



National  
Independent  
Retailers  
Association

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Exposure Draft of the Paid Parental Leave Scheme Bill 2010  
Department of the Senate  
PO Box 6100  
Parliament House  
**Canberra ACT 2600**  
[community.affairs.sen@aph.gov.au](mailto:community.affairs.sen@aph.gov.au)

Please find attached our response (NIRA) to the proposal for Paid Parental leave provisions.

We are lodging late and note that we were given short notice to lodge a response on a very complicated matter.

We note that the Pharmacy Guild has also lodged a response and we acknowledge the detail of their response and support their comments on this issue, particularly around the potential for more red tape.

In the end we need to take a new and more achievable approach to this issue otherwise mistakes will be made and discrimination will continue to occur.

Yours sincerely

SENT ELECTRONICALLY  
16 May 2010  
Ref Unconcionable Conduct1001

Peter Strong  
CEO  
NIRA  
16 May 2010



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## **Response to the enquiry into Paid Parental Leave**

Submission from

**NATIONAL INDEPENDENT RETAILERS ASSOCIATION INC.  
(NIRA)**

**Contact: Peter Strong**

We would like to open our response by highlighting that NIRA supports the concept of a universal PPL program, paid for from general revenue. We do not support any process that involves small business and creates more red tape.

### **Issues that NIRA see as the major concerns**

Under the present proposal small business owners would be involved in the payment process. This is entirely unnecessary as the payments can be made direct to the eligible person, saving the owner of a small business the extra work associated with receiving and making a payment.

We understand that the main reason to involve the employer is so that the eligible person still feels they are part of the workforce and still connected to the business.

First of all it is worth noting that small business is different from big business and it is silly to have the same rules and process for small as for big. Big and medium businesses have paymasters who can manage the process. Small business owners are the paymaster, book keeper, accountant, sales manager, sales assistant, cleaner, IT expert and tax agent etc etc for his or her business.

So imposing extra red tape on that individual is asking for mistakes to be made, whereas making extra demands on a paymaster is neither here nor there as that is their job.

Also in a small business the employee is truly connected to the business and probably meets the business owner everyday, will probably make a notice in the shop about the birth

of a child (weight, gender etc) and has probably spent many months discussing the whole process with any number of customers. The employee will be very likely to bring the new child to the workplace to show off and receive congratulations. Customers will want to see a photo of the new child and will ask about health and welfare of the employee. They will discuss the naming of the child and often have a great time around the whole hopefully happy event. This will occur without the employer being involved in the payment system.

In a large business the CEO would probably not even know who was pregnant and who wasn't and the paymaster would only know due to an application for leave. The employee may bring the new child to the workplace but it would only be to the work team they were in and the connection to the employer will be formal but lacking in depth. The connection to a small business workplace will often have depth and meaning, without a payment system being forced upon the employer.

If we wish to make a manifest show of connection to the workplace while the employee is on leave, without imposing red tape on the business owner, then every time a payment is made the employee can receive a letter stating that the government has made a payment on behalf of the employer; and the employer can receive a letter stating that a payment has been made to the employee.

Otherwise please do not create a situation where mistakes will be made, where the Fairwork Australia Ombudsman has more rules to find fault with and where conflict maybe created between the employee and the employer that has not existed previously.

Finally when new red tape is created, such as this, it always creates further red tape as, when difficult situations are discovered that were never considered before or when one mistake is made or one instance of an employer keeping the money is unearthed, then new rules will come into place affecting every employer. Eventually employers will be forced to fill in some statistical forms (for the good of the nation). To ensure this does not occur the best way forward is to NOT increase red tape and make payments direct to the employee with some type of notification made to all parties concerned.

End