

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates 26 May-6 June 2014

Prime Minister and Cabinet Portfolio

Department/Agency: Department of the Prime Minister and Cabinet

Outcome/Program: 1.1 Prime Minister and Cabinet

Topic: Paid parental leave scheme

Senator: Senator the Hon Penny Wong

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Question:

With reference to evidence by Treasury to the Economics Committee on 5 June 2014 that PM&C is leading work on the Prime Minister's paid parental leave scheme through a COAG process:

Can the responsibilities of PM&C, Treasury and Social Services in relation to the COAG process, corporate tax changes, a PPL levy, and the design and delivery of the PPL scheme be outlined?

Do any other Commonwealth agencies have responsibilities in relation to the PPL scheme?

Why is PM&C leading work on the PPL scheme?

On what date did PM&C commence work related to the PPL scheme?

Can the COAG process be outlined? When did it commence?

At what meetings of COAG or its councils has the PPL scheme been discussed?

Have issues related to the inclusion of state sector public service employees been resolved?

Has a working group been established within PM&C in relation to the PPL scheme? If so, when and which agencies are represented?

How many times have officials from state and federal departments met to discuss the PPL scheme? On what dates?

How is PM&C consulting with community and business organisations on the PPL scheme?

Answer:

The Department of the Prime Minister and Cabinet (PM&C) co-chairs, jointly with the Department of Social Services (DSS), an interdepartmental committee (IDC) to

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provide strategic direction and coordination to the develop and implement the Government's new Paid Parental Leave (PPL) scheme. PM&C manages the Council of Australian Governments (COAG) process, in consultation with the states and territories (States), and supports the Prime Minister as Chair of the COAG. Treasury is the lead agency for delivering the PPL levy and the reduction in the company tax. DSS administers the *Paid Parental Leave Act 2010* and is responsible for the developing policy, design, legislation, implementation and costing of policy changes of the scheme.

The Department of Human Services (DHS) has responsibility for the delivery of the PPL scheme.

PM&C leads the work on the PPL scheme as it is a whole-of-government priority. The scheme is also a national priority requiring COAG consideration. PM&C leads on COAG work.

PM&C commenced significant work on PPL after the election.

As PPL is a Commonwealth policy, PM&C prepares COAG agenda papers taking account of work led by DSS and Treasury. These papers are considered by COAG senior officials ahead of COAG consideration. Views of States can be incorporated in papers as appropriate. The first Senior Officials Meeting (SOM) which considered PPL was held on 11 October 2013.

PPL was discussed at the COAG meetings on 13 December 2013 and 2 May 2014. It has not been discussed at any COAG councils.

On 13 December 2013 COAG agreed that State public sector employees will be covered by the new scheme making it a national scheme. Details on how this will be implemented are still being worked through.

A working group within PM&C has not been established.

PPL has been discussed at seven COAG SOMs: 11 October 2013; 22 November 2013; 6 December 2013; 7 March 2014; 28 March 2014; 17 April 2014; and 26 June 2014. In addition, DSS has conducted Australia-wide targeted consultations with key stakeholders including State departments. Heads of Treasuries (HoTs) had carriage of

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the work on a national funding model for the PPL scheme. Treasuries' Working Group held four teleconferences on 10 December 2013; 20 December 2013; 21 January 2014; and 18 February 2014. A joint Deputy SOM/Deputy HoTs telepresence was held on 11 February 2014. PPL was an agenda item at the Deputy HoTs meetings on 28 January and 14 February 2014.

PM&C is not consulting with community and business organisations on the PPL scheme. DSS is responsible for community and business consultations on the PPL scheme.