

Australian Nursing & Midwifery Federation

2 March 2017

The Chair Senate Community Affairs Legislation Committee PO Box 6100 Parliament House Canberra ACT 2600

(By email community.affairs.sen@aph.gov.au)

Dear Chair

#### Re. Invitation to submit to the Senate Community Affairs Legislation Committee Inquiry into the Social Services Legislation Amendment (Omnibus Savings and Child Care Reform) Bill 2017

The Australian Nursing and Midwifery Federation (ANMF) thanks the Committee for the invitation to make a submission into the Inquiry into the Social Services Legislation Amendment (Omnibus Savings and Child Care Reform) Bill 2017 (the Omnibus Bill).

We note the Omnibus Bill packages together several measures or changes to child care funding, paid parental leave and family tax benefits. While we welcome increased investment in early education and child care we do not support funding the package for child care by cutting other essential family support mechanisms such as family tax benefits and paid parental leave. Our primary concern regards paid parental leave, which is the focus of this submission.

The benefits of paid parental leave (PPL) to mothers, babies, families and communities are now well known and supported by an increasing body of international research. PPL is associated with enhanced workforce participation for women, improvement in the health of mothers particularly in relation to lower stress levels and incidence of post-natal depression and better health for babies primarily due to extended breastfeeding. PPL is also known to contribute to increased gender equity and better work-life balance.

The foregoing issues were addressed in some detail in the ANMF submission to the Committee on the *Fairer Paid Parental Leave Bill 2016* (as attached to this letter) and at the public hearing on the *Fairer Paid Parental Leave Bill 2016* held in Melbourne on 1 February 2017.

At the public hearing our member Phoebe McDonough a registered nurse and mother of four young children, detailed with eloquence and passion the importance of a paid parental leave system that supports parents being able to spend the formative time with newborns without falling into destitution.

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The industrial and professional organisation for Nurses, Midwives and Assistants in Nursing in Australia



Australian Nursing & Midwifery Federation

The ANMF would respectfully urge the Committee to have regard to this evidence which is at pages 27 and 28 of the Committee Hansard.

The ANMF notes the Omnibus Bill amends the Paid Parental Leave Act 2010 to provide that parental leave pay under the PPL scheme will only be available to parents who have no employer-provided paid primary carer leave, or whose employer-provided paid primary carer leave is for a period less than 20 weeks or is paid at a rate below the full-time national minimum wage.

The ANMF does not support these changes and note that very few nurses, midwives or carers will be better off under the proposed changes. On the other hand the vast majority of our members will lose a substantial amount in paid leave entitlements. The amount will vary of course, depending on the period of leave available under the employee's enterprise agreement, but in every case there will be a reduction in the period of paid leave available and consequent loss of income.

The Paid Parental Leave Act 2010 provision of 18 weeks paid leave at the minimum wage was always intended as a safety net entitlement to be supplemented by other arrangements agreed between the employee and employer, as is the case with many safety net entitlements. Since 2010 employees and employers proceeded to negotiate entitlements to paid parental leave in the belief that, while there may be incremental and progressive changes in these community standards, the overall structure of the national scheme, comprising a government benefit supplemented by workplace arrangements, would continue. The changes to PPL as proposed in the Omnibus Bill turns this assumption on its head without justification.

We respectfully request the Committee have regard to these brief comments and please contact ANMF Senior Federal Industrial Officer Nick Blake at <u>industrial@anmf.org.au</u> or on 03 96028500 if you require further information.

Yours sincerely

Chomas

Lee Thomas Federal Secretary

Encl: ANMF Submission to the Senate Community Affairs Legislation Committee Inquiry into the Fairer Paid Parental Leave Amendment Bill 2016



SUBMISSION TO THE SENATE COMMUNITY AFFAIRS LEGISLATION COMMITTEE INQUIRY INTO THE FAIRER PAID PARENTAL LEAVE AMENDMENT BILL 2015



# Lee Thomas Federal Secretary Annie Butler Assistant Federal Secretary July 2015

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Australian Nursing & Midwifery Federation



#### Forward

A decent, fair paid parental leave scheme is as valuable to women and families as the economic security that it brings.

Nurses and midwives know this. Sadly, the Australian government appears to have a blind spot when it comes to the important and valuable outcomes a decent paid parental leave scheme has on our economy and Australian families.

Nurses and midwives have bargained for increased paid parental leave for many years. They have undertaken extensive and costly education to practice. In many cases they have saved annual and other forms of leave to use when they start a family, to extent the time available for them and their families when a new baby comes home.

#### The Policy Backflip

On Mother's Day 2015, the Australian Government, were vocal in their view regarding women who rightly accessed their employee entitlements in addition to the government paid parental leave scheme, calling them "*double dippers, rorters and fraudsters*". The ANMF is appalled that any worker accessing an employee entitlement should be referred to in this manner.

The government has been adamant that such double dipping is unfair, even going as far as referring to new mothers who have accessed both the government scheme and entitlements available pursuant to enterprise agreements, as "cheating the system".

In fact the Treasurer claimed it was "basically fraud" (Channel 9 Sunday program) and the Community Services Minister said it was "a rort" (Sky news).

Putting aside the cowardly vilification of new mothers who accessed the government scheme and their legal entitlement under industrial agreements, the claims by government of double dipping are simply offensive and untrue.



The complementary schemes were designed to enable working mothers to access up to 26 paid weeks parental leave (as defined by the WHO as the minimum period of exclusive care and breastfeeding for a mother and her baby) by combining the workplace provision with the government funded scheme.

# Please don't ignore the practical consequences this policy backflip will have on working women in Australia.

Having previously made policy decisions and election commitments based on a government scheme of 26 weeks, the government backflip and consequential removal of the right to access both schemes will have a significant emotional and economic effect on working families.

As a result of this announcement on Mother's Day 2015, the ANMF asked members who had taken both employer and government sponsored PPL what was their main reason for accessing both. Hundreds of women told the ANMF their stories. We want you to hear what this will mean in practice to nurses, midwives and assistants in nursing and their families.

ANMF members said they accessed both schemes primarily to 'extend the time at home with their newborn' and 'to assist with breastfeeding'.

They also advised that they took both schemes:

"Because accessing only one would have left us without any other income but my partner's teacher wage." Full time public sector, WA.

"Because we both wanted the time to bond with our baby and to give me support during the first few weeks at home as I had C-sections and my husband's employer at the time a small business would not let him take carer leave." Part time private sector, QLD

"To extend the time at home with my newborn and to assist with breastfeeding." Part time public sector, QLD



"Feeding, bonding and physically was unable to walk properly until 20 weeks postpartum due to trauma during delivery." Part time public sector, QLD

"I was injured whilst pregnant at work. After a fall at 30 weeks I was made to go on strict bed rest. I accessed employer maternity leave then went on to paid parental leave after." Part time public sector, SA

"My son was premature. Being able to access both my work and government leave gave me the opportunity to spend valuable time with my son once he was released from the Neonatal Intensive Care Unit. It was also important in being able to keep him out of day-care longer and give his body the opportunity to get strong and build up immunity." Part time public sector

"To ensure I had the 1st year off with my child & limited child care spots available for under 2yo in our area." Part time public sector, NSW

"To extend the time at home with my newborn and to assist in breastfeeding longer." Part time public sector, WA

"To grieve for my son who was unexpectedly stillborn at term." Full time public sector, WA

The ANMF, on behalf of 240,000 members, many of whom have told us that they are thinking about starting or adding to their families in the future, are asking the Senate not to ignore the 'real' reason why women take paid parental leave. We are asking the Senate to ignore the political rhetoric used against women workers to justify this bad policy backflip.

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#### A. Introduction

The Australian Nursing and Midwifery Federation (ANMF) is the national union for nurses, midwives and assistants in nursing with branches in each state and territory of Australia. The ANMF's core business is the industrial, professional and political representation of over 240,000 members nationally.

We thank the Committee for providing this opportunity to submit the views of our members' views on the Fairer Paid Parental Leave Amendment Bill 2015 (the Bill).

In addition to making specific comments on the Bill, our submission is intended to provide the Committee with an overview of the impacts on nurses, midwives and assistants in nursing should the Bill become law.

Our submission also provides a snapshot of existing parental leave arrangement for our members across each major component of the health, community and aged care sectors.

