

# MEDIA RELEASE

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## **Business levy for parental support never a sound approach - resource industry**

*The resource industry employer group - AMMA (Australian Mines and Metals Association)*

AUSTRALIA'S resource industry welcomes the Prime Minister's re-think of his Paid Parental Leave (PPL) policy, but says any future 'Families Package' should not similarly penalise those employers who already lead the way in proactive, industry-driven parental support initiatives.

"The resource industry supports government and private sector efforts to improve support to working parents," says AMMA chief executive, Steve Knott.

"However, today's announcement by the Prime Minister lacked detail about whether the government intends to impose a levy on Australia's 3000 largest employers to fund its proposed 'Families Package'. If so, this is not a sound approach.

"Many employers in the resource industry lead the country in parental support practices, including company-sponsored childcare, return-to-work incentives, flexible employment arrangements and paid parental leave benefits that rival or outperform the Prime Minister's original proposal.

"We would not support any policy that would see these high performers forced to compensate for areas of our economy which have lagged behind."

Mr Knott says governments must resist the temptation to rely on new levies to address singular social or economic policy issues.

"Creating new levies to fund specific policy goals should not be encouraged," he says.

"This only adds to the aggregate tax burden of doing business in Australia, which is particularly problematic for the resource industry given current commodity prices and other competitive challenges.

"It also sends a concerning message about how our nation plans and manages our national revenues if the existing tax system is deemed not effective enough to progress new policies.

"Shifting the focus from a business-funded PPL scheme to childcare will prove a more effective approach for supporting working families. It's a sound policy that will benefit many Australians and should be paid for by government on behalf of the community."

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