



Department of the Senate PO Box 6100 Parliament House Canberra ACT 2600 Australia

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Dear Chair,

Re: Inquiry into the Exposure Draft of the Paid Parental Leave Scheme Bill 2010

The Master Plumbers and Mechanical Services Association of Australia (MPMSAA) is a national organization registered under the Fair Work Act 2009

The MPMSAA membership comprises particularly small to medium sized businesses (SMEs) that will be affected by the Government's proposed paid parental leave scheme, because they will be forced to act as a 'Paymaster' in administering the scheme on behalf of the Government and pass payments onto employees.

The MPMSAA strongly supports the submissions made by the Australian Chamber of Commerce and Industry (ACCI) that shows how the Government's scheme will introduce unnecessary layers of red tape, complexity and administrative cost for Australian employers, particularly SMEs.

Such smaller businesses simply do not have the sophisticated resources or time to administer the scheme.

As ACCI's submission illustrates, there is general support for the paid parental leave scheme which has operated in New Zealand since 2002, and which requires a single form to be completed by the employee and verified by an employer to trigger payments directly to the employee.

Employers should not be forced into the system, and there should be appropriate amendments as proposed by ACCI that would remove the 'Paymaster' burden for SMEs.

Whilst employers generally support paid parental leave, the MPMSAA urges the Committee to consider workable alternatives, such as the New Zealand scheme, to that currently proposed.

Yours Sincerely,

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