



Australian Government
Department of Social Services



Paid Parental Leave Australia

16 May 2018

Paid Parental Leave Act 2010

Division 1A – Objects of this Act

3A (1B) The objects of the paid parental leave scheme are to:

(a) signal that taking time out of the paid workforce to care for a child is part of the usual course of life and work for both parents; and

(b) promote equality between men and women and balance between work and family life.

“There is compelling evidence of child and maternal health and welfare benefits from a period of absence from work for the primary caregiver of around six months and a reasonable prospect that longer periods (nine to twelve months) are beneficial.”

Productivity Commission Inquiry Report, Paid Parental Leave: Support for Parents with Newborn Children, February 2009



Features of PPL scheme – Parental Leave Pay

- Fully government funded, 18 weeks at NMW, one continuous period, taken in first 12 months, paid through employer for long-term employees
- Generally, the birth mother must first be eligible, and if her partner is eligible she may transfer some or all to her partner

Parents must:

- Be the primary carer of newborn or recently adopted child
- Have worked for 10 of 13 months
- Have worked \geq 330 hours with no more than an 8 week gap
- Have income of \$150,000 or less
- Have not worked from the time they become the primary carer
- Meet residency requirements



Dad and Partner Pay

- Paid at the national minimum wage for up to 2 weeks
- One continuous period
- Paid directly by Centrelink
- Taken any time in the first 12 months
- Meet work test, income test, residency
- Be on unpaid leave or not working during DAPP period



Key data – 2016/17

311,000 births to around 306,700 mothers

170,925 parents started receiving Parental Leave Pay
(53 per cent of all mothers)

- 96.7 per cent of families took full 18 weeks
- 738 transferred part or all of PLP
- 68.5 per cent paid through employers

