



SPARK AND CANNON

Telephone:

**TRANSCRIPT
OF PROCEEDINGS**

Adelaide	(08) 8110 8999
Hobart	(03) 6220 3000
Melbourne	(03) 9248 5678
Perth	(08) 6210 9999
Sydney	(02) 9217 0999

PRODUCTIVITY COMMISSION

**INQUIRY INTO PAID MATERNITY, PATERNITY
AND PARENTAL LEAVE**

**MR R. FITZGERALD, Presiding Commissioner
MS A. MacRAE, Commissioner**

TRANSCRIPT OF PROCEEDINGS

AT MELBOURNE ON TUESDAY, 13 MAY 2008, AT 9.47 AM

Continued from 12/5/08 in Hobart

MR FITZGERALD: Good morning, everybody. I'll just make a couple of comments at the start of this particular hearing, but just in the meantime if anyone wants to get tea or coffee, it's just out the back, and feel free to do so throughout the day. Welcome to this, the third day of our public hearings, here in Melbourne. So far we've had public hearings in both Canberra and yesterday in Hobart, and after our hearings tomorrow, we'll proceed to the other states and territories.

This is a public hearing into the inquiry in relation to paid maternity, paternity and parental leave. It's an important issue which affects over 250,000 mothers each year, although I notice the figures are slightly higher than in 2006. We're up about 260,000 children a year at the present time.

A couple of things in relation to this inquiry, we're very willing to take participants' comments. The process for doing so will be that each participant will be entitled to present key points and thoughts they'd like us to consider, and then Angela MacRae and myself will have the opportunity to discuss those points with the participants. We're also taking written submissions. Those submissions will be due by 2 June, and the draft report will be released by the commission in September of this year, and thereafter we will resume public hearings, written submissions, consultations, and the final report will be provided to the government at the end of February 2009.

Whilst these inquiry proceedings are meant to be held in an informal way, participants are reminded that they are required to be truthful even though it's not under sworn testimony, and I'm sure you will be. My last comment is that during the day, media will be entitled to be present in the hearings, but they are not able to take recordings of participants' statements, but they are able to take visual shots throughout the day.

My last comment is that all of the participants' comments will be transcribed and placed on the web site unless they wish them to be treated in a confidential manner, and so too will the written submissions. So we look forward to a couple of days of good hearings here in Melbourne. They've certainly been very productive to date, and both Angela and myself have been very fortunate to have had a lot of very good input. So we might start this morning's proceedings with the Women's Action Alliance. If you could give your full names and the organisation that you represent.

MS BRICK (WAA): My name is Mrs Lisa Brick.

MS SMIT (WAA): And I'm Pauline Smit.

MR FITZGERALD: That's good.

MS BRICK (WAA): We are members of Women's Action Alliance which is a non-government women's body first formed in 1975, and we work towards promoting women's issues in all the parts of their life, particularly including their role as mothers.

MR FITZGERALD: Okay. Over to you. If you could give us your opening comments, that would be terrific.

MS BRICK (WAA): We'd like to welcome the commission to Melbourne, and we've put on a lovely sunny day for you today for the first time in the whole week. We're very pleased to see that this is being investigated fully under such auspices as yourselves, and we've been over your issues paper, and there's one particular part that we would like to address today, and that is a discussion on the models of paid maternity leave for Australia.

We are very much in favour of a paid maternity leave arrangement which was inclusive of all women; that in no way was any woman excluded because of her paid or unpaid work status, and just as a very basic thing, currently women are entitled to, as of July this year, the \$5000 Baby Bonus, as well as, if they are not in paid employment, the Family Tax Benefit Part B. It doesn't take too much to work out that if you just took those two figures and added them up for a year and then converted them to a paid maternity benefit, women would be entitled to \$318 a fortnight, and that would be at absolutely no cost whatsoever to the government, but would acknowledge immediately the work that women do in a just slightly different format than they currently get it now. This of course is actually only one-third of the minimum wage. So we should take into account that while it is of a benefit to families, it is also slightly token.

We should also take into account of course that the work that mothers at home with young babies already do. We do worry about the terms of attachment to the workplace when studies have shown that women of children under four years of age already do 83 hours and 51 minutes of work and child care a week already. So to actually fit in paid work on top of that can cause obviously stress. A recent study that was done that I'm sure you'll have access to. A social policy paper put out by the Australian government on mothers and fathers with young children, paid employment, caring and wellbeing has pointed out in its conclusion - and I'd like to just quote quickly here:

Given the dramatic increase in maternal employment over the past 30 years and the inevitable impacts of this on family life, it is surprising how little is known about the patterns of participation in paid employment of families with young children. Even less is known about the effects of different patterns of parental employment, particularly

maternal employment, on family life and wellbeing.

So we firmly believe that any discussion we have about paid employment must include - and as your submission paper did say - both the wellbeing and the children and a family. When we look at a paid maternity leave proposal, most women will take at least 12 months off once they have a child. Two-thirds of mothers are not in any form of paid employment when the youngest child is under one. We must also acknowledge that when a woman is looking to return to work, she must be able to freely choose whether or not she returns to work, and as far as the health of her family and her children go, studies have shown - this is the most recent paper I could find - that the most beneficial form of employment if a mother returns to work was obviously part-time work, and that was obviously less than 24 hours a week.

For the father, the most wellbeing was produced for the father if actually the mother was not employed at all. If she actually spent all her time at home, it gave actually the best relationship outcome according to the wellbeing of the father. It was also important to note that as far as a woman's wellbeing, and for that matter a father's wellbeing, if they did return to work was that they had flexible hours so that they could, without difficulty, change the hours of their start and finishing times. So if they had a really lousy night with the baby or with the toddler and they were up all night, they could ring in and say, "Look, I'm not going to get there till 11.00 today, and I'll finish at 5.00 instead of 3.00." That was very important for their wellbeing.

Job autonomy - that they were in a position where they could decide how they do their jobs. That's relatively commonsense stuff. If they're in a production line just doing mundane, uninteresting, boring work, there was no benefit to them for working and being taken away from their family. Of course job security - although job security actually came in third as far as the wellbeing went - was still important.

We'd also like to ensure that when we talk about paid maternity leave maintaining attachment to the workplace, that of course the most important attachment that happens is the attachment of the mother to their child, and that should be the most primary aspect of this; that they should be given a free choice whether they choose to or not to join the workforce. Any paid maternity leave should not have any rigid policy of separating mothers and babies. Their primary attachment should be to their child and their family. I'm sure Pauline has some things to add to that.

MS SMIT (WAA): Yes. I'll speak as an employer and a mother. My husband and I have a small business out in the eastern suburbs, and I am very conscious of the needs of our factory workers. They work hard for us, and faithfully, and I'm always thinking about them, and I do think a lot about the work they do, which is pretty humdrum, boring old work, believe me. Their needs are very prime in my thinking.

However, this whole matter of an inclusive model - the two official models that we've been shown so far one was from sex discrimination commissioner Pru Goward when she was in that role at the Human Rights and Equal Opportunity Commission, and the other is contained in the Private Members Bill which I think still sits before the senate, put forward by Senator Stott Despoja which presumably will lapse at the end of next month.

In either of those models, a whole lot of women missed out, and let's read you the list who we detected would miss out. Unemployed women would get nothing; recently employed women would get nothing; women employed on a casual basis, especially if they're doing fairly small amounts of casual work, even if they were looking for more, wanting to do more, would miss out; women employed on a contract would miss out; self-employed women would miss out; those who resign during their pregnancy, sometimes under subtle employer pressure, sometimes of their own volition or maybe even due to illness; those who do not return to their job when their 12-month period of unpaid maternity leave expires; so those who have had a previous child; mothers at home.

There's a whole range of women there who would not have qualified, and yet you would not identify them as high income women. In fact a lot of those would be some of my factory workers who have not been with us for 12 months et cetera. So we do believe that when the government uses taxpayers' funds to assist women at the time of birth, then all women should benefit, but especially lower income women and women not in the paid workforce. If any are excluded - and we really say none should be, but if any should be excluded, it should be on the basis of a means test, and certainly not because of their employment status before or at the time of the birth or after the birth.

It's often suggested of course that providing universal government-paid maternity leave would help women make the choice to be in paid work while their children are young, and that this might arrest our declining birth rate. This may not be the business of the commission, arresting the declining birth rate, but our experience in Canberra where Commonwealth public servants have had 12 weeks on full income of paid maternity leave since Mr Whitlam's arrival in government, they've still got the lowest birth rate in Australia, so it doesn't work for that purpose obviously.

So, yes, the baby bonus, we really resent the name. It's not some kind of bonus like you give your employees at the end of the year for working hard. It's assistance. "Maternity payment" is a much better term or "maternity assistance" or whatever, because it helps the family at a time of real need. It's costly to bring a new baby into the world. There is the hospital costs, the doctors' bills, there's new equipment

sometimes for a new baby and maybe updating equipment for a second or third or fourth baby.

I really resented a letter I read in The Age yesterday from a woman who wrote and very cynically said, "Get rid of it. I just spent mine on" - two luxury items. I've forgotten what the first one was. The second one was enhancing her art collection. The first one wasn't the plasma TV, but it was something similar, and I thought, "Bully for you, darling," because I spent mine on the doctor's bill and on buying a new cot, because the other had got wrecked by the previous child who'd banged it against the wall all the time, and also too, to some small degree, compensate us for the loss of income that we suffered when I had my baby. There was a baby bonus. When I had my children in the 1970s, there was then a baby bonus, whatever they called it at the time. I think it was called something slightly more dignified than Baby Bonus.

We often wonder why there is this focus on getting mothers back to work when the youth unemployment rate in Australia for 15 to 19-year-olds is still 15 per cent. Why have we got this focus on mothers, you know, getting them into work. We know we have to maximise participation in the paid workforce. Because we dropped our birth rate too quickly, we're going to have this unbalance, and especially about the time I retire - I'm nearly a baby boomer - and the crunch is going to come just when I want to go into a nursing home, I know, but there is this high youth unemployment rate, and there is also Bob Birrell's work which we'd urge you to have a look at about the male full-time rate of participation which needs to be lifted, too.

Whenever we go and see members of parliament urging them to change a law, they always say, "Whenever you have a major policy change, there's going to be winners and losers." We acknowledge that, and we're just anxious to know that the losers will not be the poor and, Commissioner Fitzgerald, we're absolutely depending on your history of your commitment to ACOSS and to the St Vincent de Paul Society et cetera to see this point clearly, and I'm sure Commissioner MacRae doesn't need any urging about it, too.

But we're seeing some models put up in the media - I saw one just a couple of days ago in my favourite newspapers where employers, employees and government would all contribute to the pool. There was a 5 per cent figure suggested I think. Well, 5 per cent of my factory workers - I'm sorry, they cannot afford it.

MR FITZGERALD: It's 1 per cent I think.

MS SMIT (WAA): Whatever. Even my factory workers with their mortgages they're dealing with, some of those HECS debts as well - though factory workers don't tend to have HECS debts and they certainly don't need them, but very often

now you're having young couples married, both of whom have got substantial HECS debts, and then they commit themselves to a mortgage beyond what they should very often, but they still do, and the debt on them is enormous. There's enough pressure on young women to be in paid work all the time without your report coming out and putting up a model that would put even more pressure on them. We really urge you not to do that.

The other one matter we did want to mention to is if there were a system that placed a period of payment, we're fearful of that period becoming the quasi standard of what's expected, of what a young woman can expect, the time she can expect to have out of paid work, because this is how long you're paid for. Is there another point? I've got another point buzzing in the back of my head.

MS BRICK (WAA): To that extent, we have been - and it may be a slightly ambit claim, but it builds upon what the needs of the child are, but if you, say, had a period of at least 12 months of paid maternity leave, that you had a further option for a further two years of unpaid leave, so for a total of three years - because of all the studies we've done on the development of children, those first three years are vital. A lot of the hard-wiring of the brain is done. There was an excellent report which was produced by the Canadians called the Early Years Report in 1999 which is an extensive study of all the different aspects, neurological, physiological, psychological of early years. The importance in getting those first three years right was one of the major pronouncements from this report.

It included things like we've already seen in the child care studies, children in long-term child care have higher cortisol levels. They suffer stress differently. That was one thing that this report noted; that if you train a child at that age to respond to stress in a certain way, they then become stuck with that for the rest of their life, and the community can pay for that then if they behave inappropriately. You can't unlearn those very early learning things. So by the time they're three years old, they're up walking, talking, a little able to defend themselves in the child care playground and whatever.

MS SMIT (WAA): Give the other kid a shove.

MS BRICK (WAA): Mothers even starting to get that detachment bit to them, they're starting to drive them crazy. I always thought the terrible twos went straight to horrible threes, and then you've got kindergarten. You go, "Hooray." Love my children dearly, but that is an important thing, that women are allowed to decide what time they want, and because children are different, families are different, situations are different.

My second child had separation anxiety from the time she was born. From the

time she was a week old, if I gave her to someone else, she screamed. So obviously she was never going to be a candidate for any sort of long-term or even necessarily short-term child care until she was a good - over 12 months old, and I did work part-time on and off. I actually have seven children at home and I have worked part-time on and off over the years. I did stop for a while by the time I got to number 5, but went back when they were a bit older. I think we must allow women the time they need for their family.

MR FITZGERALD: Good. Thanks for those comments. I might just ask Angela to start off, and then we'll have a bit of a discussion.

MS MacRAE: I guess it's quite plain from your discussion that you're placing sort of maternal welfare and child welfare at the absolute centre of this. I'm just wondering if, as you say, two-thirds of women that are employed at the time of giving birth actually are not in the paid workforce for that first 12 months, what sort of difference or change would you expect to the percentages that might choose to stay at home for longer if a scheme such as yours was introduced. Say we were looking at, I guess, 12 months' pay, there's a question of how much pay you would want, and I assume you'd be looking at minimum wage or something.

MS BRICK (WAA): That would be very nice, but knowing government restraints, we always start with the ambit claim and see what we get after that.

MS MacRAE: Is that really the objective of your scheme, that you'd be looking - I'm kind of trying to infer from your introductory comments, what would you see as the successful outcome of a maternity scheme? Income security would be one thing I assume, but the other is ideally would you be looking to try to get more women at home longer with their children? Is that one of the goals or the objectives?

MS SMIT (WAA): We'd certainly like to see mothers have that choice, retain that choice to be able to be at home, and that's why we're saying if there's going to be any difference in the amounts people get, most should be going to lower income people. This other model that I referred to said that everyone would continue to get their full income replacement. If it's going to be funded by government and the employer base and employee base broadly, that's going the wrong way in my view, because the higher your income, the more you'll get.

If a private employer decides to provide that for his or her staff, that's fine. But if I'm supporting it and all employees, including my factory workers, are putting in for that, then I want to see the poor supported first and given that choice, because the rich have the choices. That's an old fact, isn't it? You certainly need to have a scheme that focuses on giving that choice to more people to be at home.

MS MacRAE: Do you have any views about paternity leave? Would you see the opportunity for choice about whether a mother or a father stayed at home or would there be a proportion that you think should definitely just go to the mother or would it be up to the couple involved?

MS BRICK (WAA): It's always got to be up to the family. Obviously the mother needs time to recover from the birth, and ideally for the very best health of the child she should breastfeed and they say supposedly for six months, and we do know that breastfeeding rates are dropping. That is not the ideal arrangement for the babies. It does essentially come down to personal choice. My son recently got married, and he is resigned that he thinks he's going to be the house dad because he quite likes pottering around the house. But there will be a point in time where his wife, when they do have children, will need to stay home for some time, and ideally you'd like to see that for six months.

It's not something that you can necessarily quantify. It is an individual choice, and people should be able to have that choice, and by having that choice too we must ensure that by giving them that choice, we should be placing value on the work they do at home, because if we don't give them that choice, we are taking away and saying that what they do in raising their children themselves at home is of no value. It's very important that children feel valued and that parents - mothers or fathers who are primary carers - feel valued for the work that they do.

MR FITZGERALD: Can I just raise that. A number of people have said to us that in fact you have to quarantine the payments, and if I can explain their views. Their view would be - obviously in relation to maternity leave - that it's very important that women are able to and are encouraged to stay at home for a period of time. So a number of participants have already said to us there needs to be a particular payment only available to the mother for a period of time.

Equally they've said - and a number of the unions have said this to us - that there needs to be a separate paternity leave. The reason for that is if you don't do that, men won't take it and employers won't encourage it; in other words a signalling that it is desirable for men or for supporting partners to be able to take the time off. So their view is that both for maternity and paternity, you need to signal very clearly what the aim is. Then there may be a period of shared responsibility.

Just on that, in fact in some of the jurisdictions overseas, they require that the paternity leave is taken at the same time as that maternity leave because of the joint bonding between mother, father or mother and supporting partner and the child. So I'm just wondering whether you have any view on those sorts of approaches?

MS SMIT (WAA): Yes, we do. We've always had the view that it's nobody's

business but the couple's how they arrange their lives, and if you're going to put that structure up, a paternity payment, because men aren't doing what they should be, butt out. Leave it to the couple. They're both well-educated these days - not all couples obviously, but we are educating young people at a higher rate than ever before. They do have negotiating skills, and I think they should be left to make their own arrangements within their marriage and their household.

I'm not opposed to men taking responsibility. Within my own family, there are two models where the husband is the primary carer, and because women are often earning more - we know they're qualified from tertiary institutions at a higher rate. So that will be so, but we do defend the right of couples without pressure from outside or even expectations from outside to structure their family life as they see fit, and if mother wants to be out for three months, go back and dad comes out and remains the primary carer for the rest of the child's life, so be it for that family. There's not too many women who will want to make that choice. Women love being with their babies on the whole, so do men, but I'd just be wary about trying to use social engineering within the model.

MR FITZGERALD: Although let me just press the point a little bit further: they would say that if you place child wellbeing at the heart of this then, in fact, to use your expression, a little bit of social engineering wouldn't go astray. In other words, if you believe genuinely that the child's wellbeing is enhanced by having the mother at home for a period of time because of breastfeeding or other reasons or attachment reasons, and you believe that the involvement of the other partner or particularly the father is important, you might well say, well, a little bit of social push isn't such a bad thing.

MS SMIT (WAA): I suppose governments have always rewarded the behaviour they want to see, and that's - yes, of course. That's always going to be so. By the way, by encouraging women to breastfeed, you're not only enhancing the baby's welfare, you're enhancing the whole of society, because this lovely bit of research came out the other day, breast milk goes straight to the head, but it does show - and it was a big study, 14,000 children are more intelligent - the breastfed ones are more intelligent. That's good for all of us to be breeding intelligent children for the future of Australia. So there you are.

But there's also another piece of research about breastfeeding fairly recent that I read that showed that returning to paid work, whether it be full-time or part-time, suppresses breastfeeding. So it's bad really for health and intelligence of future generations.

MS BRICK (WAA): Just on that point about fathers and paternity leave, when you make general rules, it doesn't take into account individuality and, you know, I love

my husband dearly, but I was quite happy for him to go back to work because he felt relatively useless at home with the little baby, whereas he knew if he was out to work, providing for the family I could stay home and look after the children. If they wanted to make some sort of social engineering there, that fathers of new babies perhaps, while they may still want to maintain full work, were not compelled to work over 55 hours a week or something. That had important bearings on the wellbeing in this study of fathers and their children.

So if we avoid having to push them somewhere, that they are allowed to take that paternity leave if they wish, but while they do have a young baby at home, they are allowed some flexible leave or flexible hours, such that they may not necessarily - they work what they call short full-time hours. So they're compelled to be there for those extended periods which are a detriment to the family.

MS SMIT (WAA): I just want to point out that 55 hours per week for fathers is not Women's Action Alliance policy. In fact I'm an old Irish Catholic labourer doing eight hours a day. I'm an eight hours a day girl. So, you know, shorter working - - -

MS BRICK (WAA): I just quote the study.

MR FITZGERALD: Sure. That's all right.

MS SMIT (WAA): Yes, that's right. It's quoting a study. We have lost the eight-hour day, and it's a great loss to family life and to children's wellbeing. The eight-hour day was such a huge industrial win that in this city and in others, we built a monument, and we declared a public holiday - Labour Day - which my mother always called Eight Hours Day. We then turned it into our Moomba weekend, and when people said it's Moomba day, my mother would say, "It's not Moomba day. It's Eight Hours Day."

When we celebrated the 150th anniversary of Eight Hours Day, we put wreaths around with "Mourn the loss" written on them, because we have let it go, and it would be to the benefit of children, women, fathers if we reclaimed the eight-hour day, and it's certainly pertinent to what we're talking about to assisting parents at the time of having children.

MS MacRAE: Could I just ask - I know your preference was to not have the payments means tested, but were that to be an option or at least one we look at, would you be looking at means testing on family income or the mother's income or the father's or how would you see that working?

MS BRICK (WAA): That was reported today in the Australian. There was an interesting article on that. I've sort of come to the opinion that if you're going to

means test it, you need to means test it on one income, because once the woman stops work, that's where they're at. It's one income, and that's - a side track; one of the big things with welfare payments is you've got to try and predict your income, and when you haven't got it, you've had it before. So you don't need it now even though you haven't got the cash there. So if you were going to means test it, you'd need to means test it on the one income that they will be living on, not on the dual income that they had going into it.

We don't necessarily have any objection to means testing so long as it's high enough. People who are earning - I don't know what the figure is but if you don't necessarily have any need for it, that's fine if we don't give it to them, but make sure that any benefit we get from that goes to those people who are worse off.

MS MacRAE: But if you had an instance where a mother returned to work soon after having a baby for example and was doing part-time work, and the father was still in full-time work, then whose income would you base it on, if you're not doing a look-back. So say we're going to base it on current income, in that first instance, if the husband is - take a traditional sort of husband is working, full-time mother is at home, if you just base it on the mother's income, her income is zero and she would get the full amount. If you were still to means test it on the husband's income, then she may not. She may get part. I guess if one of the couple was not working, would it be your preference that that person would necessarily qualify?

MS SMIT (WAA): There's arguments either way, aren't there? I mean, the mother might be a wealthy heiress. She might have a huge income off investments and things.

MS BRICK (WAA): You can certainly include those things. You could make it taxable income, not employment income.

MS SMIT (WAA): And taxable income might be a practical way to go.

MS MacRAE: You're saying that if the mother returns to part-time work and she'd still be receiving the maternity payment as well, whether that was means tested according to her employment.

MS BRICK (WAA): That's right; whether you would intend that she would continue to be entitled to part-payment if she returned to part-time work.

