New Zealand¹

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For comparisons with other countries in this review on leave provision and early childhood education and care services, please see the <u>cross-</u> <u>country tables</u> at the front of the review (also available individually on the Leave Network website). To contact authors of country notes, see the <u>members page</u> on the Leave Network website.

1. Current leave and other employment-related policies to support parents

Note on terminology: In the New Zealand country note, 'Parental leave' is used as a generic term to cover 'primary carer,' 'partner' and 'extended' leaves, as well as related payments for new parents and eligible carers.

a. Primary carer leave (paid Parental leave, previously termed 'Maternity leave': see 'note on terminology') (responsibility of the Ministry for Business, Innovation and Employment, with the Inland Revenue as delivery agent for payment)

Length of leave (before and after birth)

• 22 weeks. A primary carer can start to take leave from six weeks before the expected date of delivery.

Payment and funding

• 100 per cent of earnings, up to a limit of NZD\$564.38 [€326.76]² per week before tax. Payment is indexed annually by any

¹ Please cite as: Morrissey, S. (2019) 'New Zealand country note,' in Koslowski, A., Blum, S., Dobrotić, I., Macht, A., and Moss, P. (eds.) *International Review of Leave Policies and Research 2019*. Available at: http://www.leavenetwork.org/lp_and_r_reports/

² Conversion of currency undertaken for 24 June 2019 using: https://www1.oanda.com/currency/converter/.

percentage movement upwards in average ordinary time weekly earnings.

- Self-employed parents who make a loss or earn less than the equivalent of ten hours' pay at the highest rate of the minimum wage, receive a minimum rate of NZD\$165.00 [€95.53] before tax per week. Payment is indexed annually as of 1 July for each year, according to upward movements in average weekly earnings.
- Funded from general taxation.
- No pension credits are accrued during the leave period.

Flexibility in use

- Primary carer leave can start earlier if it is necessary for the health of the mother or baby, or where a mother cannot continue to perform her job safely or adequately. Where a mother is directed by her doctor or employer to start primary carer leave early, she has the right to take eight weeks' leave after the expected date of birth, with the overall leave period extended accordingly.
- An employer and mother can agree for primary carer leave to start at any other time before the baby is due. Usually, leave commences six weeks before the due date and a mother is entitled to at least eight weeks' leave after birth, where her doctor or employer direct her to take leave before this period. The leave may be extended accordingly, but the payment is only extended where the child is pre-term. This means that a mother may have longer primary carer leave, e.g. 20 weeks, but will only receive 18 weeks' payment (unless pre-term payment applies). Any additional leave is extracted from the total period of extended leave.
- The primary carer is the birth mother who is pregnant or has given birth; her eligible partner/spouse to whom she may transfer any or all of the payment for leave (including *de facto* and same-sex partners); or a person other than the biological mother or her spouse/partner, who takes permanent primary responsibility for the care, development, and upbringing of a child who is under six years of age.
- An employee is able to perform up to 40 hours of paid work, during their Parental leave payment period, if that work is performed on 'keeping in touch' days. These are agreed between employer and employee, and are able to be used from 28 days after the date on which the child is born.
- Where an employee is not entitled to primary carer's leave, but is entitled to Parental leave (primary carer) payments (e.g. they may have multiple employers, work casually, or on a seasonal basis), they may request a period of 'negotiated carer leave.'

Eligibility (e.g. related to employment or family circumstances)

- The person who is the child's primary carer and who has worked for the same employer for at least an average of ten hours a week (in the six or 12 months immediately before the expected date of delivery), is eligible for primary carer leave. The mother determines who is the 'primary carer,' as she is allocated the leave and signs the documents to transfer it; the 'primary carer' can be someone who is not a biological parent to the child (i.e. same-sex partner or relative).
- An employee meets the eligibility for Parental leave payment if they have been employed for at least an average of ten hours a week for any 26 of the 52 weeks preceding the expected date of delivery.
- Self-employed people similarly meet the eligibility for Parental leave payments where they have been self-employed for at least ten hours a week for any 26 of the 52 weeks preceding the expected date of delivery.
- Any eligible primary carer is entitled to these provisions, irrespective of whether their partner/spouse is eligible for any entitlements.

