

# **Submission from the Australian Federation of University Women (Inc) to the Productivity Commission Inquiry into Improved Support for Parents with Newborn Children**

## **Background to the Submission**

### **1. Organisational**

The Australian Federation of University Women (AFUW) was founded in 1922 to promote the advancement of women in both personal and public life through initiatives in education and to further peace and international co-operation through the promotion of understanding between women worldwide. It is a voluntary, non-partisan, self-funded Federation of State and Territory Associations. It is administered by a Federal Council and affiliated with the International Federation of University Women, which has consultative status with several United Nations agencies which have an interest in matters such as equity in employment (ILO) and the welfare of women and children (UNESCO).

Membership in AFUW is open to women holding a degree from a recognised university or college worldwide. Members are graduates from a wide range of disciplines and pursue a diverse range of careers. They therefore have a lively interest in the interaction of work and maternity as one of the most important factors influencing their career trajectory, and its capacity to ensure

- their immediate and long-term financial security,
- their personal fulfilment,
- and their commitment to contribute to society through “re-productive” work as well as the more conventionally conceived “productive” work that has largely been defined by male patterns of living.

AFUW affirmed its support for maternity leave in the following Resolution, passed at its 2003 Triennial Conference:

The 32<sup>nd</sup> Conference of AFUW:

- (a) affirms the need for employees to have access to paid parenting leave and flexible employment options to ensure that they can exercise their right to choose to combine paid work and parenting;
- (b) urges the Federal Government to adopt the findings and recommendations of the Human Rights and Equal Opportunity Commission's report "A Time to Value – Proposal for a National Paid Maternity Leave Scheme"; and
- (c) resolves to promote the HREOC report and its recommendations on paid maternity leave.

### **2. Personal**

The Commission has stated that it is interested in relevant personal experience. I have had 3 children, born 1959, 1963 and 1967 before any form of maternity leave was available in the university system that was the site of my chosen career. However, given

the good fortune/ good management of delivering these children in November and December and being able to make use of the long vacation to establish breastfeeding, I was able to continue in employment, initially part-time, but from 1963 as a full-time lecturer (at Melbourne and then Monash universities). However I was very aware that continuing my career depended very much not only on my own good health and that of my children, but also on the advantages I had enjoyed in having two supportive Professors who sanctioned these arrangements at a time when employment in universities was more informally governed and conditions very much at the disposal of Heads of Department. I did not consider that the employment conditions of other women should be so reliant on good fortune and good will, especially because I saw others suffer serious career disadvantage through maternity.

Consequently, after paid maternity leave was introduced in the Public Service, I became active in seeking it at Monash University, and convened the sub-Committee of the Staff Association of Monash University that successfully negotiated a paid maternity leave scheme of 3 months on full pay, with the right to a further period of unpaid leave and guaranteed re-employment at the end of the leave.

It is, however, a very inequitable system that nowadays allows some women paid leave of 12 months (e.g. the Australian Catholic University), others 12 or 14 weeks (most other universities) and others 6 weeks (e.g. the YWCA). For this reason, as AFUW President, I am glad to prepare a submission on its behalf for a system of universal paid maternity leave for women in the workforce.

## **The Submission**

### **1 Motherhood is part of national productivity**

AFUW submits that the value placed in Australia on the production of children is neither appropriate nor adequate.

Children are an investment in the future of a society. The investment is made by both parents, but the labour of women in bearing children is a unique contribution to that investment. It is clear, however, that many women do not wish this to be their *sole* investment in society. There are both economic and psychological imperatives for these women to be able to participate as fully as possible in economic productivity, but there is also an economic and social imperative for society to have women involved as fully as possible in the workforce as well as in having children.

Women should not, however, have to pay an unreasonable price in foregone income and lost career status and opportunities in order to make the investment in both categories. Nor should they have to do so. All OECD countries other than the United States and Australia acknowledge this principle actively by providing a package of support that includes income support for the vital postnatal period in which the bases of the physical and mental health of both mother and child are laid down.

## **2. The Need to Address Structural Disadvantage in an Equitable Way**

A fundamental rationale for paid maternity leave is the need to address the structural disadvantage that women experience in the labour market because they have babies and usually play the major role in caring for them. The consequences of maternity may not only be loss of income, but loss of future employment. Any system of maternity leave needs to include both income support and the right of return to employment.

That some employers have recognised this and are already making paid maternity leave a part of their employees' conditions has produced considerable inequality. In 2001 researcher Barbara Pocock found that, while 77 per cent of women in the finance and insurance industries had access to paid maternity leave, only one per cent were covered in the retail sector, and 2 percent in hotels and restaurants. The proportional distribution remains very uneven.

## **3. Income Support Essential**

Income support is an essential factor: Motherhood should make no woman poor.

This applies to both women in the workforce and those not in paid employment. We submit however that the systems of income support required for these two categories of mothers should be distinct. This submission is made with respect to the need for paid maternity leave for women in the workforce.

Income support for the mother protects the interests of the child as well as the mother. Without income support in the form of paid maternity leave, women for whom paid work is an absolute necessity will be obliged to return to the workforce unduly early. Anyone who considers this a minor matter for mother or child should be given as compulsory reading Tillie Olsen's 'I Stand Here Ironing', a novella which shows all too convincingly the adverse consequences of this for both mother and child in an American context – that is, in the context of the only other OECD developed country that, with Australia, still has no system of paid maternity leave for working mothers.

