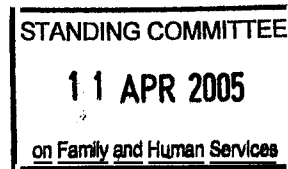


7 April 2005

Committee Secretary
Standing Committee on Family and Human Services
House of Representatives
Parliament House
CANBERRA ACT 2600
AUSTRALIA



Dear Sir/Madam,

SUBMISSION NO. 69
AUTHORISED: 19-04-05

RE: *Submission in response to Inquiry into Balancing Work and Family*

Please find attached Submission by the Finance Sector Union of Australia in response to the Committee's Inquiry.

The FSU represents some 60,000 members working in the areas of banking, insurance and various other finance and services to finance providers.

Our Submission relates to the 2nd term of reference in your Inquiry – easing parents return to the paid workforce and ensuring that workplaces provide environments and conditions conducive to achieving a work and family balance.

Employers in our sector have a reasonable reputation in respect to work/family provisions. Nevertheless, the incidence of paid maternity leave is rare outside of the major employers and where other family friendly entitlements exist, they are often inaccessible to employees faced with increasing work loads and long hours of work. No understanding of work and family in our industry is complete without reference to hours of work issues.

Aside from my comments on behalf of members (below), our Submission includes:

1. A copy of the Finance Sector Union Submission to the *Inquiry into Pregnancy and Work* by HREOC (1999); *Exhibit No. 18.1 **
2. A copy of the Finance Sector Union Submission in response to the *Valuing Parenthood: Options for Paid Maternity Leave* paper by HREOC in 2002. *Exhibit No. 18.2 **
3. A copy of the RMIT Report- *Pressure from All Sides: Life and Work in the Finance Sector*. [Executive Summary attached at Appendix 3. Hard copy of full Report to follow via mail]. *Exhibit No. 18.3 **

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These documents set out the range of work/family provisions in our industry and some of the impediments to extending these provisions and ensuring that employees can access them. [The documents listed at 1. and 2. above have been updated to reflect demographic data and provisions available at March 2005].

The pressures faced by employees in our industry are well known. The de-regulation of the sector in the late 1980s and the effects of working in a globally competitive environment led to an unprecedented period of mergers, acquisitions and subsequent job losses. In the 5 year period to 2002 19,856 jobs were lost from the five major banks – Wesptac, ANZ, National Australia Bank, the Commonwealth Bank and St. George.¹

Despite then the range of provisions negotiated through enterprise bargaining, employees in the finance sector are “pressured from all sides” to do more work over longer hours. In 2000 an RMIT study of employees in the finance sector found that many employees were unable to take the range of leave entitlements provided at their workplace (*see attached at Appendix 1.*)

¹ Figure taken from Banks' Annual Reports – represent Effective Full time jobs (EFT)

Since the late 1990s, the Government's Equal Opportunity for Women in the Workplace Agency (EOWA) has granted awards to several high profile employers in our industry for various "family-friendly" initiatives. However, at the "coal face" our members tell us it is difficult to take advantage of these conditions – jobs losses, work intensity, and extensive (often unpaid) overtime limit the capacity for employees to take leave or use the range of flexible provisions available.

Subsequently FSU believes a statutory regime is required to regulate work-family balance and provide a safety net for all workers to entrench work-family initiatives at the workplace. We recommend that a consistent process of monitoring and regulating work-family balance could be developed – along the lines of the regimes in place in state occupational health and safety legislation.

To this end the FSU fully supported the ACTU submissions in the recent Work and Family Test Case; only through greater regulation can work and family practices become an intrinsic part of the Australian workplace. We are most concerned to see that the Government's proposed changes to the *Workplace Relations Act* do not dilute the tenets of the ILO Conventions on work and family, and ensure that allowable award matters include the regulation of hours of work, part-time work and leave provisions. We also welcome the Sex Discrimination Commissioner's current project *Striking the Balance* which focuses on work and family issues.

