

May 2010

## BPW AUSTRALIA RESPONSE TO SENATE COMMUNITY AFFAIRS COMMITTEE INQUIRY ON PAID PARENTAL LEAVE

## Background

BPW Australia is committed to obtaining equal opportunity for women in the economic, political and social life of Australia. It represents the interests of working women across Australia and takes the voices of women to government policy makers. Nationally our members include employers, employees and the self employed, giving the organization a unique position when lobbying government. As an international organization BPW enjoys consultative status at the United Nations.

## History

BPW Australia has been lobbying for Paid Parental Leave since 2004 and has lodged formal submissions, most recently to the Productivity Commission enquiry, 2009. We appreciate the opportunity for further consultation and participated in tele-conferences relating to the implementation of the proposed scheme.

## Comments

BPW recognizes that more Australian businesses are offering paid parental leave to attract and retain staff but does not believe that the market will deliver such benefits to all. Benefits are inequitable, with some sectors receiving up to 26 weeks paid leave while others have no entitlement.

BPW Australia supports the introduction of the national paid parental scheme to all employees as proposed by the Government, on the understanding that it is a foundation program that will be reviewed and expanded over time.

BPW Australia believes that workforce attachment is critical to the relationship between employers and employees and informs development and implementation of more flexible work practices. Australia women, particularly those of childbearing age, continue to lag behind similar countries in their economic participation in the workforce, a situation that needs to be remedied as we face the combined effects of a skills shortage and an ageing work force. A national paid parental programme, combined with other initiatives such as affordable and available child care and quality part-time work will create an environment for increased participation. Page 2

BPW Australia believes the introduction of this universal Paid Parental Leave Bill for all employees will not restrict business from offering additional incentives to gain a competitive advantage. Anecdotal evidence from our members indicates that paid parental leave increases attachment to the workforce and that, when combined with flexible work practices, it results in an increased rate of return by employees. As business strives for increased productivity this is of real benefit to all business, allowing them to retain skilled and experienced staff.

BPW Australia recognises and appreciates the effort the government has taken to firstly acknowledge and then attempt to resolve the impost placed on employers, particularly small business, around the administration of this payment. While the intention is clear, in that this payment is designed to increase workforce attachment, we ask that the scheme be reviewed in a timely manner (no less than two years) to ensure that there has been no adverse effects on employers that could result in discriminatory work practices against female employees.

BPW Australia believes that Paid Parental Leave is only one of a suite of measures aimed at supporting families. Australia also needs family friendly workplaces, accessible and affordable quality childcare and other community supports. Without these supports neither men nor women are making the choices they want for having a family, with many having fewer children then they say they want.

"Paid parental leave reflects the fact that neither having children nor working is a lifestyle choice. Both are something society needs women to do, and in return we need to ensure that money doesn't dictate whether or not a woman takes a healthy amount of time off work following the birth of a child." (BPW Australia PPL submission, 2009)

BPW Australia looks forward to the early implementation of the Paid Parental Leave scheme in 2011. We acknowledge the resolve of the many groups and individuals who have lobbied for so many years to bring paid parental leave into a reality for the working women of Australia.

Sandra Cook Director of Policy BPW Australia