

**SDA SUBMISSION
TO THE COMMUNITY AFFAIRS LEGISLATION COMMITTEE
INQUIRY INTO THE PAID PARENTAL LEAVE (IMPROVEMENTS FOR
FAMILIES AND GENDER EQUALITY) BILL 2022**

Date Submitted: 23 JANUARY 2023

Submitted by: Gerard Dwyer
National Secretary-Treasurer



About the SDA

The Shop, Distributive and Allied Employees' Association (the SDA) is one of Australia's largest trade unions with over 210,000 members. Our members work in retail, warehousing, fast food, hairdressing, beauty, pharmacy, online retailing, and modelling.

The majority of SDA members are women (60%, approximately 131,000), under 35 years (57%, approximately 120,000 workers), and low-income. Retail and food services are two of the three lowest industries for median weekly earnings.

The SDA has a long history of advocating on behalf of members with caring responsibilities, who are predominately our women members. We do this through enterprise bargaining; making submissions regarding Awards and the NES to provide a relevant safety net; and through numerous submissions made to parliamentary and government inquiries and other important reviews.

The SDA advocated for the introduction of the Government Paid Parental Leave scheme and were involved in the Government Implementation Group. The SDA has made submissions to previous inquiries in relation to past Bills to introduce amendments to the *Paid Parental Leave Act 2010* (Cth) (**Act**).

The SDA has 10 policy principles that guide our engagement in these reviews. For a list of these, see Appendix A.

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Executive Summary

The SDA welcomes the opportunity to make a submission to the Senate Community Affairs Legislation Committee.

The SDA welcomes and supports the positive improvements to the *Paid Parental Leave Act 2010 (Cth) (PPL Act)*, proposed in the *Paid Parental Leave Amendment (Improvements for Families and Gender Equality) Bill 2022 (Bill)*, particularly changes towards a more gender neutral model, improvements to the quantum to encourage fathers and partners to take parental leave to promote a more equal sharing of care, a more flexible model and changes to the income test.

While we support these important changes towards an improved model of paid parental leave, the SDA would like to see a more immediate increase in the quantum to 26 weeks paid at full replacement wage or the national average weekly earnings, whichever is greater, and legislating for the payment of the Superannuation Guarantee on the government parental leave payment, employer paid parental leave and periods of unpaid parental leave.

The current paid parental leave scheme continues to be one of the worst in the OECD and even with the proposed changes it will remain one of the worst of all OECD countries. According to a recent report by UNICEF comparing family friendly policies in 41 middle and high income countries, Australia's Paid Parental Leave scheme ranked as second last, with a full rate equivalent of 8 weeks' pay¹. A phased approach to 26 weeks by 1 July 2026, as announced by the Government, cements this position for at least a further 3 years.

In 2021 the SDA partnered with the UNSW Social Policy Research Centre to undertake research into our members experience of managing their work and care responsibilities. This significant research resulted in a Report titled '*The challenges of work, family and care, for Australia's retail, online retail, warehousing and fast-food workers*'. (**The Report**).²

The Report provides an insight into the daily lives of SDA members in managing their work and care responsibilities and includes an analysis of the use of parental leave, both unpaid and paid, by SDA members. It found that many SDA members are not taking parental leave, even though they would be entitled to and the majority of those that have taken parental leave would have preferred more time away from work if they could afford it.

The Report found that SDA members are low-paid workers, living in low-income households. The ability to take time away from work following the birth of a child is intrinsically linked to access to ongoing income. Low-paid workers often live week to week and are unable to save for long periods without an income, such as during unpaid parental leave. This results in workers being forced to return to work before they are ready and before their child is ready.

The World Health Organisation recommends that newborn children need at least six months with their parent for breastfeeding and bonding and that this is also important for the mental health and wellbeing of mothers. Improvements to paid parental leave is vital to provide important health and wellbeing benefits for mothers, babies and families.

¹ Unicef, Are the world's richest countries family friendly?: Policy in the OECD and EU, Chzhen Y, Gromada A, and Rees G, June 2019

² Cortis, N., Blaxland, M., and Charlesworth, S. (2021). *Challenges of work, family and care for Australia's retail, online retail warehousing and fast food workers*. Sydney: UNSW Social Policy Research Centre.

The Report also found that care is gendered, with women carrying a higher burden of unpaid care at all stages of the work life cycle and most significantly in the early years of a child's life. The disproportionate burden of care and discrimination against carers found in the report, places a significant penalty on women in relation to their ability to participate in paid work; which further impacts on their income, employment status, career progression and retirement savings.

Rights and entitlements to Parental Leave in Australia, both unpaid and paid, must be improved to provide a model that promotes more support for women and partners to manage the care of children in the way that suits their family and supports more equal sharing of care that will enable gender equality at home, in the workplace and broader society.

The research for the Report also sought to understand SDA member's experience and perception of financial security, including in relation to retirement savings. The Report found that less than a quarter of members agreed that *'I expect to have enough superannuation when I retire'*, however this was even less for mothers (18%) compared to 25% of fathers and 30% of males with no children. Mothers were also much more likely to disagree or strongly disagree with that statement (57%).³

Women face significant penalties in relation to their income and ability to accumulate superannuation due to periods out of the paid workforce due to caring including providing parental care, which is one of the key reasons that women retire with less than half the retirement savings of men. This must be remedied with an immediate amendment to the Act to include the payment of the Superannuation Guarantee on the government parental leave pay and amendments to the *Superannuation Guarantee (Administration) Act 1992 (SG Act)* to require employers to pay the superannuation guarantee on periods of paid and unpaid parental leave.

The SDA also makes some further submissions and recommendations for other improvements to both unpaid and paid parental leave.

³ Cortis, N., Blaxland, M., and Charlesworth, S. (2021). *Challenges of work, family and care for Australia's retail, online retail warehousing and fast food workers*. Sydney: UNSW Social Policy Research Centre, p 89

Recommendations

1. Amend the Bill to immediately increase the Government Paid Parental Leave Scheme to at least a minimum of 26 weeks paid parental leave at full-replacement wage or the national average weekly earnings, whichever is greater.
2. Commit to a timeframe to legislate to increase paid parental leave to 52 weeks for all employees at full-wage replacement wage or the national average weekly earnings, whichever is greater.
3. Increase the quantum of weeks that parents can access the Government PLP concurrently or clarify in the Bill or Explanatory Memorandum that providing care to a partner or assisting in providing care to the child, following a cesarean or complicated birth would be considered an exceptional circumstance for the purpose of allowing carers to take more than 10 Parental Leave Pay days concurrently at the time of birth.
4. Make Paid Parental Leave available to every worker who needs it, including:
 - a. workers on casual, temporary or fixed term contracts
 - b. workers on any period of paid or unpaid leave (including employer directed stand down)
 - c. parents of children on permanent care orders
 - d. all workers regardless of length of service
5. Legislate for the payment of the superannuation guarantee on the Government Parental Leave Payment.
6. Amend the Superannuation Guarantee Legislation so that employers are obligated to make superannuation contributions during periods of paid and unpaid parental leave.
7. Introduce a new entitlement to Grandparental Leave which would provide for an eligible employee to access 12 weeks flexible paid leave for each grandchild during the period up until the child is school age.
8. Make any necessary amendments to the unpaid parental leave provisions in the *Fair Work Act 2009* to ensure employees have access to leave to enable them to take full advantage of the government parental leave payment.
9. Amend the definition of adoption under the *Fair Work Act 2009* to include the placement of a child under a permanent care order.
10. Amend the *Fair Work Act 2009* to recognise periods of unpaid parental leave (and any paid parental leave) as active service, for the purposes of accruing entitlements related to annual salary increments, superannuation, personal/carers leave and LSL.

Submission

SDA members are workers and carers

1. The *Challenges of work, family and care for Australia’s retail, online retail, warehousing and fast food workers*⁴ report (**The Report**) published in October 2021 is based on survey responses of 6469 SDA members and provides a comprehensive analysis of the extent and nature of the combination of work and care for SDA members, predominately in the retail sector.
2. The survey size was large and a representative sample of our members, providing a reliable insight into the issues impacting workers in retail more broadly. Retail is the largest private sector employer in the country, employing over 10% of all working Australians. This research provides solid evidence as to the challenges workers who provide care to others, face on a daily basis. The Report very clearly demonstrates the detrimental impact the current system is having on workers and their families in terms of access to opportunity, financial well-being and long-term economic security, and mental health.
3. The Report found that SDA members make significant, unpaid contributions through the labour they provide as parents and carers to children, which is beneficial to our society and our economy.
4. The Report found that 55% of survey respondents provide regular care to a child or an adult, however this was higher for women (60%) than men (43%)⁵. The most common form of care was for a child under 18 years (39%) and 30% of all participants were parents of a child under 18. Older SDA members also provide care to grandchildren (17%) and young SDA members are providing regular care to siblings and adults with disability or long-term illness⁶.
5. SDA members care for others at disproportionately high rates when compared to the national population:

	Australia (ABS)	SDA survey participants
Care for an older person or person with disability	11%	24%
Sole parents	14% of families	25% of parents
Parent of a child with a disability	7.7% (children <15 with a disability)	16% (children <18 with a disability)
Young carer’s (<25, provide regular care to elderly, person with disability)	5.6%	13%

6. When considering the proportion of SDA members providing complex care to children, SDA members are much more likely than the general population to be providing care to children with a disability or in a sole parent household.
7. SDA members are carrying a disproportionate financial burden of providing care in our society and this is done in low income households, ‘52% of respondents live in households with post-tax income of less than \$1000 per week. This was the case for 32% of couple parents and 80% of sole parents, and 56% of workers who were not currently parenting a child aged under 18 (see

⁴ Cortis, N., Blaxland, M., and Charlesworth, S. (2021). *Challenges of work, family and care for Australia’s retail, online retail warehousing and fast food workers*. Sydney: UNSW Social Policy Research Centre.

