



March 13th, 2020

**Submission to the Inquiry by the Senate Community Affairs Legislation Committee into the Paid Parental Leave Amendment (Flexibility Measures) Bill 2020**

Committee Secretary  
Senate Standing Committee on Community Affairs  
PO Box 6100  
Parliament House  
Canberra ACT 2600  
[community.affairs.sen@aph.gov.au](mailto:community.affairs.sen@aph.gov.au)

We are pleased to make a submission to the current **Inquiry by the Senate Community Affairs Legislation Committee into the Paid Parental Leave Amendment (Flexibility Measures) Bill 2020**

This submission was drafted by Professor Marian Baird and Associate Professor Myra Hamilton, University of Sydney, on behalf of the Women and Work Research Group and the Work + Family Policy Roundtable.

We have a strong interest in paid parental leave policy. A robust, sustainable, national paid parental leave system that reflects the research evidence is critical to the wellbeing of women, men children and the nature and health of our communities. It is also critical to labour supply, fairness and the productivity of our workplaces and economy.

We would be happy to expand upon our submission at a public hearing.

Yours sincerely,

## Executive Summary

The Women Work and Leadership Research Group (WWLRG) and the Work and Family Policy Roundtable (W+FPR) support the proposal for greater flexibility in the existing PLP scheme.

However, we suggest that the changes do not go far enough, making the current bare minimum more flexible rather than embracing the international standards to which we should be aspiring. As stated in the EM, the focus of the Bill is 'to increase women's workforce participation'. We also note that there are other more effective ways to achieve the desired goals of the proposed policy, such as: improving women's economic participation and rewards through providing equal pay and superannuation; improving opportunities for fathers and partners to take a portion of the leave; and increasing options for families of young children to combine paid work and in paid care. Furthermore, we note that the Bill does not address the pressing need to increase leave for parents of premature and sick babies.

This Inquiry is taking place at the 10 year anniversary of the introduction of the government Parental Leave Pay scheme (PPL Act 2010). It thus provides a timely opportunity to recommend a broader review of strategies to improve Australia's Parental Leave Pay and Dad and Partner Pay scheme so that it better meets the needs of Australian families, and brings all women closer to the widely accepted and evidence-based aspiration of 26 weeks PPL.

## Recommendations

- 1. We recommend that the Australian Government formally ratifies the ILO Maternity Protection Convention, 2000 (No. 183).** ILO convention 183 provides a useful framework for the ongoing development of a robust and effective Australian PPL scheme suited to the family and labour market conditions of the 21st century. We note the Australian national PLP scheme falls short of two ILO C183 recommendations: (1) that parental leave be paid at the rate of two-thirds of previous pay or comparable amount, and (2) the requirement for lactation breaks.
- 2. The proposed changes have the potential to create a 12 week norm of PLP, whereby primary carers in the early months of a baby's life (usually the mother) feel added pressure to return to work after 12 weeks. For mothers to return to work at 12 weeks and continue breastfeeding support needs to be in place. We recommend that the PPL policy be accompanied by a right to lactation breaks and a renewed focus on fostering breast-feeding friendly workplaces, where mothers have access to adequate breastfeeding breaks and facilities.**

