

ACT Government submission into the Productivity Commission Inquiry into paid parental leave

Introduction

The ACT Government welcomes the opportunity to make a submission to the Productivity Commission's inquiry into paid maternity, paternity and parental leave.

The ACT Government recognises the importance of a child's early years for children's development as well as the importance of women's labour force participation and attachment. This submission will discuss the policies and programmes the ACT Government has in place that support these twin, and at times, conflicting, priorities.

This submission seeks to articulate the principles underpinning the ACT Government's provision of child and family support, including existing programmes and policies, benefits and entitlements. These are: supporting families; the promoting positive benefits of early childhood development; and human rights.

The principle of supporting families is articulated in both the provision of extensive services for the benefit of children and their families in the ACT, and in the development of family friendly workplaces. This principle recognises that families make an important contribution to the social well-being of the ACT community, and to the future growth and prosperity of the whole community.

The ACT Government recognises the intrinsic benefit to the whole community of the principle of supporting early childhood development. This principle has been a particular focus of new policy and programme development, and this submission will examine in detail early childhood programmes developed in the ACT which represent best practice in early childhood development.

The human rights context

In 2004, the ACT became the first jurisdiction in Australia to have an explicit statutory basis for respecting, protecting, fulfilling and promoting civil and political rights, in the *Human Rights Act 2004*. Decisions made and policy developed under new ACT laws must be compliant with the legislation.

In relation to rights of families and children, the *Human Rights Act 2004* invites the application of international human rights law. Relevant to this submission, the international human rights treaty: the *Convention on the Elimination of All Forms of Discrimination Against Women* (CEDAW) and the *Convention on the Rights of the Child* (CRC) recognises "the common responsibility of men and women in the upbringing and development of children, it being understood that the interest of the children is the primordial consideration in all cases" (CEDAW Article 5(b)). This principle is also reflected in the *Convention on the Rights of the Child* which focuses on the balance of responsibilities between the child's parent/s and government, and states that governments "shall render appropriate assistance to parents and legal guardians in the performance of their child-rearing responsibilities and shall ensure

the development of institutions, facilities and services for the care of children” (CRC Article 18.2).

The *International Covenant on Civil and Political Rights* also provides, in Articles 2 and 26, for a right to equality. This is also reflected in section 8 of the *Human Rights Act 2004*, which provides in part that “everyone has the right to equal and effective protection against discrimination on any ground”. The *Discrimination Act 1991* also makes unlawful discrimination in employment on the grounds of sex, pregnancy, breastfeeding, sexuality, transsexuality, relationship status, and age, among others.

The principles of equality and non-discrimination are relevant in two respects. Firstly, international human rights law and Australian domestic law already recognises that achieving substantive equality may involve the introduction of measures that benefit particular groups of people. Paid parental leave is an example of such a measure. Secondly, the groups of people able to access such a scheme should not be restricted on discriminatory grounds.

Supporting families and children

In 2004 the ACT Government released the ACT Children’s Plan which established a whole of Government approach to early childhood health and development which placed children’s needs first. The ACT Government recognises the importance of early childhood services in supporting families; accordingly the ACT’s services are at the forefront of best practice.

The most recent initiative in supporting early childhood development has been the development of Early Childhood Schools which will be opened in 2009. The services provided within each of the schools will vary from site to site and will include education, childcare, health, parenting, early intervention and preschool programs. The role of families in children’s development has been emphasised in the Early Childhood Schools Framework which states:

Families are central to children’s development. The security, encouragement and responsiveness that families can provide enable children to grow emotionally, socially, intellectually and physically. In forming genuine partnerships with families, early learning and development centres will need to both build and draw upon parents’ skills and expertise. Families will be able to provide mutual support and staff and families will learn from each other.

Family and employment structures and patterns have changed markedly over recent decades. What families are looking for now to address their children’s needs is very different from what they were looking for in previous generations. All families experience stress at some time or another and need a helping hand. Some families experience high levels of ongoing stress and need a great deal of support.

Where children are not thriving, research indicates that outcomes are improved when the whole family is supported. It will be important for early learning and development centres to reach out to those families who are not using services,

but who need them. If all children and families are to be assisted, there will be a need for active outreach. Helping children means helping families.

