



NATIONAL
FOUNDATION
FOR AUSTRALIAN
WOMEN

Dear Minister

NFAW urgently requests that the Government immediately reinforce the importance of providing a paid parental leave scheme for Australia by giving a high priority to its introduction in the 2009/2010 budget.

The Productivity Commission recently released its draft report, which recommends the introduction of a national scheme, and is currently undertaking consultations for the final report which is due in February 2009.

It was with great concern that NFAW noted that the Treasurer has stated that paid parental leave is not a high priority (The Age, October 5 2008: *Maternity leave a priority but only if affordable*).

Mr Swan could not be more wrong. It is an extremely high priority for Australians, as was demonstrated by the Newspoll survey NFAW undertook in 2007 and the petition which was presented to the Prime Minister when he was in opposition.

Australia is one of only two OECD countries without some form of paid leave for women on the birth of a child. Currently, around two thirds of Australian women have no access to paid maternity leave, despite the fact that recommendations for its introduction have continued from different quarters, including HREOC.

The proposed fourteen weeks recommended in the Productivity Commission's draft report is at the bottom end of the scale in comparison to most OECD countries, but it is a step in the right direction, and will ensure that women's labour force participation is better recognised and supported.

Mr Swan and Mr Tanner both argue that responsible economic management is the 'main game'.

It is true that evidence supporting paid parental leave as an economic benefit is scarce – research into women's needs was not of great interest to the previous government – but one report on the economic impact of increasing women's participation in the workforce (for the House of Representatives Standing Committee on Family and Human Services work-life balance review) makes a strong statement about the importance of women. The report states that "*Australia's women are too valuable to*

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waste - and their participation choices will make a notable difference to Australia's future prosperity."

NFAW refers Ministers to this report. The research was undertaken by Access Economics and was based on macroeconomic modelling of the impact of changes to women's workforce participation on projected economic growth. It stated very clearly that there is a strong economic benefit if the number of women in the workforce increases, and it also stated the way to achieve this is to improve support for parents.

We also refer Ministers to the submissions from the NSW Commission for Children and Young People and National Investment for the Early Years (NIFTeY) to the Productivity Commission's review which document the potential to greatly enhance infant development and well being, with all of the implications of that for future education, socialisation and social participation. The draft report from the Productivity Commission also highlights solid evidence for the benefits of providing full parental care of infants under the age of six months to ensure optimal neurological and health development of the infant.

Not only do Australian women now have a major role in ensuring that the economy is in good health, women also played a key role in supporting the recent change in government, particularly in marginal electorates.

NFAW strongly urges the Government to uphold the fiercely held expectations of these voters, and invest in the future of our economy through mechanisms, in particular paid parental leave, that will remove existing barriers to the employment of women.

Yours sincerely

Kate Gunn
President

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