

Paid maternity, paternity and parental leave inquiry
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The Finance Sector Union of Australia (FSU) welcomes the opportunity to contribute to the review of paid maternity, paternity and parental leave inquiry. The FSU represents approximately 50,000 members employed in the finance sector across Australia.

The FSU strongly supports introduction of universal policy of paid maternity leave for all women and primary carers. The FSU advocates a policy of 6 months paid support for women following childbirth.

The main elements of this policy would include:

- a minimum of six months of paid support for women following the birth of a child. This length of time is consistent with World Health Organisation recommendations regarding breastfeeding babies and the enhanced health outcomes this brings;
- a base salary provided by government to all women, irrespective of their employment status; and
- if partners are acting as the primary carer of the child then payments available to women should also be accessible to these partners.

The FSU believes that any government funded scheme should be in addition to any existing employer provided maternity leave provisions.

Most of the major employers in our sector have recognised the strong business case for paid maternity leave and provide a range of work and family provisions, most of which have been achieved through enterprise bargaining, since the mid to late 1990s.¹ The FSU believes these are important advances; however there is still a long way to go before 'best practice' is achieved.

In the major banks, 12 weeks' paid maternity leave is generally the standard, and the impact of paid maternity leave in our industry cannot be divorced from the other work/family initiatives provided by employers. In particular, the situation for women on return to work can have a large impact on quality of work life. Flexible hours, the ability to work part-time or from home, and to take leave as needed to care for a sick child or attend to other responsibilities, all affect the ability to reconcile work and home responsibilities. Provisions relating to these needs are widespread in our industry.

¹ The finance sector has negotiated a range of work/family provisions since the formal introduction of enterprise bargaining in 1991, and was amongst the first industries to negotiate a period of paid paternity leave.

Unfortunately, employees in the sector are often working such excessive hours, that they are unable to take advantage of these provisions.² Vast changes to the sector over the last 15 years, including the affects of understaffing, a commensurate rise in workloads and the need to meet sales targets, have meant that finance sector employees feel great pressure to be at work as often as possible³. The pre-natal period of work, pregnancy and return to work are all affected.⁴

Attachment 1 provides a summary of the main paid parental provisions achieved in major finance sector workplaces at February 2008.

Industry features

At August 2007 there were 393,400 workers in the finance sector with the majority of these employees being female (51%). Almost a third of female employees work part-time (31%) and the total part-time workforce is overwhelmingly made up of female employees (78.5%)⁵

Precarious employment has been an increasing feature of the finance sector since the early 1990s. Takeovers, off-shoring, general restructuring and outsourcing have resulted in massive job losses in the last 15 years. This has led to a rise in short-term contract or casual work, most obviously in new centralised customer service or call centres, which have grown as the traditional branch network has declined. In 1999 only 2% of the industry was casual – by 2006 this had increased to over 11%.⁶

The industry as a whole stands to benefit from investment in skill retention and training. Portability of entitlements, including qualification for maternity leave, should be a key industrial issue in the finance sector. However, the reality of fierce competition between employers makes this difficult to achieve.

The largest occupational grouping in the finance sector is Intermediate Clerical Sales and Service employees who make up almost a third of the total workforce (30%) in 2007, while female employees in this category accounted for 44% of the female workforce.⁷ These are not highly paid employees, and if they work in smaller companies, they must often meet the costs associated with maternity and any maternity leave, with no financial assistance from their employer.

There is little doubt that the major employers in the finance sector, the major banks and insurance companies, have the capacity to pay for maternity leave.⁸ However, there are many smaller workplaces, such as credit unions, where financial and human resources are constantly stretched where a mandated scheme of government funded maternity leave would be greatly beneficial.

² In 2003, ABS figures showed that finance sector workers were working over 1 million hours overtime per week. *Working Arrangements*, 6342.0, Unpublished data May 2004

³ Probert, Whiting and Ewer, *Pressure from All Sides: Life and Work in the finance sector*, (FSU), July 2000.

⁴ See *HREOC Inquiry Into Pregnancy and Work: Submission by the Finance Sector Union of Australia*, 1999.

⁵ ABS 6291.0.55.003 - *Labour Force, Australia* (data cubes)

⁶ ABS, *Employee earnings, benefit s and trade union membership*, 6310.0, Aug 2006.

⁷ ABS 6291.0.55.003 - *Labour Force, Australia* (data cubes)

⁸ The “big four” banks for example made a combined profit of over \$16 billion in the financial year 2006/07.

