



**Inquiry into Paid Maternity, Paternity and Parental Leave
Productivity Commission Issues Paper
*May 2008***



NT Working Women's Centre

**Submission on behalf of
Working Women's Centre South Australia
Northern Territory Working Women's Centre
and
Queensland Working Women's Service**



The Working Women Centres in South Australia and the Northern Territory and the Queensland Working Women's Service are community organisations which support women employees whatever their age, ethnicity or work status by providing a free and confidential service on work related issues. The Centres work primarily with women who are not represented by a union, their own lawyer or other advocate.

The Working Women's Centre opened in 1979 in South Australia and in 1994 in the Northern Territory and Queensland. All three Centres are small organisations which rely on funding from the Commonwealth (SA and NT), State (SA and Qld) and Territory governments (NT). All Centres offer family friendly practices with a paid parental leave scheme of 6 weeks full pay in NT, 14 weeks full pay in SA and 16 weeks in Qld. Many women who contact our Centres work in very precarious areas of work.

The Centres also conduct research and project work on a range of issues that women experience in relation to work such as access to child care, RSI, outwork, family friendly practices, OHS&W, workplace bullying, Community Development Employment Project, work/life balance and the impact of domestic violence on women workers and their workplaces. Although some of the issues have changed for women, the work that we do at the Centres remains consistent with the philosophy since setting up.

In the period between 1 July 2007 and 31 March 2008 our three Centres have provided information to over 7000 women. Approximately 11% of these calls relate to issues about maternity entitlements, pregnancy, sex and family responsibility discrimination, returning to work, child care, balancing work and family. Queensland Working Women's Service have noted an increased incidence for both pregnancy and work and family discrimination in the first quarter of 2008 compared to previous periods. This is especially in the use of fixed term contracts that disqualify women of child bearing age from maternity leave entitlements.

Section 2 Evaluating models of parental leave Objectives

What ought to be the objectives of a paid parental leave scheme? What are the implications of these objectives for the design of the scheme?

The objectives ought to be to provide women with appropriate time away from their workplace to rest and prepare for the birth or adoption of their baby, to give birth and recover, to bond with their child and establish a care routine including the option of breastfeeding. This time should be free from anxiety about income and also keep the woman employee engaged with her workplace. A paid parental scheme is important for the ongoing health and wellbeing of the child. Good family care, health and nutrition, financial and emotional security and family stability are pivotal in the child's first 5 years and not just the first 3 months after birth.

Many women who contact our Centres speak of feeling like they were cut adrift from their workplaces and colleagues, sometimes when they announced they were pregnant, sometimes when they left to have their baby. We know that keeping women engaged with news from their workplaces, information about changes etc allows women to return to work more smoothly as well. The time of return from maternity leave is identified by many of our clients as a time when workplace bullying or discrimination becomes pronounced, especially if the woman is requesting to return part time or asking for breast feeding

breaks, flexible start and finish times etc. In some workplaces there tends to be a pervading culture that a woman having time off to have a baby is somehow 'gaining an advantage' over others and is therefore 'punished' when we know that quite the reverse is true – women suffer significantly in terms of wages and opportunities from taking breaks to have a family.

The primary objectives of a paid parental leave scheme should include:

- Gender pay equity within the labour market with increased labour force retention and the opportunity to return to paid work without disadvantage to position or pay.
- Gender equity within families with fathers sharing leave and caring responsibilities.
- Improved health outcomes for both mother and child with a mother being able to recover from childbirth, bond with a new baby and return to work without negative consequences to her health and that of her child.
- Income stability for families to provide for a period of financial security during the leave period.
- The promotion of a family friendly society.

The key interventions of a paid parental leave system should include:

- Maternity leave to eligible mothers.
- Extended leave that can be shared between eligible spouses/partners.
- Unpaid partners/paternity leave.
- Job protection during a period of parental leave.
- No less than 14 weeks payment during the period of maternity leave to the mother.
- 52 weeks of paid leave in total, 14 of which is for the mother.
- Criteria providing ongoing access to entitlements during the period of leave – e.g. capacity to be promoted, superannuation, accrual of long service leave, etc.

What assessment criteria should be used to assess the merits of different models of paid parental leave? Are there existing studies that provide lessons on how to undertake rigorous assessment of options in this area?

