.

Importantly, any maternity support scheme should aim to decrease the gap in lifelong earnings between women and men, both by providing income support at childbirth and promoting the ability of women to return to the workforce after childbirth.

Lower pay...

Many of our members are low paid with little or no capacity to adopt a lower quality of lifestyle in order to sustain a stay at home parent.

Regular costs of rent/ mortgage repayments, food, electricity, fuel, basic educational and health expenses cannot be cut without sustaining other problems in the household.

The ACTU calculates that approximately 19 per cent of the workforce – or 1.5 million workers – are paid only the statutory minimum wage⁴.

The high cost of doing nothing...

People reliant on low incomes do not have the capacity to cut discretionary spending when they live so close to the bone.

Minimum wage earners in Australia are nearly twice as likely to be women – 23.4% to 14.7% for males⁵.

For casual women workers nearly 1 in 2 is reliant on the minimum wage (46.7%).⁶

There are also heavy concentrations of female minimum wage workers in particular industries. Using ABS figures⁷, the ACTU has constructed the following profile:

<i>Industry</i>	<i>Women as a percentage of industry workforce⁸</i>	<i>Proportion of Award reliant employees by industry</i>	<i>Proportion of all award reliant employees by industry</i>	<i>Award reliant Average weekly total cash earnings \$</i>
Accommodation, cafes and restaurants	57%	57.2	15.1	414.50
Retail Trade	56%	28.7	23.4	348.00
Health and community services	80%	25.4	15.9	569.20
Personal and other services	41%	23.4	4.6	437.60
Property and business services	45%	23.2	14.3	509.80
Total (all industries)	47%	19.0	100.0	491.10

The concentration of women in lower paying occupations and industries results in a 16% gender earnings gap:

- compare average adult ordinary time earnings and you find full-time female workers earn 84% of what male full time workers earn - \$695/wk to \$1067/wk⁹.

- compare the overall earnings of all workers and women earn just 65% of men because of the disproportionate impact of lower hours for women and high hours, overtime and higher paying jobs for men.

Lower Hours

Australian women in the paid workforce work less than men – both in terms of hours per week and years per working life.

Part time employment has been on the rise, for both men and women, over the last decade:

<u>Part Time Employment as % of Overall Employment¹⁰</u>			
	Women	Men	Total
1996	24%	4%	10%
2007	45%	15%	29%

As displayed in the graph below, close to one quarter of women work very low hours – less than 15 hours per week - with the bulk of women, just under 40%, working 16 to 34 hours per week¹¹.

Part time employment is concentrated in:

- lower skilled occupations eg 21% of part time jobs are in elementary clerical and service occupations compared with 5% of full time jobs¹².

- service sector industries like retail, accommodation, health and community services and culture and recreation where more than 40% of jobs are part time¹³.

Increasingly, part time employment is critical to families overall income and standard of living.

The days of
part time work
being characterised as
'pin money' are well
and truly gone – the era
of dual breadwinner
households is
here to stay.

In dual-income couple-parent families around 20-30% of household income now comes from part time work¹⁴.

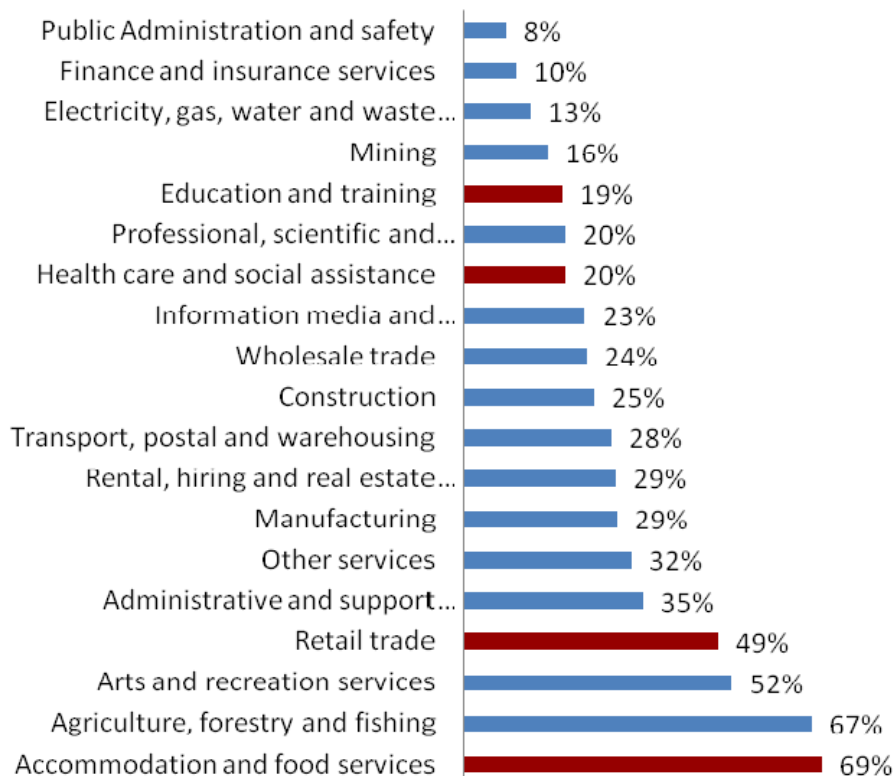


Lower economic security

Low pay and low hours are not the only challenge for many women workers. Employment insecurity in the form of high levels of casual employment create high level economic insecurity for many.

Of the 4 million women in our paid workforce, 1.2 million, or 30% are defined as casual ie they lack job security and lack access to paid leave entitlements.¹⁵

% Women workers without paid entitlements



16

Of the more than 1.2million women workers without paid leave some 800,000 come from just four female dominated employment sectors:

- Health
- Education
- Retail
- Hospitality

Lower retirement income

Because women work in lower paid jobs, often for less hours, and have broken periods of employment this level of 'economic disadvantage' accumulates over a woman's working life and ultimately impacts her retirement income.

- Women work an average of 18 years full-time work compared to 38 years for men.
- The average superannuation account balances¹⁷ in 2006 were \$69,050 for men and \$35,520 for women – some caution needs to be exercised regarding these figures as they are averages are but they do highlight the relative imbalance between male to female savings.
- The same applies for retirement payouts¹⁸.

In 2005-6 these were, on average, \$136,000 for men compared to \$63,000 for women.

- A woman's average life expectancy is 83 years, compared to 77 for men.

According to Rhonda Sharp, Professor of Economics at UniSA's Hawke Research Institute,:

*"Distribution of superannuation is uneven and unfair. A majority of men have high incomes, more financial assets and significant super, but the chances of having good super if you're a baby boomer woman, retired or approaching retirement, are quite small, and much smaller relative to men."*¹⁹.

Low level organisation

Women's unionisation rate²⁰ – 18.2% - is slightly lower than for male workers – 19.5%. However, there is very significant variation in women's union density depending on their labour market positioning. [See table opposite]:

These factors play out differently across industries to create wide variance in women's organisation.

As a consequence, women's density in hospitality is just 5% compared with 18% in retail and 40% in education.