We are strongly of the opinion the changes proposed in the Bill are a very significant backward step in the pursuit of gender equality, improving the role and participation of women in the workforce and the value our communities place on families.

#### B. Objectives of Paid Parental Leave schemes

It is generally accepted the paid parental leave schemes:

- enhance the health of babies and mothers, and the development of children, by enabling working mothers to spend longer at home with their newborn children;
- facilitate women's labour force participation; and
- encourage gender equity and improve the balance of family and work life in Australian families.



#### Improving the health of mothers and babies

Parental leave improves the mental and physical health of new mothers and results in better prenatal and postnatal care of the new born child. (<u>http://workfamilyca.org/resources/HIPFactSheet 2011.pdf</u>) In this context the established links between paid parental leave and improved health are diverse : children require care and support from family members to manage illnesses : women need time to recuperate after pregnancy and delivery of a child and families need time to bond after a birth.

Numerous studies have demonstrated the direct link between period of leave taken and the improved mental and physical health of the mother.

McGovern et al in their Report Time off work and the postpartum health of employed women. (Med Care. 35(5):507-21.) demonstrated that more than 12 weeks of leave is associated with increased energy and lack of fatigue; taking more than 15 weeks leave is associated with positive maternal mental health including reduced depression and anxiety; and taking more than 20 weeks of leave is associated with positive effects on overall maternal function. These positive outcomes rely on ensuring that new mothers and their families avoid where possible financial pressure during periods of parental leave. The ANMF supports parental leave schemes that promote maternal and family wellbeing and associated economic security.

#### Facilitate women's labour force participation

One principle trend of the workforce in Australia , as it has been for most developed countries over the last 50 years, is the steady rise in the numbers of employed women.

In Australia the labour force participation rate of women reached 59% in February 2011. (FaHCSIA Occasional Paper No. 44 Paid Parental Leave evaluation: Phase 1).



In response to the growth of working women in the labour force, particularly those with family responsibilities, policy and regulation has been introduced to assist the full and equal participation of women including equal pay for work of equal value, equal employment opportunity, affirmative action, and paid and unpaid parental leave.

While unpaid parental leave is a universal employee entitlement paid parental leave benefits have now become a feature of enterprise agreements. These industrial advances, along with the government scheme reflect both a desire of the community to improve the health of new mothers and babies by providing paid leave. It is also a recognition by most employers that paid parental leave promotes employment continuity and workplace retention (thus helping to preserve job and employer specific skills that would be reduced if parents were to resign or move to another employer) and reduces training costs for employers. Many employers also embrace paid parental leave because it signals to their current and prospective employees that they are family friendly and value female workers.

# Encourage gender equity and improve the balance of family and work life in Australian families

As women are typically (but not exclusively) the primary care provider this often means taking substantial breaks from employment and/or working less hours in order to meet their parental responsibilities. The detrimental impact this has on employment prospects, career progression, remuneration, retirement savings etc. has been well documented.

We note that employers are not required to make superannuation contributions in respect of the commonwealth paid parental leave scheme. This constitutes an additional financial penalty borne by working mothers and has a detrimental impact on equity in the workplace.



#### C. The Paid Parental Leave Act 2010

The first national paid parental leave scheme in Australia was established by the Gillard government. The Paid Parental Leave Act 2010 (applicable on and from 1 January 2011) provided primary carers up to 18 weeks paid leave at the national minimum wage. Entitlements to the benefits were irrespective of any entitlement the employee may have had under an enterprise bargaining agreement and regardless of the amount of such payments.

The Explanatory Memorandum to the Paid Parental Leave Bill 2010 stated:

"This bill introduces a Paid Parental Leave scheme (the scheme) for parents who are primary carers of a child born or adopted on or after 1 January 2011. The scheme will be funded by the Government and is the culmination of over two years of policy development and public consultation to develop a scheme to respond to Australia's social and economic circumstances. The scheme will provide working mothers, and the initial primary carers of adopted children, with access to up to 18 weeks' parental leave pay at the national minimum wage, while they stay at home to look after their baby or adopted child.

Parental leave pay will complement parents' entitlements to unpaid leave such as unpaid parental leave under the National Employment standards. It can be received before, after, or at the same time as existing entitlements such as employer-provided paid leave such as recreation, annual and employer-provided maternity leave.

The economic and social circumstances referred to in the Explanatory Memorandum were consistent with the Productivity Commission view who defined the rationale for a government-paid parental leave scheme as: supporting maternal and child health; increasing women's workforce participation; gender equity; and 'normalising' taking time out of the workforce to raise children for both mothers and fathers. (Productivity Commission 2009 Report: Paid Parental Leave: Support for Parents with Newborn Children)



The Paid Parental Leave Act 2010 provision of 18 weeks paid leave at the minimum wage was intended as a safety net entitlement to be supplemented by other arrangements agreed between the employee and employer, as is the case with many safety net entitlements. This was evident in the Explanatory Memorandum.

The 18 weeks' pay at the national minimum wage was intentionally established at a level well below the OECD average precisely because it was intended to complement paid parental leave entitlements in enterprise bargaining agreements. (Note - the OECD average in 2014 was 12 months paid leave. <u>http://www.oecd.org/els/family/PF2\_5\_Trends\_in\_leave\_entitlements\_around\_childbi</u> <u>rth.pdf</u>)

Since 2010 employees and employers proceeded to negotiate entitlements to paid parental leave in the belief that, while there may be incremental and progressive changes in these community standards, the overall structure of the national scheme, comprising a government benefit supplemented by workplace arrangements, would continue. The Fairer Paid Parental Leave Amendment Bill 2015 turns this assumption on its head, much to the detriment of employees.

#### D. The Abbott government's approach to Paid Parental Leave

Over a relatively short period the Coalition governments paid parental leave policy backflips have been audacious and unmatched in recent political history.

#### A Rolled Gold Scheme

Well prior to forming government in 2013 the leader of the Coalition opposition Tony Abbott promised voters a "rolled gold" paid parental leave scheme consisting of the full wage of a working parent plus superannuation for six months.

Importantly Mr Abbott described his scheme as a workplace entitlement, not a welfare payment.



This view was adopted in the Coalitions 2013 election manifesto "Our Plan" which stated:

The Coalition's paid parental leave scheme is part of our Real Solutions Plan to build a stronger Australia and a better future for all Australians We are proud of this policy: it helps women, it helps families and it will strengthen the economy.

Australian men and women receive a replacement wage when they are on annual leave, sick leave and long service leave. We believe it is right for a mother to receive her full wage while on parental leave.

Of the more than 30 countries in the OECD offering a paid parental leave scheme, Australia is one of only two nations that fail to pay parental leave based on a replacement wage.

Our policy is consistent with recommendations from the Australian National Health and Medical Research Council and World Health Organisation that the minimum period of exclusive care and breastfeeding for a mother and her baby is six months.

#### A Rolled Gold Scheme Means Tested

In April 2014 the Abbott government announced changes to the proposed paid parental leave policy by reducing the threshold for the wage replacement scheme from \$150000 to \$100,000.

Before this change, women earning \$150000 or more would have been eligible for a maximum of \$75000.

#### Slashing Community Standards

In June 2015 the government introduced the Fairer Paid Parental Leave Amendment Bill 2015 intended to prevent employees accessing the Commonwealth paid parental leave scheme to supplement their enterprise bargaining agreement entitlements beyond a maximum of 18 weeks paid leave at the minimum national wage.



In a few short years the commonwealth government has gone from broadcasting the importance of improving paid parental leave schemes, as structurally important to our national economy, to cutting existing entitlements. By any measure this has been a derisible history of policy ineptitude.

# E. An overview of the current entitlements to Paid Parental Leave arising from extant EBA's applying to nurses, midwives and carers.

Entitlements relating to paid parental leave for the vast majority of nurses, midwives and assistants in nursing are contained in enterprise agreements negotiated between the employer and the ANMF.

With a 92% female workforce, the ANMF has included improved paid leave entitlements in members' log of claims since the advent of enterprise bargaining.

Improvements in this area have been incremental with patchy outcomes and with more success in some sectors than others. For example, our members employed in the public sector have had some form of paid parental leave for many years whereas in the aged care sector there are still some employers who continue to resist such claims and provide from zero – two weeks as a maximum.