Variation in leave due to child or family reasons (e.g. multiple or premature births; poor health or disability of child or mother; single parent); or delegation of leave to person other than the mother

- A person eligible for Parental leave payments is also entitled to an additional payment the pre-term baby payment of up to 13 weeks where their child is born alive before the end of the 36th week of gestation (depending on the number of weeks that it is born prior to the 36th week).
- An employee who receives a pre-term baby payment may also work up to a total of three hours multiplied by the number of weeks in the payment period, in addition to the 'keeping in touch' days available during the Parental leave payment period.
- Where an eligible mother has a child who is subsequently adopted, both the adoptive parent/s and the birth mother may access the leave and payment.
- In certain circumstances (e.g. death of the mother), the spouse/partner may receive the payment.
- Special (unpaid) leave of up to ten days can be taken by a mother before primary carer's leave, for reasons connected with the pregnancy (e.g. for ante-natal checks).

b. Partner's leave (previously termed Paternity/Partner leave: see `note on terminology') (responsibility of the Ministry for Business, Innovation and Employment)

Length of leave

• 1 or two weeks (five or ten working days) depending on eligibility.

Payment and funding

• No direct payment, although an eligible spouse/partner can transfer their entitlement of the statutory payment.

Flexibility in use

- Leave can be taken at any time in the period between 21 days before the expected date of delivery and 21 days after the actual date of birth.
- If agreed between an employee and employer, leave can start at any other time.

Eligibility

- Employees may take partner's leave if they are the spouse or partner of the primary carer of a child, and they have worked for the same employer continuously for at least an average of ten hours a week in the six or 12 months immediately before the expected date of delivery. If they have met the hours test, in the six months immediately before the baby's expected due date, they are eligible for one week of leave. A spouse/partner who meets the hours requirement, and has worked for the same employer for 12 or more months continuously, is entitled to two weeks' leave.
- Self-employed workers, who have been self-employed for a minimum of ten hours per week, in the six or 12 months immediately before the expected date of delivery, are eligible.
- Same-sex parents are eligible.

c. Extended leave (responsibility of the Ministry of Business, Innovation and Employment)

Length of leave

• Up to 52 weeks' leave may be taken in the 12 months after birth, including any primary carer leave (previously referred to as Maternity leave). Partner leave (previously referred to as Paternity/partner leave) is additional. Extended leave is a family entitlement.

Payment and funding

• None. There are also no pension credits.

Flexibility in use

- Leave may be shared by both the eligible primary carer and their eligible partner/spouse. They can take their leave at the same time or consecutively.
- Extended leave may be taken as one or more periods of leave and can be started following primary carer leave, partner's leave, or after a period of return to work. However, the right to the leave ends when the child is six months or one year of age, (or six months or one year after the employee becomes the primary carer of a child), depending on the length of leave applicable.

Eligibility (e.g. related to employment or family circumstances)

- Extended leave of 26 weeks is available to employees who have worked for the same employer for an average of at least ten hours per week, in the six months immediately before the baby's expected due date, or the date a parent assumes the care of a child under six years of age that they intend to adopt.
- Extended leave of 52 weeks is available to those employees who have worked for the same employer for 12 months. Where one partner is only eligible for 26 weeks, they are not able to use more than that length of the extended leave entitlement, but when combined with a partner eligible for 52 weeks, the longer leave period is available to that partner.
- Self-employed workers are eligible.
- Same-sex parents are eligible.

Variation in extended leave due to child or family reasons (e.g. multiple or premature births; poor health or disability of child or mother; single parent); or delegation of leave to person other than the parents

• None.

Additional note (e.g. if leave payments are often supplemented by collective agreements; employer exclusions or rights to postpone)

• Some collective agreements allow parents to access additional provisions, usually payments and longer leave periods – these are most commonly found in the public sector. These agreements are in addition to, and cannot override, statutory provisions overall.

d. Childcare leave or career breaks

No statutory entitlement.

e. Other employment-related measures

Adoption leave and pay

- Spouses/partners intending to adopt have the same leave entitlement as other parents. Eligible spouses/partners who are jointly adopting a child under the age of six years can nominate which parent will receive the payment.
- Note that Parental leave, including payments, are also available to eligible permanent primary carers other than the biological parents and formal adoptive parents.

