

15 February 2017

Jeanette Radcliffe
Secretary
Senate Standing Committees on Community Affairs
Department of the Senate
S1.59 Parliament House CANBERRA ACT 2600

Dear Ms Radcliffe

Women on Boards is pleased to provide the following response to the committee in response to a question from Senator Kakoschke-Moore on notice.

Economic Modelling (approximate) - for impact of moving to 26 weeks paid Parental leave

Case 1 - Any increase in PPL weeks is paid for by government

Case 2 - Employers who offer partial ppl share extra weeks 50:50 with government

Case 3 - Employers who offer partial ppl share extra weeks 50:50 with government and % of employees offered PPL increases due to market pressures increases by 4% in final year of forward estimates with employees moving to partial ppl funding

- Case 1 - additional cost to government over the forward estimate of \$672m
- Case 2 - additional cost to government over the forward estimate of \$261m
- Case 3 - additional cost to government over the forward estimate of \$140m but this reduces with more aggressive introduction of ppl by employers

Assumptions

- Numbers of eligible mothers and National Minimum wage have been kept constant
- PPL weeks are 18 weeks in 2017, rising to 21 weeks in 2018, 24 weeks in 2019 and 26 weeks in 2020.
- Forward estimates are four years
- There are many other variants that can be modelled
- Cases 2 and 3 may need a carrot and stick approach if takeup of employer funded component of the PPL does not change

This response should be sufficient for the public record. All working for this modelling was conducted in a spreadsheet which we provided to assist the committee, however we request does not go onto the public record as it can be manipulated and interpreted in a number of ways. It is also not possible to PDF the spreadsheet due to the number of fields (at the bottom),.

Kind Regards
Claire Braund
Executive Director, Women on Boards