Even where the financial situation is less urgent and immediate, with income available through the male parent, a loss of overall income at exactly the period when new demands are being put upon it by parenthood may lead to family tensions that adversely affect the necessary "settling-in" period for both child and parents. Fathers may well feel that they must increase their work commitments in order to support their family. As a result, even when some paternity/ parental leave is available to them, they may feel unable to take it. Paid maternity leave should increase the potential for fathers to share in parenting the newborn child, something important in establishing a strong family structure.

### **Paternity and Parental Leave**

In countries where the period of paid leave extends beyond the immediate postnatal period, arrangements often provide that the leave may be shared between the mother and her partner. AFUW supports paternity leave, especially at or near the time of the child's birth, and also parental leave as a way in which parents may have options in the way they

share in parenting over a longer period but submits that **the first imperative is to meet the needs of maternity leave.**

#### **4. The Appropriate Level of Income Support**

We submit that income support should be given at the level of income received by the woman prior to taking maternity leave. This is in fact the case in the Public Service and in universities, where paid maternity leave systems have already been in place for some time. Income support makes the maintenance of superannuation possible, and it is a matter of public concern that poverty in elderly women is linked to inadequate superannuation provision. To require women to take, in effect, a substantial reduction in immediate and future income, or to make them subject to the willingness of an employer to ‘top up’ some form of minimum entitlement is unreasonably uncertain and stressful, not the most desirable state for either mother or child.

Whatever decision is reached, it must satisfy the requirement that the rate of payment is such that women can make a genuine choice to have time away from employment for the important work of bearing children and establishing a regime of care for those children.

#### **5. Desirable period of income support**

The appropriate period for which income support should be available is arguable. In cases in Australia where paid maternity leave is current practice the period varies between 6 weeks (e.g. the YWCA, the recently announced scheme for Myer employees) and 14 (a number of universities). This is already below the benchmark standard of 16 weeks recommended by the ILO. It is also below the practice of many other nations and even some Australian employers: the Catholic University offers a year of paid maternity leave to its employees.

AFUW submits that any paid maternity leave should be based on the recommendations of the ILO as to the desirable (not the minimum) period of maternity leave.

We note **ILO Maternity Protection Recommendation, 2000 (No. 191)**

Paragraph 1: ‘Members should endeavour to extend the period of maternity leave referred to in Article 4 of the Convention to at least 18 weeks.’

We therefore recommend that the initial period of paid leave should be set at 18 weeks, but that it should be understood that this is subject to revision in order to continue to meet ILO recommendations for best practice.

#### **6. Maternity Leave, Lactation and the Health of the Child**

We note and support the emphasis placed in the ILO Convention on the desirability of maternity leave being long enough to establish lactation. Breast-feeding is recognised as an important factor not only in the immediate physical health of the infant but also in its continuing health into adulthood. These health benefits appear to require a minimum period of three to four months of breastfeeding and this should be a factor in determining the minimum amount of paid leave.

## **7. Who Should Be Eligible for Paid Maternity Leave**

AFUW submits that every woman who has been in employment for a period of at least 12 months should be eligible. There should be no requirement for the employment to be with a single employer, or for it to be full-time. The former is a reasonable requirement only when the employer is responsible for funding the paid leave, which is not recommended by AFUW (see section 8 below). The latter requirement would perpetuate the inequities that currently prevail in the treatment of workers in casual employment, a growing mode of employment not only in the service industries where women are clustered, but also in institutions that are under funding stress, such as universities. If we are to have a genuinely universal system, casual workers must be eligible.

AFUW suggests that any woman should be eligible if, over the past 12 months, she has had an *average* of 10 hours employment, calculated over a period of 48 weeks (why should casual workers not be entitled to the standard holiday leave?).

## **8. Who should fund paid maternity leave**

While all women in the workforce deserve paid maternity leave, not all employers are equally able to pay it. A system based entirely on employer responsibility would bear unequally upon both small businesses and those with a predominantly female work force. The consequence might indeed be the argument often advanced against paid maternity leave: that such employers would refuse to employ women of child-bearing age. While AFUW considers that employers cannot afford in the current labour supply not to employ women of childbearing age, it agrees that, just as paid maternity leave should not be unequally distributed among working women, so its costs should not be inequitably distributed among employers.

A universal and equitable system of paid child support could only be sustained by public funding. This is neither inherently unreasonable nor undesirable: it is a matter of will and priorities. It is feasible: other countries manage it. We use public funds to support an army: are soldiers so much more valuable than future citizens?

## **9. Benefits to Employers**

Small businesses and those employing a mainly female workforce may be the most apprehensive about the advent of paid maternity leave, but in the event it should make them more competitive, since they are currently disadvantaged in having to compete for labour (especially for skilled labour) against enterprises able to provide their own paid maternity leave schemes. A government-paid system can offer them the benefit of improved chances of retention without increased costs.

Ultimately all employers will benefit from reduced retraining costs and good staff morale in retaining experienced staff who feel valued in their double roles as parent and employee.

**10. Summary:**

**AFUW submits that financial support for maternity for Australia's working women is needed**

- **to demonstrate that the valuing of motherhood is not merely a matter of lip service;**
- **to help redress the continuing and inequitable income gap between women and men;**
- **to ensure that women can participate fully in productivity;**
- **to ensure that the community is not losing valuable workplace skills in making employment too difficult for mothers;**
- **because it is, in the words of a recent editorial in *The Age*, 'over-debated, overcooked and overdue.'**

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