	Women's unionisation rate ²¹
<u>Sector</u>	39% in the public sector compared with 12% in the private sector
<u>Employment status</u>	24% for permanent workers compared with 7% for casuals
<u>Size of workplace</u>	Higher density in large workplaces compared with small workplaces
<u>Income</u>	for women earning less than \$900/wk (full time workers) or less than \$600/wk (part time workers) density is less than 20% - however for workers earning more - between \$900 and \$1800 for full timers, and between \$600 and \$1400 for part time workers, density is above 20%

The high cost of doing nothing...

We regard union density as one of the best proxies for determining the power women exercise in the labour market.

Not surprisingly when it comes to the question of access to leave entitlements the issue of union density is critically linked. The picture for Australian women employees²² is outlined in the table opposite.

Basically, union women do better.

But for the women in the most precarious labour market position, union density is lowest. Women's disadvantage is only exacerbated when leave entitlements, such as paid maternity leave, are delivered only via bargaining.

All Women Workers	All Women Unionists
There are 4 million female employees – 29% with no leave entitlements	There are 0.76 million union women – 11% with no leave entitlements
There are 2.2m full time women employees – 10% with no leave entitlements	There are 0.5m full time union women – 3% with no leave entitlement
There are 0.95m part time women employees – 51% with no leave entitlement	There are 0.3m union women – 23% with no leave entitlement

Gender Equity - In summary

Around one third of working women are already doing it tough because of their labour market position – low wages, low hours, and/or casual employment.



Factor in childbirth and child rearing and the impact is significant for this group of women and their families.

This Inquiry needs to consider what sort of economic safety net can be built for women to ameliorate the 'economic hit' taken from child birth and early child rearing.

The absence of leave entitlements (paid or unpaid) effectively means that many women lose their jobs with the birth of a child.

For those with no leave or unpaid leave, the economic impact of lost income, impacts both the family and the individual woman.

Women will experience loss in terms of superannuation, leave entitlements and advancement. These losses continue to affect a woman's total earnings over her employment life time.

Part Two: Economic Sustainability



- Tight Labour Market
- Aging Population & Fertility Rates failing to match replacement
- Cost of Turnover and Lost Productivity

Key to the ongoing health of the Australian economy is a plentiful labour supply. An aging population and falling birth rates raise long term concerns about the availability of a sufficient labour base and, in the short term, a resources boom is creating real pressure on employment.

Women's increasing participation in the paid workforce has helped fill some of the emerging gap but current participation rates are no longer sufficient. Increased immigration and temporary guest worker schemes are increasingly seen as part of the solution.

But before we jump to externally sourced solutions have we exhausted women's participation? And might a maternity support scheme be a real impetus to increasing participation and possibly even fertility rates?

The following section of our submission looks at current employment practices, the availability and take-up of paid maternity leave provisions and the issues influencing women's return to work decisions.

Increases in women in paid employment

In the 1970s the female participation rate was 44%.

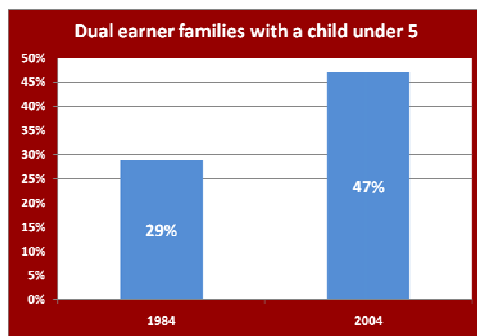
Nearly forty years later the 2007 female participation rate has reached 57.5%.



The high cost of doing nothing...

The structure of the community and the labour market has changed markedly to rely on women's labour. The dual-breadwinner household is now a social norm, replacing the one-income, male-breadwinner household identified by the Harvester judgement nearly a century ago.

In the last 20 years in particular we have seen dual income families, with a child under 5, increase from 29% to 47%.²³



Another significant change over this same 20 year period has been the rise in single parent families - with children under 5 years - from just over 1 in 10 families (11%) in 1984 to one in five families (21%) in 2004.²⁴

Of these single parent families the number engaged in paid work also increased

significantly from 21% in 1984 to 30% in 2004²⁵.

A recent study shows that in relation to the age of the youngest child – whether it was families with children less than 1 year of age, families with children less than 5 years old, or families where the youngest child was 4-5 years old – women's participation shifts markedly. By the time the youngest child in a couple-parent family reaches 4-5 years women's participation has risen to 60% (see below).

Contrast the growth in women's employment participation over these early years with the constancy of the fathers/partners employment – a stable 92%.

Obviously, age of child impacts the level of women's participation. But what of other inter-connected factors like the availability of leave, levels of employment security and attachment, family financial position, availability of part time employment or affordability of childcare? What impact do these issues have on women's labour market participation and how might they be impacted by a maternity support scheme?

Employment rate by age of child ²⁶				
Age of Child	Mothers			Fathers
	Couple	Single	Total	Total
3-5 months	26.4%	10.4%	24.7% %	92.4%
6-8 months	35.4%	12.8% %	33.2% %	92.0%
9-11 months	44.1%	17.9% %	41.2% %	92.2%
12 months or more	52.2%	29.0%	49.6%	92.7%
Total	40.5%	17.5%	38.1%	92.3%

Return to work influences

“Mothers who were employed during their pregnancy had a much higher rate of return to work during the first year of their child’s life than mothers who were not employed during pregnancy.”²⁷

A study of mothers of children born between March 2003 and February 2004²⁸ found 53.3% of women who were employed during pregnancy had returned to employment compared to just 13.8% for those not employed during pregnancy.

One quarter of those who resigned their job, at or prior to birth, had been entitled to unpaid parental leave but cited lack of paid maternity leave as one of the factors influencing their exit.²⁹

Labour market positioning seems to be the significant driver for this ‘leavers’ group with a disproportionate percentage coming from women working part time, casual and in the private sector.³⁰

Access to leave, and in particular paid leave, is clearly a key factor in maintaining women’s attachment to the labour market. According to the latest ABS data³¹:

- 42.1% of workers are currently entitled to paid parental leave
- 39% for men and 45.4% for women
- 15.3% of women don’t know if they are entitled

41% of couple mothers had access to paid maternity leave compared with 25.9% of single mothers.³² However, the trend in the last 12 months has actually gone backward – in both real terms and percentage terms.

The fact that the majority of women in the paid workforce are not entitled to paid maternity leave is not surprising when you consider that this entitlement is only delivered via bargaining.

As we saw earlier in this submission many women are heavily concentrated in award dependent minimum wage jobs where bargaining hasn’t been a feature of entitlement delivery. Bargaining has also tended to be more pervasive for women in the public rather than private sector – reflective, in part, of higher levels of unionisation.

Female Worker’s entitlement to Paid Maternity Leave ('000)³³

	Nov-04		Nov-06		Nov-07	
Entitled to paid maternity leave	16669.4	44.8%	1863.2	46.9%	1856.4	45.4%
Not entitled to paid maternity leave	1488.7	40.0%	1531.8	38.6%	1607.9	39.3%
Did not know	567.8	15.2%	578.3	14.6%	627.8	15.3%
Total Female Workforce	3726	100%	3873.3	100%	4092.1	100%

The high cost of doing nothing...

