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PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

BILLS

**Paid Parental Leave and Other
Legislation Amendment (Dad and Partner
Pay and Other Measures) Bill 2012**

Second Reading

SPEECH

Thursday, 10 May 2012

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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Questioner
Speaker Neumann, Shayne, MP

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Mr NEUMANN (Blair) (11:37): I speak in support of the Paid Parental Leave and Other Legislation Amendment (Dad and Partner Pay and Other Measures) Bill 2012. We have just heard 13 minutes of diatribe and drivel from the member for Murray. She talked about women waiting—well, women waited for 11½ years under the coalition government, and where was the member for Murray's private member's bill in relation to paid parental leave? Where was the cabinet decision? Where was the bill of the Howard coalition government to bring in a paid parental leave scheme? I did not see one of those for 11½ years. I did not see any agitation from the coalition on the back bench in relation to this. I do not recall any media statements about it. And I do not recall any pronouncements from John Howard, former Liberal Prime Minister.

What did they do about caring for families? They talk about being mean. The first thing the Howard coalition government did was to get rid of the Commonwealth dental scheme. In this budget we are seeing another \$500 million going into the Commonwealth dental scheme. The next thing they did was to take \$1 billion out of child care. That is the first thing the coalition did when they got in. And the member for Murray criticised us for not having superannuation in this legislation or our Paid Parental Leave scheme. The coalition has never cast a vote in this House in favour of superannuation. In fact, when it came to the minerals resource rent tax, one of the aspects of which was to provide for an increase in superannuation for Australian men and women from nine per cent to 12 per cent—a not insignificant amount—the coalition in this place voted against it. Forty-three thousand people in my electorate of Blair in south-east Queensland will get that increase, and I daresay a comparable number of people in the member for Murray's electorate will get it, but they should know that she who comes in here and talks about superannuation for women voted against that superannuation when she came into this place. We even saw it yesterday.

The coalition say they are a party for families and family values and they talk about forgotten families, but they forgot about families for 11½ years and they forgot about them yesterday. They forgot about them when they voted against the schoolkids bonus yesterday, which is \$410 per child at primary school and \$820 for a child at high school. They forgot about those; they forgot about the 11,000 families in my electorate and the 2,100 families that were not getting education tax refund. They forgot about the 19,400 kids in my electorate. Even now, they are forgetting about families when they go on about this piece of legislation. Did they do this legislation we have before the House today? Was there a private member's bill in 11½ years in relation to helping dads and recognising their important role in child care and in looking after their newborn babies? Did they do that? No. Do not come into this place and criticise us about that. We have 150,000 people in this country who have made applications under the Paid Parental Leave scheme. That is 150,000 people who would not have got the benefits if we had not won the 2007 federal election. We got there again in 2010 and, because of that, we have a Paid Parental Leave scheme in this country. But the member for Murray criticised us saying that it was mean. It was mean for 11½ years for Australian women not to have the benefit of a Paid Parental Leave scheme, and for 11½ years it was mean for the coalition not to assist dads to take up their role and not to recognise the contemporaneous role that families have with dads helping out with their kids.

We are providing support for stay-at-home mums to care for their babies through the Paid Parental Leave scheme. In the vital early months of a child's life there is important social, cognitive, developmental and physical growth. We are also helping mums and dads to balance family life and helping employers to retain skilled staff. That is what it is about. It is helping economic development and economic productivity. So, under this legislation, on 1 January 2013 we are extending extra support to parents, with a two-week dad and partner pay. The first claims that dads and partners can make is on 1 October 2012. I would like to think that this is important. I would like to think that it is also important to provide for families financially. That is why we have done this; that is why we have seen measures taken in the budget. We have seen increases in superannuation and increases in child support, doubling what the Howard coalition funded in terms of child support—that is what we have done. We have also provided extra funding for a dental scheme in this country, and we have extended family tax benefit A from 16-year-olds to 19-year-olds who remain in school or its equivalent. The coalition did none of those types of things when they were in power, so do not come into this place and lecture us about support for women and

support for dads and partners when you did not do it. Do not criticise us for doing it and do not criticise us when you are going to bring in a scheme that will help millionaires and put a tax on business. That is form for the coalition. They did not support us with the company tax cuts we wanted to bring in, and they want to lump a big tax on business to pay for their extravagant and harmful Paid Parental Leave scheme when it harms business. Business employs men and women who are mums and dads.

This is an important scheme we are bringing in, and it goes along with what we have said in terms of assistance for families. It is important, as well, because you have to see this in the context of what we have done in terms of the childcare rebate. Under the Howard coalition government, there was a 30 per cent child care rebate, \$4,354 per child, where you had to pay and then wait until you lodged your tax return—for some people that was about 18 months down the track. What we have done is increase that childcare rebate to 50 per cent—\$7,500, a 73 per cent increase—to help families and not forget them, and now we are bringing in this type of legislation which aligns with the Paid Parental Leave scheme.

