

Submission to the Productivity Commission for a national paid parental leave scheme.

This submission comprises 4 sections; the introduction, main concerns, detailed concerns as per the Productivity Commission's draft recommendations 2.1 to 2.12 and conclusion.

This submission should be read in conjunction with the Commission's draft recommendation for clarity.

Introduction.

This submission has been prepared in response to the draft report from the Productivity Commission, by Wendy Wirth, bus driver and member of the NSW Branch of the Women's Campaign Committee of the Australian Rail, Tram & Bus Industry Union.

This submission has been endorsed by the Women's Campaign Committee members who have been elected by their women work colleagues to represent their division within the various disparate jobs associated with transport workers across NSW who are members of the Rail, Tram & Bus Industry Union.

The elected WCC members are: Joanne McCallum, customer service attendant, Leanne Holmes, bus driver, Kirsten Barratt, locomotive driver, Leanne Milne, customer service attendant, Diane Seymour, presentation attendant, Carissa James, signaller, Maxine Leary, train guard, Kelly Budden, bus driver, Ida Skye Morrison, presentation attendant, Gloria Lederer-Ponzer, bus driver, Karen Robertson, signaller, Narelle Sinclair, bus driver.

This Productivity Commission, we believe, provides a welcome opportunity to deal at last with the inequalities and anomalies that have arisen in relation to access to paid maternity leave and paid parental leave generally in Australia, and within the industry in which our members work.

Main concerns.

1. The Australian government must make the implementation of a paid parental leave scheme a priority in the 2009 federal budget.
2. It is incumbent upon the Productivity Commission to recommend a scheme that does not lead to discrimination.
3. That a national paid parental leave scheme is a legislative minimum and shall not replace, nor undermine, provisions currently contained in any industrial instrument including arrangements achieved through workplace bargaining.
4. That implementation of an 18 week federal government paid parental leave scheme shall not preclude employees from bargaining for future improvements to existing entitlements.
5. That all leave and any other entitlements should continue to accrue while eligible workers are on parental leave.
6. That the scheme must also include an enforceable dispute resolution procedure to deal with breaches, disputes of interpretation or cases of discrimination arising as a result of implementation of the scheme.

Response to draft recommendations from the Productivity Commission.

- 2.1 It is recognised that 18 weeks at the federal minimum wage is a welcome start to the introduction of a national paid parental leave scheme given the majority of working women, and potential primary carers for babies have no access to any form of paid leave.

The incidence of paid maternity leave in our industry is almost entirely governed by the ownership type of the operation in which we, the employees, work. Where an entity has been privatised, the previous entitlement to paid maternity leave is either reduced or treated as a discretionary payment, subject to policy considerations. Where an entity has always been in private ownership, there is little or no paid maternity leave.

We recommend that superannuation paid at the statutory 9 percent should not be limited as this would disadvantage workers who have access to a higher percentage. The Productivity Commission should consider the financial disadvantage to women over their working life, through childbearing and child raising on unpaid time out of the workforce, and make the 9 percent a minimum requirement of the Superannuation Guarantee with the right for employer and employees to maintain or bargain for any improved superannuation contributions over 9%.

- 2.2 Employers paying superannuation contributions should be bound to calculate and pay on the employee's average weekly earnings, not the minimum wage. Where employees earn more, as is the case with transport workers who are members of the RTBU, the gap between the minimum wage and our ordinary time earnings is significant, for example a bus driver is on \$847 per week as opposed to the minimum wage of \$543.78.

The loss of income over parental leave would significantly financially disadvantage our transport workers thus discriminating against working women and their families, who have babies. Transport workers in the RTBU already expect a drop in pay, while on any leave, of approximately 25-30% due to provision within our Awards and Enterprise Agreements for penalty rates and overtime rates for working unsocial hours.