Who gets leave?³⁴

“mothers working in the public sector, in very large workplaces (more than 500 employees) and earning high salaries were more likely to use paid maternity leave, while those working part-time, or on casual or fixed-term contracts were considerably less likely to utilise this form of leave.”

In looking at entitlement take-up an interesting patchwork of leave is evident from the Parental Leave study. (See table below)

This study shows that 76% of workers took some form of leave – with just over one third entitled to paid maternity leave - but that 24% had no leave whatsoever. It also shows that despite being entitled to leave, 12% of workers with 12 month continuous employment got none.

The same study also showed the relative difference in labour market positioning, and consequently access to paid maternity leave, for couple versus single mothers - couple mothers were more likely than lone mothers to have access to paid maternity/parental leave – 41.0% to 25.9% respectively.³⁵

Use and average duration of forms of leave taken at the time of birth of a child, mothers of children born March 2003-Feb 04, Australia³⁶

	All Employees		12 months continuous employees	
Type of Leave	% taking leave	Ave duration (weeks)	% taking leave	Ave duration (weeks)
Mat Leave – paid	37%	11	46%	11
Mat leave – unpaid	57%	35	68%	35
Other leave paid	38%	7	46%	7
Other leave unpaid	11%	31	12%	29
All leave	76%	40	88%	40
No Leave	24%		12%	

The high cost of doing nothing...

The same study of parents looked at employment longevity in assessing women's access to paid leave:

<i>Mother's Employment Status in the 12 months prior to birth of a child (born between March 2003 and February 2004)³⁷</i>		
	% of total	% of employed
Employed	69	
Employed with same employer for 12 months	49	72
Employee for 12 months but not with same employer	3	4
Employee but not for full 12 months	9	13
Self employed	7	11
Not in paid employment	31	
At home looking after family	27	
Not in paid work for other reason	4	

This study found for women giving birth between March 2003 and February 2004 the following employment history:

- 49% of women in stable employment (ie with same employer for more than 12 months),
- 19% of women in employment situations of less than 12 months with same employer,
- 31% of women not employed, and
- 28% of those employed were ineligible for unpaid maternity leave.

“Employed fathers were more likely to have had access to paid parental leave than employed mothers.”³⁸

48% of employed fathers with an infant had access to paid parental leave compared with 37% of mothers.

In summary, too many Australian women do not have the advantage of accessing leave – paid or unpaid. This in turn has a big impact on women's return to work intentions. This can result in women leaving their job altogether or being forced back to work early.

In the first 9 months of an infant's life half the working mothers can be seen to be returning to work earlier than preferred for financial or employment security reasons. [See table next page]

The high cost of doing nothing...

Influences on timing of return to work, mothers of children born March 2003-Feb 2004 who were employed in the 12months prior to the birth, took leave and returned to work within 15 months³⁹

Influences on timing of return to work	Timing of return to work (percentages)					Total returning in 15mths
	Up to 3mths	3 up to 6mths	6 up to 9mths	9 up to 12mths	12 up to 15mths	
A Would have taken longer if access to some, or more, paid mat leave	44	57	54	37	38	46
B Would have taken longer if access to some or more unpaid mat leave	4	2	2	14	12	7
C Returned earlier than liked because worried about job	15	12	8	5	8	9
D Returned earlier than liked because needed the money	45	57	57	35	29	45
Any of A, B, C or D	65	73	72	58	54	65
N ^a	150	272	255	332	182	1191

These findings suggest that improved income support and/or employment security provisions could well see an increase in leave particularly in this first 9-12 months.

However, leave entitlements aren't the only issue impacting women's return rate. The availability of suitable arrangements – both work and care – that accommodate child care needs, are also important.

Working Hours key

Part time employment is seen as desirable by most mothers with young infants. The Parental Leave Study found 70% of full time women workers returning to work within the first 15 months of giving birth returning to part time hours. In total, 83% of women worked part time on their return to work. Another analysis of the same base data⁴⁰ found that there is less preference for either very low houred or full time employment.

Hours per week	Usual working hours for all women	If you could choose the hours you worked each week and taking into account how that would affect your income would you prefer... ⁴¹		
	All women	Prefer fewer hours	Prefer same hours	Prefer more hours
<16	43%	12%	66%	22%
16-24	25%	16%	77%	8%
25-34	12%	27%	63%	10%
35+	21%	63%	34%	3%

This particular study of parents with infants has a very high proportion (43%) of women working less than 16 hours. One fifth indicated a preference for more hours. At the other end of the spectrum two thirds of full time workers wanted reduced hours.

There are many related reasons as to why people want different work hours but obviously availability and affordability of childcare will be one. And this presents one of the quandaries in this debate.

The high cost of doing nothing...

On the one hand studies such as that outlined above show that, if circumstances were different, women may well take more leave - having real implications for labour market participation. But maybe we just need to acknowledge that for the first year of a baby's life that is likely to be a parental preference – assuming financial and employment security can be provided.

It is what happens after the first year that becomes interesting and not a lot of data seems available.

If you assume women can take good leave in the first 12 months and not suffer too much financially and still have a job to return to and appropriate hours (ie not too low or too high) then their finances may be sufficient to cover the related costs of

working, including childcare, that would make returning to work more manageable in the child's second year.

It is worth noting in this study that while 43% of women with an infant under 1 year of age, work less than 16 hours per week this falls to just 28% for women with a youngest child of 4-5 years⁴². This adds weight to our view that participation rates will be more quickly re-established if the first year of childhood is better accommodated.

Child Care a critical variable

An analysis of childcare arrangements shows that parents rely on a very complex patchwork of care arrangements in their child's first year.

Child care use for families with an infant⁴³

⁴⁴	<i>Couple both employed</i>	<i>Couple one employed</i>	<i>Single not employed</i>	<i>Single employed</i>
<i>Parental Care only</i>	35%	83%	75%	19%
<i>Formal care only</i>	22%	4%	6%	23%
<i>Informal care only</i>	36%	11%	17%	38%
<i>Both formal and Informal care</i>	8%	1%	2%	21%

What is startling is the split:

- One third of couple parents rely on parental care only
- One third relies on formal care (with some informal care)
- One third relies on informal care only – namely grandma.

The heavy reliance on 'unpaid childcare' is notable in this breakdown. As is the apparent income sensitivity of 'parental care only' as a childcare choice.

Childcare arrangements by Family Income⁴⁵

Gross Income of family	Parental Care Only
< \$1,000	44%
\$1,000 - \$1,499	32%
\$1,500 plus	27%

It's not just mothers but grandmothers too

A mix of reasons – availability, affordability and suitability – sits behind this usage but in labour participation terms the use of 'parental care only' creates some definite limits for women's greater participation and the heavy reliance on informal care has other impacts on older women's participation.



We understand from feedback from our members that many rely on the assistance of their parents – particularly mothers to assist in the provision of childcare for their children.

The result is that older women may be choosing to forego, or limit, paid employment to fulfil this role within their family.