Typically, paid leave provisions are in addition to the Government scheme with only a small number of agreement clauses operating as a "top up", (in terms of wages), to the Government scheme.

#### **Public Hospitals**

Nurses, midwives and assistants in nursing employed in the public sector are covered by State or Territory based enterprise agreement or Award provisions providing paid parental leave ranging from 10 weeks to 20 weeks of paid leave. Paid parental leave payments are generally paid on the commencement of leave or over the leave period based on either full pay or half pay over double the period.



#### **Private Hospitals**

In the private acute sector, enterprise agreements cover approximately 92% of acute hospital beds and all but five agreements nationally provide some form of paid parental leave. Enterprise agreement clauses are variable, ranging between 8 and 18 weeks of paid leave. There are also a small number of examples with 6 weeks paid leave for employees with less than 2 years' service. The average is 12 weeks paid leave calculated on the top ten hospital networks which make up 80% of beds in this sector.

Paid parental leave provisions in private hospital agreements are fairly standard clauses providing a period of leave paid on commencement or during the leave period. Exceptions are as follows:

- In one case, the payment (14 weeks) is conditional on return to work and paid after a qualifying period;
- A small number (2) of agreements with scaled arrangement (i.e. from 6 to 12 or 18 weeks) based on years of service; and
- One example only of make up or top up pay for the 18 week period under the Government scheme.

#### **Residential Aged Care**

Almost ninety percent of residential aged care facilities are covered by agreements with the vast majority providing some level of paid parental leave. An analysis of the top seventy five provider networks comprising approximately 60% of total bed count shows that outcomes are more variable in the aged care sector ranging from 2 to 18 weeks with the median being 8 weeks paid leave.

Across all sectors typically payment is made on commencement or during the period of paid leave however other arrangements that should be noted include:



- Top-up or Make-up pay, where the employer pays the difference between the minimum wage under the Government scheme and the employee's ordinary pay for either part or all of the 18 weeks; (Bupa Care Services, NSWNMA, ANMF (NSW Branch) and HSU NSW Branch, New South Wales Enterprise Agreement 2013);
- Paid parental leave of 10 weeks with an option to purchase further paid leave. (Eldercare Inc. Nursing Employees Enterprise Agreement 2012-2014 (AE896858));
- Nine weeks top up pay if eligible for the Government parental leave payment or 9 weeks employer paid leave if the employee is not eligible. (Christadelphian Aged Care Homes Limited and NSW Nurses and Midwives' Association Enterprise Agreement 2013 (AE407467));
- Paid Parental leave based on average weekly earnings over the past 12 months. (Darwin Private Hospital – Nurses and Midwives – enterprise Agreement 2014-2017 (AE413194)).

# F. Modelling of the impact of the changes across the public, private and aged care sectors & across key classifications.

The disbelief and anger from ANMF members via social media and survey responses is indicative of the high level of betrayal and bewilderment felt by nurses, midwives and assistants in nursing at the changes proposed in the Bill.

# It is undeniably clear that no-one will be better off under these proposed changes to paid parental leave announced by the Abbott Government.

Our members will lose a substantial amount in paid leave entitlements. This will vary of course, depending on the classification and employment arrangements of each employee, but in **every case** there will be a loss of income, the only question is, how much?



Our modelling highlights the financial impact of the proposed changes on nurses, midwives and assistants in nursing employed at various classifications, working in the public, private acute and residential aged care sectors.

The modelling is based on two scenarios; the first is on average hours worked (AIHW 2014), and the second, on working three shifts per week, that is 22.8 hours per week.

Looking at each sector separately due to the variable levels of employer paid leave entitlements, it is clear that all nurses, midwives and assistants in nursing working average hours in the public sector will not receive any Government paid parental leave payment.

A registered nurse level 1 in their 5<sup>th</sup> year, for example, currently receives a total of \$28,949 made up of 14 weeks employer provided leave and \$11,824 (18 weeks at the minimum wage rate). Under the proposed changes, the same nurse will not be eligible to receive any payment under the Government scheme resulting in a 45 percent reduction in her expected income. The impact is even greater for an assistant in nursing who will lose 49 percent (almost half), of their expected income over their period of parental leave.

Nurses working average hours in the private acute sector will similarly be worse off to the tune of between \$11,824 for RNs to \$9860 for assistants in nursing amounting to a loss of 45% of expected income in both cases.

In residential aged care, where employer provided leave is for a lesser period, the loss is between \$9596 for RNs and \$5785 for assistants in nursing, amounting to a loss of expected income of 45% and 33% respectively.

Nurses working less than average hours will also experience a substantial loss in income. Our modelling shows that a registered nurse in the public sector working three shifts per week will lose \$11,824, with enrolled nurses and assistants in nursing losing \$9135 and \$8024 respectively.



In the private acute sector, the loss of income stands at \$6500 for assistants in nursing up to \$10,837 for an RN level 1 year 5; and in residential aged care assistants in nursing will lose \$3880, enrolled nurses \$4674 and registered nurses up to \$6287.

Across the board, nurses will be hit hard financially placing further stress on themselves and their families as they try and balance the increasing pressures between work and family.

Further detail in relation to the financial impact is included in Table 1 at page 29.

#### G. Other issues

#### **Salary Sacrificing**

We note the Bill may have additional adverse impacts for those employees with salary packaging arrangements.

Under the heading Impact on Employees the Explanatory Memorandum notes:

"However, there may be an impact on the after tax-income of employees with salary sacrifice arrangements in place. Where their employer is administering PLP payments, salary sacrificing arrangements are able to continue and so the employee's tax liability would continue to be calculated on a lower salary. However, as DHS does not offer salary sacrifice deduction functionality, an employee's tax liability could increase if the mandatory employer role is removed and their employer does not opt back in to be the paid parental leave paymaster. This may be a particular issue for employees in the not-forprofit sector who are more likely to have salary-sacrificing arrangements in place.

While this impact is not a compliance cost, it may have an impact on the aftertax income a person may receive, dependent on an employee's income and the level of salary sacrificed under the arrangement."

(https://www.comlaw.gov.au/Details/C2015B00120/Explanatory%20Memorand um/Text)



Currently parental leave payments administered through the employer may attract the benefits of salary sacrifice. The Explanatory Memorandum confirms, under the proposed administration of the new Commonwealth scheme, payments made by government will not attract the benefits of salary sacrifice.

Under the proposed changes unless employers choose to opt in to administer the government funded paid parental leave scheme salary sacrificing arrangements will not apply. This effectively means employees will be subject to the full tax rate for any money received from the Commonwealth.

Nurses, midwives and assistants in nursing in the public hospitals and residential aged care sectors have access to salary sacrificing arrangements. Many employees in these sectors are low paid, part time workers earning around the minimum weekly wage.

These changes will have an additional adverse impact on employees and on many employers who use salary packaging as recruitment and retention initiative.

### Top Up or Make Up Pay Entitlements

A small number of agreements mainly in residential aged care and to a lesser extent in the private acute sector contain clauses providing for "top up" or "make up" pay, where the employer pays the difference between the minimum wage under the Government scheme and the employee's ordinary pay for either all or part of the 18 weeks.

The example below is from the Bupa Care Services, NSWNMA, ANMF (NSW Branch) and HSU NSW Branch, New South Wales Enterprise Agreement 2013:

#### 37. Parental leave

b) BPPL provisions apply to those employees eligible for Government Paid Parental Leave (GPPL) and Dad and Partner Pay if and while they remain



eligible. For clarity, Bupa will cease to "top up" an employee's ordinary rate of pay if they are no longer eligible for the GPPL or Dad and Partner Pay.

- 37.2 Primary Carer leave
- (b) Bupa will "top-up" Government Paid parental Leave (GPPL), providing up to 12 weeks of parental leave at the employee's ordinary rate of pay, for primary care givers of a child including an adopted child. The GPPL pay is based on the rate of the National Minimum Wage (currently \$622.10 per week before tax —this rate is reviewed annually) and is paid for a maximum of 18 weeks. Bupa will provide GPPL pay to employees directly (in their usual pay cycle) and will "top up" this payment so that for the first 12 weeks of their parental leave they receive their salary based on their ordinary rate of pay. Bupa will withhold Pay As You Go tax withholdings at the usual rate.

