



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
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Questioner
Speaker Billson, Bruce, MP

Source House
Proof No
Responder
Question No.

Mr BILLSON (Dunkley) (11:53): The minister referred to the Productivity Commission report about how things will help employers. Just to assist the House, and for those listening, the Productivity Commission said a paid parental leave scheme would help employers. There is nothing whatsoever in the report that says that forcing employers to pay the payments would help employers. There is nothing of the kind in it at all. There is an on-balance recommendation in the report, if I could help the minister, that signalling—that is, some effort to characterise the nature of the payment—would somehow justify the imposition of the burden. I just correct that information for the House, because there was quite a mangulation of what is actually in the Productivity Commission report dressed up as a justification for the current arrangements.

The signalling is supposed to say that because a number appears in a bank account people will immediately understand what that is and that that will build a stronger bond between employers and employees. For anyone listening, I ask you to imagine if enhanced interpersonal relationships simply require a number to appear in a bank account—that in some way that would explain why there was cash being thrown around by the government in order to enhance its relationship with those receiving the cash. In an employer-employee arrangement, I am pretty certain that people—particularly the women I have spoken with—would have thought, 'That is a strange way of maintaining a relationship: by having a payment made into a bank account and the back office operations being a burden imposed on employers.'

Secondly, the signalling argument that is canvassed in the Productivity Commission's report is completely undermined by the government's own rhetoric. It never misses an opportunity to run around telling everybody that it is paying for this, it is a Labor scheme, isn't it great and aren't we blessed to have a Labor government. So the signalling virtue that the minister was half inferring, given that she had misrepresented the recommendations as they were provided in the Productivity Commission report, has actually been undermined by the government's own behaviour. The government's own behaviour has compromised the signalling benefits in a hotly contested on-balance conclusion in the Productivity Commission report in which there was industry organisation after industry organisation explaining the reality of it in the workplace and that this was, in their eyes, a very dubious conclusion that the government now hangs its hat on.

Also, I understand the minister to have been saying that it negates the need for the government to honour its commitments. If it was so clear, why make that commitment? Why make an election commitment that says that Labor will not support a system that imposes additional financial burdens or administrative complexities on small businesses? Why make that commitment if you are not intending to keep it? This is like: 'There will be no carbon tax under a government I lead.' The government is saying, 'There will be no compliance and financial costs for small businesses under a PPL scheme the government leads'—yet there is. It is a broken promise. Here is a chance to rectify this broken promise and actually live up to the words that seemed perfectly reasonable and were happily shopped around and traded around prior to the election, but when push comes to shove there will be some contorted representation of what is in the Productivity Commission report. It is as if the government is saying, 'Oh, we do not need to uphold our election commitments.' It is a bit like saying, 'The Greens stole my homework.' Here, it is the PC that are being blamed for not honouring the election commitment.

Finally, let me reiterate that the motive behind this is about signalling, according to the Productivity Commission. The government's own actions undermine the value of that signalling by singing out to anyone who is interested: 'It is a government scheme. We determine who is eligible. It doesn't matter what you are paid, this is what you are going to get.' That is what the government is actually doing. So even the on-balance argument in the Productivity Commission report has hit the rocks because of the government's own behaviour. What does it leave you with? It leaves you with the question: what is the justification? This is where this secret ACTU memo bells the cat. The only reason the Gillard government is opposing these very sensible and constructive measures and amendments by the coalition to support small business is that the unions want them to oppose it.

Why do the unions want to oppose it? As it says in this secret memo that was given to me, the amendments that we are proposing 'will also restrict the union's capacity to improve and enforce paid parental leave in the workplace'. This is an industrial campaign to impose additional top-up costs and burdens on small business, the very additional costs that the Productivity Commission warned against. Those are the facts behind this argument, and I urge the House to support the sensible coalition amendment. (*Time expired*)

The DEPUTY SPEAKER: The question is that the amendments be agreed to.

Bill agreed to.