Submission to the Review of the Maternity Leave (Commonwealth Employees) Act 1973

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Overview

We welcome the review of the Maternity Leave (Commonwealth Employees) Act 1973 (ML Act) and are pleased to provide the review team with a submission. We have provided information and recommendations on selected Terms of Reference, based on our combined research expertise on maternity, paternity and parental leave, flexible working arrangements, gender equality and the public sector.

While a landmark piece of legislation when introduced in 1973, the ML Act is now outdated and in need of significant amendment. We provide principles to guide the redrafting of the legislation in the next section, followed by our recommendations. We then provide the analysis that underpins these principles and recommendations.

Principles

i. New or revised parental leave provisions are legislated to improve maternal and infant health; gender equality; labour market retention and workplace attachment, retention and engagement, consistent with available evidence.

ii. No employees are to be worse off with the introduction, or amendment, of maternity and parental leave entitlements.

iii. Any new or amended legislation should be framed in gender neutral terms, to progress gender equality.

iv. Parental leave provisions should complement early childhood care and education benefits.

v. Parental leave to be accessible to all parents across diverse family types (i.e. birth mothers, fathers, adoptive parents, same-sex couples etc), enshrining choice and flexibility in the pattern of leave taken.

vi. New or amended legislation to be designed in a way that meets the diverse needs of working parents, enabling flexibility in when, how and who can access parental leave provisions.

vii. Employees and their representatives be able to bargain for enhanced parental leave provisions.

Recommendations

i. That the new APS parental leave legislation include 26 weeks paid parental leave.

ii. That 26 weeks paid parental leave be available to both parents.

iii. That the APS parental leave legislation embed flexible shared care opportunities for all parents.

iv. Both adoptive parents receive the same entitlements as birth parents.

v. That the Act be amended to expand opportunities for parents to use their leave in a flexible pattern.
vi. That the ML Act be amended to provide two days paid leave to an employee or the spouse of an employee whose pregnancy ceases by way of miscarriage up to 20 weeks’ gestation.

vii. That superannuation be paid on paid and unpaid parental leave.

viii. That periods of unpaid parental leave count as service.

ix. That new APS statutory parental leave entitlements include provision for paid leave for obstetric appointments.

x. That the parental leave policy be accompanied by a right to lactation breaks, where mothers have access to adequate lactation breaks and facilities upon their return to work.

xi. That any ‘flexible interaction’ should not result in a diminution of parental leave entitlements to APS employees.

xii. That the next Public Sector Workplace Arrangements Policy enable employees and their representatives to negotiate for enhancements to conditions, without trade-offs.

xiii. That regular casual employees also be entitled to access new parental leave provisions.

Introduction

The *Maternity Leave (Commonwealth Employees) Act* (ML Act) was passed in 1973 and at the time made the Australian public service (APS) a leader in Australia in providing paid maternity leave. The Act provides eligible employees with 12 weeks pay at replacement wages and 40 additional weeks of unpaid leave so that employees can access a total of 12 months’ leave. The legislation aimed to enable women employees of the Australian public service to combine a career with motherhood and to ensure income maintenance throughout (the first 12 weeks of) the leave period. The legislation also provides an employee with a right to return to her former position or one similar once the leave period has ended.

This legislation, along with the *Australian Public Service Award 2015*, continues to provide the minimum level of paid maternity leave for employees. These provisions exist alongside entitlements in the *Fair Work Act 2009* (FW Act), which provides unpaid parental leave of 52 weeks for each working parent, and the *Paid Parental Leave Act 2010* (PPL Act), which provides eligible employees with 18 weeks of parental leave pay (for the primary carer) and two weeks of Dad and Partner Pay at the level of the national minimum wage.