It is unclear to the ANMF how such arrangements will continue in the event the Fairer Paid Parental Leave Amendment Bill is enacted.

On the face of it employees who currently enjoy these paid parental leave provisions in their enterprise agreement will lose these benefits.

### Primary Carer Pay and Adjustments For Primary Carer Pay

Section 11F of the Bill defines Primary carer pay as:

"An amount that an employer is legally obliged to pay an employee, under the terms of the employee's employment, because the employee is on primary carer leave for the child."

Section 11D sets out the calculation arrangements in the event the employee receives paid parental leave as defined by Section 11F. The Explanatory Memorandum states:



"Under the measure for a fairer Paid Parental Leave scheme, a person must inform the Secretary (as represented by the Department of Human Services) of any primary carer pay they are entitled to from their employer. The PPL period of a person is then proportionately reduced by the amount of primary carer pay they are entitled to from their employer. If a person receives primary carer pay from their employer that is valued at equal to or more than the national minimum wage for the person's unadjusted PPL period, the person will not be entitled to receive parental leave pay from the Government."

As the Bill proposes that employers no longer be required to act as a paymaster for the scheme, ANMF proceed on the assumption that in most instances the "person" referenced in the Explanatory Memorandum will be the employee.

Given the forgoing we wish to note our strong reservations about this approach. It places an onerous and unfair responsibility on the employee who will be required to understand and apply the new parental leave provisions, interpret their entitlements under the enterprise agreement and have regard to any laws or regulations required to be read in conjunctions with such laws.

For example we set out below the parental leave provisions that currently apply to a registered nurse employed pursuant to the Brightwater Care Group (Inc.) Registered Nurses Enterprise Agreement 2014 (AG2015/1321) (the Agreement).



#### 27. PARENTAL LEAVE

#### 27.1 Unpaid Entitlement

Eligible employees are entitled to unpaid maternity, paternity and adoption leave in connection with the birth or adoption of a child, in accordance with the Fair Work Act 2009.

#### 27.2 Paid Entitlements

The provisions of this sub-clause shall apply to eligible full time and Part time employees; however shall not apply to casual employees. A period of casual employment shall not count as service for the purpose of continuous service.

#### Paid Maternity Leave

(a) After completing 12 months continuous service, employees are entitled to Paid Maternity Leave (inclusive of 52 weeks unpaid Parental Leave) based on length of service, in accordance with the following:

No. completed year's continuous service No. weeks paid maternity leave:

l year	4 weeks
2 years	5 weeks
3 years	6 weeks
4 years (or more)	7 weeks

(b) Paid Maternity Leave will be paid as fortnightly payments during the leave period based on contractual hours and paid at the ordinary rate of pay to which the employee was entitled immediately prior to taking the leave. Paid Maternity Leave may be taken at half pay provided that this will not increase the period of Parental Leave to more than 52 weeks.

In considering the entitlements and obligations under this agreement provision the nurse must have regard to the following:

- 1. Clause 27 of the Agreement provides for paid parental leave on the prerequisite the employee meets the relevant conditions.
- 2. Clause 27.2 (a) provides that after completing 12 months continuous service the employee is eligible for paid parental leave in accordance with the table set out in Clause 27.2.(a).



- 3. Note continuous service is not defined in the Agreement therefore the employee must refer to the Fair Work Act 2009.
- 4. Paid parental leave under the Agreement is paid at the ordinary rate of pay.
- 5. Note the ordinary rate of pay under the Agreement is defined at Clause 6.7:
  - 6.7 Ordinary Rate of Pay" means the rate of pay excluding allowances applicable to the employee's substantive classification but will include allowances which represent:
  - A relieving allowance that has been paid continuously for twelve (12) months;
  - A shift allowance which is paid on a regular basis and would continue to be paid during periods of annual leave; and
  - Any special personal allowance (e.g. previous income maintenance which has been paid continuously).
- 6. Clause 27.2(c) provides for a return to work bonus payable once the employee returns from parental leave and completes a further 3 months continuous service.
- Clause 27.2(d) provides the return to work bonus will be based on "contractual hours".
- Note Contractual hours is not defined in the Agreement nor the Fair Work Act 2009.
- Clause 27.2(d) also provides that should the employee return to work on reduced hours, the return to work bonus payment will be calculated on the reduced hours.

In this example the registered nurse must have regard to <u>at least</u> 9 issues in calculating their *Primary Carer Pay* prior to providing this important information to the relevant commonwealth officer.



It is our submission that it is simply unacceptable that an employee who lacks the specialist knowledge to interpret industrial agreements, industrial awards or industrial legislation, is personally responsible for these matters.

#### H. Real people, real experiences



ASTRID TIEFHOLZ "My Income Matters to our Family" Registered Nurse, Midwife,

I am currently 34 weeks pregnant with my second child. After my first baby was born, I booked him into day care two days a week from the age of six months. I literally put him on the waiting list the day the pregnancy test was positive. I had extreme difficulty obtaining a place in childcare for him. Even so, most childcare centres are open approximately from 7.30am to 6.00pm Monday to Friday. Nursing does not fit these hours. I cannot always guarantee that the shifts I am rostered for will match with my childcare bookings. Childcare is expensive and takes a significant chunk of income. As for childcare centre fees for two small children, it is hardly worth returning to work. And when I do go back to work, I will be obliged to do one night duty each week. This is not good for breast feeding at all, nor for my sleep or health. We do not have grandparents or extended family to turn to for babysitting.



I am lucky that my baby will be born before this bad policy comes into place. If this did apply to me, I would have no choice but to return to work no later than three months post birth. This is not good for me, my baby or my family. I plan to breastfeed exclusively for six months as per WHO's standards. I will come back to work at about six months and continue expressing and introducing solids. This is not ideal, but we can't afford to be on unpaid leave.

My income matters to our family, and we can't afford to be without it for too long. My husband is a wonderful man, who works hard and is unstinting in his domestic labour.

But for all that, he can't breastfeed, and there's nothing we can do about that. I just want to have six months (the four weeks prior to my due date and 26 weeks after that – employer paid parental leave and government paid parental leave totalling 30 weeks).

"This means that I can look after my baby without panicking about putting food on the table."

The government does not seem to realise how important it is for the health of babies, their mothers and their family in general for women to be able to breastfeed and bond with their children. I am doing post graduate studies in perinatal and infant mental health at the moment and the research evidence is very clear:

 Being forced back to work a couple of months post birth drastically increases the rate of post natal depression and maternal distress, not to mention attachment difficulties for infants.

If the government is serious about promoting the health of the next generation, working women need to be supported. We are not rorting the system. I work antisocial hours to save peoples' lives and bring new lives into the world.



I've earned the time off. I know that this Government 18 weeks minimum paid parental leave will be a worthwhile investment in the future of the nation.

Surely 18 weeks of minimum wage isn't too much to ask so that I can breastfeed in peace (which will improve my baby's health and minimise the cost to the public purse)? I absolutely intend for my kids to grow up to be health, educated, responsible, taxpaying citizens.

When I return to work as a midwife, I'll continue to do good work for the health and benefit of the community. My employer knows that after 15 years of steady employment their paid parental leave is a worthwhile investment for them because they want to keep their dedicated female staff.

# "I am a worthwhile investment to them and I should be to the Abbott government as well."

Government paid parental leave is not double-dipping or rorting. I am fortunate that the Abbott Government's proposed changes will not affect me personally when my baby is born. But this does not make these proposed changes any less unjust.

This decision announced on Mother's Day to cut paid parental leave and brand women double dippers, fraudsters or rorters is made by a Government who do not adequately recognise that women's paid work is necessary to the nation and to the individual family.

"I am asking that the Senate reject these unfair changes announced by the Federal Government. Women in Australia need more and deserve more than to be treated like this."

We need the Senate to stand up for Australian women and to reject these unfair changes to paid parental leave.



PHOEBE MCDONAGH – and babies Summer and Sydney Registered Nurse Neonatal Intensive and Special Care Unit – 16 years

#### "I felt I wasn't ready to return to work, I had a baby at home that needed my care"

#### Phoebe's Story

Phoebe has four children; an 8 year old daughter, a 6 year old son and now 6 month old twin girls. She has been working as a registered nurse for 16 years, the last nine years in a major metropolitan hospital in their Neonatal Intensive and Special Care Unit. Phoebe is currently on parental leave.

