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**Submission to the  
Productivity Commission's  
Inquiry into Paid Maternity, Paternity and  
Parental Leave**

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*Productivity Commission Issues Paper – April 2008*



***Commerce Queensland***

*QUEENSLAND'S CHAMBER OF COMMERCE AND INDUSTRY*

**June 2008**



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## 1.0 Executive Summary

- 1.1 Commerce Queensland believes that the primary objective of any Paid Parental Leave Scheme should be based on the notion of providing parents with supplementary family income linked to their absence from the workforce to have a baby (section 4.0).
- 1.2 There are however several other important issues that must be considered in developing a Paid Parental Leave Scheme. These include maintaining an environment that provides for jobs growth, enhancing Australia's fertility rate and increasing participation by women in the workforce (section 4.0).
- 1.3 Queensland businesses are already implementing many initiatives with their staff to better balance work and family. These include flexible rosters and hours, flexible leave arrangements, time off in lieu of overtime, part time employment, job sharing, job rotation, home based work, voluntarily offered paid maternity leave and employer participation in child care arrangements (section 3.2).
- 1.4 Additionally employers are already legislatively required to provide 52 weeks unpaid leave. The significant cost incurred by small business in meeting this obligation is often overlooked in this debate (section 3.3).
- 1.5 The Queensland business community is strongly opposed to funding a National Paid Parental Leave Scheme. There are many compelling reasons (section 5.0) as to why business should not be forced to bear the financial burden for a National Paid Parental Leave Scheme including:
  - Paid parental leave is a social responsibility;
  - Employer funded paid parental leave creates a significant additional and unaffordable cost on business;
  - Employer funded paid parental leave reduces international competitiveness;
  - Employer funded paid parental leave increases sex discrimination;
  - Employer funded paid parental leave would affect some industries disproportionately;
  - Employers already significantly support parents;
  - A Government funded Paid parental leave scheme still costs employers through business taxation;
  - Businesses have differing capability to pay for parental leave;
  - Employer funded paid parental leave would not cover self employed women; and
  - HREOC has previously ruled out employers funding paid parental leave.
- 1.6 Commerce Queensland is prepared to support (sections 6.0 & 7.0):
  - A wholly Federal Government funded scheme operating on a national basis providing payments to parents for 14 weeks at the level of the federal minimum wage (currently \$522.12);
  - Paid parental leave be payable only after birth;

- Paid parental leave be payable fortnightly to promote responsible usage;
- Consideration be given to 28 weeks at half payment;
- Paid parental leave be available to both employed and self-employed;
- Paid parental leave be payable to full time, part time and casual employees;
- Benefit to part time and casual employees should be calculated on a pro rata amount equivalent to a full time equivalent;
- Both parents to be eligible but only 14 weeks to be made available between the two parties.

1.7 Commerce Queensland's support is subject to the following conditions (section 7.0):

- A National Paid Parental Leave Scheme is wholly funded, and paid to the employee by the Government;
- Women receiving this payment would not be eligible for the baby bonus;
- A National Paid Parental Leave Scheme does not expose employers to any mandatory obligation to top up claims, or to incur additional on-costs. Parental leave becomes an explicitly non-allowable award matter.
- A National Paid Parental Leave Scheme be a contract between the Federal Government and the employee administered wholly by Government agencies. Requires no employer administration or payment from employers.
- Up to the employer what happens with existing voluntary parental payment schemes within the context of bargaining in the workplace.
- Does not have any other unintended consequences for employers.

1.8 A concern has been raised that the duration of parental leave taken by employees may be extended which will impact considerably on small business. With additional money available the incentive for an early return to work will be diminished (section 9.1).

1.9 Measures to help meet a growing demand for child care would materially contribute to increasing workforce participation by those of working age in our community (section 11.1).

1.10 A key recommendation from this process must be to ensure existing employment regulation is flexible to allow employers and employees to negotiate mutually beneficial outcomes. The best way for work and family balance to be progressed is through a flexible workplace relations system (section 11.2).

