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**HOUSE OF
REPRESENTATIVES**

STANDING COMMITTEE ON FAMILY AND HUMAN SERVICES

Reference: Balancing work and family

WEDNESDAY, 3 AUGUST 2005

MELBOURNE

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HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON FAMILY AND HUMAN SERVICES

Wednesday, 3 August 2005

Members: Mrs Bronwyn Bishop (*Chair*), Mrs Irwin (*Deputy Chair*), Mr Cadman, Ms Kate Ellis, Mrs Elson, Mr Fawcett, Ms George, Mrs Markus, Mr Quick and Mr Ticehurst

Members in attendance: Mrs Bronwyn Bishop, Mr Cadman, Ms Kate Ellis, Ms George, Mrs Irwin and Mr Quick

Terms of reference for the inquiry:

To inquire into and report on:

How the Australian Government can better help families balance their work and family responsibilities. The committee is particularly interested in:

the financial, career and social disincentives to starting families;

making it easier for parents who so wish to return to the paid workforce; and

the impact of taxation and other matters on families in the choices they make in balancing work and family life.

WITNESSES

BADER, Ms Karina, President Victorian Branch and National Assembly Member, Association of Professional Engineers, Scientists and Managers Australia 27

BLANDTHORN, Mr Ian, National Assistant Secretary, Shop Distributive and Allied Employees Association 41

BOWTELL, Ms Catherine, Industrial Officer, Australian Council of Trade Unions 1

BRYANT, Mrs Therese, National Women’s Officer, Shop Distributive and Allied Employees Association 41

BURROW, Ms Sharan, President, Australian Council of Trade Unions 1

WALDOCK, Ms Jane, National Assembly Member and Victorian Branch Committee Member, Association of Professional Engineers, Scientists and Managers Australia 27

WOOD, Ms Erin, Director Professional Services and National Women’s Coordinator, Association of Professional Engineers, Scientists and Managers Australia 27

Committee met at 9.17 am**BOWTELL, Ms Catherine, Industrial Officer, Australian Council of Trade Unions****BURROW, Ms Sharan, President, Australian Council of Trade Unions**

Witnesses were then affirmed—

CHAIR (Mrs Bronwyn Bishop)—I declare open this public hearing of the House of Representatives Standing Committee on Family and Human Services for its inquiry into balancing work and family. This is the second day of hearings in Melbourne for the inquiry. Yesterday, the committee took evidence from business groups, research centres and other interested groups. The committee also took short, informal community statements from interested individuals. The committee appreciates the time that these people set aside to help us with the inquiry, and their evidence will assist the committee in its deliberations.

Today the committee will hear from trade union groups on how we can better assist Australians in balancing their work and family lives. As noted yesterday, this hearing is open to the public and a transcript of what is said will be made available on the committee's web site. If you would like further details about the inquiry or the transcripts, please ask any of the committee staff here at the hearing.

I welcome the representatives from the ACTU. We have received your quite detailed submission, for which we thank you. Would you like to make an opening statement?

Ms Burrow—I hope our submission is helpful, because it is detailed and goes to the heart of the commitment we have to this area. For the ACTU, this commitment goes back many years. Let me acknowledge Jennie's leadership in that. As my predecessor, she certainly took up all those issues around maternity leave, child care, personal leave—or carers leave, as we used to call it then—and the like. These things have been issues for us for many years because, I suppose, we see most directly the impact of work on individuals and on their families. Our submission was prepared prior to the announcement by the government of the IR changes. In that context, I would like to make just a few remarks and I hope we can pick up some of the details in discussion.

I think that this inquiry is timely, given the importance of the issue. It is certainly another environment in which we can request advocacy from people with influence within the parliament. At this particular time, given the announcement of the changes, it is important that there is some perspective with regard to the impact that those changes are likely to have on family life and on workers, who in fact have dual responsibilities because of their work and family commitments.

I think that this inquiry should be very concerned about what happens in workplaces and the intersections with the changes that are proposed. There are four things that we believe are critical to assist employees with family responsibilities. They obviously include access to dedicated leave for predictable absences associated with the birth and care of children and, in the short term, to cater for family illness and emergencies. Also, people require regular hours of work, certainty of hours, with the capacity for the employee to initiate changes, wherever possible, to

start and finish times so that they can perform their caring roles. We believe that works for children, for parents and for productivity, as people are then more focused and less stressed. We are concerned with job and income security, which lets families plan their caring arrangements with certainty, and of course we are concerned with the question of the impact that the proposed changes will have with regard to these pillars, if you like.

We are very worried that family leave is now up for grabs. We have been making slow and incremental progress on this question. But the evidence that the government itself has, through its own department, shows that individual contracts are less likely to contain family friendly measures. Indeed, on the question of AWAs, the research shows that only eight per cent provide for paid maternity leave, five per cent for paid paternity leave, one per cent for additional maternity leave and four per cent for what is now the most precious piece of flexibility for a worker, and that is unpaid purchased leave—for school holidays, for emergency periods—where people can make arrangements, at no cost to the employer, to manage their family commitments.

We are extraordinarily concerned that the safety net is threatened. It would not be lost on this committee that the world of work traditionally, and even today, is largely dominated by the traditional patterns of a male working person's life. We are fond of saying that workplaces were designed by men for men of another era and that, as slowly as that is shifting, we still do not have a mainstream approach to issues that would allow much more certainty for women and for their partners, who have increasing responsibility for children.

You threaten the safety net by removing the AIRC. The removal of the AIRC would prevent us from continuing to take the culture shift whereby the best of our employers, through collective bargaining, are able to establish new patterns of work and there is a safety net and all workers and employers can manage those sorts of rights. Look at the role of the AIRC with maternity leave in 1979, adoption leave in 1984, parental leave in 1990, carers leave in 1994-95, and, in 2001, the right to refuse unreasonable overtime on the grounds of family responsibilities. We now have a case in the commission that goes to some of the British legislation, in particular, around the right to request flexible provision in rostering and the right to request permanent part-time work.

On each occasion those test cases have been taken to the commission, we have seen opposition from political parties, we have seen opposition from employers, yet those rights are now seen as mainstream provisions that work for everybody. But they are not adequate. We think there is much more that can be done. In fact, there is evidence from both good corporate practice and international legislation that shows us that more can be done. But if we lose the capacity to actually set the safety net through the Industrial Relations Commission then we lose the capacity to generate a cultural shift by way of establishing award entitlements and rights that go to the heart of the safety net.

Finally, I will talk about longer hours of work. All the evidence shows that AWAs are hostile in regard to family friendly hours. With the indicated changes that will take the span of hours that denotes a 38-hour week now from Monday to Friday and move it across Monday to Sunday, not only will families potentially lose guaranteed penalty rates and shift allowances and all those additional bits of take-home pay but they will lose the capacity to guarantee certainty of family time. Already the evidence again shows us that the AWAs that are in existence provide for longer

hours of work. There has been an increase of some 32 per cent in the last couple of years. We believe that this will get worse.

I suppose all in all we would say that the evidence is there in the government's own research that AWAs are family hostile and that job and income security will be threatened by these and other measures, including that dreadful suggestion that we should remove unfair dismissal protections when we know that in the main it is women who are most vulnerable and women and men with family responsibilities who are most vulnerable, because they simply cannot be as flexible as an employer might like.

In conclusion, we would urge you to take the advocacy around this issue as seriously as you obviously do or you would not be on this committee, and more seriously in the face of these changes which we think will not only threaten the progress that we had hoped to make in this decade, particularly through collective bargaining but also through the AIRC in regard to the rights of the individual through awards, but in fact will take us backwards.

CHAIR—Thank you very much. Can I start by asking about the work and family test case, which still has not brought down a decision. I understand that there are certain areas that ACCI and you and other parties as well have agreed on and you are waiting for ratification of that by the commission. On page 59 of your submission—section 8.23 on unplanned leave—you say that as a result of the 1995 personal carers leave case most federal awards provide workers with access to five days of their personal leave to provide care for a sick family member. This is paid leave. Then you go on to say that research suggests that carers leave is most likely to be available to employees least likely to take it. You say 35 per cent of mothers with children under the age of 12 have no carers leave because they are casual and a quarter of women have been in their job for less than 12 months and would have a small or no personal sick leave accumulation. Does the agreement that you have come to in the work and family test case affect those figures and affect the availability of the leave? What are the agreements that you have reached in that area?

Ms Bowtell—The agreement that we have reached is that, rather than a five-day cap on the use of your own personal sick leave for caring purposes, you can use up to 10 days per annum. That is the major change that has been achieved, and there was some discussion yesterday that that is not an ideal agreement in that it still means that predominantly mothers will take their own sick leave for caring purposes and so will deplete their sick leave accumulations but, in the context of a conciliated outcome, that is the agreement that we have reached.

CHAIR—What do we do about helping fathers take their sick leave?

Ms Bowtell—They have the sick leave; it is whether they are called upon to take it in the caring environment. The evidence is that fathers tend to be carers of last resort, so fathers tend to care when the mother either has no leave or is ill herself. Then fathers tend to take caring leave. There has been some growth since the personal carers leave test case of fathers taking carer's leave. That is clearly because it is paid leave and men are much more likely to take leave if they are paid for it than if they are not paid for it. That test case did increase the take-up of leave by fathers, but it is still predominantly mothers who take it. In the context of the settlement, the agreement is that workers will have 10 days, but that only applies to workers who accumulate

sick leave. Of course, casuals have no entitlement to sick leave and, therefore have no entitlement to carer's leave.

The agreement that we reached gives casuals the capacity to not come to work for two days per occasion of an illness or unexpected emergency, a birth of a child or a family member where they have to attend, or a death. So, if the commission ratifies that, casuals will have the opportunity for the first time to say no to a shift without any detriment. They do not get paid for it, but at least they will not be sacked for taking that time off. The concentration of women with children in the casual work force is not affected by the conciliated outcome. The fact that women will still be concentrated in the casual work force is primarily a product of the lack of quality part-time work in the jobs that mothers are in when they have their children. In order to take up part-time work, they take up work in the areas where part-time work is concentrated—that is, in the hospitality and retail industries, which are low-paid and casual jobs. The penalty of motherhood is moving into those casual jobs, and with that comes a lack of paid leave.

CHAIR—Some people like those jobs too and find them very fulfilling.

Ms Bowtell—Absolutely.

Ms Burrow—Although they would prefer permanent part-time work or certainty of hours. You cannot organise child care if you have 30 hours one week and eight the next. It is just not possible. To be honest, the agreement with the employers is very limited. We were quite shocked to see that they would not settle on the British provisions, for example. Employers in Britain now say that they have been so successful to allow the right to request permanent part-time work and rostering changes that they would extend those beyond employees with caring responsibilities. We would say to you that, if the government is now serious about moving into a more European tradition where they legislate minimum conditions, the recommendations from this committee could go to the heart of some of those recommendations around legislation that take us way beyond the rhetoric of the barbecue-stopper.

CHAIR—To be honest—and this is the philosophical divide—the government, and that includes me, do not look favourably upon the European model as such, but the British model is different from the European model. I was reading the appraisal of what has happened with the British legislation, which has been in effect for 24 months, I think.

Ms Bowtell—Yes, since April 2003.

CHAIR—I would be quite interested in getting hold of the detailed appraisal of how that legislation has worked.

Ms Bowtell—We can forward that to you. There was a benchmarking report, both on the 12-month anniversary and the 24-month anniversary of the legislation. The report from the 24-month anniversary of the legislation showed a further increase in the take-up of acceptance by employers of the requests by employees for flexible working hours. There was an interesting analysis of how the requests are handled in business. One of the concerns employers have expressed is that it has increased red tape. In fact, the majority of the requests were handled verbally and the verbal requests were more likely to be agreed to, so it is handled quite informally, but the UK assessment is that there has been a cultural change that the regulation

encourages employers to take requests seriously and also encourages employers to make the request, confident that they can do that. There has been a take-up, but there has been very limited impact on business.

CHAIR—It was interesting hearing the ANZ's evidence that the workplace relations system they have put in place as their own initiative seems to offer those requests and accommodate the sort of thing that is in that legislation.

Ms Bowtell—Many employers do. The problem is that it does not flow universally across the economy, and workers with the lowest bargaining power, where skills shortages and the like do not give them the capacity to eke those things out in the workplace, miss out. That is where a minimum regulatory framework provides it across the economy.

CHAIR—I have to again say that I have a problem with 'one size fits all', because what big business can do small business cannot do, and so many of our businesses are small.

Ms Bowtell—That has not been the evidence from the UK.

CHAIR—I found, on first glance, that the legislation said that you can refuse on the basis that the business would suffer. That seemed to be—

Ms Burrow—And we have championed the right to reasonable refusal, because obviously there are some circumstances where it is not possible, but we could tell you case after case where it is just a cultural view in businesses that you work a set number of shifts or work nine to five and there is no flexibility in that at all—usually there is an HR manager or an employer in small business who is a male and consequently has never tried it. The British experience shows that, for small business as well as big business, the cultural shift is dramatic. People realise that not only do you get better loyalty and goodwill but you actually stop some of the churn, because people are forced out of workplaces, given they have no choice, and you increase productivity. We are hoping that, over time, we will be able to measure that. It is not rocket science, but if you are not stressed about your child being taken to school then you are going to be more focused on the work in hand.

Ms Bowtell—I think characterising the right to request as 'one size fits all' is actually misunderstanding the legislative framework. It is a facilitative provision.

CHAIR—I did acknowledge that it seemed at first glance—

Ms Bowtell—It has been characterised as 'one size fits all' because it is regulation, but in fact it is regulation which facilitates different outcomes within a floor of rights.

CHAIR—I was interested when you said in the statement that, in the appraisal of the 24 months, 75 per cent of requests were acceded to.

Ms Bowtell—I think that was in the 12 months. I think it is actually higher now in the 24 months.

CHAIR—So in the 24 months it is only 11 per cent that are not.

Ms Bowtell—Yes.

CHAIR—And I think you said that the size of the firm did not seem to matter. I would really like to see the data that led to that conclusion. Can you make that available?

Ms Bowtell—We can certainly forward that to you.

CHAIR—That would be very useful. I have lots more questions, but I am sure my colleagues would like to ask some.

Mr CADMAN—I was interested in your statement about AWAs being completely inflexible. There are a number of cases that indicate that that is not so. I do not know whether you are aware of some of them. There is a statement I have here from a business called Crafty Kids, where the staff have been able to negotiate very flexible arrangements, because it is the sort of business that employs many women with children. It is just a revelation to read the way in which that has been negotiated. I wonder on what basis you make your statement about AWAs being completely inflexible. That is not the information I have.