Of course many employers in our industry recognise both the business and ethical arguments for incorporating work and family considerations in decisions at the workplace. One example is the joint Work Life Taskforce set up by Australia's largest insurer, Insurance Australia Group last year. The FSU proposed a joint Taskforce as part of 2003 enterprise bargaining negotiations and the Union and IAG will subsequently be focussed on issues such as:

- The ageing workforce and how IAG responds to the changing needs of employees;
- Flexible work practices;
- Dependent care issues;
- Reviewing and monitoring the implementation of (a) new hours arrangement; and
- Reviewing work practices and suggesting initiatives which may improve the ability of employees to balance their work, family or other personal commitments. (*IAG Enterprise Agreement 2003*, clause 8.7).

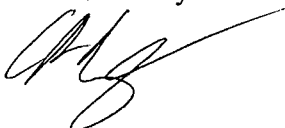
The IAG Taskforce was recommended and supported by FSU members and it relies on the goodwill of the company. Nevertheless, the only way to ensure that employees can access work/family provisions across the industry, is to strengthen our industrial awards to give *entitlement* to the provisions currently available in the major banks and insurance companies through enterprise bargaining, but absent in smaller organisations. This will ensure minimum standards which are enforceable and which recognise that so-called work/family leave cannot be divorced from provisions around:

- Hours of work – including minimum and predictable hours for part-time workers;
- Employment status;
- Work loads;
- Training and career paths; and
- Overtime.

Thank you for the opportunity to contribute to this vital debate on work and family. We trust the attached documents will give you a good understanding of the issues in our industry.

Should you have any queries regarding the attached, please contact Susan Kenna on (03) 9261 5339.

Yours sincerely



Cath Noye
National Assistant Secretary

Appendix 1.

Flexible Working Hours and Family Friendly Initiatives- Finance Sector

- Use of sick leave to care for family
- Specific paid leave to care for family
- Unpaid leave to care for family
- Work from Home
- Paid maternity/paternity/adoption leave
- Further unpaid maternity/paternity/adoption leave
- Time off in lieu
- Job sharing
- Part-time work
- Career break
- Pay averaging(48/52 schemes)
- Child care subsidies
- Child care leave
- Pre-natal leave
- Specific dependent care.

Flexible Working Hours and Family Friendly Initiatives- Examples from major employers in the Finance Sector

	Use of sick leave to care for family	Specific paid leave to care for family	Unpaid leave to care for family	Work from Home	Paid maternity/paternity/adoption leave	Further unpaid maternity/paternity/adoption leave	Time off in lieu	Job sharing	Part-time work	Career break	Pay Averaging (48/52 schemes)	Child care subsidies
ANZ												
Agreement									✓	✓		✓ (part time work clause)
Award	✓	✓	✓		✓	✓	✓	✓	✓			
Company policy				✓	12 weeks paid							
NAB												
Agreement					✓ (mat leave only)			✓	✓	✓	✓	
Award	✓		✓			✓	✓		✓			
Company policy	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
Westpac Group												
Agreement					✓				Min. hours provisions			
Award	✓*	✓	✓			✓	✓		✓			
Company Policy				✓	12 weeks paid			✓		✓		✓ (at some sites)

	Use of sick leave to care for family	Specific paid leave to care for family	Unpaid leave to care for family	Work from Home	Paid maternity/paternity/adoption leave	Further unpaid maternity/paternity/adoption leave	Time off in lieu	Job sharing	Part-time work	Career break	Pay averaging (48/52) schemes	Child care subsidies
CBA												
Agreement		✓	✓				✓		✓	✓		
Award		✓	✓		✓	✓	✓		✓			
Company Policy				✓				✓		✓		
St George												
Agreement		✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
Award	✓		✓		✓	✓	✓		✓			✓
Company Policy	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓
AMP												
Agreement	✓	✓	✓	✓	✓	✓	✓	✓	✓			
Award	✓	✓	✓			✓	✓		✓			
Company Policy												
IAG												
Agreement	✓	✓		✓	✓	✓	✓	✓	✓	✓		
Award	✓*		✓			✓			✓			

