

House of Representatives
Supplementary Order Paper

Wednesday, 5 November 2014

Parental Leave and Employment Protection (Six Months' Paid Leave) Amendment Bill

Proposed amendments

Jan Logie, in Committee, to move the following amendments:

Clause 4

In *clause 4*, after “26 weeks ” (page 2, line 3), insert “and introduce the parental tax credit for those parents not eligible for paid parental leave”.

New clause 6

After *clause 5* (page 2, after line 14), insert:

6 Parental tax credit

Despite section MD 11(1) of the Income Tax Act 2007, a person is entitled to a parental tax credit for the parental entitlement period, as defined by the Income Tax Act 2007, if—

- (a) the person qualifies under section MC 2 of the Income Tax Act 2007 in relation to a dependent child; and
- (b) neither the person nor their spouse, civil union partner, or de facto partner receives a parental leave payment under Part 7A of the principal Act at any time for the child.

Explanatory note

Babies whose parents are on the lowest incomes arguably have the most to gain from financial help in a baby’s early months. Monetary support so parents can spend time bonding with and breast feeding their baby, and for help paying for nappies, parenting classes, baby clothes and other essentials could help improve long term outcomes and relieve the pressure on families at a crucial time in the life of a baby. The evidence cited in the rationale for this Bill makes it clear that

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financial support in the first year of a newborn's life is good for children in the short and the long term. It makes good evidential sense and is fair to provide this support to all newborns. This Supplementary Order Paper does so by removing the exclusion from eligibility for the parental tax credit of parents who receive an income tested benefit, a social assistance payment, or who have a suspended entitlement to an income-tested benefit.