Ms Burrow—On the evidence that is—

Mr CADMAN—What evidence?

Ms Burrow—The department's own evidence, the research. We can provide it for you.

Mr CADMAN—I would like to see that.

Ms Burrow—We can provide a supplementary statement, if you like, that will go to the heart of the evidence. But let me give you the headlines: in AWAs, penalty rates were lost in 54 per cent, annual leave loading in 41 per cent, annual leave in 34 per cent, allowances in 41 per cent and sick leave in 28 per cent. Overtime was traded off in 28 per cent. So whether you look at that time that parents have, whether it is annual leave or guaranteed sick leave, being traded away, or whether you look at the loss in—

Mr CADMAN—I would rather consider what the employees themselves actually say, because to be able to trade some things away and increase your salary—for instance, to be able to take a day off at any time, because family responsibilities require it, without it being a major issue in an organisation—is a big advantage.

Ms Burrow—To take it off paid or unpaid?

Mr CADMAN—Either way—you negotiate it.

Ms Burrow—I am sorry; I cannot agree with that—not either way. When you look at it—and we are happy to provide you with a barrage of cases—

Mr CADMAN—So you would not agree with, say, a 20 per cent increase in salary in regard to time off?

Ms Burrow—I would like to see the case you have, because if there is a 20 per cent increase in salary you can bet it is either in the managerial environment—

Mr CADMAN—Sorry; it is not. I will give it to you.

Ms Burrow—or it is in a very low-paid environment where, when the choice comes to it—

Mr CADMAN—I thought those were the ones you were interested in—the low-paid environments.

Ms Burrow—We are interested in certainty for people and where you can actually bargain for certainty so that you have entitlements, including personal leave—which is inclusive, as we said, of carers leave, sick leave et al—and where you actually have guaranteed annual leave that you can use in a paid environment. It worries us enormously to see people being encouraged to trade off entitlements that they have got over the years—which takes away their income certainty—because it becomes no choice. I think you can imagine that, if you cannot pay the bills in a fortnight and you have a choice about whether or not to take an unpaid day to deal with an emergency, the additional stress that that choice creates is just enormous.

Mr CADMAN—I will just give you one quote from an employee from an organisation called Crafty Kids who has been there for three years. It is one of the largest organisations in Australia that supplies craft and hobby materials. One of the employees says, ‘This really is a family friendly workplace and I guess I am realising that now more than ever’—that is, under the AWAs that they have been able to negotiate.

Ms Bowtell—There is no doubt that anybody can walk around the country and find instances of great employers employing people under awards, employing people under collective agreements. You will find isolated instances of fabulous examples and of terrible examples. But when we look at the aggregate data, when we take out the managerial level people, research by David Peetz tells us that employees on AWAs are less satisfied with their work-family balance than those who are not on AWAs. That is the empirical data across it, so it is not taking one person here and one person there. But the other thing is that these AWAs at the moment are negotiated in the context of a no disadvantage test, where, if you trade off the days, you get more money; if you trade off the penalty rate, you get more money. In the context of what is proposed, that no disadvantage test disappears.

Mr CADMAN—I do not know what is proposed; you evidently do.

Ms Bowtell—We clearly have been told that the no disadvantage test will not be the test for the approval of agreements and that there will be a new test called the Australian fair pay and conditions standard which will have a number of regulated, legislated minimum conditions. That is in the Prime Minister’s statement of 26 May, so that is quite clear, yes.

Mr CADMAN—It is my understanding that people negotiating new agreements cannot have their old agreements changed to their disadvantage.

Ms Bowtell—I do not think that has been stated with any certainty.

Mr CADMAN—That is my understanding.

Ms Burrow—What about when those agreements expire?

Mr CADMAN—That is what I mean.

Ms Burrow—What—that they cannot change?

Mr CADMAN—That they cannot get worse.

Ms Bowtell—The new test for approval of agreements will be annual leave, personal sick leave, parental leave and the current award rate of pay—and the 38 hours, about which we are not quite sure how it will work. Additional matters like retrenchment pay, overtime and penalty rates are not included in that standard, whereas currently the agreements are benchmarked against the entire award and the job of the Employment Advocate or the commission is to ask: ‘Overall, have you got a package of conditions which is at least equivalent to what you would get if you were employed under the award?’ In Western Australia that was not the case, and there is evidence that, in Western Australia, employees in areas like contract cleaning, security, restaurants and catering were paid well below award and lost those penalties as well. There is a report to the Western Australian Commissioner for Workplace Agreements.

Mr CADMAN—What about in the state of Victoria? What has happened here?

Ms Bowtell—In the state of Victoria, the penalty rates have been reinstated. But my understanding—and I am aware that I would have to go back and check—

Mr CADMAN—That would be a good example to use, I think.

Ms Bowtell—is that, when Professor McCallum did his research around the impact of the loss of penalty rates in Victoria, there were examples, particularly in rural Victoria, where people were paid well below what they would have been paid under the awards. So in fact the loss of a no disadvantage test did mean that people were being paid well below what they would have been paid had their agreements been benchmarked against the award.

Ms Burrow—And that was for almost a decade. The issue is not that there are not good employers; Cath said that and we agree—in fact we champion good employers. We can sit and share stories with you and say that this should be the sort of cultural shift that everybody should enjoy, but the reality is that when you have a look at the culture of work that is not the case. We could give you stories that would break your heart. Nobody could stand outside and not understand—

Mr CADMAN—That may be the case but I think, though, you destroy the approach that you and I might adopt about comparing good practice to bad practice by aggregating figures.

Ms Burrow—No, not at all. That is what research is about. If 10 per cent of the work force—it would be terrific if that were the case—has genuinely family friendly employers, that would be terrific, but what about the 90 per cent where the kids are being affected, where women’s lives are absolutely—

Mr CADMAN—You have those facts, have you—90 per cent versus 10 per cent?

Ms Burrow—No, I said, ‘If there were,’ but we can give you the data. I am pointing out that if you aggregate the data and you have a choice and say, ‘Do we go with the benevolence of a small number or do we make rules where that benevolence is encouraged in a cultural shift where people have rights in a larger culture?’ then your job as law makers, surely, is to look at how you protect the majority so there is a fair go all around for the employer and the employee.

Mr CADMAN—Do you think the current climate of full employment is creating a better environment for employees?

Ms Burrow—The evidence does not show that. The evidence shows that there is, in fact, an increase in casual work—that uncertainty of hours. If you take away the span of hours from Monday to Friday and put it across Monday to Sunday—so it effectively means there is no penalty for an employer to simply demand rostering arrangements that go from Monday to Sunday—then you have a greater impact on family life than we have seen at almost any other time in our history.

Mrs IRWIN—I think Mr Cadman has just mentioned one firm but, as you were saying, you have to look at the big picture here. Quite a lot of the submissions that we have received to date have suggested signs of a spread of family-hostile measures within the workplace. I was wondering if you have any evidence that would support those claims.

Ms Burrow—Yes, we do.

Ms Bowtell—In our submissions to the work and family test case and to you today, the pressure for longer hours, for irregular hours and for the working of what have traditionally been seen as unsocial hours in the economy is there. There is no doubt that there has been some growth of longer hours under all forms of agreement making and for people under awards. There is no doubt there has been a growth in weekend work and in the working of overtime. That is regardless of the form of regulation. We do not say that collective bargaining has been the thing that has delivered family friendly workplaces; we say collective and individual bargaining have failed to deliver family friendly workplaces because the pressure has been on flexibility of hours at the employer’s initiative. There are strong business reasons for that, but there is not the counterbalance for workers with family responsibilities, and that is what these inquiries and our test cases are about. They are saying, ‘How do we balance that competing need?’

CHAIR—The problem with that is that there is greater work at weekends. One of the reasons for that is that, particularly with women going back into the work force, we cannot shop between nine and five on Monday to Friday or on Saturday from nine to 12. The fact is that we want greater accessibility to services, to consumer items and to consumables. That means that different people are taking different times of the week to suit their own purposes. That is why the flexibility is necessary.

Ms Bowtell—But you cannot do it without recognising the penalty that that places on families. Michael Bittman has done some research which shows that when you work on a Sunday you lose two hours with your family that you never make up. You make up the shopping time midweek, you make up the cleaning time midweek, you make up the personal hygiene time

in the evening or whatever, but the time with family you do not make up. An hour and a half of time with friends you do not make up. Currently, under our system, you get paid a penalty rate for that; you get paid something to compensate you for the disability of working on a Sunday.

Ms Burrow—And you have a genuine choice.

Ms Bowtell—If you do not get paid a penalty for that—

CHAIR—I would like to look at that research, because the way things are changing you have more people who are working in those differing hours who are friendly with each other and spend friend and family time together—things change.

Ms Bowtell—This research was presented to a full bench of the Industrial Relations Commission in 2003 and was accepted by the commission in a case involving the employer application to change penalty rates in the retail industry.

CHAIR—I would be interested to have a look at that.

Ms Burrow—Can I just go back to Julia's question, though, because the answer is very simple. The research by the Employment Advocate found that around one in three, or 32 per cent of people, on individual contracts are working more hours than they did two years ago. When you add that to the fact that 34 per cent were forced to trade away annual leave and 28 per cent were forced to trade away sick leave then the amount of overall time for family responsibilities is seriously cut back. You have to be worried about the quality of family life, our community and our kids in that context.

Ms GEORGE—In response to the issues that Alan raised, I believe you have to start from a well-proven theory that individual workers and employers do not negotiate on a level playing field. I think the greatest danger in the proposed changes will be that those with less capacity to bargain, who are predominantly women, casual workers and young people, will have the most to lose. People in the highly organised, regulated unionised sectors are going to be able to hang on to most of their existing conditions, but the further you move down to the levels of high concentrations of women and casual workers—

Mr CADMAN—Has Tony Blair found that?

Ms GEORGE—I do not think Tony Blair has totally deregulated the labour market along the lines that the Howard government is suggesting.

Mr CADMAN—More substantially, if anything.

Ms GEORGE—I think they have a lot more legislative provisions. If you look at the minimum wage in Britain, you see that one of the big things that Tony Blair did was to champion a significant increase in minimum wages. He did not accept the argument that seems to dominate government thinking, that increases in minimum wages cause job losses. There is no proven evidence.

Ms Burrow—Tony Blair introduced legislation to guarantee collective bargaining rights by majority choice. We have put that to the minister and the Prime Minister and they have absolutely ruled it out, so Jennie is absolutely right. We are well organised. Our members will be all right because we will be tough enough, but basically at this point in time the employer can simply say no to collective bargaining and hand you an individual contract. Of course they can say that you have the choice, but you have two choices: sign it or you do not in fact get the job. If you do not believe me, go right now to a firm like Bakers Delight. Many of their franchises use a standard contract that trades away sick leave and annual leave for a tiny amount extra in a low-paid job. When asked why on earth they would do that, the employer said: ‘We just employ kids. They don’t need holidays or sick leave.’ We can give you case after case. We can tell you where, despite the rule that says that people cannot be dismissed for family responsibilities, a woman whose sister-in-law died was told by one manager in a firm that she could actually take not only the funeral day but the next day if she needed it. In terms of the family trauma associated, she rang up and the employer said: ‘This is clearly not working out. We’ll have to let you go.’ I could go on ad nauseam and bore you for days with stories that show you—

Mr CADMAN—I might be able to counter all of that.

Ms Burrow—Alan, of course you can. What I am trying to say is that—where there is a good person, and the good person does exist; Jennie is right—on an individual basis, the good employer is going to do the right thing, but down the road the bad employer is not doing the right thing. And guess what? They are going to undercut your business. So small business is going to lose as well by that old adage that they have always wanted regulation for, which is to prevent unfair competition. It does not work all round.

Mr CADMAN—So you want to regulate a family-friendly environment?

Ms Burrow—We want to regulate the flexibility that allows for choice all round with the test of unreasonable refusal, which is in the British legislation—and it works.

Ms Bowtell—The government has announced that it will in fact take on the role of regulating minimum standards, rather than having the commission do that. So the approach that we are advocating to you is that the higher the caring need the more regulatory intervention there is and that the lower the caring need the less regulatory intervention there is. We already have parental leave, which recognises that the birth of a child is a time when you will regulate on employers an obligation to provide leave, and so it is not unknown for the parliament to do that. If you have a recognised intense need, you will regulate. That is what has happened in all OECD countries, except the US, where you now have longer periods of parental leave regulated—and which are paid, which is not what we have advocated in the Industrial Relations Commission.

CHAIR—Interestingly enough, if you go through those charts that you have put at the back about how Europe provides parental leave and so on—one of the main terms of reference we have is looking at what barriers are in the way for people to start families or have additional children—you see large amounts of parental leave and so on, both paid and unpaid, and the countries that seem to have the most liberal provisions are the countries with the lowest birthrates. It clearly does not help—

Ms Bowtell—But that is not what Professor McDonald’s evidence was.

CHAIR—But it is. If you look at Italy, you look at Germany, you see that they have the lowest birthrates in Europe. Italy is down to 1.1.

Ms Bowtell—Italy is a statistical outlier according to all the demographers. They say there is something weird going on in Italy with the fertility rate.

CHAIR—But you cannot say that.

Ms Bowtell—In terms of—

CHAIR—What we are trying to find are things that are going to encourage people to do those things, and clearly those do not do it. In Australia we have just had a blip—its length is as yet unsustainable—in that our birthrate has gone up since we have been paying the \$3,000 maternity bonus, which is a great policy.

Ms Bowtell—Which is part of assisting people to maintain their income—

CHAIR—Absolutely.

Ms Bowtell—But there is no doubt that the demographers tell us that the things that are associated with higher birthrates in developed countries are those that assist workers—not those that assist workers to retreat from the labour market when they have children but those that assist workers maintain their attachment with the labour market and combine their work with family responsibilities. That includes things like child care. Germany has very poor access to child care, which may explain why its fertility rate is an outlier.

CHAIR—It is 1.4.

Ms Bowtell—Professor McDonald very strongly argues that you have got to intervene in all the three areas—family income, early childhood education and support, and the workplace—and, unless you do the lot, you will not get the—

CHAIR—That is why I want to come to assisting with child care, because everywhere child care comes up as a major determinant in whether people choose to have children. As a woman, that makes cardinal sense, doesn't it? We have been taking evidence about ways in which assistance can be given with child care. We took evidence in Brisbane with Aegis Consulting on salary sacrificing, and they gave a very interesting presentation. The ANZ bank has put this into place. The committee is really interested in the concept, and I will admit that I am very interested in it, where if you get an FBT exemption—and I am going to be having a look at the tax office's ruling, the way it has given it to the ANZ bank—you can salary sacrifice. That is something that small business could do as well as big business. It could give the advantage to the employee and I can start to see that it would give the sorts of things that you are asking for, such as certainty, and a whole range of benefits. Do you have an opinion on that? Have you thought about it?

