

# THE HISTORY OF WELFARE AND PAID MATERNITY LEAVE IN AUSTRALIA

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## **Abstract**

*Australia has a long tradition of providing women with welfare payments that correlate with maternity and having children. Since 1912, consecutive Australian governments have opted for welfare payments as opposed to opting for legislating universal paid maternity leave. This paper examines the history of welfare and paid maternity leave in Australia by examining the role maternity related welfare and paid maternity leave have played in the Australian context. Consideration is given to the implications maternity related welfare and paid maternity leave have had from the social, political and economical paradigms. The paper concludes that while it is clear that the provision of maternity welfare payment to families presents some obvious benefits, such as lowering infant mortality, maternity welfare does not take into account the implication that having a child can have upon women in paid employment and women's 'dual responsibilities'.*

## **Introduction**

The International Labour Organisation (ILO) is a United Nations specialised agency which was founded in 1919 that seeks the promotion of social justice and internationally recognised human and labour rights. The ILO brings together governments, employers and workers of its member states in common action to promote

decent work throughout the world (ILO, 2008a). A principal focus of the ILO over the course of the last 90 years has been on maternity protection; in fact one of the first instruments adopted by the ILO was the Maternity Protection Convention 1919 (no.3). The adopted Convention decided 'upon certain proposals with regard to women's employment, before and after childbirth, including the question of maternity benefit' (ILO, 2004). While the convention has undergone various revisions (1952 No. 103 and 2000 No. 183) since its inception, even from the outset the Convention sought for 'sufficient benefits to be paid for the full and healthy maintenance of mother and child' (ILO, 2004). The most recent revision, May 2000, was instigated 'in order to further promote equality of all women in the workforce' and as such raised the recommended entitlement of 'maternity leave to not less than 14 weeks' (ILO, 2006). However this growing commitment on behalf of the ILO to support mother and baby has not been met with the same level of enthusiasm by member states, with only 17 having ratified Convention No.183 as at 30th April, 2009 (ILO, 2009).

Despite the low levels of ratification an ILO press release in 1998 declared that 'more than 120 countries around the world provide paid maternity leave and health benefits by law', thus making it an industrial feature that is present in both the developed and developing world, as countries such as Poland, Thailand, India and the Philippines have all legislated some form of universally paid maternity leave benefits. While Australia has been a member state of the ILO since its foundation, and promotes itself as 'playing an active role in the work of the Organisation' (Department of Foreign Affairs, 2008) it has neglected to ratify any of the ILO Maternity Protection Conventions and does not currently legislate for universally paid maternity leave benefits.

The aim of this paper is to examine the history of welfare and paid maternity leave in Australia. This examination is set within an institutionalised framework in which society, politics and the economy become the bases and framework for the argument. The social, political and economic paradigms are identified as the

traditional modes in which society is formed (Gellner, 1974) and is a framework used by many researchers for research (Gellner, 1974; Green, 1987; Rostow, 1990; Temple, 1998). The social political and economic paradigms have spawned from the traditional theory of liberalism and conservatism (Green, 1987). In using these paradigms as a framework for the examination, this paper aims to provide an understanding of the issues within the Australian context of the absence of universal paid maternity leave in Australia in a way that has not been achieved through general human resource management and industrial relations literature.

### **The Social Paradigm**

The social paradigm revolves around two dimensions of content and structure (Culbertson, Jeffers, Stone and Terrell, 1993). 'Content refers to what people believe and how they believe; structure deals with relationships among one or many peoples' (Culbertson et al, 1993.). In the context of this research, the social paradigm refers to the relationship between the Australian government, the issue of maternity leave and the way in which Australian mothers are accounted for in legislation.

Providing women with a welfare payment as opposed to legislated paid maternity leave throughout Australian history has had a number of social implications for Australian society, including lowering infant mortality (Kewley, 1980), addressing fertility crises (Treasury, 2006) and providing an 'equitable' payment available to all families to help with the enduring costs of a new baby (Family Assistance, 2007).

The decision of the Fisher Government in 1912 to introduce the Maternity Allowance was done so on the basis that it would lower infant mortality (Kewley, 1980), while the purpose of neither means nor character testing was to remove any 'stigma of charity from it' (Kewley, 1974, p.104).