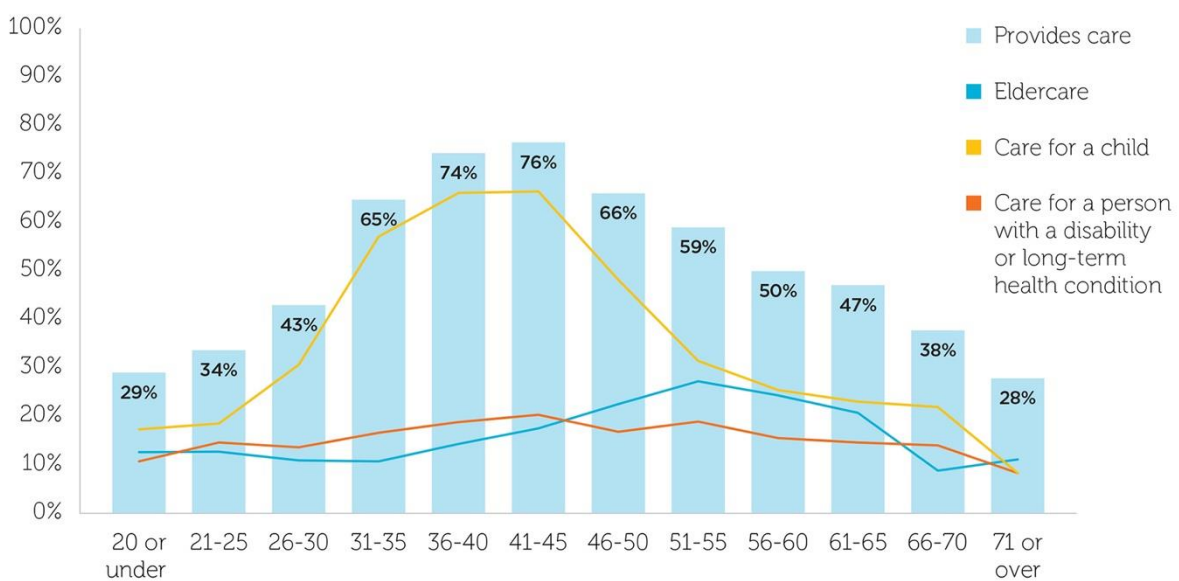
⁵ Ibid, page 20

⁶ Ibid, page 20

Appendix Table A.10)⁷.

8. Any improvement in the payment for leave taken for times when providing care has a more significant positive economic impact on the households of our members and provides them with greater ability to make decisions on the provision of care that is appropriate for their family without the financial pressure.
9. Many SDA members also provide care to a child or children while also caring for an older person. with 12% of parents with a child aged 5 or under, also providing regular elder care⁸.
10. The Report also confirmed that care is gendered. More women (60%) surveyed than men (43%) provide regular care to a child or an adult⁹. This is more pronounced when considering the care of children, especially when children are young, and mothers are in the 26-45 years age group¹⁰:

Figure 4.2 Proportion of participants who regularly provide care by age and type of care provided



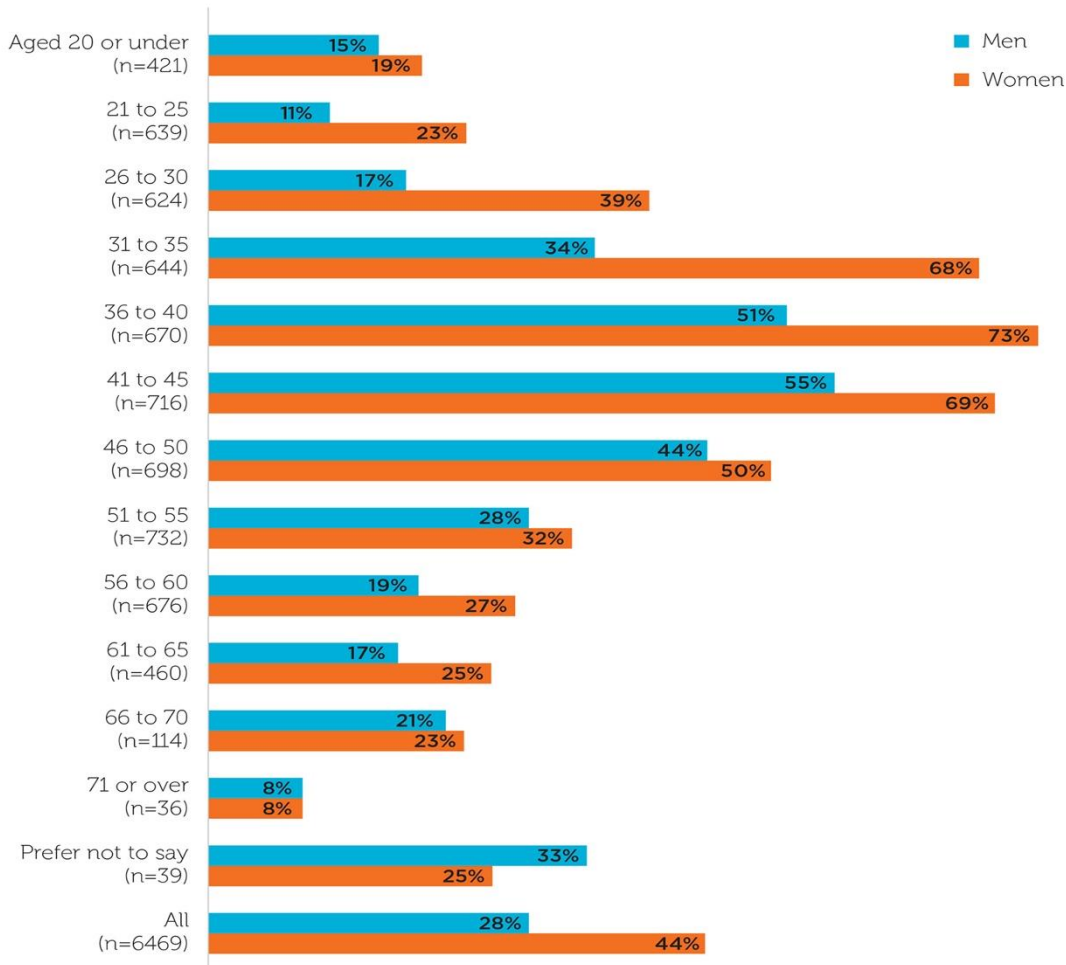
⁷ Ibid, page 22

⁸ Ibid, page 22

⁹ Ibid, page 20

¹⁰ Ibid, page 21

Figure 4.1 Proportion of men and women who regularly provide care to a child aged under 18 in or outside their household by employee age



11. The report found that the lack of support for workers with caring responsibilities has a disproportionate impact on women as they shoulder a higher burden of care, without the appropriate workplace supports. This is a barrier to women’s workforce participation, as women are unable to access suitable and sufficient working times and career opportunities. This is having a negative impact on gender equality. International evidence shows that schemes that encourage shared care for children early in life leads to more equal sharing of care and household duties in the longer term, supporting increased participation of women in the workforce.
12. The SDA supports improvements to paid parental leave that support families to better manage and more equally share in the care of children.

Parental Leave - unfinished business for SDA members

13. WGEA data shows that employers in the retail industry (24%) are much less likely to be providing paid primary carers leave to employees when compared to all industries (52.4%). This is similar for secondary carers leave (20.6% compared to 46.4%).¹¹ This is also a concerning statistic given that only large employers are reporting to WGEA.
14. Research comparing the SDA member survey to the main employers of the respondents, found that all except two provided paid parental leave for primary carers and most for secondary carers. Despite this, there are large gaps in the use of parental leave, paid or unpaid.

¹¹ [WGEA Data Explorer](#), extracted 19 November 2021

15. The Report found that ‘The Australian Government’s provision of Parental Leave Pay is an important source of support for SDA members. Parental Leave Pay was the most common form of leave taken, reported by 72% of mothers and 34% of fathers have taken the governments Parental Leave Pay with a child up to age 5.’¹²
16. Only half (50%) of parents of young children accessed paid parental leave from their employer, (56% of mothers and 31% of fathers).¹³
17. Around a quarter of parents took unpaid parental leave, with utilization of this lower for fathers.
18. Concerningly, **19% of parents had not accessed any paid or unpaid leave for their last birth** (14% of mothers and 35% of fathers). Among parents with a child under 5, **19% of mothers and 47% of fathers had not received any paid leave to support their most recent birth.**

Figure 7.1 Proportion of parents with children aged 5 or under who took parental leave for their most recent birth (%)

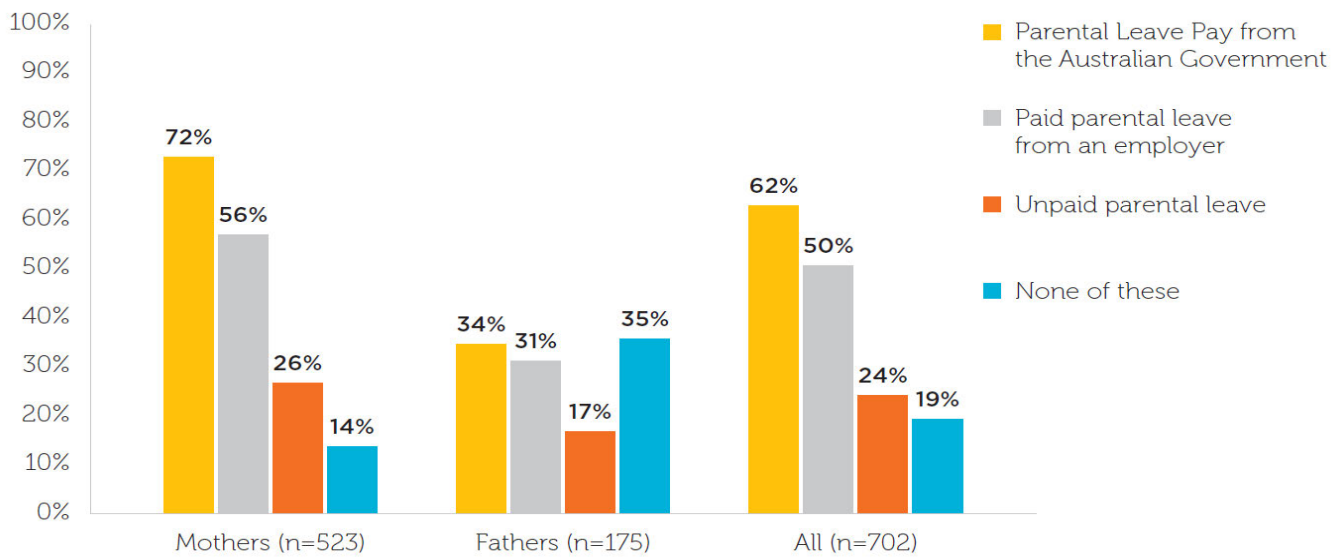
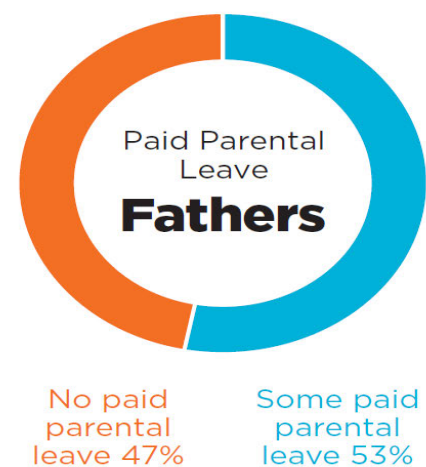


