

Election 2019 – Paid Parental Leave

WHY IS THIS AN ISSUE FOR WOMEN?

- Women account for 94.9% of all primary carer's leave utilised with men accounting for only 5.1%. ([WGEA Gender Equality Scorecard](#), p. 11)
- Australian working women continue to shoulder the majority of child-care responsibilities, with non-working men devoting less time to childcare than working women (Miranda, V. (2011), [Cooking, Caring and Volunteering: Unpaid Work Around the World](#), p. 19).
- The Australian model of a government payment that could be topped up by employers has been largely successful. Take up by fathers has, however, been low. The current scheme provides:
 - 18 weeks government funded Parental Leave Pay, paid at the National Minimum Wage level to the primary carer, provided they meet the work, income, residency tests and are on leave
 - payment from public funds via employers if the employee has been working greater than 12 months and will continue as their employee
 - two weeks Dad and Partner Pay on a use it or lose it basis.
- However,
 - while workplace agreements mean that some employees receive 26 weeks of paid leave, they are likely to be higher earning, professional or public sector employees
 - the failure to provide a superannuation contribution to PPL has a negative effect on women's lifetime and retirement incomes, and
 - there is a mismatch in eligibility for unpaid leave under the National Employment Standard (NES) and eligibility for PPL. Some mothers eligible for PPL aren't eligible for unpaid leave because of their work history. They receive financial support but have no right to return to work after time off. The permissible gap also disadvantages women in jobs where there are breaks in employment and we recommend this be abolished.
- The PPL system has been in operation for seven years. NFAW believes it is time for a comprehensive re-examination of the PPL.

ELECTION COMMITMENTS

The table below sets out how fully parties' current election commitments address NFAW recommendations: **Full implementation** **Partial implementation** **No or negative response**

NFAW RECOMMENDATION		
As a matter of equity, the PPL should be extended to ensure all employees are eligible for 26 weeks leave at the minimum wage.		
PARTY COMMITMENTS		
ALP	LNP	GREENS
		The Greens will extend the current paid parental leave arrangements to six months, paid at 100% of the primary carer's regular wage (mother or father) capped at \$100,000 per annum. This scheme will complement employer-provided programs, not replace them. (No costs given)
NFAW RECOMMENDATION		
The duration of the Dad and Partner Payment should be extended to four weeks.		
PARTY COMMITMENTS		
ALP	LNP	GREENS
NFAW RECOMMENDATION		
Superannuation should be included in PPL.		
PARTY COMMITMENTS		
ALP	LNP	GREENS
Labor will pay the Superannuation Guarantee on Paid Parental Leave and Dad and Partner Pay payments from July 1, 2020 cost \$400 million over four years. Labor has also committed to amending the Sex Discrimination Act 1984 to ensure that businesses are able to make higher superannuation payments for their female employees when they wish to do so.		The Greens would also ensure that superannuation contributions are paid on the Paid Parental Leave Scheme, to ensure women are not worse off when they reach retirement.
NFAW RECOMMENDATION		
The NES should be amended to address the mismatch in eligibility requirements for unpaid and paid parental leave.		
PARTY COMMITMENTS		
ALP	LNP	GREENS

NFAW RECOMMENDATION		
NFAW recommends that the Parliamentary Budget Office should undertake modelling of other possible changes that could be built onto these fundamental improvements to the system of PPL.		
PARTY COMMITMENTS		
ALP	LNP	GREENS

OTHER ELECTION COMMITMENTS		
Commitment	Party	Comments
The Greens will task the Productivity Commission with investigating the workplace and social security reforms needed to value unpaid caring work over the medium and long-term, including considering universal basic income for carers, and the payment of superannuation to carers (“caring credits”).	Greens	Strongly endorsed.
	Choose an item.	
	Choose an item.	

Authorised by Kate Gunn, Sydney.