Much can be learned from the experience of other countries. New Zealand for instance has had a staged implementation where paid parental leave was extended to the self employed in 2006. The report 'Parental Leave in New Zealand 2005/2006 Evaluation' is a valuable document for assessing options from the experience in that country.

For each objective, can you foresee any possible unintended consequences from the introduction of a paid parental leave scheme? What could be done to avoid or reduce the impact of any unintended consequences?

Any scheme needs to take into account the impact on women workers of 'right to request' provisions. What our clients overwhelmingly tell us is that they often don't feel they have the power or skills to negotiate their own part time return to work. This is a time when women are often anxious about leaving their babies, organising appropriate care arrangements, etc and their capacity to advocate on their own behalf is limited. Often women who expect to be able to negotiate their return to work with no problems tell us they are shocked to discover the hostile reception they receive from their bosses when they raise the possibility of flexibility on their return. A recent EOWA report highlights the difficulties women have at all levels of the workforce negotiating appropriate levels of remuneration compared to men. Negotiating and self advocacy are not skills all workers

are encouraged to have. Low paid, low status and casual women workers lack power in negotiation situations.

Enshrining the 'right to request' by reframing it as an 'obligation to provide' would address the consequence of 'right to request' provisions that women already face.

No paid parental leave scheme should overtly or inadvertently place women in the situation where employers refuse to employ women as they see them as simply a cost burden to their business or enterprise.

No paid parental leave scheme should give the capacity for abusive male partners to force women back to work soon after the birth so that they can have the paid leave benefit instead of the mother.

Who should be eligible?

What type of eligibility tests should be established? Who should be eligible?

Paid maternity leave should be for all women who are pregnant regardless of length of service with their current employer and regardless of whether they are employed full time, part time or as a casual.

Working Women's Centres support providing fathers with the ability to take paid leave on the birth of their children, whether the mother is working or not. This leave should be on a 'use it or lose it' basis.

Should other prime carers, such as grandparents, foster and adoptive parents also be covered?

Yes. Women who seek a service from our Centres often do so because their matters are not straightforward. For Aboriginal women especially, consideration needs to be given to the importance of grandmothers and aunties in providing care to children and the impact that this has on their workforce participation. Consideration also needs to be extended to families where same sex partners decide to have children. For families where children are born with disabilities, the burden of care is often extended to family members beyond the birth parents and their situations need to be captured by any legislative provisions.

Should any support of a similar nature be extended to non-working parents?

We propose that the baby bonus still be paid and that due consideration be made in the implementation of a paid parental leave scheme to not disadvantage families where the mother is not the primary carer so that families are not financially worse off.

Should all employees be covered and if not, why not?

It is our view that all employees including self employed women should be covered.

What implications do different levels of coverage have for the effective administration of the scheme, the behaviour of employers and employees, and its impacts generally?

If access is open to both men and women (parents and grandparents) prepared to take on

the primary carer role for a child then it discourages discrimination against women employees by employers.

If the scheme is funded jointly by government and employer contributions based on total payroll to a 'social insurance fund' then the employer is not out of pocket for the period of leave and able to 'replace' the worker for only the cost of the recruitment and training.

If the scheme allows for flexibility, enabling workers to double their period of leave on half pay as agreed prior to their leave then again employers are clear about their operational requirements and families can work within their means and their family values if they want to ensure parents are with their children for a longer period of time.

Access to the scheme for grandparents enables them to take primary care of the grandchild for a period of time as well.

Guaranteed return to a job encourages ongoing attachment to the workforce, professional continuity and loyalty to the employer.

Should there be a qualifying period – a minimum time spent in the workforce – before an employee becomes eligible for paid leave? If so, how long should that period be? Why? Should there be an eligibility period based on time with the employee's current employer?

It is our view that there should be no qualifying period.

Duration and generosity of benefits

Should the rate of payment be linked to the employee's wage (either current or an average wage over a recent period)? If not, what basis should be used for the parental leave payment?

Working Women's Centres believe that payment should be a genuine income replacement scheme, linked to the employee's wage(s) prior to parental leave.

How long should a parent receive paid parental leave for? Why? What benefits would arise from longer or shorter periods of paid leave?

- 12 months leave at full pay or 24 months at half pay.
- Up to 5 years parental leave with an unpaid component. A parent should also be able to return to work within the first 12 months part time and continue to receive the remainder of their paid parental leave.

At what time in the prenatal period should people be entitled to parental leave?

