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EU Proposals to increase maternity leave on full pay – the UK perspective

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The European Parliament has voted in favour of increasing maternity leave to 20 weeks with full pay. This briefing outlines the proposed changes, how the member states have responded to the proposals, and their possible effect on UK employers.

Current maternity leave in the EU

The current minimum maternity leave in the EU is 14 weeks, paid no lower than sickness pay in the member state concerned.

Eighteen Member States, including the UK, currently offer statutory maternity pay for less than 20 weeks at less than full pay. Statutory maternity pay is paid in different ways and at different rates in all the Member states.

Current minimum maternity leave in UK

All pregnant employees are entitled to take up to one year's (52 weeks) maternity leave, regardless of how long they have worked for their employer.

An employee on maternity leave will be entitled to Statutory Maternity Pay (SMP) from her employer for a maximum of 39 weeks, provided she fulfils the following conditions:

- She must be employed by her employer in the qualifying week (which is the 15th week before the week her baby is due);
- She must have been employed by her employer without a break for at least 26 weeks up to and including the 15th week before the week her baby is due; and
- She must earn at least £97 per week.

The current rate of SMP is 90% of the employee's average weekly earnings for the first six weeks of the maternity leave. The remaining 33 weeks of SMP will be paid at either £124.88 a week or at 90% of the employee's average weekly earnings, whichever is the lower. Additional maternity leave after the 39th week does not attract SMP.

Next stage

This proposal is still at an early stage and is a long way from becoming law, which means that the EU Parliament vote does not have any effect on employers in the UK. The next stage is for the proposal to be approved by a qualified majority of the Council of the

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European Union (which represents the national governments of Members' State). Among the Member States lobbying against the proposal are France, UK, Germany and Sweden.

The UK's Coalition Government has assessed that the proposal could cost the UK at least £2bn a year, doubling current spending on maternity leave.

The French Government is against the reform for similar reasons, as it is argued that it would cost France €1.3bn per year. Women in France are currently entitled to 16 weeks, with an additional two weeks.

Sweden, which offers the option of a very long and favourable parental leave in addition to maternity leave, is also against the proposal.

Nevertheless, if the proposal goes ahead it will be mandatory for all the EU Member States to comply with it, and the UK will have to implement it.

It is not yet certain how the reform will affect UK employers. At present, employers can claim back all or most of the amount they pay out in statutory maternity pay. But it is not known if the Government will be ready to apply the same rules to any increased maternity pay in the current economic downturn where it seeks to deal with budget deficits. Many employers fear that a more generous maternity allowance would be too costly for businesses.

Paternity leave

In the UK, since 2003 fathers are entitled to take up to two weeks' paid paternity leave around the birth of their baby, provided they have worked continuously for their employer for 26 weeks ending with the 15th week before their baby is due. Statutory Paternity Pay is currently £124.88 per week (or 90% average weekly earnings if this is less).

Before the general election, Labour introduced the Additional Paternity Leave Regulations 2010, which apply in respect of children due or born after 3 April 2011. Under the Regulations, fathers will be able to take up to 26 weeks' paternity leave once the mother has returned to work.

The Coalition Government initially indicated that it would abandon the Regulations; however, it announced last month that the Regulations will remain in force.

Further information

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