Ms Burrow—Yes, we do. Let me go back to your other question. Given the demographics of our work force, when you look at the international arena can you look not only at the fertility question but also at women's participation in work. You will see in all of those countries, both

single parents, women in the main, and women in couple environments have higher participation rates across the life cycle than in Australia.

CHAIR—In answer to that, when I was responsible for the International Year of the Older Person, I commissioned the Access Economics research, which has become the benchmark research in the area. It is an area that I really have done a lot of work on. I spent time with the OECD in Paris and I spent time with the United Nations in New York on these topics. I am pretty familiar with the demography and the impact it has. I am not just giving a brushed impression; it is something I have gone into very deeply.

Ms Burrow—That is good, because you have got to look at the whole picture. Let me also say on the child-care front: anything that makes child care more affordable for women is a good thing. But we are skewing the policy dramatically towards those who can already afford child care, to a greater extent than others. I am not saying that it is an amount that is necessarily something you want to part with every week. You were right about—I do not know what we call it these days—the \$3,000 payment, now to be \$5,000. The problem is that it is not attached to a fortnightly payment, industrially guaranteed, of paid maternity leave. So if you got the \$5,000 and looked at it in terms of parental leave and minimum guarantees in the legislation then we would say that you are a champion, genuinely, of women who need that security of income and time.

Going to child care, there are three issues here. Say you took all of the money currently being expended on child care—such as the rebate, which we now know is not going to be available for another 12 months, so, frankly, is doing nothing for women or their families and increasing the unaffordability, if you can get a place—and you took that capacity for salary sacrifice and what the tax office will lose and you added it all up. If you really wanted to do the best thing—hear me out, because you are not going to do this—for work force participation, for work and family certainty and for child care then you would give 15 or 20 hours free child care. That would enable women genuinely to participate in part-time work. Having said you are not going to go there—by all means because of FBT—understand that you are looking after wealthier women to the extent that it is not an equitable outcome. I am not saying do not do it, because there are women out there champing at the bit. But do not do it without knowing that in terms of affordability for lower paid women you are skewing middle-class welfare to an end where in fact it is, I think, inequitable. Frankly, I do not like it.

CHAIR—Except we have already had evidence that the child-care benefit actually benefits the lower end of the income earners disproportionately to high-income earners, and that is a reasonable thing to do.

Ms Burrow—Because it is targeted.

CHAIR—There is no reason why with salary sacrifice you could not start to have people getting access to arrangements which are far more flexible, including having care in your own home. We have taken evidence from people who are now starting up ‘nanny businesses’, for want of a better term. They are actually training people and putting people into the market, giving them superannuation guarantee charges, giving them workers comp cover and so on. But their biggest enemy, their biggest competitor, is the black economy, where it is all done on a cash basis. There are many complexities in there. From my point of view, I want to see individuals

have more flexibility and choice in the way they have their child care rather than having to, to get the benefits, institutionalise their child. A very small program is an exception, where you can get it in your own home.

Ms Bowtell—Can I say a couple of things about it. First of all, I am not sure that the modelling that was done on salary sacrifice was done before or after the budget announcements. I think that the change in the tax scales may well mean that the number of people who would benefit from a salary sacrifice arrangement now is considerably smaller given the decrease in the tax rates at the higher end of the income scale. Second, it does not increase the availability of care. It only increases affordability. You cannot fix child care—

CHAIR—It does on my model.

Ms Bowtell—If we go to the issue of paying people in the home, you have to look at two things. The first is: are you actually giving a tax advantage to people to pay for their cleaner rather than their child-care worker?

CHAIR—No, there would be a small withholding tax and a tax file number.

Ms Bowtell—Yes, but the work that is done by the person caring for an infant in the home may well also be the cleaning, the domestic work and so on, in which case you are giving an advantage.

CHAIR—Somebody in a child-care centre has to clean up the toilet, the bathroom and whatever, too.

Ms Bowtell—They do not come and do your washing and ironing in your home though, do they?

CHAIR—We are not talking about that.

Ms Bowtell—I am just saying that the work that is done by some of the domestic workers looking after child care extends to significant household work as well. That is just something to be aware of. The second thing is the quality.

Ms GEORGE—Picking up on the chair's suggestion about flexibility in child-care arrangements, one of the things that concerns me—and I think it is raised in the ACTU submission—is the restriction that currently exists in a regulatory sense that women must return within a year to have their job held open for them and the difficulties of return for many women for whom part-time work is not an option. I think if the committee were going to recommend something that was going to be very meaningful to the lives of lots of women, it would be changes which would enable women who would voluntarily choose to remain at home when their children are very young.

CHAIR—Some will, Jennie.

Ms GEORGE—Yes. Sorry, the majority. Whereas what we are doing is forcing women not to be able to exercise their genuinely held choice by saying, ‘Well, if you don’t get back within 12 months, the job’s not there.’

Mr CADMAN—I do not disagree with that.

Ms GEORGE—We have heard in numerous submissions about the difficulty of getting decent quality part-time work. I think the figures presented in evidence yesterday showed the association with lack of career progression and salary erosion by the nature of some of the part-time work. I think employers have to open their minds a bit. They are the kinds of flexibilities that I think we should be recommending.

CHAIR—I agree with that.

Ms Burrow—Regarding pursuing the nanny track, those flexibilities have been available for a long time. If government money is now going to effectively go into that, then you have to think about the quality issue.

CHAIR—I am.

Ms Burrow—The teacher in me says that there is a whole lot of evidence around the safety of children, child development and all sorts of issues. If you do not go to the issue of quality then you could well be doing two things. One is, as Cath said, that we could simply be paying government money—taxes—for private choice for a range of occupational deliveries, including some child care. It could be just babysitting; that is fine, that is an individual’s choice. I am just not sure my taxes should pay for it.

CHAIR—It is not your taxes; you are actually giving people their own money back.

Ms Burrow—You could also be exploiting women who, frankly, in a whole range of international situations—I suspect if we did a proper study we would see it—are underpaid and have no formal association with the labour market. And if they do have a formal association, then how are the sorts of conditions that we think they are entitled to as minima policed? You have to think about these issues.

CHAIR—I agree with you. That is what is happening now. It is called the black economy. If you look at the ABS figures, it is worth \$6 billion in forgone tax. In fact you could have a situation where you collect more tax not less.

Ms Burrow—You cannot ignore the fact that the community child-care centre is in deep trouble, and yet no level of government is paying considerable attention to this although it provides the neighbourhood base for people. The for-profit child-care centres are reaping the benefits. They already have the capacity to say, ‘While the government is stuffing around—

Ms GEORGE—That is an open cheque book.

Ms Burrow—figuring out how to pay the rebate, we will give you discounted fees.’ The child-care stuff is a mess, Bronwyn. I appreciate that you are concerned about it. That is right.

But, please, open your mind and think first of all about how our collective taxes guarantee accessibility, affordability and quality child care.

CHAIR—Sharan, my mind is open.

Ms Burrow—And then the extent that you want to go to with the rest of it.

CHAIR—My mind is open.

Mr QUICK—On a different tack, I wish to raise the issue of education. We heard evidence yesterday from quite a few women that the cultural mind shift in the education departments has been closed. They said that, with around 80 or 90 per cent of women making up the vast majority of teaching positions, education systems are totally inflexible because teachers are on contracts and principals decide yeah or nay for women who want to come back on a part-time basis after having a child before they go back permanently. They said that this cultural mind shift does not exist any more in state education departments. What is your answer to that?

Ms Burrow—I think it is indicative of getting the conditions across the work force. If you look at the teacher awards and agreements, they are some of the best, perhaps even better in this state than in the Commonwealth Public Service. But they are certainly only second to public service provisions around the country for family friendly measures. From memory, in Victoria they have up to seven years family leave. It is shown to work because they retain teachers. It has been put in place for nurses now. There is more flexibility and they retain more of those key workers that everybody is crying out for. But, Harry, you are dead right—there is a difference between having the provision and getting it implemented. Again, I would say: have a look at the culture of leadership and the use of contracts as opposed to the capacity to deal with provisions that are backed up with the Industrial Relations Commission, where you can actually go and test it.

Ms Bowtell—We had evidence in the test case from a number of teachers where they had taken an appeal against a decision not to allow them back part time. They won that appeal, and they gave evidence about how well it was working in their schools. The evidence suggested to me that there is, in many workplaces, an initial block—a kind of fixed, close mind about how part-time work might work—

Ms Burrow—Which is the culture.

Ms Bowtell—but when employers are forced to do it, 12 months later they think it was a terrific idea and it works well. In the schools, for example, people are saying, ‘My child is doing better because they are exposed to two different teaching styles’ and those kinds of things. There are benefits for employers that come from these changes but they do not always see it straight away. We have had 20 years of people exhorting family friendly workplaces and we have not seen a great shift. The carrots do not always work and a bit of a stick is something that is needed. That is, effectively, what we were trying to do in our test case.

Ms GEORGE—With the abolition of the unfair dismissal regime—or the restriction to 100 and over—the government is suggesting that the rights of working women with parental responsibilities will be protected because there will still be redress for unlawful discrimination.

My reading of the Sex Discrimination Act is that it provides a very narrow definition of cases that can be taken and that the only way you can go to HREOC is if you are actually dismissed because of family responsibilities. It does not offer any opportunity for cases to be taken on the basis of indirect forms of discrimination—for example, the nonavailability of part-time work. Is my reading right and would you comment on the proposals that the government has and whether we could strengthen existing antidiscrimination legislation to take up some of the issues of concern to working parents?

Ms Bowtell—Certainly the Sex Discrimination Act only prohibits dismissal on the grounds of family responsibilities. If there is any other detriment on the grounds of family responsibility, HREOC is not a place for you.

Ms GEORGE—So where would you go?

Ms Bowtell—You have nowhere to go.

Ms GEORGE—That was my feeling.

Ms Bowtell—Women have been able to take some cases saying that it is indirect sex discrimination and have had some success in HREOC on that ground, although the case law is a bit patchy. But men who were discriminated on grounds of family responsibilities cannot prove that family responsibilities is a characteristic inherently associated with being a man and therefore they cannot take cases to HREOC under that. So it is an indirect failure of the Sex Discrimination Act.

It is also unlawful under the Workplace Relations Act to sack someone because of family responsibilities, but it is a defence if you had a lawful reason for sacking someone. So you only have to say, 'I didn't sack you because you're pregnant; I sacked you because I don't need you any more,' and the employer will win the case. So those provisions have been very rarely used. I think there have been about 20 cases a year all up over all the different types of discrimination in the Federal Court. You have to go to the Federal Court to enforce it and you bear your own costs. It is just not a remedy that is of any use at all to anybody who is discriminated against at work. A Federal Court application is just hopeless.

Ms GEORGE—So what redress would a woman or a man have who was, in their view, unjustly treated because of their family responsibilities? If we remove all the protections that are there and the government says, 'You cannot be unlawfully dismissed for family reasons,' where do these people go for redress?

Ms Burrow—Effectively there is nowhere, but technically the unlawful dismissal provisions remain. Can I say two things about them. In all the cases we have examined in the last few months people simply do not go there—they do not get a lawyer, they do not go to the courts. It is an undeveloped area of law. It worries us on two fronts: (1) you are right; in practical terms, the employer will not say, 'You're sacked for family responsibilities.' They will say: 'It doesn't work out. We don't need you. You can't fit the rostering arrangements'—whatever the excuses are. We can show you them again, Alan and others, in cases we have at the moment.

But do you know what worries me for business, too? This is not my responsibility but I do not want to see a US litigation environment. I can see that these cases could go to all sorts of areas. If we are forced to take cases to build that area of law in terms of unlawful termination, you will see ambulance-chasing lawyers who will do it on contingency and suddenly small businesses, which we are supposed to be worried about, will actually have their costs go through the roof. We will have no choice and others will buy into the area—it is a crazy thing all round. We have always said that if unfair dismissal actually does not work for small business, let us look at the process. Let us not take away the provision; let us look at the process.

Nobody seems to raise this issue, but it was actually introduced into the legislation in 1993 because the only way—and again it comes back to the unionised sector, and we will not walk away from these issues—you can defend someone effectively who has been unfairly dismissed in our eyes is to do what happened before 1993: collectively to stand and defend that individual. Because of days lost through those sorts of disputes, the unfair dismissal proceedings were put into the legislation by and large to provide a fair go all round, so the employer was in fact looked after in terms of their interests as well as the employee.

We believe it will overwhelmingly impact on young people, women and casual workers—those who are more vulnerable. But, apart from that, we would say to you, if you want to look more broadly, ultimately it will not work for small business. It will simply make people's lives untenable. Over the next few weeks you will see us expose some cases that will show you just how God-awful it is when people turn up to work one day and suddenly find they do not have a job anymore.

Mr CADMAN—I thought that dismissal for failure to sign an AWA would be an unfair dismissal provision under the legislation. Isn't that the case?

Ms Bowtell—No. It is unlawful to terminate someone for failure to sign an AWA but it is lawful to lock them out of the workplace and refuse to pay them for eight, nine or 10 months; and it is lawful to not offer them a job. The law as it currently stands provides protection in one provision but provides complete lack of protection in other provisions. So, effectively, in operation an employer has the whip hand in relation to whether you sign an AWA or not.

Ms Burrow—It is perfectly lawful to say, 'I do not like the colour of your hair or the outfit you are wearing, so I no longer need you,' irrespective of what the real reason is. I know that sounds extreme, but it is perfectly lawful to do that and I use the example advisedly. And no unfair dismissal proceedings and no unlawful termination provisions can underpin that sort of cultural environment.

Mr CADMAN—That is the situation now, that you say should not continue, but—

Ms Burrow—We have unfair dismissal proceedings now. If those kind of extreme events happen, people have rights. But, post the legislation, they will not have rights, and I do not think any of you would want your children or your grandchildren to walk into an employment environment in Australia where they would have no legal recourse to the approach taken by an employer. It seems to me that anybody would think that that was shifting the responsibility too far towards the rights of employers.

Mr CADMAN—I do not think we are going to agree on this, to tell you the truth. There are too many stories I know about that tell the other side of the case—the way in which this whole situation has been abused. You say the process—

Ms Burrow—So look at the process, Alan. Let us look at the process, then.

