Chair - Professor Belinda Probert

Just a small agenda here, pay equity and a few other things! Thank you very much Leonie. I would like to ask Margaret Parker who is from Women Chiefs of Enterprises International, Victorian Branch to give her perspective.

Margaret Parker – representing Women Chiefs of Enterprises International, Victorian Branch

Pru when I read your paper, because of the circumstances of myself as an employer the thing that jumped out at me was – “Should the maternity leave be funded by the employer?” I am just going to give you some statistics that relate to my business as to why I don’t think they should. You have now told us that this is not an option and that as far as you’re concerned the employer shouldn’t be paying. I am very pleased to hear that but nevertheless I would like to give some evidence to explain what the cost might be in particular circumstances in the small to medium enterprise that I am involved in. I am a chartered accountant. We have a business which has 50 employees, six partners, 14 part time employees and of our employees four of them are pregnant.

As you can see of our part time employees we have 12 women and two men and those 12 women are involved in part time work because of family and small children commitments. Whereas the two men that are part time employees are nearing retirement age and that’s why the part time employment is of interest to them. The cost of paying a 14 week maternity leave system to our four pregnant women includes salaries of 14 weeks $43,500, on costs, superannuation. There is also the cost of replacing those employees and the cost that goes with that and for an enterprise of ours with 50 employees it would be a cost of $100,000. That cost doesn’t include the training time, the recruitment time and the other opportunity costs that go along with shifts in your employment situation.

So you can see for an employer funded scheme it is a significant cost and as Pru has mentioned before and the paper talks about, it would create a disincentive to employ women. I am quite sure that any employer who thought that $100,000 was going to be wiped off their bottom line by employing women, wouldn’t go ahead. There would be discrimination. I also think that that $100,000 does impact on the commercial competitiveness or would impact on the commercial competitiveness of my business and therefore I am sure it would on others. Therefore I certainly don’t support the case for an employer funded scheme.

However as a business the key component that I would like to see is that the scheme should be administratively simple. Pru mentioned the GST and I might say that the increased administration for businesses generally in the last few years has been enormous.

Having had the opportunity last night to hear Pru speak and to be involved in another debate I wondered if perhaps we might even look at a two step process. The first which actually addresses paid maternity leave as a work place issue and therefore you would have a government funded maternity leave paid for 14 weeks, at I think the minimum wage. I think what we ought to be doing now is getting it in and then
increasing whatever benefits that we might have and then perhaps as a second issue have a look at the social aspects. This is a welfare issue and you might be able to extend the amount of payments to women who are not in the workforce. So thank you very much ladies and gentlemen.

**Chair - Professor Belinda Probert**

Thank you very much Margaret, it is very important to have that perspective.