

December 2016

Submission to the Senate Community Affairs Legislation Committee on the 'Fairer Paid Parental Leave Bill 2016'

YWCA Adelaide would like to thank the committee for the opportunity to provide a submission to this inquiry.

YWCA Adelaide is a not for profit women's leadership organisation which has been providing a voice for women and girls in South Australia for 135 years. The organisation is well respected for its policy and program work towards gender equality, the prevention of violence, and creating strong and equitable communities through the development of women's leadership.

YWCA Adelaide is part of the national YWCA Australia, and the World YWCA movement, the world's largest women-led membership movement with a global outreach of 25 million women and girls. This global network of women leads social and economic change in over 120 countries worldwide.

We wish to express our concerns regarding the proposed Bill before federal parliament, which seeks to make amendments to the Paid Parental Leave Act 2010. We hold grave concerns about the impact that the proposed Bill will have on families and in particular mothers and children. YWCA Adelaide advocates that no changes be made to the Parental Leave Bill that serves to move backwards on supporting working mothers and safeguarding the health of both mother and baby, as these changes will do.

As experts in the gender equality and women's leadership sector, YWCA Adelaide understands that Paid Parental Leave is an essential part of addressing the gendered wealth gap, improving women's workforce engagement and ensuring positive health outcomes for mothers and their children. In its current form, the Paid Parental Leave Scheme has several aims:

- Increasing women's lifetime workforce participation;
- Improving women's health;
- Improving babies' health; and
- Developing a culture of promoting paid parental leave as a gender equality measure in workplaces and the broader community.

YWCA Adelaide endorses Equality Rights Alliance's Member submission to this inquiry, and similarly asserts that the proposed amendments will undermine all of these aims. We are concerned that proposed changes, and the discourse around 'double dipping' and a 'fairer system' demonstrate a lack of understanding about the purpose of paid parental leave, and the harmful impacts of reducing access to such leave for families and in particular women.

Firstly, it is important to recognise that the current Paid Parental Leave Scheme in Australia is one of the least generous schemes in the developed world, ranked as third lowest in the OECD¹. Other countries are moving forward with their paid parental leave schemes for

¹ OECD, *Key characteristics of parental leave systems*,
http://www.oecd.org/els/soc/PF2_1_Parental_leave_systems.pdf

mothers in addition to offering considerable leave specifically for fathers. If this Bill is passed, Australia will be moving backwards, which could cause adverse social, health and economic consequences.

Experts including the World Health Organisation² and the Commonwealth Department of Health³ recommend 26 weeks as the minimum period of time off work needed for health and welfare benefits to parents and newborns. We note that in their 2009 report, the Productivity Commission also recognised 26 weeks as the optimum time of leave to be taken for the health and welfare of new mothers and their babies.⁴ The proposed changes to the current paid parental leave scheme would deteriorate the likelihood of this being possible for working mothers as workplaces would not be able to 'top-up' leave available.

The current Paid Parental Leave Scheme was originally intended to complement existing entitlements provided by employers. The proposed changes would mean that up to 80,000 of parents would not be able to access the 18 weeks of paid leave currently offered by the government that would serve as a 'top up' to reach the recommended 26 weeks. Not only do these proposed changes create a disincentive for employers to provide paid parental leave and family-supportive workplaces, but they could also increase demand for childcare for the very young, in a costly system that is already struggling to keep up with demand.

This would also undermine the developing culture of shared responsibility between the government and employers in securing women's workforce participation by providing adequate paid parental leave. The 2014 Australian Human Rights Commission Report that showed that 1 in 2 mothers and 1 in 4 fathers experience pregnancy related discrimination in the workplace.⁵ The proposed changes would erode the normalisation of paid parental leave in the workplace, thus further increasing risk of discrimination.

Not allowing employers to 'top up' paid parental leave would also put at risk women's workforce stability in regards to attracting and retaining women employees. The Department of Social Security's review of the current paid parental leave scheme found that paid parental leave increased mothers' tendency to return to work in the longer-term, and that those mothers who returned were more likely to sustain their employment in the longer term than mothers who returned to employment before the PPL scheme was available.⁶

We already have a significant gendered wealth gap in this country.⁷ Financially disadvantaging women who take time off work to be with their babies will only contribute to that gap. At the 2014 G20 Summit the Federal Government committed to reducing the workforce participation rate between men and women by 25% by the year 2025. Paid parental leave contributes to women's meaningful and sustainable workforce participation by creating a supportive workplace culture, as well as systems that enable them to return to work when they are ready. These proposed amendments run the risk of undermining our commitment to increasing women's economic and workforce stability.

² WHO Recommendations on Post-natal care of the mother and newborn, 2013

http://apps.who.int/iris/bitstream/10665/97603/1/9789241506649_eng.pdf?ua=1

³ *Eat for Health-Infant Feeding Guidelines Information for Health Workers*, National Health & Medical Research Council 2012

⁴ *Paid Parental Leave Productivity Commission Inquiry Report*, No 47, 2009,

<http://www.pc.gov.au/inquiries/completed/parental-support/report/parental-support.pdf>

⁵ *Supporting Working Parents: Pregnancy and Return to Work National Review – Report*, 2014

https://www.humanrights.gov.au/sites/default/files/document/publication/SWP_Report_2014.pdf

⁶ Department of Social Security *Paid Parental Leave scheme Review Report* June 2014 viewed 25 November 2016 at

https://www.dss.gov.au/sites/default/files/documents/06_2014/paid_parental_leave_scheme_review_report.pdf

⁷ See <https://www.wgea.gov.au/sites/default/files/2015-16-gender-equality-scorecard.pdf>

YWCA Adelaide would also like to reiterate the health impacts of reducing access to paid parental leave entitlements. The implications of forcing women back to work before they are ready go well beyond the current period of paid parental leave; the Longitudinal Study of Australian Children found that women who took between 13 and 26 weeks parental leave were more likely to report that they were suffering from mental distress for up to two years, than women who took more than 26 weeks.⁸ Additionally, the long term benefits to children of breastfeeding exclusively to 6 months are well known: improved brain and cognitive development,⁹ measurable impact on school performance and later life¹⁰ and a decreased risk of obesity have all been clearly identified as benefits of prolonged breastfeeding.

YWCA Adelaide strongly advocate that this Bill would adversely impact the health and economic outcomes for families, in particular mothers and babies, and set Australia backwards in our provision of paid parental leave in comparison with other OECD countries.

The provision of paid parental leave must be seen in terms of providing adequate support to working parents at a critical time of their and their babies' lives, as well as a progressive economic measure to increase women's lifetime workforce participation. Therefore we oppose the changes proposed in the 'Fairer Paid Parental Leave Bill 2016'.

Thank you for the opportunity to provide a submission to this inquiry.

Yours sincerely,

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YWCA Adelaide

⁸ Department of Families, Housing, Community Services and Indigenous Affairs. *Paid Parental Leave evaluation: Phase 1* Occasional Paper No. 44 https://www.dss.gov.au/sites/default/files/documents/06_2012/op44.pdf

⁹ *Breastfeeding and early white matter development: A cross-sectional study* Deoni et al *NeuroImage* vol. 82 15 November 2013 pp77-86 <http://www.sciencedirect.com/science/article/pii/S1053811913005922>

¹⁰ Kramer et al, *Breastfeeding and Child Cognitive Development New Evidence From a Large Randomized Trial 2008* ARCH GEN PSYCHIATRY/VOL 65 (NO. 5), MAY 2008

<http://jamaneetwork.com/journals/jamapsychiatry/fullarticle/482695>