A comparison with other state public sector provisions and the private sector shows that the provisions in the ML Act are now outdated. The legislation is in dire need of amendment if the Australian public service is to be an employer of choice and to reflect contemporary norms and expectations of the Australian community in relation to gender equity at work and in parenting.
The existing scheme has fallen behind and is no longer suitable for an employer of choice

Current entitlements are not consistent with government policy. The *Australian Public Service Gender Equality Strategy 2021-26* states that the APS is an employer of choice for women due to good representation of women in the APS, including in senior leadership\(^i\). However, the APS is lagging in the provision of parental leave entitlements. Strengthening and increasing these provisions would ensure that the APS not only remains an employer of choice, but also models best practice to other sectors. The Australian Government has also recognised that enabling employees to work flexibly is an important part of the employee value proposition (EVP)\(^ii\). Enhanced parental leave provisions will strengthen the EVP of the APS.

Currently, the scheme in the ML Act compares poorly when compared with the schemes in the State and Territory public services. As shown in Table 1, when it comes to duration, the Commonwealth provides the least generous scheme, with all states and territories, except Tasmania, providing at least an extra 2 weeks of paid leave to the birth parent and at least a full week (in most cases 2 weeks) to the other parent.

**Table 1: Duration of State and Territory Public Sector Parental/Maternity/Paternity leaves**

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>For the birth parent / weeks</th>
<th>For the other parent / weeks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commonwealth</td>
<td>12</td>
<td>0</td>
</tr>
<tr>
<td>New South Wales</td>
<td>14</td>
<td>2</td>
</tr>
<tr>
<td>Victoria</td>
<td>14</td>
<td>2</td>
</tr>
<tr>
<td>Queensland</td>
<td>14</td>
<td>1</td>
</tr>
<tr>
<td>South Australia</td>
<td>14</td>
<td>2 (from personal/carers leave)</td>
</tr>
<tr>
<td>Western Australia</td>
<td>14</td>
<td>2</td>
</tr>
<tr>
<td>Tasmania</td>
<td>12</td>
<td>1 day</td>
</tr>
<tr>
<td>Australian Capital Territory</td>
<td>18</td>
<td>2</td>
</tr>
<tr>
<td>Northern Territory</td>
<td>14 (1-5 years’ service)</td>
<td>1 (1-5 years’ service)</td>
</tr>
<tr>
<td></td>
<td>18 (&gt; 5 years’ service)</td>
<td>2 (&gt; 5 years’ service)</td>
</tr>
</tbody>
</table>

*Note: different terminology is used in the various State and Territory Acts, eg parental leave, primary carer leave, secondary carer leave, other parent leave, spousal leave, bonding leave.

The APS is also being left behind by the private sector, in which many employers now have much more generous and flexible parental leave provisions, as shown in Table 2. Emerging approaches to parental leave in the private sector vary with leading companies prioritising:
• Full wage replacement paid parental leave (up to 26 weeks) for all family types, adoption, and surrogacy.
• No workforce eligibility requirements.
• Flexible use of leave – part-time or taken in blocks.
• Use over an extended period – up to 24 months.
• Superannuation on paid and unpaid parental leave.
• Gender-neutral parental leave with no distinction between ‘primary’ and ‘secondary carers.

Examples of schemes in the private sector are set out below in Table 2.

<table>
<thead>
<tr>
<th>Company</th>
<th>Length of parental leave</th>
<th>Weeks service requirement?</th>
<th>Super paid on paid &amp; unpaid parental leave</th>
<th>Flexible pattern of use</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ashurst (law)</td>
<td>26 weeks – both parents</td>
<td>0</td>
<td>No</td>
<td>yes</td>
</tr>
<tr>
<td>EY (consulting)</td>
<td>18 weeks – both parents</td>
<td>0</td>
<td>Yes</td>
<td>yes</td>
</tr>
<tr>
<td>Unilever (consumer goods)</td>
<td>16 weeks - both parents</td>
<td>-</td>
<td>Yes</td>
<td>-</td>
</tr>
<tr>
<td>Lion (manufacturing)</td>
<td>12 weeks – both parents</td>
<td>0</td>
<td>Yes</td>
<td>yes</td>
</tr>
</tbody>
</table>

Based on a review of leading practice at the employer and public policy level, we recommend that the APS modernise the current scheme to improve the extent to which it: meets the diverse needs of contemporary women, men and families in its workforce; and improves gender equality in its workforce.