In the normal course of events mothers should be entitled to paid parental leave 6 weeks prior to the estimated due date. However, pregnant women, who on the basis of a medical certificate, are unfit to work prior to this ought to be able to begin their paid parental leave earlier. Similarly, pregnant women, who are fit to work later than 6 weeks prior to the estimated due date ought to be able to continue in their employment for as long as they are fit to do so. Employers should have the right to request a medical certificate to ensure the health of the employee at or after 6 weeks prior to the estimated due date.

Should each parent have a separate entitlement for leave, or should there be an amount of leave to be shared between the parents? If the leave were to be shared, should there be an amount that is reserved for exclusive use by either parent?

- No less than 14 weeks for the mother following the birth
- 2 weeks for a partner immediately following the birth

Financing Options

Should government contribute to the funding of the paid parental leave scheme? Should employers and/or employees contribute?

A paid parental leave scheme should be government funded with employers contributing a percentage based on payroll. Employees already contribute via the tax system. It is up to governments to prioritise paid maternity leave.

How would any national scheme interact with existing privately funded schemes?

There is a place for privately funded schemes which provide more than the government scheme in certain industries.

What are the likely costs of different schemes, how are these appropriately measured, who would ultimately bear them and does this influence the form of financing adopted?

The costs of not having a scheme are associated with loss of women from the workforce, health and education expenses for children who did not get the benefit of parental bonding and guidance and expenses associated with the health and well being of mothers who were forced back into paid employment earlier than they wished. Working Women's Centres also have concerns about the costs to children of a lack of involvement of fathers in the lives of their young children. The social costs to women and men of not having a scheme outweigh the costs of having a scheme.

If employers and/or employees contribute to the scheme, is a pooled funding arrangement desirable?

A pooled fund is desirable if not essential.

Return to work guarantee

Should all employees who would be eligible under a national paid parental leave scheme also be accorded the right to return to their previous job? What are the costs and benefits of mandating this requirement?

Working Women's Centres believe women should have an automatic right to return to their previous job. The benefit to an organisation is that they have continuity of skills, knowledge and experience. The benefit to women is that they have job security. At the recent nominations for Barnardos Australia 'Mother of the Year' Awards entrant Kasey Leach and winner Heather Round each nominated paid maternity leave and job security as their 2 biggest wishes for themselves and other women. (Source – ABC Radio National AM program transcript).

Should this requirement be the same in all circumstances? Should there be exceptions for particular types of jobs or particular types of employers (such as very small employers)?

The same requirement should exist for all employers.

Should the rights accorded to the employee be different according to whether the period of paid leave is funded by the employer or the taxpayer?

The rights should be the same.

Should the qualifying period for parental leave be the same as any qualifying period for the right to return to work, or should a longer period apply in the latter case?

Parental leave and the right to return to work should be available with no qualifying periods.

Section 3 Family health and wellbeing

To what extent (and why) would an increase in the availability and duration of paid parental leave significantly alter the quality of infant care and outcomes for the child?

Working Women's Centres know that providing financial security through paid parental leave will allow women to have real choice about how they manage childcare and their return to work. Women tell us that they feel forced back into the workforce earlier than they would like because of the financial pressures associated with having a baby and no income. They tell us that they are often forced into making choices about how they feed their baby that they wouldn't make if they could stay at home with their baby longer. They also tell us about the lack of quality childcare available. This often means women are forced to make rushed decisions or settle for childcare arrangements they are not really happy with due to the pressure to return to work. Women tell us they feel they have to choose between providing financial security for the rest of the family and taking the time to bond with their baby. We believe it is unacceptable for women to be forced to choose between these two alternatives. Either of these situations will potentially be detrimental to the health and well-being of their family.

Paid parental leave will allow women the time they need to bond with their baby and settle into new family routines while guaranteeing their right to return to the paid workforce at a time that is suitable to them. Women who choose to make the financial sacrifice to stay home longer tell us they struggle to meet the needs of the rest of the family. They tell us that their ability to access services such as health and education, is affected and that the day-to-day cost of living is very difficult to meet on their reduced income.

Case Study: Alison had taken a period of unpaid maternity leave for the birth of her child. Alison says she would have liked to have taken more time off to spend with her newborn but for financial reasons was forced to return to work after three months. When Alison contacted the employer with a view to returning to work her employer told her that they had assumed she wouldn't want to come back to work and had restructured the position to suit her replacement. They offered Alison a significantly different role with the company that was effectively a demotion but refused to offer her

a redundancy. Alison's experience is typical of many that women report to the Centres.

