

Faculty of Economics and Business University of Sydney NSW 2006

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We welcome the Productivity Commission's proposal for a National Paid Parental Leave (PPL) Scheme. We thank the Commission for the way that it clearly sets out the aims of the scheme, in particular the acknowledgement that a key aim of PPL is ongoing labour market attachment. It is with regard to this aim in particular that we would note that some changes to the PPL Scheme are needed if young women, and young Aboriginal women in particular, are to receive the full and equitable benefit of such a scheme.

Our recommendations relate to the eligibility requirements in relation to the Paid Maternity Leave component of the scheme, and, we draw on personal experience to illustrate and justify our recommendations from a 'real world' perspective.

In our submission we would like to highlight two significant/important issues:

- That the proposed scheme would not cover young Indigenous women working under traineeship and employment programs.
- That the 10 hour work eligibility requirement does not recognise that many traineeships and university study programs limit work to a maximum of 8 hours per week.

After outlining in more detail these two issues, we make two recommendations.

Indigenous Training Programs

The National Indigenous Cadetship Project (NICP)¹ helps students by providing money to cover living costs while studying, as well as paid work experience in the

¹ The program is administered by the Indigenous Employment Programme Branch of the Department of Employment and Workplace Relations (DEWR).

holidays or throughout the year. The National Indigenous Cadetship Project (NICP) is an Australian Government initiative that improves the professional employment prospects of Indigenous Australians.

The NICP forms part of the Australian Government's Indigenous Employment Policy (IEP) along with similar programs such as CDEP. The IEP recognises the particular disadvantage experienced by Indigenous Australians in the labour market and that special measures are required to secure improved outcomes primarily ongoing engagement within the labour market.

This aim mirrors one of the three key aims of the Paid Parental Leave Scheme proposed by the Productivity Commission, i.e., labour market attachment, yet ironically the eligibility conditions attached to the proposed PPL Scheme would disqualify participants in the NICP and CDEP from receiving paid maternity leave.

Personal evidence

We are acutely aware of the issues surrounding indigenous entitlements to PML because Talila, who is employed at the University of Sydney under the NICP is due to have a baby in December, 2008. Talila and Dr Leanne Cutcher have been working together on a research project examining the way that Aboriginal mothering is portrayed in both the Koori and mainstream press. We use Talila's personal situation to highlight why we believe that the proposed PPL scheme should be extended to young Aboriginal women employed under these programs.

Under the NICP scheme Talila is enrolled in a Bachelor of Science, full-time at the University of Sydney and working as a Research Assistant in the Faculty of Economics and Business for eight hours a week. Talila is entitled to 6 weeks paid maternity leave under The University of Sydney paid maternity leave policy for casuals as per the Enterprise Agreement (this is around \$60 per week, and excludes the government supplement she would normally receive under the NICP arrangements). Talila has no other financial entitlements to PML under the cadetship.

Talila's situation would not change under the proposed PPL scheme which stipulates 10 hours per week and 12 months employment, rendering her ineligible. There is no scope for Talila to do ten hours work per week because of her study timetable. The University stipulates that she may not work more than 8 hours per week in paid employment. If the proposed scheme was in place Talila would still only be eligible for the baby bonus because she would not have worked for 10 hours a week in the previous 12 months. The baby bonus is clearly a welfare type payment and does not encourage engagement with the labour market.

Talila and Leanne have established a good working relationship and are keen for Talila to return to the cadetship. However, there is no incentive for Talila to return to work, in fact, the way that payments are currently structured (and would be under the proposed scheme) act as a disincentive. Talila will be forced to terminate the cadetship and take up other welfare assistance simply to be able to pay rent and survive. Indigenous young people may only ever apply for one traineeship so Talila could not return to the program.

Recommendation One

We recommend that in relation to indigenous traineeships all work (both paid and unpaid (study) be counted in the eligibility hours. This would make trainees eligible for PPL and help to ensure their ongoing attachment to the labour market.

Student Eligibility

The specific case of indigenous trainees highlights a broader issue about full-time students. Most universities place limits on the number of hours students can be absent and in paid employment. For example, at in the Science Faculty at the University of Sydney students can nominate to have two time periods of 4 hours or one full day excluded from their timetabling to make way for work commitments. This means many full time students may only be able to work 8 hours a week. If a full-time student was to become pregnant they would not be eligible under the proposed PML scheme and yet it is incredibly important that these young women be encouraged to maintain an ongoing commitment to both the labour market and their study.

Recommendation Two

We strongly recommend reducing the hours of work needed for eligibility from 10 to 8 hours. This is one full day's work and would not only benefit Indigenous women in traineeships and CDEP programs, but also tertiary students in general.

We thank the Commission for the opportunity to make this submission and would be happy to discuss our recommendations further.

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