Improving parental leave

Promotion of health, wellbeing and labour market participation

The quantum of leave available to parents should be increased immediately to 26 weeks. Paid parental leave of a duration of at least 26 weeks improves the stability of labour market attachment, reduces the risk of dropping out of the labour market, and mitigates reductions in incomes arising from childbearing and rearing. A period of 26 to 52 weeks also improves maternal and infant health. Increasing the duration to a period of leave of at least 26 weeks has the potential to benefit both parents employed by the APS, and the APS, through increasing retention of employees with young children and improving the health and wellbeing of its employees, which has positive flow on effects for work engagement, job satisfaction, and productivity.
This would provide most eligible APS employees with up to 44 weeks paid parental leave: 26 weeks at wage replacement and a period of 18 weeks parental leave pay at the minimum wage that an employee could use while on unpaid parental leave from the APS.

**Recommendation:** That any new APS parental leave legislation include 26 weeks paid parental leave.

**Promotion of gender equitable access**

The APS needs a parental leave scheme that is accessible to all parents, not just birth mothers. The current ML Act does not contain any leave provisions for men or supporting partners, making it very out of step with comparable workforces and companies (see Tables 1 and 2).

The APS Gender Equality Strategy notes that “men and supporting partners are missing out on accessing parental leave” vi. The Strategy also states that:

...“agencies will be proactive in offering parental leave and flexible work arrangements to all employees including those with caring responsibilities. Managers will favourably consider requests for flexibility for all supporting partners who are welcoming a child reflecting a strong commitment and support for flexible ways of working (data has shown that men, in particular, often do not take advantage of these opportunities) vii.

The current legislation does not align with this aim.

Further, the current ML Act is not congruent with the *Paid Parental Leave Act 2010*, which aims to normalise taking time out of the workforce to care for a child, promote gender equality, and work/family balance viii. Nor is the ML Act in alignment with the FW Act which provides for 52 weeks unpaid leave for each working parent.

The current legislation is also out of step with international best practice, which now has a strong focus not just on enabling fathers to take parental leave but on encouraging them to take parental leave. Increasingly, in Europe in particular, nations have developed schemes in which parental leave can be shared by women and men, portions of leave are only available to the father or partner, and in some instances, couples who share leave equally are entitled to a bonus period of leave that can be taken by either member (for leading examples, see Iceland, Norway, Sweden, Denmark, Finland and Germany ix. Portions/quotas for fathers/partners have been an effective mechanism for improving gender equality in the use of parental leave.

We suggest that the ML legislation be amended to encourage the more gender-equal sharing of primary carer leave.

**Recommendation:** that the 26 weeks paid parental leave be available to both parents.

**Recommendation:** that the APS parental leave legislation embed flexible shared care opportunities for all parents.

**Adoptive parents**

The ML Act does not contain any entitlements for adoptive parents, or those engaged in surrogacy, with the Act being limited to “a female employee who has become pregnant” x.
Any new or amended legislation should provide (both) adoptive parents (i.e. not just the adoptive mother) with the same entitlements as for birth parents and surrogate parents.

**Recommendation: Both adoptive parents and surrogate parents receive the same with the same entitlements as birth parents.**

**Providing flexibility**

In the private sector and public policy globally, leading practice in parental leave policymaking now encompasses more flexibility in the taking of leave and return to work. This includes provisions like enabling parents to use leave full time or part time over a longer period (with the rate of payment reduced on a pro rata basis), in shorter blocks rather than one continuous period, or combined with periods of paid work. This provides more options for parents to:

- Extend periods of paid leave if desired;
- More flexibly share care with a partner; and
- To transition back to the workplace more easily

Flexibility in the use of parental leave in the APS does not align with the opportunity within the FW Act to take leave over a 104 week period.