#### Extracts from Phoebe's submission

- "We had unintentionally placed unrealistic expectations on each other and ourselves to make this adjustment to balancing the work family life"
- The Employer and Government provided paid parental leave entitlements have supported my ability to balance the responsibilities of raising a family and staying connected in my industry.
- We were lucky. We had a healthy pregnancy, a healthy baby, a healthy relationship and were both in employment. My husband and I have very



supportive extended families but unfortunately neither of them live in Melbourne.

- Once my leave ended which was at approximately 5 months as I had taken all my accrued annual leave and paid parental leave at half time. I returned to work 3 days a week. Together we budgeted to assist with this reduced income. It was stressful in many ways. I was tired physically and mentally.
- As recommended by Maternity health professionals I demand breastfed my daughter. She was still waking frequently at night. My husband and I tried to work my shifts to fit around his office hours to reduce our need for child care but as it was she still needed to attend one day a week there.
- As a nurse, I was also required to return to rotating night shifts immediately on my return. We all adjusted but it did take its toll.
- I felt I wasn't ready to return to work, I had a baby at home that needed my care, house duties had doubled and needed attending, our relationship as a couple needed refiguring and realigning. My husband was stressed about the mortgage repayments and other monthly expenses and fulfilling his daily work commitments.



ANITA STIRLING and baby Angus Critical Care Nurse, Advanced Life Support paramedic

#### Anita's story

Anita is a mother of 3 children. Isabel aged 4, Matilda aged 2 and Angus 11 weeks. Anita is a Registered Nurse specialising in critical care in the emergency department of a large regional trauma hospital in country Victoria, where she works 5 days a fortnight. Anita is currently on parental leave.



#### "Who would care for my child when I am forced back into the workforce earlier"?

#### Quotes from Anita's Submission

- I am very blessed to have my children. All of my children have been born prematurely, and have had to have various lengths of stay in hospital following their birth, and in the months following.
- I started my paid parental leave from the government on 20 July, when Angus was 10 weeks old. I had saved up my annual leave prior to falling pregnant again, knowing that there was a chance that we could again have a premature child. Due to the nature of my work in emergency, I commenced my annual leave at 31 weeks pregnant, in order to be able to rest at home. Due to this, my annual leave was gone by the time Angus was born, at 36 weeks. I am lucky enough to have 10 weeks of paid maternity leave, as part of my enterprise agreement which covers all public sector nurses in Victoria.
- If the Abbott Government's plans are to go ahead, then I would be considerably worse off financially.
- Who would care for my child when I am forced back into the workforce earlier? He is unsuitable for child care due to his size and being fed via a tube, and we do not have family in the area that we are able to rely on for this. Even if I could get him into appropriate child care this would cost so much as to make working a marginal proposition.
- How am I going to continue to breastfeed, then express to make milk for his nasogastric feeds (this can take up to an hour 7 times a day) when I am forced to return to work early due to the financial strain placed on our family?
- How am I expected to be able to continue to meet all the appointments needed for Angus, as well as work shift work and juggle a 4 year old at kinder 3 days a week and a busy and active 2 year old? These things are difficult enough to do with the increased needs of a premature and small child without



adding in the stress of working in charge of a busy emergency department where I am in charge, and my decisions can ultimately lead to the healthy outcomes of the patients that present.

#### I. Recommendations

1. The ANMF recommends the Senate rejects the Fairer Paid Parental Leave Amendment Bill 2015.



# ANALYSIS OF POTENTIAL REDUCTIONS TO CURRENT ENTITLEMENTS TABLE 1 – BASED ON AVERAGE HOURS WORKED (AIHW)

PUBLIC SECTOR								
34.8	hours	31.7 hours		34.8 hours				
RN Level 1 Yea	r 8	EN 5		AIN				
Pre July 2016	\$31,298	Pre July 2016	\$24,526	Pre July 2016	\$24,072			
Post July 2016	\$11,824	Post July 2016	\$11,824	Post July 2016	\$11,824			
Losing	\$19,474 (38%)	Losing	\$12,702 (48%)	Losing	\$12,248 (49%)			
RN Level 1 Yea	r 5							
Pre July 2016	\$28,949							
Post July 2016	\$11,824							
Losing	\$17,125 (41%)							
		PRIVAT	IE ACUTE					
RN Level 1 Yea	r 8	EN 5		AIN				
Pre July 2016	\$27,943	Pre July 2016	\$22,673	Pre July 2016	\$21,683			
Post July 2016	\$11,824	Post July 2016	\$11,824	Post July 2016	\$11,824			
Losing	\$16,119 (42%)	Losing	\$10,849 (48%)	Losing	\$9,859 (45%)			
RN Level 1 Year 5								
Pre July 2016	\$26,001							
Post July 2016	\$11,824							
Losing	\$14,177 (45%)							
		AGEI	D CARE					
RN Level 1 Yea	r 8	EN 5		AIN				
Pre July 2016	\$21,420	Pre July 2016	\$18,324	Pre July 2016	\$17,609			
Post July 2016	\$11,824	Post July 2016	\$11,824	Post July 2016	\$11,824			
Losing	\$9,596 (45%)	Losing	\$6,500 (35%)	Losing	\$5,785 (33%)			
RN Level 1 Yea	r 5							
Pre July 2016	\$20,265							
Post July 2016	\$11,824							
Losing	\$8,441 (42%)							



### TABLE 2 - BASED ON WORKING 3 SHIFTS PER WEEK 22.8 HRS

PUBLIC SECTOR								
RN Level 1 Year	8	EN 5		AIN				
Pre July 2016	\$24,582	Pre July 2016	\$20,959	Pre July 2016	\$19,849			
Post July 2016	\$11,824	Post July 2016	\$11,824	Post July 2016	\$11,824			
Losing	\$12,758 (48%)	Losing	\$9,135 (44%)	Losing	\$8,025 (40%)			
RN Level 1 Year 5								
Pre July 2016	\$23,044							
Post July 2016	\$11,824							
Losing	\$11,220 (49%)							
		PRIVAT	E ACUTE					
RN Level 1 Year 8		EN 5		AIN				
Pre July 2016	\$22,385	Pre July 2016	\$19,627	Pre July 2016	\$18,284			
Post July 2016	\$11,824	Post July 2016	\$11,824	Post July 2016	\$11,824			
Losing	\$10,561 (47%)	Losing	\$7,803 (40%)	Losing	\$6,460 (35%)			
RN Level 1 Year 5								
Pre July 2016	\$22,661							
Post July 2016	\$11,824							
Losing	\$10,837 (48%)							
AGED CARE								
RN Level 1 Year	8	EN 5		AIN				
Pre July 2016	\$18,111	Pre July 2016	\$16,499	Pre July 2016	\$15,704			
Post July 2016	\$11,824	Post July 2016	\$11,824	Post July 2016	\$11,824			
Losing	\$6,287 (35%)	Losing	\$4,675 (28%)	Losing	\$3,880 (25%)			
RN Level 1 Year 5								
Pre July 2016	\$17,354							
Post July 2016	\$11,824							
Losing	\$5,530 (32%)							



# Paid Parental Leave



Paid Parental Leave A survey of ANMF members July 2015



Australian Nursing & Midwifery Federation



#### Foreword

As nurses and midwives, we all know the health benefits for both mothers and their babies, if new mums can stay at home longer. They can bond with their babies, breastfeed for longer and not be stressed about returning to work.

For these reasons, the ANMF has campaigned for extensions to Paid Parental Leave (PPL) for many years. Understandably, nurses and midwives who participated in these campaigns welcomed Tony Abbott's promised 26 week scheme in line with World Health Organisation recommendations, when it was announced in 2013.

But on Mother's Day 2015, reneging on their initial promise the Abbott Government announced they would deny access to Government funded paid parental leave for Australian women who have some paid parental leave provided by their employer through an enterprise agreement.

As a result many thousands of nurses and midwives may lose the Government PPL entitlement if they were planning to have a baby after 1 July 2016.

The Government scheme was designed to complement paid and unpaid leave arrangements negotiated by workers and their unions to give new mums and babies as close to 26 weeks at home with their baby.