## 2.0 Introduction

- 2.1 As the State's peak business organisation, Commerce Queensland welcomes the opportunity to provide an employer perspective to the Productivity Commission's Inquiry into Paid Maternity, Paternity and Parental Leave. Commerce Queensland has addressed questions raised within the Issues Paper and other issues raised by the business community. A full profile of Commerce Queensland is contained in Appendix One.
- 2.2 Commerce Queensland is proud of the important role that Queensland businesses play in social development through the creation of jobs; the supply of goods and services; and the payment of taxes and wages. Accordingly any policy on paid parental leave requires much more than just regarding Australian employers as a vehicle for the implementation of social initiatives. It is unfortunate that a number of proponents of paid parental leave have identified employers as a potential funding source.
- 2.3 Every decision by Government to add another layer of social responsibility onto business directly negatively impacts on the bottom line, employment, investment and affects the ability of Australian firms to compete in an increasingly globalised marketplace. Employers in Australia are gravely concerned at the impact on their business of any imposition of having to pay for employee paid parental leave.
- 2.4 Commerce Queensland supports sensible and affordable measures in the workplace and by governments which contribute to an improved balance between work and family. However Commerce Queensland does not support compulsory employer funded paid parental leave for businesses of any size. It is not an employer's responsibility to fund parenthood or population policy in our society and we will highlight the unaffordable cost impact of such a claim. Small and medium businesses, in particular, would suffer severe effects if forced to pay employees who are not working, and pay for temporary staff to cover for them, for any length of time.
- 2.5 Understandably, the Queensland business community is strongly opposed to funding a national paid parental leave system. Put simply, it is unreasonable and unfair to require employers to pay people for not working.
- 2.6 Commerce Queensland is of the view that any paid parental leave scheme must not be a direct cost to employers, but if considered appropriate then accepted as a national responsibility.

## 3.0 Business and the Work and Family Debate

- 3.1 Queensland employers have a very good track record of dealing with work and family issues at a workplace level, within business realities. Women's participation in the workforce and mobility in and out of the workforce after childbirth has dramatically increased in Australia and is evidence that the business community are doing many things right in terms of work and family reconciliation.
- 3.2 Queensland and Australian employers already significantly support work life balance, and provide and contribute to entitlements well in excess of most other societies through the provision of.
- a. 52 weeks unpaid maternity (and paternity) leave with a return to work guarantee;
  - b. Part-time and casual employment and independent contracting;
  - c. Multiple forms of paid leave (annual, sick and long service, leave loading, bereavement leave, carer's leave);
  - d. Employer provided voluntarily parental leave;
  - e. Provision for working from home; teleworking or school-term working;
  - f. Unpaid leave for personal and family reasons;
  - g. Flexible start and finish times;
  - h. Other flexible approaches to hours of work (e.g. makeup time, time off in lieu of overtime);
  - i. Employee assistance and counselling programmes;
  - j. Assistance with childcare;
  - k. Job sharing;
  - l. The purchasing of additional annual leave;
  - m. Superannuation; and
  - n. Employers help fund (through business taxes) social welfare payments to families through personal and business taxation and the effect of taxation and services more generally on demand and markets.
- 3.3 In focusing exclusively on the provision of 52 weeks unpaid leave there are no cost offsets or efficiency trade-offs. These parental benefits are however far from without cost to employers (a fact which the current debate on paid parental entitlements has largely overlooked).
- a) The operational and replacement costs of unpaid leave prior to commencing parental leave;
  - b) The costs of recruiting and training replacement employees;
  - c) Associated human resource and administrative costs of parental leave administration and the employment of replacement employees;
  - d) Human resource costs of properly communicating with staff on parental leave (which can often be difficult and time consuming);
  - e) The costs of retaining and re-skilling staff members upon returning to work; and
  - f) Additional labour costs from agreeing to part time work arrangements, including potentially the costs of a second recruitment, selection and induction.
- 3.4 It would be inequitable and untenable for employers to be asked to assume additional responsibility for the funding of any new paid parental leave scheme. Employers simply cannot afford to, and should not be asked to, fund any additional benefit. Employers will not, and cannot accept an additional responsibility to finance a general entitlement across the workforce for paid parental leave.
- 3.5 Debate on additional parental benefits should only proceed on a proper understanding of the substantial benefits Queensland and Australian businesses already provide to parents and children.