**Recommendation: That the Act be amended to expand opportunities for parents to use their leave flexibly.**

**Providing agencies with greater discretion to apply entitlements in individual circumstances, including situations of miscarriage, stillbirth, premature birth and other circumstances of serious neonatal health concerns.**

The ML Act’s provisions for employees who have experienced a stillbirth or miscarriage are inadequate and in need of amendment. The Act does not provide for these employees to take any leave\textsuperscript{xii}, and while APS employees may be able to access personal leave, dedicated leave for employees who have experienced still birth or miscarriage should be included in a revised ML Act. The PPL Act provides employees who have experienced a stillbirth or miscarriage (where gestation was up to 20 weeks) with access to parental leave pay\textsuperscript{xii}. An amended ML Act should mirror the PPL Act and provide payment to employees who have experienced miscarriage or stillbirth. This is a preferable arrangement to providing individual employees with additional entitlements, where managerial discretion may result in inconsistent leave and other entitlements granted to employees. Parental leave provisions – including those pertaining to stillbirth – provide a collective benefit for society and all employees covered by reinvigorated legislation should have access to these provisions.

The ML Act’s provision should be aligned with new Commonwealth legislation (October 2021) that provides two days of paid leave for those who miscarry before 20 weeks, and their partner, as part of the compassionate and bereavement leave entitlement. The new leave is available to workers employed under the FW Act\textsuperscript{xiii}. We note that the NSW Government has more generous provisions, and provides employees with five days paid special miscarriage leave\textsuperscript{xiv}. 
Recommendation: that the ML Act be amended to provide at least two days paid leave to an employee or the spouse of an employee whose pregnancy ceases by way of miscarriage up to 20 weeks’ gestation.

Other support for new parents
Best practice parental leave provisions also contain a range of other entitlements. Based on Australian and international evidence, we make the following recommendations aimed at increasing support for new parents.

Superannuation
Paying superannuation on periods of unpaid parental leave will assist in decreasing the gender pay gap in the APS, which was 6.6% in 2020\(^{xv}\). It will also increase women’s lifetime earnings, as women APS employees have almost 20% less superannuation than their male counterparts\(^{xvi}\).

Recommendation: that superannuation be paid on paid and unpaid parental leave.

Unpaid parental leave to count as service
The current ML Act\(^{xvii}\) provides that periods of maternity leave do not affect continuity of service. This is a minimum entitlement that should be extended. Recognising periods of unpaid parental leave as service will not only ensure the continuation of the payment of superannuation, but also ensure that employees who are accessing unpaid parental leave for part of the year are able to access increments and other entitlements that derive from continuity of service, such as long service leave. This will also assist in decreasing the gender pay gap, reducing other gender inequalities in access to entitlements, as well as ensuring continued recognition.

We note that recognising periods of unpaid parental leave as service may set a new benchmark for counting other periods of unpaid leave as service (such as periods of leave without pay). We encourage the review team to examine any unintended consequences of this approach, while also adhering to our first principle.

Recommendation: that periods of unpaid parental leave count as service.

Leave for obstetric appointments
Paid leave entitlements for both parents to attend obstetric and other essential appointments supports good pre-natal care. Access for adoptive and surrogate parents, and the non-birth parent will support shared care and gender equality.

Assisted reproductive treatment leave
In 2015 The Police Association Victoria incorporated 35 hours’ paid assisted reproductive treatment leave in its enterprise agreement\(^{xviii}\). This quantum was subsequently increased to 80 hours paid leave per annum. This benefit also includes 20 hours’ paid leave for the partners of those undergoing assisted reproductive treatment in order to facilitate their attendance at medical appointments\(^{xix}\).

Recommendation: that new APS statutory parental leave entitlements include provision for paid leave for obstetric appointments and assisted reproductive treatment.
Lactation breaks
Support for lactating mothers who return to work while breastfeeding a young child require time and a safe and secure place to breastfeed or pump and store milk. The health benefits of breastfeeding are well established and workplace entitlements such as breastfeeding breaks for mothers and related facilities can support the health and parenting choices of new mother and babies. We note the individual agencies may already provide such support, but encourage an APS-wide minima to be incorporated into any new legislation.

Recommen: we recommend that the parental leave policy be accompanied by a right to lactation breaks, where mothers have access to adequate lactation breaks and facilities upon their return to work.