3. The current calculation of '30 flexible days' is out of step with work practices which are often based on jobs/ or gigs, and a new and clearer set of criteria is needed. **We recommend that the option of '30 flexible workdays' be converted to an equivalent time measured in work hours.**
4. The current proposal includes changes to the existing unpaid parental leave provisions in the National Employment Standards (NES) to align the new changes to Parental Leave Pay with the NES. **We recommend that this is an ideal opportunity to correct an anomaly in the alignment of the Government Parental Leave Pay Scheme and the unpaid parental leave provision in the NES. This could be achieved by amending the NES so that parents must have worked 10 of the last 13 months to be entitled to unpaid parental leave.**
5. While this flexibility will improve women's opportunity to return to paid work full or part time after 12 weeks without losing entitlement to the final 30 days Parental Leave Pay, **we recommend that other changes could be made to the PLP Scheme that would much more effectively meet the Government's aims of increasing the extent to which the PLP scheme improves women's workforce participation, economic independence and earning potential. WWLRG and W+FPR recommend that the Committee examine options to: increase the duration of PLP to 26 weeks; increase the rate of PLP; and add a superannuation contribution to PLP.**
6. Another aim of the proposed policy is to provide more options for fathers and partners to participate in childcare. **We recommend extending the period of Dad and Partner Pay and consider other measures to improve fathers' and partners' take up of Parental Leave Pay/Dad and Partner Pay.**
7. We recommend the possibility for transferring parental leave to grandparents be clarified in the Bill. If it is possible for grandparents to be allocated the PLP days, **we recommend additional measures that support grandparents to use this measure, such as extending the right to request flexible working arrangements on the grounds of care responsibilities for grandparents.**
8. **We recommend it is timely to add special PPL leave for parents who have a baby admitted for neonatal intensive or special care for greater than two weeks, with the goal of improving health and socio-economic outcomes for both the baby and their family. Further consideration should also be given for additional leave for multiple births.**

9. It has now been 10 years since the introduction of Australia's Government-funded Parental Leave Pay scheme. The 2010 PPL scheme was always intended to be a starting point that Australia could build on. **We recommend a 10 year review of Parental Leave Pay and Dad and Partner Pay to examine ways in which the payments could more effectively meet the contemporary needs of Australian families.**

## Introduction

The benefits of a paid parental leave (PPL) scheme for maternal and infant health, for gender equality in the distribution of work and care, for female workforce participation rates, for employment recruitment and retention, and for a nation's productivity are now well established.<sup>1</sup> Until the introduction of Australia's paid parental leave scheme, which became operational from January 2011, Australia was one of only two OECD countries without a national scheme.

If Australia aspires to the goals that a paid parental leave scheme is designed to pursue, and seeks to build a scheme that is based on the international evidence on what provides the best outcomes for maternal and infant health, increasing female labour market participation and consequently national productivity, and creating a more gender-equal distribution of work and care, then a PPL scheme of 26 weeks or more should be the goal. The aim of Australia's PPL scheme should be to maximise the number of women with access to at least 26 weeks paid parental leave.

In 2011, the Australian Labor Party introduced a PPL scheme in Australia that provides 18 weeks Parental Leave Pay at the rate of the National Minimum Wage for the primary carer of an infant, provided they meet a work test. To be eligible, the individual claimant (usually a woman) must also have earned less than \$150,000 in the financial year preceding the birth. In 2013, this was extended to include an extra two weeks of Dad and Partner Pay. These measures were very important steps towards meeting the goals set out above. The independent evaluation of Australia's PPL scheme suggested that it supported mothers to delay their return to work in the first six months after the birth of the child, led to improvements to mother's health and breastfeeding duration, and resulted in increased job

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<sup>1</sup> This argument was previously made in the W+FPR submission to the Fairer Parental Leave Bill (2017) at: <https://www.workandfamilypolicyroundtable.org/wp-content/uploads/2017/02/Submission-to-the-Senate-Inquiry-into-the-Fairer-Paid-Parental-Leave-Bill-2016-Work-and-Family-Policy-Roundtable.pdf> See also Australian Human Rights Commission (2013) Investing in Care: Recognising and Valuing those who Care, Volume 2 Technical Papers, Australian Human Rights Commission, Sydney.

security for women, increasing the probability of their returning to work (Martin et al, 2015; W+FPRT, 2016).<sup>2</sup>