At the time Prime Minister Fisher stated that the allowance was intended

*to protect the present citizens of the Commonwealth and to give to coming citizens a greater assurance that they will receive proper attention at the most critical period in their lives* (Lake, 1999, p.75).

Also:

*Such an allowance would be the means of helping poor parents to tide over an anxious period, and ensuring their offspring's health, and perhaps lives, shall not be jeopardised in the dawn of existence* (cited in Kewley, 1974)

While supporting Australian families was the official stance of the Australian government, the issue of under-population in Australia was a lingering issue, as 'Populate or Perish' was the catch phrase of the time. Many Australians believed that the Maternity Allowance was a ploy that would encourage 'Australian citizens' to populate (Borrie, 1948).

At the time The Bulletin released this statement:

*To level the miracle of birth to a cash nexus, to involve the sacredness of parenthood and the ineffable relations of mother and child in a scheme and payment by results, is a grossness from which even the political mind should shrink as from pollution from a thing essentially divine* (cited in Kewley, 1980, p.22).

Despite such claims from the public, a Royal Commission on National Insurance was conducted by the Bruce-Page Government in 1923 to examine the effectiveness of the Maternity Allowance, revealing that:

*the maternity allowances, although claimed by many who did not need them, has brought a measure of much needed*

*assistance to a great deal of homes, and had also lead to an increase in the number of women attended by doctors at confinement* (Kewley, 1980, p.24).

Between the period of 1912 and 1978 the structure of the Maternity Allowance changed dramatically in order to adapt to the changing economic climate (Mendelsohn, 1979). In 1931 after the depression the Maternity Allowance became means tested and the amount varied depending upon the size of the family (Borrie, 1948; Kewley, 1974). The reason for changing the allowance was done so on the basis that

*the demand for the economy in public expenditure required that the allowance be restricted to those who were the more likely to be in need of it* (Kewley, 1974, p.116).

The Maternity Allowance was restored to being a non means tested allowance in 1943 under the *Maternity Allowance Act 1973*. No increase to the allowance was made between the period of 1973 and 1974 due to the government opting to provide further financial support via ‘hospital, medical and pharmaceutical benefit schemes’ to those people who were eligible (Kewley, 1974, p.258).

In 1978 though, under the Fraser government, the Maternity Allowance was abolished since the government felt that it had become “unnecessary government expenditure” (cited in Kewley, 1980). In the Budget speech of 1978-79 the treasurer of the time, John Howard, stated that ‘the Maternity Allowance had become superseded by health care and family allowances’ (cited in Kewley, 1980).

Howard at the time was referring to the fact that the original purpose of the Maternity Allowance had become obsolete. While the original intention of the Maternity Allowance was to aid all families with their financial strains that had come as a result of having a new child and to help in lowering infant mortality, the ‘testing’ of the Maternity Allowance meant that only a small percentage of the population was able to access financial support

made available via the allowance (Kewley, 1980; Mendelsohn, 1979).

Even when the allowance once again became non-means tested, the financial support that was given was not a substantial amount to pay for medical attention. Financial support that was needed for hospital care was to be granted via other benefit schemes, only available to those who qualified. It is argued that the elimination of the Maternity Allowance in 1978 was ‘without fuss, because the benefit had been redundant for twenty years’ (Kewley, 1980, p.218).

In 1996 the Keating Government reintroduced the Maternity Allowance as part of the *Social Security Legislation Amendment (Family Measures) Act 1995*. The allowance was

*paid at a rate equivalent to six weeks of Parenting Allowance for each child born. Initially the rate was \$840.60. It was also paid for still-born children, adopted new-born children and children who died soon after birth. Families who met the Basic Family Payment income and assets test were eligible* (Daniels, 2006).

The payment was reintroduced by the Keating Government ‘for parents who want to stay home with their children’ and to act as a parenting allowance (Keating, 1996). In July 1995 the Keating Government also introduced the Parenting Allowance, a fortnightly payment given to families subject to an income test (Daniels, 2006).

The social implication of reintroducing a means tested welfare maternity payment meant that families in the lower socioeconomic levels were able to access financial support in order to counteract the burden that a new child can have financially upon new parents (Daniels, 2006).