	Use of sick leave to care for family	Specific paid leave to care for family	Unpaid leave to care for family	Work from Home	Paid maternity/paternity/a doption leave	Further unpaid maternity/paternity/a doption leave	Time off in lieu	Job sharing	Part-time work	Career break	Pay averaging (48/52) schemes	Child care subsidies
Company Policy				✓				✓		✓		Child care service & up to 2 yrs cc leave
AXA												
Agreement	✓	✓		limited ✓	✓	✓	✓	✓	✓		✓	
Award	✓	✓	✓			✓			✓			
Company Policy												
AAMI												
Agreement	✓ *		✓		✓	✓				✓		
Award	✓ *		✓			✓			✓			
Company Policy												

* = personal leave incorporating personal/sickness/carer's leave

Note: The above table was prepared by RMIT as part of the RMIT Family Friendly Project/Report – Final Version June 2000. Updated – March 2005.

Appendix 2.

Paid Parental Leave Provisions – Examples from major employers Finance Sector

<i>Company</i>	<i>Length of Paid leave</i>	<i>Payment Made</i>	<i>Qualifying Period of Leave</i>
ANZ	(Policy) 12 weeks paid leave (primary care giver)	Upon commencement of leave, have the option of:- 12 weeks lump sum payment; or 12 weeks as regular pay; or ½ pay for 24 weeks.	No qualifying period, available upon commencement of employment with the Bank.
NAB	6 weeks paid leave (maternity)	Upon commencement of leave	12 months continuous service
Westpac	(Policy) 12 weeks paid leave (primary care giver)	Upon commencement of leave, have the option of:- 12 weeks lump sum payment; or 12 weeks as regular pay; or ½ pay for 24 weeks.	6 months continuous service

<i>Company</i>	<i>Length of Paid leave</i>	<i>Payment Made</i>	<i>Qualifying Period of Leave</i>
Commonwealth Bank	12 weeks paid leave (maternity)	As normal salary	12 months continuous
St George/Bank SA	8 weeks paid leave (parental)	Upon commencement of leave (conditional upon return to work for at least 6 months)	12 months continuous service
AMP	6 weeks paid (parental for primary carer) (secondary carer 1 weeks paid leave)	Upon commencement of leave	12 months continuous service
AXA	6 weeks paid (parental)	Upon commencement of leave (conditional upon return to work for at least 3 months)	12 months continuous service
IAG	6 weeks (parental for primary carer) (secondary carer - 2 weeks paid; 1 week's unpaid)	Upon commencement of leave	12 months continuous service

<i>Company</i>	<i>Length of Paid leave</i>	<i>Payment Made</i>	<i>Qualifying Period of Leave</i>
Bankwest	8 weeks' paid leave (parental)	Upon commencement of leave	12 months continuous service
Zurich	6 weeks paid leave for 12 months continuous service 8 weeks paid leave for 2 years continuous service 10 weeks paid leave for 3 years continuous service 12 weeks paid leave for 4 years continuous service (paid maternity) 1 week paid parental leave	First 6 weeks payment will be made at the time of taking leave. The balance above 6 weeks will be paid at the time of return to work.	12 months continuous service

Appendix 3.

Pressure from All Sides: Life and Work in the Finance Sector [FSU/RMIT 2000].

Executive summary

This report presents the findings of a major research project into the 'work/life' balance of finance sector workers, undertaken by the Centre for Applied Social Research, RMIT University for the Finance Sector Union (FSU).

The data on which the report rests was drawn from a number of focus groups held with finance sector workers, and a large-scale national survey. This survey was distributed to 21,000 members of the FSU, and 1,800 non-unionists in 3 finance sector enterprises. A total of 7,293 responses were returned, giving an overall response rate of 32%.

