



CANBERRA
BUSINESS COUNCIL

18 November 2008

Productivity Commission
GPO Box 1428
Canberra City ACT 2601

Submission to the Productivity Commission
Inquiry into Paid Maternity, Parental Leave
Canberra Business Council

Principal Members

ACTEW Corporation

ActewAGL

Bank West

Bega Cheese

Clayton Utz

CREBIVE

Ernst & Young

Hindmarsh

HolisTech Pty Ltd

HSA Group

KPMG

Master Builders Association (ACT)

Minter Ellison

National Australia Bank

National Museum of Australia

NEC Australia Pty Ltd

Oracle

Staging Connections (ACT)

The Village Building Company

Canberra Business Council (CBC) is the leading business organisation in the Australian Capital Territory and Capital Region. It is committed to economic development and sustainability of the ACT and Capital Region. Canberra Business Council, directly through its large individual membership and indirectly through more than 35 affiliated industry organisations known as Kindred Organisations, represents more than 5,000 businesses across the Capital Region which includes Canberra and the major regional centres of Queanbeyan, Goulburn, Yass, Cooma, Bega, Bateman's Bay and Braidwood. In 2007 the Council entered into an affiliation arrangement with the NSW Business Chamber which represents over 30,000 businesses in NSW and connects over 100,000 businesses across Australia through the State and Territory Chamber Network. Canberra Business Council is actively involved with the community and Government in influencing policy and developing programs that support the sustainable development of the ACT and the region.

Canberra Business Council supports Paid Parental Leave as it will encourage the retention of skilled staff and offer flexibility for parenting. Parental leave is becoming the standard in most developed countries in the world. Australia should be a leader in applying a balanced approach in the workplace.

However Canberra Business Council has concerns about the burden that acting as paymasters for the scheme will impose on business, especially small business, and the fact that business will be required to continue paying 9% superannuation for staff on up to 18 weeks parental leave.

While endorsing the broad thrust of the Productivity Commission's recommended Parental Leave scheme, Canberra Business Council has concerns about compliance and superannuation costs. Business is often subject to long waiting times for payments from government.

ABN 14 126 100 169

T 02 6247 4199

F 02 6257 4421

Canberra Business Council Limited
National Associations Centre,
Unit 4/71 Constitution Avenue
Campbell ACT 2612 Australia
PO Box 4255, Manuka ACT 2603 Australia

info@canberrabusinesscouncil.com.au
www.canberrabusinesscouncil.com.au

Affiliated



If the Government wants to transfer administration costs of the proposed scheme to businesses acting as paymasters then it must reimburse small business as it does for the collection of GST and ensure that reimbursement is received promptly and that compliance documentation is minimal otherwise it will simply add yet another layer of red tape.

Canberra Business Council would also encourage the development of retention strategies for employees on parental leave, such as stay in touch programs linking those on leave with the workplace through functions, staff meetings and staff newsletters.

In summary, Canberra Business Council

- Supports Paid Parental Leave as a policy which encourages the participation and retention of women in the workforce and the balancing of parental and work responsibilities.
- Supports the Productivity Commission's proposed 18 weeks Paid Parental Leave, paid at the minimum wage.
- Does not support the shifting of the additional administrative and cash flow burdens to small business by requiring business to pay parental leave and then claim it back from government.
- Does not support the imposition of an additional superannuation burden on business.

Regards

A handwritten signature in dark ink, appearing to read 'C. Faulks', with a long, sweeping horizontal flourish underneath.

Chris Faulks
CEO