MS SMIT (WAA): I think we'll see tonight that this government is going to be a means testing government. They're going to means test the mother's payment tonight, according to the media reports. The Family Tax Benefit Part B and the spouse rebate I think will be means tested. I hear no mention at all of the means

testing the child care rebate. So it doesn't matter how wealthy you are, you will continue to get a substantial child care rebate. Family Tax Benefit Part B is in fact the mother's child care payment, and yet she's going to be means tested, whereas those who return to paid work - so there's social engineering going on there, believe me, and it says you should not stay home with your children if you're wealthy.

MS MacRAE: In fact that is one of the issues, and Robert is usually the one to raise this, so I'll get in first. But, if you like, the government sometimes is looking at sort of two sets of incentives here, and we really entered that debate now about - particularly for under ones. Should they be potentially putting money into a payment that allows mothers to stay home longer or should they be putting money into child care and more of it to, for example, reduce the ratios for those very young children that are in child care, so that for those that are in care, they may get better help there. What sort of balance should the government strike between those things? Did you have a view on that? Is there a trade-off that you think is a reasonable one to be made there or is that not a reasonable trade-off?

MS SMIT (WAA): All child care is child care, isn't it, whether it's provided by the mother or parents or someone else.

MS MacRAE: Sure, formal child care I should say, yes.

MS SMIT (WAA): Very little formal care is used by parents of preschool children. We have those figures here.

MS BRICK (WAA): Particularly the under ones, and the vast majority of them are family care. It's not the parents juggling, it's the grandparents.

MS MacRAE: Right.

MS BRICK (WAA): The highest proportion of people who use formal child care in the under ones are the very high incomes, and they're the ones that aren't means tested on it. The lower incomes don't use the formal child care.

MS SMIT (WAA): It's not necessarily due to costs. It's because of the anxiety about having babies in child care. You're aware, I presume, that the approved carer to child ratio in our child care centres is five children to one.

MS MacRAE: Yes.

MS SMIT (WAA): Have you ever cared for five children under three for a day.

MS MacRAE: No.

MS SMIT (WAA): You wouldn't want to go back and do it tomorrow. You'd sleep damn well that night, and yet these young girls - and they're not qualified, a lot of them - they do it, and you can't tell me that's quality child care. A child who is left crying, of course their cortisol level goes up. If you've got one on one hip and one on the other, what do you do with the other three if they start crying. We claim that we provide good quality child care in Australia. It's a myth for children under three, because you can't do it on that basis.

MR FITZGERALD: Can I go right back to the beginning. I just need to understand exactly the proposal you're putting. Can you just run back right at the beginning to the exact proposal you're putting in terms of paid maternity leave.

MS BRICK (WAA): If we were going to a model of paid maternity leave, it must be inclusive of all mothers, and just as a ballpark figure, if you wanted to do it immediately, you could combine the baby bonus and the family tax benefit Part B and get an immediate family maternity payment of \$318 a fortnight, no cost to government. It's just rebadging what they already get.

MR FITZGERALD: You're putting those two together.

MS BRICK (WAA): That's right. I'm sure someone has already done it. I'm sure - this isn't rocket science.

MR FITZGERALD: But can I understand this, that would be a payment that is paid to all parents or all mothers, irrespective of the time they take off work. Is that right? I just need to understand. Most of the models that are being put forward so far have two components to it. One is a parental leave which is attached to the leave taken from work, and that's at least at a minimum wage level. The second component is that which is paid to self-employed, people that are not attached to the paid workforce, those that are marginally attached through very low levels of casual work. That's a payment that's paid in an equivalent amount.

The two components, one is attached to leave, and you don't get it unless you take the leave. One is just for those that are marginally or not attached to the paid workforce. Is our scheme one that says you pay that flat amount to everybody irrespective of whether they're at work or not at work, irrespective of whether they take leave or go back to work. Is that my understanding or not?

MS SMIT (WAA): There are some facets to that, aren't there? Family tax benefit Part B, as Mr Howard used to say, "That woman does not have a tax-free threshold, and that's why she got it un-means tested." If they're going to means test family tax benefit Part B tonight, surely they're going to restore a tax-free threshold for the

dependent spouse on those higher incomes, otherwise she'll be the only person in the Australian community who gets no recognition at all in the tax system. Her living costs just will - there'll be no provision for them.

Okay, say it's a fellow on \$300,000 a year. One has got a wife he's supporting - take two of them. Sit them side by side, they're high-achieving bankers or something - one's got a wife he's supporting, the other hasn't. They'll be paying exactly the same tax, even though this income is supporting two people and this is supporting one if you don't have - - -

MR FITZGERALD: But can I just push it back again so I'm absolutely clear. Yours is not related to leave taken.

MS BRICK (WAA): No.

MR FITZGERALD: Is that correct?

MS BRICK (WAA): It's not related to your attachment to paid work.

MR FITZGERALD: The workforce at all.

MS BRICK (WAA): No.

MR FITZGERALD: Can I ask the question, do you not see this: we acknowledge the cost of having children and so on and so forth requires support, but what a lot of participants are saying to us is that there is an issue about attachment to the workforce, and part of this is in fact trying to normalise in a sense motherhood in the workforce; that is, it's okay to have children. It's okay to have time off from work, in fact it's beneficial to do so; and that these schemes are designed to allow and encourage women to be able to stay home longer to achieve.

The other thing is about the recognition of women generally within the workforce, and people have talked about the extraordinary career disruption that takes place when you have a child, and whilst there's been significant improvements in the workforce, many women are still disadvantaged. So there is an issue in this inquiry that is directly related to work as distinct from simply the raising of a child. Your proposal would say the real issue is that the child will be, end of story. Most participants would say, "That might be true, but there is an issue about work and maternity or paternity." That's it.

MS SMIT (WAA): We're not ashamed of being different from most participants.

MR FITZGERALD: I know.

MS SMIT (WAA): But, yes, there is. But if you're going to create a system to allow more women to have more time off work, then you've got to provide five years' paid maternity leave or two years or something. You're not going to give them 14 weeks, are you, because that's not enough time? Most women by their behaviour tell you that's not enough.

MR FITZGERALD: 60 per cent of women don't return to work within 12 months of having the birth of their child under the current scheme.

MS BRICK (WAA): That's right.

MR FITZGERALD: The World Health Organisation talks about six months, and the ILO talks about 14 weeks. You're right, some schemes are much more generous. Some actually do get up to three years, I might say, but - - -

MS BRICK (WAA): That's good.

MR FITZGERALD: - - - that's very rare. Why do you need to have a scheme that would allow people to be out of the workforce more than 12 months, for example, because many women, no matter what you do, will extend the period. They already do.

MS BRICK (WAA): That's right. 25 per cent of women already don't return to work within two years after the baby is born anyway.

MR FITZGERALD: How much?

MS BRICK (WAA): 26.6 per cent according to this. They already don't return to work, and that's for a number of reasons. Sometimes because the women are getting - if they're starting their families older, they have a shorter time frame to fit the babies in, so they'll be pregnant one year. Before they go back, they're pregnant again. So they're having another baby. I feel that when we're talking about this work attachment, you can't explain to a new mum what it's going to be like after she's had the baby. So she's got this great career going, "Yes, I'm going to be doing this," and whatever. All of a sudden her whole world is turned upside down and her priorities change, and they don't necessarily want the same career path they had before the child.

Our system doesn't necessarily take that into account very well. So if we're going to be talking about maintaining work attachment, it needs to be at a level where the mother can fulfil her responsibilities and that emotional attachment to her family, which is incredibly important, and work in such a way that it allows her to

fulfil that. So if we're going to allow women to stay home and feel happy with it, they have to be supported in that, all their maternal and child health things, the psychological and physical wellbeing of them so that they don't feel compelled to go to work because they're going crazy all by themselves at home with the baby, and then when they do go back to work, maybe some retraining for them so that they can go into a job whereby they are happier to do that.

MR FITZGERALD: There's a package of measures.

MS SMIT (WAA): I should perhaps mention that we don't have a major commitment to a model at all. We want to see what you'll produce, but we want to tell you what we think are the essential elements of it, and the first one is inclusivity. If any people are going to be left out - it certainly should be ideally flat rate, such as is the baby bonus, but if it's not flat rate, the benefit should be to lower income, not higher income. They're the essentials that we'll be looking at with what you recommend at the end. If anything, you might come to the government and say, "The baby bonus is good?"

MR FITZGERALD: I must say we're looking at some New Zealand commentary at the moment where, as you know, they introduced a paid parental leave scheme some time ago, but one of the commentators on that scheme actually says that we have a better scheme where you combine the right to return to work after 12 months - it's about to be two years - and a baby bonus which is universal and non-discriminatory, and it's flexible and all those sorts of things. So it's interesting how those from outside see some benefits in the scheme we already have, but that's always the case.

But we will be examining all of those models. I am intrigued that the workforce attachment issue from your point of view is much less significant than the child wellbeing in terms of the design and whatever scheme, so I take that on board.

MS SMIT (WAA): This was a pretty universal wisdom once, wasn't it? The old model of family where father went to work, mother stayed home, worked like a charm until the marriage breakdown. Then it was a disaster because she was left with no money. Now that we've got highly-educated young women, we're not going back to that old model. We, their parents, paid for their education. They want to work, we want them to work. They'll work wherever they are, home or - I mean, we've got these lovely headlines I want to show you. This is a funny article, this one.

MR FITZGERALD: What's the headline?

MS SMIT (WAA): Very funny. I'll give it to you, and that one, you know, it's - - -

MR FITZGERALD: What does it say? Can you just read the headline?

MS SMIT (WAA): They're flat chat, and I've got my favourite thing, big black finger graph. You can nearly all sort of see that without me showing it to you. It's per capita value of unpaid work done by gender and age, and the black finger is woman 25 to 44. Interestingly enough, in relation to paternity leave, men are doing more unpaid work at that age than at any other time of their life too because, what, they're helping their wife look after the children. We hear a fair bit of feminist flak to men about they don't do their bit. I think they do for the most part. I think some are lazy so-and-so's and need a good kick up the rump, but an awful lot of men love their wives and do help them as much as they can.

MR FITZGERALD: Just one query, and that is in relation to the right to return to work, the so-called unpaid parental leave arrangements that we have at the moment. One of the conditions of those is that you have to take it in a block; in other words, you can't dip in and dip out. I was wondering whether you have any comment on that, because you made a comment earlier which was that often women returning to work have no idea of what that experience will be like until they do it, and anecdotally many women may wish to return home. But of course the right to return ceases at that point, and most of the paid maternity schemes that we've seen would also cease; in other words, once you've ceased taking the leave. I was wondering whether you have a view about how that period of paid and unpaid leave should be structured; in other words can you take it only as a block?

MS SMIT (WAA): Flexibility is always going to help. Flexible work arrangements, flexible leave arrangements, which you're just raising, are always going to help families to fit around family events for instance. If a child is ill, mother-in-law has a stroke or all those things that happen in families, the demand on the parents' time, apart from just child care, even major car accident or something can be quite - all sorts of things come along to make it hard to get to work, so that sort of flexibility - - -

MR FITZGERALD: You mentioned as an employer - how do you trade that off with the costs associated with such an arrangement for employers? In other words, employers might say to us, "We can learn to live with a parental leave arrangement, paid or unpaid," putting that aside for a moment, "but what we can't learn to live with is enormous flexibility where people come for short stints and then go off for another period because you can't replace, you can't get the continuity of work." That depends on the nature of the occupation and the trade or business, but I was wondering whether or not you have a view about that sort of - - -

MS SMIT (WAA): We're in a different playing field now. Mr Howard would have just said, "Put it in your contract. Strike a contract with your employer," but I don't

mind mentioning my factory workers are not big at striking contracts with my husband and I because they just don't know what should be in it, and when we ask them whether they wanted to change their superannuation arrangements, they said, "You tell us." It's really a bit useless, all that stuff. Yes, you've got to deal with the employer side of it. It's got to be practical for small employers particularly, and I presume no-one is coming to you, commissioners, and saying employers should pay for this.

MR FITZGERALD: There are a number of people coming to us except employers.

MS MacRAE: Employers aren't, but others are.

MS SMIT (WAA): But the current wisdom over a long time has been it's never going to work. I'm a small employer. I've been a feminist since my mother taught me to be, but I will stop employing women in their child-bearing years if I have to pay 14 weeks' pay.

MR FITZGERALD: Can I put a proposition to you. There are numerous models being proposed, but there are two in relation to the employer. One is that the government would pay up to the minimum wage for example, but that employers would be mandated to top up to the full pay over and above that figure. So employers would be required to pay the differential between the minimum wage and the full wage. That's one model.

MS SMIT (WAA): You know what that means, I might employ women, but I won't promote them up to my top management position, not while they're of child-bearing age.

MR FITZGERALD: Right. The second model is that we introduce a social insurance model similar to that which exists in most European and other countries whereby employers pay - and this was the model you were referring to - a portion of their payroll, and employees - - -

MS BRICK (WAA): So it's another tax.

MS SMIT (WAA): It is a tax.

MR FITZGERALD: It's a tax on the payroll and/or the wages, and I think the article you referred to is 1 per cent of both payroll and wages, and that would be on all employers so that the burden isn't applied disproportionately to those businesses that have more women or more women of that particular age.

MS SMIT (WAA): Guess what this little employer is going to say. You mean to say I have to pay the same as General Motors-Holdens? I have to pay the same - - -

MR FITZGERALD: A percentage.

MS MacRAE: Percentage.

MS SMIT (WAA): - - - as the mining companies? I know it's only 1 per cent of our small payroll compared with 1 per cent of theirs, but it's a bit like the GST. It's still flat tax, isn't it?

MR FITZGERALD: It's a flat tax rate, yes.

MS SMIT (WAA): Flat tax rate.

MR FITZGERALD: But in that case, what - - -

MS SMIT (WAA): Presumably most governments would exempt employers who employ less than a hundred people anyway, wouldn't they?

MR FITZGERALD: No.

MS SMIT (WAA): That's been fairly - - -

MR FITZGERALD: No, they don't, not in these arrangements. So your view, again just to repeat, is by combining the family tax benefit B - - -

MS SMIT (WAA): And baby bonus.

MS BRICK (WAA): And the baby bonus.

MR FITZGERALD: - - - and the baby bonus - - -

MS SMIT (WAA): You could give - - -

MS BRICK (WAA): You could give a flat rate.

MR FITZGERALD: - - - and then you apportion that across universally.

MS BRICK (WAA): Just as a beginning, no cost.

MS MacRAE: Except there would be a cost for the women who are currently either employed part-time or full-time in that period, because they wouldn't currently

get family tax benefit B, would they?

MS BRICK (WAA): No, they do not get it. They get it at a - - -

MS MacRAE: I don't know what proportion it would be.

MS BRICK (WAA): Yes, they have to be earning over - I think it was \$8000 or something to lose it completely, but that's in the nitty-gritty.

MS SMIT (WAA): But that family tax benefit would disappear. It would become part of the maternity benefits.

MS MacRAE: It wouldn't be costless if you made it available to all women. That number that you gave would be a bit less.

MS SMIT (WAA): No, because - that's right.

MS MacRAE: A few more people would be eligible.

MS SMIT (WAA): Probably whatever scheme you're going to recommend is not going to be costless, is it? If we're going to spend more money helping families, we're going to spend more money.

MS BRICK (WAA): That's right.

MR FITZGERALD: The one thing you know and I know is that there is nothing costless. Even if it replaces what's there, that has a significant cost as it is. Are there any other final comments you'd like to make?

MS SMIT (WAA): I think we've made our major points; inclusivity, and look after the lower income people. Paid maternity leave as it exists in Australia today mainly favours the higher income people. I'm sure I don't need to tell you that, and particularly Commonwealth public servants or public servants broadly who I understand get both, do they not? They get full wage replacement plus the baby bonus.

MR FITZGERALD: Yes.

MS MacRAE: Yes.

MR FITZGERALD: One of the issues at the moment is that a number of union participants are indicating that whatever people get currently should remain - in other words, no disadvantage - and that anything that's introduced would be over and

above that. That would be problematic I suspect if you maintain both the currently agreed schemes, the baby bonus, and then a new scheme on top of that, but some are proposing that.

MS SMIT (WAA): Certainly mothers at home who are committed to being at home for five or seven years or until they get all the children off school. Having seven children, that's rare, but nonetheless some want to have more than two.

MR FITZGERALD: We had a woman yesterday with eight.

MS BRICK (WAA): With our superannuation scheme, one of them is going to like us at the end. I think essentially we want to ensure that all women have the choice. So if they want to choose to stay home, there are no rigid policies that have in train the separation of mothers and young babies or mothers and young children; that that is not a policy of the government to separate them.

MS SMIT (WAA): It's a very dubious policy to put in place, and we do urge you to have a look at the time you survey results which show those figures - the big black finger comes from there.

MR FITZGERALD: You're going to send us a written submission with all those graphs.

MS BRICK (WAA): Yes.

MS SMIT (WAA): We're going to send you lots of stuff.

MR FITZGERALD: There's no chance of us not seeing them. That would be great.

MS SMIT (WAA): That's good.

MR FITZGERALD: Thank you very much. That's great.

MS MacRAE: Thank you very much.

MS BRICK (WAA): Thank you.

MR FITZGERALD: Our next participants are at 11 o'clock. So we've just got 20 minutes or so, and that's the CMFEU followed by the National Tertiary Education Union. We'll just resume at 11.00.

MR FITZGERALD: Thanks very much for coming back. If you could give your full name and the organisation you represent, John, that would be terrific.

MR SUTTON (CFMEU): John Sutton. I'm the national secretary of the Construction, Forestry, Mining and Energy Union.

MR FITZGERALD: Great. Now, if you can give us your opening comments.

MR SUTTON (CFMEU): Thank you for the opportunity to be here today and to speak to you on this very important matter. Our union is very strong in its support for the introduction of a universal scheme covering parental leave provisions, both for women and men, and I'll speak to some of the detail of what we would see as the appropriate design of that system in a moment.

The other point that I particularly want to bring out and explore today with this inquiry is the question of how to bring in a largely untapped resource, namely Australian women who are not at any significant level participating in the industries that my union represents the workforce in, namely, industries like construction, mining, forestry, heavy industries where there is a complete or near complete absence of women in these occupations. At the very same time of course that the country does face supply shortages and we do face bottlenecks and inadequate - capacity constraints, that's the term I was reaching for - capacity constraints that mean that both in relation to infrastructure and labour supply, there is a crying need to address those constraints.

On the question of labour supply, in my view we have an untapped resource out there in Australia called Australian women that are not working in these what you might call hot industries at the moment, like mining and construction where there's a great deal of economic activity, and of course we're hearing reports day in, day out of the supply shortages, meaning that we have to bring in ever-increasing amounts of overseas workers, both in terms of permanent migration, but more particularly the major upsurge in temporary overseas workers, and there really has been a dramatic upsurge in that, and the business world is calling for continuing lifting of the number of workers coming in from overseas, in part to address the shortages in industries like mining and construction.

Where I'm going on this and where our union is going on this is that if the Australian government and if the Productivity Commission through inquiries like this one are able to address the child-rearing issues - and they go to questions like maternity leave and child care, they seem to us to be the two critical issues - if they can be addressed - and the Australian government is showing interest in both of those issues at the moment, and we're here today particularly about the parental leave issue, but I want to say, and our union wants to say, to this inquiry that you can help unlock

the potential for Australian women to be coming in to our industry and doing important jobs in our industry.

Naturally in the past it's been thought that the occupations in construction and mining were arduous and that heavy manual work was required and that it was unsuitable for women on that basis. I can't say to you that there is no work any more in construction or mining that is not of a heavy lifting and an arduous nature. There are still some occupations - and I wouldn't be rushing to recommend being a bricklayer to my daughter or being a bricklayer's labourer or a solid plasterer, but there are a hell of a lot of other trades that are suitable for women in terms of the physical attributes that are needed for those trades, but more particularly, so much of the work now on construction sites and in mines and in forestry and wood production - so much of the work is operating machinery.

Very often it's a question of operating sophisticated machinery, and Australian women are well and truly capable of having the required skills to do that work, and partly because of unions like my own, we have been able to win good wages and good conditions. So I don't think I'm exaggerating to say we can think of the areas that my union covers as high wage areas, and there really is no reason why women ought to be kept out of and excluded from these high wage jobs, because if you go to a construction site or a mine site and you go to the office and you see who's working in the office, who's doing the administrative work, you'll find it's women that are generally working in low-paid jobs in the office, operating machinery of one sort or another, very often IT machinery, I suppose. But the operators in control rooms that are not far away, in control rooms operating the plant and doing production work, they're operating machinery as well, and they tend to be men on high-paid jobs.

So there is nothing that is sacrosanct or natural about this in my view. Our industries have moved on, and it is high time that we tried to bring women into these industries, and the child-rearing issue seems to be to us to be the one impediment. Naturally, if this inquiry and the government moves on the question of a parental leave scheme and moves on the question of child care, we think that resource can be unlocked in terms of labour supply. Do you want me to speak to the design of what we would see as the key elements.

MR FITZGERALD: Yes.

MR SUTTON (CFMEU): I suspect that the design that we would advocate is probably not too different from many others that have appeared before your inquiry or that will appear before your inquiry. We support a universal scheme where the government meets a minimum wage payment to mothers in the case of maternity leave, and we support the notion that 14 weeks is something that should be legislated here and now or as soon as politicians can get around to it.

Given the circumstances that are going to unfold and this inquiry reporting to government, that may mean that decisions hopefully are made in 2009. We certainly think there can be a start-up date of something like 1/1/2010. But we have a strong view that 26 weeks is where we need to go on this issue, and the government should be phasing in and ratcheting up the minimum entitlement to 26 weeks probably by 2015. We think that's an eminently doable point in time.

We believe there has to be a universal scheme that's paid at a minimum wage level by the government; a government-backed scheme, whether persons are work or not in work. Where they are in work, we believe that there ought to be bargaining at the workplace through the collective agreements where the employer tops up the wage to the going rate or the paid rate that the workers are on in that particular workplace. We also think that the National Employment Standards ought to be adjusted to embrace this proposition.

We don't rule out the question of pooled arrangements or centralised arrangements where employers put money into a central fund or trust arrangements. We've got a predilection for those schemes in the construction industry. Where I come from, I'm very familiar with trusts, both in the case of redundancy pay, long service. We have portable long service arrangements where workers' entitlements are paid into a central trust and, of course, superannuation is a similar pooled arrangement that we pioneered through construction.

Another area where we are quite strong in our views is, paternity leave has to be brought into the equation, and we are urging that there be a four-week paid paternity leave provision. We're not fixed about how this can come about, whether it's a taxpayer-funded thing or - certainly we have a view that the National Employment Standards should be - recommendations ought to flow from this inquiry to adjust the National Employment Standards for a four-week paid provision to go into awards, and similarly we would see that this is an item that should be bargained about through the collective bargaining arrangements where above the minimum standard that may be laid out in the National Employment Standards, that workers and unions can bargain in the workplace to top up the paternity leave amount to the going rate.