Now, some new mums will be forced to return to work earlier than planned, family budgets will be placed under pressure, and stressful decisions may be forced on families after 18 weeks or even less.

Nurses and midwives strongly support government and workplace policies which support women, families and communities and which ultimately assist us to build a better society; PPL is a key component of this policy structure. To nurses and midwives it is straightforward, maximising PPL for Australian families means bringing out the best in our community, it simply makes sense.

Lee Thomas

**Federal Secretary** 

#### PAID PARENTAL LEAVE SURVEY AUGUST 2015



### **Executive Summary**

Paid parental leave (PPL) is recognised globally as providing significant benefits to mothers and babies, fathers and partners, and families and communities. These benefits are physical, psychological, social and economic. PPL has also been shown to contribute to reducing inequality both between lower and higher income earners and between men and women.

Research has shown that the provision of PPL, most particularly when it is government subsidised, does not negatively impact on productivity but rather, brings substantial benefits to employers. It has been shown to be affordable even in lower income countries and to contribute to countries' social and economic development.

On 1 January 2011, Australia's first national Paid Parental Leave (PPL) scheme was introduced bringing Australia into line with almost all other OECD countries. Evaluation of the scheme showed clear benefits have been gained by the introduction of government funded PPL, while indicating there are still improvements to be made. This is why in August 2013 nurses and midwives welcomed the then Federal Opposition's proposal to expand the PPL scheme.

The Coalition's PPL policy promised that it would deliver a genuine paid parental leave scheme to give mothers six months' leave based on their actual wage to help women to take time out of the workforce to establish a family while reducing financial pressures.

Following election to Government, the Coalition revised this policy withdrawing their commitment from 26 weeks of PPL to the 18 week scheme already in existence. As part of the 2015 Federal Budget, a further revision was announced seeking to withdraw access to both employer funded and government funded PPL for eligible women.

Recognising the potential impact this budget measure, if implemented, could have on nurses, midwives and assistants in nursing, the ANMF conducted a survey of members investigating their views on PPL, including their experiences of accessing PPL and managing after the birth of a child as well as their intentions to access PPL in the future.

The survey, which ran over a 3 week period from 3 June – 22 June 2015, received an excellent response with 1,244 nurses, midwives and assistants in nursing participating from all states and territories across the country.

#### The key findings of the survey showed that:

- The majority of participants, 70.3%, reported that they have children with 58.8% indicating they had taken leave due to the birth of a child;
- More than a third of participants, 35.4%, reported that they had accessed the government's PPL scheme, with 85.7% of those reporting that they had accessed both employer based PPL and government provided PPL, the main reason for accessing both schemes was to extend the time at home with their newborn;
- 90% reported financial reasons as the key factor in their decision on when to return to work;
- More than 50% of participants indicated that they are planning to have children soon, with 71% of them reporting that the Government's decision to restrict access to government funded PPL and employer provided PPL would affect their decision to start a family.



## **Background and introduction**

The benefits of paid parental leave (PPL) to mothers, babies, families and communities are now well known and supported by an increasing body of international research. PPL is associated with enhanced workforce participation for women, improvement in the health of mothers particularly in relation to lower stress levels and incidence of post natal depression and better health for babies primarily due to extended breastfeeding. PPL is also known to contribute to increased gender equity and better work-life balance.<sup>1,2,3</sup>

In recognition of this, governments around the world are increasingly taking responsibility for providing PPL to their citizens. Over the last two decades there has been notable progress in improving payments for parental leave and a shift away from reliance on employers to provide government funded maternity leave benefits.<sup>4</sup> This has been accompanied by an increase in the statutory duration of maternity leave, from 1994 to 2013, in 139 countries most particularly in developed countries.

On 1 January 2011, Australia's first national Paid Parental Leave (PPL) scheme was introduced bringing Australia into line with almost all other OECD countries. Until 2011, Australia and the United States were the only high income OECD countries that did not provide a government funded PPL scheme.

The scheme provides eligible working parents with up to 18 weeks of Australian Government-funded Parental Leave Pay (paid at the national minimum wage rate). Consistent with broad international goals, the objective of the scheme is to provide financial support to primary carers (mainly birth mothers) following the birth or adoption of a child, to achieve the following:

Allow those carers to take time off work to care for the child;

Enhance the health and development of birth mothers and children;

Encourage women to continue to participate in the workforce;

Promote equality between men and women and the balance between work and family life.<sup>5</sup>

From 1 January 2013, the PPL scheme was strengthened by the introduction of Dad and Partner Pay, which provides eligible fathers and partners with two weeks' pay (at the rate of the national minimum wage) following the birth or adoption of a child. The objective of this addition to the PPL scheme was to provide financial support to:

Increase the time that fathers and partners take off work around the time of birth or adoption;

Create further opportunities for fathers and partners to bond with their child;

<sup>&</sup>lt;sup>1</sup> Applebaum & Milkman, Leaves that Pay: Employer and worker experiences with paid family leave in California, Centre for Economic and Policy Research, 2011 Available online: http://www.cepr.net/documents/publications/paid-family-leave-1-2011.pdf

<sup>&</sup>lt;sup>2</sup> Pay Matters: The Positive Economic Impacts of Paid Family Leave for Families, Businesses and the Public, Linda Houser, Ph.D. Affiliate Fellow Thomas P. Vartanian, Ph.D., Rutgers Center for Women and Work, 2012, Available online: <u>http://www.cww.rutgers.edu</u>

<sup>&</sup>lt;sup>3</sup> Bulletin of the World Health Organization 2013;91:398-406. doi:<u>http://dx.doi.org/10.2471/BLT.12.109363</u>

 <sup>&</sup>lt;sup>4</sup> Maternity and paternity at work: law and practice across the world, International Labour Office. – Geneva: ILO, 2014
 <sup>5</sup> Martin, Bill et al. *PPL evaluation: final report.* Brisbane: Institute for Social Science Research, University of Queensland, 2014, pp. 1

<sup>&</sup>lt;sup>3</sup> Martin, Bill et al. PPL evaluation: Infaireport. Brisbane: Institute for Social Science Research, University of Queensiand, 2014, pp. 1 <u>https://www.dss.gov.au/sites/default/files/documents/03\_2015/finalphase4\_report\_6\_march\_2015\_0.pdf</u>


Allow fathers and partners to take a greater share of caring responsibilities and to support mothers and partners from the beginning.  $^{6}$ 

In 2014, an evaluation of the scheme, conducted by the Institute for Social Science Research at the University of Queensland, assessed the effectiveness of the scheme in meeting these objectives and concluded that the scheme had significant impact on improving these areas.

The evaluation showed that the PPL scheme significantly delayed the return to work for mothers for up to about 6 months, especially among mothers with lower income and less formal education, which is linked to increased longer term workforce participation. The scheme had also produced statistically significant improvements to the health of mothers and babies as well as increases in breastfeeding rates. As the benefits of breastfeeding are very well established, it is reasonable to assume that this will lead to longer term health benefits for children.<sup>7</sup>

Unlike evaluation of the effects of PPL in other countries<sup>8</sup>, the evaluation of Australia's scheme did not find that it had influenced the share of childcare, housework or total household work between mothers and their partners at 12 months after the birth. It did however, improve women's perceptions of their career prospects following the birth of a child.

While benefits have been gained by the introduction of the government funded PPL scheme, there are clearly still improvements to be made.<sup>9</sup> This is why in 2013 nurses and midwives welcomed the then Federal Opposition's proposal to expand the PPL scheme.

In August 2013, the Coalition released its policy for PPL. The policy promised that the Coalition would deliver *a genuine paid parental leave scheme to give mothers six months' leave based on their actual wage* to help women to take time out of the workforce to establish a family while reducing financial pressures.<sup>10</sup>

Following election to Government, the Coalition revised this policy withdrawing their commitment from 26 weeks of PPL to the 18 week scheme already in existence. As part of the 2015 Federal Budget, a further revision was announced seeking to withdraw access to both employer funded and government funded PPL for eligible women.

This announcement was particularly concerning; rather than improve the PPL scheme as had been originally promised, the Government planned to downgrade the scheme despite its demonstrated effectiveness.

