

# YWCA Australia Submission

Senate Standing Committee on  
Community Affairs

Fairer Paid Parental Leave  
Amendment Bill 2015



# Still Pushing: Fair Paid Parental Leave

YWCA Australia has been an advocate for fair paid parental leave since 1915. Paid parental leave is an essential element in addressing the gender wage gap, in combination with affordable, quality childcare and flexible workplace practices for parents returning to work.

YWCA Australia welcomes the opportunity to provide this submission to the Senate Standing Committees on Community Affairs on the Fairer Paid Parental Leave Amendment Bill 2015

## About the YWCA in Australia

### YWCA Australia

YWCA Australia is the national association of YWCAs in Australia and is part of the World YWCA movement. YWCAs undertake advocacy and deliver services and programs that develop the leadership and collective power of women and girls, support individuals, their families and communities at critical times, and promote gender equality and community strengthening. YWCA Australia applies a human rights-based approach to its work, particularly focusing on the rights to non-discrimination and equality.

YWCAs in Australia are part of an international network providing community services and advocacy for women facing violence. We provide support to women and girls experiencing violence and work with the broader community to promote gender equality and change attitudes around violence. Our services include family violence support, emergency and transitional accommodation, safe and affordable long-term housing, and programs that build self-esteem and healthy relationships. We also work to secure economic justice for women and girls, through national advocacy for young women and girls.

## The YWCA Australia principles for paid parental leave

YWCA Australia advocated strongly for the introduction of a statutory paid parental leave scheme and made a submission to the 2008 Productivity Commission Inquiry into Paid Parental Leave.

At that time, in consultation with members, we developed a position based on four principles.

1. **Achieving maternal welfare outcomes:** ensuring that the birth mother is able to prepare for and recover from birth for the required length of time.
2. **Achieving child welfare outcomes:** primarily conceptualised as enabling, all things being equal that the child/children (in the case of multiple births) can be breastfed for a minimum of six months, the length of time recommended by the World Health Organisation (WHO).
3. **Achieving family welfare outcomes:** these include, maximising the participation of both parents (in a two-parent family structure) in the early childhood years; building stronger families; enabling men to be more actively engaged in the lives of their children; creating a more equitable split of caring responsibilities between women and men (in heterosexual families). We recognise that the format of the family unit may differ according to situation and embrace a broad definition of primary care givers to reflect the diverse forms of family structures which exist in Australia. Particularly we recognise the important role of grandparents in some families and that some families have two dads, two mums or a mum and dad.
4. **Achieving economic and social outcomes:** Economic benefits include facilitation of workforce attachment for care givers; providing appropriate and effective transition structures for care givers re-attaching to the workforce; reducing the gender wage gap through mechanisms to support women's increased productive labour and re-valuation of caring labour in the home; and reducing the incidence of women living in poverty (achieved through the remuneration of care in the home through a PPL, re-valuation of care in the productive economy – women continue to be over-represented in paid caring labour, and through enabling greater lifetime workforce attachment). Social benefits include stronger family units which contribute to greater social connection among individuals and communities.

## Our concerns with the Fairer Paid Parental Leave Amendment Bill 2015

The Australian Government has proposed changes to the Paid Parental Leave Scheme that will undermine Australian families' ability to stay at home with their babies for the first six months of their lives.

The Australian Government's current Paid Parental Leave Scheme provides two Australian-Government funded payments to eligible working families

- Parental Leave Pay (PLP), 18 weeks at the National Minimum Wage (NMW) (\$11,825 at 1 July 2015), with employers able to provide additional benefits e.g. fund extra weeks of paid leave
- Dad and Partner Pay (DAPP), 2 weeks at the NMW with employers able to "top up" to normal earnings

The current proposal seeks to stop working parents who are primary careers from accessing employer entitlements if their employer pay exceeds the PLP payment. But employers will still be able to "top up" the DAPP.