So this is the fulfilment of an election commitment. It is good for new dads, it is good for new mums and it is good for babies. I am a parent; my wife and I are blessed with two daughters who are now adults and at university. But I recall how important it was to be there not just for their births but in the few weeks afterwards. Dads and partners will be eligible whether they are full-time, part-time, casual, seasonal, contract or self-employed workers. It is important to design this scheme right, and we have. We have done it on the recommendation of the Productivity Commission. We have done it because we want to make sure that mums and dads find balance in their budgets and balance in their lives. It is very tiring, particularly for mums after they have had a baby, to care for that child. It is extremely difficult if the child has colic, reflux or other ailments. Sometimes young kids get throat infections or sometimes they are challenged with physical or mental disabilities. So it is very hard for them and it is important that they be supported.

It is good that we are doing this. It is important that we are allowing partners and fathers to help also. It is important to make sure that we allow the partners and the fathers to do this, and at the same time do not impose a tax on their employers—the tradesmen, the small business operators and those who work on farms or in big business as well. So there are tests in relation to this; we do not just hand out this money without some test. There needs to be a residence test and an income test: you have to be an Australian resident and you have to be not working during the time that the person receives the payment. You have to satisfy the income test—you must be earning \$150,000 or less, based on adjusted income in the financial year ending before the nominated start date for partner or dad pay or before the date of claim, whichever is the earlier.

We believe, and it is quite common, that people who are on very high salaries are able, because of their skills, talents, abilities and resources, to negotiate agreements between themselves and their employers—if they are an accountant, a doctor or a lawyer for example—which encompass a paid parental leave scheme as well. So we have designed this scheme for middle- and low-income earners, which we think is important.

It is going to be important for my electorate. The average income in my electorate is \$57,000 a year, so there will be many people in my electorate who will gain the benefit of this. We know how important it is because we have about 1,000 people in my electorate who have signed up for the paid parental leave scheme since it was brought in. They will benefit by this.

There has to be a work test, and we have made it clear that the person must have been working continuously for at least 10 of the 13 months prior to the nominated start date with no breaks of more than eight weeks between any two consecutive work days. And they have to undertake at least 230 hours of paid work during the 10 months—on average, around one day a week. So, I think that the tests are important. We do not want the system rorted; we want to make sure that dads and partners who are nominated actually are in the workforce.

I do note also that we are providing additional support for families. With your permission, Mr Acting Deputy Speaker, I would like to nominate just one area where I do think it helps dads as well. I was pleased to see in the budget the extension of another \$55.7 million to invest in preparing Australia's most vulnerable children to start school. A two-year home interaction program for parents and youngsters, known as HIPPY, helps parents—mums and dads—and carers to take an active role in their child's education. The kids are quite young, well before school age, and it provides access to tutoring, practical learning activities and materials.

Recently I was in Grandchester at the model steam train day, and the HIPPY program was there. It is run by the Australian Red Cross in Ipswich in partnership with the Brotherhood of St Laurence, which received the funding

under the 2008 budget. The local coordinator of that—HIPPY West Ipswich—is Alana Wahl. She was there with her husband and her kids, and there were dozens and dozens of people there. I thank the Grandchester Model Live Steam Association for allowing that to happen. I talked to many families, migrants, mums and dads—just ordinary people—and military personnel from the RAAF base at Amberley, who appreciated the extra parenting support. They appreciated the help with those young kids. It is not just in actually preparing them for school but also the community that forms around these organisations is very important. It provides levels of support and sharing of clothes and ideas in relation to care of children.

Families came from a whole range of backgrounds; some itinerant, some Indigenous and some from overseas. I know how important it is. I recall talking to a number of them who said that any support for them as young parents—and most of them were quite young, in their twenties or early thirties—is warmly received and welcomed. They know how important child care is, and I certainly got that information. There was not one person I spoke to who was staying at home full time looking after their children; they had to work to make ends meet.

There were kids everywhere at that day, and I know how important HIPPY is. It was further funded in this budget. This budget does provide a lot of help; the help with the schoolkids bonus is particularly important and the supplementary help to job seekers, people with students and people who are doing it tough on Newstart is also important. But this particular legislation is particularly helpful, I think.

This legislation adds credibility to what we have said we would do. It is a dedicated payment delivering on our commitment, and beginning in January next year. It builds on the historic announcement—the reform this federal Labor government brought in—when we finally decided that we would join the rest of the world in 2011. It was about time: it took a government of this persuasion, a Labor government, to do it. It has taken a Labor government to bring in so many of the reforms which I have announced today. It took a Labor government to do them. The coalition did not have the wit, the wisdom or the will to do any of that during their 11½ years, and it took a Labor government to bring forward this legislation, which I know dads and partners will appreciate in years to come.

I look forward to the 150,000 people signing up for and getting paid parental leave increasing in years to come. This is a great reform: it builds on superannuation, the age pension, age care reform and Medicare. It goes to show that when it comes to social needs and the family values of Australians it is a federal Labor government, and only a federal Labor government, that cares for what the coalition often calls 'the forgotten families of Australia'.