I have seen some debate about whether this is the right time for paternity leave. I've even seen some media commentators this morning wanting to joke about the matter. I don't actually find it a joking matter at all, and I think Australian males have moved on in their attitudes, and most Australian males would recognise the importance of being around and being helpful at a critical point in their partner's life at the point at which the child is born and those first few weeks, and that's the point at which the woman needs the most assistance. Both parties, from my personal

experience, don't get a lot of sleep in that period of time.

I haven't mounted the argument that the males are unsafe in the workplace because they haven't had any sleep, and I won't mount that argument, but I do happen to know from personal experience like most people in this room that that is a time when both partners need to be there for each other in those first few weeks, and our view about that is that it's good for the family you have paternity leave. It's good for the country. It's good for productivity, for employers to understand that's a critical time in the life of the male worker, just as it is for the woman involved, and we need to get paid paternity leave into the picture and we need it now, and it ought to be dealt with through the same process as this maternity leave inquiry or parental leave inquiry that you are conducting. That might do me for openers if that's enough.

MR FITZGERALD: Yes.

MR SUTTON (CFMEU): Thanks a lot.

MR FITZGERALD: Thanks very much, John. I might ask Angela to start off with some questions.

MS MacRAE: Perhaps if I start where you've just finished, just in relation to the paternity leave. What are the current arrangements? Do you have paternity leave in your industry, and if you do, whether it's paid or unpaid? Do people tend to take that? I guess we hear quite a lot about it as a signalling mechanism, and whether you'd have any views on that if it were to be introduced as a paid entitlement.

MR SUTTON (CFMEU): I am clearly of the view that there's no paid entitlement. There may be some isolated agreement or isolated occasion somewhere where there's a paid entitlement, but that would be very rare in the industries that we represent. I think in the awards, in the EBAs, there is some capacity - there has traditionally been some capacity for parental leave in the order of a week or thereabouts on an unpaid basis, and there may be some EBAs. This is one item that I haven't come with research to hand today, but I can speak with a fair degree of confidence to say there is no paid paternity leave provisions on any widespread basis in these private sector industries - heavy industry that I represent - but there would be some minimal unpaid leave entitlement.

MS MacRAE: Do people tend to take that, do you know, currently?

MR SUTTON (CFMEU): I think they tend to take it, yes, that's my experience.

MS MacRAE: In relation to the arrangements that you may already have negotiated, and perhaps it's not such an issue in your industry, but I guess for you

because you've got so few women, it's not really such an issue that there's already a negotiated arrangement, and whether this would be an add-on or not probably doesn't come up as a - an add-on to what's already been negotiated is probably not such an issue for your union because you've got such a male-dominated - - -

MR SUTTON (CFMEU): You mean an add-on to maternity leave?

MS MacRAE: Yes, that's right.

MR SUTTON (CFMEU): Yes.

MS MacRAE: Anything that you've already - - -

MR SUTTON (CFMEU): Maternity leave is just a non-existent issue because if you look at construction, I think our membership, which I looked at before I came here today, in construction is about one-tenth of 1 per cent. So it's just a minute number of women that are members of our union, and that generally reflects the construction industry where there are very, very few women in that industry.

Interestingly there is a slight uptake in mining. I have a figure of 4 and a half per cent of our mining membership are women. That covers mining and power industry, and in forestry and forest products, around 6 per cent of our membership are women. That reflects some jobs that are in the sphere of semi-skilled processing work et cetera. They wouldn't tend to be women out in the forest harvesting trees et cetera. But, yes, the women's participation is very, very low in these industries. So the question of add-on, there is nothing to add on to at the moment.

MS MacRAE: Can I just explore, in your opening comments, you were talking about unlocking this source of labour. What sort of mechanism do you see that would produce that? Is it the fact that these industries would look more attractive because there would be a maternity scheme available or is it something more than that, because if we made it universal, then you'd be no different from any other sector. So it's not really putting you any further ahead in terms of competitiveness, I suppose, for that pool of labour. I was interested in what sort of designed features of a scheme you think might make it attractive in terms of unlocking that source of labour.

MR SUTTON (CFMEU): I guess I don't seek special provisions for our industries, but we recently debated this at our executive. We debated it at our conference in February, and there just seems to be a universal view that if we could address the child-rearing issue - some of the old prejudices and notions that women can't or won't or there's something intrinsic that they can't work in our industries is gone. So what are the impediments any more?

We think that the matters that I've raised are real structural issues, if they can be addressed. I don't pretend there is no overhang of prejudice or old thinking, but that's a question that we have to - certainly the union leadership is more than happy and prepared to confront that thinking. I think most employers and most of the employer associations, when they turn their mind to it, if we can help them turn their mind to it, will think that this is a real avenue and a real potential in terms of labour coming on stream.

I know one construction company that with great fanfare about 18 months ago launched paid maternity provisions for their operations, but that company is very much an exception and a rarity. We just simply have to get the word out there that women ought to be coming into these industries, into these high-paid jobs. But I do think, unless we address the structural issues that we're here today talking about, the child-rearing issue, then I don't think employers will have the appetite, and workers may not have the appetite to make the breakthrough.

MS MacRAE: So you think, given the problems of attracting staff and all of those things that you talked about, which are very real in those industries, that we wouldn't see that emerge as part of the bargaining process without a sort of government underpinning for that sort of thing then?

MR SUTTON (CFMEU): I definitely think government, not just from an economic point of view by making these big changes, but government being prepared to signal, government being prepared to take the issue on and be enlightened about it, government has got a big role to play. Government can choose to popularise matters and advertise and educate. Probably there has to be an education process with all this. Very often there's jobs right next door that women think, "That's not my kind of job," or, "I couldn't do that job," but there's a big education process that has to run in tandem with the kind of structural issues that you're addressing.

MR FITZGERALD: Just following on from that, you've indicated that you want a mandatory top-up that would come through the National Employment Standards.

MR SUTTON (CFMEU): Yes.

MR FITZGERALD: Some might say that employers are prepared to welcome a parental leave scheme, maternity and paternity scheme, for so long as the government funds it.

MR SUTTON (CFMEU): Naturally, yes.

MR FITZGERALD: Naturally. But what people have said to us, if you mandate the top-up, then in fact that will act as a disincentive to the employment of women. So on the one hand you have a benefit, but then by imposing additional costs on business, that would be taken away. I was just wondering to what extent you think that's valid.

The second thing is a number of employer groups have spoken to us, and they're strongly opposed to it being in the National Employment Standards, and believe that it should be a matter for, as you indicated earlier, enterprise or collective bargaining as has been the case to date. So we've noted that there's been strong opposition to it becoming a standard even where people are supportive of both voluntary schemes and also, as I say, the government scheme.

MR SUTTON (CFMEU): We think it ought to be in the National Employment Standards. We suspect that employers would resist that in the way that you've described. All I can say is we would prefer it was in the National Employment Standards. At the very least the top-up ought to be on the table in every set of negotiations around collective agreements, and I would expect that most unions would be bargaining to gain the gap between the minimum pay rate and the going rate at that workplace. So what more can I say? We would prefer it was in the NES, but if it's not, at the very least it ought to be a bargaining item that the parties bargain about the top-up payment.

MR FITZGERALD: In your particular set of industries, because they're relatively high paid, this issue of the differential or the top-up is more significant than in many of the industries that we've been talking to where the difference between the minimum wage that a government might fund and the top-up is not necessarily all that high, but in your industry it would be a significantly greater amount.

MR SUTTON (CFMEU): Some of these industries that I represent are very profitable industries; some might say there's super profits being extracted, if I talked about resource prices and commodity prices; astronomical lifts in those prices even over the last three years. Employers in my experience in both mining and construction are generally not quibbling so much about pay rates et cetera, and there is no pay explosion. If pay rates were keeping pace with profits in the resource sector and construction sector, our members would really be very special; they're not. Our members are extracting increases in the range for 4 to 5 per cent as our wage deals per annum.

But the point I am trying to make is it's not the money wage that employers are so fixated about in mining, construction, these areas. They are agitating more about a reliable labour supply, and I think it's in their interests, and I think some employers clearly know it's in their interests, to be catering for their workforce along the lines

that I've spoken about today, that it does help engender a reliable loyal workforce. If you look after your workforce, there's every chance they will reciprocate. So it's reliability and skilled employees that they've trained up and that will come back to that workplace. That's what they're interested in, not so much the money component, in my view.

MR FITZGERALD: One of the issues that arises in relation to the universal approach is that people have said to us that there are two things at play here: one is the general support of parents having children, but there are specific issues in relation to the attachment of women to the workforce, and that they're of a different character. So there are many models, but there are at least two that are being proposed at the moment; one is that you simply have the same payment which is given to both workers and non-workers, and that is not attached to the leave taken. The other model is that the payment that's attached to those in the paid workforce you're only able to access if you take the leave itself. But for those that are not in the paid workforce, then they would receive the payment in full.

In other words, I suppose more simply, do you see that even in a universal system, those payments that are paid to those in the paid workforce would be attached to the leave that they take or is it a payment that is made irrespective of the leave taken? To date most people have made the separation and said one is attached to the leave taken, and the other is just a payment that is made.

MR SUTTON (CFMEU): I think it ought to be attached to the leave that's taken. Clearly I guess you could put a loading in the wage that would take account of this, and when the woman was absent from work, there was no payment at that point in time because their wage had been loaded up for some component. I don't think that serves the purpose because when they're off work for that period of time, six months or whatever they happen to be off work, I think they need a regular flow of income during that time, and it's a more practical way to fund the entitlement.

I think it's responsive to the issue at that point in time instead of becoming some payment that gets lost in the mists of time, and in my experience, with employers, it could also mean that the payment would disappear, because in my long experience, we fight for things and win them decades earlier, and then people can't even remember why we won the thing in the first place. The question you ask I think leads me to believe that the payment ought to be attached and paid at the point when they take the leave.

MR FITZGERALD: Okay. Given your experience in this particular industry where you have these pooled funds, there have been a number of models put forward, one of which is a pooled fund arrangement. You've indicated in your opening statements that you're not opposed to that. I was wondering whether you

could give us your view as to how well these pooled arrangements have worked in your particular industries, and why they might be applicable in this particular area?

MR SUTTON (CFMEU): Where these pooled arrangements are very common is in construction. There are also pooled arrangements in mining, portable long service in mining. The genesis of those arrangements in construction revolved around the fact that there were and still are so many small contractors in an industry like construction; small, undercapitalised, labour-intensive contractors that don't have a lot of substance to the company, they change their legal identity on a very regular basis, and over many, many decades, building workers were not getting paid their entitlements because companies were going belly-up all the time, and a worker could work for 40 years in construction and never get any redundancy entitlement and very often lose their holiday pay because the contractor went broke et cetera.

Of course on questions like long service leave, a lot of these contractors, you never work long enough with one company to ever attract that entitlement. In a typical year you might work for four different employers if you're a bricklayer or a plasterer or something or other. So that's why portable arrangements came in where the concept was that you would work in the industry, and provided you're in the industry conducting your work across a variety of employers and the thinking or the mechanism behind these schemes is the employers make a monthly contribution in respect to their employers into a pooled fund.

That could have a lot of validity in terms of the top-up component that we're talking about here, because if the top-up component was - it's going to be several hundred dollars. It could be five, six, seven hundred dollars or something or other, and I would hate to think that when contractors go broke or close up or whatever, that when the maternity-paternity leave provisions - the time comes, that company has gone out of existence, and it's very hard to access - well, I guess there's also a certain inequity, you see.

If you've just started work for one particular contractor, to load the entitlement onto them, that then of course brings up issues about - it would have to be some kind of period of time at which you would have to be working for that employer before the entitlement. You couldn't expect to start with a company, you know, two weeks ago and then put your hand up for these arrangements two weeks later.

MR FITZGERALD: In relation to your employer top-up, either through collective agreements or through the National Employment Standards and the award setting, would you see for your industries the preferred model being the top-up pay by the employer based on a period of time with that employer or would you prefer for the top-up to be paid having regard to attachment to the general workforce similar to what you've just indicated.

MR SUTTON (CFMEU): The employer can only really be asked to pay in respect of his or her current employees.

MR FITZGERALD: Unless you have a pooled fund.

MR SUTTON (CFMEU): They can only be expected to pay in relation to their own current employees, but it does - the more you think about it, it lends itself to the pooled fund arrangement. If there's not a pooled fund, I mean, naturally employers would agitate there has to be a period of service, and you can imagine that in the case of some women, that that might present its own difficulties. They may not have necessarily been working in that firm long enough. So I think the pooled fund clearly has a number of things that recommend it.

MR FITZGERALD: Are there any disadvantages with it, by the way, just thinking it through so far, given your personal experience with them?

MR SUTTON (CFMEU): No. In the case - - -

MS MacRAE: Who manages them?

MR SUTTON (CFMEU): Generally they're managed by boards where there's joint control - employer groups and unions. I think of our redundancy funds around the country and we have a national redundancy fund. It's a fifty-fifty split of employer representatives and union representatives that manage those moneys, and in nearly every instance, the pooled money - obviously there's earnings on that money, and that funds other benefits for the workforce. So, yes, generally it's been a very happy experience, the pooled fund arrangements in construction. They go back to the 80s, all of these arrangements, and they're 20 years on and it's been a very happy experience.

MR FITZGERALD: Any other queries?

MS MacRAE: No, that's fine.

MR FITZGERALD: Have you got any other points, John, you'd like to leave us with at this stage?

MR SUTTON (CFMEU): No. I think I've really emphasised that we need to open the eyes of a whole lot of people - employers and government and the public - that there are jobs here for women to do, and they're high-paid jobs. If you can help address this issue of the child-rearing years, then really there's a great deal of potential to bring women into these jobs and into these industries.

MR FITZGERALD: Okay. Thanks very much, John. You got a clap. That's very unusual. We'll resume in about 10 minutes with the National Tertiary Education Union.

MR FITZGERALD: It's a very casual day today, I have to tell you. It's not like yesterday or not like some other days, so there's a little bit more time. If you could give your full names and the positions and the organisation that you represent, that would be terrific.

MS MacDONALD (NTEU): I'm Terri MacDonald. I'm with the policy and research unit of the National Tertiary Education Union.

MS ROBERTS (NTEU): Sarah Roberts for the National Tertiary Education Union.

MS BROWN (NTEU): I'm Andrea Brown. I work at Victoria University here in Melbourne, and I'm currently on parental leave.

MR FITZGERALD: Terrific. If you'd like to give us your opening comments, that would be terrific.

MS ROBERTS (NTEU): Just a little bit about us. National Tertiary Education Union represents more than 26,000 staff employed across the tertiary education sector. We cover mostly academic and general staff, but we also cover student unions, university companies, similar organisations, as well as TAFE and adult education. So we're quite widespread. Our membership comprises 54 per cent women, which is a reflection of the university sector, and women also participate in the union's activities. We have a specific women's committee, and a lot of women are represented on all of our union committees.

Today we just want to talk briefly about what the maternity leave situation is in the university sector. We consider it to be a leading industry in terms of maternity and parental leave, and we'd like to just share that experience, and the comments that we've received and the research that we've done in terms of parental leave from universities. I'm just going to go over briefly the minimum standard in Australian universities for parental leave. You've got a table I think that has been handed up.

MS MacRAE: This one?

MS ROBERTS (NTEU): Yes, that's right. It's a 13-page table. That sets out in chapter and verse what the provisions are in Australian universities for parental leave and maternity leave but I should just highlight that the overall standard consists of 52 weeks' leave with 26 weeks of that leave at full pay, and that's structured in different ways at different institutions. Usually the standard involves 14 weeks' full pay, and then an additional 12 weeks' leave which can be either taken at full pay or taken as a lump sum or taken as a proportion of pay, with the proportion spread over the remainder of the year.

It's also the case I think in seven institutions there's a standard that goes up to 38 weeks' pay, the highest being at Monash University which is structured as 14 weeks' full pay with a further 38 weeks at a percentage at 60 per cent pay. So as I say, it's structured in different ways at different institutions, and that's a result of our collective bargaining negotiations that occurred in the 2002 to 2005 period. So that's the outcome that we've received there. That's also been extended to adoption leave in some institutions - 18 out of 39 - and as I say, it came out of our campaign priority in the last round of collective bargaining.

As the commission would probably be aware, the Australian Catholic University led the charge I think with the parental leave standard in 2003 with developing a standard of 14 weeks plus the 60 per cent pay for the remaining 38 weeks for the rest of the year. Also at some institutions there's a stronger return-to-work standard in that the employee is permitted to and has an entitlement to a further year's unpaid leave, and at the Australian Catholic University, I think they can request up to - it may be up to a further five years' leave or child-rearing leave on an unpaid basis. So that's what our standard is, and we're pretty happy with it.

MS MacDONALD (NTEU): It could be better.

MS ROBERTS (NTEU): Terri will go on to talk about the effects of how that's worked in the universities and how the universities say that works for them and how the employees say that works for them, and Andrea is going to cover obviously her own experiences in accessing one of our highest standards of leave at the Victoria University. We based our campaign for this improved parental leave on the International Labour Organisation's standard of 14 weeks' pay, and that arises from the revised 2000 convention saying that:

A woman to whom this convention applies shall be entitled to a period of maternity leave of not less than 14 weeks.

That's where we came from in developing that standard, and also drawing on the World Health Organisation recommendation for six months' provision. So Terri is going to go on and touch on some of the reasons why we took that approach in our campaign.

MS MacDONALD (NTEU): At the last round of bargaining four years ago I think now, roughly, we prioritised improvements to paid maternity and parental leave as part of the core set of claims that we made with institutions. There were some very good reasons for that, and you will obviously be aware of many of these reasons in terms of social justice, particularly when you look at society and the shifting patterns of employment and things that are happening now, it's very important that the paid

maternity leave is put in place to actually recognise some of those forces.

But for us in particular, there are some issues which were quite important; pay equity and career progression. University employment is a very skilled area. Your highly trained staff, be it academic or general or research, when they leave for parental or maternity reasons, it's very important that those people come back, and the universities - this was a core issue for the universities when we discussed it with them. They all recognised that for them, in terms of cost, it actually saves them money to have these highly trained individuals come back. The other reason too is you want to attract people into the sector. University sector competes with private industry, and it's very important that we have provisions there which actually attract people in and keep them with us.

So at the moment we're about to do a study on gender pay equity. We did one about six years ago, and we're now about to do another one. All of our data shows that particularly for women in senior academic levels, the disparity between men and women is still considerable. But since the changes to maternity leave have come in, there has been slight improvement. So we're hoping that there is a connection between that. We're also hoping that other programs which have been put in place will also assist in that.

The other thing, I've spoken very quickly about the retention of staff and of course that's quite an important area, but of course the main reason for the ILO standard is because of the health benefits, and Andrea will touch upon that from a personal level, currently being a mother. The WHO consider 16 weeks to be the minimum length of time for a woman to recover from child birth and accommodate breastfeeding. It's very important in terms of long-term health that both the mother and the child have significant time to bond, and that the breastfeeding - all the studies have shown significantly that breastfeeding is the best method for long-term child health. Those are all very important reasons why it should be done. If you want to talk about the costings - - -

MS ROBERTS (NTEU): The second document that you'd have a copy of is an overview of estimated costs of paid parental leave in Australian universities, and this is the calculation that we based our collective bargaining negotiations on. I should note that in our campaign to achieve this increased standard of paid parental leave, it was successful, obviously because we ran the campaign, but the employers were very much joint partners in achieving these standards, and I have to say we didn't receive a lot of resistance from their side, because they could see the benefits in terms of retention of skilled staff in particular, and also that the overall cost wasn't seen as being a huge impost to university operations.

I'll just go to it briefly, but we calculate that the overall cost of implementing a

26-week scheme in universities averaged at about less than .5 of total income, and depending on the size of the institution and its overall income, it varied from between .2 and .5 per cent. So that table sets out four different types of institutions with differing staff complements and differing overall annual income levels, and we've used the base level of a 26-week payment, which is the standard in our industry. That was where the costing came out to being, and we were surprised by how low it was. I think it did greatly assist in terms of putting the arguments for such a scheme when we could save the employers - - -

MS MacRAE: Is that at full replacement?

MS ROBERTS (NTEU): Yes.

MS MacRAE: That 26 weeks?

MS ROBERTS (NTEU): Yes, that's right. So we think it's eminently achievable. It certainly has been achieved in our industry, and Terri is going to go on to talk about how the institutions themselves have viewed the impact of those changes over the last couple of years since they've been in place.

MS MacDONALD (NTEU): There have been a number of impacts. Essentially the improved maternity scheme provisions have been in place for three or four years in most institutions. It's interesting to know that this year, 23 of Australia's institutions were listed as employers of choice by the EOWA, and that's out of 99 total companies. So the university sector was represented quite well, and that's not just parental and maternity leave, that's an extension of wider programs. But the parental and maternity leave is a significant component of that, and the universities were quite happy to be receiving that accolade.

Monash University, which is notable because it has very much quite an impressive 38-week program plus the 14, in 2006, they did a revision of their return-to-work numbers, and it was very interesting. They actually found that their return-to-work rate from maternity leave had improved significantly, and was now measuring over 92 per cent of those people who took it. For them being quite a large institution, that was significant, and they're quite happy with that. The ACU - - -

MS MacRAE: Do you know what the base was? It went to 92 per cent from what?

MS MacDONALD (NTEU): They haven't shared that information with us.

MS MacRAE: 92 per cent is very impressive, but it would be nice to know what sort of - - -

MS MacDONALD (NTEU): We are still endeavouring to find that base number. They're always happy to tell us how good it is. The ACU which essentially led the sector in terms of the maternity leave provisions, they also conducted a costed analysis benefits of their improved scheme one year after its implementation. They found that the scheme not only had been very well received by the staff who actually saw the institution moving towards a more flexible family, work-orientated sort of scenario, they received a great deal of positive feedback from the community as well.

The ACU management found that - they'd actually done research prior to implementing the scheme before the negotiations, and they had identified this issue as a key issue for their staff. There were concerns of course, not necessarily from ACU, but outside, that this would cause a glut in maternity leave, and ACU was very happy to report that there was no increase in the number of women taking maternity leave. It didn't seem to be an incentive, rather that people actually saw it as the university supporting them and their families, and the university being a good employer. So they were quite happy.

When the ACU management did its costings, it actually found that it had overestimated the costs, and that the actual costs of this was significantly under what they had thought it might be. So they were quite pleased with that as well.

MS MacRAE: I guess it's only a year out though.