What is the appropriate duration of leave to maximise such benefits, and should any minimum period be mandated?

Women tell us that a period of 6-12 months of paid parental leave is appropriate for families to establish family relationships and routines that will be beneficial to the whole family in the long term. Women should be entitled to a legislated minimum of 6 months paid leave in order to do this and to meet the recommendations for breastfeeding. Women also tell us they would like the flexibility afforded by parental leave as opposed to maternity leave to allow women to make choices that are most suitable to them.

How do the impacts on child and parental welfare vary across different types of parents and children (for example, by family income, education and Indigenous status, gender of the carer, and for children with disabilities)?

We know, from the many studies available, that long-term healthy child development is directly linked to the availability of and access to quality services including health, childcare and education. At the Working Women's Centres we see every day the impact that low socio-economic status has in prohibiting access in these areas. It is also well reported and evidenced in our clients' experiences that factors such as those stated (and especially for NESB, CALD and Aboriginal women) further impact on a family's ability to access quality services across all areas. Failure to provide paid parental leave contributes to these disadvantages by exacerbating the financial difficulties.

At the Working Women's Centres we know that the provision of non - legislated paid maternity leave is primarily available in high income jobs. We strongly support a legislated "safety net" of paid parental leave to ensure that all women have real choice in how they nurture their baby in the early months and manage their return to work. We believe this will assist in minimising the effect that differences in children's needs and parenting types already have on the long-term health and well-being of families and children.

To what extent would the introduction of a paid parental leave scheme assist mothers in establishing and maintaining breastfeeding routines and with what benefits?

The World Health Organisation recommends exclusive breastfeeding for the first 6 months and bases this recommendation on well-documented studies into the health and other benefits for children and families. (www.who.int/en/) The Working Women's Centres strongly advocate for women to be able to continue breastfeeding routines once they have returned to paid work, and encourage legislative changes to support this. However, the current reality is that many women find continuing exclusive breastfeeding after returning to work very difficult to achieve. Relieving the financial burden of not being in paid work would give women greater capacity to meet the World Health Organisation standards.

What are the key impacts of parental, as opposed to non-parental, care on the health and development outcomes for children?

Women who use our Centres express their concern at being forced to return to work and rely on alternative care for their children. They often report being concerned about the impact this will have on their children. Sometimes, especially for shift workers, there simply is no formal childcare available. These women rely on their own mothers, sisters, etc to

provide childcare. This in turn leads to another “set” of women whose own employment opportunities are affected by their need to provided childcare for family members.

What complimentary measures would reinforce the infant and parental welfare effects of paid Maternity leave?

A significant number of concerns reported to the Working Women's Centres by women returning to paid work after maternity leave relate to difficulties negotiating the conditions of their return to work. These include:

- requesting part time work
- requesting flexible work arrangements to accommodate caring responsibilities
- requesting changes to rosters to allow for childcare/school pick-ups and drop-offs
- access to carer's leave
- being “restructured” out of the workplace while on maternity leave
- the ability to continue breastfeeding after returning to paid work.

Clients of Working Women's Centres are most often amongst the most vulnerable of employees, are not members of unions, and have little or no negotiating power in the workplace. These women report unreasonable refusals of their employers to accommodate their requests despite current “Right to Request” legislation. It is our experience that this situation has not changed despite the current provision that supposedly places the onus on the employer not to reasonably refuse such a request. Working Women's Centres strongly support clear legislated rights in regard to such requests that are shifted from a right for the employee to request to an obligation for the employer to provide.

It is also our experience that women returning from maternity leave are at the most risk of bullying, harassment and discrimination in the workplace. The current right to request regulations contribute to these incidents of bullying and discrimination by putting vulnerable women workers in the even more vulnerable position of having to “beg” their employers for family friendly provisions.

- Case Study: 'Eleanor' took unpaid leave from her full time position for the birth of her baby. She worked in a clerical position for a church-based community organisation that employed approximately thirty people and claimed to have strong community values. On her return Eleanor requested part time work. She had already discussed this with the person employed to replace her while on maternity leave and together they presented a job-share arrangement to their employer they felt met both their needs and the organisation's needs. Despite this the organisation said they did not believe the position was suitable for job-share although they did not provide information as to why this was the case. They also refused to negotiate on how the arrangement might be altered so that it would suit their requirements. Eleanor tried to negotiate part-time work elsewhere in the organisation but was told it was not “viable” for the organisation to employ part-time workers.

