



Labor

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BUSINESS ISSUES WARNING ON TURNBULL'S CUTS TO PAID PARENTAL LEAVE

Business groups have criticised the Turnbull Government's cuts to paid parental leave, telling a Senate Inquiry that they will likely reduce their own parental leave schemes as a result of the cuts.

The Australian Chamber of Commerce and Industry stated that:

"The fear... is that employers are likely to restructure benefits so that employees will continue to receive the 18 week funded payment... they will look at maintaining the level of funding and support for parental related entitlements but they may not do so in the way that they are doing at the moment if it is having the effect of reducing or limiting access to government funded entitlements."

Australian Chamber of Commerce and Industry, 1st February 2017

Because Mr Turnbull's cuts will disadvantage employees who have access to employer provided leave, it is likely that employees will seek alternative pay rises or other compensation in enterprise bargaining.

Employees have bargained and made sacrifices to access paid parental leave and the Turnbull Government wants to disadvantage them.

This will also disadvantage employers who want to be employees of choice and have provided leave to their employees.

Witnesses including researchers, business leaders and unions have said that it is likely the Government would not realise the saving they expect from the cut given people will adjust their behaviour accordingly.

Business leaders also raised concerns that the cuts will make it harder to retain staff after they have children.

“On the issue of what the impacts might be on [workforce] participation, we are concerned about this issue... at the moment it is not clear what the impact would be.”

Australian Industry Group, 1st February 2017

Evidence provided to the senate inquiry today from researchers, unions, women's and parents' groups has overwhelmingly rejected the Government's cuts.

Mothers from a range of sectors, including police officers and nurses, told their stories of how Labor's scheme had benefitted them, and how these cuts would be detrimental to new mothers trying to bond with and breastfeed their newborns, before returning to work.

Labor does not believe that new mums should be forced to choose between returning to work and missing out on time with their newborn, or staying at home and having their living standards cuts.

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