- 2.3 Payment of Parental Leave should be made via the PAYE system where available as we recognise this system to be the most efficient and timely way to administer the scheme.
- 2.4 We support the Productivity Commissions recommendation to include the broad range of family types that would be eligible, including conventional couples, lone parents, adoptive parents and same sex couples as this reflects relationships within the workforce that we represent within the RTBU.
- 2.5 We support the ability to transfer entitlements to the primary carer. We support parental payment for the father or other eligible partner, though we consider 2 weeks to be a minimum period given the very important, and increasingly, accepted role that fathers and primary carers now take in raising children and supporting family relationships. Men especially should be further encouraged and supported in this regard and, given the special difficulties of raising a family around shift work requirements, it is essential that a reasonable paid parental payment be introduced and extended in the future.
- 2.6 We recommend the inclusion of a specific provision in the legislation which ensures that there will be no reductions in existing parental leave entitlements provided to employees by their employer as a result of the implementation of the new scheme.

- 2.7 We support the Productivity Commissions model as a positive first step in the provision of a paid parental leave scheme for Australian working families. We recommend that the 18 weeks be extended to 6 months as the Productivity Commission recognises that this period is optimal for the health and wellbeing of mother and baby.

We recommend that employees rights to take paid parental leave at half pay and to commence paid parental leave prior to the expected birth date should be protected. Also, the requirement to exhaust “any period of other continuous leave available at the birth of the child” must be amended to read “any available paid parental leave entitlements”. The requirement should be amended to commencement of the government entitlement with 12 months of the birth or upon expiry of existing workplace maternity/parental entitlements.

We acknowledge the World Health Organisation recommendation that women breastfeed their babies for at least 6 months to maximise health outcomes for mother and baby.

The RTBU therefore recommends that this be achieved through the introduction of 18 weeks in May, 2009, 22 weeks in May 2011, 26 weeks in May 2012 and 28 weeks in May 2013.

The phased increase from 18 weeks to 28 weeks must be guaranteed in any enabling legislation or regulation.

The requirement to commence the government entitlement within 6 months of birth of the baby and to commence the government parental leave at time of birth is unduly restrictive. Families, and especially expectant mothers, need to decide at what time would be best to start parental leave for the health and wellbeing of themselves, the baby and their family circumstances.

This is especially relevant considering the hardships required to work shift work 7 days a week, 24 hours a day, to which the members of the RTBU, in majority, are bound as a work employment condition.

The Union supports the Productivity Commission's recommendation surrounding transfer of leave on the death of the primary carer of the baby and the death of the baby.

We support concurrent paternity and parental leave for the parents or primary carers of the baby. This is especially important for shift workers in that the parents can dedicate time for themselves and baby without the extremely intrusive hours of work taking precedence at such a special time in a family's life.

- 2.8 In regards to the National Employment Standards the RTBU recommends that a paid parental leave scheme be enshrined in legislation.
- 2.9 The RTBU supports the recommendation that the Australian Government provides clear accessible information in regards to a paid parental leave scheme.
- 2.10 We recommend that time spent attending work while on parental leave should be paid at the ordinary time rate, including penalty payments, or counted as additional paid parental leave in lieu of payment. This provision must include appropriate anti-discrimination and right to refuse protections.

This provision should be restricted to employment requirements relating to training and/or attendance for promotion so as to not disadvantage any worker on parental leave.

- 2.11 The vast majority of members working within the transport industry covered by the RTBU would have no ability to access appropriate conditions to breastfeed a baby. For example a train driver, a train guard and a bus driver.

2.12 The Union supports assessment and evaluation of the scheme in so far as to adopt the staged increase from 18 weeks at federal minimum wage to 28 weeks at full wage replacement by 2013 and that these review mechanisms be conducted by an independent body.

Conclusion.

It is of utmost importance that a paid parental leave scheme be introduced as a legislated national scheme in the 2009 federal budget.

The RTBU believes that rights worthy of the name, as in paid parental leave, must be universal, enforceable, accessible and meet the requirements of their stated purpose for both the individual and for the society as a whole. A national paid parental leave scheme would enhance the fabric of Australian working families which would then be of benefit to all peoples in Australia.

We trust that the Productivity Commission will recommend the best model and take the working men and women's concerns who work shift work in the transport industry into careful consideration.