In 2004 the Howard Government reintroduced the ‘Maternity Payment’, better known as the Baby Bonus (Family Assistance,

2007). Initially the payment was \$3000 and available to all new mothers irrespective of their work arrangements and indexed in line with the Consumer Price Index in March and September each year (Hill, 2006). Since 2004 the payment has increased to \$4,187; on July 1<sup>st</sup> 2008 the payment will rise to \$5000. Since 2005 the 'Baby Bonus' has also come to include payment for adopted children under the age of two years (Daniels, 2006). In May 2008 the Baby Bonus became means tested, and families and individuals earning over \$150,000 per year as of January 2009 will no longer be eligible to receive the welfare payment (SBS, 2008).

The 'Baby Bonus' was introduced in 2004 in order to 'help families with the cost associated with caring for a new baby' (Family Assistance, 2007, p. 2). But, much like the introduction of the original Maternity Allowance of 1912, many Australians believe that the introduction of the Baby Bonus is a ploy to encourage Australian families to have more children (Lunn and Wilson, 2008). This belief was fueled in 1996 by the former Treasurer Peter Costello releasing a statement asking all Australian families to have three children: 'one for mum, one for dad and one for the country' in the aid of helping counteract the ageing population and the declining fertility rate (Treasury, 2006).

The Howard Government's decision to introduce a 'Baby Bonus' as opposed to universally paid maternity allowance was also due to their belief that they believed paid maternity leave discriminates against those women who participate in paid employment and those who don't (Baird et al, 2002).

The President of the Australian Council of Trade Unions (ACTU), Sharon Burrow, responded to such arguments with:

*claims of discrimination make no sense. First, maternity leave payments -- like all employment benefits such as wages, annual leave or sick pay -- are, of course, only available to people in the workforce. For Mr Howard to argue against paid maternity leave because it discriminates against non-*

*working women is as silly as arguing that annual leave or sick leave payments should be abolished because they discriminate against the unemployed. Second, introducing paid maternity leave for working women in no way prevents or hinders governments from also providing adequate family support to women who are not in the workforce (Burrow, 2002).*

While working mothers are being neglected, some argue that the Baby Bonus is being exploited and ill used by drug addicted parents and youth as a form of income (Macklin, 2008).

The aim of this section was to show the role that maternity related welfare and paid maternity leave have played in Australia, specifically within the social context. This section has shown that since 1912 Australian governments have opted to provide Australian families with money from a welfare approach, rather than legislating for universal paid maternity leave. While this decision has had consequential social implications such as lowering infant mortality, these payments do not take into account the implications that having a child can have upon women who choose to participate in paid employment (Baird, 2004), as welfare payments do not recognise the dual responsibilities of motherhood and paid employment (Baird, 2004, p. 261).

In the next section of this literature review, this thesis will look at maternity legislation in Australia through the political paradigm. By doing this, this literature review aims to create some insights and understandings of the issue of paid maternity leave and maternity welfare through the 'political' sphere.

### **The Political Paradigm**

Politics and the political paradigm is defined as "the relationship between leaders and non-leaders in any social grouping" (Culbertson et al, 1993). The 'political' paradigm is more than just the government institutions which govern a society, it is the issues



which are discussed within this context and also the people who are involved either directly or indirectly with these issues.

For this research the political paradigm includes political institutions, the Australian government and the International Labour Organisation. 'Political' as a term is also used to describe the nature of the debate surrounding the matter of paid maternity leave, which in this research is considered to be a 'political issue'.

As discussed in the previous section, Australia has a long history of opting for providing a welfare payment to women as opposed to choosing to legislate for universal paid maternity leave (Kewley, 1980; Mendelsohn, 1979; Daniels, 2006). During the first section of this chapter this research has already shown that this has had a profound effect on Australian women in a 'social' context. The aim of this section is to show that the absence of universal paid maternity leave has also had many political implications.

The introduction of the Maternity Allowance in 1912 was one of the first times in which the Federal Government of Australia used its new constitutional powers that gave the Federal Government the power to execute welfare policies. Prior to 1901, there had only been State initiatives (Mendelsohn, 1979, p. 37). At the time of federation, while 'welfare' became a federal issue, aside from the creation of the Commonwealth Conciliation and Arbitration Commission, the States of Australia all retained their powers in terms of settling industrial disputes and determining wages and conditions (Mendelsohn, 1979, p. 37). This was still the case today until the introduction of Work Choices.

