

To Whom It May Concern:

**RE: PUBLIC SUBMISSION IN RESPECT OF THE PROPOSED TAX-PAYER FUNDED MATERNITY LEAVE SCHEME**

I am a recently married 26 year old woman. My husband and I are both gainfully employed, specifically I am full-time employee, and we intend and plan to have children in four years from now.

I am **adamantly opposed to the proposed scheme** whereby tax-payers fund 18 weeks of paid maternity leave in addition to employers providing financial support, in the form of the continuation of superannuation guarantee contributions, to eligible beneficiaries. The rationale for my objection of this scheme is detailed below (not necessarily in order of importance) and while I may not know the intricate details or all of 'the specifics' of the scheme my opinion remains the same and I would strongly object to the scheme in any form or detail currently now proposed or any variation thereof.

**THE ARGUMENT FOR:** The argument made for the introduction of this scheme is two fold:

(1) Firstly, by reducing the "financial stress" on the family and the pressure to return to work due to financial reasons, the scheme will afford the mother the financial opportunity to "bond" with her new born baby prior to returning to the work force; and,

(2) Secondly, allegedly the scheme will also benefit the employer as they may retain the skills of the "working mother" in return for financially contributing to the mother's superannuation fund during their leave of absence.

**However I reject the "argument for" for the following reasons:**

**THE ARGUMENT AGAINST:**

1. It has traditionally been and still should be the responsibility and obligation of a parent to prepare and provide for the child/ren in their family in all respects and aspects (financially, emotionally, physically, spiritually and mentally). In other words, we should not shift parental responsibility from the parent to another party. The 'reasonable' or 'ordinary man' would know and understand that the decision to bear and raise a child would involve a financial responsibility or obligation, in other words, an increase to the 'current expenses' of the family. Therefore a couple would have sufficient time to "plan" and "prepare" in all respects, including financially, the impact / results of their decision to bear children. If the child is not born prematurely, the couple would have approximately nine months to 'plan and prepare' and if 'family planning' (including the finances for such) were discussed prior to the pregnancy itself the couple would have more than nine months to arrange / alter their budget accordingly, thereby, allowing the mother to have "bonding time" before returning to work "without

financial stress" on the family. If the plea is made that the pregnancy was "unplanned" and therefore financial assistance would be required, I would remind the reader that (1) the couple would still have approximately six months to plan and prepare financially for the child, and (2) any time a man and a woman have unprotected sex there is a possibility of pregnancy occurring, and hence, whether "planned" or "unplanned" the parents need to take full responsibility as one could reasonably expect that for a person who engages in sexual activity would know this fact. In short, the financial cost for a familial decision should not be shifted to business and tax-payers.

2. The decision to introduce a child/ren to one's family is the sole prerogative of the couple, and therefore the consequences and responsibilities relating thereto also should belong to the couple. This proposed scheme is preposterous, unreasonable and entirely unfair against tax-payers and employers as neither party has any decision making powers concerning the timing and number of children being introduced to a couple's family and yet they would be required to assume partial financial responsibility for the decision. In like manner, it would be unimaginable for a scheme to be proposed whereby tax-payers and employers would be involved partially in the decision making process of "child bearing", for instance, say, any scheme whereby the Commonwealth / State Government imposes a limit on the number of children a couple (or woman) may have (representing the tax-payer's contribution) and a negotiated time with the employer of when the mother may take the maternity leave, in other words, when to fall pregnant and give birth to the child which represents the employer's contribution. This latter comparison of 'combined decision making powers in family planning' would be entirely rejected by those who are wishing to be beneficiaries under this current proposed scheme. Similarly those in authority to introduce the proposed scheme now in discussion should entirely reject the scheme, or any variation of it, as parental financial responsibility should not be shifted from the parents to another party.
3. Government 'welfare payments and schemes' are devastating becoming the 'norm' in our society and the receipt of such perceived as 'a right', or 'one's entitlement', rather than 'the exception to the rule'. Government welfare assistance and schemes should serve as a short term financial aid in exceptional financial and / or personal circumstances necessity such otherwise it is simply 'a drain' on the economy.
4. It would far more advantageous to our society for the Commonwealth funding, which would have otherwise been spent to support this proposed scheme, to be distributed to the States and Territories of our nation for society's benefit. In other words, instead of Commonwealth financial funding being provided to specific members of our society (those eligible under the proposed scheme), the Commonwealth Government could allocate the

funding to the States and Territories of Australia for specific areas of attention which are financially struggling now and thereby benefit all society. The funding for this alternative could represent the amount which would have been otherwise allocated to this proposed scheme year after year and thereby having a compounding beneficial effect on the 'areas of interest'. Personally, as a tax-payer I would prefer to see "tax payer's money" spent on the already financially struggling education and health systems, on roads and transport, infrastructure and the like which support **all** citizens and residents of our society, irrespective of tax status (that is, it would benefit both tax and non-tax payers). Moreover I cannot understand the logic in providing funding to increase fertility rates when our current health and educational systems are struggling (or even perhaps failing) to provide for the children our nation already has.

