

Friday, 1 September 2023

## Employer role in paid parental leave is crucial

Yesterday saw pushback from several employer representative groups over the employer's role in payments for paid parental leave in a report tabled by the Senate Education and Employment References Committee

The ACTU has significant concerns about the recommendations made by the report, which include that the Paid Parental Leave Act 2010 be amended so that small businesses do not need to pay Parental Leave Pay instalments directly to their workers unless they opt to do so.

In addition, the report recommends that the Productivity Commission conduct an inquiry into the impact of the PPL scheme on Australian businesses, with a particular focus on small business.

These recommendations have been made despite evidence to the committee that the PPL scheme delivers significant benefits to working parents, especially women, and to employers through increased staff retention.

Independent analysis also tested and disproved claims that processing PPL payments creates any undue burden on small business.

On the contrary, the PPL scheme delivers significant benefits for employers in attraction and retention of employees, and far outweighs any burden associated with administering PPL payments. Administering the payment is a small and reasonable contribution for employers to make, especially given it is Government funded.

### Quotes attributable to ACTU President Michele O'Neil:

"Keeping workers who are on Paid Parental Leave connected to their employer and workplace is good for workers and employers.

"Parental leave is not a welfare entitlement it's a workplace right. The idea that women would be disadvantaged simply because they work for a small business is really concerning.

"It would mean that around 97% of businesses in Australia would not have to administer PPL payments to their staff with significant negative consequences for attraction of staff, retention of employees on parental leave, women's workforce participation, and likely increased discrimination against women.

"Modern workplace legislation should be looking to close these gaps, not entrench them.

"Discrimination against mothers is already pervasive, with one in two reporting discrimination in the workplace during pregnancy, parental leave, or return to work. Any change that may make it more likely for that discrimination to occur should be avoided.

**ENDS**

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