



Committee Secretary
Senate Education and Employment Committee
PO Box 6100
Parliament House
Canberra ACT 2600

1 June 2023

RE: Commonwealth Paid Parental Leave Scheme Inquiry– impacts on small businesses

Dear Committee

We submit to you on behalf of members of the National Electrical and Communications Association (NECA) the attached submissions to inform the inquiry on the **potential impacts of the Commonwealth Paid Parental Leave Scheme on small businesses and their employees.**

NECA is committed to supporting its members in reducing unnecessary red tape, eliminating administrative burdens and inefficiencies that affect payroll processing times, particularly for small businesses.

Representing over 6,500 contractor businesses and upskills more than 10,000 people annually, NECA is the peak industry body representing Australia's electrical and communications contracting industry.

As part of negotiations surrounding government changes to the Commonwealth Paid Parental Leave (PPL) Scheme made in March 2023, Senator David Pocock secured a commitment to this parliamentary inquiry into the role of employers in the administration of the PPL scheme.

The work of the Committee through this inquiry will inform policy making ahead of a second tranche of PPL changes coming before the Parliament later this year.

Senator David Pocock is asking the federal government to give smaller businesses the option of administering the Commonwealth PPL themselves, or having Services Australia pay the employee directly instead.

NECA supports Senator Pocock's commitment to small businesses and is asking the Government through this inquiry and public consultation process to reduce red tape and administrative inefficiencies.

Through the feedback process conducted to inform this inquiry, all responses received from NECA's members indicate that if they had a choice, they would prefer that Services Australia pay the PPL directly to our staff members.

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NECA supports the recommendation on the basis of our members' feedback that the Federal Government should enable an opt in or opt out model for small businesses to administer Commonwealth Parental Leave Payments.

Small businesses simply do not have the resources nor experience to administer the Parental Leave Payment due to administrative impacts and cost impacts, and therefore need to have the option to opt in or out Service Australia made payments.

This change would further incentivise not only greater female participation in the workforce, but allow small businesses to spend more time on growing their business, while it makes no difference to the employee whatsoever.

To further support these recommendations, please find **enclosed** a sample of submissions provided by NECA members in response to this inquiry, by size of their respective businesses to further demonstrate member preferences as far as the PPL changes are concerned.

The respondents' number of employees range from:

- single employee
- 6-10 persons
- 11-20 persons
- 31-40 persons.

These members have agreed to have their responses published.

We thank the committee for undertaking this important inquiry and NECA would welcome the opportunity to give evidence on behalf of its members at any upcoming hearings, to further explain the recommendations contained within the submission.

If you have any queries relating to NECA's submission in the meantime, please contact Ms Irma Beganovic, Government Relations Manager, NECA National on _____ or via _____

We thank you for your consideration of our submission on behalf of our members, and look forward to your response.

Yours faithfully

Oliver Judd
Chief Executive Officer
National Electrical and Communications Association (NECA)



NECA members submission - Geoff Conn

Information Submitted

Which sector do you operate in? Please select the relevant sectors	Industrial
How many staff do you currently employ (FTE)? Please select one option.	1 person
Have you ever paid parental leave to any of your staff?	No
If yes, did you pass on the Commonwealth Parental Leave Payment or did your staff receive it directly from Services Australia?	N/A
If you had a choice, would you prefer to pass on the Commonwealth Parental Leave Payment or have Services Australia pay it directly to your staff member?	Have Services Australia pay it directly to your staff member
Have you ever voluntarily "topped up" a staff member's parental leave payment?	No
Do you feel that delivering Commonwealth parental leave payments through your payroll plays an important role in maintaining a strong relationship between yourself and your employees while they on parental leave	No
Do you think small businesses should be required to administer Commonwealth Parental Leave Payments?	No
Are you in favour of an opt-in model or an opt-out model for employers to administer Commonwealth Parental Leave Payments?	Yes
Do you agree for your submission to be made public with other submissions to this inquiry?	Yes



