



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**

Second Reading

SPEECH

Thursday, 22 March 2012

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

Date Thursday, 22 March 2012
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Questioner
Speaker Macklin, Jenny, MP

Source House
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Question No.

Ms MACKLIN (Jagajaga—Minister for Families, Community Services and Indigenous Affairs and Minister for Disability Reform) (09:46): I move:

That this bill be now read a second time.

This bill extends the government's Paid Parental Leave scheme to include dad and partner pay, a new payment for eligible working fathers and other eligible partners.

Other amendments made by this bill provide more clarity and consistency to the Paid Parental Leave scheme, and make consequential amendments to the Fair Work legislation.

Last year, Australia caught up with the rest of the developed world when this Labor government introduced and delivered our first national, government funded Paid Parental Leave scheme.

It was this Labor government that asked the Productivity Commission to inquire into the benefits of paid parental leave.

It was this Labor government that delivered Australia's first national scheme.

But it was the thousands of Australian women and men—spanning generations—who fought the battle and won the fight for this fundamental workplace entitlement.

Paid parental leave gives eligible working parents up to 18 weeks parental leave pay at the national minimum wage, currently around \$590 a week before tax.

It gives working parents the chance to stay at home to care for and bond with their newborn child in those critical first months of a child's development.

For many low-paid, casual and part-time working women, this is the first time they have had access to this sort of support.

And more than 150,000 families across the country are already benefiting from the Gillard government's Paid Parental Leave scheme.

When you take some time off work to care for your new baby, you want to know that you can focus on the time with your child, without worrying about the household budget.

You want to know that you can take some time off work without losing touch with your workplace.

Because of the Paid Parental Leave scheme, delivered by this Labor government, Australian families no longer have to choose between making ends meet and taking time off to spend with their new baby.

This was a historic reform. It took a Labor government to do it—and today we build on it.

The bill being introduced today delivers on a 2010 election commitment to give Australian dads and other eligible partners the chance to also have some time off from work to support mums and partners in the care of their baby right from the start.

Dad and partner pay will give eligible fathers and partners two weeks pay at the rate of the national minimum wage.

It will be available to eligible fathers and partners, including adopting parents and parents in same-sex couples who care for a child born or adopted from 1 January 2013.

This means that, from next year, eligible families welcoming a new child into the world can access up to 20 weeks payments of parental leave pay and dad and partner pay from the Gillard government.

We know that it is not just new mothers who need that time to form important bonds with a new baby.

Dads and partners need that chance too, so families can be together after the birth of a child.

We know that most fathers do currently take some time off work around the time of the birth but that this time is usually short and most have to use non-parental leave, such as annual leave, to do so.

New fathers and partners often have to balance their responsibilities as the main source of family income after the birth of their child with wanting to spend more time with their new baby and wanting to support their partner.

Some families can face extra challenges in balancing the budget when a child is born. This is especially the case for casual employees without annual leave entitlements and self-employed people such as business owners, tradespeople and people working on the family farm.

Dad and partner pay will change that for thousands of Australian families.

For the first time, thousands of parents will be able to spend time as a family, bonding with their new baby and supporting their partner, in those precious first weeks.

Like paid parental leave, dad and partner pay will be available to eligible full-time, part-time, casual, seasonal, contract and self-employed workers.

The work test and residency requirements for dad and partner pay will be consistent with those for paid parental leave. Dad and partner pay will also have the same income test as for paid parental leave.

Consistent with the recommendations of the Productivity Commission, the payment will be available in addition to any employer-funded paid leave. Eligible fathers and partners must be caring for the child—either as the primary carer or jointly caring with the other parent—and must not be working or on paid leave during the period they receive the payment.

This will encourage dads and other partners to take more time off to care for their newborn in those first few months, confident that they have the financial support to do so.

Eligible fathers and partners will receive dad and partner pay from the Family Assistance Office in the Department of Human Services, and claims for the payment can be made from 1 October this year.

Dad and partner pay will be available to fathers and partners who meet the eligibility requirements, regardless of whether the mother or primary carer has been in paid work or at home before the birth or adoption.

A father may be eligible for dad and partner pay even if a mother is not receiving parental leave pay. Families eligible for dad and partner pay may also continue to receive other family assistance payments such as the baby bonus and family tax benefit.

However, dad and partner pay cannot be transferred to the primary carer (usually the mother) of the child. This 'use it or lose it' provision will encourage fathers and other partners to take more time off work, and signals to employers that a father's role in caring for a new baby is important.

Eligible fathers and partners who are the primary carers of their children will be able to receive both dad and partner pay and any parental leave pay transferred from the mother. To maintain fairness with the maximum parental leave pay entitlement for mothers, fathers and partners will have the same maximum 18-week entitlement under the extended Paid Parental Leave scheme.

Like parental leave pay, the new payment will be available during the first 12 months after the birth or adoption of a child.

Our Paid Parental Leave scheme—now with dad and partner pay—reduces the caring and work pressures on parents when their children are young.

Our scheme encourages the involvement of both parents in the early months of a child's life. Our scheme encourages bonding between fathers and their children, with lasting benefits for a child's development.

Our scheme also meets the challenges of modern family life, letting families make their own choices about what works for them.

Our scheme sends a strong signal that taking time out of the paid workforce to care for a child is part of the usual course of life and work for both parents.

Our scheme for dad and partner pay is also evidence based.

It was recommended by the Productivity Commission, and the plan brought before the chamber today is informed by consultation with employer and employee groups, family and community groups and other interested individuals.

We commenced this consultation on Father's Day last year, and it has been a valuable tool in the development of dad and partner pay, as has the feedback provided by the Paid Parental Leave Implementation Group.

The government's dad and partner pay—like paid parental leave—is affordable, sustainable and secure.

It is fair for families, and fair for business.

Like paid parental leave, dad and partner pay will be funded by the government.

It does not require a new tax on business to pay for it.

Unlike the plan proposed by those opposite, it will not drive up grocery bills.

Dad and partner pay is good for dads, it is good for mums and it gives Australian children the best start in life.

This bill also introduces amendments originally introduced on 3 November 2011 in the Paid Parental Leave and Other Legislation Amendment (Consolidation) Bill 2011. These amendments are being reintroduced as part of this bill to streamline the consideration of current amendments to the legislation underpinning the Paid Parental Leave scheme. These amendments improve clarity and consistency and make consequential amendments to the fair work legislation.

I commend the bill to the House.

Debate adjourned.