

## Submission

### Inquiry into Paid Maternity, Paternity and Parental Leave Productivity Commission

My name is Amy Wand and I am a 27 year old female residing in Sydney. I am employed Full Time as a Business Development Manager within the Finance Industry and I have been in this role for 3 years. In my personal life, I am in the process of planning my wedding to my long term partner and am excitedly looking forward to the prospect of having our first child in the next few years.

My interest in the provision of paid parental leave stems not only from my desire to have children but also from observing the many difficulties that families face in balancing the demands of newborn children and the ever increasing necessity in participating in the workforce.

At present, Australian workplaces are under equipped in supporting families and especially women during the pre and post birth period. I was extremely excited to learn the productivity commission was looking into the provision of Paid Parental leave, which would alleviate many problems families face.

However looking at the draft report I noticed that the proposed scheme does not go far enough in redressing the problems that face women with newborns participating in the workplace. Here is a list of my concerns:

#### Funding

Employers in the finance Industry constitute some of the largest employers in Australia with especially high levels of female employment. To have a parental leave scheme fully funded by government, banks and financial institutions will enormously benefit. This is because the responsibility of providing any paid parental leave will largely be taken away from them as they have no requirement to maintain their present schemes. Due to the large profits of these financial institutions, it is only fair and right that some responsibility for the provision of this leave falls on them as well.

#### Adequacy of Scheme

At present, the agreement that governs my workplace allows for 12 weeks maternity leave at full pay, with the option of 24 weeks at half pay. As stated above, the proposed scheme places no obligation on my employer to maintain any of these conditions on top of the statutory scheme.

That means that although I have 4 extra weeks available under the government scheme, I will be eligible for less money as I earn over the minimum wage, which would not be sufficient to service my mortgage debt. I also qualify for 10.5% superannuation of my salary and under the proposed scheme I would only qualify for 9% superannuation only calculated on the adult minimum wage.

For employees who earn over \$45,000 a year and have access to employer maternity leave, they will be worse off under this scheme than presently. Calculating their pay and superannuation of 9% on the minimum wage will detrimentally affect many women.

### Duration of scheme

The World Health Organisation has stated that 6 months is the minimum time for mothers to breast feed their babies. We also know that 6 months is the optimum time for mothers to bond with their babies.

Therefore there should be a requirement on all employers to provide employer funded parental leave for at least the remaining 6 weeks to make the minimum time a woman is on maternity leave for 6 months.

### Parental leave should be considered “normal” leave

There is no foreseeable reason why someone on annual leave should be earning more than a woman on the same wages and conditions taking parental leave. Parental leave must be viewed as ‘normal’ leave; no different from any other leave, which is a statutory right of all full and part time employees. The proposals of the Productivity Commission go some way to changing these conceptions but more must be done.

With this in mind, there should be no any caps on superannuation accrued during parental leave, other than the statutory 9%. Employees earn all wages and conditions that they are entitled to under their workplace agreements whether or not they are on paid leave and parental leave should not be differentiated. Superannuation should also be calculated on the person’s wage rather than the minimum adult standard.

Furthermore, it is well documented that women’s superannuation balance are much smaller than men’s. Employers should be compelled to continue to pay superannuation throughout parental leave, set at the level in place at that workplace.

### My conclusion

It is my belief that the proposed scheme does not go far enough to help alleviate the problems families face. Arguments against this scheme on the grounds of economic burden do not take into account how the scheme will act as a stimulus to the economy by allowing women to continue to participate in the workforce. They represent a large resource of skills and knowledge and a paid parental leave scheme will facilitate their greater workforce participation.

Along side this scheme; employers should be compelled to “top-up” the minimum wages so that a person still receives their regular wages and superannuation entitlements. This will bring parental leave in line with all other forms of paid leave that employees are entitled to. Employers should also be required to have their own paid parental leave scheme, along side the government scheme to ensure that women receive the minimum 6 months with their newborns.

This is what I would want when I have a child.