

## **To the to the Productivity Commission**

I am a director of a company whose workforce of several hundred is predominantly women. Maternity leave is a big issue for the company and of course for the women we employ, and to date if we have a policy of 11 weeks maternity leave, funded by the company, with the intention to make this a longer period. We believe that mothers need at least six months paid maternity leave, or parental leave where the care is shared between partners. We believe the leave should be at the normal full wage, and able to be taken at half pay if they want to stay at home for 12 months.

The problem is that if employers like us have to foot the bill for all this, they will be reluctant to employ women or give the leave because of this cost. If the Government pays it would be unlikely to be at full wages. Most welfare payments are low and it would be hard to justify paying mothers at full wages.

One good idea is that it could be paid through a levy on all employers and maybe employees, and the funds would be pooled and used to pay parental leave. This would cost about 0.5% of employees' wages and 0.5% of employers wage costs. This would be about \$5 in every \$1000. For employees earning \$20,000 this would be about \$2 a week, for those on \$50,000 it would be \$5 a week, and so on. The Labor Government has promised at least \$1,000 tax cuts for everyone earning over \$16,000, which is 10 times as much as this a maternity levy would cost. Employers have adapted to paying 9% superannuation, 18 times as much as they would pay under this scheme.

Many people ask why should people who are not having children or have already had theirs have to put in for this. The answer is that those who don't have children don't have to take the loss of wages (e.g. part-time work) to care for them and bear the costs of raising them. But everyone benefits economically from children in our society. They are the workers and the tax payers of the future and their chances of being successful citizens later depend on their early wellbeing.

This message is sent in my personal capacity. I have been in the publishing industry for over 35 years and watched my female colleagues struggle with a problem which could be so easily solved by the adoption of a system such as is suggested here.

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