## 4.0 Objectives of Parental Leave

*What ought to be the objectives of a paid parental leave scheme? What are the implications of these objectives for the design of the scheme?*

### 4.1 Income Assistance

Commerce Queensland believes that the primary objective of any Paid Parental Leave Scheme should be based on the notion of providing parents with supplementary family income linked to their absence from the workforce to have a baby.

### 4.2 There are however several other important issues that must be considered in developing a Paid Parental Leave Scheme. They include:

### 4.3 Maintaining an environment that provides for jobs growth

Without an economy delivering jobs, there will be limited opportunities for parents to develop careers and avail themselves of work opportunities. The capacity of employers to provide jobs remains the most substantial contributor to family incomes and family well-being. Any notion that employers fund a parental leave scheme undermines job security and job opportunity. There is no greater contribution Queensland businesses can make to families than providing a strong, job-generating economy and increasing living standards. A paid parental leave system that supports the capacity of businesses to prosper and create jobs are the best contribution our society can make to its families.

### 4.4 Enhancing Australia's fertility rate

According to the Intergenerational Report 2007 demographic and other factors will continue to pose substantial challenges for Australia's economic growth and long-term fiscal sustainability. By 2047, Australia's population is projected to be 28.5 million. A quarter of the population is projected to be aged 65 and over, nearly double the current proportion. Currently there are 5 people of working age to support every person aged 65 and over, but by 2047 there will only be 2.4. Falling fertility rates and rising life expectancies are the main factors contributing to population ageing. The extent to which parental benefits affect population levels in Australia is not yet determined.

### 4.5 Increasing participation of women in the workforce

Maintaining the mother's longer-term attachment to the workforce and maintaining parents' work-related skills is important. Increased participation is vital in this era of high employment, an ageing population and skill shortages. In an extremely tight labour market Australia's continuing economic prosperity depends on encouraging more women back into the paid workforce after they have had children.

Interestingly the OECD Babies and Bosses, Reconciling Work and Family Life report confirmed that paid parental leave is often counter-productive to increasing participation as it actually destroys incentives to work (see section 9.0). The OECD concluded that parental leave works best when it is short but adequately paid.

## 5.0 Financing Options

*Should government contribute to the funding of the paid parental leave scheme? Should employers and/or employees contribute?*

### 5.1 Businesses are strongly opposed to compulsory employer funded paid parental leave

Employer views on paid parental leave are decidedly mixed. Ranging from those who choose to agree to an amount of paid parental leave at the workplace to those opposed to the creation of any universal scheme however funded.

Commerce Queensland has previously surveyed its membership to ascertain who should be responsible for financing a paid parental leave system if there was a system introduced in Australia. All industries represented in the Pulse Survey indicated overwhelmingly that the financial responsibility should fall with either the Government and / or the employees themselves.

Not surprisingly, only a very small percentage (7 percent) of respondents indicated that employers should be held financially responsible for offering a paid parental leave scheme. However, when called on for further explanation, respondents clarified that such an employer-funded system should only be implemented if involvement was made optional.

The general consensus represented by the survey findings is that parenthood is an individual's choice and as such should be financed either by the individuals themselves or by the Government through the social welfare system.