Mr CADMAN—That is what you say now. I have not heard you say that before this.

Ms Bowtell—We have said that in submission after submission.

Mr CADMAN—How long have you been saying it?

Ms Burrow—For years.

Ms Bowtell—We have said that in every submission we have made to the Senate on this issue.

Ms Burrow—You know, in every small business environment where I talk to people who are genuinely running small businesses and I say that, they say, ‘Let’s talk about it.’ But their advocates don’t seem to listen to that either.

Ms Bowtell—I know that this is about work and family rather than about women in particular, but one of the other changes I wish to draw attention to in relation to unfair dismissal is the extension of the probation period. There was some work done by HREOC and the Sex Discrimination Commissioner two years ago in relation to sexual harassment, which found that most sexual harassment takes place within the first six months of employment as well. So, in terms of vulnerability, I think that when you run a screen of the impact on women across some of the changes, you see that there is a disproportionate impact on women’s working lives. It is a very important to run that screen across these changes.

Mr CADMAN—I would like to ask a question on child care. I have got an oversupply of child care in my fast-growing area.

Ms Burrow—Lucky you!

Ms Bowtell—Where is it?

Mr CADMAN—It is in north-western Sydney. Some child-care centres are half full and they are having a real struggle in continuing, and yet this is a fast-growing area. I do not know what sort of circumstances brought about this anomaly. I know of other areas where there is a shortage.

Ms GEORGE—That indicates government failure, Alan, because there is no planning. It is all left to the market and the market goes where the profit motive tells it to.

Mr CADMAN—I would have thought that it was a state and local government planning issue that ought to be resolved at that level.

Ms Burrow—Jennie is right.

Mr CADMAN—And I do not know why they have not tackled it. Do you have any understanding of why it is too hard?

Ms Burrow—I have to say that you are the first person who has raised an issue of oversupply with me in about four years. It must be some anomaly of the market where people thought—

Mr CADMAN—Some of the centres have done a survey and they have come back to me and said, ‘Could you please stop governments approving centres for our district, because we are all—’

Ms Bowtell—Our submissions have long been that there should be planning about where centres can open up. At the moment, there is no mapping of the supply and demand, so really it is left to the market. The market for child care is a very localised market. You cannot look at it nationally. People will not travel 50 kilometres for child care. They are looking for child care in their local area.

CHAIR—If some of them collapse, that is the market working.

Mrs IRWIN—One issue is that some people have a child-care centre close to, say, their home, but they have to travel an hour and a half to get to work.

Mr CADMAN—Yes.

Mrs IRWIN—We should look at more family friendly workplaces, including locating child care in industrial areas as well.

Ms Burrow—It comes back to the long-hours culture, as well. If you cannot leave work and get to the child-care centre by six o’clock when it has a drop-dead closure time, then you are not going to go, are you? You are not going to use that child-care centre. That is a planning issue.

CHAIR—I disagree; I think it is a market issue. If the child-care centre has done its research badly and set up where it is not going to get the patronage, it will close. Most places will go somewhere else where there is patronage.

Ms Burrow—Yes, but, again, government money is being wasted if there is no planning provision.

CHAIR—No, it will be private sector money that establishes it.

Ms Burrow—If someone wants to establish a child-care centre, that is one thing; it is a different thing to have an approved environment where you can actually get taxpayers’ money and have it wasted on services that are—

CHAIR—The money only comes if the child comes. If the child does not come, the taxpayers’ money does not flow, the business closes and it goes somewhere else where it is needed. ABC Learning Centres gave the committee some very good evidence in Brisbane concerning the research they are doing. They are putting their child-care centres in places of work because they find that that is more user friendly for the people who want to drop their child

off and pick them up. They are doing their market research and doing it properly. I do not see it as a failure.

Ms Bowtell—I think it needs to be both, doesn't it?

CHAIR—If they have made a business decision that is wrong, the market will see that it fails.

Ms GEORGE—I think Alan is right; I think there is a mismatch. In parts of my area there are vacancies galore for three- to five-year-olds, but try getting a child in who is under two. You have to have your name down on the waiting list when you conceive and, even then, you might have difficulty.

CHAIR—But that is because it is so much more expensive to provide a place for the nought to twos.

Ms Burrow—We are living in an era of conflict between market driven child care in contrast with the previous provision of child care, which was planned through local government with state and federal support in different ways. Previously you actually had communities setting up child-care centres because of need and they would look at the places, as Jennie said, that were necessary, just as you would with schools. Now you have this virtual monopoly in the private sector with ABC child care. You have this growth of market based child-care provision—not necessarily demand but provision—that is a mismatch.

CHAIR—Not really.

Ms Burrow—You are the government law makers. It might be okay, Bronwyn, to say that that is the market, but we are talking about children's lives and parents and we are talking about employers' needs for workers.

CHAIR—Exactly.

Ms Burrow—A little bit of planning would not go astray.

CHAIR—If someone wants to establish a business and it fails because it is not meeting a market need, that is the way the rest of it works.

Ms Burrow—You see, I still have a problem with child care being listed on the stock exchange, I am sorry. I actually think it is an essential service and a little bit of planning ought to be put in place.

CHAIR—I understand that. That is a philosophical difference, Sharan, and we acknowledge that.

Ms Bowtell—The market failure is that the child-care centres are not being set up where there is unmet need. There may be this market failure or a lag—

CHAIR—No, that is an example where someone has made a bad decision, but you have other people who are making properly researched and good decisions. The problem is we have

250,000 child-care places. We have 500,000 children and another 200,000 children who need before- and after-school care. That is the problem. It is called rationing.

Ms Bowtell—That is right. The market is not providing solutions for people who cannot get into places.

CHAIR—No, the market can provide it—

Ms Bowtell—But it hasn't.

CHAIR—but it is only responsive where there is a government subsidy that comes with the child, because it is so expensive.

Ms Bowtell—We have not seen such a growth of spaces that people can get into child-care centres. There are not sufficient places for the children. You just said that. Therefore, the market is not working.

CHAIR—To the contrary, you can establish a child-care centre and you can run it without getting any subsidy coming with the child, if you want to.

Ms Burrow—Yes, that is true.

CHAIR—But it is not viable.

Ms Burrow—Our concern is not Alan's environment, which, frankly, I think is an anomaly; our concern is that people cannot get child care.

CHAIR—That is my concern. We all share that concern.

Ms GEORGE—One way around this would be to do what the ACTU is suggesting—that is, to extend the period of maternity leave from one year to two years, which then deals with the problem of the unavailability of child-care places for the under twos.

CHAIR—You will compulsorily make them stay home and mind them.

Ms Burrow—No, it will give them the choice.

Ms GEORGE—It will give them the option of staying home if they want to stay home.

Ms Bowtell—Mrs Bishop, our figures show that that would be a solution for a proportion of families who would currently prefer to stay home longer and are unable to do so. It is not going to be everybody. The majority of parents will still return before—well, not the majority; about 50 per cent return before the 18-month mark and about 50 per cent after the 18-month mark—

Ms GEORGE—But a small percentage return—

Ms Bowtell—So the people who are going to return before 12 months may not do so, but the ones who are returning after between 18 months and two years often are doing so because they do not have child care—and they lose their job when they do it; they have to go into a new job because they have lost their existing job.

CHAIR—We are all addressing the problem of the need for more child care and better access to child care. My solution is to give individuals more choice in how they spend their own money. That is, through the taxation system we are actually giving them back some of their own money, because governments do not have money; they only have the money they take from taxpayers.

Ms Burrow—Bronwyn, I am not going to argue with you about that. You are clearly fixed on it; that is fine. But you are looking after women like you and me.

CHAIR—No, I am not.

Ms Burrow—Can I just ask you to take a broader perspective and know that none of the women that I advocate for on a daily basis, except a few in the higher income professional areas, will ever have a real choice to have a nanny. What you actually get—

CHAIR—But, Sharan—

Ms Burrow—No, excuse me. What you get is now a dependence on grandparents or other family members because child care is unaffordable.

CHAIR—Exactly.

Ms Burrow—So whatever you do for the higher income women is fine, but can I say this: even with your child-care subsidy there are children and parents who are under enormous stress because they not only cannot get places but also cannot afford them.

CHAIR—Sharan, if you give people more choice so that they can have their children somewhere other than an institution, and we have done it in aged care—

Ms Bowtell—An institution?

Ms Burrow—Institution?

CHAIR—We allow people to—

Ms Burrow—Excuse me; you do not call schools ‘institutions’—

CHAIR—Yes, you do.

Ms Burrow—in that derogatory fashion.

CHAIR—That is not a derogatory term; it is a matter of fact.

Ms Burrow—Come with me to a few child-care centres. You will see happy parents and children—

CHAIR—But I am not using it as a pejorative.

Ms Burrow—and fantastic child-care development. Our child-care workers are paid a pittance for doing some of the best work in the world, and all I want you to do is to think about funding them a little better.

CHAIR—What I want to see is more choice and more places available. If you give people more choice, you will free up places in child-care centres—

Ms Burrow—Sure.

CHAIR—which are available to people who want to use them. We have done it in aged care by allowing people to stay at home, where they want to be, and have care in their own home rather than being placed in an institution which we called an aged care home. And many of them are very good, but some people do not want to be in an institution; they want to be at home. They want to create an environment where they want to be. So we have already started to look at having that flexibility in other sectors. Why can't we also look at it in the child-care sector?

Ms Burrow—We are not going to argue against choice. You will never hear an argument from the ACTU against choice.

CHAIR—Good.

Ms Burrow—That is something we say about the British legislation and other things: the right to request is a choice environment. Unpaid maternity leave being extended is a choice environment. So you will never hear that from us. What I am saying to you, though, is that, in doing so, recognise that three imperatives exist. One, the economy cannot be sustainable on a growth trajectory without women working.

CHAIR—Correct.

Ms Burrow—Two, if you are serious about looking at the income of women, 75 per cent of all workers earn under \$50,000. In most electorates, we will show you that the majority of women—and we are talking 55 to 60 to 65 per cent; in Alan's electorate, I would say it is 70 per cent without looking at the figures—earn \$30,000, and child care is critical to allowing both economic stability and a decent quality of life for families. All of these other measures about choice of working hours, certainty of hours, have to be underpinned by two things, we would hope: paid maternity leave as well as unpaid maternity leave and of course child care. Frankly, it breaks your heart to see the amount of money that goes out of a minimum-wage worker's pocket to child care—

CHAIR—Absolutely.

Ms Burrow—when the government is putting enormous amounts of money into child care. And you know where the bulk of it is starting to go? It is going to the higher end. That is all I ask

you to think about. Choice—go right ahead, but remember that if we do not make child care affordable for low-paid women then you do not have them in the economy and you do not have dignity of lifestyle.

CHAIR—Absolutely, and that is why the child support benefit is so important.

Ms Burrow—And it should be increased dramatically.

CHAIR—It is a good policy and it will stay there. What we are looking for, or what I am looking for, are additional policies to make it more equitable and more accessible.

Ms GEORGE—And I am looking for additional choice options, too, for women.

Mr CADMAN—Yes.

Ms Bowtell—But, if you are talking about the choice between a child-care setting and a home based setting for child care, you are also looking at very different costs per child. Rather than high-income families having support to pay for home based child care, which is a one-on-one or one-on-two setting, that money could be diverted to the child-care system, where you have better—

CHAIR—I do not buy that constructed envy argument. It does not sit.

Ms Burrow—You are clearly fixed on this, but can I go back to the issue on which I think the committee can do us all a service. I note Alan has a particular involvement.

Mr CADMAN—I would like to have two close and move to an area where there is a need.

CHAIR—That is right.

Mr CADMAN—It seems a stupid waste of resources.

Ms Burrow—That is fine. I want to go back, in closing, to the broader areas of the changes provided and the real need to shift the culture around the way we work and work design. If you can look at the British legislation, advocate minimum standards and go to the question of broader choice that Jennie and others raised, then frankly you will do every woman in this country and their partners a service.

CHAIR—Broader choice is my big discussion point. We agree on it in many points. Thank you very much for coming this morning. We have had a terrific discussion and your evidence has been most valuable. I would appreciate that report into the British legislation. I think that could be very useful for us.

Mr QUICK—I think it would be vital, once we get some thoughts together, to run them past people like the ACTU, the ACCI and a few others.

CHAIR—We have already said that, if we have things that we want to ask people, we take it we are free to come back to them. We have had that agreement from everyone who has appeared before us.

Ms Burrow—We would be happy to assist. We clearly have a lot of research as well. If there is anything you need, we would be willing to assist.

Ms GEORGE—I would not mind a bit of follow-up information on the limitations of the law in terms of family responsibilities and what we might suggest by way of an amendment to cover a broader range of issues.

CHAIR—Are the agreements you came to under the work and family case on the public record?

Ms Bowtell—Yes, they are on the public record. We can provide that.

CHAIR—That would be helpful to have. Thank you very much. We appreciate the time you have taken to be with us.

[10.32 am]

BADER, Ms Karina, President Victorian Branch and National Assembly Member, Association of Professional Engineers, Scientists and Managers Australia

WALDOCK, Ms Jane, National Assembly Member and Victorian Branch Committee Member, Association of Professional Engineers, Scientists and Managers Australia

WOOD, Ms Erin, Director Professional Services and National Women's Coordinator, Association of Professional Engineers, Scientists and Managers Australia

Witnesses were then sworn or affirmed—

CHAIR—Welcome. We thank you for your submission. I wonder if you would like to make an opening statement.

Ms Wood—Thank you to you and the other committee members for the opportunity to provide further evidence. Our association represents professionals who are employed or self-employed across Australia. Key topics from our initial submission included the skill shortage and why further family friendly changes to the structures of employment will lead to greater work force participation; the importance of higher levels of fully integrated part-time work in the professions; the importance of providing a safety net to support the terms and conditions of employment, which is very important to working families; and the importance of increased access to more flexible and affordable child care.

Since our written submission, the Prime Minister has announced a substantial change to our industrial relations framework. We will comment on these changes in relation to those key topics. The modern scourge in the professions of long hours, work overload and poor quality of life is likely to be exacerbated by the removal of the Australian Industrial Relations Commission from its traditional role of setting and approving non-wage benefits such as family friendly conditions of employment.

In the absence of economy wide regulation to bring about a level playing field to protect family friendly conditions, it is unrealistic to expect that individual employers operating in competitive environments will take initiatives to provide conditions such as family friendly leave policies. It is more likely that employers will use the opportunity offered by the proposed industrial relations changes to annualise salaries and thus reduce employment conditions, to the disadvantage of families.