Figure 7.2 Use of paid parental leave for most recent birth, mothers with a child aged 5 or under (n=523)



Figure 7.3 Use of paid parental leave for most recent birth, fathers with a child aged 5 or under (n=175)

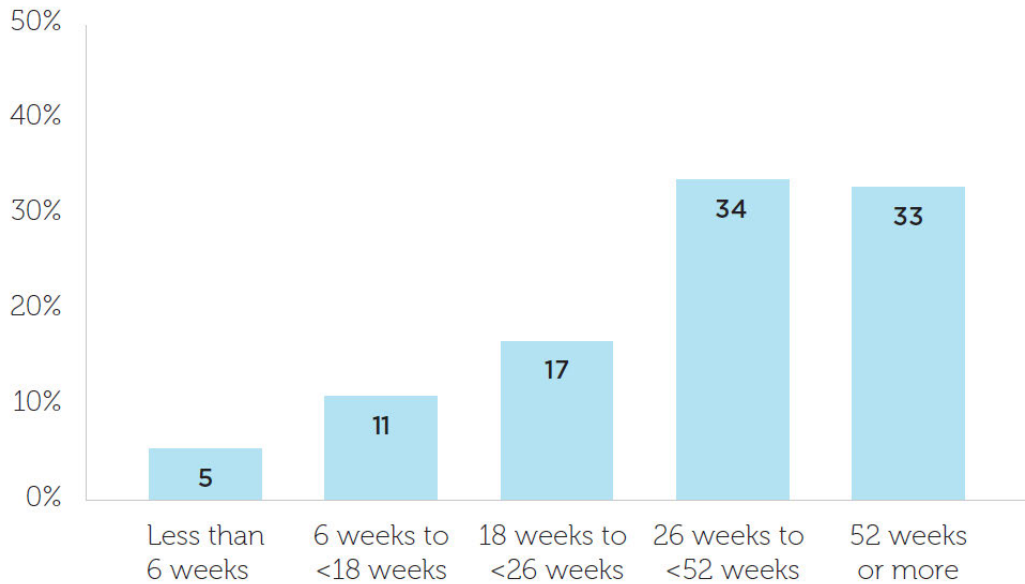


¹² Cor is, N., Blaxland, M., and Charlesworth, S. (2021). *Challenges of work, family and care for Australia’s retail, online retail warehousing and fast food workers*. Sydney: UNSW Social Policy Research Centre, p 52

¹³, *ibid*, p 52

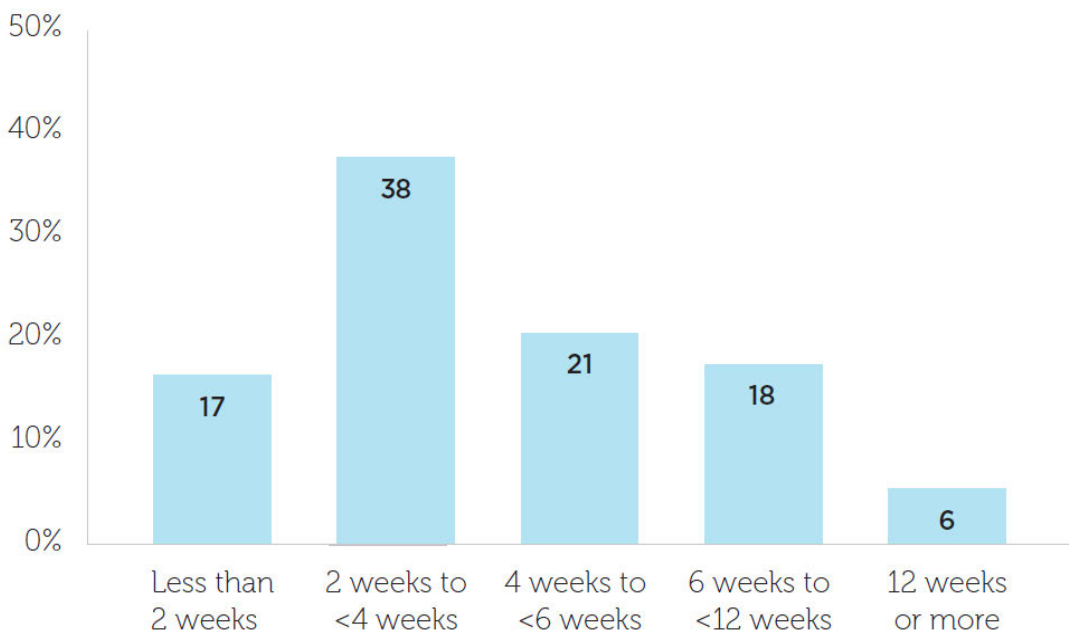
19. The report found that based on respondents to questions around parental leave taken, almost all mothers and all fathers would likely have been eligible for unpaid and paid parental leave according to their length of service. As the reasons these parents did not access paid leave, and in some cases unpaid leave, were not given, the researchers recommended that this question needs further exploration.¹⁴
20. When looking at the quantity of parental leave taken, on average, mothers took 42.2 weeks and fathers took 4.6 weeks when their youngest child was born. A third of mothers each took between 26 and 52 weeks, and more than 52 weeks, while a third took less than 18 weeks.¹⁵

Figure 7.4 Time away from work for most recent birth, mothers with a child 0 to 5 (% , n=523)



21. Among fathers, the largest group took between 2 to 4 weeks off, with 17% taking less than 2 weeks.¹⁶

Figure 7.5 Time away from work for most recent birth, fathers with a child 0 to 5 (% , n=175)



¹⁴ Ibid, p 53

¹⁵ Ibid, p 54

¹⁶ Ibid, p 54

22. As previously cited in the submission, SDA members are from low-income households. As a result, they are greatly impacted by any variation in income and the length of parental leave SDA members are able to take is inextricably linked to the availability and access to paid parental leave. Once paid parental leave ends, many are forced to return to work.
23. Prior to the introduction of the PPL scheme SDA members who had had a baby were surveyed regarding their return to work following the birth of their child. The following shows the percentage who had returned to work after the birth of the baby within the specified time:

		Cumulative
1 week	7%	7%
2 weeks	7%	14%
3 weeks	5%	19%
4 weeks	0%	19%
5 weeks	2%	21%
6 weeks	3%	24%
2 months	2%	26%

24. The results of the survey show that a quarter of members who had a baby returned within 2 months of the birth of their child. When surveyed 85% of SDA members with children said they work due to economic necessity and that this is the driving force behind a woman’s decision to return to work after the birth of her child.
25. The Report shows that the length of time SDA members take at the time of birth or adoption has improved since the introduction of paid parental leave, however, it found that the large majority said they would have preferred more time away from work (79% of mothers and 87% of fathers). The small minority of mothers who said they wouldn’t prefer to have had more time off were away for a much longer period (average 75 weeks).¹⁷

Figure 7.6 Whether parents would have preferred more time away from work when their youngest child was born, if they could afford it

	Would not have preferred more time			Would have preferred more time			Not sure			All		
	n	%	Average weeks away	n	%	Average weeks away	n	%	Average weeks away	n	%	Average weeks away
Mothers	33	7%	74.7	382	79%	36.8	65	14%	57.7	482	100%	41.8
Fathers	7	4%	2.7	138	87%	4.9	14	9%	3.1	159	100%	4.7
All	40	6%	62.1	520	81%	28.2	79	12%	46.9	641	100%	32.7

26. Respondents provided comments in relation to the need to return to work at the end of their parental leave period. Many members highlighted that they had to return to work due to financial reasons:

It felt like it wasn't long enough but we couldn't survive unless I went back to work, my leave taken off (from and to) was all dependent on when the gov leave would end.

¹⁷ Ibid, p 54

Partnered mother, permanent

It was definitely too soon back, but I could not afford more time off.

Mother, permanent

Happy to return to work but would have liked to have stayed home longer but unable to without any assistance.

Mother, permanent

I am not getting gov paid leave and I have to return to work for financial crisis but I am worried about my child and how I will manage.

Mother, casua

I had to go back to work when my son was only 7 months old which was very hard and stressful for me.

Mother, permanent

I wanted to have more leave as my baby wasn't settling down but due to some financial issues, I had to go back to work.

Mother, permanent

I would have liked to have spent more time at home raising my child but due to financial reasons I had to return to work.

Mother, permanent

27. Mother's comments also highlighted a desire for more time, some feeling they were bad mothers for returning and missing milestones or over concern about the care their child was receiving:

I would have loved a year off paid by the government - we would have had more [children] if this was the case.

Partnered mother, permanent full-time

This was my third pregnancy and it was definitely less stressful knowing that I was being paid parental leave this time... I would have preferred the 18 months but I couldn't afford that.

Single parent, permanent part-time

I missed so many of [my baby's] firsts, e.g. first walk, first word etc.

Partnered mother of child with disability, casua

Just having 18 weeks' pay for parental leave is not enough. I had to go back to work after 18 weeks and had to put my baby in family day care...I noticed she [the FDC educator] is not doing the right things and she always turned the TV on for my baby. I'm blaming myself all the time that I had to stay away from her when she was just 18 weeks.

Partnered mother, permanent part-time

I believe that work should supply 12 months worth of PAID parental leave. Leaving my 5/6 month old baby in the care of a stranger is ridiculous! And I feel as though I missed a lot of milestones because I had to go back to work so early.

Partnered mother, permanent part-time

28. Many also commented on the difficulties in returning to work, accessing flexible work to support their new caring responsibilities and precarity of hours of employment on return, exacerbating the stress they already felt upon leaving their child in another's care.
29. Many also commented on the difficulty they had in maintaining breastfeeding or expressing when returning to work, demonstrating that support for mothers to have time off is important for the continuation of breastfeeding. 'Several commented on the difficulties of returning to work while still breastfeeding, and alarmingly two reported that they were explicitly informed they could not

express breastmilk while at work.

I had to go to formula feeding as my workplace and shifts do not allow for me to express milk.