Who do you believe should be responsible for financing a paid parental leave system		
	Yes	No
Government	46.7%	53.3%
Employees	40.8%	59.2%
Employers	7.2%	92.8%

*Source: Commerce Queensland Pulse Survey of Business Confidence*

### 5.2 Arguments against employer funded paid parental leave

There are compelling arguments why the business community should not be forced to bear the financial burden for a National Paid Parental Leave Scheme.

#### 5.2.1 Paid parental leave is a social responsibility

Many of the objectives of a paid parental leave scheme are social benefits. It is not appropriate to make employers pay for a measure that benefits the whole community. This is especially true of employers, who capture a negligible share of any social benefits from the provision of paid parental leave. Businesses are, by definition, commercial undertakings and when choices are being made must act in the best interests of the business. Employers accept responsibility for running businesses and trying to create jobs. Employers do not accept obligations that more properly rest with individuals, their families or the broader community and governments. The previous in-depth Human Rights and Equal Opportunity Commission Report supports the most basic of the propositions that should underline this debate – that employers are not the right target to compulsorily fund child rearing, population policy, fertility, social policy or whatever other premise is used to advocate a paid parental leave scheme. If the wider community considers it benefits from the provision of government parental benefits then it must be prepared to pay for it.

#### 5.2.2 Employer funded paid parental leave would not cover self employed women

Currently there are 405,000 businesses operating in Queensland with 238,000 of these not employing anyone with the business operators self employed. Accordingly any move to implement employer funded paid parental leave would effectively result in these self employed persons remaining unfunded.

#### 5.2.3 Significant additional and unaffordable cost on Business

Commerce Queensland is seriously concerned at the cost that a direct employer funded paid parental leave scheme would impose on business. Business, particularly small business cannot afford to fund a mandatory paid parental leave scheme. This would represent a cost burden at least equivalent to all other forms of paid leave already payable, and would constitute a significant risk to the Queensland and Australian economy and labour market.

The majority of Queensland businesses do not operate with margins or reserves which would allow them to pay significant additional remuneration, without any reciprocal productivity improvement. It is not simply profit or margins that would be threatened, but also business viability and the capacity of business to offer employment to both men and women. There is also the argument that paid parental leave would fuel inflation through forcing businesses to try and recover the cost through higher selling prices.

#### 5.2.4 International competitiveness.

Employer funded paid parental leave would also erode the international competitiveness of Australian business at time when the appreciation of the Australian dollar has already impacted heavily in this area.

#### 5.2.5 Employer funding would increase discrimination

As is discussed in detail in section 9.2 direct employer funding will increase discrimination against women of child bearing age in employment. Even with the protection of anti-discrimination law, a significant disparity between the cost of male and female employment to employers will influence the decisions of some employers to engage women. Some employers will not engage employees perceived to offer the potential risk of multiple weeks of additional labour costs with no productive return.

#### 5.2.6 Employer funding would affect industries disproportionately

Existing gender demographics in the workforce would mean that the cost of paid parental leave would impact disproportionately on certain industries and businesses.

#### 5.2.7 Employers already significantly support parents

As discussed at length in section 3.0 Queensland employers already significantly support parents in society. This includes the financial and operational costs of applying the established unpaid entitlement of 52 weeks and other benefits which are more significant for many employers than is commonly understood. Additionally employers contribute to social security and government services safety net through business taxation, and through the taxation of those earning incomes from enterprise more generally. The entitlements Australian employers provide are well in excess of international standards and/or employer obligations in most developed countries.

#### 5.2.8 Government funded paid parental leave still costs employers through taxation

As a significant source of taxation revenue to the Federal Government any paid parental scheme will still cost employers as with all other taxpayers.

#### 5.2.9 Businesses have differing capacity to pay for parental leave

Many employers are not in an economic position to meet requests to vary work to accommodate employee family issues. What may be appropriate in some workplace contexts (such as larger enterprises running sophisticated human resource based 'employer of choice' strategies will not be possible in others (such as small to medium sized enterprises, or the private sector more generally).

