

January 2011

As we launch into 2011, paid parental leave is a popular topic of conversation around the office water cooler. From 1 January 2011, Australia's first national paid parental leave scheme will start. But what does this mean for employers?

There are a number of issues that employers need to ensure they have covered including a review of payroll systems and employment contracts and policies.

This Alert provides further information about what you need to do – but remember, if you need assistance with respect to paid parental leave arrangements or review of policies, please contact our Employment Law Team on 02 9635 6422.

## Paid parental leave – are you prepared?

The paid parental leave scheme came into effect on 1 January 2011, with employer participation compulsory from 1 July 2011 but voluntary before that date.

Payments under the paid parental leave scheme are made by the Commonwealth Government, but administered through the employer, which has information-providing and record-keeping obligations, and an obligation to pay the employee provided that the Commonwealth Government has paid the employer the relevant leave payments.

These arrangements sit alongside any existing paid parental leave arrangements under the contracts or policies of individual employers.

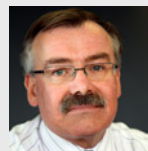
Employers need to:

- decide whether they wish to register voluntarily in the period up to 30 June 2011, so as to be ready to deal with PPL for any employee who claims it in this period,
- ensure that payroll staff are aware of and ready to implement the necessary steps to accommodate PPL, and
- review parental leave policies to include reference to PPL arrangements so that the information in policies is complete and up to date.

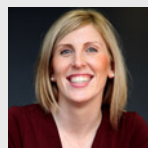
In the period 1 January to 30 June 2011, if an employee applies for PPL, the Family Assistance Office will contact the employer to see whether the employer will agree to be the conduit for payments or not. If not, the FAO will pay the employee directly.

To register to participate in the PPL scheme, employers can contact Centrelink Business Online Services at [www.centrelink.gov.au/internet/internet.nsf/businesses/index.htm](http://www.centrelink.gov.au/internet/internet.nsf/businesses/index.htm) or by calling the Centrelink Business Hotline on 13 11 58 between 8:30 am and 7 pm EST.

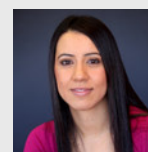
If you need assistance with respect to paid parental leave arrangements or review of policies, please contact Stephen Booth, Anna Ford, or Enza Iannella.



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