While the introduction of a welfare payment is not in line with ILO *Maternity Protection Convention (No. 183)* (ILO, 2007), the Australian government's industrial relations policy on unpaid parental leave is in line with the ILO *Workers with Family Responsibilities Conventions and Recommendations (No.156)* (ILO, 2008b). The ILO *Maternity Protection Convention (No. 183)* states that all working women should have access to fourteen weeks' paid

maternity leave (ILO, 2007). The *Workers with Family responsibilities Conventions and Recommendations (No.156)* convention on the other hand focuses upon the responsibility of industries to be ‘family friendly’ and provide flexible working arrangements in order to suit the demanding lives of being a family. In doing this though the recommendations are general and ambiguous and there are no references to paid maternity leave (ILO, 2008b).

In November 1973 the Whitlam Government legislated for twelve weeks paid maternity leave to all public servants through the *Maternity Leave (Commonwealth employees) Act of 1973* (O’Neill, 2004). The aim of the government at the time was to act as pacesetter (Deery and Plowman, 1980).

At the time though, Clyde Cameron, then Minister for Labour, argued strongly on behalf of the government that they did not want a macro legislative ‘flow on’ effect of their policy:

*If any attempts were made to bring about a flow on to private employees as a consequence of this, the government would oppose it. If the matter came before the Conciliation and Arbitration Commission, the Government would be prepared to intervene and officially oppose it* (Cameron, 1973).

Despite attempts by the Women’s Electoral Lobby (WEL) to encourage a legislative ‘flow-on’ effect, no universal paid maternity leave legislation has been established, while fears of a backlash from the business sector and negative consequences for the economy generally did not initiate a flow-on effect into the private sector (Baird, 2004). Regardless of the absence of legislative paid maternity leave, some organisations have opted to provide maternity leave benefits to female employees in order to compete with government standards.

In 1984 the public sector employed 26% of all employees; in 2005 this had shrunk to a mere 16% (Parliamentary Library, 2006). It could therefore be argued that the Australian government does not have the ability anymore to act as a pacesetter and wait for the private sector to follow suit (Plowman, Fisher and Deery, 1980, pp. 97-139); if universal paid maternity leave is to be introduced it has to be legislated by the federal government.

Politically paid maternity leave is perceived to be a women's issue. In the last decade the most dominant advocates for paid maternity leave have been The Women's Electoral Lobby, the Australian Council of Trade Unions under the lead of Sharon Burrow, the former Sex Discrimination Officer Pru Goward, and former Democrats leader Natasha Stott Despoja.

While the ACTU has been a long time advocate towards gaining maternity leave for female workers, when Sharon Burrow became president in 2000 the ACTU not only started to take a more proactive position on gaining *paid* leave, but they also took on a more 'female friendly' approach to its instalment. This can be attributed to the rise of female employment and consequently the rise in female trade union membership (ACTU, 2002).

In 1973 after the Whitlam Government legislated for twelve weeks' paid maternity leave to all public servants through the *Maternity Leave (Commonwealth Employees) Act of 1973* (Smith 1988), the ACTU sought for a flow-on effect into the private sector. At the time though the ACTU were calling for business funded paid maternity leave. NGOs such as WEL believed that if paid maternity leave was business funded in the private sector, this would lead to the discrimination against female employees (Sawer, 2008, p.14).

During the period of 1973-2001 the ACTU brought forward to the Arbitration Commission and to the subsequently renamed Australian Industrial Relations Commission the Maternity and Parental Leave Test cases in gaining fifty-two weeks unpaid

maternity/parental leave for all employees with more than twelve months' continuous service (Baird et al, 2002, p. 5).

In 2001, however, under the lead of Ms Burrow, the ACTU launched a campaign for the introduction of universal paid maternity leave. The key provisions included a minimum of fourteen weeks' paid maternity leave, six weeks' compulsory leave after childbirth, payment during maternity leave as a right, protection from dismissal and discrimination, a right to breastfeed at work and health protection (Long, 2001).

