

EOWA provides latest data on PPL in reporting organisations, 28 October 2010

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A new report from Equal Opportunity in the Workplace Agency (EOWA) reports that over 50% of organisations are waiting for the outcome of Enterprise Bargaining Agreement negotiations before deciding on their paid parental leave (PPL) strategy.

Barbara Holmes — Director of Managing Work|Life Balance International says that EOWA has been tracking the availability of paid maternity/parental leave options within reporting organisations (ie organisations with more than 100 employees) since 2003. The most recent data, published in September 2010¹, found that 53.4% of these organisations offer paid maternity leave or primary carer's leave to employees. This represents an increase of 17.8% in the provision of paid maternity leave in reporting organisations since 2003 (35.6%). However, while over 50% of EOWA reporting organisations now provide paid maternity leave, not all women in these organisations will be eligible to access this provision. Conditions and eligibility periods vary substantially in terms of the type of leave provided, the length of leave allowed, and other conditions.

The survey also found substantial differences in the various industry sectors offering paid maternity leave. Education, training and public administration organisations were more likely to offer paid maternity leave than accommodation, food services and retail organisations. The report indicates that, while fewer of these organisations provide paid maternity leave, they are in fact female-dominated industries. They are also highly casualised, which suggests that many of these workers remain ineligible for paid parental leave.

It is interesting to note that — even where paid maternity leave options are available — it would seem that some women do not know their rights in relation to these options. An Australian Bureau of Statistics (ABS) study in August 2008² found that 40% of employees surveyed were entitled to paid maternity/paternity leave, yet 24% did not know if they were entitled to paid maternity/paternity leave.

In the 2010 study, EOWA researchers asked businesses with PPL schemes in place what they will do now given that the government-funded scheme will commence in 2011. Of those surveyed, just over a quarter (27.8%) indicated that they were going to make changes to their current practice as a result of the government's announcement.

Of those organisations that said they were going to change their employer-funded paid parental leave arrangements:³

- 59.7% were waiting to see what happened when their EBA/award negotiations are finalised
- 11.2% said they would pay the difference between the government paid scheme and the employee's salary for the government's 18-week period, and
- 10.2% said they would pay the current amount of leave on top of the government scheme for the current period of leave.

Michael Moy, a partner at McCullough Robertson Lawyers, says that: "The rights and obligations for organisations in relation to paid parental leave can be quite complex and, in some cases, challenging to understand. Executives and Human Resource professionals will need to ensure that their policies, procedures and administrative processes have been reviewed and, where appropriate, updated to ensure that they meet their responsibilities." He went on to say that: "There also needs to be a focus on communicating with staff about the process for applying for the government's scheme. Where the organisation already has a paid maternity leave scheme, this will be administered alongside the government scheme."

In a new development announced on 13 October the federal opposition small business spokesman Bruce Billson said he would introduce a private member's Bill into parliament to ensure Centrelink paid the benefit

directly to parents. If this is successful this would mean that employers would no longer be responsible for administering the scheme after July 2011.

About the author

Barbara Holmes is the Director of Managing Work|Life Balance International — one of Australia’s leading consultancies in the area of work/life balance and flexible work arrangements. Much of Barbara’s work involves working with managers and employees in client organisations to create change in the workplace, enabling business to thrive and employees to achieve the balance and career goals to which they aspire. Barbara has worked extensively in Australia and around the Asia Pacific region, providing advice, consulting support and a range of practical tool kits and resources to government and private sector organisations.

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For more information, please see: www.worklifebalance.com.au.

Footnotes

- 1 Equal Opportunity for Women in the Workplace Agency, September 2010, ‘EOWA Survey: Paid maternity leave, pay equity and the impact of the global financial crisis on equal opportunity programs in EOWA reporting organizations’, see www.eowa.gov.au.
- 2 Australian Bureau of Statistics, August 2008, ‘ABS 6310.0 - Employee Earnings, Benefits and Trade Union Membership, Australia’, see www.abs.gov.au.
- 3 Equal Opportunity for Women in the Workplace Agency, September 2010, ‘EOWA Survey: Paid maternity leave, pay equity and the impact of the global financial crisis on equal opportunity programs in EOWA reporting organizations’, see www.eowa.gov.au.