

Submission re the Inquiry into Paid Maternity, Paternity and Parental Leave

I note with satisfaction the proposal by the Productivity Commission's proposals. I wish to state my opinion on it.

18 weeks for mother and 2 weeks for fathers is a good start, certainly better than what most workers have had so far. However I believe that the proposal still falls way short of what working parents should have.

Specifically I support a minimum of 26 weeks of paid parental leave. The Commission itself states that it believes a newborn child should be with its mother for at least six to nine months. The Commission's proposal, therefore, is internally inconsistent. The Commission does claim that parents would also be able to access a range of other forms of leave. But the fact is that not that many employees would have been in employment with one employer long enough to accrue and access long service leave. Likewise not that many workers would have accrued enough annual leave to take a total of six to nine months off work (in combination with maternity leave, of course.) And where would this leave causal workers, who simply do not qualify for any form of paid leave (not even sick leave)?

On the income side I believe that, again while this is an improvement, keeping the wage while on maternity leave at the minimum wage level is not enough. If the argument for gender pay equity is acceptable – as I hold it is – then payment of the minimum wage will still keep women at a disadvantage. I therefore support the proposal that the difference between the minimum wage and the actual salary should be made up for from a pool of employer contributions.

The same holds for superannuation. Yes, it is better that 9% is paid on the minimum wage than no superannuation at all. But this does not sufficiently provide for the overcoming of gender pay inequity; it still leaves women earning less than men, and it still negatively affects their retirement prospects.

A major argument for paid maternity leave is to try and encourage women to remain in the workforce, to return to work with their employer. Any policies which maintain pay inequity, to any degree, is a discouraging factor.