Each early learning and development centre will provide physical and socio/emotional environments that are child friendly and family friendly. Children and families need to feel a sense of belonging to their early childhood community. Programs that are inclusive and sensitive to the diverse backgrounds and needs of children and families are more likely to succeed. Effective education, health, child care and other services for children and families are provided in partnership with the communities they serve.

Families in the ACT have a strong tradition of active participation in their children's early years, particularly through playgroups, preschools and schools. Early childhood learning and development centres will look to active participation of families in the region, giving them a strong voice in decision-making and empowering them to contribute to their children's learning and development.¹

This new approach enhances the integrated support already provided through the Child and Family Centres in Gungahlin and Tuggeranong. The Child and Family Centres provide a range of universal and targeted services based on the needs of children and their families. The Centres were established to provide local services with a focus on support and early intervention, including health, education, parenting and family support services.

Further enhancing this model of service delivery, the ACT Government will provide additional funding in 2008-09 for a West Belconnen Children and Family Support Service. The service will facilitate access for disadvantaged families with children experiencing issues related to educational attainment and child development, health, family breakdown and parenting and domestic violence. In addition, the Government will fund in 2008-09 the forward design of a third child and family centre in the Belconnen region.

In addition to these services the ACT Maternal and Child Health Service provides a free immunisation programme and well baby clinics which cover issues such as growth and development, nutrition and feeding issues, toddler behaviour issues, parenting and post natal depression. The services also offers day stays for settling and breastfeeding issues for babies under four months old. A residential programme is offered for complex lactation and other feeding problems, failure to thrive, unsettled babies, post-natal depression, parenting support, behavioural problems in children/families. This service offers free access to lactation consultants so women can access support to establish and continue of breastfeeding.

These services form an essential part of supporting families and children. Enabling families to have time to care for newborns without financial stress or concerns about

¹ Early Childhood Schools Framework (ACT Department of Education and Training 2006) can be found at:
http://www.det.act.gov.au/__data/assets/pdf_file/0005/23855/Early_childhood_schools_final_web.pdf
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security of employment is another key aspect of enabling families and children to thrive.

Women's labour force participation and attachment in the ACT

The ACT has the highest rate of female labour force participation in the country (68.9%²). The level of female workforce participation indicates a strong job market in the ACT, with unemployment at a national low of 3 percent³. It also reflects that ACT women have, on average, a higher level of educational attainment compared to the Australian average. This high level of workforce participation contributes to the Canberra economy, provides household income, reduces the amount of families living in poverty and assists in increasing economic independence for women.

Notwithstanding, the ACT has around 4,000 families living in poverty. In 2006, there were around 16,000 households in the ACT that were in the bottom Australian equivalised income quintile. This equates to just over 13 per cent of the ACT's total households. 25 per cent of these low income households had children under 15 years of age.⁴

Like many jurisdictions the ACT is facing a skills shortage and the ACT Skills Commission has found that "the ACT needs more people, and more people with high skill levels."⁵ As a part of the response to the ACT Skills Commission finding the ACT Government has committed to supporting children and families⁶ and acknowledges that the high level of women's labour force participation and labour force attachment are integral parts of addressing the skills shortage.

ACT Government initiatives to encourage labour force participation and attachment in the ACT

Return to work grants

The ACT Return to Work Grants Program⁷ is an ACT Government initiative, which provides women returning to the paid workforce after a period of full-time parenting responsibilities with financial assistance in returning to work.

The primary objective of the program is to assist women in receipt of low incomes who are Aboriginal and Torres Strait Islander, culturally and linguistically diverse, young or with a disability, to achieve increased financial independence by helping them prepare for, obtain and maintain employment. The program is designed to provide funding for basic job readiness training, facilitate acquisition of job search skills and provide funding for women to access related support(s) with regard to potential job placements.

² ABS *Australian Labour Market Statistics* April 2008

³ ABS *Labour Force, Australia* April 2008

⁴ Cassells, Quoc and McNamara *Characteristics of Low Income ACT Households* October 2007 (NATSEM, University of Canberra) pg 8

⁵ ACT Skills Commission Final Report April 2008, ACT Skills Commission, P5

⁶ ACT Skills Future Key initiatives in a long term strategy to address the skills challenge, ACT Government P5

⁷ More information can be found at www.wirc.act.gov.au

Individual grants of up to \$1,000 are available for women who have been absent from the workforce for more than 12 months due to child care responsibilities.