It will be very difficult for professionals to bargain to protect employment conditions. This will be hampered by the lack of protections relating to Australian workplace agreements at the commencement of employment, the impact of the proposed changes to unfair dismissal laws, and the complex nature of workplace conditions themselves. The proposed changes to industrial relations are also unlikely to increase the provision of meaningful part-time work. Instead, the deregulation of casual loadings could make casual work more attractive to employers. The

substitution of casual work for part-time work would be devastating, with insecurity around child-care arrangements being one obvious example.

In conclusion, we believe that any reduction of family conditions in the workplace will make the choice about having children more difficult. It will reduce participation, especially in fully productive professional roles, it will increase gender based inequities, and it will diminish family lives. In our written submission, we used a number of quotes from members about their experiences in the interaction between work and family. To complete this cycle, I now turn to my two colleagues.

Ms Bader—Most of my career has been in full-time employment. I spent 10 years in the mining industry as a geologist, which included extensive long-term travel. More recently I moved into the local government sector as a research analyst. I started part-time work in May this year, when my son was six months old. My local government employer was able to accommodate my preference for part-time work. I was unable to gain child care, despite putting my name down at more than five facilities in my local area. As a result, the grandmothers of my son look after him one day a week each. If they had not been able to take care of my son, I obviously would not have been able to return to work. Both the lack of access to child care and my preference not to work full time while my son was young were the deciding factors in my deciding to return to work two days a week. I plan to increase to three days a week next year, if I can gain access to child care, and hopefully I will eventually return to full-time work—again based on child-care access.

Just before I went on maternity leave, I was offered the opportunity of a senior research role within my organisation, but it was only in a full-time capacity. Due again to the lack of child care, I obviously could not take advantage of that opportunity, to the detriment of my career progression. I have also found it very difficult to gain secondment opportunities within council which would accommodate part-time work—which shows the inflexibility of work conditions even in a local government environment. As a result, I have come to expect that I will not be able to advance my career whilst working part time but keep it on track.

The reason I now work in local government has a lot to do with the family friendly policies of these organisations. Councils tend to offer more choice of part-time work, the 48/52 working year and RDOs for full-time workers, which give staff the opportunity to spend more time with family. In the new industrial relations environment, the councils are starting to pare back the employment conditions offered.

In the mining industry, I would have found it very difficult to maintain my pre-existing salary and conditions after the birth of my son. Any role I would have had would have been in a much reduced capacity, as I would no longer have been able to perform the fly-in, fly-out job that dominates this industry. This inflexibility of work-family conditions results in delayed child rearing and family formations, and plays a large role in the skills shortage in that industry and the low participation rate of women. Despite the skills shortage, I have not found employers to be very creative and innovative in determining working conditions with their employees. There appears to be a lack of recognition of the importance of work and family balance, both in the mining industry and in other technical-professional industries. I made a deliberate decision to change careers and leave the geologist profession when it became clear that my job would not allow a work-family life balance.

Ms Waldock—I have been practising for almost 20 years as a civil engineer and an environmental engineer. I have had a wide-ranging career. I have been in the private sector, the public sector and the consulting sector, and I am currently a team leader in local government. I manage a group of 11 staff. I have two children. They are aged six and nine. They are absolutely gorgeous. I am married to a software programmer. When my children were first born, I took the first six months off and initially returned to work part time. My husband remained full time during that period. Then we shifted the balance to allow us each to have a day at home with our sons. My husband was very keen to be involved in the child rearing. I worked part time for the majority of the next eight years. At each change in job, I was asked if I would work full time. I declined. I worked casually for almost eight months, with hours worked varying between 10 and 40 hours in a week. Occasionally days were 14 hours long. This type of flexibility is not sustainable and comes at the expense of family life. Finally I took a full-time role. That is my current job.

Until I fell pregnant, I thought that I would be able to continue to progress my career based on merit. I soon found that I could no longer select jobs because they offered interesting prospects, but I had to take into account the fact that they would suit my family and child-care arrangements. Flexibility is not part of child care. If you are required to work additional hours, travel interstate or go to breakfast meetings, these can only occur with the support of other family members.

When one child goes to school and the younger one remains at creche, a further juggle begins. You and your family must now work out how to get to two destinations by 6 pm and make two drop-offs before you go to work. The school my children attend does have an out-of-hours program, but it is oversubscribed. This year, all families were offered fewer than the number of days that they required. The juggle is not possible unless my husband and I both work for employers who understand the requirements of families. I was able to obtain different part-time roles, but usually the expectation was that I would work more than the 32 hours that I had available and outside my time limits. In engineering and IT workplaces, it was not always understood by managers who either did not have children or had at-home partners.

I currently work in local government and enjoy a compassionate boss who agrees to negotiate the additional time I need to attend school interviews, doctors appointments, holidays and so on. I often work from 8.30 to 6.30 with a 20-minute lunchbreak, and it takes me an additional hour on top of that, half an hour each way, to travel. The working week does not easily provide time to allow us to work with our six-year-old, who is beginning to read and who needs our assistance. I love my family. I thoroughly enjoy my work. It is satisfying and rewarding. But I do not have enough time to do both as well as I would like.

CHAIR—Can I begin asking you, Ms Bader—

Ms Bader—Karina.

CHAIR—Karina, you enjoyed geology and you enjoyed that work?

Ms Bader—Yes.

CHAIR—What would have made it possible for you to remain in that profession?

Ms Bader—Different employer attitudes to the type of work that you can do.

CHAIR—But what would you have required of your employer to enable you to continue to do fly-in, fly-out work in that tremendous environment?

Ms Bader—I think fly-in, fly-out work with a child, if you want to breast-feed, is just not a feasible option at all in those circumstances. There are the possibilities of living in towns, places like Kalgoorlie or Perth. Essentially, as I said, if you were to return to work it would be under a sort of head office environment where you were considered not to be fully participating in the exploration environment.

CHAIR—So it would be a different job, in other words?

Ms Bader—It would be a different job, yes.

CHAIR—So to have a child and to do the job you were doing at the time was just not physically possible?

Ms Bader—Yes.

Mrs IRWIN—Just following on from what the chair said, did you negotiate with your employer when you found out that you were expecting a child? Did you sit down and try to negotiate more family friendly work?

Ms Bader—I did not actually meet my partner until I had left the mining industry and changed to work in local government. It has only been since then that I have been able to have a family.

CHAIR—So you made the change after you left the job?

Ms Bader—Correct.

CHAIR—Jane, what about you? You are a civil engineer—hard-hat stuff too.

Ms Waldock—I have worked in construction, yes.

CHAIR—When you decided to have your children, did you want to work full time or part time?

Ms Waldock—I wanted to work part time. At that time I was employed in the private sector. I had indicated when I left work that I intended to return after six months. In engineering there is a perception that you can very rapidly lose your skills. The fact that you still know how to think does not seem to go with the business. There is very much a strong expectation that, if you are out of the business for too long, you are no longer up with the trends. So I made the decision to return to work after six months.

The position that was initially offered to me was full time. It was presented to me as a take it or leave it option: 'If you want to come back to work, you come back full time.' I balked at that.

I said that really was not what I wanted to do. They then backed down and offered me the part-time work that I sought. But, having gone through that negotiation, I then made the decision to work as a consultant and try the consulting sector, where I mistakenly thought I would probably have more control over my life. That was how my first pregnancy and return to work went.

By the time of my second child I had returned to regular employment. I was in the construction industry. I was working part time in that job. They knew that I wanted to work part time and that was what I was prepared to do. Interestingly, while I was on leave, the person they had to replace me worked full time. So they clearly saw this as a full-time job, but they made allowances for me. It was a four day a week job. Both my husband and I worked four days a week, which is almost an approximation of five days. You can sell that to your employer as it is nearly full time and it is more palatable for your employer. So we were able to strike that balance, with our children being in care for three days and with their parents for four days in a week.

CHAIR—Did that work? Was that a good solution for you?

Ms Waldock—It was a good solution for us, but because we were using creches that inflexibility about which days we worked came into it. We had days available and those were the days we worked.

CHAIR—You may not have heard us talking about the salary sacrifice proposal. We took evidence in Brisbane from Aegis Consulting about work they had done on salary sacrificing, which would enable a proportion of your salary or wage to be sacrificed to pay for child care. The ANZ bank gave evidence yesterday morning. They have actually put this into play. They have a ruling from the ATO that they can get an FBT exemption. They have leased five premises to date, with a view to going to 14. They have entered into an agreement with ABC Learning Centres, who come in and operate a child-care centre. ANZ employees get priority access to the child-care centre and they can salary sacrifice part of their income to pay for that child care. They are paying for it with pre-tax dollars, not after-tax dollars. They cannot expand that to regional and rural areas because the size of the operation does not warrant it. One of the things that appeals to me is that, if we had salary sacrifice for individuals and they could choose how they would use that salary sacrifice, it may be that they have someone in their own home to care for their children and that would then relieve some of the pressure on the other available places. Did that ever occur to you? Did you look at any of those options? What would you think about that?

Ms Waldock—As to child care and the choices you make, it is an extremely complex decision. I am speaking for myself here. I was not particularly interested in the at-home child-care solution. I saw that there were risks involved in it to do with the reliability of it. That was before I started thinking about the quality of the child care. In order to be able to function in any job—and, as professionals, we tend to think we have a particular set of standards that we operate to—you want to be reliable. You want to be able to get to the meetings and not be called away. The advantage of a creche system or an out-of-hours school program is that, because it is run for a number of families, you know that there will be staff there. If your individual at-home carer is unwell or is called away because of their own family requirements, you are left trying to juggle it. That security about that place being there, day in, day out, without any concerns—

CHAIR—Was important to you.

Ms Waldock—was absolutely fundamental. The other element that is quite important for me is socialisation. I know there is a chapter and verse and written on whether you should stay at home or whether your children should be in child care. My feeling is that it was good for my children to be mixing with other children. My eldest boy has had a friend for six years, who we have followed all the way from creche to where they both are now in grade 4. They are in separate schools, but we still hang out as families. They are important relationships that expand their sense of community. The creche option is one that I would probably have preferred anyway.

CHAIR—You have not commented on the salary sacrifice.

Ms Waldock—Salary sacrifice sounds like a lovely idea. I would add, though, based on my career—which has gone through probably too many employers, but I have moved around a great deal—engineers often work in small businesses that are not able to provide what the ANZ can provide, where they have a large facility with a large number of staff. I have moved around working in building sites, small consulting and other people's offices, and I am now in local government. Engineers often move around to different locations where they may not have enough staff to support in-house child care. I am missing your point; I beg your pardon.

CHAIR—My point is that, with the salary sacrifice, that is the way the ANZ bank has done it because they are big. If you were working for a small business you could still salary sacrifice and then spend that money in any child-care centre you chose or in any way you chose.

Ms Waldock—That would have an appeal. As a professional, when my children were young and in creche, I was able to have money in my pocket at the end of the day. Anybody on a lower income goes to work in order to retain their job. I went to work and had the luxury of being able to afford to pay for parking when I was working in the city and buy the occasional lunch but have at the end of it some sense of financial reward as well as my professional reward.

CHAIR—Whereas so many are just paying for child care and have a very little bit left over that goes to the mortgage.

Ms GEORGE—Then they may make the decision not return to paid employment because of the cost.

CHAIR—And the difficulty of interfacing with welfare.

Ms GEORGE—And the taper and the loss of benefits. You say in your submission, and this is a common complaint we are hearing, that lack of access to part-time work in such professions has not been caused by any industrial or legal limitation but by culture, custom and practice. This is also reflected in the predominance of professional development opportunities being based on full-time workplace participation. It strikes me that in the range of occupations you cover Australia is going to face, and is already facing, a severe shortage, particularly among engineers. I know there are a lot of resource projects in WA that cannot get off the ground because they do not have the trained staff. It seems that the workplace organisation is predicated on an era when

women were not in those occupations. What recommendations could this committee make to make available quality part-time work across the board?

Ms Wood—We would like to see the right to return to part-time work after parental leave enshrined in legislation. At the moment there is variable knowledge about the rights and obligations around part-time work. It is too complex for most employers to start to grapple with. So we believe that clearly enshrining the right to return to part-time work after parental leave would assist greatly in that regard. We think that there is a need for significant educational processes around the benefits of part-time work. That is a whole-of-community and whole-of-workplace culture thing, but it has specific issues with regard to the technology professions, which are male dominated and have had less experience and therefore perhaps need more targeted tools and information around how part-time can work in their professions. We would like to see some specific programs to encourage part-time work. We think that that would be a way in which the government could contribute.

We would also like to see a tracking of the levels of part-time work. In our submission, we made a comment about the low levels of part-time work available in engineering. We also see low levels of part-time work available in areas such as information technology and a number of other professions. In essence, it would be quite easy to have a look at, across the professions and across industries, which areas are in need and have a skills shortage and which really do have low levels of part-time work, and to take those further, because we believe it would make a significant contribution.

Ms GEORGE—Does the ABS collect data on the breakdown of part-time opportunities on an occupational industry basis? Can we get that information?

Ms Wood—That is something we would need to look into. We asked the question in relation to our surveys as to which professions have part-time work available and whether it is taken up. These are our surveys that we do in each of the different professions—male and female professionals. We find, for instance, that in engineering, 86.7 per cent of men are working full time and 86.3 per cent of women; in science, 86.9 per cent of men are working full time and 68.8 per cent of women; in computing, 76.8 per cent of men are working full time and 73.9 per cent of women; and in pharmacy—the great difference—36 per cent of men are working full time and 35 per cent of women. For us that was very interesting too because it shows that both men and women are interested in part-time work arrangements.

CHAIR—Are those figures available? Can we have those?

Ms Wood—Yes, certainly. I would be happy to provide a copy of those. I have not brought spare copies but I can make sure you receive them.

CHAIR—Thank you.

Ms GEORGE—It seems to me, Chair, that in terms of the bigger picture about skill shortage and the need for a greater participation rate, particularly among women with dependants, unless we address this part-time work issue, then we are going to fall short of the targets of additional participation that we all want.

Ms Wood—In our original submission, we also made a number of points about part-time work being real and integrated into careers and workplaces. Without covering that same territory again, that is really where we see a huge difference between where part-time work can be given in a half-hearted manner and where it can really work effectively in terms of families and parents having careers and being able to bolster work force participation. We also see, as we mentioned in our initial comments today, the huge difference between part-time work that is meaningful and casual work around which parents cannot make regular arrangements.

Mr QUICK—Yesterday we heard suggestions that we should freeze the HECS debt while women are out of the work force rather than let it accumulate. Would that be another incentive to people thinking about options and family friendly—

Ms Wood—My understanding, and I could be wrong here, is that while people are not earning, they are not paying their HECS.