#### 5.2.10 HREOC has previously ruled out employers funding paid parental leave

HREOC has already examined this issue at length and concluded that it would be inappropriate for employers to have to foot the bill for a national paid parental leave scheme. HREOC was concerned at the impact of a directly employer funded scheme on business profitability and women's employment, particularly given employers' willingness to admit that they would discriminate in their employment decisions under such a scheme. Accordingly HREOC did not propose a compulsory employer contribution to paid parental leave, either through direct payments or an employer levy. In light of many concerns from the business community over employer funding, HREOC considered that a national scheme of paid parental leave should be funded by the Federal Government.

### 5.3 No Top Up

The Queensland business community is strongly opposed to any notion that that an employer top up the difference between the minimum wage and the person's actual rate of pay. Commerce Queensland recommends a measure to prevent the Australian industrial relations system being used by unions to impose compulsory funding obligations on employers arising from the creation of a new government benefit.

Currently there is no bar to unions being able to pursue mandatory employer funded paid parental leave in industrial claims. Under Australia's industrial relations system unions could ask industrial tribunals to order employers to pay the difference. This would occur if unions made claims for employer payments above a government funded weekly amount, or for employer payments of additional weeks, or for broader eligibility than is provided in a government scheme. Any paid parental leave scheme would need to be conditional upon ensuring employers are not exposed to top up claims to the greatest extent possible.

Options to prevent this include specifically making parental leave / or payment a non-allowable award matter. In summary any national policy changes must quarantine industry against the potential for compulsory top-up of a government funded scheme by employers through the industrial system.

### 5.4 No administrative cost to the employer

It is important that businesses particularly small and medium sized businesses are not adversely impacted by the cost of an administrative burden of any scheme. Any national paid parental leave scheme must be wholly administered by Government. The only linkage with employer is the fact that benefits are paid if they are in employment and satisfy criteria. There may be complex and time consuming administrative burdens to administer the paid parental leave and employer should not have to pay these.

## 6.0 Duration and Generosity of Benefits

*Should the rate of payment be linked to the employees wage (either current or an average wage over a recent period)? If not, what basis should be used for the parental leave payment?*

*How long should a parent receive paid parental leave for? Why? What benefits would arise from longer or shorter periods of paid leave?*

*At what time in the prenatal period should people be entitled to parental leave?*

*Should each parent have a separate entitlement for leave, or should there be an amount of leave to be shared between the parents? If the leave were to be shared, should there be an amount that is reserved for exclusive use by either parent?*

Commerce Queensland is prepared to support:

- 6.1 A wholly Federal Government funded scheme operating on a national basis providing payments to working parents for 14 weeks at the level of the federal minimum wage (currently \$522.12 per week). This recommendation is consistent with community and international standards more specifically the International Labour Organisation's Maternity Protection Convention recommending fourteen weeks paid leave.
- 6.2 Paid Parental Leave be payable fortnightly to promote responsible usage.
- 6.3 Consideration be given to 28 weeks at half payment.
- 6.4 Paid Parental Leave be payable only after birth.
- 6.5 Both parents to be eligible but only 14 weeks to made available between the two parties.
- 6.6 Pro rata amount be made available for part time and casual employees should average income not exceed \$522.12.
- 6.7 Benefit to part time and casual employees should be calculated on a pro rata amount equivalent to a full time equivalent.

## 7.0 Who Should be Eligible

*What type of eligibility tests should be established? Who should be eligible?*

*Should the eligibility test be designed to encourage ongoing workforce attachment? How could this be done?*

*Should all employees be covered and if not, why not?*

*Should there be a qualifying period — a minimum time spent in the workforce — before an employee becomes eligible for paid leave? If so, how long should that period be?*

*Why? Should there be an eligibility period based on time with the employee's current employer?*

Commerce Queensland is prepared to support:

7.1 Paid parental leave be available to both employed and self-employed.

7.2 Paid parental leave be payable to full time, part time and casual employees.

However Commerce Queensland's support is subject to the following conditions:

7.3 A National Paid Parental Leave Scheme is wholly funded, and paid to the employee by the Government.

7.4 Women receiving this payment would not be eligible for the baby bonus.

7.5 A National Paid Parental Leave Scheme does not expose employers to any mandatory obligation to top up claims, or to incur additional on-costs. Parental leave becomes an explicitly non-allowable award matter (see section 5.3).

