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on Work and Family Balance and Pay Equity

Speech to Our Work Our Lives 2010 3rd National Conference

on Women & Industrial Relations

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******Check against delivery******

Thank you Trish, and may I also take this opportunity to acknowledge the traditional owners, and pay my respects to the elders both past and present.

I would also like to acknowledge the Northern Territory Working Women's Centre for organising this, the 3rd National Conference on Women and Industrial Relations.

Community Based Employment Advice Services play a valuable role in providing advice, assistance and information to Australians who experience difficulties in asserting and exercising their workplace rights.

The Australian Government has announced funding worth \$1.2 million over two years to these not-for-profit organisations which will provide certainty for staff and the thousands of people each year who use these services.

The Government will further develop Community Based Employment Advice Services, by:

- Providing a more even and secure funding base for the Community Based Employment Advice Services to be based on triennial agreements,
- Explore the possibility of new centres in those states where none exist,
- Make funding more consistent across all centres, and
- Establish consistency across the centres so that things like staff exchange programs, information sharing, referral protocols and access to training and support can happen

I am delighted today to be the opening speaker for the conference.

‘Our Work Our Lives’ is a great topic which speaks to us all.

For me it brings to mind the importance of work/life balance, particularly balancing work and family.

I am looking forward to the emerging discussion over the next couple of days around ‘Our Work Our Lives’ and what it means to you all.

It is also great to see the other keynote speakers who will be addressing the conference over the next two days, namely, Federal Sex Discrimination Commissioner Elizabeth Broderick, Northern Territory Minister for Women's Policy, Malarndirri McCarthy, Member for Arafura, Marion Scrymgour, and Professor Marion Baird.

Balancing work with community, family and other responsibilities is one of the great challenges we face today.

Several years ago, former Prime Minister John Howard referred to work and family issues as being the great BBQ stopper. Unfortunately no great policy action followed and WorkChoices doused the fire.

In times of economic uncertainty, the importance of work-life balance can be easily overshadowed by concerns about productivity, profits and jobs.

Yet good work-life balance is about economics and more; it is also about the sort of society we want to live in.

A community that supports parents with young children and encourages women's workforce participation.

The Federal Labor Government is proud of our achievements in supporting Australians to balance their work and family responsibilities and the Fair Work system has been a vital step towards achieving that balance.

Since 2007 we got rid of the Work Choices - abolished AWAs. Remember that women working full time on AWAs took home on average \$87.40 per week less than their colleagues working on collective agreements.

I don't think I need to elaborate to this audience the many indicators of the severe impact of WorkChoices on women.

We established an employment safety net that can't be undercut.

We now have an annual minimum wage review process that fairly balances economic and social factors, leading to this year's \$26 a week increase in the minimum wage compared to last year's pay freeze.

We know that some female dominated areas of the work force have struggled in get the benefits that enterprise bargaining can bring. So we introduced special provisions to help.

The new right for parents to request flexible working arrangements, such as changes in hours of work, changes to the pattern of work or changes in the location of work will help parents with the juggle between work and family.

We extended the equal remuneration provisions in the Fair Work Act.

Introduced a Paid Parental Leave scheme. This will give children the best start in life and prepare Australia for the economic and social challenges of the future.

The 'fair go' approach is deeply embedded in Australian culture and underpins this Government's Fair Work System.

At the heart of the system is a set of National Employment Standards.

New rights for parents to request flexible working arrangements are also now in place.

Under the National Employment Standards, eligible parents of children under school age and parents with children under 18 with a disability can now request a range of flexible work arrangements, for example, changes in hours of work, changes to pattern of work, and changes in the location of work.

The right to request is designed to promote genuine discussion between employers and employees about flexible work arrangements for parents to meet their family commitments while also meeting the needs of the business.

This entitlement is applied equally to full-time, part-time and eligible casual employees with 12 months' continuous service.

This is now a legal right to request flexible working arrangements, accompanied by a legal obligation for employers to genuinely consider the request.

This right to request provision does not prevent an employer and employee agreeing to flexible working arrangements to accommodate other caring responsibilities.

The commencement of the National Employment Standards in January this year, brought with them some other significant improvements to help workplace flexibility.

Under the National Employment Standards, employees are entitled to 10 days paid personal/carer's leave for each year of service.

The entitlement to sick leave is combined with the more recent notion of carer's leave which emerged from various test cases in the 1990s.

Personal leave is also now able to be accumulated from year to year under the National Employment Standards.

The National Employment Standards provide a leave entitlement both when an employee is unfit for work because of their own illness, and when an employee is caring for a family or household member because of the member's illness or injury or because of an unexpected emergency affecting the member.

The National Employment Standards also provide two days of paid compassionate leave 'per occasion' in the case of a death or serious illness or injury of a family or household member.

