Fairer Paid Parental Leave Bill 2016 Submission 10



healthy • empowered • equal

23 November 2016

Committee Secretary
Senate Standing Committees on Community Affairs
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Madam/Sir,

RE: AMENDMENTS TO PAID PARENTAL LEAVE

I am writing to express Women's Health Victoria's concerns about the changes Paid Parental Leave proposed within the Fairer Paid Parental Leave Bill currently under consideration by the Senate Community Affairs Legislation Committee. Women's Health Victoria urges the government not to proceed with the amendments in the interest of women's health and wellbeing, and broader gender equality.

In its current form, the Paid Parental Leave (PPL) scheme ensures that all women can have 18 weeks leave at the minimum wage, and then encourages employers to provide more leave. In other words, the current government system effectively subsidises employer PPL schemes by providing a minimum wage for the first 18 weeks. This helps to normalise PPL in the workplace and encourages employers to develop their own scheme to attract and retain employees.

PPL is an essential component of any attempt to address the gendered wealth gap, improve women's workforce engagement and ensure positive health outcomes for mothers and their children.

PPL encourages mothers to take leave after the birth of a child while also remaining connected with their employer to increase the chance of women returning to the workforce.

Australia's *current* PPL scheme is one of the least generous in the world. Of the 34 OECD countries, 33 offer paid parental leave schemes. The OECD's most recent report on PPL ranks Australia's current PPL scheme as the third lowest in the OECD, with only Portugal and the USA having lesser entitlements.

For these reasons we urge the government not to process with the amendments to PPL which will reduce women's choices about when to return to work and break down the developing culture of employers and Government having shared responsibility for PPL.

Yours sincerely,

Rita Butera Executive Director Women's Health Victoria