Issues regarding Paid Maternity Leave in the Finance Sector:

The Finance Sector Union has been actively involved in the maternity leave debate for some time. This debate has produced policy and informed enterprise bargaining claims around maternity leave.

Based on our experience we would make the following observations:

- A statutory right to paid maternity leave would provide equity for women in smaller workplaces with limited bargaining power, and would lessen their vulnerability to financial hardship should they choose to have a child.
- The majority of workers in the finance sector are low paid. Where there is minimal or no entitlement to paid maternity leave, these workers experience financial hardship in taking time from work to give birth and spend a period at home with their child.
- Portability of service and entitlements would be an attractive option in our industry, but one which would be difficult to achieve. FSU supports the abolition of the 12-month qualifying period for maternity leave in agreements and in any future statutory right to maternity leave.
- Options for return to work must continue to be enhanced in our industry to ensure that women can continue to work and meet the needs of young children.

If you have any questions in relation to this submission please contact James Bennett, Senior Policy & Research Officer on (02) 6247 7172.

Yours sincerely



Leon Carter
National Secretary
10 June 2008



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Attachment 1

Paid Parental Leave Provisions across the Finance Sector – February 2008

<i>Company</i>	<i>Instrument Giving Entitlement</i>	<i>Length of Paid Leave</i>	<i>Method of Payment & Conditions for Payment</i>	<i>Qualifying Period of Leave</i>
ANZ	None ANZ Policy	12 weeks (primary carer)	Upon commencement of leave, have the option of:- 12 weeks lump sum payment; or 12 weeks as regular pay; or ½ pay for 24 weeks.	No qualifying period, available upon commencement of employment with the Bank.
NAB	Certified agreement	12 weeks (primary carer) 2 weeks (secondary carer)	Option of: 12 weeks lump sum upon commencement of leave; or 12 weeks on normal pay; or 50% pay for 24 weeks.	12 months continuous service
Westpac	Certified agreement	6 weeks (primary carer)	Option of: 12 weeks lump sum upon commencement of leave; or ½ pay for 24 weeks.	12 months continuous service
	Bank Policy	12 weeks (primary carer)	Upon commencement of leave, have the option of:- 12 weeks lump sum payment; or 12 weeks as regular pay; or ½ pay for 24 weeks.	6 months continuous service

<i>Company</i>	<i>Instrument Giving Entitlement</i>	<i>Length of Paid Leave</i>	<i>Method of Payment & Conditions for Payment</i>	<i>Qualifying Period of Leave</i>
Commonwealth Bank	Award	12 weeks (maternity)	Paid as normal fortnightly salary	12 months continuous
Reserve Bank	Award	14 weeks (maternity)	On Full pay provided that with any subsequent pregnancy, before an employee is entitled to further paid maternity leave, she must have resumed full-time duties for at least six months, or the equivalent full-time hours if on part-time duties.	12 months continuous service
St George/Bank SA	Certified Agreement	13 weeks (Primary carer) Can take as ½ pay for 26 wks	Paid as normal fortnightly salary. May be required to reimburse if don't return to work for at least 6 months	12 months continuous service
AMP	Certified agreement	6 weeks (primary carer) 1 weeks (secondary carer)	Upon commencement of leave	12 months continuous service
AXA	Certified agreement	6 weeks (parental)	Upon commencement of leave (conditional upon return to work for at least 3 months)	12 months continuous service
IAG	Certified agreement Policy	6 weeks (primary carer) 2 weeks (secondary carer) Extends paid leave to 12 weeks	Upon commencement of leave	12 months continuous service
Bankwest	Certified agreement	12 weeks (primary) 2 weeks (secondary)	Paid during period of leave	12 months continuous service