Recognising the potential impact this budget measure, if implemented, could have on nurses, midwives and assistants in nursing, the ANMF conducted a survey of members investigating their

<sup>6</sup> Ibid

<sup>&</sup>lt;sup>7</sup> Save the Children, May 2012, Nutrition in the first 1,000 days, State of the world's mothers. Available online: <u>http://www.savethechildren.org/atf/cf/%7B9def2ebe-10ae-432c-9bd0-df91d2eba74a%7D/STATE-OF-THE-WORLDS-MOTHERS-REPORT-2012-FINAL.PDF</u>

 <sup>&</sup>lt;sup>8</sup> Maternity and paternity at work: law and practice across the world, International Labour Office. – Geneva: ILO, 2014
<sup>9</sup> Broomhill, R, & Sharp, R. 2012. Australia's parental leave policy and gender equality: an international comparison, Adelaide: Australian Workplace Innovation and Social Research Centre, The University of Adelaide.

<sup>&</sup>lt;sup>10</sup> The Coalition's Policy for Paid Parental Leave, August 2013, available online: <u>http://lpaweb-</u>

static.s3.amazonaws.com/The%20Coalition%E2%80%99s%20Policy%20for%20Paid%20Parental%20Leave.pdf



views on PPL, including their experiences of accessing PPL and managing after the birth of a child as well as their intentions to access PPL in the future.

The survey, which ran over a 3 week period from 3 June – 22 June 2015, was conducted via social and digital media, primarily Facebook. The response was excellent with 1,244 nurses, midwives and assistants in nursing participating. The next section presents the results of the survey and provides an outline of ANMF members' views on the Government's decision to amend PPL. The survey is included for information at attachment A.

#### Survey responses

1,244 responses to the ANMF's survey *How will the Abbott Government's PPL decision impact you?* were received from ANMF members across all states and territories.

Figures 1 - 4 give a brief overview of simple demographic data collected in the survey, including participants' employment characteristics. Figure 1 provides details of participants by state or territory.



Figure 1 Participants by state/territory

The demographic data collected in the survey indicated that the key features of the survey participants were generally consistent with the wider nursing and midwifery workforce though representation of females (93.6%) was slightly higher than the general workforce (92%).





Figure 2 Participants by gender



Figure 3 Participants' employment characteristics





Figure 4 Participants' sector of employment

Other areas of employment included: University and nursing education, school nursing, justice health, local government, NGO, primary care.

### Experiences of using PPL and managing after the birth of a child

The majority of participants, 70.3%, reported that they have children with 58.8% indicating they had taken leave due to the birth of a child. More than a third of participants, 35.4%, reported that they had accessed the government's PPL scheme, with 85.7% of those reporting that they had accessed both employer based PPL and government provided PPL.

The majority of participants reported that the main reason they had accessed both schemes was to extend the time at home with their newborn (Figure 5).



Figure 5 Main reason for accessing employer PPL & government PPL



A significant number of participants (43%) reported that they had taken unpaid leave after the birth of a child. The overwhelming reason for this was because they had no other option; they either had no access to maternity or parental leave or the amount of leave available did not provide them with the time they felt they needed to spend with their newborn infant.

Participants were asked what were the key factors affecting the decision on when to return to work following the birth of child and were offered the opportunity to choose more than one option. An overwhelming majority, 90%, reported financial reasons as the key factor in their decision on when to return to work (Figure 6).



Figure 6 Factors affecting participants' decision to return to work

While financial reasons were overwhelmingly the most significant, family support was also noted by participants as important and influential, particularly their partner's availability and situation.

#### Intentions to access PPL in the future

Participants were asked whether they were planning to have children soon and whether the Government's decision to amend access to PPL would affect these plans. More than 50% of participants indicated that they are planning to have children soon, with 71% of them reporting that the Government's decision to restrict access to government funded PPL and employer provided PPL would affect their decision to start a family.

The overwhelming majority (94%) indicated that the most significant impact of the proposed changes would be increased financial pressures which would subsequently impact on the length of time they would be able to spend with their newborn (Figure 7).





Figure 7 Impact of PPL changes

Many participants reported that they would need to delay their decision to have children and to wait longer between children. Several indicated that the changes could see them decide not to have children at all. Just over 80% of participants reported that they would need to access other leave entitlements, primarily annual leave, to care for their newborn if the Government's changes proceeded.

### **Optimum paid parental leave**

Almost 90% of participants indicated their support for the World Health Organisation's recommendation of 6 months paid parental leave, with almost 80% reporting that they believed that women and families should have access to both employer funded and government funded PPL.

The majority of participants (65%) did not believe that the amount of PPL offered by their employers was sufficient, with 76% indicating that they believed a minimum of 26 weeks PPL should be available. Figure 8 gives an overview of participants' views on the ideal length for PPL.



Figure 8 Ideal length of PPL



Almost 80% of participants responded that they were unhappy (20%) or very unhappy (59%) with the Government's proposed changes to PPL, with 78% indicating that they would be prepared to take action in support of PPL.

### **Discussion and Conclusion**

Paid parental leave (PPL) is recognised globally as providing significant benefits to mothers and babies, fathers and partners, and families and communities. These benefits are physical, psychological, social and economic. PPL has also been shown to contribute to reducing inequality both between lower and higher income earners and between men and women.

Research has shown that the provision of PPL, most particularly when it is government subsidised, does not negatively impact on productivity but rather, brings substantial benefits to employers. It has been shown to be affordable even in lower income countries and to contribute to countries' social and economic development.

However, when PPL is too short its benefits are not realised. PPL that is too short is associated with lower workforce participation rates and income replacement that is too low has a significant effect on employment continuity and equity for women.<sup>11</sup>

The potential loss of these benefits was of great concern to the survey's participants. They were dismayed by the Government's proposal to reduce their access to PPL, particularly when they believed that *nurses and midwives spend so much of their lives caring for other people's families, they should be supported to care for their own*.

Participants regarded the proposed changes as a retrograde step and an *unproductive way of looking after nurses and other health care workers.* They also saw the Government's 'turn-around' on PPL as contradictory and not supporting its own 'vision of Australia as a family oriented country'.

Nurses and midwives understand that by reducing financial pressures for women and their families and the pressure for them to return to work, appropriate PPL allows mothers to spend more time with their infants, improves the health of mothers and babies and, perhaps most significantly, provides time for extended breastfeeding.

Australia currently has one of the poorest breastfeeding rates in the developed world. The Breastfeeding Policy Scorecard<sup>12</sup> ranks Australia as 33<sup>rd</sup> out of 36 industrialised countries in terms of overall breastfeeding practices up to 6 months (as per the World Health Organisation standard) and the availability of policies which support women to breastfeed. Although breastfeeding initiation rates are high, 96%, the rate drops to 39% within just 3 months.

This issue was of critical importance to the survey's participants. As nurses and midwives, the participants were very well informed about the benefits of breastfeeding and the need for appropriate workplace and government policies to support the establishment and continuation of breastfeeding. They expressed considerable concern, and even anger, about the need to return to

 <sup>&</sup>lt;sup>11</sup> Maternity and paternity at work: law and practice across the world, International Labour Office. – Geneva: ILO, 2014
<sup>12</sup> Save the Children, May 2012, Nutrition in the first 1,000 days, State of the world's mothers. Available online: <a href="http://www.savethechildren.org/att/cf/%7B9def2ebe-10ae-432c-9bd0-df91d2eba74a%7D/STATE-OF-THE-WORLDS-MOTHERS-REPORT-2012-FINAL.PDF">http://www.savethechildren.org/att/cf/%7B9def2ebe-10ae-432c-9bd0-df91d2eba74a%7D/STATE-OF-THE-WORLDS-MOTHERS-REPORT-2012-FINAL.PDF</a>



work earlier because of reduced entitlement to PPL and the effect this would have on breastfeeding, particularly as shift workers.

We cannot have a second child as breastfeeding is very important and it would not be possible if I had to return to work [earlier]. Finding time to express is very difficult on a busy acute care ward.

I may need to take unpaid leave to allow me the extra time with my baby to maximise breastfeeding and promote the ongoing health of myself and my baby. Forcing breastfeeding mothers to cut short the time that they can breastfeed is short-sighted and frankly stupid. With all the proven benefits for both mother and baby of breastfeeding and bonding, including reduced postnatal depression, reduced ovarian and breast cancer risk, reduced allergies and respiratory infections.