However, Australia still trails other OECD countries when it comes to the substance of our PPL scheme. While 18 weeks of Parental Leave Pay and two weeks of Dad and Partner Pay is an important start, it is widely considered among experts in women's and infant health and work and family policy to be just that: a start. The scheme must be further developed if Australia is to enjoy the positive outcomes for women's labour force participation, infant health, paternal involvement in child rearing, and gender equality in the distribution of work and care enjoyed by some of our OECD counterparts. The design of the PPL scheme, based on the Productivity Commission's recommendations (Productivity Commission 2009), was that new parents combine their government parental leave pay with their employer schemes, where available, to increase the PPL period beyond 18 weeks. Latest data from the Workplace Gender Equality Agency (WGEA 2020)<sup>3</sup> show that only half of Australia's large employers provide PPL, meaning that more than half of all employers in Australia do not provide PPL. Thus a significant proportion of working women, men and partners, and their families, are fully reliant on the Government scheme.

In 2014 the government proposed changing the PPL scheme to remove the possibility of working women combining employer provision with the PPL scheme. The WWRG, together with Fair Agenda, opposed these changes noting the deleterious and costly impact they would have on women and their families. We are pleased that this proposal has now been dropped and welcome the opportunity to comment on further positive amendments. We believe, however, these amendments could go further and enhance women's workforce participation further.

In 2019, the W+FPRT released its Election Benchmarks 2019. These are attached to this submission. In this document, we propose that Australia's PPL policies should aim to increase the duration of the government scheme, the rate of payment, and include superannuation. We reiterate in this submission that the recommendations made in the Election Benchmarks are the best principles on which to take Australia's PPL scheme forward.

**Recommendation 1. We recommend that the Australian Government formally ratifies the ILO Maternity Protection Convention, 2000 (No. 183).** This would provide important public acknowledgement of Australia's support for working parents, decent work and women's participation in the labour market. ILO convention 183 provides a useful framework for the ongoing development of a robust and effective Australian PPL scheme suited to the family

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<sup>2</sup> W+FPRT (2016) Work, Care and Family Policies: Election Benchmarks 2016, Women and Work Research Group, University of Sydney; Martin, B. et al. (2015) PPL Evaluation: Phase 4 Report. Department of Social Services, Canberra. Available at: <https://www.dss.gov.au/our-responsibilities/families-and-children/programmes-services/paid-parental-leave-scheme/paid-parental-leave-evaluation-phase-4-report>.

<sup>3</sup> Available at: <https://wgea.gov.au/data/fact-sheets/gender-workplace-statistics-at-a-glance>

and labour market conditions of the 21st century. We note the Australian national PLP scheme meets many of the objectives of ILO C183 (see NFAW submission for summary) but falls short of two minimum standards: (1) that parental leave be paid at the rate of two-thirds of previous pay or comparable amount, and (2) the requirement for lactation breaks.

### **The proposed policy changes and possible implications**

The Paid Parental Leave Amendment (Flexibility Measures) Bill 2020 sets out measures to increase the opportunities for parents to use the Parental Leave Payment flexibly, with the stated goal of improving women's workforce participation. The primary carer will still be required to take a proportion of the Parental Leave Payment - the first 12 weeks - in a block. However, under the proposed Bill, parents will now have the option of taking the last 30 days (6 working weeks) flexibly in the two years following the birth or adoption of the child. This change will be accompanied by changes to the current unpaid parental leave provisions in the National Employment Standards to enable parents to use their unpaid parental leave entitlement in the second year after the birth of the child, provided it is coupled with the use of the 30 'flexible days' of PLP.

The proposed policy will improve choices for working parents and allow the primary carer to return to work after 12 weeks without losing any of their PLP entitlement. It will also provide the option for parents to share the 30 'flexible days', so that the payment need not all be claimed by the one parent. This added flexibility is likely to create added choices for mothers and fathers in the use of Parental Leave Pay in households, and WWLRG and W+FPR support the proposed changes.

