



Australian Social Trends 2007

Article: Maternity leave arrangements

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SYMBOLS AND USAGES

billion	1,000 million
kg	kilogram
m	metre
n.a.	not available
n.e.c	not elsewhere classified
n.p.	not published
n.y.a.	not yet available
no.	number
'000	thousand
'000m	thousand million
\$	dollar
\$m	million dollars
\$b	billion dollars
\$US	American dollar
%	per cent
*	estimate has a relative standard error of 25% to 50% and should be used with caution
**	estimate has a relative standard error of greater than 50% and is considered too unreliable for general use
. .	not applicable
—	nil or rounded to zero (including null cells)

Where figures have been rounded, discrepancies may occur between the sums of the component items and totals.

Maternity leave arrangements

In 2005, just over half (51%) of women with a child under two years who were employees in their last main job while pregnant reported using paid leave for the birth and subsequent care of that child.

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

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

	'000	%	Average leave duration weeks
Used leave	198	73	34
Paid leave only	37	14	17
Unpaid leave only	61	22	29
Both paid and unpaid leave	101	37	43
Did not use leave	72	27	..
Total women	270	100	..

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

Source: ABS 2005 Pregnancy and Employment Transitions Survey.

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 was 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 women who 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): selected characteristics by use and duration of leave related to birth — 2005

Selected characteristics(b)	Used leave						Total women		
	Used paid leave		Used unpaid leave		Total used leave	Did not use leave	%	No. '000	Average leave(c) duration weeks
	Only paid leave	Total	Only unpaid leave	Total					
	%	%	%	%	%	%	%	%	%
Length of time with employer (years)									
Less than one	*7	17	33	43	51	49	100	46	26
One to less than five	12	47	24	59	71	29	100	130	34
Five or more	19	72	15	68	87	13	100	95	36
Number of employees in workplace									
Less than 20	*11	29	26	44	55	45	100	89	29
20 to 99	12	57	25	70	82	18	100	60	36
100 or more	17	68	16	67	84	16	100	111	35
Sector									
Public	25	78	8	61	86	*14	100	56	37
Private	11	44	26	59	70	30	100	213	33
Total(d)	14	51	22	60	73	27	100	270	34

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

(b) Of woman's last main job while pregnant.

(c) Average duration of paid and/or unpaid leave for women who took leave.

(d) Total for Number of employees in workplace includes 'don't know' and 'business owners with no employees', and for Sector includes 'not determined'.

Source: ABS 2005 Pregnancy and Employment Transitions Survey.

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 employees(a): type and duration of leave related to birth — 2005

	'000	%	Average duration of leave Weeks
Paid leave	137	51	12
Paid maternity leave	101	37	11
Unpaid leave	161	60	31
Unpaid maternity leave	137	51	32
Total used leave	198	73	34

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

Source: ABS 2005 Pregnancy and Employment Transitions Survey.

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 on average 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

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.⁷

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. This can be used by the woman before the birth, and until the child is eight years of age. 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.

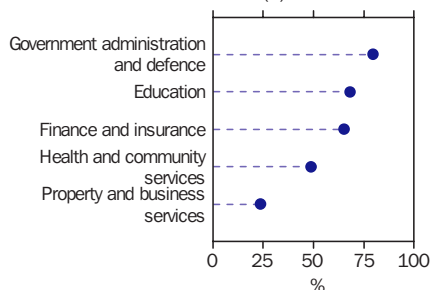
Source: Organisation for Economic Cooperation and Development 2002 and 2005, *Babies and Bosses: Reconciling work and family life. Vol. 1 and 4*, OECD, Paris.

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.⁸

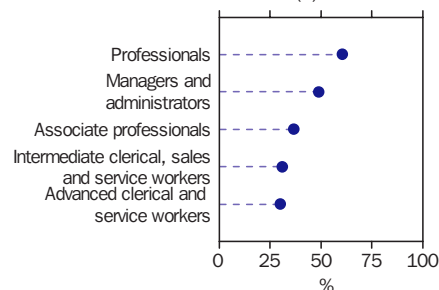
In 2005, well under half (37% or 101,000) of women who had worked as employees in their last main job while pregnant used paid maternity leave for the birth and subsequent care of their child.

Women employees(a) who used paid maternity leave — 2005

SELECTED INDUSTRY GROUPS(b)



SELECTED OCCUPATION GROUPS(b)



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

(b) Of woman's last main job while pregnant.

Source: ABS 2005 Pregnancy and Employment Transitions Survey.

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 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.⁵ Few women are entitled to the 14 weeks of paid maternity leave recommended by the ILO Maternity Protection Convention.⁶ 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 33% 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.

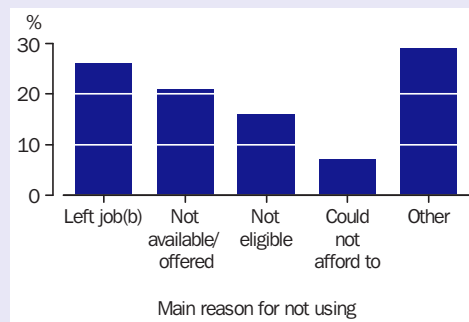
Women not using unpaid maternity leave

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.⁷ 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



- (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.

Source: ABS 2005 Pregnancy and Employment Transitions Survey.

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.

Endnotes

- 1 Australian Bureau of Statistics 2005, *Labour Force, Australia Detailed, Electronic Delivery, Monthly*, cat. no. 6291.0.55.001, ABS, Canberra.
- 2 Baird, M 2004, 'Orientations to Paid Maternity Leave: Understanding the Australian Debate', *Journal of Industrial Relations*, vol. 46, no. 3.
- 3 Organisation for Economic Co-operation and Development 2006, *Economic Survey, Australia*, OECD, France.
- 4 Human Rights and Equal Opportunity Commission 2007, *It's about time: Women, Men, Work and Family – Final paper*, HREOC, Sydney.
- 5 Human Rights and Equal Opportunity Commission 2002, *A time to value – Proposal for a National Paid Maternity Leave Scheme*, HREOC, Sydney.
- 6 International Labour Organisation, C183 Maternity Protection Convention 2000, ILO, viewed 4 May 2007, <<http://www.ilo.org/ilolex/cgi-lex/convde.pl?C183>>.
- 7 Australian Government, 2006, *Workchoices and Parental leave*, viewed 14 March 2007, <[http://www.workchoices.gov.au/ourplan/publications/html/WorkChoicesandparental leave.htm](http://www.workchoices.gov.au/ourplan/publications/html/WorkChoicesandparental%20leave.htm)>.
- 8 Australian Bureau of Statistics 2003 and 2005, *Employee Earnings Benefits and Trade Union Membership, 2003 and 2005*, cat. no. 6310.0, ABS, Canberra.

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