Grandmothers provide safe, certain, care on a no cost basis and with greater flexibility than can be obtained from regulated child care providers.

Again, Sharon's story on page 4 is instructive.

So when we talk about the impact of women's lost workforce participation due to child bearing and early year rearing we should also factor in the impact on older women of poor or inadequate support and care systems.

The complexities associated with balancing child bearing and rearing with paid work not surprisingly has taken its toll on women's fertility rates.

Over one third of all dual employment families & single parent employed families rely on informal care.

That is, Grandma.

Fertility & Family Formation

Anecdotally we hear members talk about choosing to have smaller families and historical shifts in birth rates indicate a level of elasticity.

Fertility rates are not simply a physical given but do seem to be responsive to contemporaneous issues – societal and economic⁴⁶.

For example, at the start of the 20th century the fertility rate was 4.0. However in the 1890s and early 1930s fertility rates fell in response to tough economic times to the replacement level of just 2.1%. In the early 60s the fertility rates was almost 3.5 but had plummeted to under replacement value by the 70s – arguably in response to more available birth control measures.

This suggests that fertility rates have some level of elasticity that may be impacted by environmental factors.

Aspirations not met

There appears to be a current mismatch between Australian's preferred family size and their actual size.

“...women appear to be experiencing dashed hopes and unfulfilled expectations and intentions: they initially want to have, and expect and intend having more children than they achieve.”⁴⁷

In a major fertility study⁴⁸ conducted recently among adults - with and without children - it was found that:

- The strongest preference, in terms of ideal family size, was 2.4 for men and 2.5 for women.
- The second most ideal number was 3.
- Relatively few respondents wanted one child.

Childless respondents expressed a similar view with less than 10% saying they definitely did not want children⁴⁹.

And yet, around one quarter of women who are in their reproductive years will never have children⁵⁰ and the current fertility rate of 1.855%⁵¹ falls short of the desired 2-plus-children sought in the survey above.

Such a mismatch suggests that there are barriers which impede women proceeding to have the number of children they would prefer.

Young women defer child bearing

In the early 20th century birth rate falls tended to be uniform across all ages whereas falls in recent decades have been restricted to those under 30 years of age. In part this has been impacted by young people living at home longer⁵², forming steady relationships later, investing more heavily in study and career development in their 20s and women generally deferring childbearing to their 30s. Postponement then means women's childbearing years are shortened.

Not surprisingly in 2001, first time births for mothers 30 years plus, was 38% compared with 28% in 1993⁵³.

The high cost of doing nothing...

Women losing their income and potentially their job as a result of childbirth must create intolerable strain on these already stretched families. This must ultimately have an impact on how they think about their ultimate family size.

When questioned about what factors affected their decisions about having children people cite a range of issues that can largely be grouped around financial security and relationship security.

Proportion and ranking of factors considered important in having children⁵⁴

	<i>Men %</i>	<i>Women %</i>	<i>Men Rank</i>	<i>Women Rank</i>
<i>Afford support child</i>	65	67	1	1
<i>Male partner make a good parent</i>	63	60	3	2
<i>Female partner make a good parent</i>	65	58	1	3
<i>Male partners job security</i>	53	57	5	4
<i>Female partners age</i>	49	56	6	5
<i>Uncertain that relationship will last</i>	47	47	7	6
<i>Having someone to love</i>	57	46	4	7
<i>Finding good affordable childcare</i>	40	46	11	7
<i>Male partners age</i>	42	42	9	9
<i>Time/energy for male partners career</i>	30	40	17	10
<i>Add purpose/meaning to life</i>	45	39	8	11
<i>Female partner's job security</i>	34	38	14	12
<i>Male partner established in job/career</i>	41	37	10	13

Financial security can be seen to be critical:

“Both men and women were particularly likely to emphasise the ability to support a child financially as the most important issue when considering having children.”⁵⁵

“...some of the respondents in the [Parental Leave Survey⁵⁶] referred to job insecurity, emphasis on career development, and/or financial costs of raising children as reasons for not having children, for revising family size aspirations downward, or for expecting fewer children than desired. On the other hand, new-found job security and financial well-being were nominated by some respondents as reasons for revising their family size aspirations upwards.”

Economic Sustainability – In Summary

There is a very real need to grow the Australian workforce.

This Inquiry needs to consider how assisting women at that critical period around childbirth might facilitate both increased workforce participation and ultimately increased fertility rates.

The importance of unpaid leave can be seen by comparing the return to work rates of women on leave compared with those who left their job during pregnancy.

But there are too many workers not captured by unpaid maternity leave provisions – at least 1 in 4 workers.

Financial considerations are important to both decision making about family size and to timing about return to work.

Clearly women workers are being forced back to work prematurely in the first year of their child's life because of job security and financial reasons.

Increased financial support to women in this first 12 months is therefore likely to have a negative impact on their labour market position but arguably it allows a more confident return to work following this period.

Other factors impacting women's return to work decisions include the availability of flexible work arrangements, including part time work, and the affordability and availability of child care.

This latter point is particularly key to the workforce participation of older women workers as they currently provide a third of the childcare relied upon by parents of young children.

3. Social Cohesion



- the needs of the pre-birth mother,
- the needs of the birthing mother,
- the needs of the newborn and
- the needs of the family unit.

LHMU looks to the role of women in relation to the social input they contribute to the nation. Having established that child bearing is a societal good then how do we make this experience as beneficial as possible for mother, infant and family unit?

- How do we ensure the best individual physical and emotional outcomes?
- How do we build a strong sense of security and cohesion for our community through family support?

There are many dimensions to this issue but we limit our comments to just a few areas – the physical well-being of the mother and child and the impact of care arrangements on family cohesion and relationship strength.

Final days tough in physical jobs

We ask the Commission to recognise the nature of work being undertaken in the pre birth situation. Many of our members work in industries like child care, aged care, and hospitality - all areas requiring a high level of physical work. This may range from picking up children, assisting non ambulant residents in aged care settings,

carrying heavy trays, making beds and heavy physical work in kitchens.

We think it appropriate that the special needs of women in these situations be recognised and either alternate employment or additional paid leave be available.

The physical impact of childbirth

As society becomes more openly acknowledging of pregnancy and childbirth this has had both positive and negative impacts for women. On the one hand it means women are able to essentially live full lives throughout their pregnancy – appearing publicly throughout

the pregnancy, participating in the workforce, wearing modern clothes - all are seen as normal. The actual birth is also seen as a ‘natural’ activity involving partners and even extended families and friends.

All this tends to imply that pregnancy itself imposes little physical or emotional burden on the woman and giving birth is a minor activity. This fails to acknowledge that giving birth remains a major physical and emotional activity for a woman.

The increase in caesareans also adds to the recuperative needs of women post birth - increasing from 18% of births in 1991 to 29% in 2004⁵⁷. Any consideration of appropriate periods of 'recuperation' should be mindful of this. Certainly, the World Health Organisation argues that women need around 14 weeks to physically recover from a fairly 'standard birth'.

Valuing Breastfeeding

The other key 'wellness' driver in this debate relates to breast feeding and its impact on both mother and baby.

