

2 June 2008

Submission from the Victorian Division Women's CPA Network to the Productivity Commission Inquiry on Maternity and Paid Parental Leave

The following is a submission from the Women's CPA Network of the Victorian Divisional Council of CPA Australia. It is not a submission from CPA Australia and hence does not represent the views of CPA Australia. The views of CPA Australia are expressed in a separate submission to the Inquiry.

The Women's CPA Network (or WCN) is a standing committee of the Victorian Divisional Council of CPA Australia. It is the mission of the WCN to increase the participation of our women members, help to raise their profile and improve opportunities whilst promoting and protecting their interests.

Our members represent a wide range of disciplines and pursue a diverse range of careers.

In the March 2008 edition of CPA Australia's monthly magazine **In the Black**, the article *Women take the lead in accounting* states that "women now account for 41 percent of CPA Australia's 117,000 strong membership. Ten years ago, in 1998, women accounted for 29 percent of the overall membership (87,000)."

In Victoria alone, 83% of new members in the past ten years have been women.

The above figures further add weight as to why we have a great interest in how the interaction of work and maternity leave can ensure that career paths are sustained and that financial security and personal fulfilment is secured. We welcome the opportunity to put forward a submission to the inquiry of Maternity and Paid Parental Leave.

2.The submission

The Victorian Women's CPA Network supports the introduction of paid maternity and paid parental leave for all mothers.

3. Income support is essential

It is our belief that there needs to be some income support for mothers and fathers upon the arrival of a baby. A mother should not be penalised for having a child by then having her career put on hold. This places financial strain on the family unit and pressure for the mother to return to work earlier than she would like so her career and financial contribution to the family unit can be sustained.

4. How should it be funded?

The Victorian Women's CPA network advocates that a paid maternity and paternity leave scheme should not be means tested and not employment specific. Those who are unemployed, self-employed or operating home based businesses should not be denied access to the benefits of such a scheme.

We advocate that this scheme should be government funded rather than company funded so that undue pressure is not placed on small business.

Currently the baby bonus is a lump sum payment of \$4,258 per child from the Australian Government. It is presently not income or means tested and it has been provided to help families with the costs associated with having a new baby. However, this bonus will be means tested from 1 July 2008 and will rise to \$5,000 on the same date.

We support the changes from 1 January 2009 that will offer the baby bonus in 13 fortnightly instalments rather than a lump sum.

5. Skills Shortage

In the aforementioned article, *Women take the lead in accounting*, it states:

"Accounting is a great career in great demand. Businesses the world over simply cannot get enough accountants. Our members have highly transferable qualifications that give them skills for a variety of roles that include working in management, environmental accounting, investment banking and running their own business. The opportunities are endless.

"These days men and women are looking for a career that offers a work / life balance, so they find the flexibility that accounting offers very attractive. Women who want to have a family, work overseas or work part-time appreciate that. And then there's the salary — many of those with a CPA qualification enjoy better wages than those who have just completed a degree."

The Victorian Women's CPA network also supports these comments for the initiation of a paid maternity and parental leave scheme . A government funded system can enable the issue of skills shortage, particularly in the finance, accounting and business arena to be addressed as there would be greater retention rates through the engagement of flexible work practices when women and parents return to work. As an overall positive outcome it is our position that employers can only benefit from retaining experienced staff, with less expenditure on recruitment and training costs while maintaining good morale within the workplace.

6. Summary

The Victorian Women's CPA Network submits that a maternity and paid parental leave scheme should be put in place and:

1. It should be available to all working mothers;
2. It should be government funded;
3. It should not be means tested or employment specific.

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