MS MacDONALD (NTEU): It was only a year out, yes.

MS MacRAE: Women wait for nine months to produce a baby.

MS MacDONALD (NTEU): Yes, it does.

MS MacRAE: It might be - early figures, but interesting nevertheless.

MS MacDONALD (NTEU): I have to say none of the universities have reported that there has been a significant increase in women taking maternity leave or parents taking parental leave or carers taking carer leave as a result. In fact our feedback tends to be that - and Andrea will elaborate on this - people are quite supportive of it. They recognise it is a very good scheme, and they also recognise that the university is assisting them in their work-life balance which is really very important.

The other thing I'll probably mention is it's not confined just to parental and maternity leave. There are wider schemes. University of New South Wales has an excellent career advancement fund for women, particularly in academic areas. This assists them when they return in terms of their research. So it's not just taking leave for that period that you're looking after the child during the first six months, it's also

your return to work, because there's been a lot of talk in the media lately about how women, particularly in senior positions, there seems to be a perception out there that it's because women aren't really interested or that we're not trying hard enough or that we have other priorities.

That's not necessarily accurate we would argue, and it's important that when women take a significant break from their careers, that there are mechanisms there to assist them in returning to work. So what we're saying to the institutions now is that the return-to-work provisions are as important as the paternity leave and maternity leave in the first instance.

MS ROBERTS (NTEU): If I could just add in relation to the return-to-work issue also, one important thing that we were able to negotiate at some institutions - this isn't across-the-board standard, but it is certainly in about a quarter of the institutions I think - the arrangement whereby the primary carer can access the extended part of the leave. If the woman wants to take the 14 weeks, obviously being the ILO standard component, the partner can also then access that leave rather than necessarily the woman taking that additional 12 weeks, and you can share it - if they're both employees who are at the same institution, you can share it between partners. So that was something that our members were very strongly in favour of at those institutions.

MS MacDONALD (NTEU): The other thing I'd probably make a point about too is - and there's a lot of international comparisons, and everyone knows that Australia and the US stand alone in our current situation - for universities, it's actually quite important because education is a global economy. It's a global industry, and our academics in particular are very highly trained. There are a lot of overseas institutions that would like them, and overseas countries offer significantly better parental and maternity leave standards, many of them, than Australia.

I would also point out that even in places where there's supposedly low labour costs such as Vietnam or China, they are still able to offer - I think Vietnam is four to six months, weeks? Four to six months at 100 per cent wages in Vietnam, and China provides for 90 days at 100 per cent. That's paid maternity leave.

MS MacRAE: In their universities or - - -

MS ROBERTS (NTEU): The economy.

MS MacDONALD (NTEU): This is in their economy.

MS MacRAE: Economy, okay.

MS MacDONALD (NTEU): The universities would reflect at least that quite likely. Depending on the institution, and the different countries, they may actually have much better than that. So for us it's actually important that we do have quite a good parental leave program and maternity leave program. That's not to say that it certainly can't be reflected in other industries. The NTEU maintains the position that we think that if it works for us, there are certainly other sectors that it would work just as well for. Andrea, I guess if you want to speak.

MS BROWN (NTEU): Thanks, and thank you for the opportunity to talk about my experience today. I wanted to touch on a few things, and I wanted to start by saying, however, that my experience of currently accessing employer-paid parental leave has been a very positive experience. I'm a senior member of the general staff at Victoria University. I'm currently on employer-paid parental leave. So in the first instance, I have 14 weeks of full-time paid leave, and then in addition to that, I have 22.8 weeks of full-time paid leave in addition to the 14 weeks.

I've been at Victoria University for well over 10 years now, and I also played I guess some role in terms of the introduction of these provisions back in 04-05 during that round of bargaining. Victoria University also has some return-to-work provisions, and I also wanted to say that I'm currently at this stage already discussing with my employer what my return-to-work arrangements will be. We're encouraged to do that early in a parental leave scheme, and I think that's certainly a fabulous way of doing it. It gets me to think early about what I might want to do in terms of flexibility and arrangements, and it also provides the employer with some certainty or some clarity about how they can manage my absence.

I am the university's equal employment opportunity officer. So I guess I also have some more relevant or closer experience in terms of how this scheme has worked in the organisation because, by virtue of my role, I work more closely with women who might be in a position similar to mine. I know for a fact at Victoria University when we introduced the new provisions, there wasn't a case of the floodgates opened and hordes of women all of a sudden decided to have babies and access what some might call quite generous provisions.

So I think it's important for us to note that that floodgate argument is just completely discredited, and indeed the university has reported in its annual report to the EOWA, as Terri has touched on - and I think you'll find that many other universities do the same via their annual reports - that the rates of staff attention through these provisions has increased noticeably since the introduction of employer-paid parental leave. So you may or may not have the opportunity to look at those sorts of reports in this process.

One of the primary reasons or the primary reason really why I would suggest to

you that my experience has been very positive and employer-funded parental leave has been extremely good for me in my circumstances is that it's very important for me - and I decided this some time ago and it's been borne out by my practical experience - to exclusively breastfeed my child at an absolute minimum for up to the six-month mark.

However, I've also realised quite quickly - and I'm sure anybody here today who is currently a mother or has been a mother in the past in terms of their early stages of motherhood will know that establishing your breastfeeding partnership with your child can actually take some time. I don't want to go obviously into the intricate details of my experience, but it took a lot longer than I ever anticipated, and it had some more hurdles or some more difficulties than I ever anticipated, and I don't think there's really anything that can prepare you for it other than doing it. It's an enormous process of adjustment and lifestyle change for any woman, I would suggest. That's clearly what I have experienced. I don't think anything can prepare you for that.

Having the support from your employer, knowing that you've got the time and the flexibility to be able to invest the energy and the effort into it has been an enormous relief for me, and knowing that I've got that level of flexibility there has just been absolutely fabulous. I also say that, too, because not only of my personal experience, but by virtue of my role, I've worked with a lot of women who have undertaken the role of motherhood prior to these types of provisions, and their experiences as have been told to me have been in some ways quite unfortunate.

When we've conducted research at VU in particular, we've had stories come back to us through women in the early stages of motherhood where they've had to come back to work a lot earlier than they would have liked; stories like bringing their child onto campus, sitting on the office floor against the office door to breastfeed a couple of times a day; hiding the child under the desk either in a bouncer or the capsule so they can continue to breastfeed even at the six, eight-week mark because they've been forced to come back to work for financial reasons when they're not supported by a paid scheme. I'm very happy to provide copies of those research reports to you if you might find that useful.

There have been other issues that have come up for me that demonstrate how you don't have really a sense of how you can anticipate what your breastfeeding partnership with your child might be like. I have a child who's allergy-prone I'm afraid. All the research now shows that allergy-prone children are best supported by exclusive breastfeeding; that you will generally encounter greater problems if you're putting your child onto formula earlier or indeed if you're forced to do that earlier, and I would suggest that you may be in a position where you're forced to do that earlier if you do have to return to work, because juggling breastfeeding and returning

to work is incredibly difficult. Also throwing into that juggling mix expressing breast milk, and then bottle feeding the child, that juggle is extremely stressful. If you've got the time and the flexibility to be able to exclusively breastfeed, it really does relieve you of so much stress in that regard.

Just on the employer side of things - I know we're running out of time - a couple of things that have been extraordinarily beneficial for me - I obviously have a career at Victoria University and I have every intention of continuing that career. So taking that time out of the workforce to have a child, but being able to retain my accumulation of service provisions, so I still get recognition of service, has been absolutely vital. I've still been able to maintain super contributions, both of which would completely disappear for me if I was in a position where I did not have any employer-funded parental leave.

They really were the main points that I wanted to make. Those final points for me have been terribly important in terms of career progression too. So I haven't found myself in a position other than the fixed period where you're out of the workforce, and you are somewhat out of touch. That's exactly what happens, but you're less out of touch I would suggest if you have a relationship with your employer that is a paid one.

MR FITZGERALD: Thank you very much for that. Just a couple of questions. When was the first major step or breakthrough in terms of paid leave? Was this through the Australian Catholic University a couple of years ago?

MS ROBERTS (NTEU): Yes.

MR FITZGERALD: What was it that actually sparked that? Was it agitation in the university itself through its ethical position or what actually caused the breakthrough in your mind?

MS ROBERTS (NTEU): I think in bargaining, it was a proposal actually that came from the employer, but I think that came from quite detailed survey work that they'd done; their own internal surveys of staff. I don't have that information here, but from what we understood at the time, they had intensive discussions with their own, in particular, female staff about that, and they'd been thinking about it for a long time and then put it forward. Then once that was the case, we then ran with the ball and tried to introduce it at the other institutions, but it certainly came from ACU.

MS MacDONALD (NTEU): The other point though is the HREOC at that time had had I think its initial inquiry into paid parental and maternity leave, and even though those recommendations weren't taken up by the then federal government, it generated a lot of discussion in the media. It generated a lot of discussion amongst

our staff, and the NTEU was also made aware by our members that this had become a priority for them, too.

MR FITZGERALD: We were talking to a particular government organisation in the last little while, and they were saying that in the wage negotiations or the enterprise bargaining that they've been entering into, they're an organisation that already provides 12 weeks of paid maternity leave. They were saying that given they've got 12 weeks in place, they're finding that in their negotiations, paid maternity leave is not being raised very much. People are asking for a whole lot of other conditions in relation to child-flexible arrangements, particularly with children of an older age and so on. They were saying that in their experience, given that there's now a minimum level in their case of 12 weeks, that paid maternity leave is becoming less of an issue in their negotiations than may otherwise be the case. Obviously in your case where these have been negotiated arrangements, paid maternity leave is still very high on your members' priorities.

MS ROBERTS (NTEU): Yes.

MS MacDONALD (NTEU): Yes.

MR FITZGERALD: I'm just wondering whether you could explain to us now, do you get to a point where in fact the 26 weeks, the pressure for increased paid maternity leave starts to reduce, and other issues start to become important. They were saying that's happening at 12 weeks in their organisation. I'm not sure that's right, but that's what they were saying, so I'm just wondering about your experience.

MS ROBERTS (NTEU): I think in our industry things would be significantly different because for as long as I've been working for the union, for 20 years prior to that, there's always been a standard of 12 weeks' paid maternity leave. So that's the base from where people were starting from. But, yes, I think once you get to 26 weeks, certainly the pressure diminishes.

There's seven institutions, as I say, that have got a 36-week standard. So there's still a level of pressure amongst those institutions that don't have the 36-week standard to want to lift up to the 36-week standard. But you're right in suggesting that the pressure diminishes in relation to the quantum, and people do start focusing on the other issues like specifically the return-to-work questions, the questions of whether partners can share the leave, at what point, return-to-work arrangements, extending it to adoption leave, carers' leave, caring for the elderly, those sort of associated concerns.

Definitely that becomes more of a concern, and that's come out strongly in our member surveys that we've done for this coming round of collective bargaining

which we're about to start this year.

MR FITZGERALD: Just on the 26 weeks, once you've got to 26 weeks, what is the profile in terms of the actual taking of leave then? Are people taking 26 paid weeks and converting that into 52? What's generally happening? In other words, how long are women in the university sector actually staying away from work?

MS MacDONALD (NTEU): It varies.

MS ROBERTS (NTEU): I think it varies. The statistics we're seeking from the employers at the moment because in going into bargaining, we want to know exactly what you say, how are people using the leave, is there an argument to increase it or change it in any way, and we need the statistics from them to know if that's the case. What I would say on an anecdotal basis certainly is that people take the year. They always take the year unless they're forced to come.

MS MacDONALD (NTEU): At an absolute minimum.

MS ROBERTS (NTEU): There's been a lot of pressure from our members, particularly in the women's action committee, to try and structure the leave so that you can take it over the period - so that you can have a constant payment every pay during that 52-week period so that you can structure your 14 weeks, plus your additional component as pro-rata'd over the year. That obviously doesn't suit everybody and people want that flexibility because sometimes they'll have - - -

MS MacDONALD (NTEU): Everyone's situation is unique.

MS ROBERTS (NTEU): Yes, and they've got to take a child care place when it becomes available. So that might mean that they need to have more pay at that time than at another time. Every situation is different, but I would say - would you agree, Andrea, that people want to take the year?

MS BROWN (NTEU): Absolutely. My experience suggests very clearly that any women that I've worked with at the university for, as I said, well over 10 years now, by virtue of my role, at an absolute minimum will be taking the 12 months, and I would suggest that it's probably more common for women to take the next year probably as some form of a combination of unpaid leave.

But often what people do is they plan for these things in a way where they know that they're going to have a particular portion of unpaid leave. So they start to store up things like annual leave and long service leave so they can dip into that form of flexibility which they can also do at half pay, and extend it to help them cope with the unpaid portion of their parental leave period. The university sector is pretty good

in terms of that level of flexibility. I see a lot of that happening, but to give you some clarity, absolute minimum of 12 months. Then I would suggest the majority then look for another year, and they supplement that in some ways, having part unpaid, part dipping into other forms of leave.

MR FITZGERALD: Angela?

MS MacRAE: That was kind of at the top of my mind, and I guess, Andrea, you've answered my question already, but in terms of having that paid leave available, I would just be interested in comments from yourself but also more generally from your work experience about the feeling of connectedness to the workplace. Some of the Canadian research that we've looked at says that often where they have a more generous scheme there, people actually take longer leave, but they're more likely to return to full-time work when they do return. Do you think that's a factor in the sort of schemes that the university have? Are women, do you think, more likely to come back full-time because they've been able to have a longer period to establish that bonding?

MS BROWN (NTEU): I think you're dead right, and my experience demonstrates that. I've already written to my employer and said to them very clearly that I will be returning full-time. However, that return on a full-time basis I'm suggesting has some flexibility built into it in that I'm asking my employer on that basis to allow me, for a fixed period, to have some flexibility in that; so one day working from home for example or even more than one day working from home. I think you're dead right. It does suggest that more women are likely to come back on a full-time basis as opposed to suggesting to their employer, "I've had less paid leave. I'm struggling," whatever the case may be, "I'm not coming back until X time," or indeed, "I'll come back but I'll only be fractional," or something like that.

I think that's also where the return-to-work provisions kick in and demonstrate how important they are too in terms of being able to negotiate with your employer something that's mutually convenient or mutually suitable I guess and, as Sarah has already pointed out, in our sector, we're now starting to look at improving the return-to-work provisions, because I guess to me they're linked.

MS MacRAE: You can't look at the leave in isolation because - - -

MS BROWN (NTEU): That's right.

MS MacRAE: - - - what comes before and what comes after is obviously going to be critical.

MS BROWN (NTEU): They're absolutely linked, and it's very clear from my

experience that while I'm already in my early days - I'm only in my eight-week period of parental leave - before eight weeks I've started to think about how am I going to return to work, because (a) I want to, and (b) I want to do it in the best way possible for my child, but I also don't want to be disadvantaged in terms of my career. Because I think I have great support from my employer, I also feel an improved sense of I guess loyalty or obligation or connectedness to work with them in a way that you can come up with an agreed arrangement.

MS MacRAE: If the government was to introduce a universal payment or benefit or whatever we want to call it, would you see that - for example, if the government introduced, just to take an example that we've heard from many of the unions, a 14-week at minimum wage as a sort of platform, would you see that as being in addition to what you've managed to negotiate through bargaining? I guess to take that one step further, would you see the benefits of that, and I'm asking you really a hypothetical question here, but for women that aren't fortunate enough to have an employer that has this sort of arrangement, do you think that the benefits to the populace that doesn't have this sort of arrangement would be a similar sort of experience to your own to help with that bonding and those sort of things?

MS BROWN (NTEU): Off the top of my head I guess I would say I don't see how you could. I'm not opposed by any means to a government-funded scheme of some kind, and I think I would like to see this country indeed explore and introduce something along those lines. But at the same time, I think it's very important for employers to exercise some responsibility in regard to obligations around their contribution to a funded parental leave scheme, and I can see that there are some good options available to us to have both. I think there's some good models out there that we can already look at or indeed we can come up with something new that draws on the best of both of those worlds. I think that's entirely achievable.

MR FITZGERALD: But from the union's point of view, just to be more precise - and you may not be in a position to answer this - would you see a government scheme acting over and above, in fact increasing the entitlements that you've already got, or not, and again you may not have a position on that at this stage.

MS ROBERTS (NTEU): I don't. I think if the new scheme was introduced, we'd have to consider our position in terms of whether we wanted to go back to the employers and say, "Well, actually now you've got this extra amount, we should be changing the way that it's arranged or not." So I couldn't really give you an answer on that.

MR FITZGERALD: No, that's fine. Obviously it's an issue for us. Some unions are saying that it's a no disadvantage arrangement, but in fact what it's saying is you top up whatever you've already got. But when you've got to your level of 26 weeks

and beyond, that may be a different set of circumstances.

MS MacDONALD (NTEU): We recognise that there are certainly industries out there which don't have the benefit of widespread collective bargaining and we think that as a minimum, it's very important that there be something there for those women; for example casual women working in retail, hospitality, there needs to be something there for them. On the other hand though, we would like to make the point that other forms of leave are paid by the employer, such as long service leave; that everybody has to pay for insurance, the WorkCover. So we would ask why is maternity leave so different from those particular provisions.

MR FITZGERALD: Could I just get a clarification about your membership coverage. Does this include all employees within the university sector, including admin staff.

MS MacDONALD (NTEU): Yes.

MR FITZGERALD: So all of these figures are the totality, not just academic staff.

MS ROBERTS (NTEU): That's right.

MS MacDONALD (NTEU): That's correct.

MS ROBERTS (NTEU): With the proviso that some institutions extend the provisions to fixed term staff, and some institutions extend the provisions to casual staff, but not all.

MR FITZGERALD: I was going to ask about casuals. Can you just tell me what the position is in relation to casual staff?

MS ROBERTS (NTEU): Usually they're excluded. There are some institutions where it's just not mentioned. So if you do have the requisite service arrangements, which in most cases is a year's employment, you're eligible in the same way as other staff are eligible, but that's an exception rather than the rule, because as you know, the casual employees have a loading which is expected to compensate for those other forms of leave. We would argue that that doesn't in any sense compensate for it or really assist a casual, as in our industry we have casuals that have been with universities for a very long time, up to, you know, 20 years in some circumstances.

MS BROWN (NTEU): And a very high rate of casualisation.

MS ROBERTS (NTEU): Yes. With fixed-term contract staff, we have some arrangements at some institutions whereby if you embark upon parental leave

towards the end of your fixed-term contract, you can be paid for the paid component, but again there's a service requirement usually involved in those arrangements.

MS MacDONALD (NTEU): There's still some way for us to go.

MS ROBERTS (NTEU): Yes. I think the area that we'd be seeking to improve in this current bargaining round is around leave entitlements and parental leave entitlements for casual employees.

MS MacDONALD (NTEU): And research staff.

MS ROBERTS (NTEU): And fixed-term staff.

MS MacRAE: As far as the arrangements go in relation to partner leave - and I know you've got some of this on the table, so perhaps the details here when I look at it later when we have a chance to look at it, but have you got any figures on how much partner leave is taken, because we've been hearing anecdotally that even where that's available, it's often not taken, although it's paid here. So that might make a substantial difference, and if it is paid, is the rate still at the prime carer's rate?

MS ROBERTS (NTEU): It's always paid at the same rate. We don't have the figures in terms of who's accessed it, although I would distinguish, we have two forms of leave. We have partner leave, which is usually between a week and four weeks, taken at the time of the birth, and then we have primary carer's leave which might be a form of partner's leave. That might be accessing the additional 12 weeks fully paid component. Every institution has got their own scheme with how that works, but that's sort of the two types of entitlement. In terms of accessing it, I don't have the figures, but I would guess that in terms of the time of the birth entitlement, that's usually taken, but I'm not sure of the take-up rate of the shared partner leave arrangement.

MS BROWN (NTEU): I can only comment to the extent that at Victoria University by virtue of my role, I write the EOWA report, for example, and am obviously heavily involved in pretty much all equal opportunity matters as they relate to employment. Anecdotally that's not great. The access is still pretty poor.

MR FITZGERALD: Sorry, the access to?

MS BROWN (NTEU): Sharing the paid parental leave across partners.

MR FITZGERALD: Do you mean access or do you mean take-up rate?

MS BROWN (NTEU): Sorry, take-up rate. It's still poor.

MR FITZGERALD: They could access it, but they choose not to.

MS MacDONALD (NTEU): Part of this is this perception that the primary carer's role is the job of the woman. I would say that that is slowly changing. We have had some of our male members who we know have taken up or shared the obligation. I think that's not just in our sector though, that's a wider social change that's needed there, and I think that's not something that's going to be one overnight, but it's going to need persistence.

MR FITZGERALD: I notice in the chart, just running through it, your sector has addressed some of the issues that we're also looking at in terms of adoption leave, foster parent leave, child-rearing leave. The child-rearing leave where it exists, and only exists in a few universities, is over and above that which is the right to return to work, the unpaid leave that exists in statute.

MS MacDONALD (NTEU): Yes.

MS ROBERTS (NTEU): Yes.

MR FITZGERALD: This is additional, and a number of these allow up to 52 weeks to be taken till the time the child reaches school age, or some of them do that anyway. Can that be taken in different blocks or does it have to be taken in one chunk? In other words, if you take six months of it, that's it, you lose it, or is it - - -

MS ROBERTS (NTEU): I think the ACU is the one where they instituted that, and there's some others that have taken it up, but my recollection of the ACU provisions is you've got to do it in the block, and that you tell the employer every year what the status is but there's certain time limits by which you've got to inform the employer obviously, because they've got to organise work. But ACU has been pretty flexible I think. So where people have wanted to return to work, they also have a return-to-work part-time arrangement, and most institutions have this as well where you're entitled to, as of right, return to work part-time.

MR FITZGERALD: A related issue, in relation to the paid maternity leave, can that be taken only in a block. For example, just assume it's 26 weeks and assume you don't take it at half pay, but can you take that in chunks. You can go back to work for a period of time, and then the balance - or is the balance lost once you've returned to work?

MS ROBERTS (NTEU): No. There's no provisions saying that you lost it specifically, but there's no enabling provision saying that you can come back to work in that time either.

MR FITZGERALD: But in the unpaid leave or the right to return to work, you can't dip in and dip out, but in terms of the paid maternity leave, that may be a possibility depending on the bargain that's been struck.

MS ROBERTS (NTEU): Yes. I think the individual would have to negotiate that. It certainly wouldn't be the default position.

MS BROWN (NTEU): No, that's right, but I understand that where the agreements might be silent on those sorts of things, if I wanted to negotiate something with my employer in that regard, indeed I can.

MR FITZGERALD: But it's not an entitlement.

MS BROWN (NTEU): No.