Breastfeeding is increasingly acknowledged, including by the World Health Organisation, to be key to the health and developmental needs of the first 6 months of a baby's life.

We understand that whilst many women attempt to maintain breast feeding, and return to work within the 6 month period, it is often difficult to sustain.

LHMU in April this year undertook a study⁵⁸ of Parents utilising Long Day Care services. We found parents with infants preferred care located close to their place of work whilst parents of toddlers and older children wanted child care close to home.

In part, we believe this reflects women's desire to continue breast feeding, even when their baby is in formal care and they have returned to work.

Maternal Employment & Breast Feeding - An Australian Study⁵⁹



*Mothers who returned to full-time work before the child is three months old have **twice** the likelihood of ceasing any breastfeeding before the child is six months old than do mothers not in the workforce.*

*Returning to work when the child was between three and six months **tripled** the likelihood that breastfeeding would cease before six months.*

*Returning to work part-time (less than 30 hours a week) or as a casual with variable hours from between three and six months after having a baby also has a strong effect on reducing breastfeeding at six months, with only **44%** of babies with working mothers receiving some breast milk, compared to **56%** of mothers not in the workforce.*

Family Cohesion

The birth of a child has considerable impact on the broader family unit. Where the mother is in a partnered situation, the partner has both the need to physically undertake the basics of everyday life (cooking, shopping, and childcare) from the mother while she is recovering physically and mentally from the birth, as well as providing emotional and physical assistance with caring for the new born, finding time to bond with the new baby and care for other children.

It is critical that the partner has access to paid time in order to assist the birth mother in these practical means. In cases where the family already has children, the role of the partner, physically and emotionally caring and supporting other children cannot be underestimated.

Where the mother is not coupled, the strain of attending to all of the basics of everyday life falls to her and this is recognised as a potentially unhealthy situation regarding both physical and emotional dimensions. Equally so, in family households where the partner is forced as a result of financial circumstances to increase their income by working additional hours, the extra burden for care will continue to fall to the mother.

We have focussed our comments in this submission on the needs of mainly low paid mothers but we do acknowledge the importance of a supportive parental leave scheme for partners.

Tag Team Parenting

Anecdotally we hear many stories from our members similar to Sharon's Story on page 4. Stories of clockwork-like-scheduling of parenting and work – very often with one parent home in time for the other parent to leave for work.

A recent survey highlights this form of 'tag team parenting' that is a reality for so many parents – particularly low income.

The survey looked at parent's reliance on different types of care and found a heavy reliance on 'parental care only'.

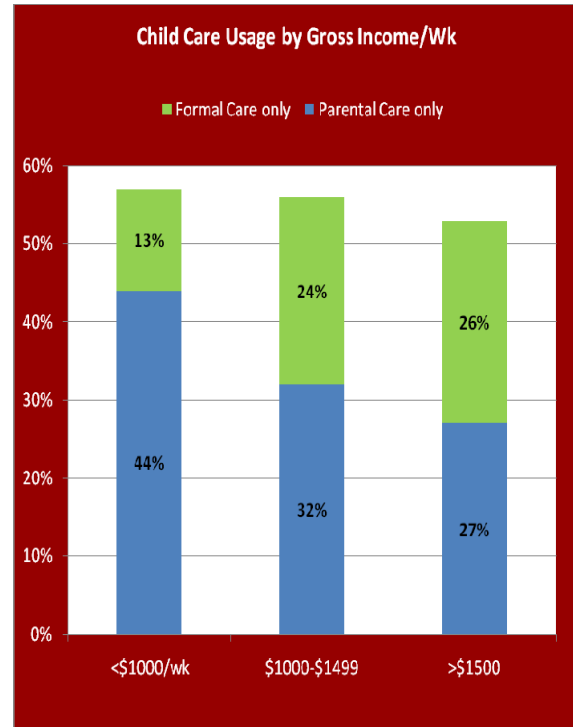
Although not addressed directly by the underlying survey, the SPRP study did try to shed more light on how 'parental care only' was used between working partners.



The high cost of doing nothing...

The study found that the care provided by partners “did so for an amount of hours that was similar to the mean hours worked by permanent/ongoing or casual employees, suggesting a dovetailing of hours in these families.”⁶⁰

Essentially through ‘tag teaming’ parents organise their working hours to ‘dovetail’ each other so only one of them is at work at the same time and the other is then free for care duties.



This study shows the greatest reliance of tag teaming amongst the lowest paid and for couples with very young children but it is still reasonably significant across other categories to indicate its importance to families coping strategies.

Social Cohesion – In Summary

We ask the Inquiry to particularly consider the needs of mothers, babies and the family unit such that, a new maternity support scheme:

- Ensures that birthing mothers physical and emotional needs are taken into account in determining the length of the financial support.

- Acknowledges the importance to the child of breastfeeding in accordance with the World Health Organisation’s recommendation.
- Acknowledges the contribution made by the birth mother and her partner in relation to developing and maintaining family cohesion at this critical juncture of their lives.

What we know...



...we need to do

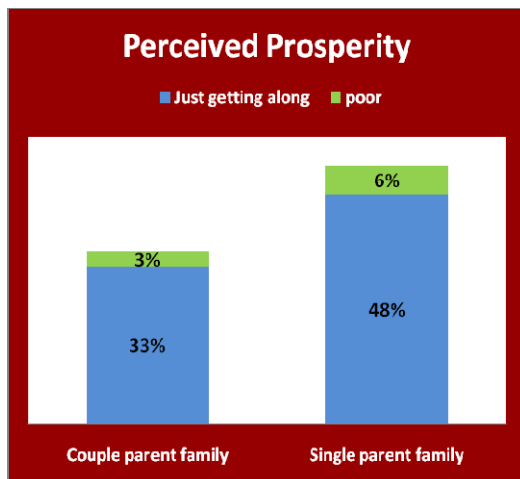
What we know...

Pre birth disadvantage exacerbated by child birth

About one third of women workers already experience real disadvantage because of low pay and low level economic security.

They have little buffer to protect them from income or job loss - and that is effectively the labour market outcome awaiting them should they choose to have a child.

In a recent survey parents with infants were asked about their perceived level of prosperity. Over one third of couple families and one half of single parent families found, at best, they were 'just getting along'.⁶¹

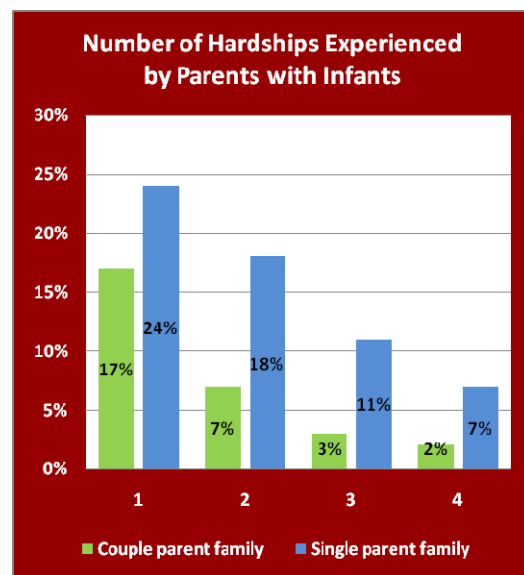


The survey then probed as to what level of hardship people were experiencing.

