Good news for families with babies due or born after 1 April 2016

New Zealand workplaces are dynamic and evolving, with more women in paid employment and parenting arrangements becoming more diverse.

Legislation that comes into effect from 1 April 2016 provides working families with more support and greater choice in the way they manage caring for their new children and staying connected with their workplace.

If your child is expected to be born, is born, or you assume primary care of a child under six years of age on or after 1 April 2016, you may be entitled to 18 weeks of parental leave payments.

› The changes extend parental leave payments to benefit people with non-standard working arrangements – such as casual, seasonal, temporary and fixed-term employees, and workers with more than one employer

› Parental leave and parental leave payments of 18 weeks will also be available to primary carers who are not biological or adoptive parents. For example a grandparent who intends to raise the grandchild in place of the parents

› Parental Leave is changing to reflect modern working arrangements and allow people to go back to work keeping in touch hours for occasional activities without losing their entitlements, and to be able to take the unpaid leave flexibly, by agreement with their employer.

Parental leave benefits families; children, employers and workplaces and helps employers attract and retain skilled workers. Knowing they have an employer who understands and will fulfil their obligations can really help an employee who is responsible for giving a child the best possible start in life.

Being family friendly makes good business sense and contributes to growing New Zealand for all.

It all adds up to a productive & fair workplace.
More parental leave, with more flexibility for more people

From 1 April 2016

18 weeks’ parental leave payments

18 weeks of parental leave payments will also be available to primary carers, other than biological or adoptive parents, who take permanent primary responsibility for the care, development, and upbringing of a child who is under the age of 6 years. For example a grandparent who will be raising the grandchild in place of the parents.

Parental leave payment is extended to include workers who have worked for any employer for any 26 of the 52 weeks prior to becoming the primary carer to a child, and therefore includes:

- Casual and seasonal workers
- People with more than one employer
- A person who has recently changed jobs

‘Keeping in touch’ hours mean employees and employers have the choice to arrange for employees to be paid to come into work for up to 40 hours during their 18 week paid leave period.

These hours can only start after the baby is four weeks old and the arrangement requires both the employee and employer’s agreement.

The idea is that your employee can stay in touch and keep up with training and skills development – which should help ease their return to work when the time comes.

- Up to 52 weeks of extended leave (including the paid 18 weeks) for employees who have been working for the same employer for at least an average of 10 hours a week in the 12 months immediately before the arrival of the child

- Employees who aren’t eligible for parental leave (because they haven’t worked for an average of at least 10 hours a week for at least 6 months for the same employer) are now eligible for parental leave payments (ie they have been employed at least 10 hours a week for any 26 weeks of the 52 weeks just before the child’s arrival). If they have just started a job and wish to return after the paid leave period, they can apply for negotiated carer leave so they can receive up to the 18 weeks parental leave payments.

Employees can agree how they manage their unpaid leave entitlement with their employer and take this leave in stages – up until the child is one year old or one year after assuming primary care.

Parents of preterm babies will receive additional weekly payments – up to a maximum of 13 weeks – for each week the baby was born prior to the 37 week gestation period.

The birth mother is entitled to an additional 3 hours of ‘keeping in touch’ work on top of the 40 hours for each full week the baby is born preterm. Birth mothers can work those ‘keeping in touch’ hours at any point during the preterm payment period or the parental leave payment period – the four week exclusion from when the baby is born doesn’t apply if the baby is preterm.

Parental tax credit of $220 per week for 10 weeks (ie unchanged) Penalty of $15,000 for abusing the system.