7.6 A National Paid Parental Leave Scheme be a contract between the Federal Government and the employee administered wholly by Government agencies and requires no employer administration or payment from employers.

7.7 Up to the employer what happens with existing voluntary parental payment schemes within the context of bargaining in the workplace.

7.8 Does not have any unintended consequences for employers.

## 8.0 Impacts on employers

*What affects current decisions by businesses about whether to offer paid parental leave to their employees and the eligibility conditions that they set (mothers only, exclusion of casuals etc).*

*What would be the direct impacts on business of meeting the direct and indirect costs of paid parental leave? How would these effects vary across firms and sectors, and over time? In particular what are the impacts on small businesses?*

*How might employers who already offer some paid parental leave respond to a new arrangement (and why)? Were an arrangement to be government-funded, how could its design reduce the 'crowding out' of voluntary schemes?*

### 8.1 Business willingness to voluntarily offer paid parental leave

For some businesses there is a "business case" for the provision of family-friendly workplace initiatives, as this can:

- Motivate current staff;
- Reduce staff turnover;
- Help attract new staff;
- Reduce workplace stress;
- Enhance worker satisfaction;
- Increase productivity; and
- Maintain an employees' attachment to that workforce that means that an employer's investment in employees' skills and training are not lost when that employee has children.

For these reasons a number of Queensland employers have been willing to voluntarily offer paid parental leave. It is important to point out that creating a universal right to paid parental leave across workplaces would actually undermine the company-specific rationale for providing it that prompts some (larger) employers to offer it.

The fact, that a limited range of employers have negotiated additional paid benefits does not support a change in entitlement thrust upon all businesses. What some employers can do, does not indicate what all employers can or should do.

### 8.2 Impact on business of meeting direct and indirect costs

As indicated in section 5.2.3 many Queensland businesses are operating with very low profit margins. In such circumstances, there is no capacity to provide paid parental leave benefits. The additional cost of paid parental leave would force some businesses to close.

An additional payment obligation would effectively double the costs of a single job to employers, as they would need to pay the original staff member and their replacement. This would occur without any additional productivity (and probably with reduced productivity), nor any increase in employer capacity to pay. This would be manifestly unfair and unbalanced.

If employers are required to fund paid parental leave the following outcomes are almost certain:

- Loss in flexibility and productivity;
- Higher costs and reduced competitiveness;
- Job losses, lesser job creation and reduced investment;
- Less certainty in staffing, managing and business planning;
- Less efficiency, productivity and competitiveness;

- Reduced client and customer service;
- Increased costs of employment and training;
- Longer hours at work and less family time for small business managers and owners;
- More disputes and discrimination claims as employers are forced to meet some employee demands but not others; and
- More hurdles and barriers to permanent employment, leading to substitution of permanent jobs with casual staff and contract labour.

### 8.3 Existing voluntarily paid entitlements

It should remain open to individual employers to reach agreement with their employees to provide benefits in excess of those provided under the proposed national scheme. However what some employers can do does not indicate what all employers can or should do. There are intrinsically differing factors at play between the voluntary provision of a benefit and its compulsory imposition.

HREOC believes that it would be unlikely that employers who currently provide paid parental leave would seek to remove this entitlement if the Government introduced a national paid parental leave scheme that provided a minimum entitlement for women in paid work. Commerce Queensland shares this opinion. Those employers that currently provide paid parental leave do so on the basis of the business case in their workplace and in order to be an employer of choice. Providing a payment above the government minimum entitlement will continue to benefit these businesses.

