Australian Social Trends
2007

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Where figures have been rounded, discrepancies may occur between the sums of the component items and totals.
The proportion of women who are in the labour force has steadily increased over the last quarter of a century. For women of childbearing age (15–44 years), the labour force participation rate has risen from 59% to 71% over the period November 1980 to November 2005.\(^1\)

As Australia’s population ages, growth in the number of people of working age is predicted to slow and shortages of skilled labour are expected. Women’s participation in the labour force will be relied upon more heavily in the future.\(^2\) Women with children is a population group identified by the Organisation for Economic Co-operation and Development (OECD) as having great scope to raise their labour force participation in Australia.\(^3\)

The level of support available to women to combine paid work with child bearing and raising can influence their labour force participation. Access to leave for the birth and subsequent care of their child is one aspect of this support; others include access to quality child care and flexible working arrangements.\(^4\)

Leave from work is crucial to the health and wellbeing of mothers and babies. It enables women to recover from the birth, develop a bond with their baby and establish feeding (notably breastfeeding). Leave from work is also important to maintaining women’s attachment to the labour force and provides some job security.\(^5\)

### Data sources and definitions

This article focuses on women aged 15 years and over with a youngest natural child under two years of age (living with them at the time of the interview) and who worked as an employee in their last main job while pregnant. It examines their leave patterns for the birth and subsequent care of their baby, drawing on data from the ABS 2005 Pregnancy and Employment Transitions Survey.

**Employees** are women, working for either a public or private employer, who receive remuneration in wages, salary, a retainer fee from their employer while working on a commission basis, tips, piece rates or payment in kind, or women who operate their own incorporated enterprise with or without employees.

**Main job** is the job in which most hours were usually worked. This article focuses on the last main job held while pregnant.

In this article, *leave* is that which the woman applied for and was approved to take (irrespective of the amount actually taken at the date of interview). It may be paid or unpaid. Time spent on leave may be different from time spent out of the labour force, for example, women may return to work before the end of their period of leave. In 2005, for those women employees who had returned to work, their total time out of the labour force was similar to their period of approved leave.

**Maternity leave** is leave specifically for the birth and subsequent care of a baby in the first year. It may cover a period just before, and after, the birth of the baby and may be paid or unpaid.

### Leave arrangements related to birth

In November 2005, there were 467,000 women in Australia aged 15 years and over who were birth mothers of at least one child under two years of age who were living with them at the time of the interview. Over half (58% or 270,000) of these women had worked as an employee in their last main job while they were pregnant.

For most women employees, time away from paid work for the birth and subsequent care of their child is taken on leave. While the type and amount of leave available varies, some of the more common forms of leave include paid and unpaid maternity leave, holiday leave, long service leave and leave without pay.

In 2005, nearly three-quarters (73% or 198,000) of these women had worked as an employee in their last main job while pregnant used some type of leave for the birth and subsequent care of their child.

### Women employees(a): use and duration of leave related to birth — 2005

<table>
<thead>
<tr>
<th></th>
<th>Average leave duration</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>'000</td>
</tr>
<tr>
<td>Used leave</td>
<td>198</td>
</tr>
<tr>
<td>Paid leave only</td>
<td>37</td>
</tr>
<tr>
<td>Unpaid leave only</td>
<td>61</td>
</tr>
<tr>
<td>Both paid and unpaid leave</td>
<td>101</td>
</tr>
<tr>
<td>Did not use leave</td>
<td>72</td>
</tr>
<tr>
<td><strong>Total women</strong></td>
<td><strong>270</strong></td>
</tr>
</tbody>
</table>
Just over one-quarter (27% or 72,000) did not use leave, with the majority (76%) of these women leaving their jobs permanently.

The most common leave arrangement for women employees who used leave for the birth and care of their child was a combination of paid and unpaid leave (37% or 101,000 women). A further 22% (61,000 women) used only unpaid leave and 14% (37,000 women) used only paid leave.

Overall, 60% (161,000 women) of women employees used some form of unpaid leave and just over half used some form of paid leave (51% or 137,000 women).

...length of leave

The amount of time women spend out of the workforce for the birth and subsequent care of their child varies considerably. Factors influencing time away from work include the amount of paid and unpaid leave available to both women and their partners, access to child care, the flexibility of women’s work arrangements and levels of household income.