MS MacDONALD (NTEU): No.

MS ROBERTS (NTEU): No. But it wouldn't be prohibited either.

MS MacDONALD (NTEU): No. That's right.

MS BROWN (NTEU): I certainly know from my experience with VU, they've been pretty good in terms of the willingness to be flexible and think laterally about how to do this. So where the agreement doesn't stipulate absolutely everything, as they don't, you can come up with your own creative mix. For example, I would - - -

MS MacRAE: I think the fact that you have got some rules and that the universities have taken this up as a key theme helps you in that it's sort of top of mind, and they're wanting to be seen as employer of choice.

MS ROBERTS (NTEU): Yes.

MS MacRAE: So they're prepared to think about these things in a lateral way.

MS ROBERTS (NTEU): What many unis have done in addition to the provisions outlined in an enterprise agreement, they've then introduced policy to supplement and to flesh out more detail about how they implement the scheme, as long as, of course, it doesn't contradict what's in the agreement, but builds on what the agreement provides. They've gone further and built on what the agreement might stipulate by introducing their own policy for example.

MS MacRAE: Could I just come back to one point that you made in the opening

comments about gender equity and that you thought there was a slight improvement there. If that was a result of the maternity or parental leave arrangements, is that primarily because you think the benefits are in terms of career progression or is it the fact that is a paid period when it formerly might have been unpaid or have you not been able to unpack that?

MS MacDONALD (NTEU): When we look at just the raw data that we get from DEST in terms of the different employment categories and levels, what we've just seen from that is a slight improvement. During this period where we've also got the maternity leave in. Our gender equity study which is about to hopefully be launched assuming funding comes through will be - that will be essentially some of what it looks at at the moment. We hear anecdotally certain things - like Andrea for example, she's a senior staff member of VU, and she's not easily replaced. So the gender equity is something we're interested in ourselves and we're looking at ourselves, and we hope to have some solid data on that in the next few years.

MS MacRAE: When might you have the data, just as a matter of interest, if it was - - -

MS ROBERTS (NTEU): If we get the ARC funding, the study is to commence in the middle of this year, which would mean the surveys get produced towards the end of this year, and the data is available unfortunately after the commission - - -

MS MacRAE: A little bit after hours. That was my main reason for asking, but anyway. Thank you.

MR FITZGERALD: Can I just ask a question on the costings. You've got in your first dot point of costings that you estimate that this would - the cost of paid maternity leave that currently exists within the university would be about 0.5 per cent of total employee expenses. In the chart that you've given us in relation to the four universities, you've got it as between 0.3 and 0.2 per cent of total income. I just want to be sure that the language is right. So it is 0.5 of expenses, not of income.

MS MacDONALD (NTEU): Yes. I see what you're talking about.

MR FITZGERALD: They're not inconsistent, but I just wanted to make sure that we're dealing with the right figures. So it is 0.5 of employee expenses.

MS ROBERTS (NTEU): Expenses. Yes, that's correct.

MS MacDONALD (NTEU): Yes.

MR FITZGERALD: That's fine. That's terrific. Can I ask this, how have you

based that calculation? You obviously made some assumptions which are not here, and this is only a summary, but how robust is that, because we would very keen - I mean, obviously to us - - -

MS MacDONALD (NTEU): Yes. I can understand that. We looked at - first of all the Australian Catholic University did estimations, and I think it was - 0.1 per cent of their salary I think was what they were looking at.

MR FITZGERALD: Wouldn't it be 1 per cent - it would be 1.0 per cent.

MS MacDONALD (NTEU): Yes, sorry, 1.0. So they were looking at that, and we then used some of their basis for when we were originally making our claim. We did a series of costings when we went in and spoke to the university. So we all had costings in front of us when we were discussing it with them. It's based on how many employees during a particular year would be likely to take maternity leave, and what level of maternity leave that would be.

MR FITZGERALD: It's based on your assumption of 1 per cent of - - -

MS MacDONALD (NTEU): Yes.

MR FITZGERALD: Again can I just be very clear about this. Is this 1 per cent of staff or 1 per cent of female staff?

MS ROBERTS (NTEU): I have to drag out the figures that we based this on when we give you the written submission, but I recall that we used female staff at a particular age bracket, so that it was female staff, and to find that age bracket we used a rough proxy of level B academic step 2 I think it was.

MS MacDONALD (NTEU): Yes.

MS ROBERTS (NTEU): And general staff level 6 I think from recollection. So we used that particular level.

MR FITZGERALD: When you give us the written submission it would be very helpful.

MS ROBERTS (NTEU): Yes, we're extrapolating those figures.

MR FITZGERALD: Again I note in the opening line of your table dealing with the four universities, you say, "Based on the assumption of a maximum 1 per cent of staff".

MS MacDONALD (NTEU): We can highlight that particular 1 per cent.

MR FITZGERALD: I just wanted to make sure that is staff or female staff.

MS MacDONALD (NTEU): That's fine. We can do that.

MR FITZGERALD: I think somewhere else it refers to female staff. Anyway, just in your submission that will be helpful, because it's a really critical issue.

MS MacDONALD (NTEU): It is, sure.

MS MacRAE: I might say we really appreciate the fact that you've done some numbers for us, because there's a lot of anecdotes and there's a lot of assumptions or presumptions I think being made, and it's very helpful to get hard data to the extent we can. So the more you can help us with that, the better it is.

MS ROBERTS (NTEU): Of course we'll supply you with estimates, that's all we're going to be able to provide you with.

MS MacRAE: Yes, sure.

MS ROBERTS (NTEU): If the universities are - - -

MS MacRAE: Even providing estimates on the basis of your experience is very helpful to us.

MR FITZGERALD: We have the slightly greater challenge of trying to work it out on an economy-wide basis.

MS MacRAE: Yes.

MR FITZGERALD: Or maybe that's easier. I'm not so sure.

MS MacDONALD (NTEU): We'll just stick to the sector.

MR FITZGERALD: That's fine. Are there any other final comments you'd like to make in conclusion?

MS MacDONALD (NTEU): I just would probably like to emphasise the fact that the NTEU believes that maternity and parental leave is one of the most important issues on the agenda for the economy and sociologically, and it's really very important that the recommendations of this commission, whatever they are, are seen in that light. Hopefully if that's the case, then government would listen.

MR FITZGERALD: Thank you very much for that. We'll resume at 1.30, and we have three presentations this afternoon. Thanks very much.

(Luncheon adjournment)

MR FITZGERALD: If you could give your full names and the position and organisation that you represent, and then we'll have opening comments and a bit of a chat.

MS GROVE (ABA): Margaret Grove, national president of the Australian Breastfeeding Association.

MS McIVOR (ABA): Sue McIvor, executive officer.

MS MORTENSEN (ABA): Kate Mortensen, manager of the lactation resource centre, Australian Breastfeeding Association.

MS MARUFF (ABA): And I'm Nicole Maruff, national manager, breastfeeding friendly workplaces for the Australian Breastfeeding Association.

MR FITZGERALD: Good. Over to you.

MS McIVOR (ABA): Firstly we'd like to thank the commission for the opportunity to put the Australian Breastfeeding Association's view on the issue of paid maternity and paternity leave. Our aim for today is really to get the commission to understand the importance of breastfeeding as a health and economic issue so that whatever model is recommended in the end of your process that hopefully the issue around that will be taken into account. We'll back that up with a range of research on, as I say, both the health and economic issue plus some personal stories I guess from workplaces. All of that research is independent of us. So it's not just a case of ABA pushing our own barrow if you like.

We know that work is a barrier to breastfeeding, and I guess the opposite is true too that breastfeeding is a barrier to work, and we have some statistics and some evidence there to show you. We ascribe as an organisation to the World Health Organisation Code, the WHO Code on the marketing of breast milk substitutes, and that says that there needs to be six months' exclusive breastfeeding. That will be what we will be asking for.

Our aim as an organisation is to increase breastfeeding initiation rates, but also to increase the longevity or the duration of breastfeeding, and that certainly is an issue in Australia at the moment. We believe that a maternity leave scheme should be funded by the government, and we also believe that maternity and paternity leave is an issue around choice. As an organisation, we have an alternative program that Nicole represents - it's called the Breastfeeding Friendly Workplace Accreditation Program - whereby workplaces and employers can accredit once they can show that they have family-friendly work practices to support women in the workplace to continue breastfeeding.

So that's one option for women who do want to return to the workplace. Of course the other option - and that's what we see this very much around - is around choice for women who want to take some time out from the paid workforce. As I said, we'll give you a range of evidence, a range of research and, thank you.

MS GROVE (ABA): I'd just like to reiterate what Sue said. Breastfeeding is an important part of the public health debate. There is overwhelming evidence about the protection that breastfeeding has, and in the economic area, breastfeeding babies are healthier and parents take less time from work, also hospitalisation costs are lessened. One study showed that there was between 60 and 120 million dollars saved on hospital costs for five acute illnesses alone for breastfeeding babies.

What we're asking from the government is that we support breastfeeding, we provide mother-to-mother support at the grassroots level. We also do things like this at the government level. We advocate for breastfeeding, and I guess what we want is to support our programs with flexible work conditions and so on, and of course paid maternity leave is a major governmental support that we would be seeking. What we would ideally like would be six months' maternity leave paid by the government for all mothers, whether they're in the workforce or not. So that's something that we would like to see.

Of course I know that you have to take all things into consideration, but that would be our stance, because both national and international organisations say that exclusive breastfeeding for six months followed by ongoing breastfeeding thereafter, once introducing other foods. The National Medical and Research Centre in Australia has a target of 80 per cent of breastfeeding babies by six months, and we have nowhere near that, and Kate and Nicole can quote some statistics on those. But our duration rates for breastfeeding are actually pretty low considering that around 90 per cent of women start off breastfeeding, and then the rates drop off quite markedly after that, and there is evidence that in Victoria and New South Wales, those rates are falling, and work must be one of those factors. I think one in 10 women cite that work was a factor in them weaning.

There are all sorts of implications for health with early weaning. Breastfeeding protects against all sorts of things that you see in the media - obesity, asthma, diabetes. There are so many things, and we can give you evidence on a few studies about that, and recently a Melbourne University study, which you may be aware of, said that paid work is a barrier to breastfeeding in not only full-time mothers going back to work, but also part-time and casual which I think is a major factor. Kate and Nicole can give you further details. So I might pass over to them.

MS MORTENSEN (ABA): As Margaret said, there seemed to be some evidence

that duration - well, definitely in Victoria from the Maternal Child Health statistics that breastfeeding rates have been dropping over the past four years, and we know that there has been a large increase in mothers returning to work with a child under one. So we would have to say that could have something to do with it. 44 per cent of mothers with a child under one are back at work, and 25 per cent before six months. There's varied figures, is there?

MS MARUFF (ABA): Yes, there's lots of other figures.

MS MORTENSEN (ABA): I had another lot of figures that said 35 per cent in 2001, that women were in the workforce with a child under one. So I guess, depending on which figures you use - however, there is a clear link between employment and early weaning, and that later study confirms that, but studies overseas have also confirmed that. The Australian Breastfeeding Association put out a topic on paid maternity leave which summarises a lot of the information that we talk about.

We know that all the health authorities recommend six months' exclusive breastfeeding, and for very good reason, and I have supplied supporting references to that. There are a large number of measure analysis around supporting the influence of breastfeeding on health, and the lack of breastfeeding on ill health long term and short term. So I think that's important to note, and also on the mother's health as well as the infant's health, and I think the mother's health gets left out a bit. But in fact there's very clear evidence that her incidence of breast cancer is reduced the longer she breastfeeds; ovarian cancer. There's a lot of evidence around mother's reduced reaction to stress whilst they're breastfeeding. So there's a lot of good things in it for mothers, not just for babies.

But the long-term effects that are of particular public health importance are obesity and diabetes; very strong evidence on those. The other strong evidence is on cognitive development, and once again there's been some more recent research around that from the Belarus study by Kramer again, and we know that by increasing breastfeeding rates that we are improving people's health, and I guess that's where paid maternity leave comes into it. We put together the evidence of lack of paid maternity leave equals a barrier to breastfeeding, and what we want to do is remove that barrier to breastfeeding.

There's a number of barriers to breastfeeding in our society, we know that; more than one, and returning to paid work for financial reasons is clearly a barrier to breastfeeding. So we want to enable women to breastfeed and we want to remove their barriers to breastfeeding. So as part of a strategy, paid maternity leave is really important.

Health costs: as Margaret said, Julie Smith, the economist, has done some work on that, that in fact there is a Spanish study recently showing that in the first four months of life, infants not breastfed are five times more likely to be hospitalised in the first four months of life. Then when you look at mothers going back to work, an American study showed that the artificially fed infants were seven times more likely - the parents were more likely to take leave and to be absent. So absenteeism was much higher in the artificially fed group than in the breastfeeding group. So getting breastfeeding established, continuing it on once the mother returns to work is really important for the mother and the baby's health.

We also note there's a large degree of inequity across maternity leave provisions. So that's why we would like to see it to be universal; that some mothers have access to good maternity leave and others none. Usually those who have none have no bargaining power. That's a little bit out of our remit. We're more into why breastfeeding is good. But we do want further research on that to make sure that mothers are not discriminated against on the basis of their employment or the type of employment that they're in.

As I said, we've looked at what happens overseas, and we know that overseas when paid maternity leave was introduced in Scandinavian countries where they have excellent maternity leave provisions, their breastfeeding rates did increase; the duration actually increased. So there is evidence to support paid maternity leave having a positive impact on breastfeeding. So when Australia does get paid maternity leave, then we should be able to see an increase in breastfeeding duration.

We've looked around the world, and of course Australia is one of only two OECD countries that don't have paid maternity leave, and that's basically what we would see as a good benchmark. Other countries have more than six months, and New Zealand is working towards more than six months. There's sort of room for improvement there.

Paid maternity leave also provides some societal recognition of the important work of mothering, and I think that as a society we need to do that. We need to recognise that parenting and mothering are really important. I think increasingly the early years have become a focus, and that's really good. But breastfeeding needs to be included in that focus. Early infant nutrition is really important and has long-term consequences - obesity and diabetes being two of them. I'll just finish there, but if you - - -

MR FITZGERALD: Yes. We'll come back.

MS MORTENSEN (ABA): Okay.

MS MARUFF (ABA): Before I talk about the Breastfeeding Friendly Workplace Accreditation Program, I just thought I'd fill in one gap. The Australian Breastfeeding Association certainly does support the international standards, particular the CEDAW - Convention on Elimination of All Forms of Discrimination Against Women, and Australia is a signatory to that international standard and also the International Labour Organisation ones.

The program that I look after nationally is the Breastfeeding Friendly Workplace Accreditation Program, and basically what we do is we consult with employers and we work with them to make employment conditions that make it easier for women to combine breastfeeding and paid work. Paid maternity leave is an important part of those conditions. Our objective is in removing barriers. So again just to reiterate what my colleagues have said, there's certainly lots of barriers to breastfeeding, but paid maternity leave is one of those.

We're looking at removing workplace barriers to both the initiation of breastfeeding. Research shows that work is in fact a barrier to the initiation. So the worst-case scenario - this is from UK research - is that if you're a mother who is from a low SES area who needs to go back to work for financial reasons and who needs to go back to work within four months of giving birth and who needs to go back to work or must - because their employer is inflexible - go back to work full-time, you are much less likely to initiate breastfeeding. "It's too hard. I've got to go back to work, so I won't even bother starting."

The same researcher from the UK Millennium Study also did the effect of returning to work on breastfeeding duration, and similar findings out of that. If you're going back to work four months after giving birth for financial reasons, you're much less likely to continue breastfeeding as well. I guess that's where government-funded paid maternity leave would help in removing some of those barriers to breastfeeding. Most of the women that we speak to, they're calling us usually when the baby is around three months of age. That seems to be the general age, and they ask questions about, "I want to keep breastfeeding, and I don't know if - how do I approach my employer and what do I do? I don't have any more paid maternity leave. So I've got to go back to work."

Maternity leave and financial reasons is the biggest factor that they talk about as why they're going back to work, and it's certainly backed up in the Australian Bureau of Statistics data. The pregnancy and employment transition survey says that 70 per cent of women cite financial reasons as why they're going back to work, and fairly closely followed by career reasons which I think was 30 per cent.

The other thing I wanted to say was that we've got currently about 50 accredited workplaces in our scheme that employ around 100,000 staff nationally,

and all of these workplaces offer the kind of support that we advocate totally. So things like paid lactation breaks and leave for partners and all sorts of nice things that make it easier for women to keep breastfeeding when they go back to work. I think that's it from me.

MR FITZGERALD: Any other comments? I might hand over to Angela to start off, and then we can have a chat about some of those things.

MS MacRAE: I was just wondering if you could tell me a little bit more about the accreditation process and whether you wait for it to be initiated by the company, and if so what the profile of those businesses is like. It sounds like if you've got 50 accredited and 100,000 staff, it's at the big end of employers, but have you got much interest from small employers?

MS MARUFF (ABA): It's quite varied. We have done some direct marketing, but we've got mainly the financial services from the private sector - it's the financial services industry; so banks. We also have some federal government departments accredited. I guess that's where the big numbers come from, and some hospitals. They're the biggest I guess sectors. At the other end we've got a small public relations company who's accredited with us and a child care centre in Emerald. So it is quite vast.

The main reason that they approach us for accreditation it's usually because of equal opportunity legislation. So they want to be seen to be compliant with the relative legislation, and also just as a corporate social responsibility-type initiative, as well as obviously making the transition that I think workplaces obviously value - like, retention of women from maternity leave is an important part of their strategic objective. So this is one way.

MS MacRAE: How long have you been running the accreditation program?

MS MARUFF (ABA): It's been going since 2002. The last year or so we've branded ourselves a little bit, and are trying to market ourselves - well, to be a little bit more proactive about it.

MS MacRAE: It's a relatively small number of employers, but a fair size chunk of staff. Have you been able to discern any difference in terms of initiation and longevity of breastfeeding among those women in those accredited organisations? I guess you're still looking at pretty small sample size, aren't you?

MS MARUFF (ABA): We are. We haven't actually done a formal evaluation of the program yet. However, I obviously deal with the HR managers quite a lot, and there's certainly lots of very, very good success stories. We've had one success story

of even - you know, this is an isolated case, but one woman who actually stopped breastfeeding at two weeks, and when she came back to work when the baby was 12 weeks, was speaking to the HR manager and other colleagues who were breastfeeding and expressing, and actually started the process of relactating when she went back to work because she had that support.

MS MacRAE: She was able to do that, was she, 12 weeks in?

MS MARUFF (ABA): I don't know. It's pretty recent. I haven't followed up, but we're hearing those kind of outcomes already. Workplaces, when they start with us, they've probably got a small room, and I encourage them through the consultancy to record usage, and two in particular have recorded a huge increase in usage of the breastfeeding facilities. It's only one indicator, but we also work in policy and policy implementation.

It's that whole increased awareness I guess of not just the breastfeeding policy, but flexible working arrangements and paid maternity leave and all sorts of other policies are piled in together and promoted at the workplaces, and they're seeing a lot better usage. In some cases they actually have to move - either create another room or get a bigger room. So, yes, I think it does definitely make a difference, and we profile workplaces in our magazine, our flagship magazine. So I also get a lot of queries from women often who work at an accredited workplace that we've profiled that read the story and go, "Oh, I'm going to go back to work there in a couple of weeks. Who should I contact?"

It's all very positive, and we do seek continuous improvement as well, and always try and identify a couple of things that's unique to that specific workplace that they want to - you know, maybe they want to do a maternity leave pack or something. What it does is it keeps the needs of breastfeeding women on the agenda regardless of who the HR manager is at the time.

MS MacRAE: If in a sort of nirvana you were able to bring forward this sort of breastfeeding friendly workplace ethic across the workforce, how much of a burden do you think that would take off the pressure for a paid maternity leave scheme? I guess what I'm saying is if you had a choice about we'd rather have the paid maternity leave, it would be better for women to stay at home with their children, and that makes breastfeeding so much easier than even the most work-friendly workplace, would that be your view or would you say if the employers were all prepared to sort of put in the effort that you feel they might, would the difference between breastfeeding rates between working and non-working mothers fall to a point that it would be a negligible difference, or is that too big a question?

MS GROVE (ABA): I think what we want is choice. I know when I went back to

work after I had my children, I was damned for going back to work, but if I hadn't gone back to work, I would have been damned for not using my qualifications. I think the thing is choice. Some women will choose to stay at home with their babies. Others will go mad if they stay at home with their babies and want to go back to work. Others will do it for career development and so on.

I guess what we're after is giving the women that choice, so that if they want to go back to work, they're supported. But if they don't want to go back to work, they have that choice as well, and I think that you can't just do away without maternity leave if you've got - you know, every employer has these wonderful work conditions, and the woman can take her baby in and feed the baby at will all day long. That sort of nirvana would be really nice, but there would be a group of women who don't want to go back to work. So I think that there is always going to be a place for maternity leave to give women that choice.

MS MacRAE: I guess that's coming back to the objectives really of what you're looking for out of a paid maternity scheme, and I see that primarily obviously from your point of view, it's increasing breastfeeding rates, the initiation and longevity, but where would you place other things or would your organisation have a view on things like the importance of workplace attachment and workplace participation of women and pay equity and gender equity in the workplace.

Child and Maternal Health is part of the breastfeeding issue I suppose, but do you have a view on those other things, and would it make a difference to the sort of - I guess you're not advocating a scheme. You're saying you'd like something universal, but you haven't really put any meat on those bones other than six months and universal. Do you have anything more specific or are you sort of at the level that that's as much detail as you'd like to give us, and the focus is really on the breastfeeding outcomes?

MS GROVE (ABA): I think we're assuming that you'll get all the information in from a multitude of groups and you will have to ultimately decide, but I guess what we're after is the public health experts, the public health authorities like the World Health Organisation, NHMRC in Australia, and us - I guess we put ourselves in the category as breastfeeding experts there - are all saying exclusive breastfeeding for six months. I guess what we would like is for industrial legislation to come in line with that, because at the moment it's not. I guess that in an ideal world, in that nirvana you were talking about, we would like six months' leave for all women.

Women won't all choose to have that. So I guess that's where you come in to put flexibility in there. Whether you allow the family or the mother to choose how long she goes on leave for, and then maybe the partner takes over - I mean, there are lots and lots of different flexible things I could think about.

MS MARUFF (ABA): There is, and I think it's a range of options to get that. You can still go back to work and exclusively breastfeed your baby if you've got a partner who's supportive or maybe you don't have the financial barriers or you've got an employer or a supervisor who's important. I speak to women who have difficulty negotiating flexibility at the same workplace with different supervisors. So one supervisor says it's okay. "Yes, you can have an extra five minutes" - we're talking about - "to breastfeed your baby," and one says, "No, sorry. You've got to clock back on."

