

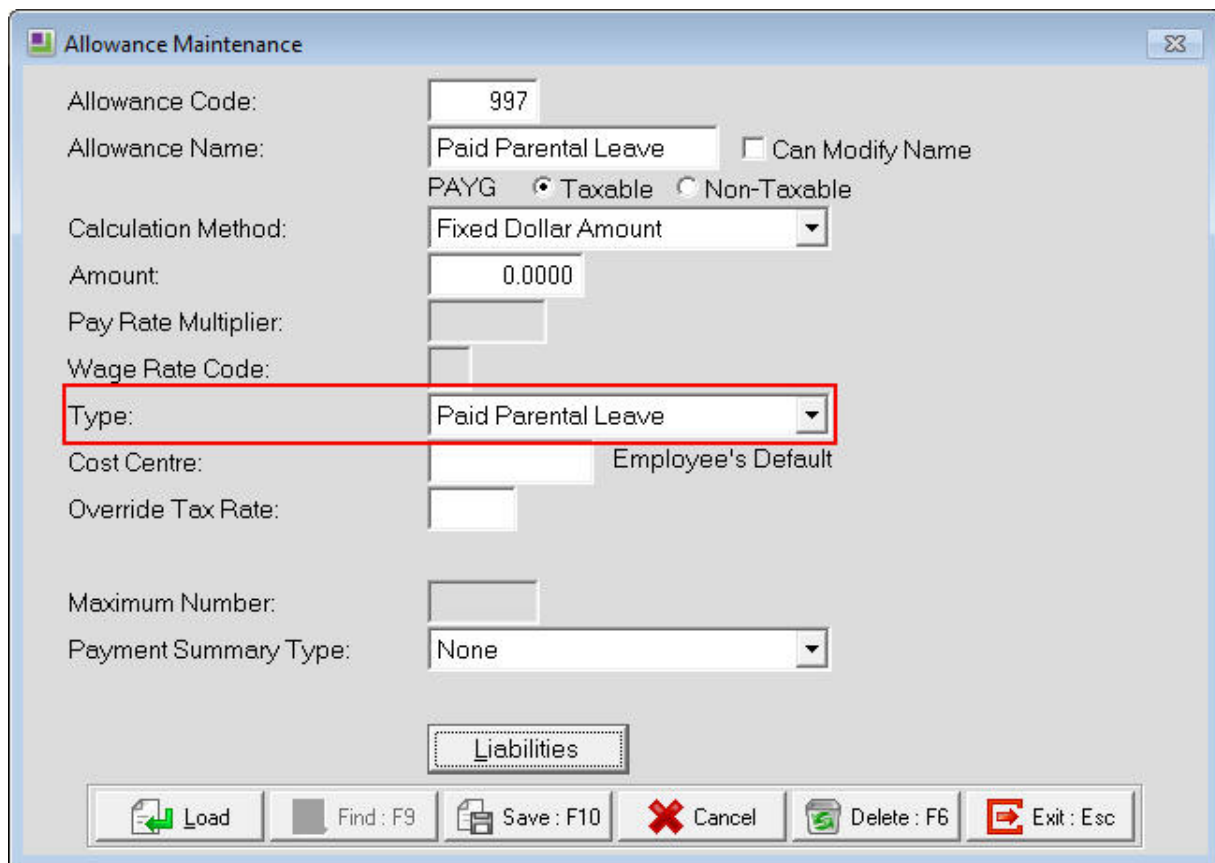
How to Set up an Employee for the Paid Parental Leave Scheme

Overview

Australia's first national Paid Parental Leave scheme commenced on 1 January 2011. It provides eligible working parents with 18 weeks of Parental Leave Pay at the National Minimum Wage, currently \$570 a week before tax. Parental Leave Pay is fully funded by the Australian Government.

Introduction

Paid Parental Leave is added to employees' pay as an Allowance. A new "Paid Parental Leave" allowance type has been added in MYOB EXO Payroll version 2011.02. A default Allowance using this type is available.



The screenshot shows the 'Allowance Maintenance' dialog box. The 'Type' dropdown menu is set to 'Paid Parental Leave' and is highlighted with a red rectangular box. Other fields include 'Allowance Code' (997), 'Allowance Name' (Paid Parental Leave), 'Calculation Method' (Fixed Dollar Amount), 'Amount' (0.0000), 'Wage Rate Code' (empty), 'Cost Centre' (Employee's Default), 'Override Tax Rate' (empty), 'Maximum Number' (empty), and 'Payment Summary Type' (None). A 'Liabilities' button is located below the main fields. At the bottom, there is a toolbar with icons for 'Load', 'Find : F9', 'Save : F10', 'Cancel', 'Delete : F6', and 'Exit : Esc'.

If an Allowance has already been setup for paid parental leave from before the system was upgraded to version 2011.02, continue to use that Allowance and change the type of the Allowance to Paid Parental Leave.

Note: Paid Parental Leave is not liable for any kind of leave accrual. All options on the Payment Liabilities window for this Allowance should be unpicked.

Setting employee's up for Paid Parental Leave

- Add a Paid Parental Leave Allowance type of the correct amount to the employee's Standard Pay.
- Check that the Standard Pay has no other Wage/Salary amounts, Allowances or Deductions.
- Check that the hours paid on the bottom left of the Standard Pay screen is 0. Setting the hours paid to 0 means that no leave will accrue while the employee is on Paid Parental Leave.

Note: Employee Notes can be created to help with setting up the employee's Standard Pay when they are due back. These notes can include what was on the employee's Standard Pay before the changes, such as what allowances and deductions they had.

Paid Parental Leave is administered by the Centrelink Government Agency. More information on the Paid Parental Leave scheme can be found on the Centrelink website: www.centrelink.gov.au