[Without] paid time at home I will not breastfeed because it's too difficult to work and breastfeed. I believe breastfeeding is the best start in life and the government is taking that right from women by cutting time at home with the newborn.

Participants were also very concerned about the effect of a reduction in PPL on their need for an early return to work, which they believed they would be forced to do because of financial pressures, and the need to place their child into some form of child care earlier than they thought appropriate. Many of them commented that they did not want to have children just to place them in the care of another person.

I can't imagine leaving my newborn so early. I know day-care will be apparently more affordable. However, back to work when my child is so young will be heartbreaking and detrimental to my health & their health.... breastfeeding will be difficult when I'm at work in NICU for 12 hour shifts

I want a 2nd child close to [my first] so I can have both my young children raised by me and not a daycare centre! Now I'm worried I have used up all my holiday pay with the 1st baby so if I try for another baby now, I won't have any holidays to take after my maternity leave runs out. This means I'm being forced back to work with a young child and a 12 week old which makes me feel sick having to put such a young baby into child care and not being at home being raised by their mother.

We would love to have another baby and give our son a sibling. Not getting the government payment on top of my employer's payment means I'll have to return to work so soon and will have to put our new baby in day-care when they are still quite young (3 months) it's heartbreaking.

Noting that 26 weeks of PPL has not yet become the Australian Government standard, many participants spoke of the benefit they felt they had gained by being able to access employer funded and government funded PPL and maximising their time with their newborn.

Having access to both payments made it far less financially stressful. I also felt that I deserved to be remunerated in some way for staying home. Being available to our children and allowing them to be cared for by family at home, especially when they're so young, is an incredibly valuable thing for families but also to societies that want secure, healthy and happy citizens.

If I had not taken both leaves, it is possible I would have been returning to work when my baby was 8-10 weeks old. You cannot exclusively breastfeed a baby until at least six months if you return to work that early doing shift work.



Several participants discussed the pressure they now felt they were under to choose between their career and their family, with some suggesting that this pressure could even force them from the profession.

We have a mortgage, my husband is also a uni student. This decision may influence us to delay beginning our family further than study commitments have influenced us to do so. It will definitely mean I need to return so work sooner that 6 months. It will decrease our standard of living while I am not working, impacting on the quality of our lives overall and the experience of having our first child. I'm 33, 34 next year so really can't delay this decision for too much longer!

*I will probably choose to leave nursing and find other employment, with the potential to ideally work from home. I do not want to leave my baby at four months old to the care of another.* 

Many participants also expressed dismay at the attitude of the Government with regard to women following their announcement of the proposal to reduce PPL after initially promising to increase PPL. This is particularly as many feel that they contribute to society both through their work and their taxes.

We are undecided about our third child but I think this would dramatically affect our decision and I am sad for other families who will be forced back to work early. It's appalling the government calling us double dippers when the scheme works well. It gives families a nice time at home for about 7-9 months depending on what employer schemes [they have]. We don't have kids to put them in child care from 8 weeks of age.

I took PPL with work maternity leave to maximise time at home with my new baby. I am not a double dipper. I pay my tax and I work hard.

Nurses and midwives strongly support government and workplace policies which support women, families and communities and which ultimately assist us to build a better society; PPL is a key component of this policy structure. To nurses and midwives it is straightforward, maximising PPL for Australian families means bringing out the best in our community, it simply makes sense.

As soon as my husband and I were engaged I saved all my annual leave and long service leave. This was in preparation for the day that we would choose to start a family. A newborn child and their first 6 months of life is a treasure. Moments that you can never again recapture - their first smile, their first sound. I went without a honeymoon, holidays with friends, overseas trips saving every bit of leave. These are special times that I can never re-live or never again capture. All babies should have access to their parents in those very special times. I am grateful to have had a well settled baby with no sleep, eating, behavioural issues. Maybe I was blessed - maybe though this is another positive benefit that can be attributed to parent-baby time. For those negative folk- I don't expect handouts (indeed I had my baby before baby bonuses) but surely parental leave makes a happier baby, a happier and more productive parent when they do return to work when parents are more confident in their parenting and new found family status?



### ATTACHMENT A

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Australian Nursing and Midwifery Federation



### Paid Parental Leave Survey

#### How will the Abbott Government's PPL decision impact you?

Nurses and midwives know that access to paid parental leave (PPL) is critical in improving maternal and child health. The World Health Organisation recommends 26 weeks' PPL as the minimum standard to allow new mums and babies to bond, to encourage and maximise breastfeeding, and to give time for new mums to recover.

That's why in 2013, when Tony Abbott promised that his government would introduce a scheme where all new mothers could access 26 weeks' PPL, many women, their partners and families were pleased. Unfortunately, the Abbott Government has not kept this promise. Rather than increase access to PPL, the Government has reduced it. The most recent change, to reduce access to PPL even further, was announced on Mother's Day this year.

We want to know about your experience of working and raising a family, your views on PPL and how this government's decision will affect you.

Email First Name Last Name Postal Code

#### 1. Are you?

Female

Male

Identifying as other

#### 2. Are you currently working?

Yes

No

On leave

#### 3. Do you work...?

Full time

Part time

Casually

#### 4. On what basis are you employed?

Permanent

Temporary

Contract

#### 5. Which sector do you work in?

Public

Private

Aged care

Other, please specify

#### 6. Do you have children?

Yes

No

#### 7. Have you ever taken leave due to the birth of a child?

Yes

No

If yes, please describe what type...

## 8. Have you (or your partner) ever accessed the government's paid parental leave (PPL) scheme

Yes

No

9. If yes, were you able to access both employer based PPL and the government provided PPL?

Yes

No

Comment

#### 10. If yes, what was your main reason for accessing both PPL schemes?

Because it was available

To extend the time at home with my newborn

To assist with breastfeeding

Other, please specify

#### 11. Have you ever taken unpaid leave after the birth of a child?

Yes

No

#### 12. If yes, why did you take unpaid leave?



# 13. What were the key factors affecting your decision on when to return to work following the birth of a child?

Financial

- Ready to return
- Child care available
- Personal reasons
- Other, please describe...

On Mother's Day 2015, the Federal Government announced that they would deny access to Government funded paid parental leave to Australian women who have some paid parental leave provided by their employer. This means that instead of every new primary carer being provided with a minimum of 18 weeks' paid parental leave and the opportunity to complement this leave with employer provided leave, new mothers/primary carers will now only have access to one scheme, not both.

Tell us if you are one of the nurses and midwives who was planning to start a family soon and how these changes will impact on you and your household

#### 14. Are you planning to have children soon?

Yes

No

# 15. Will the Government's decision to restrict access to government funded PPL and employer provided PPL affect your decision to start a family?

Yes

No

Unsure

#### 16. If yes, how will it affect your decision?

### 17. If you decide to have a child, will the Government's changes to PPL impact on you and your household?

Yes

No

Unsure

#### 18. If yes, how will the changes impact on you and your family?

I will need to return to work earlier than planned

I will miss out on time spent with my baby



My baby will not receive the benefit of maximum time spent with a parent in the first 6 months of life

I will have increased financial pressures

I may find it harder to return to the workforce

Other

19. Will the changes to paid parental leave mean that you may need to use other leave entitlements?

No

Yes

#### 20. If yes, please describe which leave entitlements may you need to use

Annual leave

Sick leave

Unpaid leave

Other

## 21. The World Health Organisation recommends 6 months paid parental leave for the primary care giver and a new born as optimal. Do you support this?

Yes

No

Unsure

## 22. Do you believe you should be able to access both government and employer PPL schemes to maximise your leave entitlement?

Yes

No

Unsure

## 23. Do you believe the amount of paid parental leave in your workplace agreement is enough?

Yes

No

#### 24. How much paid parental leave should be available?



# 25. How do you feel about the Government's proposed changes to PPL going ahead?

Happy Not worried - doesn't concern me Unhappy Very unhappy

### 26. Would you be prepared to take action in support of Paid Parental Leave?

Yes

No

### 27. What action would you be prepared to take?

Sign a petition

Send an email to a politician

Attend a rally

Other

#### 28. Do you consent to the ANMF using your de-identified responses to this survey?

Yes

No

# 29. Do you consent to the ANMF contacting you by email for further information if required?

Yes

No