There is little consensus about the ideal length of leave women should take for the birth and care of their child. Fourteen weeks of paid leave is internationally recognised as being a suitable minimum amount of time and is the standard in the International Labour Organisation’s (ILO) Maternity Protection Convention.6 Others suggest that six months is necessary, particularly given the World Health Organisation’s recommendation for women to exclusively breastfeed their baby for six months.5

In November 2005, women who had worked as an employee in their last main job while pregnant and who used leave had on average 34 weeks (nearly eight months) approved leave for the birth and care of their child. Women with the longest periods of leave worked in the public sector (37 weeks on average), in organisations with 20 or more employees (36 weeks) or had been with their employer for more than one year (35 weeks).
Women using paid leave

In 2005, just over half (51% or 137,000 women) of women with a child under two years who had worked as an employee in their last main job while pregnant used paid leave for the birth and subsequent care of their child. Women employees using paid leave had an average of 12 weeks of approved paid leave (paid maternity and/or other paid leave). As well as having longer periods of approved leave, women in the public sector, in larger organisations and those who had been with their employer for more than one year, also had longer periods of approved paid leave. For example, 78% of women employed in the public sector in their last main job while pregnant used paid leave compared with 44% of those in the private sector. Almost two-thirds (64%) had worked in a business with 20 or more employees, more than double the proportion working in a business with less than 20 employees (29%). Few women who had worked as an employee in their last main job while pregnant used only paid leave, just 14% (or 37,000 women). Some of these women may have had sufficient amounts of paid leave to cover their desired period of leave from work while others may have returned to work without using unpaid leave for financial or other reasons.

...paid maternity leave

Paid maternity leave provides financial support while mothers prepare for and then recover from the birth, develop a bond with their child and establish feeding (notably breastfeeding). There is no legislated right to paid maternity leave in Australia and the majority of women employees are not entitled to it. However, there have been recent increases in the proportion of women employees who are entitled to maternity leave, at 41% in 2005 up from 36% of women employees in 2003 according to the ABS Employee Earnings, Benefits and Trade Union Membership Survey.

In 2005, well under half (37% or 101,000) of women who had worked as employees in their last main job while pregnant used paid maternity leave for the birth and subsequent care of their child.

Maternity and paternity leave provisions in Australia and Sweden

While women have legislated entitlements to maternity leave in most OECD countries, there is considerable diversity in the amount of paid and unpaid maternity leave women can access. For example in Australia while many women employees have access to 12 months unpaid maternity leave, access to paid maternity leave is more limited, with few women having paid maternity leave entitlements. In contrast, Sweden is widely regarded as having among the most generous maternity leave entitlements among OECD countries, with women and their partners able to access a range of paid leave entitlements.

Australia - permanent employees with at least 12 months continuous service with their current employer are entitled to 52 weeks of unpaid parental leave following the birth or adoption of a child. Some casual employees are eligible if they have been employed on a regular and systematic basis for a period of at least 12 months and if there is a reasonable expectation of ongoing employment. The period of unpaid leave is reduced by other leave taken by either parent.

There are no nationally legislated paid maternity leave entitlements in Australia.

Sweden - paid ‘maternity leave’ of seven weeks both prior to, and following birth is guaranteed to all working women regardless of their employment history. Additional paid ‘parental leave’ of up to 16 months can be shared between parents for the birth of a child. Parental leave is conditional upon the parent having worked six months prior to the birth or a combined period of at least 12 months during the two years preceding the birth. There are a number of other paid benefits such as a special pregnancy benefit and temporary parental leave.

Almost two-thirds of women employees (63% or 169,000 women) did not take paid maternity leave. Excluding those who had permanently left their job rather than taking leave, the most common main reason for not using paid maternity leave was 'not available or offered by the employer' (57%) followed by 'ineligibility' (32%).

There are disparities in the use of paid maternity leave, particularly across sector, industry and occupation. In 2005, just over three-quarters (76%) of women who had worked as employees in the public sector in their last main job while pregnant used paid maternity leave, compared with just over one-quarter (27%) of women employees in the private sector.

There were also high proportions of women who had worked in industries with large public sector employment and in the Finance and insurance industry using paid maternity leave. For example, 80% of women whose last main job while pregnant used paid maternity leave, compared with just over one-quarter (27%) of women employees in the private sector.

