



## AMMA MEDIA RELEASE

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### Employers welcome proposed parental leave overhaul

Amendments being introduced into the Senate today, which overcome unnecessary costs for business as a consequence of the introduction of the Federal Government's paid parental leave (PPL) scheme, have won support from resource industry employers.

Steve Knott, Chief Executive of resource industry employer group, AMMA, said employers welcomed the proposed move to ensure employers aren't further burdened with the responsibility of administering the PPL scheme, when the Government already has suitable arrangements in place.

"Today's introduction of the Private Members Bill to amend the PPL is a constructive initiative which will reduce the burden to employers without any detrimental impacts to employees," Mr Knott said.

"The proposed amendments being brought before the Senate in the *Paid Parental Leave (Reduction of Compliance Burden on Employers) Amendment Bill* is a welcome start in addressing the needs of employers as they meet the challenge of employees temporarily leaving the workforce for parental reasons.

"Surely, if the Government already has the capacity to make welfare payments, such as payments to the self employed and the baby bonus, then it must have the capacity to make payments to employees eligible to receive the PPL.

"Under the current design of the PPL scheme, employers will be forced to take on the administrative burden of handling and processing payments from the Government, and making payments to employees from July 1 2011."

Mr Knott said the current requirement for employers to administer what was basically a government benefit, could not be justified.

"Employers are currently being asked to absorb the extra administrative and financial burden of revising pay systems, receiving and reconciling Government instalments, and passing on payments," Mr Knott said.

"Whilst AMMA members support the move to improve Australia's PPL scheme, we must ensure both employers and employees are comfortable with the way in which it is rolled-out and administered."

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