

**SENATE EMPLOYMENT, WORKPLACE RELATIONS AND EDUCATION
LEGISLATION COMMITTEE**

**2005-2006 ADDITIONAL SENATE ESTIMATES HEARING
16 FEBRUARY 2006
EMPLOYMENT AND WORKPLACE RELATIONS PORTFOLIO**

QUESTIONS ON NOTICE

Outcome : Equality of opportunity in employment for women

Output Group: Encouragement of Australian employers to improve equal opportunity outcomes for women in the workplace.

Question Number: W834-06

Question:

Senator McEwen asked at *Hansard* page 79 - Is there any data that your agency collects to support the assertion that you made about businesses providing paid maternity leave experiencing a high rate of return and therefore a greater rate of retention of their female work force? Can the agency also provide what actual question do they ask the employers in relation to that data?

Answer:

In 2003, EOWA surveyed its reporting organisations¹ on whether they provided paid maternity leave, and on the total number of female employees that had either departed or returned from maternity leave within the preceding 12 months.

Maternity leave retention rate data is most commonly collected by individual organisations on a longitudinal basis, and is seldom available to be collated for large numbers of organisations.

The EOWA survey questions were designed to address this gap in the data by enabling a 'snapshot' or point-in-time retention rate to be calculated for women taking maternity leave. The snapshot rate is calculated by dividing the total number of women who commenced any form of maternity leave in the last 12 months before the time of survey, by the total number of women who had returned to work from any form of maternity leave in the same period.

Because the average number of women giving birth or adopting may differ over time, the EOWA snapshot retention data is most useful as an index for comparison, rather than as an absolute measure of organisations' actual maternity leave retention rates.

¹ The *Equal Opportunity for Women in the Workplace Act 1999* requires private-sector companies, community organisations, non-government schools, trade unions and group training companies with 100 or more employees, as well as higher education institutions, to report annually on their equal opportunity workplace program. In 2005, the total number of reporting organisations, including reporting corporate groups, was 2711, employing approximately 2.6 million employees, of whom 48% were women.

The 2003 EOWA survey also collected data on the provision of paid maternity leave, making it possible to compare the average snapshot retention rate of organisations with paid maternity leave with that of organisations without paid maternity leave.

The 2003 survey found that organisations with paid maternity leave enjoyed a snapshot return-to-work rate of 67%, compared with 56% for organisations without paid maternity leave. The data from which these percentages were calculated are provided in the table below:²

Table 1: Maternity leave snapshot retention rates by provision of paid maternity leave: Average point-in-time retention rate of women commencing or returning from maternity leave within a 12-month period for surveyed reporting organisations with and without paid maternity leave (2003 EOWA survey results)

Provision of Paid Maternity Leave	Maternity leave snapshot retention	Number of women commencing any form of	Number of women returning to work from any	Number of women who left the organisation following	Number of respondent organisations	Total number of surveyed organisation
No paid maternity leave provided	56%	2,302	1,293	403	484	1001
Paid maternity leave provided	67%	3,166	2,109	411	274	553
Don't Know	44%	73	32	7	21	41
Total	62%	5,541	3,434	821	779	1595

The survey questions from which the retention data were derived were as follows:

- 1 During the last year *[either calendar, financial or reporting year]*, how many of your female employees commenced paid or unpaid maternity leave?
 - a. *[Number of women]*
 - b. *Don't know.*
- 2 During the same period, how many women on maternity leave came back to work, or left the organisation? *[Either after taking leave or immediately before or after the birth.]*
 - a.
 - i. *[Number of women who came back to work]*
 - ii. *Don't know*
 - b.
 - i. *[Number of women who left]*
 - ii. *Don't know*

² The total number of women commencing maternity leave is greater on average for organisations with paid maternity leave than for organisations without. This reflects a number of factors, including that reporting organisations with paid maternity leave are generally larger than organisations without this leave. In 2003, surveyed reporting organisations with paid maternity leave had on average 2294 employees, compared with 1267 for organisations without paid maternity leave. Surveyed reporting organisations with paid maternity leave also had a slightly higher proportion of women in their workforce, 48%, compared with 46% for organisations without paid maternity leave. Other contributing factors could include workforce demographics and industry differences.