However, there are a number of cautions that the WWLRG and W+FPR would like to make the Committee aware of, as well as suggestions for more effectively achieving the desired goals of this policy:

- a. We are concerned the proposed changes have the potential to create a 12 week norm of PLP, whereby primary carers in the early months of a baby's life (usually the mother) feel added pressure to return to work after 12 weeks. Consequently, while the policy may meet its aim of promoting women's economic participation, it may also risk contributing to a context in which mothers who do want to stay at home with their babies for 18 weeks feel more pressured to return to work earlier. This could have negative effects on the health of the mother, the infant and the family. Currently, about two thirds of 18 week old babies are still being breastfed (Australian Institute of Health and Welfare, 2011).<sup>4</sup> Six months of exclusive breastfeeding is known to be essential for later life health. In fact, the World Health Organisation (WHO) recommendations suggest that breastfeeding continue until 12 months of age where possible. Breastfeeding mums returning to work after 12

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<sup>4</sup> Australian Institute of Health and Welfare (2011) 2010 Australian National Infant Feeding Survey: indicator results. Canberra: AIHW, p. 7. Available at: <http://www.aihw.gov.au/WorkArea/DownloadAsset.aspx?id=10737420925>

weeks are faced with giving up breastfeeding, or undertaking a range of complex negotiations to carry on breastfeeding, such as pumping milk to give to the child care provider, leaving work to go home and breastfeed, partially breastfeeding and formula feeding, or having someone bring the baby in to the workplace so they can feed him/her, which can be particularly difficult for those women who work for the 51 per cent of employers who do not provide private breastfeeding facilities.<sup>5</sup> Adding to this burden is the case that while breastfeeding is a protected ground of discrimination there is no legislative right in Australia's key workplace law (Fair Work Act 2009) to breastfeeding leave, and many workplaces do not provide adequate facilities. Consequently, if this policy is designed to provide more options for women to return to work after 12 weeks,

**Recommendation 2. We recommend that the PPL policy be accompanied by a right to lactation breaks and a renewed focus on fostering breast-feeding friendly workplaces, where mothers have access to adequate breastfeeding breaks and facilities.**

- b. **We are concerned that the current calculation of '30 flexible days' is out of step with work practices which are often based on jobs/ or gigs, and a new and clearer set of criteria is needed.** For instance, contract or self-employed workers are eligible for the Dad and Partner Pay scheme as long as they meet work and income tests. Work test guidelines stipulate that a number of hours of work (minimum of 330, around 1 day per week) must be completed over 10 of the 13 months prior to payments commencing, with no more than an 8- or 12-week break (dependent on child's birth date). To use the language of 'flexible days' is at odds with many contemporary work patterns.

Furthermore, although the scheme is available to contract and self-employed workers who meet the work test, the policy may be interpreted to exclude those who are compensated on a per-project or piece work rather than on an hourly basis. This may include contract or self-employed workers such as hairdressers who are paid per appointment, or ride-share drivers (e.g. uber drivers) who are paid per ride, rather than per hour.

At present, we understand from personal enquiries that the Centrelink call centre maintains that these workers are eligible for PLP and DaPP as long as they submit a work record that demonstrates a 'regular work pattern' and records of work that correlate to earned income. However, the work test guidelines are written in a way which may lead contract or self-employed workers to incorrectly conclude that they are not eligible.

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<sup>5</sup> Hodgson, H (2016) Paid Parental Leave Scheme Ignores Economics of Well-Functioning Families, The Conversation, 25 October 2016.

**Recommendation 3: We recommend that the option of '30 flexible workdays' be converted to the equivalent time as measured in work hours.**

- c. The current proposal includes changes to the existing unpaid parental leave provisions in the National Employment Standards (NES) to align the new changes to Parental Leave Pay with the NES. **We recommend that this is an ideal opportunity to correct an anomaly in the alignment of the Government Parental Leave Pay Scheme and the unpaid parental leave provision in the NES.** Currently, approximately five per cent of women are eligible for the government PLP because they have worked 10 out of the previous 13 months, but *ineligible* for statutory unpaid parental leave because they have not yet worked 12 months with that employer.<sup>6</sup> Consequently, they are not entitled to job protection during their time in receipt of PLP. **This mismatch can be easily corrected in the current reform process, by amending the NES so that parents must have worked 10 of the last 13 months to be entitled to unpaid parental leave.**