For the first time, casual employees are also now eligible for two days unpaid compassionate leave 'per occasion', as well as two days unpaid carer's leave 'per occasion'.

Permanent employees may also access two days of unpaid carer's leave 'per occasion' if their paid carer's leave has been exhausted.

The Government has also simplified and streamlined over 3,700 awards into 122 modern awards, making it easier for working families to identify and understand their rights, responsibilities and entitlements

Under the Fair Work system, modern awards and enterprise agreements must include a term to enable employers and employees to make Individual Flexibility Arrangements.

These arrangements can be used by employees and employers to vary an award or agreement to suit their specific needs.

Of course these flexibility arrangements must be genuinely agreed to and should not leave workers with worse conditions.

Employers are seeking a second bite at this cherry just now with their attempt to allow the reduction of the standard minimum number of hours worked.

The Fair Work Ombudsman has developed helpful resources, including a *Best Practice Guide to Work and Family* to help employers understand how to support work and family and work/life balance on a practical level in their own workplaces.

Other National Employment Standards designed to assist working parents include:

- a new maximum of 38 weekly hours (plus reasonable additional overtime);
- extended guaranteed entitlements for eligible parents to unpaid parental leave for 12 months with the option to extend this by a further 12 months;
- guaranteed annual leave that cannot be bargained away;
- 10 days of guaranteed personal/carer's leave for each year of service that cannot be bargained away;
- guaranteed public holidays that cannot be bargained away; and
- guaranteed access to information about employment rights through the Fair Work Information Statement.

I don't think there is a person among us today who hasn't at some point juggled a personal or family commitment with work - dropping off or picking up kids from school, taking an aged relative to an appointment, caring for a sick loved one.

Everyday common events that impact on our lives.

The Government now actively encourages employers to introduce and implement these National Employment Standards, family-friendly policies and flexibility practices that meet individual needs.

At a grass roots level, the Australian Government is also helping small businesses to 'walk the walk' through the Fresh Ideas for Work and Family Small Business Grants program, providing grants of up to \$15,000 to help small businesses establish family-friendly working arrangements.

Thanks to the Fresh Ideas for Work and Family program, small businesses are using workplace flexibility to create a high performance culture that in turn increases profitability.

The first round of the Program in 2009 enabled 258 small businesses to share in \$1.69 million in funding to assist them become more family friendly.

This year, we hope to provide support to another 160 businesses, with \$1.124 million in funding.

Another way this Government is working to benefit women is through its commitment to *equal pay for equal work*.

Gender pay equity is still important.

It's a goal we share based on our values as a labour movement - fairness and equity.

Australian women still earn over 17 per cent less than men in weekly terms.

This is not good enough.

More than 40 years after the breakthrough equal pay case of 1969, Australian women still earn on average 17.9 per cent per week less than men.

Even after taking into account the difference in hours worked between men and women – on average men work more hours than women – women still earn on average 13.3 per cent per hour less than men.

Our goal is to close the gender pay gap.

The *Fair Work Act 2009* has an important role to play in addressing the undervaluation of women's work.

Equal remuneration provisions were first introduced into federal workplace legislation in 1994, giving effect to various international conventions.

This legislation was a major step forward.

Yet few individuals or companies have made use of the provisions.

In fact only 16 applications have been made in the federal system over the past 16 years; none have succeeded.

Under 'Work Choices', the Australian Fair Pay Commission was given responsibility for applying the principle of equal remuneration for work of *equal* value in making wage-setting decisions.

The Australian Industrial Relations Commission also had the power to make orders to ensure equal work for equal value between men and women.

A report into equal pay commissioned by the Queensland Government in 2007 observed that Commonwealth legislation did not provide any real opportunity to correct the undervaluing of feminised work or skills as it was limited to a very narrow test, that being work of *equal* value.

It was a fair comment and one this Government has taken to heart.

The *Fair Work Act 2009* has addressed this problem by widening the test used in the equal remuneration provisions to include the right to equal pay for work of equal or *comparable* value, thus enhancing the scope and effectiveness of these provisions.

In addition to the new pay equity provisions, the Fair Work Act 2009 includes several other benefits that will help to address pay inequity. These include new criteria to guide minimum wage increases, the new low paid bargaining stream; and new opportunities for collective bargaining.

On 11 March this year, the Australian Services Union along with four other unions launched a pay equity case for social and community services workers.

The claim covers a significant number of workers.

It will be the first case to be considered under the enhanced provisions of the *Fair Work Act 2009*.

The Australian Government has committed to participating in the case.

If re-elected, it will make submissions about the new provisions and provide comprehensive and accurate evidence and research on gender pay equity in the sector to assist Fair Work Australia (FWA) in its deliberations.

The Government has also committed to working with unions, employers, state and territory governments on funding implications of the case both before and after a decision by FWA so as to work together towards meeting the costs without cuts to services

Our memorandum of understanding with the Australia Services Union is a first step here and the Government will await FWA's decision with great interest.

