New Zealand⁴⁴¹

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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-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, replaced '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)

- Twenty-six weeks: an employee can start their Primary carer leave up to 6
 weeks before the expected date of delivery or the date on which the
 employee will become the primary carer of the child. Primary carer leave
 must be taken in one continuous period but there is no requirement to start
 the leave before the birth.
- It is not obligatory to take leave.
- In addition to the Primary carer leave, pregnant women can also take up to 10 days unpaid special leave for pregnancy-related reasons such as antenatal classes, scans or midwife appointments.

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Payment and funding

- One hundred per cent of earnings, up to an upper limit of NZD\$712.17 [€397.77]⁴⁴² per week before tax; this is referred to as 'Parental leave payments', even though paid for 'Primary carer leave'. The maximum payment is lower than the minimum wage, and is indexed annually by any 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\$227 [€126.79] before tax per week. Payment is indexed annually by any percentage movement upwards in average ordinary time weekly earnings.
- No pension credits are accrued during the leave period.
- Payments are made to the parent by the Inland Revenue Department.
- Payments are taxed.
- Funded from general taxation.

Flexibility in use

- Usually, Primary carer leave commences 6 weeks before the due date for the
 woman who gives birth and who will take care of the child. If another person
 takes care of the child, Primary carer leave starts on the date that the
 employee becomes the primary carer in respect of the child. However, an
 employer and an employee can agree for Primary carer leave to start at any
 other time before the baby is due.
- In addition, 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 her employer to start Primary carer leave early, she retains the right to take 20 weeks' leave after the expected date of birth, with the overall leave period being extended accordingly (i.e., in such cases, more than 26 weeks of Primary carer leave can be taken).
- While the leave may be extended, the payment is only extended where the child is pre-term. This means that a mother may have access to longer Primary carer leave, e.g., 28 weeks, but will only receive 26 weeks' payment (unless pre-term payment applies). Any additional leave is deducted from the total period of Extended leave.
- The 'primary carer' is the birth mother who is pregnant or has given birth, but she may transfer any or all of the leave period and payment to her partner/spouse (including de facto and same-sex partners), or to another person who takes permanent primary responsibility for the care, development, and upbringing of a child who is under 6 years of age; in that case, Parental leave payments are available to eligible permanent primary carers other than the biological parents and formal adoptive parents.

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Conversion of currency undertaken for 16 July 2024, using: https://data.ecb.europa.eu/currency-converter.

- An employee is able to perform up to 64 hours of paid work, during the period they receive benefit payment, 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 does not qualify for 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.' For example, a full-time permanent employee who has changed jobs in the last 5 months does not meet the criteria to take Primary carer's leave as the criteria requires continuous employment for the same employer for 6 months. However, that employee meets the criteria for 'Parental leave payment' which do not require work to be with the same employer, but will only be able to obtain this payment if s/he can take Negotiated carer leave (and is the primary carer).

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

- Eligibility criteria for Primary carer leave are distinct from eligibility criteria for the payment made for the Primary carer leave (entitled 'Parental leave payment').
- 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 (There are different Extended leave entitlements available to parents depending on whether they are an employee who meets the 6 or 12 month eligibility criteria; see 1c). The mother (i.e., the woman who has given birth) 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 (e.g., same-sex partner or relative of either biological parent).
- 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 payment 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.
- If the birth mother transfers leave and payment to another 'primary carer', the person to whom it is transferred must meet the eligibility conditions for payment (i.e., have the required continuity of employment).

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

One or 2 weeks depending on eligibility.

Payment and funding

None.

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 10 hours per week, in the 6 or 12 months immediately before the expected date of delivery, are eligible.
- Same-sex parents are eligible.

c. Extended leave (see 'note on terminology') (responsibility of the Ministry of Business, Innovation and Employment)

Length of leave

- Until 6 or 12 months after birth, depending on eligibility and including any Primary carer leave (previously referred to as Maternity leave); Partner's leave (previously referred to as Paternity/partner leave) is additional.
- Leave is a family entitlement.

Payment and funding

None, including 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.
- Leave can be taken as one continuous period of leave or several periods and can be started following Primary carer leave, Partner's leave, or after a period of return to work.

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

- Extended leave up to six months (26 weeks) after birth is available to employees who have worked for the same employer for an average of at least 10 hours per week, in the 6 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 up to 12 months (52 weeks) after birth is available to those employees who have worked for the same employer for 12 months. Where one partner is only eligible up to 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, the minimum statutory provisions.

d. Childcare leave or career breaks

No statutory entitlement.

e. Other types of leave and flexible working

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 6 years can nominate which parent will receive the payment.

Time off for the care of dependents

 After the first 6 months of continuous employment, an employee may take up to 10 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.

Specific provision for (breast)feeding

Employees are entitled to request breaks to breastfeed. Employer can refuse
the request on the grounds that the break would disturb the operation of
the business. There is no requirement that these breaks should be paid.⁴⁴³

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.

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

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

The maximum period of post-natal leave is 12 months, but leave is paid for only 26 weeks, at a low rate (due to a low ceiling on earnings-related pay). Three to 5 year-olds are eligible for 20 hours per week of free early childhood education. from 3 years of age, though only for part-time nursery education (for a maximum of six hours' attendance per day and 20 hours per week); this is not, therefore, an entitlement but dependent on accessing a place offering free attendance.

For ECEC attendance levels, see 'relationship between leave and ECEC entitlements' in the <u>cross-country tables</u> at the front of the review.

3.Changes in policy since April 2023 (including proposals currently under discussion)

Generally speaking, employers must match their employees' KiwiSaver pension contributions, but this obligation does not apply while employees are on Parental leave A proposal was included in the 2023 national budget for the government to pay 'matching' pension credits, on behalf of employers, to employees who continue to make their employee KiwiSaver contributions while on Parental leave. This proposal has not yet been enacted and it remains unclear if it will occur after a change of government in November 2023.

From 1 July 2024, parents can get back up to 25 per cent of their weekly ECEC fees (under a new scheme called Family Boost), to a maximum of NZD\$75 [€41.89] per week, with payments every three months from the Inland Revenue Department.

4. Uptake of leave

The government does not currently routinely collect data regarding uptake of leave. An (unpublished) survey of public sector employees regarding uptake of leave by partners was conducted in 2017.

a. Maternity leave/primary carer's leave

No information available.

b. Paternity leave/partner's leave

No information available.

c. Parental leave/extended leave

No information available.