Ms Burrow's approach to universal paid maternity leave represented a new phase in the ACTU which has traditionally been male dominated in its leadership and policy.

In July 2001, Ms Goward was appointed Sex Discrimination Commissioner. Two months after her appointment Goward announced her support for paid maternity leave, stating that she believed that there was

*not enough support for women to have children .... Unless you pay somebody .... to stay at home and have children, you still might not have the desired effect. Women still might not be choosing to have children because they feel it's no real choice (Goward, 2001).*

Goward headed the Human Rights Equal Opportunity Commission's (HREOC) interim paper *Valuing Parenthood: Options for Paid Maternity Leave in 2002*. Released in 2002, the paper proposes that the Australian Government should provide for fourteen weeks' paid maternity leave to all working women, at a supplemented level, equal to that of a minimum wage (HREOC, 2002a). Despite being supported by the Australian Council of Trade Unions (ACTU), as well as the Women's Electoral Lobby (WEL) and the Australian Industry Group (AIG), the interim paper which included suggestions of where and how the leave should be paid was rejected on the basis that providing paid maternity leave is too expensive, and that it

differentiates between women in paid and unpaid employment; at the time Finance Minister Nick Minchin also labelled paid maternity leave “middle class welfare” (Minchin, 2002).

The most recent call for paid maternity leave has come from the Democrats Party with their new *Workplace Relations (Guaranteeing Paid Maternity Leave) Amendment Bill 2007*, which is an extension of Australia’s already existing unpaid maternity leave legislation. The Bill calls for a Government funded fourteen weeks’ leave at the minimum wage on the birth or adoption of a child (Stott Despoja, 2007a, 2007b).

While the Democrats Party’s Bill has not yet been accepted, on January 30<sup>th</sup> 2008, the ‘Labor Parties Workplace Relations Minister Julia Gillard said she was working with Treasurer Wayne Swan and Family and Community Services Minister Jenny Macklin to draw up terms of reference for the inquiry. The government plans to task the commission with examining the effectiveness of different models, including expanding current schemes or determining whether a government-funded scheme could work alongside existing privately-funded schemes’ (SMH, 2008).

The political implication of providing a welfare payment and not legislating for universal paid maternity leave has meant that Australia is only one of two OECD countries that does not have universal paid maternity leave, the other being the United States of America. Universal paid maternity leave is a defining industrial feature of both the developed and developing world, as countries such as India, Ukraine and Brazil all have universal paid maternity leave, yet Australia has made no moves towards legislating for such policy.

While Australia has not as yet legislated for universal paid maternity leave, other industrial conditions such as long service leave, sick leave and annual leave have been further extended. Today women take part in the Australian workforce at their highest rate ever at approximately 45% of the entire workforce population (Australian

Bureau of Statistics; Australian Social Trends, 2007). It is therefore the case, as argued by Baird (2004), that paid maternity leave is an essential feature of industrial relations policy that is needed in order to help women with their dual responsibility to Australia (Baird, 2004, p. 261).

In 1919 the International Labor Organisation created the first global standard that is aimed at trying to protect working women before and after childbirth with the creation of the *Maternity Protection Convention*. In 1952 the *Maternity Protection Convention* was revised and called for twelve weeks' paid leave to all working mothers. In 2000 this was extended to fourteen weeks and a recommendation was included that called for six weeks' compulsory leave after childbirth (ILO, 2007). Despite being a member of the ILO Australia has not yet ratified this agreement.

It is evident that the absence of universal paid maternity leave in Australia has had a profound effect upon many political institutions within the Australian and international area. Paid maternity is clearly a 'political' issue, shown by its presence in both popular media and academic literature.

In the next section, this literature review will look at the 'economic' sphere. By using the economic paradigm as the basis of this section of the literature review this paper is able to show the effect the economy has upon maternity leave provisions, and vice versa.

### **The Economic Paradigm**

The economic paradigm or context is argued to be the most important paradigm of the three (Culbertson et al, 1993). This is because economics controls us all, as individuals, organisations and societies, all operating within an 'Economic Circular Flow'. Within this 'Economic Circular Flow' four major realms exist, which bind all aspects of civilisation together: the household sector, the business sector, the government sector, and the foreign sector (Culbertson

et al, 1993, p.103; Chang, 1990). In layman terms, economics is all around us, and is the substance of society today.

