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Liberal changes to paid parental leave scheme would result in more women leaving the workforce

A Liberal Party proposal to end employer involvement in the new paid parental leave scheme would undermine the scheme's objectives of strengthening the workforce participation of new mothers, say unions.

Independent MPs must oppose the Bill, which is expected to be debated in Parliament this week, as it would result in new mothers losing their connection to their employer, said ACTU President Ged Kearney.

Ms Kearney said the Private Member's Bill was a mischievous attempt by the Liberal Party to sabotage the new taxpayer-funded paid parental leave scheme that was little over a month old.

The scheme began on 1 January, and provides new-born mothers with 18 weeks leave paid at a rate of \$569.90 a week.

Ms Kearney said thousands of mothers had already registered for the scheme, which aims to allow them to keep their job while taking the valuable first few months off after the birth.

"A primary objective of paid parental leave is to strengthen female workforce attachment after the birth of a child," Ms Kearney said. "This proposed Coalition Bill would turn a workplace leave entitlement similar to sick leave or annual leave into a welfare payment. It would weaken a woman's connection with the workplace rather than strengthen it.

"The Coalition and a minority of business groups have simply refused to accept the outcome of an exhaustive consultation process that led to this scheme. This latest Bill is yet another cynical attempt to frustrate the paid parental leave scheme from operating effectively and becoming an accepted right for families.

"The Productivity Commission recommended the employer role in the scheme because it would help business retain skilled staff.

"One of the key purposes of the scheme is to ensure women stay attached to the workforce rather than drop out altogether when they have a baby, taking their skills and knowledge with them.

Research and direct experience shows that when an employer administers a payment to a female employee it keeps the workplace relationship intact.

"Connection to the employer engenders loyalty and good faith between both parties, creating a much greater likelihood that the woman will return to the workplace when the leave is finished.

"The lack of a paid parental leave scheme has been one of the reasons why Australia has one of the lowest rates of workforce participation for women aged between 22 and 44.

"The Coalition Bill would also make it very difficult for employers who would like to 'top up' the 18 week payment, or to provide superannuation while female workers are on maternity leave.

"Tony Abbott has never been a genuine supporter of paid parental leave, and yet again, he seems determined to use working mothers as a political football."

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