NECA members submission - Paul Brophy

Information Submitted

Which sector do you operate in? Please select the relevant sectors	Refrigeration/Air Conditioning
How many staff do you currently employ (FTE)? Please select one option.	1 person
Have you ever paid parental leave to any of your staff?	No
If yes, did you pass on the Commonwealth Parental Leave Payment or did your staff receive it directly from Services Australia?	Haven't had to use it
If you had a choice, would you prefer to pass on the Commonwealth Parental Leave Payment or have Services Australia pay it directly to your staff member?	Have Services Australia pay it directly to your staff member
Have you ever voluntarily "topped up" a staff member's parental leave payment?	No
Do you feel that delivering Commonwealth parental leave payments through your payroll plays an important role in maintaining a strong relationship between yourself and your employees while they on parental leave	No
Do you think small businesses should be required to administer Commonwealth Parental Leave Payments?	No
Are you in favour of an opt-in model or an opt-out model for employers to administer Commonwealth Parental Leave Payments?	Yes
Do you agree for your submission to be made public with other submissions to this inquiry?	Yes



NECA members submission - Debbie Payne

Information Submitted

Which sector do you operate in? Please select the relevant sectors	Accredited Service Provider
How many staff do you currently employ (FTE)? Please select one option.	6-10 persons
Have you ever paid parental leave to any of your staff?	No
If yes, did you pass on the Commonwealth Parental Leave Payment or did your staff receive it directly from Services Australia?	N/A
If you had a choice, would you prefer to pass on the Commonwealth Parental Leave Payment or have Services Australia pay it directly to your staff member?	Have Services Australia pay it directly to your staff member
Have you ever voluntarily "topped up" a staff member's parental leave payment?	No
Do you feel that delivering Commonwealth parental leave payments through your payroll plays an important role in maintaining a strong relationship between yourself and your employees while they on parental leave	No
Do you think small businesses should be required to administer Commonwealth Parental Leave Payments?	No
Are you in favour of an opt-in model or an opt-out model for employers to administer Commonwealth Parental Leave Payments?	Yes
Do you agree for your submission to be made public with other submissions to this inquiry?	Yes



NECA members submission - Julie Manning

Information Submitted

Which sector do you operate in? Please select the relevant sectors	Commercial
How many staff do you currently employ (FTE)? Please select one option.	11-20 persons
Have you ever paid parental leave to any of your staff?	No
If yes, did you pass on the Commonwealth Parental Leave Payment or did your staff receive it directly from Services Australia?	Have not paid it.
If you had a choice, would you prefer to pass on the Commonwealth Parental Leave Payment or have Services Australia pay it directly to your staff member?	Have Services Australia pay it directly to your staff member
Have you ever voluntarily "topped up" a staff member's parental leave payment?	No
Do you feel that delivering Commonwealth parental leave payments through your payroll plays an important role in maintaining a strong relationship between yourself and your employees while they on parental leave	No
Do you think small businesses should be required to administer Commonwealth Parental Leave Payments?	No
Are you in favour of an opt-in model or an opt-out model for employers to administer Commonwealth Parental Leave Payments?	Yes
Do you agree for your submission to be made public with other submissions to this inquiry?	Yes



NECA members submission - Aristidis Zafiris

Information Submitted

Which sector do you operate in? Please select the relevant sectors	Refrigeration/Air Conditioning
How many staff do you currently employ (FTE)? Please select one option.	31-40 persons
Have you ever paid parental leave to any of your staff?	No
If yes, did you pass on the Commonwealth Parental Leave Payment or did your staff receive it directly from Services Australia?	Services Australia
If you had a choice, would you prefer to pass on the Commonwealth Parental Leave Payment or have Services Australia pay it directly to your staff member?	Have Services Australia pay it directly to your staff member
Have you ever voluntarily "topped up" a staff member's parental leave payment?	No
Do you feel that delivering Commonwealth parental leave payments through your payroll plays an important role in maintaining a strong relationship between yourself and your employees while they on parental leave	No
Do you think small businesses should be required to administer Commonwealth Parental Leave Payments?	No
Are you in favour of an opt-in model or an opt-out model for employers to administer Commonwealth Parental Leave Payments?	Yes
Do you agree for your submission to be made public with other submissions to this inquiry?	Yes