Partnered mother, carer for person with long-term illness, permanent part-time

I was told as a casual I wasn't allowed to express pump or I would get sacked.

Single mother, casual¹⁸

I am returning back to work and. I am feeling quite anxious about it as my baby is breastfed and refuses to take a bottle. I'd love to have more time off but it's not financially possible for us at the moment. I wish the government provided longer payments for parents to stay home with their babies!

Mother, permanent

30. Others also commented on the toll that returning to work had on their own health:

Six months was short, body didn't recover completely to get back to work with repeated lifting. At least nine months or year would have been fine. But it was harder financially to sustain till then.

Mother, permanent

31. A further issue raised in relation to the quantum and design of parental leave was the need to use some of the paid parental leave for the end of pregnancy which shortens the amount of time parents then have available following the birth of the child:

As I worked for under a year I was only able to have 5 months maternity leave however I had to take one month off before (meant to be 2 weeks but I went over my due date) resulting in having to go back to work while my daughter was only 4 months old. To have been offered an extra month or 2 would have meant the world to me.

Partnered mother

32. Fathers also commented on the need for more time off when their child was born. Some expressed concern that two weeks is not sufficient to help support their partner following childbirth, particularly when they had a complicated birth or a caesarean section, or for the opportunity to be involved in settling a new baby into the home and for bonding.

As a dad I think it is more important to get time off to be with a new born and wife, I do appreciate the 2 weeks but I feel that is not enough, would be good to get 4 weeks especially if you have to take a hands on approach in case your partner has complications.

Partnered father, permanent

At least 6-8 weeks is needed to settle in with a newborn and mother.

Partnered father, carer for person with long-term illness, permanent full-time

Being a father I don't think 4 weeks paid leave is enough to bond with the child. I think it should extend to 4 weeks from employer and 4 weeks from the government as the first 6 weeks of the baby's life is basically stuck at home helping with getting baby into a routine which can be a struggle for some parents.

Partnered father of child with a disability, permanent full-time

I feel the type of birth the woman has should be taken into consideration eg my wife had 2 c sections where the help from myself after birth was quite significant for the first 3 weeks of recovery my wife also wasn't able to drive for the first 6 weeks after the c section.

Partnered father, permanent full-time

¹⁸ Ibid, p 56

It needs to be more than 3 weeks because partner can't get recovery of delivery in 2 weeks time.

Partnered father, permanent

Returning to work after 2 weeks of parental leave was a bit stressful as I had to manage look after my wife and also the youngest. Asked for further leave but as the season was busy couldn't get more leave.

Partnered father, permanent

It would be better if father's were able to get another week paid leave to support mother, three weeks was just not enough time. Two weeks via government assistance and one week employee paid leave was received.

Partnered father, permanent full-time

33. The full report and fact sheets can be found at [Challenges of work, family and care for Australia's retail, online retail, warehousing and fast food workers | SDA Union](#) and the Executive Summary is attached to this submission at Appendix B.
34. The SDA makes several recommendations in this submission to better support SDA members when they need to take time off work when they welcome a new child into their family.

Elements of the Bill supported by the SDA

35. The SDA supports the improvements to the *Paid Parental Leave Act 2010 (Cth) (Act)*, proposed in the *Paid Parental Leave Amendment (Improvements for Families and Gender Equality) Bill 2022 (Bill)*, particularly changes towards a more gender neutral model, improvements to the quantum to encourage fathers and partners to take parental leave to promote a more equal sharing of care, a more flexible model, and changes to the income test.

A gender-neutral model – removing 'primary' and 'secondary' carer

36. The Australian Institute of Family Studies (AIFS) reported that 'The use of parental leave by fathers in Australia is very low by global standards. Figures from the Australian Bureau of Statistics (ABS) show that just one in 20 fathers take primary parental leave, with 95% of all primary carers leave taken by mothers (ABS, 2017). A 2014 study by the Human Rights Commission (HRC; 2014) showed that 85% of the fathers and partners surveyed took less than four weeks leave.'¹⁹
37. The AIFS report states that one of the reasons or barriers for men in taking parental leave is because 'Australia does not have a nationally legislated 'shared parental leave' approach and, as such, fathers are often labelled as 'secondary carers' - and most organisations provide limited parental leave allowance for secondary carers, if any at all'²⁰.
38. The distinction between primary and secondary carers and the lack of a legislated shared parental leave scheme has also helped to entrench the cultural norms in Australia that women undertake the caring roles while men continue uninterrupted in paid work.
39. Many countries are moving away from differentiating access to parental leave on the basis of primary and secondary care recognising that in order to change the cultural gender norms around parenting and caring, all parents should be given the opportunity to share in the care of their child.
40. Where this has happened, countries have seen a significant increase in usage of the leave by fathers and this has had a positive impact not only on their involvement in the care of their children

¹⁹ Australian Institute of Family Studies, *Fathers and Parental Leave*, <https://aifs.gov.au/aifs-conference/fathers-and-parental-leave>, accessed 4 March 2020.

²⁰ *ibid*

and household duties in the short term but also the long term.

41. Some employers, including in Australia, are also changing their parental leave policies to remove the distinction between primary and secondary carers and instead providing paid leave to all parents. This has resulted in an increase in the number of fathers taking parental leave in those companies and has also had positive impacts on the way in which they balance work and care when they return to work.
42. The SDA supports the removal of primary and secondary carer and that the Paid Parental Leave entitlement be available to all parents making it a more gender neutral scheme.
43. The SDA also supports the changes to the objectives of the Act and the changes to the definition of claimants to promote gender neutral claims and equality between women and men and the balance between work and care.

A more flexible model

44. The SDA supports changing the Act which currently restricts flexible parental leave pay days to 30, to allow parents to have full flexibility as to when and how they take the parental leave pay days available to them under the Act. This will have many benefits including providing families with greater ability to choose how they manage the care of their child and will also more effectively facilitate the shared care of a child.
45. In order to ensure parents can take full advantage of the provisions, a review of the *Fair Work Act 2009* (Cth) (**FW Act**) should be undertaken to assess if any consequential amendments are needed for employees to access unpaid parental leave from their employer in line with claiming the government flexible parental leave pay.

Changes to the Income Test for eligibility

46. The SDA supports the proposed changes to the income test. The proposal to introduce a family income test is a positive move towards recognizing in many families, women are the higher income earner. Families where this is the case should be entitled to paid parental leave in the same way that other families are where the male or partner is the higher income earner. This will ensure the scheme is more equitable for all families.

SDA recommended amendments to the Bill

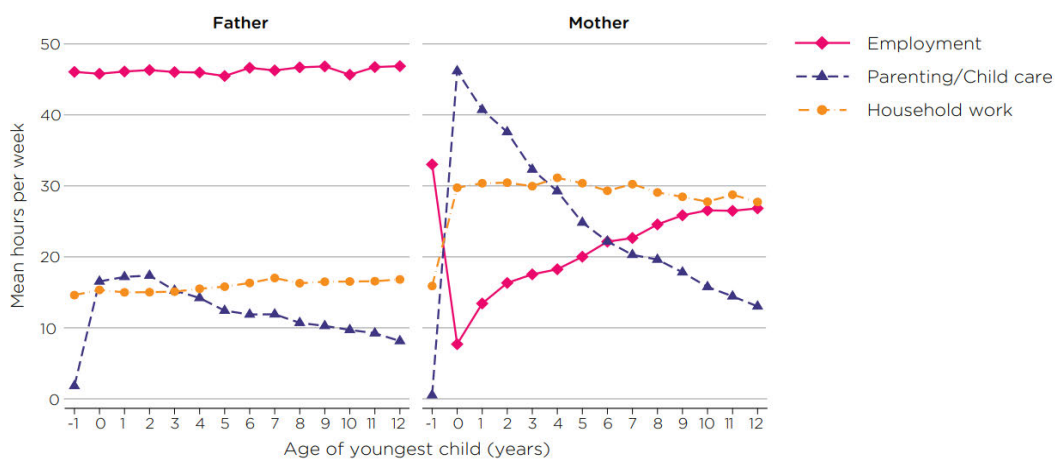
Extending the entitlement – quantum and rate paid

47. The SDA supports proposed improvements to combine the 18 weeks primary carer payment and the 2 weeks secondary carer payment, making it 20 weeks for all families including sole parents, and maintaining 2 weeks on a use it or use it basis for each parent.
48. The SDA fully supports providing the full quantum of weeks to sole parents as this impacts a relatively large proportion of SDA members. The Report found that ‘the proportion who were sole parents appears high relative to the wider population (Table 4.2). While 25% of survey participants with a child under 18 were sole parents, sole parents comprised 14% of families in Australia, as of June 2020.¹⁴ Among SDA mothers who were sole parents, 68% had sole custody. Among men who were sole parents, 74% had shared custody. Sole parenthood rises over time and is higher among those with older children (Table 4.2). Among SDA members who were parents, 14% of those whose youngest child was aged 2 or under were sole parents, and this rose to 20% for those whose youngest child was 3 to 5 and 29% for those 6 or over.’²¹

²¹ Cortis, N., Blaxland, M., and Charlesworth, S. (2021), *Challenges of work, family and care for Australia’s retail, online retail warehousing and fast food workers*. Sydney: UNSW Social Policy Research Centre, p 22

49. The Report also found that 80% of sole parent respondents to the survey live in households with post-tax income of less than \$1000 per week. (see Appendix Table A.10)²². The ability for a sole parent living in a low income household to save for periods of unpaid absence from work is almost impossible. This means they would be reliant on paid parental leave for time off work following the birth or adoption of a child, or some form of financial assistance. Decisions about returning to work for low income sole parents is more heavily tied to when the government and/or employer paid parental leave ends. Any improvement in the quantum available makes an enormous difference for sole parents.
50. The SDA also supports combining the 18 weeks that was for primary carers and the two weeks for secondary carers, making the 20 weeks available to all parents, while maintaining 2 weeks on a use it or lose it basis. Maintaining the 2 weeks on a use it or lose it basis will continue to encourage fathers and partners to take parental leave, which is an important policy to promote gender equality and the shared care of children between parents.
51. Fathers and partners taking more responsibility for the care of their child will also have the positive effect of enabling more women to return to work and reduce the reliance on formal child care settings, especially in the early transition stages.
52. In Australia, we continue to see women performing the lion's share of care and household duties. The below graph taken from the Australian Institute of Family Studies report on Fathers and Work shows that a father's employment changes little following the birth of a child compared to a significant change for women. While a spike occurs in parenting/caring this is relatively brief and household work doesn't register a blip.²³

Figure 1: Mother and father's time use up to and after the birth of first child



53. Research has shown that getting fathers to participate in the care of a child in the first 2 years is critical to providing a shift in the sharing of ongoing care and housework. Countries such as Norway and Iceland which provide paid parental leave on a shared basis, and in the case of Norway a use-it-or-lose-it component for fathers, have seen a profound change both at work and home. Women's work participation has increased, and Norway is the second-ranked country in the world by ratio of women's and men's undertaking of unpaid caring and volunteering work. In Norway, women do 39% more unpaid caring and volunteering than men, in Australia women do 80% more than men²⁴.

