

## **Materialising Maternity Benefits**

#### What is the issue?

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- There are concerns that the Maternity Benefit (Amendment) Act 2017 would have a negative impact in the labour market.
- $\bullet$  There is a need for better understanding on the issue to materialise the genuine objectives behind.  $\mbox{\sc h}$

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### What are the key provisions of the Act?

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- The Act extends women's paid maternity leave from 12 to 26 weeks.
- Of these, up to eight weeks can be taken pre-delivery.
- Enterprises with 50 or more employees must also provide crèches.
- They should allow the mother four crèche visits, daily.
- Women with two or more children get reduced entitlements.
- $\bullet$  The costs of these benefits are to be borne solely by employers.  $\ensuremath{\backslash n}$

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## What is the employment concern?

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• A recent report projects some 11 to 18 lakh job losses for women in 2018-19 alone for the 10 sectors studied.

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• It also estimates 1.2 crore job losses across all sectors.

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- In India, barely 6.5% of women are in the formal sector.
- $\bullet$  There is need for more jobs in the formal sector, as more young educated women join the workforce.
- Given this, a further decline in hiring women would affect the female labour participation.

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# What are the concerns with maternity leave?

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- $\begin{tabular}{ll} \textbf{-Cost} & & The \ high \ costs \ of \ maternity \ leave \ drive \ companies \ to \ discriminate \ against \ women \ in \ higher-level \ jobs. \\ \n \end{tabular}$
- **Childcare** Childcare is treated solely as women's responsibility.
- Unspecified parental leave ends up being taken mainly by women.
- In India, central government employees get only 15 days of paternity leave.
- **Informal sector** Around 93% Indian women workers are in the informal sector.

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- The 2017 Maternity Benefit Act does not apply to them.
- It is also unclear about women working on family farms, doing home-based work, urban self-employed, casual workers on contract.
- Even the current entitlements under the National Food Security Act 2013 are not fully implemented.
- **Facilities** Even in the formal sector, the child will need care after 6 months of maternity leave.
- But India largely lacks facilities where women can leave their children for care.
- Integrated Child Development Services to provide nutrition and childcare up to 6 years of age, lack in quality and coverage.

#### How to address this?

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• Cost - Companies are less likely to discriminate against women if government shares the cost.

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 $\bullet$  The 2018 ILO report emphasises the need for government to share at least 2/3rds of maternity benefits costs.

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• However, much of this relates largely to the formal sector.

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• **Parental leave** - It is better to give paternity leave or non-transferable quotas of parental leave.

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• Nearly 55% countries recognise father's role and give paternity leave in varying degrees.

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• Matching paternity and maternity leave would create a level playing field by reducing employer discrimination.

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• E.g. Iceland grants 9 months of parental leave with 3 reserved for the mother, 3 for the father, and 3 to be shared between them.

• **Work time** - Offering flexible work time for both sexes can help with work-life balance.

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• Large companies in IT and e-commerce support the extended maternity leave in India.

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• These are the sectors where flexi-time is easy to introduce and employees can work partly from home.

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- $\bullet$  Companies which allow such flexibility find increased worker productivity.  $\ensuremath{\backslash} n$
- **Facilities** Providing good crèches and childcare centres, not just for care but also for early childhood development, is crucial.
- SMEs located in close proximity could pool resources for creating crèches, rather than each creating its own.
- $\bullet$  This would benefit women across all sectors, formal and informal.  $\ensuremath{^{\backslash n}}$

- E.g. in Japan, government's expansion of high quality childcare centres significantly increased women's work participation
- **Awareness** Media campaigns to change social norms, favouring childcare by fathers are essential.

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- $\bullet$  It should be made known that "Children are public goods".  $\ensuremath{^{\text{h}}}$
- It is surely a joint social responsibility and not just the mother's.
- $\bullet$  There is thus a need for more comprehensive and gender-balanced alterations to the maternity benefit act.  $\ensuremath{\backslash} n$

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**Source: Indian Express** 

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