



NEW SOUTH WALES TEACHERS FEDERATION

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SUBMISSION TO

PARLIAMENT OF AUSTRALIA SENATE COMMUNITY AFFAIRS COMMITTEE

Inquiry into the Exposure Draft of Paid Parental Leave Scheme Bill 2010

Authorised by

for John Irving
General Secretary
11 May 2010

Inquiry into the Exposure Draft of Legislation Implementing the Government's Announced Paid Parental Leave Scheme

The New South Wales Teachers Federation is the registered trade union which covers NSW public school teachers. The New South Wales Teachers Federation represents all teachers in New South Wales public pre-schools, infants, primary and secondary schools and TAFE Institutes. Teachers in Schools for Specific Purposes and Corrective Services are also members.

Our membership numbers include 39,000 permanent full-time teachers, about 4000 temporary teachers, 6000 casual and unemployed members and 6,000 TAFE teachers. The total membership stands at about 67,000 in 2007.

The New South Wales Teachers Federation welcomes legislation to introduce a paid parental leave scheme. Such a scheme is long overdue with Australia and the United States being the only two OECD countries without a government mandated paid parental leave scheme. The scheme will not only bring health benefits to mothers and their babies but will also assist in reducing the gap in men and women's work and retirement incomes. Recognition of part-time and casual work is most welcome.

The draft legislation could be improved to provide enhanced benefits to families and further measures to address the gender wage and entitlement gap.

The draft legislation could provide:

- full wage replacement or the minimum wage, if higher, for 26 weeks;
- concurrent paid paternity leave as recommended by the Productivity Commission;
- payment of superannuation as recommended by the Productivity Commission;
- recognition of paid parental leave for service in the accrual of entitlements for long service leave, vacation pay;
- provision for part-time parental leave;
- the role of long term foster carers.

The legislation could better recognise patterns of employment in the teaching service where vacation periods and uncertainty of student enrolments may require breaks in employment of greater than eight weeks.

Duration and wage level of paid parental leave

Federation supports a scheme of at least 26 weeks at full wage replacement, or at the minimum wage if higher, for all women, a World Health Organisation standard. It allows time for the mother to recover physically from the birth and bond with her baby in the absence of financial worries. Opportunities to breastfeed are enhanced if a mother feels she does not have to rush back to paid work.

Forgoing the Maternity Payment (Baby Bonus), having paid parental leave minimum wage payments taxed and foregoing access to family tax benefits, means low income women, who currently have no paid entitlement, may be little better off or worse off through the proposed scheme.

Relationship to existing paid parental leave schemes

Whilst Federation policy calls for twenty six weeks at full wage replacement or at the minimum wage, if higher, Federation nevertheless welcomes the draft legislation's paid parental leave payment coming on top of existing paid parental leave schemes – for eligible NSW public education teachers fourteen weeks. The concern is that the draft legislation does not guarantee the continuation of such practices under future bargaining. Given the minimalist nature of the proposed scheme, top up provisions should be guaranteed in future bargaining.

Concurrent paid paternity leave

The legislation should provide concurrent paid parental leave of two weeks for partners as recommended by the Productivity Commission. This would allow partners to more actively share in providing for the new baby and provide concrete support for the mother in the early weeks following the birth. This would send a strong message of support for shared parenthood.

Superannuation

The absence of superannuation from the payment is a major deficiency in the draft legislation. Women retire on less than men yet live longer than men on average. The Productivity Commission's recommendations called for superannuation to be paid.

Recognition of paid parental leave for accrual of benefits

Women require equity in the provision of leave entitlements. Access to long service leave and vacation pay should not be reduced because of child bearing and rearing.

Flexible provision

Provisions allowing the leave to be taken at half pay would assist parents and is consistent with state public sector schemes. It allows parents to maintain a relationship with work and with baby. It complements the "Keeping in Touch" provisions.

Long term foster carers

Long term foster carers play a vital role in the community supporting and caring for our most vulnerable children. The draft legislation provisions for adoption should be extended to cover long term foster carers to assist with the bonding and settling in process.

Teacher patterns of work and workforce participation criteria

Federation calls for the workforce participation criteria to recognise school and TAFE vacation periods and in particular acknowledge that employment may be delayed at the beginning of a semester as a consequence of uncertainty concerning the level of student enrolment. This is particularly so at the beginning of the school year and TAFE semesters. Recognising breaks of employment of twelve weeks rather than eight weeks would assist in maximising the number of temporary and casual teachers who could access this scheme.

Further the one day week work test would exclude some TAFE part-time teachers who are in regular employment but may only be contracted to teach one or two classes and therefore may fall short of working a traditional one day's work.

Teachers on 12 or 24 months unpaid parental leave who subsequently fall pregnant could fail to meet the work requirements and therefore not be eligible for the federal paid parental leave scheme. They would however be eligible for further paid parental leave under Maternity Leave, Parental leave and Adoption Leave Determination 4 of 2009 of the NSW Department of Education and Training.

Federation welcomes:

- the "Exceptional Circumstances" provision providing for the extension of paid parental leave to third party primary carers in the tragic event of severe injury or death of a parent;
- eligibility for employees who resign
- recognition of multiple employers
- appeal provisions.

The legislation is only a first, although significant, step in properly valuing the early years and addressing pay equity.