There were also high proportions of women who had worked in industries with large public sector employment and in the Finance and insurance industry using paid maternity leave. For example, 80% of women whose last main job while pregnant was in Government administration and defence and 68% of those in Education used paid maternity leave.

Use of paid maternity leave also differs by occupation with higher proportions of women in skilled occupation groups using paid maternity leave. Paid maternity leave was used by six in ten (60%) women employees who were Professionals, almost double the proportion of women whose last main job while pregnant was as an Intermediate clerical, sales and service worker (31%).

The length of paid maternity leave available to Australian women employees varies and generally ranges from 2 days to 18 weeks. Few women are entitled to the 14 weeks of paid maternity leave recommended by the ILO Maternity Protection Convention. In 2005, just under one in five (19%) women who were employees in their last main job while pregnant used 14 weeks or more of paid maternity leave. Women employees who used paid maternity leave took an average of 11 weeks of paid maternity leave.

Women using unpaid leave

Six in ten (60% or 161,000) women who were employees in their last main job while pregnant used unpaid leave for the birth and subsequent care of their child. Unpaid maternity leave accounted for the majority of this unpaid leave, used by 137,000 women. Women employees using unpaid leave used an average of 31 weeks of unpaid leave.

Similar proportions of women employees working in the private (59%) and public sector (61%) used unpaid leave. Those working for larger employers were more likely to use unpaid leave than those working for smaller employers. For example, 68% of women working in a business with 20 or more employees used unpaid leave compared with 44% of those working in a business with less than 20 employees. With a smaller staff base, employees may be less able to take unpaid leave because their position needs to be covered.

...women using only unpaid leave

Over a fifth of women who were employees (22% or 61,000 women) in their last main job while pregnant used only unpaid leave for their time away from work for the birth and care of their child.

Recent starters were more likely to use only unpaid leave than those having worked longer for their employer. In 2005, while 53% of women employees who had been with their employer for less than one year used only unpaid leave, 20% of those women working more than one year used only unpaid leave.
A higher proportion of women employees in the private sector (26%) used only unpaid leave compared with women in the public sector (8%). This is consistent with less generous paid maternity leave entitlements in the private sector, with those employees being more likely to rely solely on unpaid leave.

**Women not using unpaid maternity leave**

In Australia, up to 52 weeks of unpaid maternity leave is available to eligible permanent and casual employees who have had at least 12 months of continuous service with their current employer. It is the only type of leave entitlement legislated by the Australian government for the birth or adoption of a child.

In 2005, just under half of women who were employees (48% or 130,000 women) in their last main job while pregnant did not use unpaid maternity leave. Of these women, 24% (31,000) can be deemed ineligible for unpaid maternity leave as they had worked for their employer for less than 12 months.

Of the 99,000 women employees who were notionally eligible for unpaid maternity leave (i.e. had been with their employer for 12 months or more), 26% reported the main reason for not using unpaid maternity leave was they permanently left the job they had while pregnant. Just over a fifth (21%) reported that unpaid maternity leave was not available or offered in their workplace and 16% reported not being eligible. A further 7% reported they could not afford to take unpaid maternity leave. The remaining 29% reported other reasons which are likely to include not wanting or needing to take unpaid leave. Some women not needing to take unpaid leave may have had sufficient paid leave to meet their leave requirements.

**Women employees(a) with 12 or more months continuous service who did not use unpaid maternity leave — 2005**

<table>
<thead>
<tr>
<th>Reason for Not Using</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Left job(b)</td>
<td>15</td>
</tr>
<tr>
<td>Not available/ offered</td>
<td>10</td>
</tr>
<tr>
<td>Not eligible</td>
<td>10</td>
</tr>
<tr>
<td>Could not afford to</td>
<td>5</td>
</tr>
<tr>
<td>Other</td>
<td>5</td>
</tr>
</tbody>
</table>

Main reason for not using

(a) With children under two years who worked as an employee in their last main job while pregnant.
(b) Women who permanently left their job while pregnant.


**Endnotes**

INFORMATION AND REFERRAL SERVICE
Our consultants can help you access the full range of information published by the ABS that is available free of charge from our website, or purchase a hard copy publication. Information tailored to your needs can also be requested as a 'user pays' service. Specialists are on hand to help you with analytical or methodological advice.

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