**Recommendation 4: We recommend the anomaly in the alignment of the Government Parental Leave Pay Scheme and the unpaid parental leave provision in the NES be corrected by amending the NES so that parents must have worked 10 of the last 13 months to be entitled to unpaid parental leave.**

- d. A key aim of the policy is to improve 'women's workforce participation, economic independence and earning potential' (Explanatory memorandum). While this flexibility will improve women's opportunity to return to paid work full or part time after 12 weeks without losing entitlement to the final 30 days Parental Leave Pay, we believe that other changes could be made to the PLP Scheme that would much more effectively meet the Government's aims of increasing the extent to which the PLP scheme improves women's workforce participation, economic independence and earning potential. These include increasing the duration of PLP to the international standard of 26 weeks, increasing the provision for father/partner leave, increasing the rate at which PPL is paid, and adding a superannuation component.

According to the research evidence and international best practice, the benefits of a PPL scheme are best achieved if the period of paid leave is at least 26 weeks.<sup>7</sup> Twenty-six

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<sup>6</sup> Martin, B; Hewitt, B; Baird, M; Baxter, J; Heron, A; Whitehouse, G; Zadoroznyj, M; Brady, M; Ziang, N; Broom, D; Connelly, L; Jones, A; Kalb, G; McVicar, D; Strazdins, L; Walker, M; Western, M; Wooden, M (2012) Paid Parental Leave Evaluation Phone 1 (Occasional Paper No. 44), Canberra, FAHCSIA.

<sup>7</sup> AHRC, n 1; Baird, M and Constantin, A (2015) 'Analysis of the impact of the Government's MYEFO cuts to paid parental leave', Women and Work Research Group, University of Sydney Business School, Commissioned by Fair Agenda.



weeks PPL is widely accepted to be the level that is beneficial to women's workforce participation and consistent with the WHO's recommendations about breastfeeding.<sup>8</sup> While the existing provisions may increase choices for women who would like to return to work after 12 weeks, it is likely to bring forward the return to work among some women who would have returned anyway, rather than improve the economic participation of women overall. Countries that enjoy the best outcomes for female participation in work, paternal involvement in child rearing, and gender equality in the distribution of work and care – such as Sweden – have paid parental leave schemes that are considerably longer than 26 weeks. They also have longer periods of paid father/partner leave coupled with incentives for fathers to take this leave (which also contributes to greater gender equality and increases in women's workforce participation and, consequently, economic security).<sup>9</sup>

Improving the rate at which PLP is paid (to wage replacement rates or a proportion thereof), and adding a superannuation component to PLP, would also contribute to improving the economic independence and earning potential of women, both through improving their own incomes and retirement incomes, and through making PLP more enticing to men. Improving men's participation in childcare has longer term benefits for the gender equitable sharing of childcare, also beneficial for women's labour market participation, economic independence and earnings potential.<sup>10</sup>

**Recommendation 5: We recommend that other changes could be made to the PLP Scheme that would much more effectively meet the Government's aims of increasing the extent to which the PLP scheme improves women's workforce participation, economic independence and earning potential. We recommend that the Committee examine options to: increase the duration of PLP to 26 weeks; increase the rate of PLP; and add a superannuation contribution to PLP.**

- e. Another aim of the proposed policy is to provide more options for fathers and partners to participate in childcare. According to the Honourable Alan Tudge in his second reading speech, 'Increasing the flexibility of paid parental leave may encourage greater uptake of parental leave pay by secondary carers, contributing to changing social norms around sharing care and encouraging men to take parental leave'.<sup>11</sup>

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<sup>8</sup> AHRC, n 1

<sup>9</sup> AHRC, n 1; Ray, R, Gornick, J and Schmidt, J (2009) Parental Leave Policies in 21 Countries, Center for Economic and Policy Research, Washington.

