



11 May 2010

Naomi Bleaser  
Committee Secretary  
Senate Standing Committee on Community Affairs  
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Parliament House  
Canberra ACT 2600  
Australia

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Dear Ms Bleaser,

### **CPSU Submission to the Inquiry into the Exposure Draft of the Paid Parental Leave Scheme Bill 2010**

The PSU Group of the Community and Public Sector Union (CPSU) is an active and progressive union with approximately 55,000 members. The CPSU represents employees of the Australian Public Service (APS), the ACT Public Service, the Northern Territory Public Service, Telstra, the telecommunications sector, call centres, employment services and broadcasting.

The Paid Parental Leave (PPL) scheme is an important industrial entitlement, attaching to women's workforce participation, rather than a welfare entitlement. We are pleased that PPL as an industrial entitlement is reflected in the aims of the scheme, which are to increase women's workforce attachment, and to boost women's workforce productivity.

The CPSU broadly supports the ACTU submission into this inquiry, taking into account the specific issues below.

#### **Interactions with existing entitlement to Paid Maternity Leave**

With the introduction of the PPL scheme, public servants will have entitlement to paid leave upon the birth of a child from three disparate sources; the *Maternity Leave (Commonwealth Employees) Act 1973*, agency enterprise agreements, and the PPL scheme.

The *Maternity Leave (Commonwealth Employees) Act 1973* provides a minimum of 12 weeks paid maternity leave. Current enterprise agreements add to the legislated 12 week entitlement to give a total current entitlement of between 12 to 18 weeks of paid maternity leave. On average, most women in the public sector (and large private sector employers within CPSU coverage) receive 14 weeks paid leave at the employee's usual salary.

The CPSU welcomes the government's commitment to providing 18 weeks of PPL pay at the National Minimum Wage, and sees this commitment as an important first step towards the longer term aim of providing 26 weeks of payment at the employee's usual wage.

The CPSU does however express some concern that employers will attempt to reduce existing paid parental leave entitlements upon the expiry of current enterprise agreements. The CPSU seeks a commitment from the Commonwealth government as an employer that it will not, upon the expiry of existing APS enterprise agreements, seek to absorb the PPL payment to offset the cost of existing enterprise agreement entitlements. The government acknowledged in the Moran Review the need to streamline APS bargaining and provide equal conditions across the APS. The CPSU welcomes the Prime Minister's statement that aligning conditions across agencies is important. Aligning parental leave entitlements across the APS is vital.

As noted above, once the PPL scheme is operational, APS employees will receive an entitlement to paid parental leave from three sources. The government must work with the CPSU to simplify these arrangements while not reducing the benefit to public servants. A streamlined, consistent entitlement to paid parental leave will not only provide administrative savings and clarity to both government as employer and employees, it will also remove any agency level disincentive to the employment of women in the APS.

### **Dispute settlement and compliance procedures**

The CPSU welcomes the increased role for the Family Assistance Office and the Fair Work Ombudsman (FWO) in dispute settlement and compliance matters in the draft legislation. The government must ensure that these agencies are fully resourced to undertake these new activities and that adequate training is made available to staff to enable them to deliver what is required under the legislation.

### **Superannuation**

In order to address the differential between women's and men's retirement incomes, employers should pay superannuation to employees whilst on unpaid parental leave. The CPSU has achieved this entitlement through enterprise bargaining in the Australian Bureau of Statistics and the FWO. These agreements guarantee that women on paid and unpaid maternity leave will continue to receive their usual employer superannuation contributions for up to 12 months. The CPSU will continue to negotiate this entitlement on behalf of members but seeks that the government consider legislative change to ensure that all employees receive superannuation payments on periods of parental leave.

As an important first step in this campaign, employers should be obliged to, at a minimum, pay superannuation on the amount of the PPL payment, with a long term aim to provide full superannuation payments on periods of paid and unpaid parental leave.

### **'Keeping in Touch' provisions**

The CPSU recognises the need for 'Keeping in Touch' provisions, and supports the proposed inclusion of these provisions in the *Fair Work Act 2009*. These provisions will allow for women to strengthen their attachment to the workforce, and could lead to a possible countering of the disadvantage that many mothers experience when returning to the workforce after a period of time away.

In recognising the benefits of a 'Keeping in Touch' provision, it is vital that this provision only be used for the benefit of employees, for one off events such as specialist training and planning days, or to facilitate a return to the workforce. 'Keeping in Touch' should never be used by employers to cover workforce shortages or for busy periods.

Information provided to employers and employees regarding 'Keeping in Touch' should clearly state that employees cannot be compelled to undertake a 'Keeping in Touch' day, that the

employee must voluntarily agree to complete a 'Keeping in Touch' day, and their continued employment cannot be threatened if they do not agree to work whilst receiving PPL, or whilst on unpaid parental leave.

The CPSU thanks the Committee for the opportunity to comment on these issues. Should you wish to discuss this submission any further the contact person is Dr Kristin van Barneveld, Deputy Secretary on (02) 6220 9664.

Yours sincerely,

Nadine Flood  
**CPSU National Secretary**