Women tell us that the ability to share paid parental leave provisions with partners and extended family would be beneficial. These benefits include financial - where the mother may be the higher income earner in the family, and career and professional development - women often want to get back to work but would like to continue having their children cared for by family or do not have access to formal childcare for various reasons. Working Women's Centres also hear from women who are compelled to provide care for children

within their extended family.

●Case Study: 'Kelly' is an Aboriginal woman who was required to provide care for her sister's newborn as her sister was suffering from serious health problems and was unable to provide care for her baby. Kelly's employer said that Kelly did not qualify for any leave under the legislation in this circumstance. Kelly managed to negotiate a period of unpaid leave with her employer and although this was not a financially viable option for Kelly's family, the only alternative was to place her sister's baby in foster care which was not what the family wanted to do. Despite assurances from her employer that she could return to her position when alternative arrangements for her sister's baby had been made, Kelly was told by her employer on her attempt to return that her position had been filled by someone else.

Section 5 Broader labour market impacts of parental leave

To what extent will any new arrangements change the period of absence from work?

We believe that access to paid periods of leave may encourage longer periods of absences from work and access to leave on half pay may make the periods even longer. However, the benefits to children as growing citizens and future workers would be immeasurable.

Case study: 'Innana' was able to access 14 weeks paid maternity leave. She decided that she would take further time off and receive parenting payments. Had she not been in receipt of the paid leave she would have had to return after 3 months, thus impacting on the time she had to spend with her new born. Because of her paid leave, she was able to take an additional 3 months despite being unpaid.

To what degree would parental leave affect job mobility (between employers and different jobs), increase productivity, labour participation and alter choices about return to full time or part time work?

We submit that if eligibility for parental leave is universal and the administration of the scheme is external to the workplace it would have little effect on mobility between employers. We also submit that paid parental leave is likely to have a positive impact on labour participation and productivity by parents and non-parents as it is reflective of a workplace that recognises and values the roles of parents and of people as workers.

The return to work full time or part time, we submit is not so linked to access to paid leave. We submit it is a significant issue after the leave is taken whether it is paid or unpaid. The most pressing concern here is about choices that people have when considering family responsibilities against work commitments or needs and whether current arrangements are supportive of those choices. As in previous comments, we say they are not.

Case study: 'Simone' had worked in a full time permanent capacity in an administrative role for a medium sized company for over 3 years. She took 12 months unpaid maternity leave and had visited the workplace on a couple of occasions to introduce her baby to her boss and co-workers. During these visits Simone had mentioned the possibility of returning part time. Her boss at the time seemed to be responsive to the idea. A couple of weeks before she was due to return to work Simone contacted her boss to discuss this part time arrangement.

Her boss never returned her calls, despite her ringing on many occasions. The date came for her return and Simone still had been unable to speak with her boss. Eventually, after putting something in writing with the assistance of the Working Women's Centre, her boss made contact. Simone was told that as she was not going to be returning full time, and the business had some problems internally, they did not see her issue as being a pressing one. The reason for this was that they knew they couldn't accommodate her request and so did not see the point in contacting her. Simone has since lodged a complaint with the Human Rights and Equal Opportunity Commission.

Will the labour market impacts vary by sex, age, individuals versus households, ethnicity, disability, skill level, lone parent status or other employee characteristics – why and by how much?

It is possible that NESB/CALD and indigenous/ATSI communities would take advantage of access to paid parental leave by other relatives such as grandparents. We also submit that as paid parental leave may encourage men to take leave from work this would enhance their opportunities to contribute more fully to the primary care of their children and result in less discrimination against female workers of child bearing age.

Are there likely to be any perverse impacts on labour markets (such as unemployment risks, labour market discrimination, or erosion of parents work skills)? Why and to what extent? What impacts might this have on longer-term job prospects for individuals and the availability of skilled labour for business?

An externally funded scheme with contributions from all employers based on employee pay roll tax would eliminate the potential for employers to discriminate against women if they were asked to 'top up'. This could be calculated on a 'sliding scale'. To eliminate this potential even further, a fully funded government scheme would be the obvious solution.

