



Submission from  
**New South Wales Local Government, Clerical,  
Administrative, Energy, Airlines & Utilities Union**  
Responding To  
Productivity Commission  
**Inquiry into paid parental leave- Draft Recommendations**

New South Wales Local Government, Clerical, Administrative,  
Energy, Airlines & Utilities Union  
(United Services Union)  
Level 7, 321 Pitt St. Sydney NSW 2001  
Ph: 02 92658211  
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Contact Person: Julie Griffiths, Director Women, Youth, Childcare and Aged issues  
Authorised by Ben Kruse, General Secretary United Services Union (USU) Submission

## Introduction

The USU is supportive of a National Paid Parental Leave scheme and in principle supports the Productivity Commission proposed model as a starting point.

The USU will continue to advocate and campaign for a 6 month paid parental scheme at full wage replacement and superannuation contributions to be available to all working women or primary carer in Australia. The USU also advocates for increased provisions for supporting parental leave entitlements.

The USU supports the acknowledgement made by the Commission that parental leave for 6 months can provide health enhancements for both women and children.

The following points are in general response to the draft recommendations from the Inquiry, along with some broad points for consideration by the Commission.

### 1. Wage entitlements

- 1.1 The USU advocates that full wage replacement is essential for working women on parental leave. The minimum wage level proposed in Productivity Commission Inquiry report is a starting point and a timeframe needs to be explored and developed to achieve full wage replacement with input from stakeholders.
- 1.2 Parental leave should be treated as other leave provisions and entitlements for workers, therefore should be at full wage replacement.
- 1.3 Flexibility of the scheme should include the option of taking leave at half pay so that the leave time can be extended without any penalties.

### 2. Superannuation

- 2.1 The superannuation rate should be at a minimum 9%, with no restriction on what increase can be negotiated.
- 2.2 The superannuation contributions should be based on the women's usual wages, not on the minimum wage. This provides greater parity with superannuation paid to working men and does not disadvantage women taking parental leave in relation to superannuation accumulation. Superannuation payments should also be paid for any periods of unpaid maternity leave.

### 3. 'Keeping in touch' proposal

- 3.1 The idea that women should 'keep in touch' with their workplace for 10 days throughout their leave may have problems. More work needs to be done on this proposal to make it at all feasible.
- 3.2 Interpretations may differ on how to implement this clause and it may not be of benefit to employees during their leave.
- 3.3 Appropriate and agreed on childcare would need to be provided for parents to keep in touch.
- 3.4 Keep in touch process effectiveness will differ from workplace to workplace depending on job and sector type.
- 3.5 Time spent in any such process would need to be in addition to the parental leave, ie an additional 10 days paid leave at full wage replacement.

#### 4. Scheme eligibility

- 4.1 The USU supports that all working women, regardless of employment status (fulltime, parttime, casual), be eligible for the scheme.
- 4.2 There is a need to look at broader terms in criteria to be eligible for the scheme. Women may have faced additional barriers in obtaining regular 10 hours or more a week of work or may have been looking for work unsuccessfully for a period of time. Women that may face additional barriers may include but not be restricted to women with intellectual and physical disabilities, women living in rural/regional areas, Aboriginal women, women from NES backgrounds, single parents, young women, early school leavers and women in the age range eligible for maternity leave.
- 4.3 The requirement to start the government scheme needs to be flexible and should be extended from 6 months to 12 months. This allows any Award/Agreement entitlements to be used and still be eligible for the federal scheme.
- 4.4 It is supported that women who are not engaged in the paid workforce will be eligible for a support payment.

#### 5. Industrial Instruments and the proposed scheme

- 5.1 It is essential that any provisions that are currently in place in any workplace remain and are paid in addition to the proposed federal scheme.
- 5.2 It is important that there are safeguards to allow ongoing negotiations within Awards, agreements and workplaces to improve paid parental leave provisions. This right to negotiate and bargain improved provisions should not be compromised.
- 5.3 All other leave entitlements should accrue while on parental leave.

#### 6. Discrimination against women and parents

- 6.1 It is fundamental that strategies and measurements are identified in the scheme and recommended by the Productivity Commission to avoid discrimination. This includes guidelines and preferred practices for employers and boards of management for example.
- 6.2 A dispute resolution procedure must be part of the scheme to deal with any discrimination or breaches that result from the implementation of any paid parental leave.
- 6.3 A no disadvantage test needs to be applied to ensure no women/family is worse off under this scheme.

#### 7. Monitoring and review

- 7.1 A vigorous monitoring and review process must be part of the scheme.
- 7.2 A process for women/carers to provide feedback and evaluation of the scheme is fundamental for ongoing monitoring.
- 7.3 A reporting mechanism be developed to inform stakeholders of the ongoing implementation of the scheme.

#### Conclusion

The USU in principle supports the Productivity Commission Paid Parental Leave proposal and has provided general feedback about the scheme. The USU will continue to advocate for a 6 month full wage replacement paid parental scheme for all women/primary carers and improved entitlements for supporting parents.

The USU will continue to participate in ongoing inquiries and looks forward to the outcomes of this process.