CHAIR—That is right.

Ms Wood—There is a whole range of issues with regard to how the HECS debt is structured and the impact that has on young people being able to establish themselves and then being able to go through the process of family formation. There are also issues with regard to which areas you apply HECS debt to and what that does to drive the technology areas which are of demand in society. Our organisation has concerns about the levels of HECS debt per se. We have concerns about the impost on the technology professions particularly. And we have concerns about the ongoing impact on young professionals and people going through family formation. What we are seeing in society is the impact of the generations of people who have been deferring family formation for economic reasons, and things like HECS debts, frankly, are just going to make that worse.

Ms GEORGE—While you are not working, doesn't the CPI adjustment apply? Isn't there an adjustment to the total debt that you owe every year?

Mr Wood—Yes, that would be a concern. That is true.

Ms GEORGE—It would be good if even that amount were frozen so it did not keep multiplying over that period when you were away from paid work.

Mr Wood—That is a good point.

Mr QUICK—We heard yesterday that women also come back part time so that they do not reach the tax threshold so they do not have to pay the HECS debt back. There are millions of dollars in HECS debt that will never be paid to the government because people can thwart the system by working part time and not incurring the HECS payments.

CHAIR—The threshold is pretty low, though; it is \$20,000.

Ms GEORGE—It is about how you tweak the earnings to stop the threshold cutting in.

Mr Wood—Obviously, the salaries of professionals do vary, and some people would slip below HECS thresholds. However, most of the evidence that we have gained from our members is around people wanting to access meaningful work which will enable them to rejoin their careers in an effective manner. That has been driving concerns. The point that was being made earlier about the workplace cultures of the different professions is also relevant. In our survey, our women members tell us that the most significant obstacle to their career is workplace culture.

CHAIR—Behaviour?

Mr Wood—In its many forms. I would not underestimate the other things. I do not think HECS by itself would be a key driver in deciding how many hours to go back to work. It would be nice to be able to negotiate that with so much freedom.

Mr QUICK—When it comes to local government versus state government versus federal government agencies in your profession, are any of them any better, or are they all about as bad as each other?

Mr Wood—The experience I have talking to professionals is that the experience does vary based on the organisation. We are in an era now when we do not have a whole-of-federal-government duplicate set of HR procedures and so forth, and the same applies to local government. I do not know whether my colleagues have any further comments on that, but we find variable responses. That also relates to the experience people have with a specific manager. One of the quotes we had in our initial submission was from some people saying that they need to get out of the private sector and into the public sector because surely that will be better. Either that or maybe they should retrain as a teacher.

CHAIR—Who told you that?

Mr Wood—Some of our members have said that they thought the public sector would be more attractive than the private sector as to family friendly terms and conditions of employment.

Mrs IRWIN—I think that is what Karina and Jane were stating in their opening statement, that you had to look for family friendly workplaces.

Mr Wood—We have had other professionals report to us that they have looked at things like retraining as teachers rather than continuing in the technology professions. We have also had people say, ‘Here I am; now I am working in the federal public service and yet my manager isn’t being supportive.’ You cannot say that there is one holistic experience.

CHAIR—You cannot legislate to make people like you; you just cannot. We still have a few struggles.

Ms Waldock—There is no policy on the official line on whether you can give part-time work to your staff. It really is a negotiation between you and your employer, and whether your manager thinks that is a full-time role and they need a full-time person in there.

CHAIR—But, Jane, you convinced your employer that four days a week was pretty good even though they had a bloke who was five days a week.

Ms Waldock—I convinced a number of them that that was the only condition—

CHAIR—And they wanted you because of your skills?

Ms Waldock—Yes. I am flattered by that; that is lovely—

Ms GEORGE—A lot of women are not in that position out there, though, are they? They are in lower skill areas where they cannot sell themselves to their employer on the basis of their talent and ability for a job.

CHAIR—I do not think you want to give up on initiative either. The fact is you did it.

Ms GEORGE—But I do not think a 20-year-old woman in KFC is going to be able to go up and say to the employer, ‘I demand this and this.’ It does not happen.

Mr Wood—Even in the technology professions where we supposedly do have bargaining power now due to the skill shortage, Jane is part of only 2.1 per cent of females who have part-time work, so she is obviously an excellent bargainer.

Mrs IRWIN—You are virtually saying that your members are not usually lucky—I am trying to look for the right word to use—when they negotiate for a better work and family balance with their jobs?

Ms Wood—Sorry, could you say that again?

Mrs IRWIN—How do your members negotiate in their profession for a better work and family balance with their employers?

Ms Wood—We have a percentage of members who are covered by collective agreements. I have that percentage buried in here somewhere. I think it is about 40 per cent—I can check on that in a moment. Then we provide information to members and assist members with their individual negotiations. However, we have asked questions of our members as to how well equipped they feel with their individual negotiations. Across all of our members, male and female, 51 per cent are still feeling as though they are not well equipped to bargain on an individual basis.

Ms GEORGE—They are all tertiary educated?

Ms Wood—That is right. And the other thing we find is that, in any area of disadvantage or perhaps need—I refer here to young professionals—the situation gets a lot worse than that. For instance, young professionals entering into the work force are still not really in the sort of situation where they realise what it is they need to bargain. They are just learning about the workplace. So in fact we find that the vast majority of them—about 43 per cent—are not seeking any advice about their individual contracts, and when they do seek advice, about 39 per cent do so from family and friends. The people who responded to that particular survey were not all

union members, but clearly the unions have a hell of a lot of work cut out for themselves to even work with people, to start to educate them. This is a key concern that we have with the sorts of changed environment that we may be entering into.

Ms Bader—I would also like to say on that front that when I was negotiating to come back to work with my employer he had offered me the senior role in a full-time capacity. Obviously I got back to him and said, ‘I just cannot get the child care, so I am afraid I will not be able to accept the full-time role in a senior position but I will go back to my existing position part time.’ That saves him the senior role increment of money, which is about a \$10,000 difference. That is how I negotiated—I accepted a pay reduction.

Mrs IRWIN—A female might have two or four or even five years off work. After having had that amount of time off work, what are your career prospects when you go back into your profession,?

Ms Bader—You would start again as a graduate. You would be considered to be at a graduate level. You would have been out—

Mrs IRWIN—So you go backwards?

Ms Wood—We offer an annual scholarship. The criteria at the moment are to assist women whose careers have suffered detriment due to family responsibilities. The scholarship winner in this last year was a woman in IT who told me that she did not see any chance of resuming a career in IT because, to keep current with that profession, the information is moving at such a fast rate. By doing the scholarship, which offered some management training, she was hoping to start again, but somewhere slightly different. So being able to access part-time work and keep in touch, keep the foot in the door, is really very critical.

Ms KATE ELLIS—The issue I wanted to touch on was training. Particularly in your fields, as you have just mentioned, once you take some time out for your family, getting back in can be tricky. Yesterday we spoke to ANZ, who talked about some of the policies they have for keeping in touch. Basically, when women were out of the work force and in their homes with their families they were kept on an intranet or kept up to date with what was going on in the organisation. I am just wondering, from a training point of view, what you think would be helpful to make an easier transition back into your positions and who you think the responsibility of training falls to. Should that fall to government, your employers or parents?

Ms Wood—One of the things that I have been interested in recently is that we have had some inquiries that surprised me from people in New South Wales about training programs to facilitate affirmative action and women’s retention in the work force. One of the people told me that there was some form of government benefit or some form of incentive there. I did not really know anything about that. I know that that was their perception and I was very happy to say, ‘We are very happy to assist you.’ I do think that, if you extend on that, government can provide incentives and encouragement for organisations to look not just at training per se, which in workplaces will go to the majority need, but to look at training that addresses specific needs of balancing work and family and re-entry into the work force.

At the moment across the board we are not seeing that as being a key issue. I would view keeping skills current as being aligned to training. One of the things I would like to see is a holistic package whereby people who take breaks from their careers to care for family are able to remain in contact with their employer, be considered for ongoing training and professional development and for there to be structured ways of reintroducing them back into the work force. I know of an employment law firm in this state that realised that they were not getting their women back into the work force and actually took steps to extend the welcoming hand back and to say, 'You are really wanted,' and to extend training and opportunities as a way of trying to redress that. I thought that that was positive. It also communicated something that was as important as the training—the perception of being valued.

CHAIR—But they needed them, didn't they? That was the driver—necessity.

Ms Waldock—I would like to say something about this subject. There are two elements to this. One is your continued involvement in the workplace socially and politically, knowing what is going on organisationally, and being able to access the intranet—and not being locked out of the IT system because you are on leave for nine months and you might try to hack your way back in or go rogue, as if you have time when you have children, but never mind. So there is that side, which is quite important and notionally at least you can do from the privacy of your own computer at home.

The other side for professional technicals—and Erin alluded to this with problems for IT folk, but there are tones of this in engineering and, I would imagine, in geology and the science professions—is your ability to attend technical training. Again, it comes back to whether you can get the child care and whether the training is run on the days when you have the child care. It might be that you need to do a 40-hour OHS training course in order to be able to enter the environmental consulting world—to do even one or two days on site you have to do a 40-hour training program. 'Whoops! I do not have the availability to do that.' Or, 'I can't take that time while my baby is young, because there is nowhere to sit on site while we're doing the practical side of things—the expressing that is necessary because we're all trying to do the right thing by our children.'

Training is often described in quite simple terms, but there are so many layers that each family needs to attempt to negotiate. One of the things that I wanted to say a little earlier—and I am sorry to take you back to this question—was my ability to negotiate the part-time work. Partly that came about because I am sure the people I was speaking with understood that at that time I was in a position to say, 'No, I'm four days or I'm no days,' because my partner was in four days work and there was income security.

The reason I am in full-time work now is that there was no income security in my family at the time the job was offered and the job—a great job, I love it—was full time. I went, 'Right, I'll take this now, because my partner is not in secure employment.' So it is never about an individual; it is the whole family and your circumstances that need to be taken into account—and those circumstances will change over time. That comes back to: can you do technical training, can you continue your formal study while you are on maternity leave? It requires the support of the extended family.

Ms KATE ELLIS—I do not know whether you have a lot of contact with similar organisations overseas or whether the issue of part-time work in your field is an international issue, but one of the things that we have been looking at is legislation that was introduced in the UK basically saying that people have the right to request part-time work. Have you heard whether that has been effective or about other measures introduced to try to accommodate mothers who want to work part time?

Ms Wood—We have had some feedback from the people in the UK around that particular piece of legislation, which we understand from them has been well received, and also in regard to specific inquiries and activities to facilitate the recruitment, retention and involvement of women in the top technology professions, to try and unpack some of the same sorts of issues that we are talking about here. So they do have the same issues, and they are taking some other approaches to them. That is one of the reasons we were very keen to have a look in more depth at international experience. Another of our recommendations was that we really do think that there could be some very good work done to learn more fully from that approach, both legislative and in terms of government policy.

I have another comment, just picking up on the career development and training issue. When surveyed about the most important issues facing them, our professional women identified, firstly, flexible working arrangements and, secondly, access to career development and training. So the two really do go hand in hand, from the perception of our members.

CHAIR—It seems to me that there is something quite new coming out in what you have to say. We heard yesterday that 20 per cent of women in the sorts of positions that you are in will not have any children, whereas only eight per cent of women in lower socioeconomic groupings will not have any children. When I look at your statistics here about women members that you surveyed, 69 per cent of them did not have children. Sixty per cent of female respondents thought the most important issue facing professional women was access to flexible work arrangements and career development. What is coming out here is that, if we want women who have professional expertise, there are many more factors we have to consider about you as a group of women than for people who simply want to go back into a job, as distinct from a complex professional life. That is what you are saying.

Ms Wood—That is right.

CHAIR—It is impossible for you to go back and practise what you have been trained to do unless you get access to certain things. If you are going back into a job for a job's sake, to use the parlance that is sometimes around, there has to be special consideration given to what you are going to do. In terms of value-adding to GDP, I guess that is quite important too.

Ms Wood—Yes. It is interesting. One of the reasons that we raised the whole issue of the skills shortage is that we see on a daily basis the young women trying to grapple with what they are going to be able to do in their careers, then we see the women who are trying to grapple with it, and then we see all the members we are losing because they are leaving their professions. So we see all of that, but we are also seeing what is happening with older professionals who are at the other end of their careers, trying to balance work life as well. That can be because of wanting to pare down their hours as they slowly phase into retirement. It can be because they do not want to necessarily be under that same level of pressure, or for a variety of reasons.

I think in the professions we have almost a unique challenge that is multifaceted around recruitment and retention. Balancing family needs and balancing personal needs in terms of the work force do have those multiple elements to them. Some of the solutions may actually be similar for the different groups. By being able to further progress those sorts of solutions, we may in fact start to make the professions more human friendly. What we are talking about with long-hours cultures, with the sorts of pressure that professionals are working under, are not necessarily human friendly environments in their broader sense, as well as family friendly.

I suppose we are up against both a skills shortage and a great opportunity, as we see it. We think that employers are trying to grapple with that, but there is a lot more that can be done, and that government, because of the nature of the skills shortage, really has a great interest in moving along these ways and a great need to do so.

CHAIR—As there are no further questions, can I say thank you very much. I think you have brought a new dimension into the inquiry, looking at the skills you have acquired and the value to the economy that those skills have as well as to you as individuals.

Ms Wood—Thank you for the opportunity.

CHAIR—If we could have those figures you were using earlier, that would be terrific.

Ms Wood—Certainly. We will follow up with that.

CHAIR—The committee will take a short break.

Proceedings suspended from 11.21 am to 11.33 am

BLANDTHORN, Mr Ian, National Assistant Secretary, Shop Distributive and Allied Employees Association

BRYANT, Mrs Therese, National Women's Officer, Shop Distributive and Allied Employees Association

Witnesses were then sworn—

ACTING CHAIR (Mrs Irwin)—Do you wish to make an introductory statement before we proceed to questions?

Mr Blandthorn—If that is okay with you, I would like to do that.

ACTING CHAIR—Please proceed.

Mr Blandthorn—The Shop Distributive and Allied Employees Association is Australia's largest individual union. We have approximately 200,000 members. The majority of those are women. The majority of our members would probably be in the under-25 category. I would also say that the majority of them are part-time or casual workers. We start from the premise that the family is the most important institution in society and we believe that government, in implementing policy, should start from that same position.

