

level 6 365 queen street melbourne victoria 3000 t +613 9664 7333 f +613 9600 0050 w actu.org.au

President Gerardine (Ged) Kearney Secretary Dave Oliver

22 August, 2013

The Hon Tony Abbott MP Leader of the Opposition Parliament House RG109 Canberra ACT 2600

Fax: (02) 6277 8562

Dear Mr Abbott,

I write to you in response to your recent announcements regarding the Coalition's proposed paid parental leave scheme. In particular, we seek further clarification regarding the implications for public sector employees, who, unlike other employees, will be required to forgo their workplace entitlements in order to access the Coalition's scheme.

As you know, through their unions, both private and public sector employees have bargained for paid parental leave entitlements for decades, often by trading off other wages and conditions. The current paid parental leave scheme is designed to provide a tax payer funded safety net of 18 week's pay at the minimum wage, which employees and employers may bargain to 'top up' through their workplace agreements. This is not 'double dipping'-rather it is a sharing of employer and tax payer contributions towards employee paid parental leave.

In fact, analysis of employer reports to the Workplace Gender Equality Agency in 2012, suggests that over half of reporting private sector employers provide additional paid parental leave entitlements, with employees in these organisations, on average, enjoying a combined total of 29.7 weeks paid parental leave.

Public sector workers will be unfairly disadvantaged by a policy which allows private sector employees to continue to access employer provided paid parental leave entitlements but denies public servants the right to access the same entitlements.

In addition, public sector paid parental leave entitlements are dealt with in a complex and non-uniform way, including in a range of state-wide determinations, state, local government or federal awards, state, local government or federal enterprise agreements or policies.

There is insufficient detail either in the policy document or in public commentary to explain exactly how the Coalition policy will be implemented and, in particular, the effect it will have on public sector workers' paid parental leave entitlements.

In order to ensure women and men working in the public sector can properly understand the effect of the Coalition's proposed paid parental leave policy on them, we seek clarification on a number of issues.



- 1. Does the definition of 'public sector' employee include employees of Federal, State and Territory governments, local governments, corporatised bodies, universities and / or any other groups?
- 2. Will the viability of the proposed paid parental leave scheme be affected should not all States, Territories, local government or other employing bodies agree to contribute to funding the Federal scheme?
- 3. What are the implications for public sector employees employed by States, Territories, local governments or other employing bodies who have not contributed to funding the Federal scheme?
- 4. In particular we seek a commitment from the Coalition, that should it win government, it will commit to ensure public sector employees will be able to access the federal paid parental leave entitlement irrespective of whether their employer has reached a funding contribution agreement with the federal government.
- 5. Will public sector workers no longer be able to bargain for paid parental leave and associated entitlements (such as financial incentives to return to work or financial assistance for childcare) as will private sector organisations, or will these bargaining matters also be restricted?
- 6. Many workplace agreements include their own stand-alone paternity leave entitlement. Is this leave also to be removed from public sector employee entitlements?
- 7. What administrative arrangements will be required for public sector workers to "opt in" or "opt out" of either the federal paid parental leave scheme or their employer provided paid parental leave?
- 8. How will the opting in and opting out process be overseen by Centrelink and will intentional and unintentional breaches of rules apply in a similar strict liability basis as other social security fraud prosecutions?
- The ACTU has a range of concerns about other technical and transitional arrangements, including how the proposed scheme might interact with the National Employment Standards.

Public and private sector employees, families and the community are concerned generally about the lack of costing details and financial viability of the Coalition's proposed paid parental leave scheme, including its reliance on reaching funding agreements with State, Territory and Local governments. Many employees, public sector employees in particular, are concerned about the effect its introduction will have on their existing workplace entitlements and financial arrangements.

It is critical that they are provided with the relevant information to understand the effect your proposed policy would have on them prior to the election.

I seek your urgent response on this matter.

Yours sincerely,

Ged Kearney
ACTU President