The primary carer was asked whether any of the following had occurred to them in the last year due to financial difficulties:

1. Can't pay electricity/gas/phone bill on time
2. Can't pay mortgage or rent on time
3. Go without meals
4. Cant heat or cool home
5. Sold something
6. Sought assistance from welfare/community organisation

30% of couples indicated experiencing at least 1 of these hardships – 12% experiencing 2 or more.⁶²



We also know...

On the personal front

We know for a range of health and wellbeing reasons mothers need time for recuperation from the birth of a child

We also know that there is extensive evidenced based research advocating breastfeeding as the best health and developmental start for an infant.

We also know how important it is that a child be nurtured and reared in a loving and secure environment.



On the economic front

We know that our economy has a desperate need for more workers now and into the future.

We also know that although women's participation rates in the workforce have increased markedly they still fall short of other comparable countries.



We know that financial, as well as relationship issues, are key to adults choices about family size. And we know that the rate of child bearing in our community is less than the replacement rate required.

In the context of an aging population this creates further pressure on workforce participation rates.

We also know that women's 'time out' of the paid workforce due to childbirth and child rearing seems responsive to a range of factors such as job attachment, financial position and available care support.

We also recognise that there are a range of other factors that impact women's decisions and activity including:

- The 'work disincentives' built into the taxing arrangements of second income earners.
- The 'study debt' of young people that sees them live at home longer and deferring child bearing.

Narrowing the focus

It is worth restating what we consider to be the key public policy dilemma:

How do you increase and enhance women's lifelong labour market participation whilst providing, a secure 'time out' for them to bear a child, attend to their own physical and emotional recovery and focus on a young infants wellbeing?

Sharpening the response

There are many issues that in combination could make child bearing and infant rearing more rewarding but there are two areas we think key to making a fundamental difference.

Address the extraordinarily high level of casual employment in the workforce and provide income support for women to cover their most basic needs in the first year of life of their child and you would go a long way to addressing many of the objectives this inquiry is trying to reconcile.

We shouldn't be so casual about 'casual jobs'

Effectively, close to 30% of women workers are employed as 'casuals'. This is such a misnomer of a definition. It is supposedly a labour market solution to seasonal or aberrant work requirements.

In reality it is driven by lazy and mean management theory.

Lazy because it often reflects businesses incapacity to manage staff, roster efficiently and effectively coincide labour and production needs. It is symptomatic of the culture in many low waged service industries – a culture antipathetic to investing in skills, labour force development or quality improvements. This management practice sees the casual worker as the 'disposable worker'.

On the 'mean' front casual employment is used to keep workers insecure and fearful so they don't speak up. The overriding message that comes from the work Australian academic Barbara Pocock has done with casual workers is that they living in a constant state of fear – fear of loss of hours, fear of uncertainty and fear of vulnerability to discrimination.

Casual employment is also a device used by employers to offer more attractive pay. The casual loading gives increased cash up front so many workers risk casual status for the casual loading that gives them immediate money in the pocket. Actually, the casual loading masks failure to lift the underpinning base rates and is effectively a cashing out of entitlements – neither are genuine solutions to addressing low wages.

Casual employment is a conscious and widespread labour strategy that has little to do with covering 'peak periods of demand'.

So if it is so pervasive, and entrenched as an employment norm, why do we single it out in relation to the maternity leave debate?

For just that reason – we can't actually have a discussion about a maternity leave scheme in Australia when so many women workers are not even entitled to leave.

The disposable worker approach is under increasing pressure as the Australian labour market tightens. For the first time we are seeing hospitality employers actually costing turnover and talking about the need to address 'labour churn'. A cost, incidentally, to the hotel industry estimated to represent 20% of their payroll.⁶³

Similarly when you look at women's 'return to work' patterns following childbirth the evidence is compelling – 87% of women in permanent positions pre-birth returned to permanent positions.⁶⁴

Where however women are employed as casuals, and the birth of a child means they lose their job entirely, their employment re-entry is much later and for lower hours. 92% of women working in casual positions prior to giving birth returned to casual positions when they re-entered the workforce.⁶⁵

Employment return rates of mothers by age of infant

Longitudinal Study of Australian Children				
Age of Child	Mothers employment rate		Mothers employed prior to the birth who reported taking leave	Age of Child
3-5 months	25%		25%	Up to 6 months
6-8 months	33%		40%	6-9 months
9-11 months	41%		59%	9-12 months
12 months or more	50%		70%	12-15 months
SPRP No.30 Study ⁶⁶			Parental Leave Study ⁶⁷	

Underlying these two reports - the “Parental Leave in Australia Survey” and the Social Policy Research Paper No.30, “Mothers and fathers with young children: paid employment caring and wellbeing” - is the same base data from the Longitudinal Study of Australian Children.

It is useful to compare then the different return rates for mothers of infants outlined in each of these reports.

The interesting difference is that in the SPRP study ‘all mothers’ are analysed whereas in the Parental Leave study only ‘mothers employed prior to birth and who have taken leave’ are analysed.

This group has a much higher return rate giving strength to the argument that where a labour market attachment is maintained return rates will be higher.

Lack of labour market attachment prior to childbirth almost guarantees deferred or limited labour market re-entry after childbirth.

There are a range of reasons as to why this is so. At its most basic there is something in a worker feeling 'attached' - of having a workplace where you belong, workmates who you have an ongoing link to, a sense that you are still a worker but on leave. Casuals lose this because they don't have any residual link. Their job is gone. They are not actually a worker anymore.



It also means that when the woman is ready to re-enter the labour market she has to find a job. This takes a level of confidence, job readiness and skill recognition – all of which may have been diminished after a break.

On another level the break in employment has an enormous economic impact on women. An impact we would argue is so great as to make re-entry into the workforce financially difficult.

A low income family that has lost one of its 'breadwinner incomes' will have had to adjust its household budget to suit the new circumstances. This may well see a tightening in expenditure and potentially increased indebtedness.

The prospect of having to introduce new costs such as child care to re-enter the workforce may simply be seen as too difficult to initially accommodate.

The evidence (see p.34) is that a woman previously employed as a casual in a low waged job is highly likely to re-enter the labour market at a similar position.

The financial return for a minimum wage worker, paying even the most basic costs of transport, to work a 10 or 14 hour week job at minimum wages, may just be too marginal.

Casual workers are cast adrift.

They do not have any link or easy way back into the labour market.

They have to start again.

Why financial support?

The argument is pretty simple – most Australian families are now reliant on either a single or a partnered mother's income.

Women are now an intrinsic part of the 'breadwinner' class.

Limit or lose that income for six months or a year and you are likely to create real economic stress on many families – particularly those already struggling to cope.

The Parental Leave Survey⁶⁸ helps us get a feel for the likely income of working women post birth. On average women take 7 weeks in forms of paid leave – annual leave, long service leave and sick leave.

