

Minister for Small Business
Minister for Science and Technology
Minister for Advanced Manufacturing and Defence Industries
Minister for Racing
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Committee Secretary
Senate Education and Employment Committees
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Dear Committee Secretary

Potential impacts of the Commonwealth Paid Parental Leave Scheme on small businesses and their employees – Tasmanian Government submission

Thank you for the opportunity to provide input into this inquiry on behalf of the Tasmanian Government.

The Tasmanian Government recognises the intent of the proposed changes to paid parental leave entitlements, noting the increased flexibility that these changes will bring for Australian families.

On our behalf, the Department of State Growth has consulted with the Tasmanian Small Business Council as the peak representative body for Tasmania's small business sector regarding the proposed changes.

While the Tasmanian Government and the Tasmanian Small Business Council are supportive of the proposed changes to the Commonwealth Paid Parental Leave Scheme, it should be noted that there are concerns about how some elements of the proposed changes may impact Tasmanian small businesses.

The ability for the employee to pick and choose when they take the Paid Parental Leave (PPL) could have an impact on those businesses in the service businesses and retail sector.

Tasmanian small businesses are currently experiencing increased costs, particularly energy costs, staff shortages and the potential for rising interest rates to dampen consumer spending.

When addressing these challenges, small businesses need the ability to plan for, and to accommodate staff absences in a way that minimises disruption to the business. When implementing these changes, the Tasmanian Government recommends consideration is given to an option that enables a discussion between employer and employee in order to achieve a mutually satisfactory arrangement when taking Paid Parental Leave.

It is noted the provision for the employee to provide notice to the employer of their intention to take PPL, and the provision to take the PPL in multiple blocks allows for the PPL to be taken in a way that meets the need of both employer and employee.

The Tasmanian Government commends the efforts to minimise the administrative burden on employers by providing more certainty around the number of days for which they are liable to pay parental leave pay.

The Tasmanian Government also supports the intent of the scheme, being to support family friendly workplaces without requiring small business employers to fund the scheme.

Yours sincerely

Hon Madeleine Ogilvie MP
Minister for Small Business