



## Policy costing

Legislate for 10 days' paid family and domestic violence leave	
Party:	Australian Greens
<p>Summary of proposal:</p> <p>The National Employment Standards currently comprise 10 minimum employment entitlements that have to be provided to all employees. These 10 entitlements include things such as maximum weekly hours, annual leave, public holidays, and the provision of notice of termination and redundancy pay. The national minimum wage and the National Employment Standards make up the minimum entitlements for employees in Australia.</p> <p>An award, employment contract, enterprise agreement or other registered agreement cannot provide for conditions that are less than the national minimum wage or the National Employment Standards. That is, the National Employment Standards cannot be excluded.</p> <p>This proposal would add family and domestic violence leave to the National Employment Standards, which would extend the list of minimum entitlements to 11.</p> <p>Family and domestic violence leave would allow all employees to take up to 10 days' paid leave per year, with:</p> <ul style="list-style-type: none"><li>• employees other than casual employees paid at the base rate of pay</li><li>• casual employees paid at the base rate plus any casual loading for the hours of work in the period for which the employee was rostered.</li></ul> <p>The proposal would have effect from 1 July 2019.</p>	

## Costing overview

This proposal would be expected to decrease the fiscal and underlying cash balances by \$26.0 million over the 2019-20 Budget forward estimates period. This impact entirely reflects an increase in departmental expenses.

The proposal would be expected to have an ongoing impact beyond the 2019-20 Budget forward estimates period.

The financial implications of this proposal are sensitive to the assumptions about leave uptake, the incidence of family and domestic violence where the people affected are Commonwealth employees, and the extent to which salaries and employment types (full- or part-time, casual employment) in all agencies with Commonwealth employees are similar to those covered by the *Public Service Act 1999*.

**Table 1: Financial implications (\$m)<sup>(a)(b)</sup>**

	2019–20	2020–21	2021–22	2022–23	<b>Total to 2022–23</b>
Fiscal balance	-3.6	-7.3	-7.5	-7.6	<b>-26.0</b>
Underlying cash balance	-3.6	-7.3	-7.5	-7.6	<b>-26.0</b>

(a) A positive number represents an increase in the relevant budget balance; a negative number represents a decrease.

(b) Figures may not sum to totals due to rounding.

## Key assumptions

The Parliamentary Budget Office has made the following assumptions in costing this proposal.

- The provision of paid family violence leave by private companies and state and territory governments would not have a significant financial impact on the Commonwealth budget.
- The prevalence of Commonwealth employees affected by family and domestic violence is reflective of the prevalence at the national level.
- The average daily cost of family and domestic violence leave for Commonwealth employees is equivalent to the daily salary cost of the median APS staff member (an APS Level 5).
- The uptake of paid family violence leave would directly increase the total amount of leave taken by affected staff.
  - In 2019-20, half of the 10 days of family and domestic violence leave available to affected staff would be utilised. Utilisation of family and domestic violence leave increases over the course of the first year of the proposal.
  - Beyond 2019-20, affected staff would fully utilise the 10 days of family and domestic violence leave provided under this proposal.

## Methodology

The additional agency expenses associated with providing family and domestic violence leave to affected individuals was estimated by multiplying the number of leave days (10) by the estimated average daily cost of family and domestic violence leave.

## Data sources

Australian Bureau of Statistics, *Recorded Crime – Victims, Australia, 2017*, ABS Cat. No. 4510.0, June 2018, Canberra, Australia.

Australian Bureau of Statistics, *Australian Demographic Statistics, September 2018*, ABS Cat. No. 3101.0, March 2019, Canberra, Australia.

Australian Government, *2019-20 Budget, Agency Resourcing – Budget Paper No. 4*, April 2019, Canberra, Australia.

Australian Public Service Commission. *Australian Public Service State of the Service Report 2017-18*, November 2018, Canberra.