In the words of Fred Ebb (1972): 'money makes the world go around'. By taking an economic look at the issue of paid maternity leave in Australia the aim is to understand how economics and money have shaped the debates that surround the issue of paid maternity and maternity allowances.

The issue of maternity and relevant legislation has had an intertwined and extravagant relationship with the economy across different sectors. On one hand the Australian economy has the ability to dictate government finances; on the other hand the finances and economies of non-government organisations and industries can affect the government and in turn be affected by paid maternity leave and maternity related legislation.

The Howard Government's stance on paid maternity leave was that it should be achieved in one of three ways: through either the use of enterprise bargaining, award arbitration or company policy. While enterprise bargaining was regarded as the most appropriate mechanism for gaining paid maternity leave, the Howard Government also believed that paid maternity leave should fall back on award arbitration and company policy (Baird, 2003; Baird, 2004; Strachan et al, 2000; Strachan et al, 2004; Burgess, Sullivan and Strachan, 2002). This perspective is in line with Australia's current industrial climate, in which we can see the deregulation and decentralisation of the Australian industrial relations system, dating back to the Accord of the 1980s (Deery, Plowman and Walsh, 1997; Chapman, 1998, p. 631).

Since the 1980s we can see that successive Australian governments have taken decisive action towards becoming a decentralised state. This is in line with neo-liberal economic policy, which lies in the belief that 'market based solutions to economic and social policy' (ACIRRT, 1999, p.8). Sappey, Burgess, Lyons and Buultjens (2006) describe the economic process of neo-liberalism as:

*reducing the size and scope of the public sector, placing pressure on trade unions, enhancing the powers of managers and removing 'impediments' to market adjustment, including minimum wages and base (award) conditions. In this process, the role and responsibilities of the government in the economy have been reduced and the government as a last resort employer and model for enlightened employment conditions is diminished (Sappey et al, 2006, p.108).*

As part of neo-liberal economic policy, the role of the State is to produce the institutional frameworks needed for the economy and free market to function. Aside from this purpose, State intervention should be kept to a minimum (Harvey, 2005, p.2).

Despite enterprise bargaining being argued as the most efficient way of achieving paid maternity leave, only a small percentage of women in the private sector have paid maternity leave.

In 2007 48.9% of large organisations provide paid maternity leave to female employees (EOWA, 2008f). Research by EOWA (2007b) has also found that 76% of women employed in the public sector had accessed paid maternity leave, compared to a mere 25% of women working in the private sector. Also, only 19% of small and medium enterprises provide any paid maternity leave (EOWA, 2008f). It is fair to say that enterprise bargaining is not working at achieving paid maternity leave for the majority of women.

In support of businesses, one big argument against forming compulsory paid maternity legislation is the belief that small businesses will not be able to financially provide for it. This is particularly an important fact as small business employs approximately 70% of all female workers and is the largest employer of women in Australia (Australian Bureau of Statistics, 1997), and it may result in employers discriminating against employing female employees (Baird, 2002b).



In recent years claims for government funded paid maternity leave have been rejected on the bases that it is too expensive (Democrats, 2007). The 2001 ACTU campaign for universal paid maternity leave was rejected on such grounds (Long, 2001).

Prime Minister John Howard at the time released this statement:

*I don't think anybody argues against the desirability of.. paid maternity leave, but if a firm can't afford it then it shouldn't be forced to provide it, because if it does that will result in fewer being available..... people should look at the issue entirely on a firm-by-firm, enterprise-by-enterprise basis* (Howard, 2001)

Research by the Democrats party in 2007 shows that the implantation of their Bill *Workplace Relations (Guaranteeing Paid Maternity Leave) Amendment Bill 2007* would cost around \$591.6 million in its first year of operation. HREOC costed a similar model of paid maternity leave in *A Time To Value* at \$219 million in 2005-2006 (Stott Despoja 2007a). Seeing as the Australian Defence 2006-07 Budget had an additional \$1.9 billion added to their previous budget for the acquisition of the Boeing C-17 Globemaster III (Nelson, 2006), and that the 2006-2007 Budget had a \$10.6 billion surplus (Australian Government, 2006), \$591.6 million is by no means an excessive amount by today's standards.