And of course, I am now delighted to say that the Government's commitment to supporting working families has recently been strengthened with the historic passage of legislation for Australia's first Paid Parental Leave scheme on 17 June.

This Government-funded Paid Parental Leave scheme will give thousands of new mothers the financial support to make their own choices about work and family responsibilities when their baby is born.

The Government estimates that 148,000 new parents will be eligible for paid parental leave each year.

The introduction of Paid Parental Leave scheme in Australia is an historic reform and will prepare Australia for the economic and social challenges of the future, and has brought the nation in line with other OECD countries.

The scheme will provide 18 weeks of Parental leave pay at the National Minimum Wage level to new parents of a child born or adopted on or after 1 January 2011.

Australian families have been waiting decades for paid parental leave.

This is a reform that is long overdue.

Women on low incomes will have greater financial security when planning to have a baby under Labor's Paid Parental Leave.

Around 30,000 working families with incomes less than \$50,000 are expected to benefit.

The scheme will provide equal access to paid parental leave for all eligible women as opposed to the economically irresponsible and inequitable big new new tax funded scheme offered by the Opposition.

Industries which are female dominated and highly casualised such as retail and hospitality, have the lowest levels of access to paid parental leave.

In 2008 only 17 per cent of women on very low wages had access to paid parental leave, compared to 70 per cent of women on high wages according to the Australian Bureau of Statistics.

From 1 January 2011, eligible employees will receive up to 18 weeks of taxable payments paid at the level of the National Minimum Wage.

The Paid Parental Leave scheme will open the door to greater choices and flexibility for all Australian parents which will benefit the whole community; support stronger families; and give children the best start in life; while fostering increased workforce participation by helping women maintain their careers.

And importantly the Paid Parental Leave scheme will complement our National Employment Standards that enshrine the right to request extended unpaid parental leave and flexible working arrangements.

The scheme will also benefit employers by encouraging workers to remain connected with their workplace.

For this reason most employers will pass on paid parental leave payments to employees.

In addition to this, the National Employment Standards provide an employee with a minimum entitlement of 12 months' unpaid parental leave in connection with the birth or adoption of their child.

Unlike previous parental leave arrangements where the 12 months' leave had to be shared between working parents, each parent has an entitlement to 12 months' leave under the National Employment Standards.

Where a family would prefer one parent to take a longer period of leave, that parent may request up to 12 months' additional unpaid parental leave from their employer.

A parent who does not initially apply to take their full 12 months of unpaid parental leave may apply once to have their leave extended to up to the full 12 months.

This assists employees who initially intended to take a shorter period of leave but, for whatever reason wish to take a longer period of leave after the birth.

The parental leave National Employment Standard also contains further protections for employees who take unpaid parental leave.

For example, if a pregnant employee advises of her intention to take leave and is fit to continue working but unable to continue in her current position (due to pregnancy-related illness or risks inherent to the position), she must be transferred to an appropriate safe job.

If no appropriate safe job is available, the employee is entitled to take paid 'no safe job' leave for the duration of the risk period

Protecting workers from discrimination is another great challenge.

Here, too, we are making great strides.

The Fair Work system outlaws discrimination on the grounds of pregnancy, race, sex, sexual preference, age, disability, and absence from work because of illness or injury.

The Australian Government is moving to strengthen laws preventing discrimination against workers with family responsibilities.

Labor has also announced measures to assist workers dealing with domestic violence such as providing \$440,000 in funding over the next 18 months to the Australian Domestic and Family Violence Clearinghouse for the Domestic Violence Workplace Rights and Entitlements project and the establishment of the Australian Law Reform Commission inquiry into the impact of Commonwealth laws on those experiencing family violence.

The Government is seeking also to establish breastfeeding on separate grounds for discrimination under the Act.

Balancing work with community, family and other responsibilities is one of the great challenges Australians face today.

In times of economic uncertainty, the importance of work-life balance can be overshadowed by concerns about productivity, profits and jobs.

Work-life balance is critical to supporting a productive nation and is something that the Australian Government is strongly committed to.

However, good work-life balance is about more than just economics.

It is about the sort of society we want to live in. Achieving work-life balance leads to positive outcomes for both employers and their employees.

A community that is sensitive to the needs of families in all of their different forms, supports parents with young children, encourages women's workforce participation and supports workers in their transition to retirement or elder care obligations will not only be a productive one supporting a growing economy, but will also profit from the social capital and positive cultural impacts that come from a supportive society.

Reforms to the law and to workplace culture continue to be a priority for the Australian Government.

It is a long road to travel, and one that will continue to take many twists and turns before we reach our destination.

The Government knows that balancing work with community, family and other responsibilities is one of the great challenges Australians face today, and I am very pleased to be here to explore these issues today.