A key issue for many workers in achieving a balance between work and family is finance. As the old saying goes, people do not live to work; they work to live. Financial factors are a key force, in our view, in people deciding whether to have children or expand the number of children they have. For people with children, financial factors are a key determinant in their thinking and behaviour. For most people, their family is the most important institution in their life. Overall, they want economic security for themselves and their families. Financial wellbeing for themselves and their families is a key driving force. If people are going to be able to have and expand families it is critical that they have financial security, because only with financial security can they effectively balance work and family.

There are a range of issues that I would like to cover very quickly and very broadly. Over recent years there have been a range of changes in the work force, as the committee would be well aware. Among those changes have been major decline in the availability of full-time employment and a major increase in casual and part-time employment. I do not think that any industry has seen that more than the retail industry. As I said, the majority of our members are in fact part-time or casual workers. In recent years we have seen casual employment go through the roof.

Casual employment brings with it a number of problems from our perspective. It does not bring regular hours. It often does not bring sufficient hours of work. As a result, it brings financial strain and stress to many of the people who work casually. We accept that there are a lot of people who work casually because that is their choice, but a lot of people work casually because there are no other jobs available. To give you one example, if one looks at the service station industry, there are virtually no full-time jobs. If you are going to have a job in that type of

industry then you have to accept, virtually by definition of employment in that industry, a casual job.

There has also been a rapid expansion of part-time employment. While part-time employment gives stability and security in the number of hours, often it does not give workers sufficient hours. We have many people working in the industry who might have permanency in the sense of being regular part-time workers, but at the same time they are getting very low numbers of hours. The minimum number of hours under legislation is three or four. For many workers in the retail industry, that is all they get per week. This obviously creates major problems for workers trying to have a family and raise sufficient income to meet the needs of their family.

We have gone into much more depth than this in our submission, but I just wanted to briefly make those comments. We do think there are a number of solutions to this. We suggest respectfully that there are a number of things that this committee could look at. In recent times the Industrial Relations Commission has passed down test case decisions which provide for casual workers who work a regular number of hours on an ongoing basis to apply to their employer for permanency. At the same time, there has also been a decision in a test case issued by the commission allowing for a 25 per cent casual loading. What we would say with respect to both of these is that they have now been widely implemented and industry has found that they can manage them. We have a range of enterprise agreements with retail companies where companies have embraced one or both of those propositions as part of enterprise agreements. Obviously, they can implement them quite effectively.

At the same time, we believe there is a role for this committee to recommend to employers that they look at innovative ways of encouraging people to move from casual to regular, permanent, part-time work. There is one major supermarket chain in Australia which over recent years has had a strategy of taking people from casual to part-time work. They have done that in conjunction with the union and it has worked very effectively. Today there are fewer casuals in that company than there were a decade ago and the company is trading quite effectively.

CHAIR—Which company is that?

Mr Blandthorn—I am prepared to give the name, but, if you do not mind, I would like it to be confidential.

CHAIR—Okay, that would be fine.

Mr Blandthorn—The name is Coles Supermarkets.

CHAIR—That is not confidential; that is in *Hansard*.

Mr Blandthorn—That is fine.

Mr CADMAN—Do you want it removed from *Hansard*?

Mr Blandthorn—No. I do not think the company would have a problem with me saying—

CHAIR—I think they probably think that is a good policy.

Mr Blandthorn—that they have done a very effective job there. I recognise that the company has done a very effective job in reducing the level of casuals in the industry. There is a role for the committee in looking at recommending an increase in the minimum number of hours that part-timers should be able to work. The second area that I would like to comment on briefly is rostering arrangements. Even where people have regular part-time work, we are finding that quite often their rosters are changed on a regular basis. That creates very major problems for people who have got to deal with problems like child care. You cannot automatically and quickly change your child-care arrangements if your rosters are changed.

I can give you a couple of quotes. The union regularly conducts surveys of members and focus groups of members. In order to do this properly, we often contract outside people to do it. Recently, we contracted Dr Moira Eastman from the Australian Catholic University to run a number of focus groups for us on work and family. If it would be helpful to the committee, I am happy to give the committee the full report at a later date.

CHAIR—Yes, that would be helpful.

Mr Blandthorn—There are a lot of interesting quotes and comments in that. I have just drawn out a couple of quotes. One person said:

I just wanted to say that, as far as what you are asking, it's the feeling of insecurity. You do not know whether you are going to be put back from full time to part time or casual. It is an insecurity thing that you have at the back of your mind all the time.

Another quote:

They—

meaning rosters—

are constantly changed for business needs. Forget about the family need or family environment; it is always the business need and sometimes for no reason at all.

That is the perception of the workers, but I think it is very important that this committee understands that that is how workers feel: that their rosters are often changed for little or no reason.

CHAIR—Is there any evidence of the type of person who is in the position to change the rosters? Is it, for instance, likely to be a young man with no family?

Mr Blandthorn—Quite often that is exactly what it is, yes. When I make available the full report, some points similar to the one you have just made will become very apparent.

CHAIR—Mature-age workers can often find that problem when the HR manager is younger than they are and they do not like to have someone who knows more than they do.

Mr Blandthorn—That is exactly right, and it is a major problem in our industry, where we have a lot of middle-aged women who, in many cases, know a heck of a lot more than the person

who is supervising them. Nevertheless, they are at the whim of the much younger—often male—worker. We think there are some approaches the committee can take in respect of that. We think it would not be unreasonable for the committee to make a recommendation along the lines of ‘family needs should be taken into account when rosters are being set or changed’. Rosters should not be changed without people being given reasonable amounts of notice. I would like to point out that those sorts of provisions are standard in a number of retail EBAs. They show that employers can cope with those sorts of arrangements.

The third area I would like to comment on briefly is the intensification of work. I think this, particularly, has often left women with a greater share of domestic responsibilities. It has often created a situation where fathers are not at home as much as they might be, and I think it creates major problems for women seeking to participate effectively in the paid work force. Again, at the other end, there are also the heavy demands of the workplace and demands for people to work long hours. I can give you one quote from the survey I commented on earlier. This person says:

I hate Christmas. I am always exhausted because you have done all those extra hours. I do not enjoy Christmas; I hate it.

This is a person with children, working long hours to satisfy our needs when we go shopping at 10 o'clock on Wednesday night in the week before Christmas—but that is the other side of the story.

Mrs IRWIN—Sometimes midnight.

Mr Blandthorn—That is right.

CHAIR—I am not at all sure that that is the only reason that people have a problem with Christmas.

Mr Blandthorn—I am sure there are lots of other reasons. I do not disagree with that. But, having said that, long hours are a major issue for us. Long hours—and I used this quote only to illustrate that point—are a major problem for people seeking to balance their family commitments with their work commitments.

CHAIR—Sometimes people like the long hours because they feel it makes a better balance.

Mr Blandthorn—If that is what people choose, but my point is that quite often people are rostered to work these long hours and it is not their choice if they want to do the work.

CHAIR—When you say they are working long hours, are you talking about the move to 12-hour shifts? What are you actually talking about? There are many people who will work a 12-hour shift rather than an eight-hour shift, and they quite like it because it gives them greater flexibility through the week.

Mr Blandthorn—I am not necessarily arguing that we should go back to everyone working an eight-hour shift. That is not the norm in the retail industry and has not been for some time. It is not an argument that we put, but we do put the argument that rosters ought to be set and only changed with the agreement of the employees. They should not be changed or extended without taking into account the needs of the employees.

CHAIR—Are you saying that those issues are covered in a lot of EBAs?

Mr Blandthorn—Yes, I am.

CHAIR—What about AWAs? Do you have any figures on them?

Mr Blandthorn—No, I do not.

Mrs Bryant—A supplement to that quote is the further context, because I remember being in the focus group when the woman was speaking about this. She was also talking about the fact that they work late hours—often till midnight the night before Christmas—and have to do the cooking, try and fit in the shopping, prepare the meal and have some family time on Christmas Day, and then they are back at work for the sales on Boxing Day and they do not want to be there. If they have relatives interstate it makes it impossible to spend time with them.

CHAIR—Now you really have the problem—relatives from interstate who become house guests.

Mrs Bryant—No, she was saying that they would want to visit them, and it is impossible to do that if you only have one day off at Christmas and have to work either side of that and there is no choice. I think Ian is talking about the lack of choice, and certainly there is a perception in our industry that, because there are such high levels of part-time work and casualisation, working hours and rosters should not be an issue. However, in a recent national survey that we did our members were asked whether their employer accommodated their family responsibilities. Seventy-seven per cent said that they did, but 10 per cent said that they did not and 13 per cent said, ‘Only with a great deal of effort.’ In asking them in what ways the employer could accommodate them better, the majority said, ‘Roster flexibility.’

There was a very good example from one of the ACTU witnesses for the work and family test case. One of our members who worked for a major supermarket had returned to work after maternity leave. She had previously worked a 9.30 pm to 2 am or 2.30 am shift and would go home and get some sleep, then get the kids off to school the next morning. Once she had her baby she needed to look after it during the day and do the housework and all the other things. When she returned to work she wanted her shifts to be done over four nights instead of five, but according to her manager that was not possible because it would mean that to maintain her hours he would have to provide her with tea breaks on each of those four nights that she was requesting to work. Therefore he did not provide her hours over four nights.

CHAIR—Wouldn’t it have been a good idea if she could have traded off the tea breaks, got a slight increase in pay and had the job that she wanted?

Mrs Bryant—But she wanted to have a tea break because she was tired and needed a tea break. She was not looking to trade off her tea break. She was looking to be able to have a tea break and work her hours over four nights.

CHAIR—So the tea-break was not the real reason?

Mrs Bryant—The tea-break was the reason from the manager's point of view but not from her point of view.

CHAIR—But she wanted the tea-break—that was her choice?

Mrs Bryant—She wanted to sleep on the other night as well.

CHAIR—What is the age demographic of employees in your industry? My impression is that you would have quite a lot of mature-age workers in your industry. The reason I ask is that our figures show that 31 per cent of all people—14 per cent are women and 17 per cent men—in the paid work force have dependent children. That is three million people out of a work force of 10 million people. What is the proportion of people with dependent children in your industry who are mature-age workers. Looking around the shops, it seems to me that mature-age workers are valued in the retail sector.

Mrs Bryant—I do not know whether the question should necessarily be about the proportion of mature-age workers. Across our membership—56 per cent of our members are under 25—when we asked if they have family responsibilities, 29 per cent say they do. That includes about 17,000 members, or 14 per cent, who are under 25. They have responsibilities for siblings and also parents. So when we talk about family responsibilities, it is certainly not only children.

CHAIR—I want to focus on children for a minute and then we can look at elder care, the disabled and so on. You said 56 per cent of employees in your industry are under 25.

Mrs Bryant—That is right.

CHAIR—So they are under what is now the norm for the child-bearing years. What percentage of your workers are aged 35 to 39?

Mrs Bryant—In our recent survey, 11 per cent are 25 to 34, and 14 per cent are 35 to 44.

CHAIR—On the way the figures are going, the second group are more likely to be in their child-bearing years. I presume there are a lot of young kids in the 56 per cent who are under 25. Do you have many 15- to 19-year-olds?

Mrs Bryant—Forty per cent of them are 15- to 19-year-olds.

CHAIR—Have many of those are looking for a long-term career in retail? Do they get traineeships, are they part of the apprenticeship system or are they kids who have left school early and do not have much academic skill?

Mrs Bryant—There is obviously a mixture—17- to 19-year-olds can be at university anyway.

CHAIR—So they would be part-time workers who are studying.

Mrs Bryant—Who are studying as well.

CHAIR—Is there quite a bit of that demographic?

Mrs Bryant—Yes. The younger ones would mostly be school students who are working part-time in the industry.

CHAIR—So casual work would suit them down to the ground?

Mrs Bryant—Yes. Some of them have part-time work, and that suits them as well.

CHAIR—What are the next group doing—the 21- to 25-year-olds, or the 23- to 25-year-olds after graduation?

Mrs Bryant—In terms of your question on career aspirations one of the things we have been talking to the employers about is trying to pin that down. We have been asking for some time for them to do that research. We do not know precisely how many career aspirants there would be in the industry in that age group.

CHAIR—There are some very good careers to be had in retail.

Mrs Bryant—Yes.

CHAIR—So you do not have a handle on that?

Mrs Bryant—No.

Mr Blandthorn—We would say, though, that there has been a massive expansion in the availability of traineeships and new apprenticeships in the industry in recent years.

CHAIR—In fact, that is where there has been a big growth—in the apprenticeships available. What about the ideas that some schools are developing—where you can still be at school and in the last years of your Higher School Certificate you can be doing training that is part of an apprenticeship scheme in your industry? Is that growing?

Mrs Bryant—There are a couple of schemes. One is called VET in Schools pathway and another is a part-time new apprenticeships pathway in which students get paid for their work and there is a contract with the employer. The retail industry would be one of the largest industries to take that up. The unpaid pathway, not surprisingly, has not been as successful in the retail industry.

CHAIR—What percentage of your work force is female?

Mrs Bryant—The work force or our membership?

CHAIR—Both.

Mrs Bryant—At the last check 62.3 per cent of our membership was female.

CHAIR—What about the industry itself?

Mrs Bryant—I am not exactly sure.

CHAIR—With the changing demographic and the ageing of the population, one of the things that is happening is that the mature age worker is becoming very much a favoured person in your industry because the people who are the consumers with the money are actually ageing and they like to be served by one of their peers. They like somebody who knows something about them and appreciates what they want to buy to talk to them about their purchase. With the rise of mature age women—off a low base admittedly but really on quite a good escalator—I would have thought you would have some statistics about how that is happening.

Mrs Bryant—One statistic that you might be interested in knowing is that the level of female membership in 1995 was 68 per cent. It has dropped considerably in the last 10 years. There is some research being done out of the Australian National University at the moment that has also tracked the participation of women in various industries across the country and has noticed that there has been this drop in female participation in the retail industry. In a conversation with one of the researchers last week she told me that there is a strong correlation between trading hours and women's participation in the retail industry.

My analysis of that is that it is related to the fact that women are being expected to work late nights and weekends. That is becoming the norm much more, especially for new entrants into the industry. If people have experience and know their product well, employers do not want them to work only Monday to Friday; they want them to be there on weekends, when perhaps the bulk of their trade is conducted. But that does not suit mothers and lots of women who want to be at home with their partners and children on weekends and do not want to be compelled to be at work on the weekend and at night.

CHAIR—Which is precisely why I am interested in the figures about mature age workers who are past that stage. That group could include people living alone or people who are self-dependent. They have a totally different outlook on how they want to run their lives. It might suit them to work Thursday night, weekends and maybe Monday, if they want to be part time. They can then play golf on Tuesday and Wednesday if they want to.