Facilitating flexible interaction of entitlements provided by the ML Act with agency industrial instruments, the National Employment Standards, the Paid Parental Leave scheme and other relevant legislation.
The rights to unpaid leave and job protection are governed by the FW Act, and are included in 10 National Employment Standards (NES), whereas the Parental Leave Pay (PLP) scheme is governed by the PPL Act, and sits in the social services portfolio alongside income support payments. In addition, paid parental leave (including paid maternity or primary carer leave and paid paternity or secondary carer leave) may be made available through workplace agreements or company policies.

The Terms of Reference do not define what constitutes ‘flexible interaction’ between the entitlements contained in these industrial instruments. As outlined above, parental leave provisions are provided in multiple industrial instruments, with enterprise agreements building on the minima contained in legislation. As a principle, any ‘flexible interaction’ should not result in a diminution of parental leave entitlements to APS employees.

Recommen: Any ‘flexible interaction’ should not result in a diminution of parental leave entitlements to APS employees

Interaction with bargaining
Current parental leave entitlements at the agency (or equivalent) level have also been gained or improved upon through enterprise bargaining, however this avenue is limited. In 1997, APS service-wide bargaining frameworks imposed limits on the quantum of wage rises, and the terms and conditions that agencies could negotiate. The bargaining frameworks were subsequently revised for each bargaining round, approximately every three years. The 2020 bargaining framework allowed bargained outcomes that were ‘reasonable’, reflecting ‘community standards’. Conditions of employment could not be enhanced overall, but trade-offs between employment conditions of ‘similar value’ can occur. Previous research has shown that terms and conditions of employment which progress gender equality, and in particular, benefit women, are more likely to be traded off than conditions which benefit men, or the whole workforce. This policy effectively stymies bargaining for improved parental leave provisions, and is a contributing factor to these provisions not being enhanced for some years.

A review of the parental leave provisions in 40 APS agencies, including the largest agencies, show that the most common quantum of paid parental leave is 12 to 14 weeks. Some agencies provide 16 weeks, a few provide 18 weeks paid maternity leave, and one agreement
provides for 26 weeks paid maternity leave. The quantum for adoption leave tends to mirror the maternity leave entitlements. Supporting partner leave is not generous, with the most common quantum being two weeks. These provisions were gained through collective bargaining, but increases over the years has been minimal.

Analysis conducted by two of the authors of this submission found that in 2009, the most common quantum of maternity leave was 12 to 14 weeks (Baird et al, 2009), showing that maternity leave provisions have not improved in the last 13 or so years. The current bargaining policy is stymying negotiations for parental leave provisions. The inability for gender equitable provisions to be enhanced through collective bargaining is evidence of a lack of congruence between forms of regulation and makes the legislation all the more important in providing the best possible conditions. We therefore recommend that for industrial instruments to be congruent and aligned, that employees be able to bargain for parental leave entitlements, as well as for other gender-equitable provisions.

**Recommendation: that the next Public Sector Workplace Arrangements Policy enable employees and their representatives to negotiate for enhancements to conditions, without trade-offs.**

How eligibility criteria for Commonwealth employee entitlements interact with part-time and casual work and periods of leave without pay. The ML Act does not include provisions for casual employees. As a minimum, any new or amended legislation should mirror the provisions in the FW Act, to enable ‘regular’ casual employees to access PPL.

**Recommendation: that regular casual employees also be entitled to access new parental leave provisions.**

**Next steps**

The authors are available to discuss the material with the review team and to share our recent research underpinning the submission. If you would like to consult with us, please email A/Prof Williamson at sue.williamson@unsw.edu.au.
About the researchers

Associate Professor Sue Williamson

Sue Williamson is one of Australia’s leading experts in public sector gender equality. She has researched paid parental leave provisions and flexible working arrangements in the public sector. She has also examined how public sector employees worked from home during the pandemic, and what the future of work in the public sector might look like post-pandemic. Sue has also examined how middle managers can progress gender equality. Sue is part of the Public Service Research Group at UNSW Canberra, which provides timely, high-quality and reliable research into public policy implementation.

