Senate Community Affairs Committee ANSWERS TO ESTIMATES QUESTIONS ON NOTICE SOCIAL SERVICES PORTFOLIO

2015-16 Budget Estimates Hearings

Outcome Number: 2.2 Paid Parental Leave

Question No: SQ15-000736

Topic: Paid Parental Leave

Hansard page: CA15, 4 June 2015

Senator Reynolds, Linda asked:

How many PPL schemes are more generous than the government's PPL scheme? Do you have any figures on that?

Answer:

The generosity of employer-provided paid parental leave schemes can be measured by their leave duration or their monetary value, with the monetary value generally either full replacement wage or some portion of replacement of employees' salaries.

Records of awards and agreements can be examined on a publicly available database on the Fair Work Commission website. Given that there are 2,391 agreements listed with an operative date from 1 January 2015 to 29 June 2015, it would be a very large task to examine agreements individually to determine the generosity of employer-provided schemes. However, data from the Family and Work Cohort Study (FaWCS), conducted as part of the Paid Parental Leave (PPL) evaluation, can be used to examine employer-provided schemes available to mothers in this study.

FaWCS was a study of over 4,000 mothers who were eligible for PPL and had a baby in October or November 2011. Surveys were undertaken with the mothers when the babies were about seven months old and again when the babies were 13 months old. Some of the questions related to employer-provided paid parental available to these mothers. Since this sample of mothers is nationally representative of PPL eligible mothers, the results can be extrapolated to the PPL population as a whole.

Using this analysis, we are able to consider the proportion of PPL customers who have access to employer-provided schemes that provide paid parental leave for longer than 18 weeks, or that are worth more in monetary terms than government-funded PPL.

- It is estimated that around 2 per cent of existing PPL customers have access to employer schemes that provide paid leave of more than 18 weeks.
- It is estimated that around 20 per cent of existing PPL customers have access to employer schemes which based on their pre-birth salaries are worth more in monetary value than government-funded PPL.