Mrs Bryant—There are obviously some people in that position but our membership numbers indicate that for the 45- to 54-year age group 13 per cent are women and for the over-54 years age group it is also 13 per cent. So they are not the bulk of the industry by any means.

Ms KATE ELLIS—Do you think the junior wage rates have a role? Are employers picking young people ahead of some of these mature age workers—whom the chair prefers—to be certified?

Mrs Bryant—I think that has a very key role—there is no question. In fact, I was speaking to a woman a couple of weeks ago who was seeking more hours of work—she was a casual—and in that company the manager has lists: an A list, a B list and a C list. The A list is of the people that the manager rings first if they are looking for someone to fill a particular time slot—and all of the people on the A list are under 18. So it is totally wages driven: the people who are getting the hours are the younger ones.

CHAIR—But what sorts of jobs are the 18-year-olds getting? Are they the ones who are stacking the shelves? Are they the ones who are literally moving the product around? Are they the people who are on check outs?

Mrs Bryant—You cannot generalise, because it does depend on the type of retail establishment. I certainly know 18-year-olds who are supervisors. It can vary considerably, but they are certainly not only in the very low-skilled areas at all.

CHAIR—An 18-year-old supervisor is not going to be in a very senior position.

Mrs Bryant—Again, it depends.

CHAIR—What are they going to be supervising?

Mrs Bryant—They could be a department supervisor and therefore have some people that they would be responsible for. The front end, the cash registers, at a supermarket—that sort of coordination.

Ms GEORGE—In your submission you make much of the issue of choice for families and that governments ought to be neutral in terms of allowing families to choose among the range of preferences. You quote Catherine Hakim at the London School of Economics, and I think the chair is quite impressed by some of the conclusions in her work. What I am finding in submissions that have come before us is that there is often not a choice for women who may wish to stay at home. If you take the financial considerations out of the equation, many people return because the only option they have is for the job to be held open for a year. Submissions have argued that allowing families greater choice would also be helped by extending the statutory period for the taking of maternity leave from one to two years. Is there any indication among your membership that that is an option that they would like? Also, in relation to the range of child-care options, we have had submissions that have talked about the option of having child care provided at home through the grant going directly to the family rather than to the centre. Are those kinds of options being discussed and being asked about by members? Has any of that come through in your surveys of members?

Mrs Bryant—Certainly the extension of parental leave to two years is very popular in our industry. In most of our major enterprise bargaining agreements we have been able to at least have parental leave extended beyond the 12 months to, perhaps, 15 months or 18 months and, in quite a few, to two years. That is something that women want to take up, provided that their families can afford it. So the financial considerations are still very important ones but, if they can afford it, there is a preference to have longer parental leave. On the question of payments going directly to the families, we would definitely support that.

The very nature of our industry, with working hours being over a 24-hour period and on weekends, means that often child care is not available. So amongst our members most child care would be done by relatives—often by spouses. That is why you get women working night fill, because that is when the husband is at home and he can look after the children while they are off during the night fill. The poor mother has to try and fit in some sleep the next day and still look after the kids, but they make it work. I think that is doing it tough, but that is how they do it.

Grandparents get called on a lot as well to do the child care, and sometimes neighbours, because that is what they can afford and what is available.

Mr CADMAN—I would like to go to the tax initiatives that you have in your submission. They are particularly interesting. You seem to imply but do not state that the changes to the tax-free threshold for families where there are children are more beneficial than some of the transfer payments under family tax benefits or something like that. Is that correct or am I misreading it?

Mr Blandthorn—We have started from the point of saying that families need financial security; that choice is a very important principle for the government to embrace but that choice cannot be exercised unless there are a number of factors in place and one of those is a reasonable amount of financial security. Then, from there, we have proposed a number of things that need to be addressed. One, of course, goes to the tax system and, in particular, to what we would consider an unfair or onerous burden carried by low-income earners, so we have argued for a reduction in the tax burden for low-income earners. We have also pointed out the problem with the high effective marginal tax rates. But then we have also said that, in addition to that, there need to be a number of further changes. We acknowledge some changes have been made in recent times, but a number of further changes need to be made to transfer payments.

But we do regard transfer payments as very important. In fact, if you go back and look at some of the research that NATSEM have done in recent times—I do not have it in front of me—I think they illustrate how important transfer payments have been to get many families above the poverty line. What we have therefore argued for is that in areas such as family tax benefit A and other areas such as the parenting payment there really does need to be a serious redrafting of the withdrawal rate provisions so that the withdrawal rate cuts in at a much higher figure than it does now. So I think it is a dual factor: it is a taxation issue but transfer payments are very important also. Both of those things are important if families are going to have financial security.

Mr CADMAN—I guess the transfer payment drops in where the income is so low that no tax or little tax is paid, whereas changes to the threshold really produce little benefit.

Mr Blandthorn—Again I do not have the figures in front of me; I am happy to provide them if the committee would find them useful. But if you take a family of two shop assistants, for example, given that shop assistants are generally low-income earners—

Mr CADMAN—This is not the policeman and the shop assistant!

Mr Blandthorn—Well, any of those sorts of situations—but if you have two shop assistants earning a full-time wage each, they are not getting the full benefit of family tax benefit A, for example. To me, that is an indication that the withdrawal rate is cutting in at an extremely low level.

Mr CADMAN—But if they had children they would be getting additional benefits, wouldn't they? Are you talking about two people, working full-time, with children or without children?

Mr Blandthorn—I am saying two full-time people and then because they have got a child, or more than one child, they get the benefit of family tax benefit A, but then when you look at

where the withdrawal rate starts to cut in for family tax benefit A they get less than the full benefit of that payment.

Mr CADMAN—If you have got material on that I would welcome seeing it.

Mr Blandthorn—We are happy to forward that material to the committee.

Mr CADMAN—Thank you.

Mrs IRWIN—As we know, the new IR legislation will guarantee parental leave. Would you like to suggest any other guarantees for balancing work and family that you would like to see in the new legislation?

Mr Blandthorn—What we have done in recent times with our enterprise agreement negotiations is make a big issue of trying to get improvements in this area. I preface what I am going to say by making that comment, because I think it illustrates that there are a wide range of retail companies that have been prepared to embrace some of the sorts of things that I am about to outline and that find they can manage them. For example, we have talked about extending parental leave beyond the statutory 12 months and it is now the norm in the retail industry that people have 18 months to two years of parental leave.

We have raised with companies and had a range of them accept the proposition that a good employee who may have been there only six or eight months and therefore may not technically be eligible for parental leave can still get a proportion of unpaid parental leave. We have provisions for prenatal leave: that is, for people to take time off with pay for prenatal purposes. We also have a range of provisions for people to return to work on a part-time basis, albeit with the agreement and so forth of the company, at least up until the child's second birthday or somewhere around that time. There are also provisions for family leave, over and above people using sick leave. Where people have a child, for example, who might get sick at school, they can take time off at short notice to go and pick the child up or to look after the child because they are too sick to go to school. We think there is a range of those sorts of things that can be introduced and that employers have shown they can live with quite comfortably. And that can make it much easier for families and particularly women to balance work with family.

Ms GEORGE—Do you know much about the experience of the British legislation that has been referred to in a number of submissions and what impact that has had on the retail sector and what the response has been from employers?

Mrs Bryant—I certainly have not got statistics on the retail sector specifically. My understanding is that the response from employers has been that over 80 per cent have found no difficulty complying. It has been very welcome—from both employees and employers.

Ms GEORGE—Would an underpinning piece of legislation like that assist people in your industry in terms of the roster issue, which you indicate is a big bugbear for a lot of employers?

Mrs Bryant—Yes, definitely.

Ms KATE ELLIS—It is interesting that you have such a young membership. It is important for us to look at some of the issues which your young members will be facing that lots of people have not faced in the past. They do have a unique set of circumstances. You identified HECS but also home ownership. If the government is saying that we need to increase our fertility rates then we need to look at why it is that having children is getting put off and we need to look at the massive financial burden that is on young people these days. With regard to home ownership, you said we should be looking at ways of helping first home owners. Do you have any specific ideas about how we should address the issue?

Mr Blandthorn—With that question and the previous question you have identified the key issues for young people. What surprised us with the survey that we did was how many young people on wages less than the full rate had family responsibilities. Some of those had children and some had other family responsibilities. While I acknowledge the chair's comments that in some parts of the industry there are perhaps more mature age workers than previously, there are other areas in the industry which focus very heavily upon having young workers, because they are cheaper—it is an economic decision. For people who have family responsibilities, wages below the adult rate certainly make life extremely difficult, because they do not get any cuts in any of the commitments they have anywhere else.

Equally, the HECS issue is very important. The group that appeared before us talked about a freeze on HECS, and that is something that we would support. It is a big problem for young people coming into the work force, particularly those who cannot get full-time employment. This is an industry where a lot of people take casual or part-time employment because that is what they want, but a lot also finish up in those positions because they do not have any other option open to them. The youth allowance is another area that needs to be looked at, and it needs to be looked at in a range of areas. I think ACOSS and some other groups have demonstrated that a key factor in the existence in certain areas of high effective marginal tax rates is the withdrawal rate of the youth allowance.

I am not sure what the solution to the problem of home ownership is. Certainly what is becoming very clear is that it is becoming more and more difficult for people to buy a home. For example, I bought my block of land many years ago for \$1,300. If I were to buy an empty block in the same area today it would cost me \$80,000.

CHAIR—I hope you are earning a lot more now than you were then. If you are not, you are in big trouble.

Mr Blandthorn—That is the difference, and that is what makes it so difficult for young people. I think we have to look at ways of reducing blocks of land. There are a range of tax areas that we need to have a look at. Some of those are federal government areas and some are state government areas, but it is an issue.

CHAIR—A lot of those cost pressures are causing people to decentralise, aren't they? We had a lot of discussion in this country about how to decentralise. That is happening with some country centres coming to life because people are going there and jobs are being created.

Mr Blandthorn—I think the biggest part of the problem is that it is leading, particularly in Sydney and Melbourne, to urban sprawl. I am not sure that is delivering benefits to anyone. It is

putting huge pressures on infrastructure. In the outer suburbs of Sydney and Melbourne there is limited access to public transport and all the other facilities that the inner suburbs take for granted. It is very hard.

CHAIR—There have been other problems, particularly in my state, where the state government has forced medium density dwellings into existing suburbs. That puts huge pressures on infrastructure on which they have spent no money at all to back up or whatever, so you start to get breakdowns. That has been a big problem.

Mrs IRWIN—I think New South Wales has also abolished stamp duty for first home owners.

CHAIR—On properties costing up to \$500,000.

Mr QUICK—On page 48 of your submission you raise the issue of extra hours and the RMIT study which states:

... without the increased hours, 55,000 extra full-time jobs would have been created.

That would be a 20 per cent increase in your membership and I guess that 55,000 people would relieve the pressure on, as they state in the study, men having to work an extra four hours and women having to work an extra three hours. That is basically unpaid overtime. What are employers saying is the big hindrance and stumbling block to doing something as revolutionary as creating those 55,000 extra jobs?

Mr Blandthorn—It comes back to the issue of economics. I think the retail industry is a very good example of that. At least if the people who are covered by awards or EBAs in the industry work long hours, they get paid for those hours. Managers of supermarkets are on individual contracts, which may or may not be AWAs. They certainly get a reasonable amount of money but on the other hand they are asked to work extraordinarily long hours. If you divide the number of hours they work in a week by their income, for example, you often find that on an hourly rate they are not much better off than they would be on the award rate. In other words, the companies are paying a premium but getting a whole lot of extra work out of those people.

CHAIR—What is the average percentage of on-costs in your industry? Is it a third?

Mr Blandthorn—I think it varies. One of the reasons for that is the high level of casualisation. We have heard different companies express all sorts of views, from 15 per cent upwards.

Mr CADMAN—On that second last question from Harry, if you have evidence of that, I would like to see it. Do not worry about the names of the companies, but I would want them to be verifiable.

Mr QUICK—Also, can you provide any examples of companies that have done something as revolutionary as realising that, by taking some of the pressure off families, especially women, in the retail sector and saying, 'Enough's enough, we're going to put some extra people on,' there is a happier outlook and better productivity in the workplace.

Mr Blandthorn—We can give you examples of that happening, where we have negotiated with companies, particularly for people to get more permanent hours or to get full-time employment as distinct from part-time employment. There are two good examples of companies that have done that, both in the Coles Myer company—Coles supermarket has changed people from casual to part-time employment, and Officeworks has taken people from low numbers of hours to much higher numbers of hours and given them much more sustainable jobs. Plenty of companies are demonstrating that these sorts of things can be done and can work.

Ms GEORGE—But with growing numbers of casuals in the industry, presumably none of them have any right to access any family-friendly provisions?

Mr Blandthorn—By and large, that is true.

Ms GEORGE—That is something I think the committee needs to look at. If we are heading in the direction of being the country with the second highest concentration of casual employment, all those people have no access to any family-friendly benefits. Where does it go?

Mr Blandthorn—Leaving aside the access that some casuals have to a minimum amount of parental leave, after that they really have no access to anything.

CHAIR—But casual work in itself can be a family-friendly thing, because it allows you to have more time in the family environment.

Mr Blandthorn—It can if that is what a person chooses to do.

Mrs IRWIN—It is not a guarantee.

CHAIR—There are lots of people who love that.

Mr Blandthorn—That was going to be my point. Often people take it because there is no alternative, and when they do take it there is no guarantee. A feeling of insecurity exists all the time, because they do not know.

CHAIR—One of the things we are going to take a closer look at is the interface between work and welfare—the difficulties. Somebody who has got a foot in the door and has some sort of job is better off than somebody who has no job at all. That has been quite significant in getting unemployment down to five per cent. But the interface and how people go from one to the other as needs be is quite important. I do not know if you have done any work on that, have you?

Mr Blandthorn—I agree with you that the best protection against poverty is a job. There is no debate about that, but I think the key factor that applies to the situation you are talking about is the effective marginal tax rates and some of the problems those create.

CHAIR—No, it is more than that I want to look at. It is the understanding people have about what their entitlements are and what they can do. I suspect from one submission we have that we are going to take a more careful look at that. There is quite an area there to be explored. Thank

you very much for coming today. It has been a most useful submission. Thank you for your attendance today and thank you also to Hansard.

Resolved (on motion by **Mr Quick**):

That this committee authorises publication, including publication on the parliamentary database, of the transcript of the evidence given before it at public hearing this day.

Committee adjourned at 12.22 pm