

Help women who have just given birth to re-enter labour market

Probably nothing can be more challenging yet satisfying than bearing a child while pursuing a meaningful career for a working woman of reproductive age.

A recent Ipsos survey shows that Malaysians prefer to have a family with 3.2 children on average, higher than the global national average of 2.3.

But, according to recent data from our **Statistics Department**, the country's total fertility rate has fallen to 1.7 babies last year, a 40-year low.

The numbers hint at Malaysia's "missing children", indicating a mismatch between desired and actual fertility. What could drive this phenomenon?

An educated woman with opportunities to climb the corporate ladder, as the argument goes, has more to lose economically if she decides to have more children.

It's this rising opportunity cost of giving birth that seems to be the reason for the nation's low fertility rate.

One would think that the country's declining fertility rate would be compensated by an uptick in the female labour participation, But alas, Malaysia's female labour force participation rate is among the lowest in this region at about 40 per cent of the total labour force.

In addition, women exiting the workforce for marriage and childbearing purposes have hardly re-entered the labour market.

Against this backdrop, the Employment Act Amendment recently passed in the Dewan Rakyat is commendable for finally being aligned with international best practices in terms of the postnatal care. The seven-day paternity leave is also a milestone achievement for nurturing a norm of men sharing greater family caregiving responsibility.

However, extending maternity leave to 98 days could potentially widen the employability gap between married and single women, and between men and women.

While employers are prohibited from terminating female employees during pregnancy, the amendment is silent about pre-market discrimination that leads to gender inequality in the workplace.

Of the 185 countries surveyed by the International Labour Organisation on the cost-bearing mechanism for maternity leave, 57.8 per cent are publicly funded via a national social security scheme, 15.7 per cent have costs shared between the government and private sector. The rest like Malaysia have private industry as the sole cost bearer.

Small businesses owners will find their comeback path even muddier, and the door for pre-market discrimination will be opened wider if the cost related to maternity leave is carried alone by business entities hiring women.

There is a clear need to rethink how these policies' good intentions can work without their unintended consequences.

The first is monetary cost-sharing between public and the private sectors. The second is the burden-sharing between hiring of males and females.

We can take a bolder step by making the 98-day maternity leave a "shared parental leave" to allow the working mother to be back in the workplace as deemed fit.

This way, pre-market gender discrimination can be minimised when decisions to hire a man or woman are equally subject to the cost of parental leave.

Last is the inclusiveness of the amendment with public financial assistance. Every female worker, irrespective of work and salary, shall be entitled to the leave extension.

This is especially meaningful for vulnerable groups, as evidenced in many developed and developing countries.

Innovative schemes in France and India are particularly noteworthy. First is a unique social insurance system for self-employed female workers in France.

Under this system, a tiny portion of tax revenue is transferred to these workers as a subsidy when they lack formal maternity cash benefits or are in ill health.

India gives financial support via a conditional cash transfer programme for vulnerable pregnant women, where 1.4 million poor pregnant women without a salaried job in the public sector receive US\$1.68 per day for 1.5 months as partial compensation for the income loss.

An additional US\$100 is provided as an incentive to raise awareness about the importance of postnatal care. The schemes not only encourage vulnerable female workers to return to the labour force after delivering their babies, but they also help to improve the health of these women.

While our Employment Act Amendment has taken a giant step to create an environment conducive to bringing back our "missing children", more effort is needed to prevent the maternity leave extension from prematurely ending these nascent steps towards gender equality in Malaysia's workplace.

<https://www.nst.com.my/opinion/columnists/2022/04/791828/help-women-who-have-just-given-birth-re-enter-labour-market>