



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



THE SENATE

**FAIR WORK AMENDMENT (PAID
PARENTAL LEAVE) BILL 2010**

Second Reading

SPEECH

Thursday, 30 September 2010

BY AUTHORITY OF THE SENATE

SPEECH

Date Thursday, 30 September 2010
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Questioner
Speaker Hanson-Young, Sen Sarah

Source Senate
Proof No
Responder
Question No.

Senator HANSON-YOUNG (South Australia) (9.37 am)—I move:

That this bill be now read a second time.

I seek leave to table the explanatory memorandum to the bill and to have the second reading speech incorporated in *Hansard*.

Leave granted.

The speech read as follows—

The Fair Work Amendment (Paid Parental Leave) Bill 2010 amends the Fair Work Act 2009 and builds upon the existing provisions for unpaid parental leave, to provide for a system of paid parental leave that will assist all eligible Australian parents who take time off from their employment upon the birth or adoption of a child.

The Greens Bill for six month leave, plus superannuation, is not intended to be in addition to the Government's 18 week scheme, but rather the preferred model that should be adopted.

For more than thirty years, Australian women have been calling for action on paid parental leave, and despite a commitment in last night's budget for the introduction of an 18 week scheme, the fact that it will be delayed until 2011 suggests that the Government is not really serious about this basic workplace entitlement.

Paid parental leave is, and should be, viewed as an important pillar of childhood development, and last night's budget proved the opportune time to immediately invest in, and stimulate our economy, and putting money in the pockets of parents is the obvious way to go.

Research conducted by the Australia Institute in 2009 suggests that "the spending and living patterns of young families combine to create a strong economic case for introducing paid parental leave," again highlighting, the obvious benefits such a scheme would have on the economy.

Paid parental leave has been long standing Green policy, and legislative action on this issue has been long overdue. And while it is often said that Australia is only one of two OECD countries without a universal scheme of paid parental leave, we must remember that more than 50% of American women are eligible for some form of government-funded paid parental leave, while more than two-thirds of Australian working women continue to miss out.

When you consider that Sweden offer 47 weeks, New Zealand offer 28 weeks, Finland offer 32 weeks, and even Spain offer 27 weeks, the fact that Australia is still behind the eight ball on these basic supports for working families is concerning.

Paid parental leave must be seen as a workplace entitlement, and this includes ensuring that any payment must be treated as a wage for the purposes of taxation, superannuation and other related laws and agreements.

The fact that the unpaid parental leave provisions are included in the Fair Work Act, suggests that paid parental leave is an obvious inclusion, yet the Government's scheme fails to acknowledge the significance of workplace attachment, by making it a social security payment.

This legislation therefore, amends the Fair Work Act to provide for 26 weeks Government-funded paid leave at or around the birth or adoption of a child for all eligible Australian parents, at the level of the minimum wage, or if they earn less than this (eg. part-time or casual workers), at their average wage, with a guaranteed income and a right to return to work at the end of it.

What the Bill does:

Essentially, this Bill provides paid leave for all eligible parents—mothers and fathers, adoptive parents, parents in same-sex relationships, and those working in both the public and private sectors, and the self employed—who have worked for their current employer for a minimum of 12 months.

This Bill requires that six weeks leave is quarantined solely for the birth mother as birth related leave, with the remaining 20 weeks may be split between the two parents at their discretion. Eligible adoptive parents can share the 26 weeks.

This Bill also ensures that if an eligible employee takes a period of paid parental leave, then neither the employee or the employee's spouse or de facto partner is entitled to the Baby Bonus or any other paid maternity, paternity, or parental leave payment under any other Commonwealth, state or territory law.

Paid parental leave is not intended to discriminate against at-home parents; rather, it is to facilitate workplace attachment, as an entitlement for employees.

The importance of recognising paid parental leave as a workplace entitlement is essential, and this Bill will ensure that just like long service leave or sick leave, employees will continue to accumulate superannuation payments.

Cost to the Government:

It is estimated that the total net cost of the Paid Parental Leave scheme contained in this Bill is approximately \$740 million per annum for Government and approximately \$90 million per annum for business, making a net cost of approximately \$830 million per annum.

Community support for Parental Leave:

Support for parental leave has been gaining momentum for years, and while Parliamentary action on this issue is long overdue, we must recognise the tireless efforts of another South Australian, who introduced the first paid maternity leave Bill back in 2002, former Senator Natasha Stott Despoja.

The National Foundation for Australian Women, the YWCA, the Commission for Children and Young People, the World Health Organisation, the Public Health Association, the Australian Breastfeeding Association, Unions NSW, the National Tertiary Education Union, the Community and Public Sector Union, and the Liquor, Hospitality and Miscellaneous Union, have all advocated for a 26-week, government-funded paid parental leave scheme to be introduced in Australia.

Given the World Health Organization, the Australian Breastfeeding Association and the Public Health Association all advocate 26-weeks paid leave for mothers promoting and supporting exclusive breastfeeding for six months, again highlights the community and sector support for such a scheme.

In 2009 Auspoll released research - commissioned by the National Foundation for Australian Women, Unions NSW, Commission for Children and Young People, Catalyst Australia and the YWCA Australia surveyed 1703 respondents aged between 18 and 64 years on their views on paid parental leave and tax.

The research showed that four out of five Australians – 82 per cent - would prefer the Federal Budget to fund parental leave rather than tax breaks for high income earners.

Paid parental leave – it's affordable:

According to a recent report commissioned by the Australia Institute, entitled Long overdue: The macroeconomic benefits of paid parental leave, the introduction of a paid parental leave scheme in Australia would pay for itself, stimulate the economy and create 9,000 new jobs.

Support for parents in their efforts to care for their newborn children is an essential component of any Government policy that aims to promote the health and well-being of infants, and invest in the long-term health and educational outcomes of children.

This legislation will ensure that paid parental leave is finally viewed as a workplace entitlement in the true sense of the word. It is time to stop punishing Australian families for having children, and start valuing the work of mothers and fathers and appreciate the economic benefits of introducing a paid parental leave scheme, not only for the economy, but also for the community.

We know we can afford it, we know it's beneficial for the economy, and we know the majority of Australians support it.

It is time for the Government to look closely at the Greens fully-costed model for 26-weeks paid parental leave to get the ball rolling on this basic workplace entitlement.

I commend this Bill to the Senate.

Senator HANSON-YOUNG—I seek leave to continue my remarks later.

Leave granted; debate adjourned.