5. In Australia there is no legal or social limit on the number of children a woman can have and therefore perhaps no limit on the number of times a woman may take advantage of this proposed scheme. Consequently the proposed scheme would have an untold financial cost to business and tax-payer's if the scheme is introduced. Moreover, in reality, it is not possible to set a fixed dollar amount, year after year, to this proposed scheme and consequently it could have diastrophic economic consequences for business and tax-payers as the full cost could not be planned for with reasonable time by an 'outside party' (that is tax payers and employers) – again, the onus of the financial planning belongs and should continue to belong to the parents of the child.
6. While I am adamantly opposed to the scheme currently proposed, or any variation thereof, if the scheme were to be introduced, the scheme would be discriminatory on the following grounds:
  - (a) the proposed "maternity leave" scheme is in lieu of the current "baby bonus scheme" and therefore the scheme would be discriminatory as it appears to support only a mother of a family who is gainfully employed and not a mother who "stays at home" working in the home and raising her family. I believe that in the year 2000 the High Court of Australia ruled that the financial and non-financial contribution by a husband and a wife were equal in their contribution – we would do well if we could apply this same ruling to the contribution made by both gainfully and non-gainfully employed mothers. It could be reasonably argued that the "stay at home" mother's contribution to society is equal to that of a gainfully employed mother's contribution to the workforce. Furthermore, the discrimination is compounded if the proposed scheme replaced in its entirety the current "bonus baby scheme". At least with the 'baby bonus' scheme it provided all families types with financial assistance following the birth of a child irrespective of the woman's employment status. While gainfully employed mothers may not receive the same "family tax benefits" (like stay-at home mums) the family certainly receives the benefits of any child care allowances, etc, and more importantly of a dual income. (As an

aside note: I also object to the current baby bonus scheme as I adamantly believe financial responsibility belongs with the parents who make the decision to have a child and not another party). If the 'baby bonus' scheme was introduced by the Government to increase our nation's fertility rate, and now will be replaced with this proposed, this scheme may not achieve the original or desired results or outcome;

(b) the scheme's introduction would discriminate against men as it does not provide a father with 18-weeks tax-payer funded "paternity leave" and continuation of their superannuation guarantee contribution while "on leave". The bonding of a mother to her child and a father to his child is equally important and one should not supersede or replace the other. On 'Ten News' (20 October 2008) it was reported that fathers only spend six minutes per day alone with their child, while mothers spend three hours alone with their child due to a man's employment, reporting that "work hours are to blame". Further the comment was made that woman care for their child's needs 90% of the time – gainfully employed or otherwise. It also mentioned that one father's group pointed out that the report did not take into account single divorced fathers. I mention this media report as perhaps too much emphasis is placed on "maternity leave" and not enough on "paternity leave". A child has the legal right to access both their mother and their father on an equal basis and this scheme would only serve to discriminate against men's bonding time with their child(ren). In order for the scheme to be gender unbiased the scheme would need to allow leave for both parents; and

(c) finally, the proposed scheme is discriminatory against those who cannot have children, do not want children or have had their children – all tax payers should benefit by taxes paid to the Government. Taxes should not benefit a particular group of people who have made an individual (or couple) decision regarding the introduction of a child to their family resulting in an increase to their financial responsibility, obligations and expenses, and a greater demand on their time, all of which they would have reasonable known before the birth of the child.

7. Further, if this scheme were to be introduced there is a possibility of discrimination by prospective employers against women of "child bearing ages" presenting for employment simply to avoid their "so called responsibilities" under the proposed scheme – the discrimination of which would be hard to "prove" as the employer would simply advise that "a more suitable qualified person was hired for the position" or "another presented better during the job interview". Contrarily, if a woman were overlooked for a position because someone was more qualified, she may feel that this was not the case and that she was actually discriminated against "simply because" she was of "child bearing age". This may cause further problems, time, cost and heartache to all involved in resolving the issue, which, mind you would not be an issue if the scheme were not introduced.