<i>Company</i>	<i>Instrument Giving Entitlement</i>	<i>Length of Paid Leave</i>	<i>Method of Payment & Conditions for Payment</i>	<i>Qualifying Period of Leave</i>
Zurich	Certified agreement	6 weeks 8 weeks 10 weeks 12 weeks (maternity leave) 1 week (paternity leave)	First 6 weeks payment will be made at the time of taking leave. The balance above 6 weeks will be paid at the time of return to work. Paid as normal fortnightly salary	12 months continuous service 2 years continuous service 3 years continuous service 4 or more years continuous service 12 months service
Suncorp	Non-union agreement	6 weeks full pay for 12 weeks ½ pay (primary carer) 12 weeks full pay or 24 weeks ½ pay (primary carer)	+ various “support options” upon return to work up to value of \$360,000 Subsidised child care AND/ OR Home nappy service AND/OR Domestic support	12 months – 3 yrs service 3yrs + service
Companion Credit Union	Certified agreement	6 weeks (primary carer)	Upon commencement of leave. Conditional upon returning to work for at least 6 months.	12 months continuous service
Australian Super	Certified agreement	14 weeks (primary carer)	Option of either lump sum at commencement or normal fortnightly pay for 14 weeks	12 months continuous service
LUI	Certified agreement	12 weeks (maternity leave) 10 days (paternity leave)	Upon commencement of leave	12 months continuous service
LUCRF	Certified agreement	12 weeks (maternity leave)	Upon commencement of leave	12 months continuous service

<i>Company</i>	<i>Instrument Giving Entitlement</i>	<i>Length of Paid Leave</i>	<i>Method of Payment & Conditions for Payment</i>	<i>Qualifying Period of Leave</i>
HESTA		10 days (paternity leave)		
BT Financial Group	Certified agreement	14 weeks (primary carer)	Upon commencement of leave	12 months continuous service
	Certified agreement (non-union ag't to which the FSU is bound)	6 weeks (primary carer)	Upon commencement of leave	12 months continuous service
	Certified agreement	1 week (non-primary carer)		
BUPA Australia	Certified agreement	8 weeks (primary carer)	Upon commencement of leave. Conditional upon returning to work for at least 3 months.	12 months continuous service
Community Alliance CU	Certified agreement	5 weeks	Half of entitlement paid 3 months after return to work from leave and half paid 6 months after return.	12 -23 months continuous service
		6 weeks		24-35 months continuous service
		8 weeks (primary carer)		36+ months continuous service
		1 weeks (secondary carer)	Paid as normal fortnightly salary.	12 months continuous service
Members Equity	Certified agreement	8 weeks (maternity leave)	Upon commencement of leave. Conditional upon returning to work for at least 3 months.	12 months service
		+ additional 2 weeks (maternity leave)	Payable to employees who have at least 5 years service before commencing leave who have not accessed maternity leave for at least 2 years.	5 years continuous service
		1 week (paternity leave)	Paid as normal fortnightly salary.	12 months service
		8 weeks (adoption leave)	Upon commencement of leave. Conditional upon returning from leave for at least 3 months.	12 months continuous service
Australia National CU	Certified agreement	4 weeks	Half of entitlement paid 3 months after return to work from leave and half paid 6 months after return.	12 -23 months continuous service
		5 weeks		24-35 months continuous service

<i>Company</i>	<i>Instrument Giving Entitlement</i>	<i>Length of Paid Leave</i>	<i>Method of Payment & Conditions for Payment</i>	<i>Qualifying Period of Leave</i>
		6 weeks (primary carer)		36+ months continuous service
Fiserv Limited	Certified agreement (non-union ag't to which the FSU is bound)	12 weeks (maternity leave)	Upon commencement of leave.	12 months continuous service
		1 week (paternity leave)	Paid as normal fortnightly salary.	
		6 weeks (adoption leave for primary carer)	Upon commencement of leave	
NSW Teachers CU	Certified agreement	6 weeks (primary carer)	Paid as normal fortnightly salary. Conditional upon returning from leave for at least 3 months.	12 months continuous service
TIO	Certified agreement	8 weeks (primary carer)	Option of: • Lump sum upon commencement of leave; or • ½ pay for 16 weeks	12 months continuous service
CBUS	Certified agreement	1 week (secondary carer)	Lump sum upon commencement of leave	12 months continuous service
		10 weeks (maternity) 10 days (paternity)		
HostPlus	Certified agreement	12 weeks (maternity) 5 days (paternity)	Lump sum upon commencement of leave	12 months continuous service
SuperGroup	Certified agreement	10 weeks (primary) 5 days (secondary)	Lump sum upon commencement of leave	12 months continuous service
UniSuper	Certified agreement	10 weeks (primary) 5 days (secondary)	Lump sum upon commencement of leave	12 months continuous service
RACQ Group	Certified agreement	2 weeks	Option of: • Upon commencement of leave; or • ½ pay for double the period	More than 1 but less than 2 years continuous service. More than 2 but less than 3 years continuous service. More than 3 years continuous service
		4 weeks		
		6 weeks (primary carer)		