Effectively women run down all existing entitlements to help cover this lost earnings period.

And for woman eligible for paid maternity leave they received on average 11 weeks pay. But the coverage is limited and as recognised previously not expanding greatly – despite a more positive labour market environment.

Certainly for women workers in the private sector and in lower paid occupations annual leave is a luxury, paid maternity leave unheard of.

But it isn't only women who are already in the workforce that need consideration.

There are women who exit the labour market at some point – either during their pregnancy or during a previous pregnancy and as such are defined to be 'not employed'. They too face significant economic loss.

Talk with mothers and many would prefer to have the first year of their baby's life at home, but for many, economic and career realities make this too difficult.

It is a serious question for a society as to whether this is a legitimate desire, indeed need, and if so how should we best strive to accommodate it.

For the purposes of this Inquiry LHMU advocates a Maternity and Infant Support Scheme that replaces the current 'baby bonus' with a 26 week maternity payment based on the minimum wage of the day. We believe this should be a universal payment paid to all mothers.

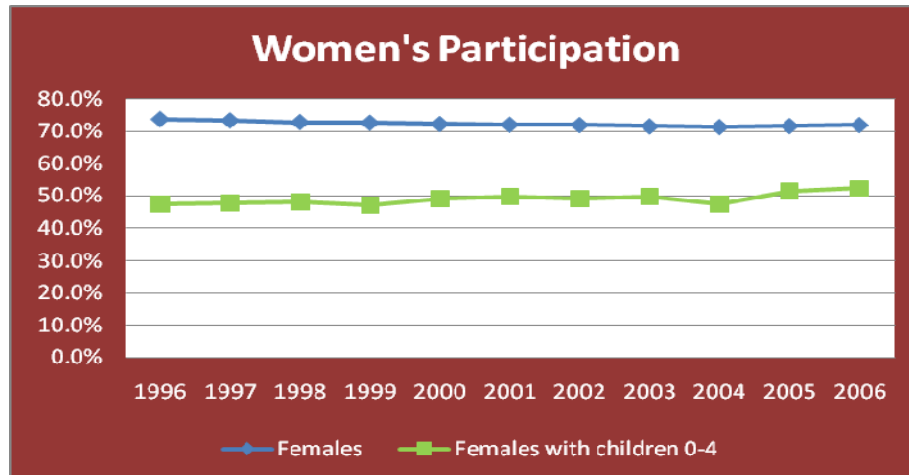
We established early in this submission our view that child birth is a social and economic good. It is therefore appropriate that our national government give expression to that sentiment by financially supporting mothers and families to have a child in a secure and dignified manner.

We also believe that providing a stronger financial buffer to families with young children also facilitates earlier and more satisfactory workforce re-entry. Arguably leave may increase in the 6-12 months of a child's life but we believe positive financial intervention will facilitate women's more fulsome re-entry after this.

The high cost of doing nothing...

Possible impact of the 'Baby Bonus' introduced in 2004

It is perhaps too early to tell, but the slight kick in women's participation since the introduction of the Baby Bonus in 2004 suggests that increased financial support for birthing mothers might facilitate workforce re-entry as women are better able to afford care.



Despite there being an overall lower level of female participation of mothers with young children there has been a small but fairly consistent increase in that participation level.⁶⁹

Top Up

For women in the workforce we also believe there should be a 'top-up' of the government funded universal payment.

Household budgets will be geared to the mother's income received prior to the baby's birth. To drop from that rate to a minimum wage rate could cause real economic hardship for those earning beyond the minimum.

Ask any LHMU member in hospitality, aged care or cleaning and they'll tell you that it's the penalties that pay the bills. If these weren't covered by some additional

payment then workers who can least afford it would face a significant wages cut.

Hence the proposal for a top-up to average weekly ordinary time earnings ie inclusive of penalties but not overtime.

If maternity support is to genuinely compensate for 'time out' of the labour market then it needs to, as far as possible, reflect women's pre birth economic reality. That means trying to ensure relatively seamless financial transition from work to leave and back to work again – at least for the first 26 weeks.

To date in Australia maternity support has been pursued via government payment and workplace bargaining. We see there being significant limitations to the bargaining route:

- It assumes women have strong bargaining positions within the workforce. The reality is that women's low levels of union density and organisation in many industries has meant low levels of bargaining activity and entitlement.
- A bargaining approach will always see benefits like paid maternity leave open to contest from competing entitlements with more generalist appeal.

So for example an older workforce may be loathe to use good bargaining credits on an entitlement only available to a small section of the workforce or a predominantly male workforce may not see this as a major industrial priority.

- The third problem with a bargaining approach to delivering income support is the high and disproportionate costs this will visit on female dominated industries.

We are very conscious of an industry like early childhood services. There are just a fraction under 100,000 workers in this sector. 97% are female. This is a low waged sector, with low bargaining coverage and only modest bargaining outcomes where they exist. Given the fact that the workforce is female, and relatively young, then the cost to this sector of providing quality maternity support could be significant.

We would argue that the benefit however is universal. There is a benefit to the partners of childcare workers who work in other industries – industries like construction and manufacturing. These industries indirectly benefit from childcare workers being able to afford to take time out to care for young children and so enable male partners to provide an uninterrupted labour supply elsewhere in the economy.

The other aspect to this argument is that childcare workers themselves provide a great service to all workers and business by virtue of the service they provide. The ultimate irony is that this sector is currently struggling to fill positions and address high levels of turnover (on average around 35% nationally)⁷⁰.

If we don't look to improving the job quality and benefits of these jobs we will struggle to maintain a steady and professional workforce in this sector – which ultimately impacts workers ability, across the economy, to participate fully in the labour market.

Provision of financial maternity leave support to childbearing mothers in female dominated industries should be equalised over the economy and not fall disproportionately to female dominated industries and employers.

**A bargained route
is at best uncertain,
at worst exclusive.**

LHMU's Proposal:

The Australian Infant & Maternity Support Scheme (AIMSS)

Key Objectives for AIMSS:

- ❖ Ensure that women's life-long income stream is supported to ensure better equity of outcomes via measures that minimise the impact of 'child bearing breaks'.
- ❖ Maximise women's participation in labour market by facilitating easier transitioning for women back into the paid workforce. Make this real and it may impact positively both the overall fertility rate and participation rates of older Australian women who have become the default carer for many families.
- ❖ Support women and their families with the physical and emotional needs of bearing and rearing young infants. To that end look to the health and well-being of the birthing mother; the health, developmental needs and security of the young infant, in particular facilitating a breastfed start; and to ensuring financial strains do not adversely impact the cohesiveness of the family unit.