²² Ibid, page 82

²³ Australian Institute of Family Studies, *Fathers and Work: A statistical overview*, <https://aifs.gov.au/aifs-conference/fathers-and-work>, accessed 4 March 2020.

²⁴ Promundo, *State of the World's Fathers: Unlocking the power of men's care*, 2019, p 15.

54. The proposed amendments that combine the entitlements, remove primary and secondary carer, and create a gender-neutral model will all aid the potential for more fathers and partners to undertake care.
55. We note that Government in its 2022-2023 October-Budget Measure has indicated that there will be additional changes made to the legislation to phase in an increase to the length of PLP to 26 weeks by 1 July 2026. The SDA supports an increase to 26 weeks however, we believe that this should be introduced as part of this amendment and the increase to 26 weeks should be effective from 1 July 2023.
56. As noted in our submission, SDA members are low paid workers living in low income households. The Paid Parental Leave Evaluation Final Report found that;
- ‘The impact of PPL in delaying mothers’ return to work was not uniform. Instead, the effect was more substantial amongst mothers for whom PPL was a larger payment relative to their normal earnings, or a more predictable one. Thus, **low income mothers showed a longer delay in return to work** than high income mothers in the first six months of their babies’ lives.’²⁵*
57. For SDA members any improvement in the PPL scheme will have a significant impact on their ability to take more time off at the time of birth.
58. An increase in the duration of the PLP would have beneficial outcomes for women and men ‘Extending the duration to 26 weeks would provide most working women with access to the period of leave considered to be best for maternal and child health and beneficial for labour market attachment (Ray et al., 2010). It would also increase the likelihood of take-up by men because the shareable leave period is longer.’²⁶
59. The Report demonstrated that SDA members are not all taking parental leave and when they do take parental leave the vast majority would have preferred to take more time. The most common comments made by members was that they had to return for financial reasons, as demonstrated earlier in the submission. An increase in the paid parental leave payment would have a significant positive impact on the lives of our members during early parenting.
60. An immediate increase to 26 weeks would be a good start towards an improved scheme. To promote more significant improvements in gender equality, the SDA also recommends that the Government commit to a timeframe to legislate an increase in paid parental leave to 52 weeks for all employees.
61. The other factor which contributes to the low ranking of Australia’s scheme in an international context is the rate at which the payment is made. Using the National Minimum Wage significantly reduces the full rate equivalent. It also results in a reduction in earnings for many women and serves as a disincentive for fathers and partners to share in the care of children because of the financial loss of the difference between earnings and the rate of payment.
62. The SDA recommends that the payment rate for the government paid parental leave scheme be increased to full replacement wage or at least the national average weekly earnings which is more reflective of a worker’s actual wage and will mitigate the potential for lost income and a disincentive for taking leave.
63. The SDA may support a reasonable cap on the payment of a full replacement wage, and strongly

²⁵ The University of Queensland, Institute for Social Science Research, PPL Evaluation: Final Report, November 2014, p 98-99

²⁶ Baird, M, Hamilton, M and Constantin, A, *Gender equality and paid parental leave in Australia: A decade of giant leaps or baby steps?*, Journal of Industrial Relations 1-22, p 18

supports the maintenance of a minimum payment to ensure a more equitable outcome and that all parents receive a payment that supports them to take the time off work that they and their family needs.

Recommendation 1

Amend the Bill to immediately increase the Government Paid Parental Leave Scheme to at least a minimum of 26 weeks paid parental leave at full-replacement wage or the national average weekly earnings, whichever is greater.

Recommendation 2

Commitment to a timeframe to legislate to increase paid parental leave to 52 weeks for all employees at full-wage replacement wage or the national average weekly earnings, whichever is greater.

Concurrent Parental Leave Pay

64. The SDA supports the ability for fathers and partners to take the parental leave payment concurrently with the birth parent if they choose to do this. Fathers and partners should have the opportunity to be home to support the birth parent and to bond with their new baby following birth.
65. Mothers need varying amounts of time to recover from childbirth and having a partner at home in those early days assists the recovery. Families should also have an opportunity to settle a new baby into the home together if they choose. The ability for fathers and partners to take the parental leave payment concurrently with their partner will facilitate this.
66. This is well supported by both fathers, partners and mothers in the Report. Most fathers (87%) would have preferred more time off. Many commented on wanting more time to settle their baby in, to bond with the baby and to help their partner recover and look after the baby and other children.
67. Many members raised concerns about having to return to work too soon after their partner had a caesarean or complicated birth, when they needed additional help at home.
68. We note that the Explanatory Memorandum at Item 51 states that:

*New Section 21 limits to 10 flexible PPL days the number of days in respect of which the Secretary may make a payability determination that parental leave pay is payable to more than one person in respect of those days. However, the Paid Parental Leave Rules may prescribe circumstances in which a flexible PPL day does not count towards the total of 10 flexible PPL days. This may occur, **for example, where the mother is unwell following the birth**, and the couple prefer that the father also be paid parental leave pay for a higher number of days to allow him to stay home and provide support.*
69. It would be useful if the Bill or Explanatory Memorandum could clarify if a circumstance where this would be considered includes where the mother is unwell or needs support following a caesarean or birth-related illness or complication.

Recommendation 3

Increase the quantum of weeks that parents can access the Government PLP concurrently or clarify in the Bill or Explanatory Memorandum that providing care to a partner or assisting in providing care to the child, following a cesarean or complicated birth would be considered an exceptional circumstance for the purpose of allowing carers to take more than 10 Parental Leave Pay days concurrently at the time of birth

Eligibility

70. Many workers are missing out on the paid parental leave payment due the nature of their employment, particularly when employed on an insecure or precarious basis such as casual, or on a temporary or fixed term contract or not having worked for long enough prior to the birth. This may result in being ineligible for the PLP because they haven't met the work test, whether it be the 10 months in 13 or the 330 hours.
71. The Report found that among parents with a child under 5, **19% of mothers and 47% of fathers had not received any paid leave to support their most recent birth.**²⁷ Based on respondents to questions around parental leave taken, almost all mothers and all fathers would likely have been eligible for unpaid and paid parental leave according to their length of service. As the reasons these parents did not access paid leave, and in some cases unpaid leave, were not given, the researchers recommended that this question needs further exploration.²⁸
72. Consideration should be given to the work test, particularly in light of the prevalence of insecure work and the changing nature of employment. The paid parental leave scheme should be accessible by all workers who need an income to support them while taking time off work to care for a newborn or adopted child.
73. In the Report SDA members described very poor working time security. Poor working time security affects all workers and is particularly adverse for parents and others with caring responsibilities. Poor working time security is generally a reflection of poor workplace practices, such as rostering, rather than on what a worker wants or can provide in relation to their labour. The work test should consider the nature of employment and whether the worker was available and willing to work rather than just the number of hours they did work. If not, the work test punishes the worker for the poor work time practices of the employer and exacerbates the insecurity for the worker.
74. The work test should also take into consideration periods of both paid and unpaid leave, including employer directed stand-down, as if the worker was not on leave they would have met the work test.
75. The work test should also be amended so that workers who commenced work less than 10 months before the birth are eligible. Some employers in retail have extended eligibility to unpaid parental leave to all employees regardless of length of service and paid parental leave to employees with six months service. Amendments to remove length of service requirements under the Act would be more reflective of emerging employment practices.
76. Consideration should also be given to the definition of adoption. Adoption under State laws is where biological parents relinquish legal parental rights over a child so that they can be legally adopted by others. However, adoption is not the only way that children are placed permanently in the care of people other than the biological parents or relatives. Permanent care orders or equivalent are used by state and territory child protection services to place children with third-parties on a permanent basis when they are unable to remain or return home to their birth parents or other relatives.
77. For all intents and purpose there is little difference between a child being placed under adoption or a permanent care order. Children need the same care and families need the same time to bond.
78. The SDA has been bargaining for improved parental leave clauses in Enterprise Agreements to extend all provisions applicable to adoption to children placed on permanent care orders or equivalent. We have successfully negotiated this in many retail agreements.

²⁷ Cor is, N., Blaxland, M., and Charlesworth, S. (2021). *Challenges of work, family and care for Australia's retail, online retail warehousing and fast food workers*. Sydney: UNSW Social Policy Research Centre, p 53

²⁸ Ibid, p 53

79. Consideration should be given to amending the definition of adoption under the Act to include the placement of children under a Permanent Care Order or equivalent to ensure parents are able to take time off from work when a child is placed in their home. Children placed with families under permanent care orders often need additional care and families should be supported to provide this.
80. The SDA recommends that the definition of adoption under the Act be amended to include children placed under permanent care orders or equivalent.