Accordingly Commerce Queensland supports the rights of an employer and its employees in individual workplaces to negotiate work and family issues through mutually beneficial workplace agreements. It is appropriate that employers continue to decide the practicality and sustainability of responses to particular work and family issues.

## 9.0 Behavioural Change

*To what extent will any new arrangements change the period of absence from work?*

*Are there likely to be any perverse impacts on labour markets (such as unemployment risks, labour market discrimination, or erosion of parent's work skills)? Why and to what extent? What impacts might this have on longer term job prospects for individuals and the availability of skilled labour for business?*

### 9.1 Duration of leave

Representations from Commerce Queensland members have expressed concern that the duration of leave may be extended under a move to implement paid paternity leave. With additional money available the incentive for an early return to their job will be diminished. Commerce Queensland urges the Productivity Commission to give consideration to the impact of paid parental leave on the duration of leave taken from the workplace. This behavioural change adds urgency to the Commerce Queensland recommendation that paid parental leave be limited to Federal minimum wage of \$522.14 (see section 6.0) in order that there remain some financial incentive on the employee to return to the workforce at the soonest possible time.

### 9.2 Discrimination of women

Commerce Queensland shares the opinion that any scheme which requires direct funding by employers would create substantial risks of discrimination against women of child-bearing age. Unfortunately this issue is specific to the demographic of women of child bearing age and means that employers will see this group as having a risk premium attached. Even women who do not intend to have children would unfortunately be lumped into this high risk group.

This perceived risk has consequences. The employer might discriminate in hiring young women if there is an approximately equivalent male or older female candidate available. The Sex Discrimination Act prohibits overt discrimination but in this instance it is difficult to enforce. HREOC rightly points out that compulsory employer funding would be vastly injurious to the employment of working women. 'The last thing Australia should be doing is building into the system a new basis for discrimination against women, especially young women entering the labour market. If employers had to compulsorily fund paid parental leave then there would be a major disincentive for employers to employ women of childbearing age.'

Accordingly behavioural change strongly supports Commerce Queensland representations that paid parental leave be wholly funded by the Federal Government.

## 10.0 Interaction with social security & other government programs

*How, and to what extent, will paid parental leave arrangements interact with social security and other government payments, and which areas will be most affected?*

*What implications does this have for the design of a paid parental leave scheme and for the relevant social security schemes?*

- 10.1 Commerce Queensland supports the Commonwealth Government providing affordable benefits for maternity, parenting and families through the social welfare system. Paid parental leave cannot be debated without assessing its interface with existing payments to parents or working parents. There can be no meaningful consideration of appropriate benefits for maternity without a consideration of the total benefits any society provides.
- 10.2 Commerce Queensland notes the extensive maternity benefits already provided by the social security system. The Baby Bonus is currently the key parenting payment available at the time of birth and is available to all persons (whether employed or otherwise). Any form of paid parental leave scheme recommended by the Productivity Commission would need to take other benefits into account, including whether they are restructured to provide non-working persons with a similar benefit.
- 10.3 Commerce Queensland proposes that a National Paid Parental Leave Scheme be funded by the Federal Government withdrawing the baby bonus from those parents accessing the new payment.

## 11.0 Other Issues

### 11.1 Child Care

Access to childcare arrangements is crucial for parents, especially mothers, with very young children to permit them to engage in paid employment. The absence of affordable, good-quality formal child and out-of-school-hours care is a major barrier to being in paid work and/or working more hours.

Governments need to recognise that policies which contribute to accessible childcare can have a very direct and identifiable impact on the work and family balance. There is no doubt that measures to help meet a growing demand for child care would materially contribute to increasing workforce participation by those of working age in our community.

### 11.2 Flexibility in the Workplace

A flexible workplace relations system, which fosters business efficiency and agreement-making between employers and employees, will equally constructively contribute to the relationship between work and family.