LHMU seeks the inclusion of the following elements in a comprehensive national plan aimed at addressing the needs of Australian's looking to create and nurture our next generation. Our particular emphasis is on the needs of low paid workers:

1. Genuine effort to reduce the reliance on casual forms of employment for women would see a direct increase in labour market attachment and work return rates post childbirth. This is both a regulatory issue for government and an operational issue for business.
2. Paid maternity leave should be universally available to all women whether employed or not.
3. The birth mother should receive a base payment from the Australian Government that matches the minimum wage for a period of 26 weeks following the birth of the child.
4. Paid leave should be available to women to commence special maternity leave earlier than confinement necessitates on the basis that they perform duties that involve unsafe duties or heavy lifting.
5. Bargaining should not be the basis upon which women are expected to supplement a basic payment from the government. Low paid workers do not have equal power in bargaining for such benefits. The reliance on bargaining to achieve real outcomes for low paid workers will simply entrench the division between low paid and better paid workers.
6. LHMU believes that the costs of an Australian Infant and Maternity Support Scheme should be based upon contributions from the Government and all employers. Enabling women to bear children in a healthy and appropriate manner is both a societal and economic good bringing value to all of Australian business. As such it should be a cost amortised over the whole employer community.

The high cost of doing nothing...

References:

- ¹ “Glass Ceiling” by Jorge Balarezo (Image from echotek77 at flickr.com)
- ² Nationwide, 61% of the LHMU’s membership is female, with particular concentrations of women members in particular states (74% in Western Australia and 69% in Queensland) and industries (childcare, aged care, cleaning, education support and hospitality).
- ³ ABS Census 2006
- ⁴ ACTU submission to the AFPC Review 2008 p.29
- ⁵ ACTU Submission AFPC 2008 p.43
- ⁶ ACTU Submission AFPC 2008 p.43
- ⁷ ABS (Cat No. 6306.0) Employee Earnings and Hours May 2006 (Reissued) and ABS (Cat No. 6291.0.55.003) Labour Force, Australia. Detailed Quarterly, February 2007.
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- ¹¹ 2008 Year Book Australia (cat No 1301.0) p.232, or Source: Labour Force, Australia, Detailed, (6291.0.55.001)
- ¹² *Part Time Employment: the Australian Experience*, p.8
- ¹³ *Part Time Employment: the Australian Experience*, p.6
- ¹⁴ *Part Time Employment: the Australian Experience*, p.xxxi
- ¹⁵ ABS Forms of Employment (6359.0) Nov 07
- ¹⁶ ABS Forms of Employment (6359.0) Nov 07
- ¹⁷ “Retirement Savings Update”, Ross Clare, ASFA Research and Resource Centre, Feb 2008 p.3
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- ¹⁹ “Women miss out on retirement super” Media Release, 14 April 2008, UniSA’s Hawke Research Institute, Rhonda Sharp
- ²⁰ ABS (6310.0) Employee Earnings, Benefits & Trade Union Membership Aug 07
- ²¹ ABS (6310.0) Employee Earnings, Benefits & Trade Union Membership Aug 07
- ²² ABS (6310.0) Note ‘employees’ excludes ‘Owner managers of incorporated enterprises’
- ²³ Social Policy Research Paper No.30, “Mothers and fathers with young children: paid employment, caring and well-being”, by Jennifer Baxter, Mathew Gray, Michael Alexander, Lyndall Strazdins, Michael Bittman, Commonwealth of Australia 2007: p.1²³
- ²⁴ Social Policy Research Paper No.30: p.1

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- ²⁵ Social Policy Research Paper No.30: p.1
- ²⁶ Social Policy Research Paper No.30 p.9
- ²⁷ Social Policy Research Paper No.30 p.11
- ²⁸ Social Policy Research Paper No.30 p.11
- ²⁹ “The Parental Leave in Australia Survey”, G. Whitehouse, M. Baird and C. Diamond, Dec 2006 p.9
- ³⁰ “The Parental Leave in Australia Survey”, p.9
- ³¹ ABS Forms of Employment Oct 2007
- ³² Social Policy Research Paper No.30 p.24
- ³³ ABS Forms of Employment Oct 2007
- ³⁴ Highlights from the “Parental Leave in Australia Survey” Dec 2006 p.1
- ³⁵ Social Policy Research Paper No.30 p.x
- ³⁶ “The Parental Leave in Australia Survey”, p.11
- ³⁷ “The Parental Leave in Australia Survey”, p.7
- ³⁸ Social Policy Research Paper No.30 p.23 This is a higher level of male entitlement than that found in the more general ABS data. The Nov 2007 stats found 39% of men indicating entitlement to paid paternity leave compared with 45.4% women. However, men in this survey had a much higher ‘Don’t know’ response at 26.8% compared with women’s 15.3%. ABS Forms of Employment 6359.0 Nov 2007
- ³⁹ “The Parental Leave in Australia Survey”, p.16
- ⁴⁰ Social Policy Research Paper No.30 p.14-15
- ⁴¹ Social Policy Research Paper No.30 p.14-15
- ⁴² Social Policy Research Paper No.30 p.14
- ⁴³ Social Policy Research Paper No.30 p.30
- ⁴⁵ Social Policy Research Paper No.30 p.32
- ⁴⁶ “It’s not for lack of wanting kids”, A Report on the Fertility Decision Making Project, Australian Institute of Family Studies, Commonwealth of Australia, 2004 [Ruth Weston, Lixia Qu, Robyn Parker and Michael Alexander] p. 3-4
- ⁴⁷ “It’s not for lack of wanting kids” p.5
- ⁴⁸ “It’s not for lack of wanting kids” p.xvi
- ⁴⁹ “It’s not for lack of wanting kids” p.xvi
- ⁵⁰ (ABS 2002b) p.147

⁵¹ ABS Australian Demographic Statistics (3101.0) Dec Qtr 2007

⁵² “It’s not for lack of wanting kids” p.7 As at 2000 just over half of all males in their early 20s still live at home with their parents – up from 46% in 1979 and for women the jump was even greater – from 25% to 39%.

⁵³ “It’s not for lack of wanting kids” p.4

⁵⁴ “It’s not for lack of wanting kids” p.126

⁵⁵ A Report on the Fertility Decision Making Project p.xv

⁵⁶ A Report on the Fertility Decision Making Project p.125

⁵⁷ ABS Australian Social Trends (4102.0) 2007 p.19

⁵⁸ LHMU Child Care Parents Survey conducted in April 2007 with 770 Australian parents. See link lhmu.org.au – Big Steps campaign

⁵⁹ “*Maternal employment and breastfeeding: results from the longitudinal study of Australian children*” - Amanda R Cooklin, Susan M Donath and Lisa H Amir,

⁶⁰ Social Policy Research Paper No.30 p.35

⁶¹ Social Policy Research Paper No.30 p.64

⁶² Social Policy Research Paper No.30 p.64

⁶³ “Rescue Package for Luxury Hotels”, LHMU Better Jobs, Better Hotels industry report p.16

⁶⁴ “The Parental Leave in Australia Survey”, p.18

⁶⁵ “The Parental Leave in Australia Survey”, p.18

⁶⁶ Social Policy Research Paper No.30 p.9

⁶⁷ “The Parental Leave in Australia Survey”, p.16

⁶⁸ “The Parental Leave in Australia Survey”, p.11

⁶⁹ ABS Social Trends cat. No. 4102.0 p.118

⁷⁰ “Big Steps in Childcare – Education and Care for the 21st Century”, LHMU, June 2008 p.15. Report available from lhmu.org.au – Big Steps campaign