When we talk about I guess removing barriers, it's also about having a range of options, and women returning to work won't use the same options that are available to them every day. In accredited workplaces for example, it's not just, "You can come in, sit there and express for this amount of time." It's a range of flexibility options. Maybe they let the mother go to the child care centre if it's close by or the baby gets brought in. We've got one workplace who has on-site nanny, so it's a very - - -

MS MacRAE: Wow.

MS MARUFF (ABA): I know. It's fantastic. That's our small business actually. So it's about a range of options being available at different times. I think it's difficult to put a weight on one, but it's certainly part of - - -

MS McIVOR (ABA): Certainly as an organisation where you don't want to promote the idea that the two are mutually exclusive and that we would have to get down to a choice.

MS MacRAE: I wasn't trying to suggest that. It was more that in terms of outcomes if we're looking for increased breastfeeding rates, where are we going to get most bang for our buck I suppose is the point I was trying to make.

MS MARUFF (ABA): Yes. I think this is where it's - - -

MS MacRAE: I think you've probably answered it as well as you can, but I was just trying to push that a bit further.

MS MORTENSEN (ABA): We know that the lack of paid maternity leave impacts much higher on the lower socioeconomic groups. So it's a very strong barrier for those groups, and they are also less likely to have baby-friendly workplaces without a doubt. We need paid maternity leave options for them, absolutely, and for all mothers really.

MR FITZGERALD: One of the issues in the research that will be important to us is a figure you used before about the early weaning off of breastfeeding, and I think one of you mentioned one in 10 people indicated that it was work-related. In other words, somebody was saying to us the other day that in fact the evidence shows that a very significant number of women start to wean off breastfeeding after about four weeks. The interesting thing is why is that occurring. Is it in fact that they're preparing to go back into the workforce or are there other reasons occurring?

I think the evidence that you present in relation to the benefits of breastfeeding is overwhelming, and of course there will be arguments about the huge number of reports that you've given to us about the cause and effect. But I think there is an issue about why people are weaning off. If it is that they're preparing to go back to work, that's interesting and significant for us. If it's for other reasons, then the question is to what extent paid maternity leave would actually make that difference.

I was just wondering what is the Australian research or research generally showing us about that, that early stage, and how robust is our knowledge of what's happening at that very early stage, because I think that's quite significant to us. What happens after six months is important, but actually what's happening very early is quite significant. The second part of that is we've now got a number of companies and organisations. For example we just had the university education union present where they've got 26, 28, 36 weeks' leave. It's a slightly different profile from low socioeconomic groups, but I was wondering whether there's been any study showing us what difference that is making. So there's a couple of parts to this, but the early weaning I'd be keen to get your views on.

MS MARUFF (ABA): I would love to know the answer to that as well. With universities, certainly they have very good paid maternity leave, and from my understanding, the women that do go back to work there are going back when their babies are perhaps a bit older.

MR FITZGERALD: At least over 12 months.

MS MARUFF (ABA): Yes. I would like the answer to that question.

MR FITZGERALD: We don't know whether that's had an impact.

MS MARUFF (ABA): In the university sector where there's 12 months' paid maternity leave, to the best of my knowledge, I don't know of any research that suggests or that would say that the mothers there are breastfeeding to 12 months, and then going back to work.

MR FITZGERALD: So we don't have that research at this stage.

MS MARUFF (ABA): We don't have that research.

MR FITZGERALD: What about early weaning?

MS MORTENSEN (ABA): Early weaning - still mothers put low milk supply as a major reason for giving up. In the very early days it's sore nipples, but it's actually a barrier, and the recent Australian research has shown that. It's actually a barrier to initiation, and it's a barrier to duration. So we do have research that shows that. In those early weeks, there is research showing that it is definitely a barrier.

MR FITZGERALD: Sorry, what's a barrier?

MS MORTENSEN (ABA): I couldn't attribute percentages.

MR FITZGERALD: Going back to work.

MS MORTENSEN (ABA): Going back to work means that the mothers are less likely to initiate breastfeeding.

MR FITZGERALD: Can I ask why is there research not more available on that area? Is it just simply not being done?

MS MORTENSEN (ABA): No. There's overseas research as well as Australian research to show that returning to work before four months is a disincentive to breastfeeding; that mothers will wean because - - -

MR FITZGERALD: What percentage do you think that is? I'm sure it will vary, but what do you reckon the figure is, if you're confident enough in the future. You mentioned on in 10.

MS MORTENSEN (ABA): I haven't got that figure with me, but I can certainly - - -

MR FITZGERALD: Am I misinterpreting - - -

MS MARUFF (ABA): That was from the national health survey I think, one in 10. If you go from the ABS stats, the employment transitions after birth from the pregnancy and employment transition survey, it's interesting because there's 75,000 women out of 181,000 - I can't do the math off the top of my head for that, but - - -

MR FITZGERALD: Angela can.

MS MARUFF (ABA): Okay - who have babies who are three months of age or younger who are going back to work, and that's around about the - workplaces are kind of offering 12 to 14 weeks' paid maternity leave. It's the biggest chunk of the percentage of the 181,000 that - women are going back to work when the babies are three months.

MS GROVE (ABA): Just mulling over what you were asking, I don't know if I'm going to directly answer the question or not. I'm not sure if I can, but you did ask what other barriers there were in those early weeks, people weaning at four weeks. There's a lot of evidence that a lack of support is what's going on here. As Kate said, a lot of women cite low supply, and that's something that can be easily prevented with the right support and information.

At the grassroots level we have local groups where mothers can go along, have a cup of tea and discuss breastfeeding and so on. A lot of women planning to go back to the paid workforce don't bother with that, and they don't get that support in the early weeks. I would imagine - and this is pure speculation - that a lot of the women if they had paid maternity leave for several months, they would seek out other mothers of young babies - I know I did when I had mine - and would be getting that support, and I think that alone would help a lot in increasing the rates.

MS MARUFF (ABA): Probably that lack of quality child care and the flexibility, returning to work with flexible working arrangements I think really impacts your decision, and you've just had a baby and you've got to deal with that and then go back to work, and there's other problems. It's not just the baby, and you've kind of got to pick your battles sometimes I think.

MS MORTENSEN (ABA): But there is definitely research showing that returning to work for financial reasons before four months is detrimental to breastfeeding.

MR FITZGERALD: Sure. Can I ask a question about part-time work. A lot of women after a period of staying at home or away from the workforce re-enter on a part-time basis. In fact I think the vast majority re-enter on a part-time basis. I know you continue to support the World Health Organisation's position of exclusive breastfeeding for six months, but can I ask a question in relation to - do part-time working mums do both, bottle feed and breastfeed, or do they give up breastfeeding entirely? What happens at that point when they go back into the part-time work, and what is the evidence that both breastfeeding and bottle feeding is significantly detrimental?

The research shows the benefits of breastfeeding, but does it actually show that the mixture of those for somebody that's part-time is as detrimental as maybe first seen. What's the picture there?

MS MORTENSEN (ABA): There is evidence to show that mixed feeding is detrimental to a child's health compared with exclusive breastfeeding which is - - -

MR FITZGERALD: But is it at the margins or do you think it's substantial? I'm not trying to devalue the benefits of breastfeeding.

MS MORTENSEN (ABA): No. There is quite a lot of good evidence. As I said, the study that I quoted before compared with exclusively breastfed, exclusively bottle fed, you had the five times rate of hospitalisation, and I would have to look at that up, but it's somewhere in the order of one and a half to two times with mixed feeding; still quite significant health - - -

MR FITZGERALD: Do most part-time mums drop off breastfeeding altogether or do they go to a mixed feeding regime or don't we know?

MS MORTENSEN (ABA): At six months of age in Australia now currently, only around half of all babies are getting any breast milk at all.

MR FITZGERALD: 50 per cent.

MS MORTENSEN (ABA): Yes, so 50 per cent or just under who are breastfeeding at all, even though 90 per cent or more start breastfeeding.

MS MacRAE: Is there a big drop-off just near that six-month mark?

MS MORTENSEN (ABA): Mothers obviously start to introduce solids around six months.

MS MacRAE: Yes. I don't know the answer from this, but I just know from my own personal experience that when the mothers' groups get together, there's this thing about, "My child is advanced. It's going onto solids first." "So I'm going to beat you and get my kid eating some solids before you do, and my child is now five months and two weeks, not five months and four weeks, but I've been the first in the group to have the one eating solids." It was a stupid thing, but it was very strong pressure.

So I often wondered if looking at the six-month number, would we see a bit of a drop just before that because of this thing about, "I need my child to get onto solids," because there is this supposed window that you must actually hit with the solids otherwise there's other detriments.

MS MORTENSEN (ABA): Yes. That figure of just under 50 per cent is any

breastfeeding at all.

MS MacRAE: Okay.

MS MORTENSEN (ABA): Certainly if you wanted to measure exclusive breastfeeding, you'd probably measure it at five and a half months rather than six months because at six months that's when you're supposed to start. So six months at the stroke of midnight, there you go, there's your baby on solids.

MS GROVE (ABA): It's quite low, isn't it? It's somewhere along 10, 15 per cent.

MS McIVOR (ABA): Yes, 10 per cent.

MS MORTENSEN (ABA): Breastfeeding statistics are not measured very well in Australia. They need to be better measured.

MS MARUFF (ABA): But in Victoria there is that recent research that was done through the Maternal and Child Health survey, and it was exclusive breastfeeding at six months in Victoria was 15 per cent.

MS MacRAE: Right.

MR FITZGERALD: Say that again, please.

MS MARUFF (ABA): The Maternal and Child Health just did a recent survey. I think it was in 2006 - Victorian state government - and the data there was 15 per cent of babies were exclusively breastfed at six months in Victoria, and that data was taken from the Maternal and Child Health.

MR FITZGERALD: Exclusively breastfed. I was going to compare it to another figure, yes.

MS GROVE (ABA): That's not a sudden drop however. The rates go down quite markedly in the early days.

MS MARUFF (ABA): There is a rate at three months, but I can't remember off the top of my head.

MR FITZGERALD: I remember from my previous discussion that - I thought I remembered that our breastfeeding rates plummeted in the 70s - - -

MS MORTENSEN (ABA): Yes, that's correct.

MR FITZGERALD: - - - for reasons which were not completely clear to anybody, and they did, and they've been coming up.

MS MORTENSEN (ABA): Yes.

MR FITZGERALD: You've said today that there's a sign that it may be dropping again in certain areas.

MS MORTENSEN (ABA): Yes, there is.

MR FITZGERALD: Just explain to me very briefly what the picture is at the moment. We have been on an up curve.

MS MORTENSEN (ABA): We have.

MR FITZGERALD: Is that continuing, and it's only in some areas that it's dropping?

MS MORTENSEN (ABA): Our initiation rates have been continuing to rise so they have come up well. I think the national survey shows about 87 per cent. The Perth studies showed over 90 per cent and we think that's probably representative.

MR FITZGERALD: Right.

MS MORTENSEN (ABA): We think that hospital practices have improved but statistics are not collected terribly well, but in Victoria the Maternal and Child Health Service does collect statistics regularly. They cover 98 per cent of all mothers and they collect them at regular visits. They have shown that their duration is dropping and has dropped.

MR FITZGERALD: The duration.

MS MORTENSEN (ABA): The duration. So at six months it has gone down by about 4 per cent, I think, something like that.

MR FITZGERALD: Yes.

MS MORTENSEN (ABA): The National Health Survey is not sensitive enough to pick that up. It looks like it has remained unchanged for the past couple of surveys. We need better statistics to actually determine what's going on. Our breastfeeding rates, yes, plummeted in 1971. That was the lowest rate of breastfeeding recorded in Australia, around 21 per cent, at three months. Initiation wasn't actually measured. That was any breastfeeding at all. From there on in it was uphill all the way, which

was great, up until about the mid-1980s where our rates seemed to plateau off a little.

MR FITZGERALD: Yes, I thought that was right.

MS MORTENSEN (ABA): Yes.

MR FITZGERALD: Can I just ask one our two questions - and I'm conscious of the time. Yesterday we were in Hobart and one of the women's groups attacked our issues paper for placing too greater emphasis on the bonding and attachment associated with breastfeeding and also attacked a couple of other issues in relation to our terminology. But the point that they were making yesterday was that there is significant danger in the argument that effectively breastfeeding and bonding and attachment go hand in hand, relative to those that don't breastfeed. I just wonder whether you've got a comment on that. I'm keen in this inquiry not to set up oppositions between those who support or don't support different positions, but nevertheless they were strongly of the view yesterday that we would be very unwise to place too much emphasis on bonding and attachment associated with breastfeeding vis-a-vis those that either choose to or are unable to breastfeed. I was just wondering whether you have any comments or thoughts.

MS MORTENSEN (ABA): I think the research around that is surprisingly scanty because you would think that people studying attachment and bonding would actually study mode of feeding, but often they don't. There is some research showing that, yes, there's certainly a beneficial effect of breastfeeding. There's actually been some research published recently by Dr Joy Smith, once again, on her time use survey showing that in fact interactions between mothers and babies are much, much more when they're breastfed than when they're bottle fed.

MR FITZGERALD: Certainly the amount of time.

MS MORTENSEN (ABA): Yes, time spent. So with her time use survey she showed that. We know that mothers who are breastfeeding have a reduced response to stress; that there are bonding hormones released. Biological plausibility of that is there. The evidence is that both mother and baby receive beneficial hormones released at the time of breastfeeding. There is that connection which in fact is very difficult to replicate when you're bottle feeding.

MS GROVE (ABA): When you're bottle feeding you can hold the baby in the same way, and so on, so there is bonding there.

MS MORTENSEN (ABA): You have to be aware of what a baby needs and try to replicate it. Certainly many mothers are. You wouldn't want to make - the difficulty with research and generalisations is that, yes, it's a pretty blunt instrument and it's

obviously going to upset some people.

MR FITZGERALD: Are there any other comments or thoughts that you would like to leave us with at this stage? Anything we haven't covered that you'd like to cover?

MS GROVE (ABA): No, I don't think so. I think we've covered everything we wanted to say, and we certainly have - if you need extra information from us, please feel free to contact us and we can give you further details. I guess just as a summary we're after women's choices. We want to make the choices for women well rounded so that in the workplace they have flexible work conditions, good breastfeeding policies and facilities and, on the other hand, for the women who want to stay home with their babies that they have the choice to do that too. I would see paid maternity leave going hand in hand with good workplace practices, and I would hope that you would consider all of those things when you're deliberating on this.

MR FITZGERALD: Yes, that's terrific. Thanks for that.

MS GROVE (ABA): Thank you.

MR FITZGERALD: Nothing else? Good, thank you very much for that.

MR FITZGERALD: If you could give your name and the organisation you represent and then you can give us some opening comments and thoughts and then we can have a chat.

MS KOVAC (PM): Sure. My name is Tanja Kovac, I'm the national coordinator of PolMin. PolMin is a non-profit organisation which is committed to influencing public policy for the common good. Our policy positions are shaped by over a hundred years of Catholic social teaching. PolMin has encouraged me to address you from two perspectives today: the formal policy positions adopted by our board and underpinned by CST, but also from the perspective of a new mum who has recently given birth and who has worked in a corporate environment where there were fairly generous paid leave provisions but what I felt were quite hostile environments to working parents; to working in an environment where there is not paid leave but where it has been more compassionate towards working parents.

We hope that that personal experience might be beneficial. We will be saying that we believe strongly in paid maternity leave - paternity leave as well - and you are quite free to cross-examine me at length about my personal experience.

MR FITZGERALD: We'll have a chat, it's all right.

MS KOVAC (PM): That's my lawyer's side coming out.

MR FITZGERALD: That's all right.

MS KOVAC (PM): Perhaps I could start with PolMin's policy positions in Catholic social teaching. For many years Catholic social teaching has actually provided insight in how to manage work for the common good for workers, business and society, and we believe that there is still at least six of those principles - and probably more - that could help guide policy-making in this area. Firstly, the common good: we believe it's for the common good of society that the health and happiness of workers and their families is preserved; human dignity, that all people should be entitled to respect and compassion because they're a part of the common human family; the dignity of work in return for contributing to the common good of the economy and society, and we believe that workers must be treated with respect by business and government and that people actually gain dignity from their work, want to be gainfully employed; that workplaces need to support their capacity to do so in a flexible way.

We also think that solidarity is significant because work is a communal experience and that human progress and satisfaction comes from interconnectedness and, of course, lastly - and probably most significantly - family, that basically the ethical order of human work needs to be shaped by reference to the family. CST has

been at the forefront of all of Australia's industrial debates and it has consistently demanded that human dignity of workers be elevated above the bottom line. It supported an eight-hour day, a family wage and trade union involvement in the workplace. It has adopted these positions because as the Australian Catholic bishops put it, "Work exists for the worker and not the other way around."

From our perspective it's a matter of commonsense that workplaces can't exist without workers, without individuals working in the service of the common good - whether that's as a shop assistant, a doctor or an electrician - there's no society. We also see that the productivity of individuals is a common good. CST believes that there is a general duty to work, to aid in the creation of a better society and increase everyone's enjoyment of the world. CST thinks well of workers. It believes that people want to be productive and that this is their natural state as humans because they gain dignity from achievement and contributing to the community. I think that's very significant when you talk about women and why they want to return to work even after they've had children.

CST acknowledges that this natural desire to achieve and contribute to society that workers have generally can be put at risk in workplaces. That desire and need for employment has to be balanced with a respect for and sensitivity to the limitations and frailties of human beings. That all sounds nice and theoretical but what does it actually mean for this debate. Well, the Australian benchmark for paid maternity leave is basically underpinned by those principles, and it's the Australian Catholic University's paid maternity leave provisions which, as you probably know, is a full year and it's 12 weeks at 100 per cent pre-birth weekly earnings, and 40 weeks at 60 per cent. They are incredibly generous but the reason that it is like that is because the principles of Catholic social teaching those values have underpinned the decision of the business. They have shown the courage of their convictions.

In part I think Dr Ruth Webber who works at ACU said that it was about maintaining traditional Catholic values but it was also about not putting families under so much pressure at the time when they were going through life transition of having children. We would ask or urge you to, when looking at the ACU provision in the context of your work to acknowledge that role that CST has had, because we think it has been very formative.

So for us, paid leave is about human dignity and we think that for too long there has actually been a lack of that in Australia. Parenting and family life is almost treated as a private leisure activity and it is demeaned as work; financial assistance for it has often been discouraged, and despite having to endure nine months of physical and emotional change, the pain of childbirth, the emotional and physical upheaval of motherhood - all of which are way too fresh in my mind - that it seems

extraordinary that they have no genuine claim to just have some time off, even at that base level.

In my experience, and in general, I think some workplaces are not just insensitive towards parents, they are completely desensitised to workers having a family life outside of the workplace - long hours, laptops in the lounge room are now the norm. Parents in Australia are making unenviable choices between working and parenting. They suffer the discrimination and judgment when they choose one course or the other and confront daily challenges to get that balance right. Although society and business profits from those individuals resolving the juggle struggle alone, they seem to be shouldering very little of that responsibility.

In some respects we think there is an almost "it's all too hard" philosophy happening with unpaid parental leave, and that's one of the reasons why women - but unpaid leave actually contributes to women not wanting to return to the workforce and that is because it basically just becomes all too hard. If I can just explain. My understanding is that Sweden has one of the highest workforce participation rates of children in that childbearing and rearing age group which is 25 to 44 years. They also have extremely generous paid leave provisions. We think that the message is clear in Sweden. "We support you. We value you. We acknowledge your gender and the way that parenting is involved in that. We will accommodate you with flexibility back into the workplace."

We also think the message in Australia is clear. There's not much support for you outside. "We don't care if you're tired or sore after birth. We don't want you to balance parenting and work. We don't see any common good in supporting you to do both." We submit that how women are treated at this important, crucial time, life transition time, actually shapes their attitude to workforces afterwards; whether they are prepared to participate in the workforce and society postnatally. We think there is actually a connection between unpaid leave and lack of productivity.

If I could explain that. Unpaid leave reinforces in the mind of families that workplaces are judgmental, inflexible and unsupportive towards parents and that they are not really to be trusted into looking after your family's wellbeing in any way which is I think a bad thing for - I think the relationship between people and their workplaces needs to be more open than that, but when you don't have that support at that crucial life transition moment then you feel exposed. Families have some lurking sense that workplaces don't necessarily want to promote people who show too much family responsibility and put too much of that ahead of work, so they are already used to that. Unpaid parental leave reinforces that.

Many families then choose to limit the hostility by sending only one half of a couple out back into the workforce so that they can maintain the perfect image of one

worker who is unencumbered by family responsibility. But when you have two parents who have to go out and negotiate family work practices, it's so much strain. There is a risk that both parents then are judged as not quite committed to the workplace and they miss out on the financial benefits of promotion, of a range of other things when you are looking like you've got your head in two different locations. We also say that unpaid work has other impacts on women's productivity. It teaches families to cope with limited resources.

Now, frankly, I don't think this is such a bad thing but for a nation with skill shortage, trying to get women to work, I would have thought this was actually a concern. It's basically training for the ongoing non-participation of women in the workforce. Families learn to budget with less of an income, they do without, they under-consume, and it brings into the sharper focus the cost benefits of returning to work. When women are without an income at all for three to six months, the prospect of returning even to part-time employment basically loses viability and attractiveness when you assess that against the cost of child care.

The lack of support is in our view contributing to the lack of productivity of women. That is why they're not returning, in the sense that by not providing that leave it is sending a strong message of "Why bother? It's just all too hard." We're surprised at this when it could just be - the solution is really very easy. If women have better services and supports for their family responsibilities at work and across society they will work because they want to. Now, we don't care whether it's 14 weeks, we think 14 weeks is the absolute bare minimum, but we support six months, a year, however long. More is better. But it has got to happen because it is almost embarrassing that Australia doesn't. I'm sure other people here have already listed - Algeria, 14 weeks; Bangladesh, 12 weeks; Cameroon - the list goes on of who has it and who doesn't.

I'll just tell you, my first 14 weeks: week 1, hospital, lactation consultants, people pulling my breasts every which way but loose; and my health and recovery; Rory, my son, who was going to be my best prop today but fortunately I found child care - - -

MR FITZGERALD: We have had one before. He slept the whole way through.