Employers do not oppose sensible measures being worked out in workplaces to try to help staff better balance work and family issues. Meaningful solutions to balancing work and family can only be made in workplaces and are found in making existing employment regulation more flexible, not by new economy-wide employment rights.

Many workplaces have implemented flexible, creative and mutually beneficial working arrangements based on employee family issues, encouraged by flexibility and mutual choice made available by the contemporary workplace relations system. Over many years, informal arrangements have existed between businesses and employees to address specific work and family circumstances as they have arisen. These arrangements have equal legitimacy, whether formalised in agreements or informally determined in the workplace.

A key objective as part of this process must be to ensure existing employment regulation is flexible to allow employers and employees to negotiate mutually beneficial approaches. The best way for work and family balance to be progress must be through a flexible workplace relations system and by individual enterprise bargaining.

## Appendix One

Policy Development  
& Representation



Workplace Health  
& Safety



Workplace Relations  
& Employer Advice



Human Resource  
Management



International Business



Vocational Education  
& Training



Eco Efficiency Advice

# COMMERCE QUEENSLAND PROFILE

Commerce Queensland is Queensland's largest business organisation and is the trading name of the Queensland Chamber of Commerce and Industry. It has a statewide membership drawn from all industry sectors and has been the state's peak employer/industry body since 1868.

Commerce Queensland is a non-Government organisation that seeks to work with Government and other groups to shape Queensland's economic and social environments in a way that promotes business growth and community prosperity.

Commerce Queensland is called upon by thousands of enterprises to deliver a broad range of business services including advocacy and representation, workplace and industrial relations, staff development and training, workplace health and safety, environmental management and international business facilitation. We are commercially-minded and expertly-qualified.

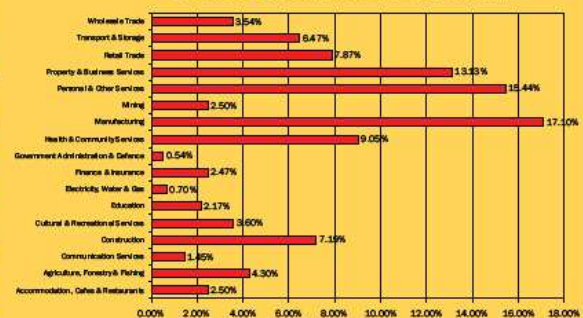
Commerce Queensland is a founding member and influential partner of the Australian Chamber of Commerce and Industry (ACCI) and part of the worldwide network of Chambers of Commerce and affiliated business service organisations.

Commerce Queensland has in excess of 3,700 direct members across 8 regional offices and acts for over 135 local chambers of commerce and 60 trade and professional associations. In total, Commerce Queensland represents in excess of 25,000 businesses and our vision is to remain the leading facilitator of business success in Queensland.

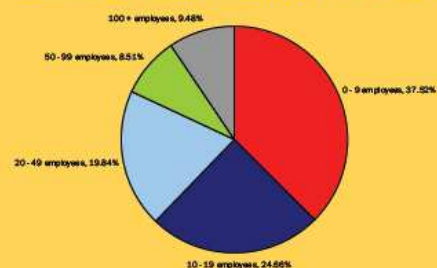


The diversification of Commerce Queensland's membership is illustrated in the following charts:

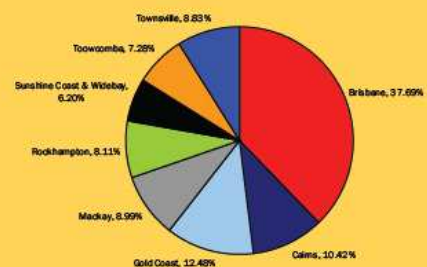
Commerce Queensland members by Industry



Commerce Queensland members by Employment Size



Commerce Queensland members by Region



## Notes

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