

15 December 2023

Committee Secretary
Senate Standing Committees on Community Affairs
PO Box 6100
Parliament House
Canberra ACT 2600

Acknowledgement of Country

We acknowledge and respect the continuing spirit, culture, and contribution of Traditional Custodians on the lands where we work, and pay respects to Elders, past and present. We extend our respects to Traditional Custodians of all the places that United Workers Union members live and work around the country.

Dear Committee

Paid Parental Leave Amendment (More Support for Working Families) Bill 2023

UWU welcomes the opportunity to contribute to this inquiry. We support the Paid Parental Leave Amendment (More Support for Working Families) Bill 2023. The bill will implement significant reforms, including extending paid parental leave to 26 weeks by 1 July 2026, increasing the number of leave days that may be taken concurrently by parents and/or carers, and extending the work test exception for fathers and partners who have children who are born prematurely. The changes introduced by the bill will make a substantial difference to working parents and will play a role in achieving economic equality for women.

We note that the recent Senate Education and Employment Committee Report on *Potential impacts of the Commonwealth Paid Parental Leave Scheme on small businesses and their employees* recommended that the *Paid Parental Leave Act 2010* be amended to require Services Australia to pay Parental Leave Pay instalments directly to employees of small businesses (defined as businesses employing fewer than 20 employees) except in cases where a small business opts to pay Parental Leave Pay instalments directly to an employee.

UWU strongly opposes this recommendation. Currently, it is the choice of the employee whether the payments are processed by the employer or Services Australia and the data shows that overwhelmingly workers choose their employer (70% in 2022-23).¹ As recognised by the Government Senators and Greens Dissenting Report, treating PPL as a workplace entitlement is important for gender equality, and administering the payment is a reasonable contribution from employers who significantly benefit from the Government's provision of PPL.²

We urge this Committee to recommend that the employer role in the PPL Scheme should remain as currently provided for in the Act. We outlined our reasons as to why there should be no change to the administration of the PPL scheme in our submission to the Senate Education and Employment Committee. We **attach** this submission for your consideration.

While the bill makes significant improvements to the PPL scheme, there is more to be done. Even with the changes made by this bill, Australia still ranks poorly compared to other OECD nations, coming in at fourth worst.³ We urge the Federal Government to continue to improve the PPL scheme, including by increasing the length of the entitlement and legislating that superannuation be payable for all paid and unpaid parental leave.

For any enquiries about this submission, please contact Natalie Dabarera, National Research Coordinator at

Yours sincerely,

Jo Schofield
National President
United Workers Union

¹ Senate Education and Employment Committee, *Potential impacts of the Commonwealth Paid Parental Leave Scheme on small businesses and their employees*, August 2023, pg. 8.

² As above, pg. 37-51.

³ The changes would lift the payment from about 8 weeks of full-time average wage equivalent up to about 10.3 weeks. For OECD comparison in 2022, see:

https://www.oecd.org/els/soc/PF2_1_Parental_leave_systems.pdf