These grants acknowledge the importance of education and training in assisting women to return to paid employment. The Grants Program targets women who are not eligible for other forms of assistance, and who are not attached to the workforce. While the program has been in operation since its launch in February 2008, there are already positive indications that this program is attracting women with limited educational attainment who are seeking to increase their employment prospects by returning to education, and then the workforce.

Family Friendly workplaces

In 2004, the ACT Government released the publication *Expectant and New Mothers: Guidelines for Employers and Employees in ACT Workplaces*⁸. The Guidelines provide advice on providing family-friendly workplaces and entitlements in the ACT.

The Guidelines recognise that flexible working arrangements, aimed at balancing work and life commitments, can benefit both employees and employers. 'Family-friendly' policies help working women and men to combine their employment responsibilities with their family lives, caring responsibilities and personal and social lives outside the workplace.

The Guidelines note that employees in these family-friendly workplaces tend to be more motivated and committed, enjoy a higher level of job satisfaction and are more productive. Family-friendly policies also help employers to retain valuable employees, saving them the costs and difficulties of recruiting and training new staff. Problems can arise, however, when employers or employees do not clearly understand their mutual rights and responsibilities. Therefore it is important to establish clear policies, procedures and practices which comply with all relevant anti-discrimination, industrial relations and work safety laws, agreements and awards.⁹

ACT Government as a model employer

The ACT Government aims to be a model employer for people with caring responsibilities. The ACT Public Service collective agreements include:

- 14 weeks paid maternity leave after 12 months of service;
- 14 weeks paid primary care giver leave;
- access to long service leave after 7 years of service;
- more flexible working arrangements through access to part-time employment, job sharing, purchased leave and home based work;
- financial assistance for vacation child care programs;
- financial assistance for family care costs;
- facilities and lactation breaks for nursing mothers;
- no involuntary redundancies;
- 18 days personal leave with access to leave for caring purposes up to available credits;
- 10 days bonding leave for the partners of new mothers;

⁸ See <http://www.women.act.gov.au/expectantandnewmothersguidelines.pdf>

⁹ *ibid* pp3

- Entitlements for officers returning from paid maternity, paid primary care giver or unpaid parental leave after the birth or adoption of their child have had entitlements to permanent part-time employment increased to three years, with a cap of seven years where multiple births are involved.

In addition to these provisions some ACT Government Departments have 'Breastfeeding Friendly' Accreditation from the Australian Breastfeeding Association.

These provisions have allowed ACT public servants to take an average of 38 weeks leave after the birth or adoption of a child and have resulted in an a return to work rate of approximately 90 percent.

Model for paid parental leave

Paid parental leave for parents with newborns is a significant support government can offer in those early months of a child's life, to families and to the development of children. This submission supports the development of universally available paid maternity and paternity leave, noting that Australia will continue to lag behind the developed world if it does not provide this fundamental support to families.

In order to ensure the universality of such a scheme, the ACT Government supports the Australian Government to develop and fund paid maternity and/or paternity leave for all Australian families. The ACT Government notes that the 2002 HREOC report on paid maternity leave found that there is strong concern that if parental leave is employer funded it has the potential to be detrimental to women as employers may be reluctant to hire women of childbearing age.¹⁰ Small business, which make up a significant proportion of the ACT economy have particularly expressed concern about the impact of directly funded paid maternity leave on their ability to conduct business.

In addition, the ACT Government believes that the families that do not have the primary carer in the workforce are also in need of support. Currently these families have access to the baby bonus, family tax benefits and may receive transfer payments. The ACT Government believes these families should continue to receive assistance to ensure the best possible outcome for children, mothers and families.

The ACT Government strongly recommends that any scheme must meet the principles above, and that the foundation for any Australian Government provision of such a scheme be soundly based on the understanding that government has obligations to maintain the rights of the child, and the rights to equality and non-discrimination. Supporting children and building a society free from discrimination supports the future of the whole community.

¹⁰ Human Rights and Equal Opportunity Commission, *A Time to Value: Proposal for a National Paid Maternity Leave Scheme* 2002 Section 13.3