Recommendation 4

Make Paid Parental Leave available to every worker who needs it, including:

- a. **workers on casual, temporary or fixed term contracts**
- b. **workers on any period of paid or unpaid leave (including employer directed stand down)**
- c. **parents of children on permanent care orders**
- d. **all workers regardless of length of service**

Superannuation

81. Women contribute an enormous amount of work over their lifetime, through both paid work and unpaid caring, however, 90% of women will retire with inadequate superannuation²⁹ and with on average 47% less superannuation than men.³⁰ Women aged 60 are at much greater risk of retiring into poverty with 34 per cent of single women in Australia living below the poverty line.³¹ This cohort is also the fastest growing group of homeless people in Australia. One in three women don't even have a superannuation account.³²
82. The disproportionate share of caring provided by women is one of the main reasons women don't accumulate the same superannuation savings as men, which results in periods outside of paid work, periods of part-time or casual employment and working in lower paid positions to accommodate caring responsibilities.
83. Missing out on superannuation while undertaking unpaid caring, such as while on paid and unpaid parental leave has a significant impact on the superannuation balances of women over their lifetime. This is exacerbated by lost interest that would have accumulated over the work lifecycle on that amount lost.
84. The Report provided analysis of the perception of SDA members in relation to retirement savings. 'The survey asked how strongly workers agreed or disagreed with the statement "*I expect to have enough superannuation when I retire*". While a quarter were unsure (26%) around half (51%) disagreed or strongly disagreed, and only 23% agreed. As shown in Table 10.1, mothers had particularly low expectations of their retirement savings, being least likely to agree with the statement (18%) and most likely to disagree (57%). Fathers were also less likely to agree and

²⁹ ANZ, *ANZ Women's Report: Barriers to Achieving Financial Gender Equity*, July 2015, p 64

³⁰ ISA, *Closing the gender superannuation gap*. Online (accessed on 09/07/2019 at

<https://www.industrysuper.com/campaigns/closing-the-gender-superannuation-gap/>)

³¹ Unpublished Household, Income and Labour Dynamics in Australia (HILDA) Survey Data 2017, quoted in Heath, N. "Aged over 60 and female? Here's why you might be at risk of poverty" in *Voices* (4 Oct 2019) SBS: Online (accessed on 17/01/2020 at <https://www.sbs.com.au/topics/voices/culture/article/2017/11/24/aged-over-60-and-female-heres-why-you-might-be-risk-poverty>)

³² Clare, R. *Better Retirement Outcomes: a snapshot of account balances in Australia* (July 2019) ASFA: Sydney (accessed on 17/01/2020 at <https://www.superannuation.asn.au/policy/reports>)

more likely to disagree they would have sufficient superannuation, compared with other men..³³

**Table 10.1 Whether participants agreed or disagreed with the statement
“I expect to have enough superannuation when I retire”**

	Agree / Strongly agree		Neutral		Disagree / Strongly disagree		All	
	n	%	n	%	n	%	n	%
Mother with child under 18	277	18%	392	26%	868	57%	1537	100%
Female - no children under 18	666	22%	773	25%	1628	53%	3067	100%
Father with child under 18	96	25%	101	27%	181	48%	378	100%
Male - no children under 18	408	30%	380	28%	557	41%	1345	100%
Other / Missing	8	15%	20	37%	26	48%	54	100%
Total	1455	23%	1666	26%	3260	51%	6381	100%

85. When analysing the results by age, while many workers are unsure about the likely adequacy in their twenties, expectations about adequacy is much lower during workers thirties and beyond, with the clear majority of workers in their fifties and early sixties disagreeing with the statement that they will have enough super when they retire.³⁴
86. Members commented in the survey about the worry and stress they feel about their retirement savings and the concern that they won't have enough money in retirement.

As a parent grandparent and care giver and full-time worker, and unfortunately divorced, I feel like I'm running on empty. But the bills have to be paid. I worry my super won't cover me enough in retirement, even though I pay extra into it. Stressful, and tiredness is never far away.

Grandmother, elder carer, permanent full-time

Am very concerned about the amount of superannuation & knowing that I will not be able to support myself when retired.

Woman, carer, permanent

I'm quite worried about not having enough Super to retire comfortably - it's bad enough the retirement age keeps rising and we will have to work much later in life.

Mother, permanent part-time

Being a mother I won't have super to retire on !!!!

Mother, permanent part-time

87. When considering the payment of superannuation contributions by employers while employees were on statutory PPL the Productivity Commission supported payments on the grounds that PLP 'is a work-based benefit ... and that a period of caring for children while employed is a normal feature of employment'.³⁵
88. However, at the time the Commission said that '*given the current global financial crisis and the*

³³ Cortis, N., Blaxland, M., and Charlesworth, S. (2021). *Challenges of work, family and care for Australia's retail, online retail warehousing and fast food workers*. Sydney: UNSW Social Policy Research Centre, p 89

³⁴ Ibid, p 89

³⁵ Productivity Commission, *Paid Parental Leave: Support for Parents with Newborn Children*, 2009, 2.6

uncertainties for employees associated with the proposed new scheme, the Commission recommended that the introduction of payment of superannuation contributions by employers be delayed for three years³⁶.

89. It is now 10 years since the Paid Parental Leave Act was introduced and we still do not have superannuation on PPL.
90. This is also despite a bi-partisan recommendation in the final report by the Senate Economics References Committee in April 2016, '*A husband is not a retirement plan*': *Achieving economic security for women in retirement*, that the superannuation guarantee should be paid on the Commonwealth Paid Parental Leave³⁷.
91. The SDA made a submission to the Senate Standing Committee on Economics regarding economic security for women in retirement in 2015 where we made numerous recommendations for reform. The submission can be found at [Submissions – Parliament of Australia \(aph.gov.au\)](https://aph.gov.au/submissions).
92. The SDA recommends that as per the Productivity Commission and Senate Economics References Committee recommended, superannuation should be paid on the government paid parental leave scheme.
93. The SDA has also successfully bargained and advocated for superannuation to be paid on employer provided parental leave – both paid and unpaid. The SG should also be extended to payment of the superannuation guarantee on both paid and unpaid parental leave for up to 12 months to reduce the gender gap in retirement savings and to address the growing problem of rising poverty and homelessness among older women who have contributed a lifetime of paid work and unpaid care. It is time that the unpaid care contribution made by women is valued by society and our economy.

Recommendation 5

Legislate for the payment of the superannuation guarantee on the Government Parental Leave Payment.

Recommendation 6

Amend the Superannuation Guarantee so that employers are obligated to make superannuation contributions during periods of paid and unpaid parental leave.

Reliance on Grandparents

94. The Report found that half of SDA members who are parents of a child under 12 use informal care only while they are working, 9% used formal care only and 42% used both.
95. The Report also found that SDA members rely heavily on grandparents to provide that informal care. Grandparents were the most common source of non-parental care. Regular use of care by a grandparent increased with parents' (especially mothers') work hours. Eighteen percent of mothers who worked less than 20 hours in the last fortnight said they used grandparent care every week and a further 4% used it most weeks. Use of regular grandparent care was much higher among mothers who worked more hours. 38% of mothers with full-time hours (i.e. 76 or more in the last fortnight) used grandparent care every week, and a further 7% used it most weeks. This underlines the importance of grandparent care in enabling parents to work more hours.³⁸

³⁶ Ibid, 2.14

³⁷ Senate Economics References Committee, *A husband is not a Retirement Plan: Achieving economic security for women in retirement*, April 2016

³⁸ Ibid, p 28

96. Members who use grandparents cite many reasons for needing to do this including enabling workforce participation, saving on the cost of childcare and building family relationships³⁹:

My parents are a godsend when it comes to looking after my kids for me so I can work.

Partnered mother of children with disability, permanent full-time

My mother-in-law has stopped working to help watch the kids while I return to work.

Partnered mother, elder carer, permanent part-time

My dad drops off my child at day care and because I start work so early I finish early enough to pick her up from childcare.

Partnered mother, permanent full-time

I start at 2pm so need grandparents to pick up children from school and watch them till the other parent returns home from work. Roughly 2 hours.

Partnered mother, permanent part-time

Have been on multiple waiting lists with no movement and no care on weekends so the children have had to go to their grandparents

Single mother, permanent part-time

Cheaper as I couldn't afford to put my child into care every day and as my roster is a fortnight I don't work the same days every week so my child's great grandparents help look after my child

Partnered mother, permanent part-time

97. Among SDA members over 50, 17% were grandparents providing regular unpaid care to a grandchild⁴⁰. Forty-three percent of grandparents providing regular care are caring for a child aged 0 to 2 and many care for multiple children.⁴¹
98. Members who are grandparents providing regular care to a grandchild commented on the implications of their roster and how they are managed in relation to managing their work and care responsibilities.

My roster is the same every week so this makes caring for my grandchildren easier.

Grandmother, elder carer, permanent part-time

I am very blessed with the job role that I do. The hours Monday to Friday 5.00am to 1.00pm, which enable me to look after my grandchildren. I realise this can change at any time, for the needs of the business.

Grandmother, permanent full-time

Management need to have more understanding how hard it is for some people. I have no immediate family in the area to help me. My daughter is a paraplegic who I help in some form every day. I have her 5 year old daughter living with me. They can and often do make you feel bad if you can't attend work because something has happened.

Grandmother, carer of person with disability, permanent part-time

99. There needs to be more support available to grandparents to enable them to work and provide care to grandchildren. They make a valuable contribution to the informal care of children in Australia and as evidenced in the Report, are vital to assisting in the increased participation of women in the workforce. This should be recognized and supported through improved rights and

³⁹ Cortis, N., Blaxland, M., and Charlesworth, S. (2021). *Challenges of work, family and care for Australia's retail, online retail warehousing and fast food workers*. Sydney: UNSW Social Policy Research Centre, p 30

⁴⁰ Ibid, p 4

⁴¹ Ibid, p 29

entitlements in the workplace.

100. Given that it is most often grandmothers, this form of care is again gendered, so consideration should be given to how the provision of grandparental care further impacts on the incomes and retirement outcomes of women. Leave should be available to grandparents and should be valued by our society and economy and be in the form of paid leave.
101. The paid leave should be able to be taken flexibly like under the proposed amendments to the Act, such as one day a week or in blocks to support parents to return to paid work.

Recommendation 7

Introduce a new entitlement to Grandparental Leave which would provide for an eligible employee to access 12 weeks flexible paid leave for each grandchild during the period up until the child is school age.

Unpaid parental leave under the *Fair Work Act 2009*

102. In addition to recommendations in relation to the PPL Act and SG Act, the SDA makes some recommendations in relation to the FW Act.
103. As mentioned earlier in the submission, the SDA supports the proposed amendments in relation to removing primary and secondary carer and making all parental leave days flexible. To ensure that parents and other carers are able to maximise the opportunity to take the leave in the way it has been redesigned, the unpaid parental leave provisions in the Fair Work Act should be reviewed to ensure they provide the ability to take unpaid parental leave in the same way

Recommendation 8

Make any necessary amendments to the unpaid parental leave provisions in the Fair Work to ensure employees have access to leave to enable them to take full advantage of the government parental leave payment.

104. Earlier in this submission we raised issues in relation to the definition of adoption under the PPL Act and made a recommendation to extend the definition to include placement of a child under a permanent care order or equivalent.
105. The SDA recommends that the same change be made to the definition of adoption under the FW Act for the purpose of unpaid parental leave.

Recommendation 9

Amend the definition of adoption under the Fair Work Act 2009 to include the placement of a child under a permanent care order.