83,600 fathers or partners received Dad and Partner Pay

- 96.4 per cent of dads and other partners took full 2 weeks



PLP and DAPP by individual income

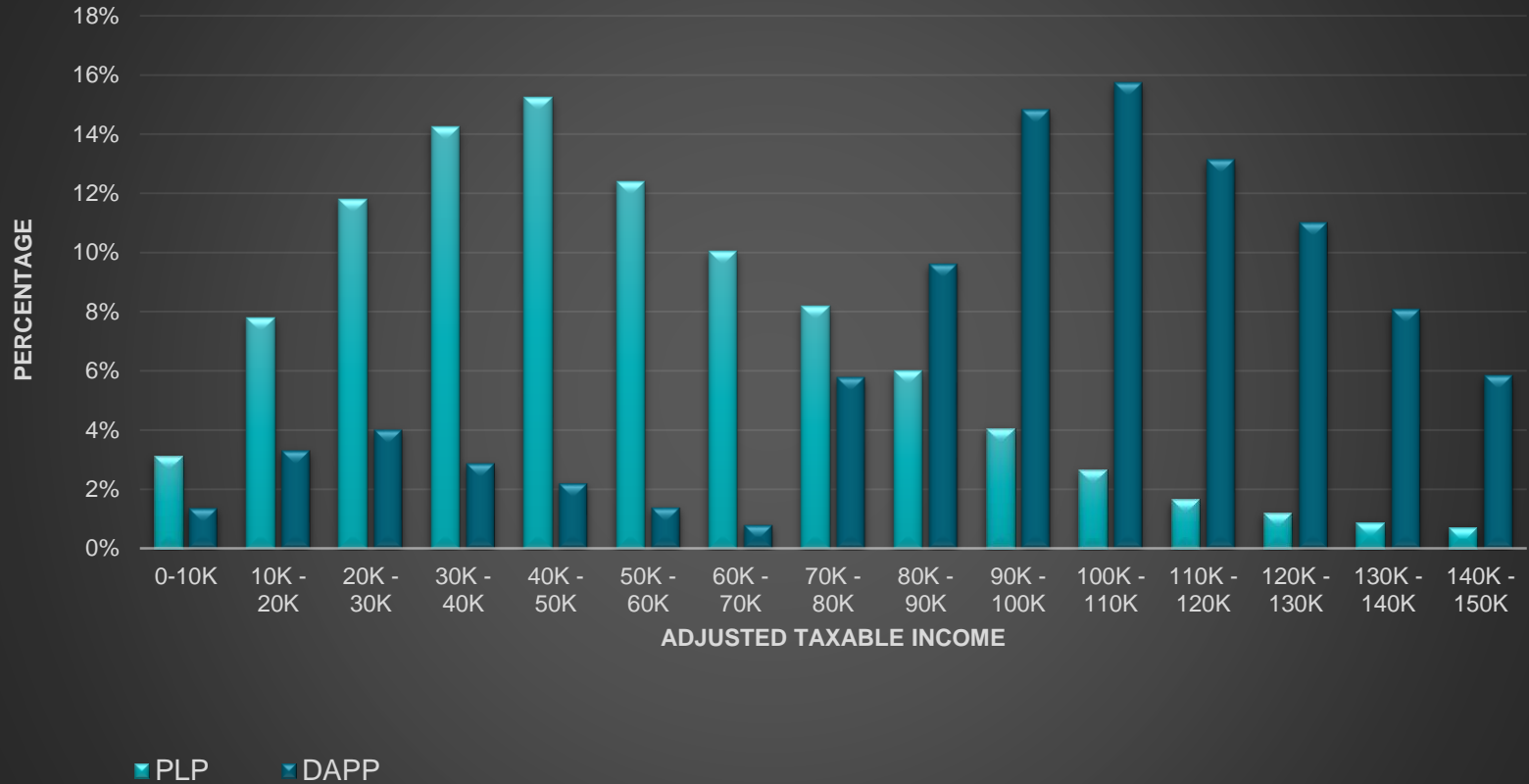
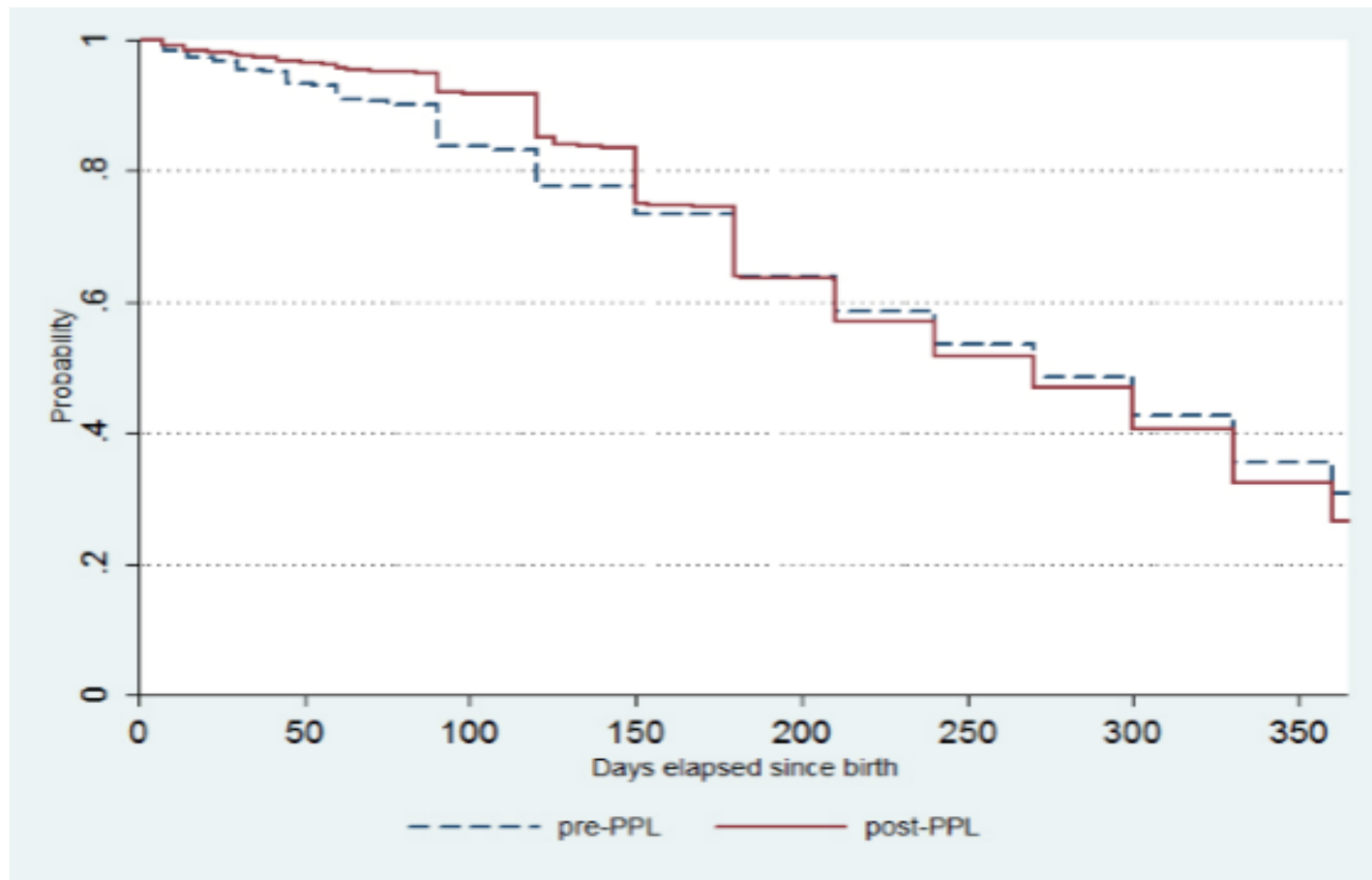


Figure 2.1 Survivor function of being away from paid work before and after introduction of PPL - Kaplan Meier estimate (after matching)



Source: Baseline Mothers Survey (BaMS) and Family and Work Cohort Study (FaWCS) wave 1 and wave 2.

Possible policy shifts

- Increase DAPP – number of weeks; rate of payment
- Additional weeks for parents who share
- Greater flexibility in usage
- Encourage top up by employers
- Focus on language – primary, secondary carer
- Use champions to promote



Thank you

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