



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

BILLS

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

Consideration in Detail

SPEECH

Thursday, 24 May 2012

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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Date Thursday, 24 May 2012
Page 5503
Questioner
Speaker Macklin, Jenny, MP

Source House
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Ms MACKLIN (Jagajaga—Minister for Families, Community Services and Indigenous Affairs and Minister for Disability Reform) (11:48): As I indicated, the government will not be supporting this amendment. I am pleased that the member for Dunkley referred in his remarks to the Productivity Commission report, a very significant piece of work that was done for the government on paid parental leave. Unfortunately, the member for Dunkley did not go to the recommendation of the Productivity Commission's report on the employer role. The recommendation considered that, even though it was recommending a government funded scheme, the delivery mechanism should demonstrate that paid parental leave is a normal feature of employment arrangements like other workplace entitlements such as annual leave. They recommended the role for employers in the scheme that the government has implemented because they considered that it would benefit business. So if the member for Dunkley was being truthful today in the debate he would go to the recommendations in the Productivity Commission report that go to exactly this point.

The potential administrative burden on business, including small business, was in fact taken into account by the Productivity Commission in their detailed analysis. Once they had done that analysis they nevertheless recommended that employers make these payments for their long-term employees. I repeat again that the reason they did that was to keep a connection between an employer and an employee when the employee takes time off to have a baby. The Productivity Commission itself found that it would help employers—I think it is important that we do listen to the advice from the Productivity Commission in this regard—retain valuable and skilled staff.

I want to go to the feedback that we have had from a range of sources indicating that the employer role in the Paid Parental Leave scheme is in fact operating smoothly and that it would not be helpful to the smooth operation of the scheme for the opposition's amendment to get up. Employer funding arrangements are working well. We have had few complaints about the scheme either from parents or employers and the early findings are that employers are not finding their role burdensome.

I will just go to the preliminary advice from an employer survey conducted in the first six months of the employer role. It says that the scheme has been relatively easy for organisations to implement. Employers have found that sourcing information is easy, information was accurate and helpful and that most employers, regardless of their business size, said it was easy to organise payments. So I think in these debates it is important that we look at the facts rather than the rant that we heard from the member for Dunkley. If I can go to some of the figures, since the scheme started on 1 January 2011 we have, as I said, had more than 150,000 expectant and new parents applying for paid parental leave. We have a lot of people who have actually finished receiving their payment and others, of course, currently receiving it or waiting for their babies to be born. More than 29,000 employers have registered for the scheme. Around 43 per cent of those are small businesses—12½ thousand. Around 5,000 registered employers have opted to provide parental leave pay to employees that they are not required to pay it to. These would be employees who are working for them on a shorter term basis, for example. Around a third of those 5,000 are in fact small business, so all of the evidence would suggest that businesses are not finding it difficult; in fact, quite the reverse. That is why it is so disappointing to have this amendment moved. It was lost once. I hope it will be lost again, because the scheme is working very well for parents and working very well for employers. We hope that the scheme can continue to work very well for both parents and employers. That is why the government introduced it, and the government will be opposing the amendment.