<sup>10</sup> Australian Human Rights Commission (2013) Investing in Care: Recognising and Valuing those who Care, Volume 2 Technical Papers, Australian Human Rights Commission, Sydney

<sup>11</sup><https://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=Id%3A%22chamber%2Fhansard%2F4a263c90-4a15-4591-b1e6-7cd74f566c21%2F0035%22>

Encouraging fathers to become more involved in the care of young children is an important goal which, if achieved, is likely to generate improved outcomes for women's labour market participation and economic security. Research suggests that fathers who are involved in the care of their young children in the first year of the child's life are more likely to be involved throughout their life. The proposed policy allows a portion of the PLP period to be allocated to a secondary claimant (and even a tertiary claimant in some instances), and given current gender norms in Australia this may be the father or partner. However, it is also known that grandmothers provide significant amounts of child care<sup>12</sup> and transferability (if allowed, see below) may mean they provide the care rather than fathers. Therefore, while the policy has the potential to support partners to share Parental Leave Pay, and research suggests that men are more likely to use PLP if it can be taken flexibly, this in itself is unlikely to achieve a large increase in the use of PLP by fathers. This is for several reasons: First, the total period of PLP is already very short by international standards so the total PLP allowance being shared between partners is small. Given that the 18 week period is already lower than the 26 week period widely considered to be the optimal length of paid parental leave to provide mothers with time to bond with and breastfeed their babies while maintaining their connection to the labour market, it is likely that one parent will continue to take the whole 18 week period, even if they take the final 30 days flexibly.

It is likely that low rates of use by fathers, and partners, will continue, despite these proposed changes. At present, based on administrative data it is estimated that only approximately 25% of eligible fathers and partners take Dad and Partner Pay. There are a number of reasons behind fathers' low take up of Dad and Partner Pay that may also be obstacles to fathers' take up of the proposed 'flexible days' of PLP. First, the rate of pay is at the minimum wage, and fathers are less likely to take parental leave pay if it is not at wage replacement levels, or at least closer to wage replacement (the PPL evaluation found that this was a major reason for fathers lack of take up of both PLP and DAPP). Second, fathers did not know about DAPP, because it was not widely advertised. Third, fathers saw the administrative burden of applying as too high given the reasonably small payment. Fourth, there is still some stigma attached to Australian working fathers taking paternity leave or flexible work options and it the proposed changes are unlikely on their own to change this.

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<sup>12</sup> Hamilton, M, & Jenkins, B. (2015). Grandparent childcare and labour market participation in Australia (SPRC Report 14/2015). Melbourne: National Seniors Australia 2015.  
[https://nationalseniors.com.au/uploads/09151356PAC\\_GrandparentsChildcareLabourForceParticipation\\_Report\\_FINAL\\_Web\\_0.pdf](https://nationalseniors.com.au/uploads/09151356PAC_GrandparentsChildcareLabourForceParticipation_Report_FINAL_Web_0.pdf)

Finally, providing options for fathers to take PLP would be more effective if done in a 'gender collaborative context',<sup>13</sup> that is, by lengthening the period that can be taken by fathers rather than providing fathers with access to the existing short period that is mostly taken by mothers. There are other policy measures that would be more effective at increasing the involvement of fathers and partners in childcare, such as increasing the length of the parental leave pay period (so that the total paid leave to be distributed between the couple is greater), increasing the rate of payment (as men are more likely to take paid parental leave if it is at wage replacement), following international precedent and including larger father/partner quotas of leave, or incentives for the gender equitable sharing of (longer) periods of paid parental leave (i.e. Iceland, Norway, Sweden, Denmark, Finland, and Germany)<sup>14</sup>.