MS KOVAC (PM): Did you? He's a good boy. Rory had jaundice, that was an entire week; came home for the next week; you have your first maternal health check-up; there's often lactation issues; you spend the next three to four weeks learning to bathe; attending to three to four-hourly feeds; getting exhausted and not knowing what to do. He's my first child. Six-week check-up which has all sorts of stresses associated with it; you start mother's group in weeks 7 to 8; you're trying to develop some routine between eight to 12 weeks, but by that time your baby is

understanding the world and becomes extraordinarily cranky and disorientated; week 12 you should have well and truly established and got into a routine with breastfeeding or if you haven't you're now bottle feeding; at 14 weeks, that's when people are starting to go back to work. It's such a short time and it goes so quick. It's an enormous pressure that we're expected to put on women and men and partners who are increasingly involved in the process of that transition.

PolMin's situation is that it's a small organisation and they were not able to offer me paid leave and I understood that. It's a very compassionate, loving organisation, they were delightful to me both before and after birth. I loved working for them so I didn't necessarily - I didn't want to leave and put them in a situation of being absent for over 12 months or anything like that. I also had financial reasons why I wanted to return to work.

But they want to pay, they want to be able to support their workplaces. So with that - unless there is some support from government, small organisations who want to have postnatal family-friendly environments, which I think is significant, but can't pay that leave entitlement, are missing out, I think, on being the best work-life balance providers in Australia. I think that in terms of my personal experience that I'd like to share with the commission, that issue of that balance - of the necessity to have paid parental leave as a package of family friendly revolution is really important. Having one without a whole set of other solutions for allowing women to work I think would be actually creating a system that was already obsolescent.

One thing that we have been hearing a lot about recently is about who is going to pay. We have seen some sort of sad telephone polls saying that no-one really wants to pay for - in the public for a sort of government-funded leave scheme. We think partly the answer to this is through remodelling superannuation. Super is almost paternalistic in the way it's currently used. It preserves the idea of a male experience of the workforce where your biggest transition out of work is retirement.

We think that in the short term you could almost fix this whole question of maternity leave by just freeing up access without penalty to super for families who want it. I can just tell you right now I would have loved that. I mean that would have made a massive difference for me and my family if I could have used all the hard work that I had already put in or if I had been given a choice to have put away 50 bucks or however much into the fund to withdraw at a later time. That's, in my view, a very immediate solution to it. Long term I think that super has to change into being a life transition fund that allows families and allows individuals to plan appropriately for non-retirement life transition and to allow that fund to be a question of choice rather than determined elsewhere.

MR FITZGERALD: Sorry, can I just ask a question. Do you see that as over and

above - in the paper you've given to us you've talked about a parental leave scheme which is both government funded and also topped up by employers. Do you see this as the revision or the changes to superannuation to more of a life transition fund, as I think you've called it here, as being an additional measure?

MS KOVAC (PM): I do. I think I also see it as being a measure to combat the sense that which will prevail, a system like this, that it shouldn't be government funded. Well, it could be. It could continue to have government support by being connected to an already existing successful scheme to encourage life savings. It would be a neat way of reforming the system without creating another layer of bureaucracy, I suppose.

MR FITZGERALD: We might make just a couple of further comments if you want and then we might have a discussion, otherwise we'll run out of time. So just any final few points you want to make?

MS KOVAC (PM): The other points that we were wanting to make was that we think that establishing working parent hubs at neighbourhood houses and maternal health clinics might help women return to work. Again, we do not want to reinvent the wheel but we think that might actually help. A lot of the current centres, particularly maternal health centres, are still focused around women are having a long time away from workplaces. Meetings occur during the day and it's very difficult for women who are already going back to work. I think I certainly expressed the desire to have like a working mothers' group.

But it's also about, like, creating wireless Net cafes and having some kind of flexible environment; and help with arranging child care; career counselling and a return to work staff member helping you in that forum; emphasising the need to protect working parents legislatively so that they have the right after birth to request part-time work, work from home and other flexible conditions; empowering - and we also think that we need to empower HREOC and Fair Work Australia to investigate a whole range of initiatives for family-friendly workplaces in Australia. Again if I could just reiterate my personal experience of having worked in an environment with paid parental leave and just finding that it was quite hostile to working parents and then being somewhere else where it was the opposite and feeling a lot better about it.

MR FITZGERALD: Okay. Look, thanks for that. Just a couple of things. In your personal experience which you've given us some comments in written form you talk about your experience within the law practice. To what extent do you think the provision of a more extensive paid maternity scheme or parenting scheme would make a difference, because as you say there the firm itself had paid leave arrangements but the atmosphere was, in your term, not conducive to women particularly who took time off. So I'm just wondering whether or not on a broad

scale you think the impact of more generous paid maternity or paternity leave arrangements would be on the workforce?

MS KOVAC (PM): Well, obviously for a lot of women there's absolutely no paid leave.

MR FITZGERALD: Yes, sure.

MS KOVAC (PM): So what do you mean by more extensive - - -

MR FITZGERALD: A universal scheme of some description.

MS KOVAC (PM): A universal scheme? If you just introduce a universal scheme of some weeks and there's no additional supports that enable women to return to work flexibly and to request that and to also start setting up some benchmarks for family-friendly workplaces so - I mean I support things that the Breastfeeding Association were saying about creating rooms and office spaces. Like you could create a whole floor for parents where you were free to breastfeed and where you're free to bring your child to work. I don't want to be separated from my child, I really don't.

But I am capable of doing more than one thing at a time. I want to be able to do what I'm doing right now and I want my child to be in my life. I am frustrated that the rest of society hasn't caught up with me. I don't think I'm alone. I think there are a lot of women who have been taught that - I know we can't have it all but we're going to get bloody close to that and the first step is getting some help. But I'm firm about this issue that if you just introduce the leave scheme and there's nothing else I almost see there's no point because we will end up in this situation where it all looked good in the EBA agreement but then women were coming back into the organisation and the message was still clear that pregnancy was going to put your career in jeopardy.

It was going to be a risky business for you to have success in that environment because, "We want you to be there every single hour of the day and we don't want to hear about you wanting to have a couple of hours off to do something else." That value system has to change because it's not realistic. That's why families, as I said at the outset, are choosing to just go, "Okay, well, if that's the attitude we'll just send off the bloke or one of the partners to go off and - they'll be that image and we'll hide the fact that there's someone else doing all the rest of this work somewhere else."

MR FITZGERALD: Okay, Angela? I'll come back to this.

MS MacRAE: I was interested in the super concept. It's new in the sense that we

haven't heard it from anyone else. I guess there's a couple of issues with it. One is that obviously some people won't have those super savings but I mean that's also true at the retirement level. But I guess potentially on the birth of a child you could apply to your fund and that they would be mandatorily required, as long as you had grounds of a new child and a family, that they could give you some proportion of your funds or - - -

MS KOVAC (PM): Yes.

MS MacRAE: Yes, okay.

MS KOVAC (PM): I would say that it would be capped at a level and it would be probably a fairly modest level, you know, maybe not much more than what the baby bonus is or maybe up to about \$10,000. But again I understand some of the criticisms of that idea is that women don't have any at the end anyway. I accept that. But I want to choose that. Frankly, and I'll say this - - -

MS MacRAE: Yes. So you're saying it wouldn't be mandatory but it would give you that option?

MS KOVAC (PM): No, but can I say frankly for the record, investing in my children is a fair more wise choice than waiting for some social security system to look after me in old age. I'd rather spend the money to have my - to birth children who might take care of me than rely on the government. I think that's fundamental to Catholic social teaching which is the idea of subsidiarity, which is the concept of let people, as much as possible, own their own solutions, as close as possible. That doesn't mean government gets out of the picture. That's why I think the superannuation idea helps so much because government is not out of the picture, it's intimately involved in that but it's about arming their citizens.

MS MacRAE: In that instance you'd be looking at both parents potentially being - - -

MS KOVAC (PM): Possibly, yes.

MS MacRAE: Okay.

MR FITZGERALD: Just going back to the actual paid parental leave scheme that you're putting - you're putting forward a minimum 14 weeks but as you indicated you'd prefer that to be 26 weeks and you see it as transitional moving forward. Can I just ask your version of the parental leave scheme? One of the issues we've been raising with participants is whether or not there should be a quarantining for maternity arrangements and similarly a quarantining for paternity or a broadly

defined paternity or partnering allowance. I just wonder whether you have a particular view as to the design of that scheme or not really.

MS KOVAC (PM): When you say quarantining do you mean - - -

MR FITZGERALD: Maternity leave which can only be taken by the mother and paternity leave for a smaller period of time that can be taken by the father or supporting partner.

MS KOVAC (PM): I had this conversation last night with a male friend who works in the union movement and he was talking about how a lot of younger men want paternity leave desperately because they're starting to say, "We're at the hospital now nearly every day and we're as involved as mum is in all of the various things that are going on in the early weeks of childhood." So actually I think that with maternity and paternity leave there's potentially some short crossover. So I wouldn't put some set of weeks on that. But I think there is definitely some crossover. Then I think clearly men want some leave as much as women do. So we have a saying that this is a human dignity for working parents. We're not saying that it's just maternity leave.

MR FITZGERALD: Just in relation to the issue of the parental hubs or the working parent hubs and what have you. Clearly this is part of your suite of issues but can you just explore a little bit more what you mean by that concept?

MS KOVAC (PM): Neighbourhood houses at the moment, with very limited funds, provide occasional care, many of them do, and they also provide some retraining for going back into workplaces. But it's so small what they're doing. I imagine after the birth of a child if you could walk into a place and there was actually someone who was able to help you work out where you could put your child locally - so a child care placement officer, someone who could help you with other return-to-work issues in addition to child health issues.

The other thought about working parent hubs was to actually create an environment where women and men who might be balancing family responsibilities could physically go to do their work and be supported. So, for example, by having a venue where there is occasional care that might be only a couple of hours, you can drop someone off and start doing a little bit of work on your laptop. It might be wireless connected and there might be other families that can provide support and guidance, because I think there are a lot of women like myself who are working from home. It can be very isolationist - or who don't really know how to go and establish all of the supports that are necessary to enable them to go back to work.

It comes back to that thing: it's all too hard, because it is hard. It's bad enough

trying to cope with having this new, gorgeous little person in your life and being responsible for them. That becomes so driving of all of what you want to do. It could be that you just go, "I'd like to do the other thing but it's too hard to organise," so having somewhere where someone is sort of going to help you and encourage you I think that was the thought behind that.

MR FITZGERALD: That's fine. Any other questions? Thanks for that and thanks for the written documents that you've given us too.

MS KOVAC (PM): No worries.

MR FITZGERALD: So that gives us a way forward both in terms of your personal experience and also on behalf of PolMin so we appreciate that. I presume you're going to give us a written submission, so that will be terrific.

MS KOVAC (PM): Yes, thank you.

MR FITZGERALD: All right? Anything else, any other final comments you'd like to make, Tanja?

MS KOVAC (PM): No, just we think that it's incredibly hard work and very timely.

MR FITZGERALD: That's terrific.

MS MacRAE: Thank you.

MR FITZGERALD: Okay, thanks very much. I think ACCI is here? That's great, thanks.

MR FITZGERALD: Okay. All right, are we set? If you could give your full name and the organisation you represent and the points you'd like to raise and then we'll have a bit of a chat about it.

MR BARKLAMB (ACCI): Thank you. It's Scott Cameron Barklamb. I'm director, workplace policy, with the Australian Chamber of Commerce and Industry.

MR MAMMONE (ACCI): Daniel Mammone, senior adviser, ACCI.

MR FITZGERALD: Good, over to you.

MR BARKLAMB (ACCI): Thank you. I have some pages of an opening statement which we can provide in writing. It's our first attempt to reduce matters to writing for this review. Thank you for the opportunity to appear before you today and to contribute to the inquiry. We tried to focus today on what we believe are the most usual contribution employers can make at this point to your inquiry, that's to identify some concerns, priorities and perspectives for any schemes which may be under consideration. We've done this to the extent possible at this stage. This is effectively an interim report on employer views. Our written submission in June will express the ACCI network's view in more final terms including responding to matters raised today. So just apologies we weren't been able to provide anything in writing in advance.

We'd like to start by emphasising the extent to which Australia's employers already support parenting by their employees and indeed through the wider community. Employers support parenting through taxes, through providing a near unparalleled level of unpaid leave in Australia on a near universal and entirely enforceable basis through carer's leave and through delivering day-to-day flexibilities and accommodations at the workplace level, some of which may be formally agreed, many of which are not. We suggest this inquiry should proceed, to the extent it's relevant, based on a recognition that employers are already significantly supporting their employees during parenting and are already incurring additional costs and impacts on productivity, flexibility and day-to-day operations from doing so.

We'd also like to put the utility of any additional paid parental leave scheme into perspective. For employees using such leave the benefits of any paid parental scheme will be essentially universal, a payment will flow. For employers, however, benefits and priorities differ in this area in our view. For some workplaces, particular approaches to parental leave including providing pay may have particular benefits. For others, however, employers and employees may have different priorities and face different challenges. That's why we've seen paid parental leave addressed to date by workplace level agreement and have seen differing approaches emerge from employer to employer.

We therefore have a contrast, we think, between a universality of benefit to employees and a heterogeneity or an inconsistency of benefit to employers. Flowing on from this, to report something pertinent from our membership, employer views on paid parental leave are decidedly mixed, ranging from those who choose to agree amounts of paid parental leave at the workplace level, to those opposed to the creation of any universal scheme however funded. There are, however, some constant themes emerging from our network and from the feedback to ACCI and its members. A consistent theme and a consistent employer view is that any universal paid parental leave scheme is a community responsibility and must be funded wholly by government and not require additional payment, either directly or indirectly, from employers.

This view crosses businesses of all sizes in all industries and includes some workplaces which are already bargaining on, and indeed providing as an employer, paid parental leave. We understand the government has a pre-election commitment to not impose additional financial burdens on small business or discourage the employment of women in considering any scheme arising from this review. We believe that commitment should extend to all businesses and to the women that work for all businesses. As indicated, the utility of such measures for particular workplaces will differ. Employers step into the role of payees in paid parental leave only where there is additional benefit for their businesses from doing so.

We believe that should be the case in any scheme arising from this review. Paid parental leave which is to be further considered, we believe, should combine a universal level of entitlement funded solely by the government as a community responsibility with scope for employers and employees to agree additional payments or differing work and family measures where this suits them - a matter I'll come back to. Also - and I can cut this relatively briefly - employers support the government administering and paying any government-funded entitlement. There's a level of employer concern from the notion that we become payees of government entitlements, particularly in regard to unanticipated flow-on costs and other impacts.

Employers also view the utility of any approach to this issue beyond the universal commitments of our community through the government to be an issue for particular workplaces and particular employer-employee relationships. Many employers are agreeing to pay parental leave or would agree to additional or separate payments in the context of a government-funded scheme. That's entirely appropriate. However, employers oppose measures which would require or encourage mandatory top-up or additions to payments. I want to just draw that out for a second - mandatory top-ups or across-the-board top-ups. We have no opposition to the idea that there is a level of creativity in this area at present in workplaces, that people are agreeing to paid maternity leave measures. We also have no opposition to the idea

that in the context of a universal scheme, people may agree to a range of additional, subsidiary, creatively allied or off to the side measures. But the notion that there be a universal capacity to top up provides us with some concern.

Consistent with that our written submission will propose a specific limit on scope to use the modern award system, following the next round of workplace reforms, to in any way add to maternity leave as it will appear in the National Employment Standards and in particular to associate pay with that leave. Employers would also like to emphasise that consideration of paid parental leave must be part of broader measures to support parenting. Political commentator, expert and activist interest in this area doesn't mean this is the main work and family concern of employers and employees in workplaces - main or sole. The feedback to employers is that the biggest barrier to returning to work today - and to parents, essentially women, in maintaining labour force attachment - is the availability, accessibility, cost and day-to-day flexibility of child care.

Paid parental leave may be a priority for some employees during the initial period following birth, but employers are faced with far greater and more regular demands for flexibility and adaptation based on the operation of our child-care system. We call upon the Productivity Commission to recognise this in this inquiry to the extent consistent with your terms of reference to recommend government consider the impact of the child-care system on work and family balance concurrently with the more narrow issue of paid parental leave. We understand the government is establishing the Office of Work and Family. A key outcome of this inquiry should be an encouragement from the Productivity Commission to focus on child-care accessibility and capacity to meet parent demand.

Finally, an introduction - there's one additional issue I'll return to if we have time, but finally an introduction. We support the multi-stage approach to this issue yet embarked upon. Employers are very concerned about any unintended consequences from introducing any scheme and support an opportunity for everyone to contribute to identifying these unintended consequences and weeding them out, as scheme options may firm up during your review. This would include the unintended consequences of any government-funded scheme; the unintended consequences of any scheme straying into a role for employers - which, as I made clear, is the type of scheme we don't support proceeding forward for consideration - and any unintended consequences or indeed a focus upon the intersection of payments for those in work and those not in the workforce, ie, what we currently term the Baby Bonus.

We look forward to engaging and responding to the specifics of any schemes and approaches you identify for further consideration which hopefully reflect the parameters and concerns we've identified today and those in our pending written submission. With that introduction, commissioners, we would be happy to respond

further as we may at this stage.

MR FITZGERALD: Good, thanks. I'm sure we will have an interesting dialogue about a couple of those issues.

MS MacRAE: The first thing I wasn't quite clear on is whether or not ACCI's position then is to support a universal, government-funded benefit or not. Were you saying you did have some members who didn't support that - that was one element that you did support and then obviously you didn't want an employer part of that. Have I got that right?

MR BARKLAMB (ACCI): Absolutely. We support this review considering options for such a scheme and we believe that's the extent to which schemes can go. If you conceive of this as a linear thing from a government-funded scheme through to some option of complete employer funding or something like that, down that path, we believe government-funded schemes are the ones that should proceed to your next stage of consideration only.

MS MacRAE: Right.

MR BARKLAMB (ACCI): I provided the feedback that there's a range of employer opinion merely to illustrate that the utility of this particular work and family measure to different workplaces differs and that there's a quite strong plurality of employer opinion, even straying into whether this is an appropriate area for a government scheme at all. But the consensus of ACCI members - and we've met as an organisation as recently as last week - is that we don't oppose this review considering options for a universal government-funded scheme.

MS MacRAE: I guess the fundamental issue that crops up from time to time in relation to possible employer participation - I'll be interested in your response to it - is twofold really: one is that while there is an argument that it is of interest to the community as a whole, that employers are an important part of that and isn't it reasonable that employers should bear some burden of that; and in some ways perhaps linked to that, but perhaps not, is that shouldn't maternity leave or parental leave be seen as another kind of leave and that employers currently pay holiday pay, sick leave, carer's leave? Isn't this just another kind of leave that should be treated in the same way? How would you respond to those two?

MR BARKLAMB (ACCI): Indeed. I think the way we would frame the first part of it would be to say this is indeed something which benefits the whole community and therefore we believe it's a community responsibility through the tax base and through government - and these were in my introductory remarks - that employers contribute to. I think I started by also saying we believe we make a substantial

contribution to parenting in a wide range of ways, some of which flow from the arbitral system, from the awards system across the past 20 or 30 years. But in other ways which are beyond that in day-to-day flexibility are either the things that are agreed in agreements - and you will have had people come to you and talk about paid maternity leave agreements - but a vast range of other flexible measures are agreed but also less formally.

We would start by saying we are already observing a level of cost, commitment and support. We believe we would take part in the cost, commitment and support of a universally funded scheme through the general community contribution that we would make. The answer as to whether this is simply another form of leave, shouldn't employers absorb it, the notion of unpaid leave is not an unknown one in our system generally. We're not debating, as I understand it, 24 months' paid maternity leave. At some point, regardless of what we're talking about, we're talking about triggering back into unpaid leave entitlements. It won't be a concept that's removed from our system altogether. The answer we'd make is to look at the proximity and utility to employers. We believe that the best notion here is probably one of a safety net. Government provides a universal safety net and level of entitlement where this is a priority in particular workplaces and relationships that can be bargained upon and acted upon. Other workplaces and relationships will have different priorities.

We had a conversation before we came here about some workplaces might have a profile of employees or a demand from employees for support at a different stage of life course. It may not be about paid maternity leave, it might be flexibilities in hours for primary school-age children. In other places it might be about elder care and flexibilities around those things. We would be very concerned of the impact of that on employers in the notion that it's another form of leave. The other thing is it's introduced in the context of existing forms of leave that cost employers quite significant amounts of money.

We're also talking about introducing any approach to this probably in the context of employers assuming potential additional costs through the creation of a national employment scheme. So there's additional costs buried in jury leave. Now, admittedly that's not something that pops up for every workplace particularly regularly. There are certainly additional costs arising there. The flexible work introduction carries some additional costs to employers. There's some things around the re-crediting of annual leave. It's not - if I can use the term - a magic pudding. There are cost impacts on employers where you reach a certain breaking point or limit as well, so that's the sort of perspective we would be coming from with those sorts of things.

MR FITZGERALD: One of the arguments being put to us is that there is a

differential impact, not only on businesses but on industries. Some industries have very high levels of female participation, vis-a-vis others that have very low levels of female participation. The National Employment Standards would provide a benchmark which would then in fact be incorporated into individual awards, as I understand it. Is that correct?

MR BARKLAMB (ACCI): They will provide a benchmark that will be universal. Individual awards will only address them to the extent they are providing industry detailed customisation or if I'm unsuccessful in the way we fight these cases is an add-on. The awards won't address each and every NES as a matter of course. As we understand the policy there's probably a natural disincentive towards addressing it unless they really need to.

MR FITZGERALD: We had the presentation from the CFMEU today which supported the incorporation in the National Employment Standards of mandating - or the employer top-up. They've got a universal government scheme but an employer top-up through that mechanism. You're obviously opposed to that, from what you've said, but is it because that would be universally applied at the same rate and only any additional would appear in the individual awards - is that the case - or does it appear as a standard but which can be negotiated, as you negotiate each award?

MR BARKLAMB (ACCI): We would be troubled by the idea that you could assume that each industry had a constant level of demand and capacity across employers.

MR FITZGERALD: Sure.

MR BARKLAMB (ACCI): Is it a constant level of top-up across the community? That pays no regard to the capacity or interest or appetite of individual businesses or the utility to them. Equally we'd say that would be the same assumption across the construction industry, across the hospitality industry, across clerical industries, right across the range of even those industries in which it's most likely that parents work to those that are least likely to have the dimension or recurrence of cost in this area. This is a workplace level determination between employer and employee based on the utility to the particular workplace concerned. Indeed that's not an unknown concept. Why have large companies introduced paid parental leave to date, because they've made an assessment of the utility to that for their particular workplace and particular industry and particular priorities.