What would be the behaviour of those employers that already offer paid parental leave? How would this affect wages, the leave they offer, and their employment practices generally?

It is the hope that employers who already pay parental leave may invest in other family friendly practices and or professional development and training for employees.

In what ways are the labour market and equity impacts of paid parental leave likely to be particularly sensitive to the design of the scheme (for example whether it has universal coverage, its financing methods and so on)?

This is clearly a complex consideration. We submit that at the initial stages, a paid parental leave scheme should be universal. We also submit that all women even with a paid parental leave scheme should have access to a baby bonus, however the baby bonus should be means tested.

Section 6 Impacts on employers

What affects current decisions by businesses about whether to offer paid parental leave to their employees and the eligibility conditions that they set (mothers only, exclusion of causals etc).

Decisions by businesses about whether to offer paid parental leave to their employees and the eligibility conditions that they set, we believe, are current legislation and award provisions. We say that this is in particular relation to low paid women workers where their labour is often seen as dispensable.

On the other hand, issues of staff attraction and retention and labour shortage may also affect decisions about paid parental leave and conditions. It is essential then, for an employer to offer family friendly conditions. We submit that this may be more applicable to large businesses and to businesses where specific and specialised skill sets are required. We also submit that decisions made by employers may also be affected by union membership and involvement.

What would be the direct impacts on business of meeting the direct and indirect costs of paid parental leave? How would these effects vary across firms and sectors, and over time? In particular what are the effects on small businesses?

Both NT and SA Working Women's Centres are small sized employers. We submit that the costs associated with ongoing job vacancies and or the employment of staff who need intensive on the job training are far greater than adopting family friendly workplace practices, including paid parental leave.

Case study: NT & SA Working Women's Centre have had 2 employees who have both accessed paid maternity leave. Both women have returned to the Centres after taking maternity leave and continue to contribute successfully and meaningfully to the workplace whilst balancing their work and family responsibilities.

What would be the positive impacts – would paid parental leave improve staff retention and productivity? If so, how big is this effect, and which industries are likely to benefit most?

The positive impacts of paid parental leave would be staff retention and an attractive recruitment strategy. It would decrease recruitment and training costs and we submit that it has the potential to encourage loyalty. Paid parental leave also demonstrates a commitment, within the workplace, of the value of women as mothers and as workers.

Industries that may benefit the most are industries where there are skill shortages. It has been suggested that a paid parental leave scheme would address the issue of skills shortages. This may be of particular relevance to industries such as the community sector, where paid parental leave is not the norm and which also has difficulty in attracting and retaining skilled staff.

Enterprising companies and organisations can gain further positive impacts on retention and productivity by introducing genuinely family friendly work practices.

What kinds of scheme would have the largest or smallest impact on business and why?

An externally administered scheme that receives contributions from government, employers and employees (via tax) will have the least impact on business as the financial responsibility is shared.

Are there any distinctive business impacts of new parental support arrangements in

regional and rural Australia?

It is even more important for workplaces in regional, rural and especially remote Australia to find ways to retain existing staff as there is less availability of labour.

Are there ways of implementing any changes to alleviate any adverse impacts?

To alleviate any adverse impacts, an externally administered scheme that accepts contributions from government, employer and employees (through tax) needs to be ensured.

How might employers who already offer some paid parental leave respond to a new arrangement (and why)? Were an arrangement to be government-funded, how could its design reduce the 'crowding out' of voluntary schemes?

We submit that that employers who already offer a paid parental leave scheme should be encouraged to introduce other new and innovative family friendly workplace practices.

Section 7 Interaction with social security and other government programs

How and to what extent, will paid parental leave arrangements interact with social security and other government payments, and which areas will be most affected?

Working Women's Centres recommends that parents on paid parental leave should be entitled to the same social security benefits whilst on parental leave as they would whilst working.

We would like to make particular mention of the importance of parents on paid parental leave continuing to receive the child care rebate. It is widely understood that children benefit greatly from a familiarisation process involving the parent when the child is first introduced to child care and this is most likely to happen whilst the parent is on leave from the workplace. Therefore the child care rebate should still apply during the parental leave period.

What implications does this have for the design of a paid parental leave scheme and for the relevant social security schemes?

Parents of children with disabilities may still require additional support through social security payments as may sole parents, especially those on very low incomes.