Through the survey, finance sector workers were asked for data on their experience of workplace change, their use of 'family friendly' leave and working hours arrangements and their general ability to balance work and other parts of their lives (especially their family responsibilities). The report presents the data on these questions in three chapters, which group the industry in terms of major financial institutions (the four major banks, together with Colonial and St George), the insurance industry and 'other' financial institutions.

Key findings include:

- Long average hours of work, both for full-time workers and part-timers, and for both managers and clerical/sales staff.
- High levels of unpaid overtime, including unpaid overtime performed by part-time employees.
- Staff feel unable to take advantage of basic entitlements to such things as leaving on time, rejecting overtime, or making use of rostered days off.
- Staff are far more confident about their ability to use a range of provisions that assist with particular and limited family demands, such as sick children, or having a baby.
- Very high levels of dissatisfaction among staff with respect to the competitive culture of the industry, and the intensification of work associated with job losses, performance targets and other management strategies to improve profitability.

The finance sector has a reputation for being a 'family friendly' industry, which values the contribution of working mothers in particular, and leads the rest of the economy in the

development of new working arrangements that give balance to 'work' and 'life'. The evidence from this report is that these arrangements may exist as *nominal* entitlements, but the actual practice in terms of day to day routine is much more problematic.

Recommendations

Based on these findings, the report recommends:

1. That the FSU pursue a broader political campaign around the full range of work/life issues, which would harness widespread community concerns about the dominance of 'work' in people's lives. Such a campaign should focus on the development of *statutory* rights that enable people to both work and care for their families, and could seek to emulate and build on policy that has been implemented in, for example, Sweden and France. Such policies include the regulation of working hours and the provision of a wide range of family friendly entitlements as citizenship rights rather than as negotiable elements in enterprise bargaining.
2. That through enterprise bargaining the FSU should seek to implement stronger provisions around the regulation of working hours, with a particular focus on the control of unpaid overtime, and the conditions under which and processes through which hours may be varied.
3. That the FSU promote the closer regulation of part-time work to prevent it being either 'casualised' through increasing unpredictability of hours, or 'stretched' through the addition of unpaid overtime. This should include a campaign to ensure that variations to hours are reached on a genuinely mutual basis rather than through management pressure.
4. That the FSU promote entitlements to full-time job-sharing where they do not exist or where employees are unaware of such entitlements, particularly in the insurance industry. Attention needs to be devoted to ways of ensuring management awareness of and support for job-sharing, so that its potential to improve work/family life is realised. In particular, the sharing of full-time jobs should be promoted as a means of reconciling career development with shorter working hours. Issues relating to the distribution of working hours in job-share arrangements need to be examined from the perspective of employee needs.
5. That the FSU campaign to halt the process of job shedding in the industry, and that this be possibly linked to a campaign to limit overtime (particularly unpaid overtime). The data in this report suggest that the intensification of work through job loss has been one of the primary reasons why employees are unable to exercise balance in their lives.
6. Given the uneven nature of existing entitlements across different insurance companies, and the lack of such basic provisions as paid maternity leave in some, the FSU should campaign across the insurance sector to achieve uniform entitlements based on 'best practice'.

7. Through the process of enterprise bargaining, the FSU should seek to insist not only on stronger provisions around working hours, but action to ensure the implementation of existing and prospective entitlements. This is particularly important in the area of employees' rights to control their working hours on a daily basis. It is widely recognised that the finance sector has many good provisions on which employees are unable to rely. All employers within the finance sector must fulfil their legal obligations to inform all employees of their entitlements in this area. Further, these employers must take responsibility for fostering truly family friendly workplace cultures within their respective organisations. This should include a commitment to all levels of management/supervision receiving education and training designed to ensure that the diverse life requirements of their workforces are met.