106. The AHRC National Review 'found that serious consideration should be given to recognising unpaid parental leave (and any paid parental leave) as active service, for the purposes of accruing entitlements related to annual salary increments, superannuation, personal/carers leave and long service leave'⁴².
107. Recognising periods of unpaid and paid parental leave as service for the purpose of annual salary increments would assist in reducing the gender pay gap by ensuring that women's incomes are keeping pace with men performing the same job who haven't had to take a break in their

⁴² Australian Human Rights Commission, *Supporting Working Parents: Pregnancy and Return to Work National Inquiry 2014*, p 163

employment to care for their new born baby.

108. Periods of unpaid parental leave should also be recognised for the purposes of accruing superannuation as this is vital for the accumulation of retirement savings for women and reducing the gender retirement gap.
109. The SDA also believes that recognising periods of unpaid and paid parental leave as service for the purpose of accruing entitlements related to personal/carers leave and Long Service Leave is important for women, particularly when they return to work after a period of parental leave. Many of our members return to work with diminished leave entitlements at a time when they may need to access them the most to care for children.
110. Many of our members are frequently forced to access unpaid leave to attend to caring responsibilities when they return to work because they have exhausted all other forms of paid leave. This results in a reduction in pay and impacts on the level of superannuation contributions made by their employer.
111. The Report provides some accounts of members struggles when providing care with no sick leave available:

It was hard to jump straight back into full-time work [while] juggling a sick baby. No sick leave entitlements... was hard. I was made to feel like I had to get straight back into it full force or they would find someone to replace me.

Partnered mother of child with disability, permanent part-time

Both my parents work full-time, so when my children become sick I have no one to help me out. So therefore, I have to call in sick. In the month of February 2021, my daughter who attends kinder has caught croup, gastro and a virus, which led to me having a lot of time off - to the point where I had been flagged at work and was on warning for dismissal.

Partnered mother, permanent part-time

You can't drop them off [at child care] when they are sick, so I need to use all my personal leave to care for my child. When that runs out, I have to suffer the consequences of not being paid, but I still have to pay for childcare.

Partnered mother of child with disability, permanent part-time

112. Accrual of leave during periods of unpaid and paid parental leave would enable parents, and in particular mothers to return to work with a leave balance to support absences due to sick children or when they are sick themselves. As low paid workers, any periods of reduction in take home pay because of unpaid leave due to illness has a significant impact on the household income and impacts on their ability to manage household bills and expenses.
113. The SDA recommends that periods of unpaid and paid parental leave be recognized as periods of active service for the purpose of accruing leave to better support workers manage work and care.

Recommendation 10

Amend the *Fair Work Act 2009* to recognise periods of unpaid parental leave (and any paid parental leave) as active service, for the purposes of accruing entitlements related to annual salary increments, superannuation, personal/carers leave and LSL.

Appendix A: Rationale for SDA policy positions

SDA policy is driven by providing value to our members whose work is regulated by a broken industrial framework. We seek an economic system that supports, protects and advances the interests of working people in this country.

Our predecessors built the conciliation and arbitration system which provided the foundations to our nations prosperity over a century ago, it is now our responsibility to build a system for the next generation.

Since the introduction of the Fair Work Act 2009 and subsequent radical changes to the financial and digital context inequality has grown and economic and political power has concentrated in the hands of a few.

We believe that fundamental not incremental change is needed. In contributing to policy, we seek to drive a new system that acknowledges the change that has occurred and will withstand the emerging world of work.

We engage in topics that help us drive this agenda and are guided by ten principles that we believe will create value for our members. Those principles are:

- 1. Address Inequality & Enshrine Fairness**
Minimum expectations must be set and adhered to.
- 2. Equity & Empowerment**
All workers must be supported to progress so that no-one is left behind.
- 3. Mobility & Security**
A socially successful economy must provide opportunity for all, regardless of their background. Systems must be built in a way that support success and adaptation in a rapidly changing world of work.
- 4. Delivering Prosperity & Growth For All**
A foundation for prosperity and economic growth must be achieved.
- 5. Protection in Work & Beyond**
Workplaces and the community must be healthy and safe for all workers and their families during and beyond their working lives.
- 6. Workers Capital & Superannuation**
Workers capital and superannuation must be an industrial right for all workers and treated as deferred earnings designed for dignity and justice in retirement.
- 7. A Strong Independent Umpire**
A strong, independent, cost effective and accessible industrial umpire and regulator must be central to the future system of work in Australia.
- 8. Protection & Support for Our Future**
Protecting and supporting our future requires a strong and vibrant retail industry and supply chain providing jobs with fair and just remuneration and contributing to the economy including through skilled workers.
- 9. Work & Community**
Work is a fundamental human activity that provides for personal, social and economic development. Work as it operates in community must build and protect a balance between life at work and life so that workers can contribute to society through the wider community.
- 10. Institutional Support for Collective Agents**
Institutional support must provide for collective agents (registered organisations) so that they are recognised, enshrined and explicitly supported as central to the effective functioning of the system.

Details of specific policy positions can be discussed by contacting the SDA National Office.

Appendix B: Challenges of work, family and care – Executive Summary



EXECUTIVE SUMMARY

Challenges of work, family and care.



Who Cares?
A FAIR SHARE OF WORK AND CARE

FOR AUSTRALIA'S RETAIL,
ONLINE RETAIL, WAREHOUSING
AND FAST FOOD WORKERS

Executive Summary

This report provides information about the work, family and care arrangements of employees in Australia's retail, fast food and warehousing industries. Through the pandemic, these workers have been recognised for their essential contributions in maintaining safe access to food and other necessities for the community. Yet this recognition is not reflected in their employment conditions and supports; they remain low paid and lack access to the flexibility arrangements which assist workers in other industries to provide care to children and adults, and to manage work and family commitments.

To explore the challenges of managing work and family experienced by these workers, including their care for children and others, and their employment needs, Australia's largest private sector union, the SDA, the union for workers in retail, fast food and warehousing, commissioned this research from the Social Policy Research Centre at UNSW. Information comes from a national survey of SDA members, conducted in early 2021, which explored:

- workers' responsibilities to care for children and vulnerable adults;
- how workers arrange their care responsibilities while they are working; and
- the challenges arising from employers' working time practices and Australia's system of childcare provision.

Findings show that as well as making important economic and social contributions through their paid work, SDA members make valuable contributions through the unpaid labour they provide as parents, and as carers to children and adults in their families and communities. Yet these social and economic contributions are poorly recognised and accommodated in their working lives.

The data shows that:

- SDA members lack genuine choice about their working times and childcare arrangements and require better support structures, including access to responsive childcare services that recognise their needs, to ensure they have meaningful opportunities to shape their working and caring lives.
- Industrial relations settings and employer practices are limiting the choices and opportunities available to SDA members. Rostering and pay are shaped too strongly around employers' agendas of profitability and cost minimisation.
- The ways work is organised exacerbates difficulties faced by workers needing to organise their work and family lives, and find time for care. This impacts on the children of retail workers, many of whom cannot access early education and have constrained opportunities to fully participate in other aspects of social and community life.

Changes are needed at the level of industrial relations policy, and within employing organisations and local workplaces. Policy and regulatory changes should be aimed at promoting decent pay, job security, predictability of shifts, employees' control over work times, access to reasonable shift lengths, genuine choices about work days and times, and to ensure workers can make schedule adjustments without fear of repercussions. Changes are also needed in Australia's childcare system, to improve the affordability, accessibility and suitability of care for low-income workers.





Key findings

Care responsibilities

SDA members contribute unpaid care work that is essential to their families and communities.

- 55% of all participants said they regularly provide some form of care to another person, such as care to a child, grandchild, or to an older person, or a person with a disability or long-term health condition.
- This includes 39% who provide care to a child or young person under 18 (either in or outside their household). The vast majority of those caring for a child were doing so as parents. Indeed, 30% of survey participants were parents with a child under 18.
- 17% provide regular care to an older person, 10% care for someone with a long-term illness or health condition, and 9% provide regular care to a person with a disability.
- Australian Bureau of Statistics (ABS) data indicates that 1 in 9 Australians (11%) provide unpaid care to people with disability and older Australians.¹ The equivalent figure among SDA survey respondents is 24%.

"I can't use childcare until I have more regular work to accommodate childcare."

Partnered mother, casual

Complex care responsibilities

Many SDA members work and care in challenging circumstances.

- 25% of participants who are parents with a child under 18 said they are sole parents. This is high: sole parent families comprise around 14% of families in Australia.²
- 16% of parents with a child under 18 said they have a child with a disability or additional needs. While measured differently, ABS data indicates that in 2018, 7.7% of children under 15 had a disability.³
- 13% of survey participants aged 25 or under were young carers; that is, they are young people who provide regular care to an older person or adult with a disability or long-term health condition. This is much higher than in the wider population: the 2016 Census found that among people aged 15 to 24, 5.6% were young carers.⁴

Managing work and care

The survey shows the needs of retail workers, including parents and carers, are being left unmet by employers and employment regulations, and by Australia's childcare system.

- Many SDA members have contributed years, even decades of service to their employers. Yet their working time arrangements continue to be characterised by short, fluctuating hours, and precarious shifts. This impacts on mental health, constrains opportunities to provide care, and limits opportunities for families to spend time together.

"I made sure [my hours] would work with my family by being completely transparent and upfront about my needs. It was perfect up until recent new management, I'm constantly having to dispute my roster and my hours are getting cut because they can no longer work with my schedule. I feel like a burden, and I come home stressed out and exhausted."

Partnered mother, casual

Informal care

- Most parents use informal arrangements to care for their children while they are working. Among parents of children aged 12 or under, 9% used formal care services only, half (49%) used informal care only, and 42% used a combination of both.
- Care by a grandparent is particularly important. It enables mothers in particular to extend their working hours and earnings, and to reduce or avoid the costs of formal care. Among mothers with a child aged 12 or under, 30% used grandparent care each week and a further 10% used it most weeks. However, access to grandparent care cannot be assumed: over a third of mothers with a child under 12 (36%) did not report using grandparent care.
- As well as drawing on grandparent care, many SDA members are themselves providing care as grandparents. Among those aged over 50, 17% were providing regular unpaid care to a grandchild.
- Young workers also provide care. Among those aged 20 or under, 14% provided regular unpaid care for a younger sibling.

"Having my eldest son (13 years) watch my younger son after school allows me to work just a little bit longer each shift so I can afford bills etc; My parents don't charge if I need them to watch or pick up an unwell child."