Sue was awarded the 2020 Rosemary O’Leary award from the International Research Society for Public Management for the best article published on public sector and gender equality in 2020. She was also a Telstra Business Woman of the Year Finalist for the ACT, in Academia, in 2017.

Professor Marian Baird

Marian Baird AO is Professor of Gender and Employment Relations, a Presiding Pro-Chancellor of the University of Sydney, Head of the Discipline of Work and Organisational Studies and Co-Director of the Women and Work Research Group in the University of Sydney Business School. Marian is a Fellow of the Academy of Social Sciences of Australia (ASSA).

Marian was awarded an AO (Officer of the Order of Australia) for outstanding services to improving the quality of women’s working lives, especially with regard to research leading to the introduction of Australia’s Paid Parental Leave Act. In 2021 and 2020 she received international and national awards for significant services to industrial relations, in 2018 and 2019, Marian was named in Apolitical’s Top 100 Most Influential People in Gender Equality list. In 2014 she received the Edna Ryan Award for making positive change for women in the workforce, in 2013 she received the AFR/Westpac Women of Influence Award in Public Policy, and in 2015 and 2003 she won the University of Sydney’s Business Schools most engaged researcher awards.

Marian is one of Australia’s leading researchers in the fields of parental leave, women, work and care. Marian was a Chief Investigator on the evaluation of the Australian government’s Paid Parental Leave (PPL) scheme from 2010-2014. She has published widely on parental leave policy and practice, is co-lead of The International Network on Leave Policies and Research, and Chief Investigator on a number of significant research grants, including the Centre of Excellence on Population Ageing Research (CEPAR).

Associate Professor Elizabeth Hill

Elizabeth Hill is Associate Professor in political economy at The University of Sydney and Co-convenor of the Australian Work + Family Policy Roundtable. Elizabeth is a leading researcher on the future of women, work and care in Australia and the Asia region, and has collaborated with international institutions, including the International Labour Organisation and UN Women, on projects on gender equality in work and care. She has published on work and care regimes in Australia and the Asia Pacific, gender and the future of work, migration
and care work in Australia, informal work and employment policy in India, and women’s unions and collective action in the Indian informal economy. Elizabeth is interested in how economic institutions shape women’s paid work, unpaid care and the care workforce – especially as they evolve in response to the rapidly evolving dynamics of the global political economy. In 2021 Elizabeth won an Edna Ryan Award in recognition of her contribution to feminist policy making.

**Associate Professor Myra Hamilton**

Associate Professor Myra Hamilton is a Principal Research Fellow at the ARC Centre of Excellence in Population Ageing Research at the University of Sydney and is based in the School of Work and Organisational Studies. She is a sociologist and social policy researcher whose research focus is on gender, work and care over the life course. Myra’s research explores how government and workplace policies and supports can build wellbeing in work and in care over the life course and adequate retirement incomes. Her projects have covered parental and carers leave, work/care reconciliation among parents, grandparents, and unpaid carers, the impacts of unpaid care on financial security, and building inclusive workplaces. In particular, her work has explored ways in which parents and grandparents manage care of young children, how the government parental leave scheme and workplace schemes in Australia contribute to gender equality and how they can be improved, and what could be learned from international models of parental leave. Myra combines traditional academic research with applied policy research for government and non-government organisations, including evaluations of policies and programs.
EndNotes

1 Australian Public Service Commission (APSC) (2021) Gender Equality Strategy 2021-26: Realising the benefits for all, Canberra: Commonwealth of Australia.
8 s. 3A, PPL Act
10 s. 6 ML Act
11 s. 6(2) ML Act
12 s. 277 PPL Act
17 s. 7(B) ML Act


See for example: SWA, AOFM, FWO, PC, Treasury, NCA, OPC, Finance, ACCC, APSC, OAIC, Austrac, PSR, MDBA, ATO, ABS, AHL, FWC, ACMA, ASQA and AIHW (CPSU, unpublished).

AHRC, DIRD (CPSU, unpublished).

AIFS (CPSU, unpublished).

s. 67 FW Act