**Recommendation 6: We recommend extending the period of Dad and Partner Pay and consider other measures to improve fathers' and partners' take up of Parental Leave Pay/Dad and Partner Pay.**

The current Bill suggests that there can potentially be several secondary or tertiary carers to which the flexible PLP days can be allocated. It is unclear, though, whether there are limits placed on the possible relationships of the secondary and tertiary carers to the child. While multiple forms of parents appear to be included in eligibility (i.e. birth parents, legal parents, step parents, adoptive parents) it is unclear, for example, whether if a grandparent is the primary carer of the child (either as kinship carer or as primary provider of childcare while parents work), the flexible PLP days can be allocated to a grandparent. Transferring parental leave to grandparents is a policy currently under consideration in the United Kingdom.<sup>15</sup> We recommend that this point is clarified in the Bill. If it is possible for grandparents to be allocated the PLP days, we recommend additional measures that support grandparents to use this measure, such as extending the right to request flexible working arrangements on the grounds of care responsibilities for grandparents.

**Recommendation 7: We recommend the possibility for transferring parental leave to grandparents be clarified in the Bill. If it is possible for grandparents to be allocated the PLP days, we recommend additional measures that support grandparents to use this measure,**

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<sup>13</sup> M O'Brien and I Shemilt, *Working Fathers: Earning and Caring* (2003), p 39.

<sup>14</sup> Australian Human Rights Commission (2013) *Investing in Care: Recognising and Valuing those who Care*, Volume 2 Technical Papers, Australian Human Rights Commission, Sydney.

<sup>15</sup> Hamilton, M and Suthersan, B (2020) Gendered moral rationalities in later life: grandparents balancing paid work and care of grandchildren in Australia, *Ageing and Society*, Earlyview.

**such as extending the right to request flexible working arrangements on the grounds of care responsibilities for grandparents.**

### **Parents of premature babies**

One area that has been overlooked to date in Australia is that of the need for additional paid parental leave for parents of premature babies. New Zealand's Parental Leave and Paid Employment Protection Act (1987) for example, has provided a Preterm Baby Payment since 2017, allowing parents of babies born before the end of 36 weeks gestation to access additional leave payments of up to maximum of 13 weeks depending on gestational age at birth.

Alicia Spittle and colleagues in a paper prepared for publication<sup>16</sup> show that 8.7% of babies born in Australia are premature, < 37 weeks. Of these, 5.8% of babies, particularly those born at early gestations or at term requiring surgery, spend more than two weeks in hospital. For the parents of these babies, much of their leave entitlements will be used before their baby comes home from hospital. Hospitalisation results in separation of the baby and parent, and ongoing concerns about the baby's health and financial strain can lead to parental anxiety, depression, post-traumatic stress, and difficulties with attachment and bonding. Time for babies and parents to spend together in the early developmental period, not only during the hospitalisation, but once the baby is discharged home is crucial to optimal child development and bonding. Yet, caregivers who have a baby admitted to neonatal intensive or special care for extended periods are not currently entitled to any extra paid parental leave in Australia.

**Recommendation 8: We recommend it is timely to add special PPL leave for parents who have a baby admitted for neonatal intensive or special care for greater than two weeks, with the goal of improving health and socio-economic outcomes for both the baby and their family. Further consideration should also be given for additional leave for multiple births.**

### **Conclusion:**

It has now been 10 years since the introduction of Australia's Government-funded Parental Leave Pay scheme and there has been ongoing change in Australia's family structures and in

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<sup>16</sup> Alicia Spittle *et al*, Department of Physiotherapy, University of Melbourne, 'Missing out on precious time: Extending paid parental leave for parents of babies admitted to neonatal intensive or special care units'

the labour market. The 2010 PPL scheme was always intended to be a starting point that Australia could build on.

**Recommendation 9: We recommend a formal 10 year review of Parental Leave Pay and Dad and Partner Pay to examine ways in which the payments could more effectively meet the contemporary needs of Australian families.**