Sole father, permanent part-time

Formal care services

- Use of early education and care services (ECEC) or formal childcare is most common among families with a pre-school aged child, however, it is usually used in combination with informal arrangements.
- Comments from workers highlight the ways some families have to make extraordinary efforts to co-ordinate family schedules around work and care, in ways that avoid or reduce their use of formal paid childcare or use of non-parental care. This is largely due to the cost of childcare, including the charging of fees in blocks which do not correspond well with working hours, and because childcare hours do not accommodate the non-standard hours which are prevalent in retail.
- A commonly mentioned challenge is the need to pay for a full day of long day care, even if a child attends only for short hours.
- Difficulties accessing childcare are resulting in inequitable participation in early education among children of SDA members. This can have enduring consequences for children's learning. Nationally, 95% of children participate in a preschool program for 15 hours per week before they start school.⁵ Among surveyed parents with a child starting school in 2022, 72% said their child attended at least 15 hours of long day care, preschool, or kindergarten, where they might receive a preschool education. 10% said they attended but for less than 15 hours, 12% did not attend, and 5% were unsure about attendance or hours.

"It is very hard to find a childcare in the weekends, evening etc. For people like us who do shift work, it is stressful to get."

Partnered father, permanent full-time

Even where SDA members use ECEC services, they experience difficulties.

- For those with a child 5 or under, the most common childcare difficulties were affording childcare (reported by 63% of participants engaged with formal services); coordinating work times with childcare (reported by 46% of those using formal services); finding childcare that fits work schedules (35%); and finding childcare at short notice (35%).
- For those with a primary school-aged child, the most common childcare difficulties were coordinating worktime with childcare (38%), affording childcare (37%) and finding childcare during the holidays (36%).
- Where childcare arrangements were perceived to work well, success was attributed to informal care arrangements, ability to co-ordinate work times within the family, and the predictability of shifts.

Labour supply

Difficulties accessing suitable childcare are reducing labour supply, and particularly impacting on the participation of women in the workforce and their working hours. This impacts on family earnings.

- Among parents with a child aged 12 or under, 43% of mothers and 35% of fathers reported wanting to work more hours, but access to suitable childcare is a barrier: 35% of mothers and 27% of fathers agreed with the statement "If I had suitable childcare, I would work more hours".
- A third of parents with a child 12 or under (33%) said they turn down extra shifts because they won't earn much more after tax and childcare costs.

"I changed my work hours so that I can be home during the day and my husband is home at night with the children. It was too hard trying to work around childcare and school and then what to do when someone is sick"

Partnered mother, permanent part-time

Parental leave

Paid parental leave helps support parents around the time of childbirth or adoption of a child, and when a child is very young. SDA members with a child aged 5 or under were asked about whether they had taken parental leave for their most recent birth, and the type of leave they used.

- The Australian Government's provision of Parental Leave Pay is the most important source of support for SDA members. Parental Leave Pay was the most common form of leave taken, reported by 72% of mothers and 34% of fathers with a child under 5. Although eligibility and the reasons for non-use are not clear from the data, the information nonetheless indicates that many SDA members have missed out.

Overall, 19% of parents of young children said they had not accessed any paid or unpaid leave for their last birth. This was higher for fathers (35%) than mothers (14%).

- Among parents with a child under 5, 19% of mothers and 47% of fathers had not received any paid leave to support their most recent birth.
- Comments on parental leave and transitioning back to work showed mothers faced challenges securing appropriate conditions when returning to work, and also felt they were missing important milestones in their children's lives.

"It was hard to jump straight back into full-time work [while] juggling a sick baby. No sick leave entitlements...was hard. I was made to feel like I had to get straight back into it full force or they would find someone to replace me."

Partnered mother of child with disability,
permanent part-time



Working time and rostering practices

SDA members described very poor working time security. Poor working time security affects all workers, and is very adverse for parents and others with caring responsibilities, impacting on their access to formal and informal care.

- Only two in five (40%) of participants work the same shifts each week 'all of the time'. This is higher for fathers (48%) and lower for mothers (37%).
- Although casual work is most unstable, many of those employed permanently report that their employment does not provide stable, predictable hours
- One in ten parents (10%) said they do not have regular work days.

Most workers report that rosters are set by a manager who they have regular contact with. Those who are satisfied with their working times frequently attribute this to 'luck' in having a good manager, rather than systemic practice. Workers described substantial challenges, including:

- working times which emphasise business priorities and do not accommodate personal needs and circumstances. These affect everyone but make life particularly difficult for workers with complex care responsibilities;
- low hours, short shifts and insecurity, contributing to underemployment and financial difficulties and stress.
- mismatch between working times and childcare availability;
- changing schedules, often at short notice and without adequate communication from employers;
- repercussions and being penalised, including loss of hours, when workers refuse shifts or seek to change them.

"We had to change our start and finish times on night fill so the company can save on penalty rates. We were not given a choice just told it was changing so all our contracts had to change too. There was no consideration for night fill members that have to pick their children up from school etc. Now we also get paid less because of this."

Sole mother, permanent part-time

Impacts on workers and families

Rostering practices contribute to financial difficulties in low-income families, make it difficult for families to access childcare, and make it difficult for families to spend time together. Rostering practices also prevent workers from working more hours. Employers' rostering practices add to parents' unpaid workload. Among those with a child aged 12 or under:

- 68% agreed or strongly agreed with the statement "When I get my roster, I have to check it fits with the family's childcare arrangements".
- 69% agreed their work times affect when other family members can work.
- 62% said they find it stressful to organise childcare around work times.

Rostering also impacts on family stress and the mental health of the worker and members of their family:

- Of those with a child 12 or under, 37% of mothers and 42% of fathers agreed or strongly agreed with the statement "The way I am rostered to work impacts on my mental health".
- 63% of parents with a child aged 12 or under agreed or strongly agreed that they worry about what's happening with their children whilst working (69% of mothers and 57% of fathers).
- Among mothers with a child below school age, those using formal childcare services were less likely to worry about their children compared with others, underlining the importance of formal childcare for alleviating maternal stress.

Financial security

Many workers find that low pay makes it difficult to meet the needs of their families.

- 55% of respondents live in households with post-tax income of less than \$1000 per week. 32% of couple parents and 80% of sole parents live in households with incomes under \$1000.
- A substantial proportion of parents caring for children find their wages are too low to meet their needs. 46% of parents in couple relationships and 56% of sole parents disagreed or strongly disagreed that they are satisfied with their take home pay.
- Many find they work fewer hours than they need. Only 20% of casuals agreed (or strongly agreed) that they work enough hours to make a living, as was the case for 29% of those employed on a permanent part-time basis. Problematically, only 57% of permanent full-time employees said they work enough hours to make a living, reflecting the low hourly rates received.
- Half of participants agreed that they rely on penalty rates to make a living (50%). This was not restricted to casuals, 53% of permanent part-time workers and 50% of those with permanent full-time hours said this was the case.
- Around a third of parents agreed with the statement "I turn down extra shifts because I won't earn much more after tax and childcare costs".
- Parents commented on difficulties of living on low incomes. They described trying to work hours that enabled them to contain childcare costs. Pay was seen as low given the nature and complexity of the work.
- While a quarter of participants (26%) were unsure about the adequacy of their retirement savings, around half (51%) disagreed with the statement "I expect to have enough superannuation when I retire", and only 23% agreed.
- Mothers' expectations of retirement savings are particularly low: only 18% of mothers with a child under 18 agreed they would have enough superannuation when they retire.

"I'm a single mother that gets no child support and live week to week on my wages."

Sole mother of child with disability, permanent full-time

"It shouldn't be about working extra hours, it's about the hourly rate. 42 hrs per week to struggle paying bills!"

Sole father and carer of adult with disability, permanent full-time

Improving work and care

The research demonstrates that formal child care options and industrial relations regulations are not meeting the work and family needs of SDA members. In particular, rostering arrangements and low pay are impeding the ability of workers to organise the time needed to provide care for their children, extended families and communities. This is affecting children's access to early education and opportunities to participate in extra-curricular activities.

Reform is needed to improve working time arrangements in retail, fast food and warehousing industries, so that SDA members have control over their working hours and have predictable shifts so they can organise care and other aspects of their lives. Better job security and pay are also needed, to support all workers to fulfill their care responsibilities, and to enable families to engage with formal care services.

Changes are also needed to ensure child care is available to SDA members in ways that are affordable and suitable for their working hours. Childcare reform should be oriented around principles of children's universal rights to early education and care, to enable access for every child regardless of parents' incomes or employment arrangements.

This Executive Summary has been taken from the Who Cares Survey Report:
Challenges of work, family and care for Australia's retail, online retail, warehousing and fast food workers.

To view the entire report go to: www.national.sda.com.au/care



UNSW
SYDNEY

SPRC
Social Policy Research Centre

For further information:

A/Prof Natasha Cortis
n.cortis@unsw.edu.au

Social Policy Research Centre
UNSW Sydney NSW 2052 Australia
T +61 2 9385 7800
F +61 2 9385 7838
E sprc@unsw.edu.au
W arts.unsw.edu.au/sprc

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The Social Policy Research Centre is based in the Faculty of Arts, Design and Architecture at UNSW Sydney. This report was commissioned by the SDA.

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¹ ABS (2019) Disability, Ageing and Carers, Australia: Summary of Findings
<https://www.abs.gov.au/statistics/health/disability/disability-ageing-and-carers-australia-summary-findings/latest-release#carers>

² ABS (2020) Labour Force Status of Families
<https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-status-families/jun-2020>

³ ABS (2019) Disability, Ageing and Carers Australia: Summary of Findings
<https://www.abs.gov.au/statistics/health/disability/disability-ageing-and-carers-australia-summary-findings/2018#children-with-disability>

⁴ ABS (2018) 20710 - Census of Population and Housing: Reflecting Australia - Stories from the Census, 2016
<https://www.abs.gov.au/ausstats/abs@nsf/Lookup/20710main+features1432016>

⁵ Through the Council of Australian Governments', all jurisdictions have agreed to aim to provide 15 hours per week of early education for all children in the year before school. This reflects that 15 hours is considered the minimum amount of learning needed to develop the skills needed for a successful start at school.



Level 6, 53 Queen Street, Melbourne VIC 3000 | T: 03 8611 7000 | E: general@sda.org.au | ABN: 99 789 302 470
Shop, Distributive and Allied Employees' Association sda.org.au

