



## **SUBMISSION**

# **PUBLIC INQUIRY INTO PAID MATERNITY, PATERNITY AND PARENTAL LEAVE**

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## Introduction

The Catholic Commission for Employment Relations (CCER) is an organisation established by the Bishops of New South Wales (NSW) and the Australian Capital Territory (ACT) to provide Catholic Church employers with employment relations advice, research and advocacy within the context of Catholic Social Teaching. CCER assists Parishes, Chanceries and other Diocesan employers, as well as Religious Congregations with employment relations matters. CCER also provides employment relations advice and assistance to the Catholic education sector and a number of social welfare agencies. CCER acts as a spokesperson for the Catholic Church in NSW and the ACT in public policy debates concerning employment relations.

## Submission

CCER supports the majority of arguments contained within the joint submission provided by the Australian Catholic Council for Employment Relations (ACCER) and Catholic Social Services Australia (CSSA) - Attachment A. However, CCER considers that any scheme for paid maternity leave should be solely **Government funded**. CCER outlines the reasons for this position below.

- (i) CCER supports the introduction, as soon as possible, of a paid maternity leave scheme covering full-time, part-time, permanent and casual employees and self-employed persons who have worked in the paid workforce for a stipulated qualifying period, as advocated in the joint submission by ACCER and CSSA.
- (ii) However, CCER submits that any paid maternity leave scheme should be solely **Government funded** and not jointly funded by employers and Government, as proposed by ACCER and CSSA.
- (iii) CCER submits that introducing a scheme which is jointly funded by Government and employers would fail to recognise, and may in fact undermine, a number of paid maternity leave arrangements which are currently in place under awards, contracts and other workplace agreements. In particular, CCER submits that introducing a jointly funded scheme may result in employers being required to fund both their existing schemes, as well as any scheme jointly funded with Government. In this respect it is noteworthy that a small minority of Catholic social welfare agencies provide for a period of paid maternity leave. Furthermore, the majority of Catholic schools in New South Wales and the Australian Capital Territory provide for paid maternity leave, as these schemes are integrated into Government funding. These schools provide for:
  - 14 weeks paid maternity leave; and
  - one day's paid paternity leave, with the ability to access a further two weeks paid leave from an entitlement to carer's leave.

- (iv) CCER submits that whilst a few Catholic not for profit agencies currently provide some form of paid maternity leave, the substantial majority of not for profit agencies do not have paid maternity leave schemes, and would not have the capacity to contribute to such a scheme if they were compulsorily required to do so. Such agencies rely heavily on Government funding and this funding is given to provide services to the wider community. As such, there is limited scope to introduce significant or substantial improvements to conditions of employment such as paid maternity leave.
- (v) CCER further considers that any paid maternity leave scheme should be Government funded, as any scheme which is jointly employer and Government funded may have an unintended adversely harsh impact on women's employment in the workplace, as employers may view women, particularly those of child bearing age, as expensive and as such, a liability.
- (vi) Therefore, for the above reasons, CCER submits that any paid maternity leave scheme should be solely **Government funded**.
- (vii) Although CCER considers that a paid maternity leave scheme should be solely Government funded, CCER submits that the scheme should not preclude employers from making additional maternity leave payments to employees if they wish to be 'employers of choice'.
- (viii) CCER supports ACCER's and CSSA's view that the Government paid maternity leave amount should be ordinary time earnings or average weekly earnings, whichever is the lesser amount.
- (ix) CCER supports ACCER's and CSSA's view that any Government paid maternity leave scheme should initially be for a period of 14 weeks. However, CCER submits that a review of the scheme should take place in two years time with a view to extending the leave period to 6 months, in recognition of the World Health Organisation's recommendation that breast feeding should be the exclusive form of feeding up to six months after birth.
- (x) CCER submits that this two year review should be mandated by statute and should examine further models of funding to facilitate paid maternity leave for a six month period. At this time, the Government may wish to consider other funding options including:
- endowment funds;
  - taxes both on business and the wider community; and
  - other funding options from Government consolidated revenue.

The review should also take into account:

- existing employer paid maternity leave arrangements including timeframes for adjusting industrial instruments where necessary; and
- employers' capacity to pay. Particular consideration would need to be given to any proposal that imposed additional costs to fund the scheme on small business, charities and not for profit entities.

- (xi) CCER submits that the review should also provide opportunity for interested parties to make submissions.
- (xii) CCER supports ACCER's and CSSA's positions that a wider more comprehensive review should take place after 5 years to ensure any decided schemes efficacy.
- (xiii) Finally, CCER submits that the 'baby bonus', or another scheme equivalent to the baby bonus, should be available to women who do not have access to the Government paid maternity leave scheme.