The economic effect of an absence of legislated universal paid maternity leave has been that if private business chooses to provide paid maternity leave, they must do so of their own accord. While providing paid maternity leave may be used as a recruitment tool, as a business may appear to be more 'attractive' (EOWA 2007c), for many small businesses it is not financially possible, and subsequently prevents many small businesses from implementing such leave of their own accord. This is an important fact because small business is the largest employer of women in Australia (Australian Bureau of Statistics, 1997).

From this section this literature review has been able to demonstrate the intertwined relationship between maternity leave benefits and Australian economics. While financial constraints may be the basis for the absence of universal paid maternity leave, further research into the real costs associated with proposed schemes shows that this argument may not be viable.

## **Conclusion**

The aim of this paper was to show the history of welfare and paid maternity leave in Australia. Within social, political and economic contexts, this paper has been able to demonstrate the implications of providing a welfare system, as opposed to that of industrial support for women. What has become clear in this paper is that while Australian governments have advocated against the legislation of universal paid maternity leave, the allocation of welfare payments in relation to maternity and child rearing has been a prominent feature throughout Australian history, dating back to 1912.

This paper has also shown that the struggle for legislation for paid maternity leave has primarily come from individual women and female lobbyist groups. It is clear that current industrial systems for obtaining paid maternity leave are failing, as only 48.9% of organisations provide paid maternity leave benefits (EOWA, 2008). While the provision of a maternity welfare payment to families presents some obvious benefits, such as lowering infant mortality, maternity welfare does not take into account the implication that having a child can have upon women in paid employment and women's 'dual responsibilities' (Baird, 2004, p.261).

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**IERA**  
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Advancing the Quality of HRM & HRD in the  
Global Economy*

**BOOK OF PROCEEDINGS**

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# **ADVANCING THE QUALITY OF HRM AND HRD IN THE GLOBAL ECONOMY**

## **PREFACE**

As the globalisation of markets continues at a rapid pace, the challenges for HR managers and those teaching HR increase. Human Resource Management practices vary between countries, sector, size and ownership of organizations. As a result it is important to acknowledge that what are largely considered to be 'Western' style HRM practices may not be relevant in other cultures. Despite this, some lessons may be learned from organizational experiences that can be transferred across countries and cultures through globalisation.

Globalisation is used to define a combination of factors - a single market place with growing free trade among nations; the increasing flow and sharing of information; and connections and opportunities for organisations and people to interact around the world without being constrained by national boundaries. To date globalisation has been a prime force for spreading knowledge through technology. Knowledge about production methods, management techniques, export markets, and economic policies is available at very low cost, and this knowledge represents a valuable resource for both developed and developing countries. It has been suggested that the HRD profession must include not only economic development and workplace learning, but it must also be committed to the political, social, environmental, cultural, and spiritual development of people around the world, particularly, as global success depends on utilizing the resources and diverse talents and capabilities of the broadest possible spectrum of humanity.

This conference draws from the research and experiences of participants to provide lessons and examples regarding how some organizations and individuals are attempting to utilise HRM strategies in order to promote agility and excellence and, in some cases, globalise business through such diverse topics as:

- HRD and HRM policy
- Organisational culture and power
- ER processes: collective and individual
- Community resource development
- HRM outcomes: empowerment, job satisfaction and productivity
- Workplace learning
- Values, politics, power, ethics and HRD
- Employment relations at public policy level
- HR and corporate sustainability
- Leadership and other areas.

The papers presented in these Proceedings have all been subject to peer referee by two reviewers with comments offered to authors.

The conference organisers would like to take this opportunity to sincerely thank the College of Management at Mahidol University for generously hosting this 17th Annual Conference of IERA. We also wish to express our thanks to the University of Technology, Sydney for its financial and administrative support of the conference. Special thanks to Virginia Furse, who worked tirelessly to produce these Proceedings and other materials critical to the success of the conference

The Conference Organisers are sure this 17<sup>th</sup> IERA Conference will be a rich and rewarding learning experience for everyone involved. We look forward to welcoming you to Bangkok.

IERA 2009 Conference Committee  
June 2009

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