Time off for the care of dependants

 After the first six months of continuous employment, an employee may take up to five days of sick leave per year, at 100 per cent of earnings from their employer, with no payment limit. This leave can be used in the case of the illness of the employee/spouse/partner/dependant.

Flexible working: the right to request and the duty to consider

 All employees have the statutory right to request a variation to their hours of work, days of work, or place of work. A request can be made at any time, for any purpose or reason, and there are no limits on how many requests can be made in any period. Furthermore, there is no requirement for an employee to tell an employer the reason for the request. Employers have a duty to consider a request, and are able to refuse a request on one or more of the recognised business grounds, or if it conflicts with a collective employment agreement. An employee can make a formal complaint only where they consider an employer has made a wrong decision about their eligibility to apply for flexibility, or where the employer has not complied with the statutory, described process for considering a request.

Specific provision for (breast)feeding

• Employees are entitled to breaks to breastfeed but there is no requirement that these breaks should be paid.³

2. Relationship between leave policy and early childhood education and care policy

³ Section 69Y from the Employment Relations Act 2000. Available at: http://www.legislation.govt.nz/act/public/2000/0024/latest/DLM1940663.htm l.

The maximum period of post-natal leave available in New Zealand is 12 months, but some of this is unpaid. Leave is paid at an earnings-related rate for only 22 weeks. There is an entitlement to ECEC from three years of age, though only for part-time nursery education (for a maximum of six hours' attendance per day and 20 hours per week). So, there is a two-year gap between the end of leave and an ECEC entitlement, and a gap of over two and a half years between the end of paid leave and an ECEC entitlement (reducing to two and a half years from 1 July 2020, when paid Parental leave is increased to 26 weeks). Levels of attendance at formal services for children both under and over three years of age are above the average for both the countries included in this review and for OECD countries. For actual attendance levels, see 'relationship between leave and ECEC entitlements' on cross-country comparisons page.

3. Changes in policy since April 2018

The period of primary carer or paid Parental leave was increased from 18 weeks to 22 weeks on 1 July 2018. A further increase to 26 weeks will occur from 1 July 2020.

The Best Start tax credit (BSTC) was introduced from 1 July 2018. It is a new component of the Working for Families tax credits (WfFTC) that is designed to help families with the costs in a child's first three years of life. It replaces the previous Parental tax credit (PTC), which paid up to NZD\$220 [\in 127.38] per week for the first ten weeks after birth (70 days), and, like the PTC, it cannot be received at the same time as paid Parental leave.

BSTC provides up to NZD\$60 [€34.73] per week (NZD\$3,120 [€1,806.41] per year) and it may be received when the PPL period has ended, or from birth if there is no eligibility for paid Parental leave. In the child's second and third year (but not the first year), BSTC is meanstested, and the amount reduces by 21 cents for every dollar the family income goes over the threshold of NZD\$79,000 [€45,739.20]. If the family income is under NZD\$79,000 [€45,739.20], the amount remains to NZD\$60 [€34.73] per week (NZD\$3,120 [€1,806.41] per year).

4. Uptake of leave

Parents and employers were surveyed in 2005/2006 about their experiences of using leave around the birth/adoption of a child.⁴ Overall, two-thirds of all women in paid work took a period of leave around the birth/adoption of a child. For more information on these data, please see

⁴ Department of Labour (2007) *Parental Leave in New Zealand; 2005/2006 evaluation*. Wellington; Department of Labour.

previous editions of the Leave Review. The government does not currently routinely collect data regarding uptake of leave.

A survey of public sector employees regarding uptake of leave by partners was conducted in 2017.

a. Maternity leave/primary carer's leave

No data.

b. Paternity leave/partner's leave

No data.

c. Parental leave/extended leave

No data.