MR FITZGERALD: Your opposition to compulsory or mandated employer top-up is irrespective of the level of that cost, because I presume - well, you can tell me. Have you done any estimate on what that employer top-up would be? If there's a basic government proposal up to minimum wage for a period of time, do we have

any understanding at all what the additional top-up cost would be to your business or is yours an ideological position or - - -

MR BARKLAMB (ACCI): No, it's a reasonable apprehension based on our projection of what the numbers would be when they're done. Now, whether we come to you and do the numbers - when you articulate schemes you might. I'm entirely kite-flying on this but you might articulate one of your options as a minimum wage scheme, plus top-up to employee earnings to average weekly earnings. Now, I'm not saying that's the right thing. Were that to be put on the table, that could be costed. In terms of it being an ideological opposition, I've indicated to you that there's - - -

MR FITZGERALD: An opposition without the evidence of the actual impact is what I'm really saying.

MR BARKLAMB (ACCI): We have not yet done numbers or we may look to others to do numbers in this process, but we certainly have an apprehension of a clear piece of feedback from our small business members that they have incapacity to pay. I think you may be issuing an invitation to me to respond to an issue, and I might just respond to it anyway. If some people have come before you talking about what they would present as smallish levies or HECS style payments and the like, that does take you into a different realm, an employer paying a certain number of weeks, either directly or as a top-up, different amounts of money. What we are concerned about is - again the point comes on top of existing payments, existing on-costs. So it may in itself look like a more modest amount of money in purely comparative terms but we're concerned that it comes on the basis of existing costs based through employers, but we are also concerned that employee co-contributions or a HECS scheme ultimately flow through to the employer to match.

As sure you embark on that kind of scheme - and I don't know how realistically that sits at this point in the balance of people that may have come before you, it has certainly come from some quarters - as soon as that was to be introduced and combined with existing HECS, particularly for those who have been through tertiary education, we will face claims based on income adequacy at the back end. To us you're directly talking about a negative impact that employers can't meet in the immediate term, or you're putting it off and creating a problem for later.

MR FITZGERALD: Can I ask a more general question. Do you as an organisation actually see any benefits from paid maternity leave arrangements - ignoring who funds them for a moment because that's the cost side. But I get a sense that there is real scepticism about the benefits that would derive from a paid maternity scheme universally applied. I understand your membership have different views. I'm sure that's true of the community at large. But what do you believe would be the benefits to employers, to business, to the Australian community - more

broadly speaking - of any form of paid maternity leave, or do you think they're only at the margins?

MR BARKLAMB (ACCI): To be consistent with what we've said, particular employers may identify considerable particular benefits to them in terms of recruitment retention, attraction and return to work. Certainly there are for some people quite express, reasoned, researched benefits to them in their particular instances. We can't and don't intend to come before you talking about medical or developmental factors and benefits. We know that they're on your list of parameters there but that's not a debate we'd engage with. But as a general principle the best that a scheme could do in this area would be to provide a level of income to bridge periods in which people are out of work, to assist people in using an existing unpaid entitlement. I think that's probably how we would conceive of this, that it may be very useful in allowing people to access periods of work and periods of time off, and that it may have particular utility to some employees in their personal work family balance. That's probably about the best we can come to.

MR FITZGERALD: But as a national employer body I'm intrigued that given that universally women's groups and many of the union employee bodies are recommending some form of paid maternity leave, they would argue that in fact society benefits from this, that in fact normalising both motherhood and working as a combination, or fatherhood and working, produces an overwhelming good for the employment market per se - attachment to the workforce over time. So whilst I understand your point absolutely that for individual firms it has different levels of utility, and in fact for individual employees, that's true, do you think that as a society that the workplace, the employment market more generally, benefits from these arrangements or could benefit from these arrangements? Yes, I understand the differential for the firm and the employees, that's self-evident, but as a broader concept it seems to us that many women and those supporting women are saying that this would make a significant difference to their wellbeing and therefore to their participation in the workforce more generally which must by nature aid and assist both employers but also the economy.

MR BARKLAMB (ACCI): May I answer this by saying we are strongly supportive of a strong fertility rate for Australia. We are strongly supportive of maternal return to work and engagement for both parents throughout the life course, and a capacity to contribute and to have careers, productive high-earning careers throughout people's life course. Certainly the ultimate aims, I don't think too many people would differ about. I think the utility of this as a general good in the community would be seen in the context of a range of measures. We've mentioned child care, flexibility and the like. We're certainly not standing here saying that we don't support further consideration of measures and our position needs to be clearly understood in that regard. We support your further development of models within

the kinds of parameters we're beginning to outline. Its utility, I don't have a model. I've not done economic modelling on this. We can't put a metric to it. It will be at best one more measure in a complex equation that leads to these societal goods.

I might mention one thing as a personal perspective arising from the Work and Family case we did. It was a very large test case back three or four years ago. We talked significantly then about fertility, about capacity to re-enter work and stay engaged with work throughout someone's parenting in the life course. I came away with an impression from that - it's not a conclusion of the commission, it's not necessarily something I've discussed internally at ACCI, but I came out with the conclusion that people's capacity to parent and fertility are a function of economic confidence.

Why have we got a bit of a - I'm not sure what the demographers are calling it, maybe it's a baby bump at the moment in terms of the statistics blipping upwards? It's economic confidence. It's people's confidence in their capacity to have a job, to maintain a job, to be employed, to the extent people have these lifetime aspirations or look this far forward, for their child to be employed, and the society they're bringing it into. So equally important, we think, is the capacity for employment, and the economy, and the right macro-economic mixes. Now, that is slightly wider than your brief, but that's a perspective I certainly took out of that case.

MR FITZGERALD: Can I just ask - and then Angela might have some more questions - in relation to your comment about other issues, there's no question at all that a range of issues loom large in the reasons why people are able to return to work; for example, as you said, child care. But also we've heard many other factors, the provision of breastfeeding facilities and other services and supports.

One of the things that has started to crop up though is that even in negotiating enterprise arrangements is that often paternity leave is almost traded off for those other measures. But the group that's most affected by it is always a minority. It's always a small minority of the workforce generally are in fact in that child-bearing group. So it was put to us that whilst there are a lot of negotiation taking place by employers and employees in relation to more flexible arrangements, particularly with the children at school, improved child care facilities and a number of others you've mentioned, all of that is true, nevertheless this particular group, that is, new mothers and new fathers, are in a sense disadvantaged even in those negotiations, even in those enterprise agreements that are being developed. The second part of that is interesting - - -

MR BARKLAMB (ACCI): It's a pretty good reason to have an AWA, but go on.

MR FITZGERALD: The second part of that is the issue that for a number of

groups of women in the workforce where they get reasonable levels of paid maternity leave, once that has been afforded them they then concentrate on other issues. So we were talking to a particular group yesterday that's a very large employer. They have 12 weeks' paid leave. Clearly there is some push to increase that. But they were saying once you get to a certain level of paid leave the issues change for women. I'm not sure that's right, but I'm just putting it to you. So we've got two things happening. We've got those that have already got a reasonable level of support, and they are concerned about all those other issues you put into place. In negotiations those other issues come to the fore. But that group that needs paid parental leave is often ignored. I wonder whether you have any views on that. All of this is just people putting these propositions to us and none of them are yet tested.

MR BARKLAMB (ACCI): Absolutely. I might take the second issue first, the notion that once you reach a critical mass of paid leave the issues and priorities change. I think that probably accords with the general position we're making, that you provide that general level of leave through a community scheme, and the assumption then should not be about top-ups. The universal direction of further efforts for parenting shouldn't inadvertently be pigeonholed into this particular area, that you need the flexibility and freedom at the workplace level to be able to direct it to wherever the demand is coming from. So what I would take out of that is support for the notion that we're advancing to you, that any scheme has got to be a zero-rated one across the community.

As to the first point about collective agreements, they are collective agreements. I mean, this is part of the debate and I'm not wanting to run a hoary one that's overtaken this exercise and other exercises politically, but this is why people come back to talking about scope for individual flexibility, whether it's through statutory agreement making or through flexibility within the award system or flexibility within the agreement clauses, both of which are the current government's answers to these type of questions. You've got diversities of demand. I spent some time in the Work and Family case when we were debating facilitative provisions really getting quite hostile to majority facilitation, and the example that I kept coming back to is what happens if you've got a minority of female employees or parents and you've got a majority of blue collar people who prioritise pay? It's a similar sort of work around the same issues.

I think we need a collective agreement system that is able to provide some scope for the views of the minority in those situations, the voting and voice processes. I think I'd have to provide some positives in support to my colleagues in the union movement though. I certainly don't think they're closed to issues of maternity and parenthood and the like, particularly at the central level or the higher office level. So I certainly wouldn't think that union officials, certainly if they're patterning what is being said by their unions at the collective level, would ignore

these demands from minorities or rule them out in favour of those of others. I think that's really probably an issue like any of accounting for minorities in collective bargaining, it's something that has to evolve over time. But again, I used the word "safety net" before in regard to any universal scheme. It's a very different debate in the context where the government is providing some number of weeks or financial equivalent to it as the scheme evolves.

MS MacRAE: Perhaps if I could just return to the comments, in your view at least from your feedback from employers, that child care and access to it is probably a bigger issue in relation to return to work than paid leave. One of the issues that we've sort of been wrestling with is that if we are to provide more paid leave with the expectation perhaps that more people would stay at home with young children for longer, and that that might be good for maternal and child health, whether in fact there's a counter-incentive going on if subsidies for child care for very young children are also being played out at the same time, and whether or not you have a view on the relative trade-offs between those things or if you think that's a reasonable trade-off to be made.

MR BARKLAMB (ACCI): I wonder whether that's decisions for individual parents, that it's not paternalistically for us to be assuming that people spend - well, sorry. Employers have concerns about people directly before departure for maternity leave and directly afterwards on safety grounds and on liability grounds. Putting that to one side, whether a particular parent or parents chooses to prioritise a period out at the start with the support of paid maternity leave, or chooses to prioritise a shorter period out with a return to work based on child care, would be a matter for their individual financial circumstances. I guess that takes me to the second part of your equation as to the family tax supports and the like and income supports as you go through. That probably has more of an impact there.

I provide this piece of feedback and I am cautious in providing it because others may be closer to it than we are, but the general impression that we have is that the unpaid standard to date has quite a deal of community understanding and it shapes expectations about how long people will stay out. I mean, if you said to any employer, "You've got an employee on maternity leave. What are they going to ask you for?" they'll instantly say 12 months. It has structured the demand and the expectation from the employer about what they're budgeting for or thinking about. I had a question about - and I fully accept that some people may not have the financial resources to stay out for that time, or right at the higher earning end we've heard feedback from people from the legal profession that people worry about having their client base poached, but I put the high income earners to one side. There are a number of reasons why people may not use that time.

But I've always had a little bit of an unease in my mind that the idea of six or

12 weeks at the start could structure your decisions 12 months or 24 months down the track. You've got feedback from a range of other community organisations that might be more in contact with people making these decisions, but it seems a little odd just in pure economic terms that an up-front payment can structure that well back in your decisions, a fair way down after those payments have ceased.

MS MacRAE: So you're basically saying that the behavioural response you'd expect as a result of paying something at the first six or 12 weeks, given that people generally show a preference to be home for 12 months if they can afford it, you're not likely to get much of a behavioural change out of a payment in those early weeks. Is that the point or have I misunderstood?

MR BARKLAMB (ACCI): No, no, I think that is. I'm questioning that. I'm putting it on the table as an issue. There is some feedback, and I'm sure you've had it, that some parents can't afford to take time out and are coming back very rapidly. I don't know how common that is. You will have, I imagine, heard stories about the need for paid maternity leave to bridge that instant pay gap, and yet there are health issues, and people raise bonding issues and the like. You asked me before, what utility a scheme might have. At best the utility may lie there, in ensuring that some period out is accessible even for people on lower incomes.

MR FITZGERALD: Certainly we're going to examine who is taking leave when and, if possible, why, and anecdotally so far it appears that low income workers return to work more quickly because they're less likely to have paid maternity leave available to them. But we want to analyse that. So at the moment we'll just be examining that.

MR BARKLAMB (ACCI): I wonder whether it's a sort of inverse correlation, that lower-income workers return quickly, you get a big dip in the middle of people that take 12 months, and some higher-income earners return quickly as well.

MR FITZGERALD: There's no doubt about the last part, that's also true. That is probably unlikely to change, that last group.

MR BARKLAMB (ACCI): Absolutely.

MR FITZGERALD: Because they're returning to work for what appear to be different reasons, although we're trying to get a bit of a handle on some of the issues. Just a couple of other questions, if I can, about the design of the schemes. One of the issues that we're examining that if there is to be a government-funded scheme for a period of weeks the question arises as to whether or not that has to be taken in one lump of time or whether or not it can be taken over time. In other words, it's clear that many people will convert 12 weeks into 24 weeks or something else but the

broader issue is whether or not they would be able to take a period of time, return to work and then take another period of time at a later time. Now, as I understand it the unpaid parental leave provisions or the return to work does not permit that. I was just wondering whether you have a view about whether or not such a period would have to be taken continuous?

MR BARKLAMB (ACCI): What we're facing in the unpaid area is a 12-month standard entitlement.

MR FITZGERALD: Yes.

MR BARKLAMB (ACCI): That is shortly to extend to a capacity to extend to 24.

MR FITZGERALD: Correct.

MR BARKLAMB (ACCI): Now, what I would be imagining is that people will make their own strategic decisions as to when the paid maternity leave might start and stop to the extent the government allows them as - and the determiner of that will be their financial self-interest as a couple. Now, the other preliminary matter I'd add is that people pool their leave, those with enough time in the workplace to have long service leave will store it up consciously to start families - to the extent people are planning these things - annual leave and the like.

People do, as a distinct behaviour, as we understand it, pool their leave. They gradually store it up so they have some period of de facto paid maternity leave now. People are trying to do that, I imagine, where there are such measures to give themselves annual leave at half pay. They may use that to extend for some period. Then as you say whether you take the government payments at their full level for a period of weeks, is that your only option; what does that do to your tax effectiveness; what does it do to the taxation of your annual leave when you go to proceed on such a period of leave?

Inherently we would have no objection to people using their entitlements flexibly, as we have no objection to people spending the entire period of their statutory leave off work. So we're not coming here to say we want people back for 12 months or 24 months if that's the standard that's provided. So incentive effect-wise we're certainly not arguing to truncate that. Indeed, where we've got replacement employees we actually like the certainty of knowing that people will be out of the workplace for the period they've asked for, or it creates quite a significant management problem for employers where you've got people asking to return.

Inherently - and we'd have to look at the scheme - the government, I guess, would have to look at what it would mean for its budgeting to allow people

flexibility. Say it was 14 weeks, would you restrict it to use within the first X period of your time away or would you allow it at any time across, say, two years if people are extending? Just thinking aloud here. I am genuinely thinking aloud. You'd want to watch that you didn't create an incentive to use a second year of leave on a financially rational ground to bet that the payments were going to go up. Now, it's probably unlikely but if people were thinking that the payments were indexed to some new amount - - -

MR FITZGERALD: Sure.

MR BARKLAMB (ACCI): It's probably unlikely if they were indexed to anything other than the cost of living. But we clearly support the 12 months' usage and we clearly support - well, we can countenance the usage to 24 months if that's what the government determines. We think that second 12 months should have its natural usage. There shouldn't necessarily be incentives to use it any wider than there is demand from out there in the society and community.

MR FITZGERALD: Yes. The second question is again paternity leave specifically or have you got a particular view about the quarantine between maternity and paternity or do you see it as an all shared - - -

MR BARKLAMB (ACCI): I heard you ask our predecessor in this set that question. I was actually itching to answer it or to provide some perspectives from our point of view. There's two separate concepts in paternity leave. One is what we call in the Work and Family case simultaneous leave. That's the new fathers with new mothers time out of the workplace stuff that is quite familiar to us. The fact that the father is taking a period of parental leave however described doesn't affect the mother's period of parental leave. That's why it's referred to as simultaneous leave.

MR FITZGERALD: Correct.

MR BARKLAMB (ACCI): The second concept is obviously a father co-taking time off with the mother or in place of the mother as the primary carer, so extended paternity leave if you will. To go to the first issue, the simultaneous leave. As we understand the NES, that is going to be trebled from one week to three of unpaid leave. So there's already a pending change in that area.

The feedback to us from employers is again that people pool leave. They either pool annual leave in the knowledge that they're going to be fathers at some stage, and it's of course not an impossible proposition because you've got a period of months to make that kind of decision and agree it with your employer. I'm not aware of whether there are particular issues where the workplace has scheduled leave, close-downs and the like. That's something you'd have to have a look at. So I guess

the operational question is does the scheme pay twice for that initial period of leave or could any couple, where you've got a couple parenting - would they only be accessible to one period of leave for those weeks.

Generally in the development of schemes to date we've understood the leave has been sold to one carer. So where paternity leave kicks in or there's substitute leave it has discounted the overall period of maternity leave that's available. I guess again it comes down to cost. I think the point we'd certainly make is employers are very flexible and able to countenance, for the most part, new fathers taking time off. You hear rarely of disputes or difficulties in regard to those things through our network in particular. Now, as to the - - -

MR FITZGERALD: But that currently is only required to be unpaid? There are organisations that obviously provide paid leave as well?

MR BARKLAMB (ACCI): The dimension we would probably add to that is there are organisations that provide that paid leave without it being formally agreed.

MR FITZGERALD: Sure.

MR BARKLAMB (ACCI): You know, you put in lots of hours, you've had a new baby, just disappear for as many days as it takes. I mean that sort of pragmatic day-to-day experience is not always apparent, looking at the letter of labour law, but that's very much how organisations are often run. As to whether in the extended term it's used by mothers or fathers, that's an individual decision for couples. We have no preference in our policies between the use of maternity leave and parental leave or adoption leave. They're all of equal status that are there. Any notion of swapping or changing would be an issue, employers need certainty of who is going out, they need notice of who is going out and a sufficient period to attract a replacement and certainty of when people are coming back. Those are the sort of operational caveats but there's no general preference for mothers or fathers.

MR FITZGERALD: No, that's fine, okay. There's lots of other questions but I'm just conscious of the time so we might bring it to a conclusion. Are there any final comments or thoughts you might want to make - and I'm sure that you'll put a lot more issues into your written submission.

MR BARKLAMB (ACCI): Look, we will and I'm glad you've understood the context in which we come before you today.

MR FITZGERALD: Sure.

MR BARKLAMB (ACCI): Can I raise one absolute personal bugbear with this

debate which I would like to assist you with?

MR FITZGERALD: Certainly. We are the forum for personal bugbears.

MR BARKLAMB (ACCI): I have seen others raise their personal issues.

MR FITZGERALD: Everybody does.

MR BARKLAMB (ACCI): I want to tone this down so it's appropriately expressed but there are - - -

MR FITZGERALD: I'm starting to worry, Scott. I'm starting to worry indeed.

MR BARKLAMB (ACCI): People periodically raise international comparisons between Australia and other countries about the extent to which we have paid maternity leave or not. Now, to put that in the context of what I have just said to you we would like fully to be taken into account our unpaid standard and the fact that it's enforced and widely observed. We think there are useful conversations to be had comparing us to other OECD countries and other comparable countries, recalling that they may have different schemes that are contributory or social insurance schemes with a very different history and a very different context to that in Australia.

That said, when people sort of say, "On a league table Australia is one of only two countries that doesn't have paid maternity leave," and they include countries where women don't work, are prohibited from participation in civil society like the Taliban-era Afghanistan, I don't think that's a level of debate and rigour that assists you in your inquiry. So I express this as a personal bugbear. It's not that useful to you to express societies where the formal part of the labour law system might account for a fraction of 1 per cent of all people employed and describe that as a paid maternity leave country.

MR FITZGERALD: Yes. Well, firstly, that's true and thanks for making the observation. Certainly when we're looking at the international comparison we are trying to compare, to the extent that one can, like with like and we see your point is valid. I must say even with countries that are of a similar nature to ourselves both in economic and social terms, the disparity between the schemes is quite remarkable. So obviously different countries have come to different conclusions for different reasons, and I think that's what's occupying our mind at the moment as to why they've come to such differing arrangements. But your point is valid.

The second point that I'd add to that of course is one of the things that we're very conscious of is that one has to look at the social transfer schemes that are in place, and they differ dramatically. Quite rightfully you've identified, as others have,

that we already support families with additional children through the social transfer schemes, and some of that will be subject to interesting comment tonight, methinks. So are there any final comments?

MR BARKLAMB (ACCI): Thanks for the opportunity.

MS MacRAE: Sorry, if I could just mention that I found it helpful that you had commented on some of the other suggestions we had like the HECS-type arrangement. So if you're including that in your submission that would be useful. I think you were here for the previous presentation, but we did just hear a new twist, that potentially having access to super might be another opportunity. So if you were minded to include any commentary on any other sort of suggestions like that that are slightly different from others, I mean, we've had lots of variations on weeks and that sort of thing, but where you have views on those other less common elements would also be useful.

MR BARKLAMB (ACCI): I think we'll take up an opportunity to talk about superannuation more generally. That will be an interesting dimension, because there are conversations about what this does to the superannuation assets of parents at the end of their working life, of course, from that one you just mentioned. A very, very preliminary view - I know we've run out of time - we would be concerned about any segment of the community chipping into its superannuation base and the back-end consequences of that, and we'd again be concerned about top-up claims, that it doesn't simply flow on and become a de facto claim for us to redress people's use of their own super. That's a preliminary view, we'll look further.

MR FITZGERALD: No, it's an analysis. Thanks very much for that, that's terrific.

MS MacRAE: Thank you.

MR BARKLAMB (ACCI): Thank you.

MR FITZGERALD: That's the last of our formal presentations today. If anybody in the audience would like to make a statement they're entitled to do so either this afternoon or tomorrow afternoon. So if anybody would like to take that opportunity? Otherwise we'll resume at about quarter to 10, - 9.45 - tomorrow morning in this room. Thanks very much.

MS MacRAE: Thank you.

AT 3.40 PM THE INQUIRY WAS ADJOURNED UNTIL
WEDNESDAY, 14 MAY 2008

INDEX

	<u>Page</u>
WOMEN'S ACTION ALLIANCE: LISA BRICK PAULINE SMIT	177-197
CONSTRUCTION, FORESTRY, MINING AND ENERGY UNION: JOHN SUTTON	198-208
NATIONAL TERTIARY EDUCATION UNION: TERRI MacDONALD SARAH ROBERTS ANDREA BROWN	209-229
AUSTRALIAN BREASTFEEDING ASSOCIATION: MARGARET GROVE NICOLE MARUFF KATE MORTENSEN	230-246
POLMIN: TANJA KOVAC	247-256
AUSTRALIAN CHAMBER OF COMMERCE AND INDUSTRY: SCOTT BARKLAMB DANIEL MAMMONE	257-273