The current scheme is based on the principle that the minimum entitlements provided by the Government would be complemented by employer schemes. Together with family contributions the intention was to achieve the optimal leave period recommended by the World Health Organisation of 26 weeks.

The current scheme has successfully met this objective, with the Paid Parental Leave Evaluation showing that the current "PLP had a clear effect of delaying mothers' return to work up to about six months after the birth of their baby." (Paid Parental Leave: Evaluation Report, p4)

The evaluation has also shown that the DAPP scheme has contributed to culture change among employees and employers, with "some fathers more willing to be assertive about taking leave following a birth, and some employers more inclined to see such leave as legitimate and a normal aspect of the leave taken by employees." (Evaluation Report, p 13).

## Evidence to support our concern: She Speaks Survey findings

In 2014 the YWCA contracted the Institute of Social Science Research (ISSR) at the University of Queensland to conduct the She Speaks survey. It aims to highlight the voices of girls and young women aged between 15 and 30 years old, and explored a range of social and personal issues.

This report was the largest survey of its kind collecting information from young women about their attitudes, perceptions and experiences of leadership. The majority of survey participants of the panel group were aged 18 to 24 (57 percent were 18 to 20 years of age and 29 percent were 21 to 24 at the time)

Noticeably, women aged 21 to 30 see access to **paternity leave** and a **lack and high costs of child care** as problematic. In a similar vein, **balancing work and family** is perceived as especially difficult due to limited child care options. Therefore, young women feel faced with the **dilemma of children vs career**. The following are responses from survey respondents who identifies with these issues:

*Addressing costs related to child care, and more options for child-raising-friendly workplaces. (25 to 27 years)*

*Work life balance, including maternity leave, as well as the dilemmas surrounding child care costs and options. (25 to 27 years)*

*Sacrificing your career to look after children (21 to 24 years)*

*Finding ways to balance work and life (e.g., maintaining position at work while having children) (21 to 24 years)*

*Childcare payments-too high for mums to pay hence choosing to leave workforce instead (21 to 24 years)*

Even if young women decide to raise a family they are faced with **limited paid maternity and parental leave options** and perceived **low job security** due to their time of work after giving birth:

*Job security in regards to maternity leave. Are you missing out on promotions due to the possibility of you taking maternity leave in the future? (25 to 27 years)*

*Opportunity to return to work (and still make that work for your family) after having children (includes re-entering the workforce, flexible work arrangements, maternity leave etc) (25 to 27 years)*

Also, participants criticise the **sacrifice of superannuation due to maternity leave**:

*Career opportunities that give women equal opportunities. For example, continue to contribute to super whilst they are on maternity leave (21 to 24 years)*

*Ensuring all women are paid superannuation while on parental leave (21 to 24 years)*

Young women are clear in wanting a paid parental leave scheme that supports them to balance their work and family responsibilities, that contributes to their future economic security, and which does not penalise them in the career context.

YWCA Australia is concerned that the proposed changes to the current PPL Scheme do not help alleviate these concerns and rather exacerbate them. These changes do not move towards greater access to support for parents, nor do they allow young women to have more options when it comes to thinking about having children, and they do not help young women create economic security for their retirement.

## YWCA Australia's Alternative Proposals for Paid Parental Leave

1. Increase its Government funded Paid Parental leave to **26 weeks minimum wage**, to enable the primary care giver to access \$16,666 in payments during the first six months of their child's life
2. Increase Dad and Partner Payment DAPP to **4 weeks minimum wage**, to accelerate the culture change around the role of fathers in raising children
3. Employers are entitled to **top up** both PPL payments and DAPP payment, so that parents are able to get closer to replacement leave during this period to help maintain workforce attachment with their employer.
4. **Superannuation** for both payments, as this to contribute to retirement income, particularly among women.
5. No restrictions on bargaining rights, to enable employers to position themselves as Employers of Choice and attract and retain workers.

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