

## **Maternity Allowance Background**

*Introduced 5 July 1948*

*Not income related, Non-taxable*

### **In Brief**

Women with a record of employment and earnings during or close to their pregnancy and who do not qualify for Statutory Maternity Pay (SMP) from an employer because they have recently changed jobs, earn too little, have given up work or are self-employed) may qualify for MA.

### **Overview**

MA originated as a contributory benefit introduced in 1948. MA was originally paid for 13 weeks but increased to 18 weeks in 1953. In 1987, coinciding with the introduction of SMP, changes were made to the qualifying contribution conditions to ensure that the benefit went to women who had worked during or very close to their pregnancy. Changes were made in 1994 to ensure MA complied with the provisions of the Pregnant Workers Directive. In 2000, further changes were made to the qualifying conditions to base MA on employment and level of earnings instead of the payment of NI contributions. In 2003, in line with SMP, the standard rate of MA was increased to £100 a week and the payment period extended to 26 weeks. In 2007, again in line with SMP, the payment period was extended from 26 to 39 weeks.

### **Current rules**

The current rules apply to women expecting babies on or after 1 April 2007. To get MA a pregnant woman or a woman who has recently given birth must not be entitled to SMP from any employer and;

- \* have been employed or self-employed in 26 weeks out of a 66 week period ending with the week before the expected week of childbirth
- \* earn £30 a week on average

MA is paid for a maximum of 39 weeks at the lesser of a weekly standard rate or a weekly rate equal to 90% of her average weekly earnings.

Unless baby born earlier, a working woman can chose to start MA at any time after the beginning of the 11<sup>th</sup> week before the week the baby is due. But, like SMP, if a woman is absent from work because of her pregnancy and there are fewer than 4 weeks before the baby is due, she must start her MA. Like SMP a woman can work for up to 10 days in her 39 week Maternity Allowance period with no loss of MA.