8. Employers already bear the costs associated with 'replacement personnel' (recruitment, training, superannuation and other expenses related to employment of staff) when a mother or father is on leave. This proposed scheme will force employers to outlay an additional cost and therefore an additional burden will be placed on them. Small businesses will be placed under greater financial stress as a result of the introduction of this scheme and it may prove, in some cases, to be severely onerous on the employer. The cost of this scheme to businesses is not justifiable in its proposal as it is a burden imposed on their business for an unrelated-work decision made by their employee.
9. Further, should the employer company desire to retain the services of any of their skilled employees, they will as they have in the past, maintain work flexibility for the employee. It has been my understanding and observation that employers "bend over backwards" for their skilled / knowledgeable and valued employees – in any situation, maternity leave or otherwise – offering flexible work arrangements and like to retain this type of "business asset".
10. If introduced, the economic cost of the proposed scheme to both tax-payers and businesses will in total run into billions of dollars. The cost of the scheme is not guaranteed to be fixed at a particular dollar amount each year nor is there any guarantee that the cost will remain constant. This uncertainty is not favourable to businesses (large or small) or tax-payers, however, the suggestion given below may be a "fixed" cost to society and an agreeable compromise achieving a "win-win" situation for families, businesses and tax payers alike.
11. It is my belief that for most people who remark that they cannot financially afford to have children, it is either because they (1) want to maintain their "pre-child" lifestyle and income levels (which may be unrealistic) or (2) those who simply cannot or will not budget or financially prepare this "life choice". Perhaps an agreeable medium between the "for and against" arguments might be to offer a tax-payer funded educational course to improve financial literacy, discipline and responsibility of people by teaching individuals and couples how to understand and manage their finances better, to become (more) self-reliant in their financial responsibilities to enable them to provide financially for the decisions they make as an individual or couple, including the bearing and raising of children, and any other situation that may foreseeably arise in the future (including financial planning for retirement). The course should also be available to all citizens in Australia. On a note: this suggestion may even cost less to fund than the current proposed maternity leave scheme! I believe this suggestion would be far more beneficial, economically and otherwise to the individual and community, to teach couples and families self-reliance and financial self-discipline. There is an old adage which states: "Give a man a fish and you will feed him for a day. Teach a man how to fish, and he will feed his family for a lifetime". It may not be "politically

popular", however, if the Commonwealth Government funds were used to offer education to those families desiring this type of assistance, in lieu of the proposed scheme, it would prove to be far superior and of invaluable worth to both them and to society.

**In conclusion I adamantly object to the proposed scheme for the following reasons:**

1. The onus of the child's welfare, financial and otherwise, should remain the sole responsibility of the couple who made the decision, and not a third party (that is, not tax payers and business owners) who do not have "a say" in the decision to introduce, or not to introduce, a child to one's family.
2. It is unreasonable and unjustifiable for a person / couple to expect that tax payers and businesses "pick up the tab" for a parental decision made at the sole discretion of the couple.
3. Parents should not rely on hand-outs from Government or business for their parental responsibilities rather develop self-reliance and good financial and responsible management skills. The social and economic benefit of this underlying principle of self-reliance and financial management would greatly improve an individual family's position and thereby positively affecting society as a whole. It is my opinion, my hope and my plea that 'we' do what is economically best for this country, and in this case, by not shifting parental responsibility to another party!
4. Government funding could be more prudently spent elsewhere, such as on education, health, roads and transport, infrastructure which benefits all residents and citizens of our society irrespective of tax status.
5. It would be difficult to project the actual financial cost of this proposed scheme to Government (taxpayers) and business owners / employers. The economic consequences may prove severely detrimental to the economy which is already facing recession.
6. The proposed scheme may be viewed as discriminatory against "stay-at home mums", fathers, those who cannot or do not want to have children or those who have already had their children (and yet still pay taxes!).
7. Prospective employers may discriminate against women of "child bearing ages" applying for employment and contrarily a woman may feel discriminated against when in reality this was not the case. Thus it is a double-edge sword.
8. Small businesses will be placed under greater financial stress due to the onerous financial costs imposed upon them by the introduction of the proposed scheme.

9. It is my opinion that employers offer flexible work arrangements or a compromise for individuals and parents to balance work / home responsibilities.
10. The cost of the scheme is not guaranteed to be fixed at a particular dollar amount each year nor is there any guarantee that the cost will remain constant.
11. It would be far superior economically to offer education to those families desiring this type of assistance, in lieu of the proposed scheme as it would assist them with learning how to become self-reliant and financial independent. It is true: "Give a man a fish and you will feed him for a day. Teach a man how to fish, and he will feed his family for a lifetime".