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>crosscountry 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.

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Payment and funding

- 100 per cent of earnings, up to a limit of NZD\$585.80[€330.46]²
 per week before tax. Payment 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\$177.00 [€99.85] 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. 24 weeks, but will only receive 22 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, 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 six years of age.
- An employee is able to perform up to 40 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.

Conversion of currency undertaken for 31 July 2020 using: https://www.ecb.europa.eu/stats/policy_and_exchange_rates/euro_reference_exchange_rates/html/eurofxref-graph-nzd.en.html

 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 (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 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.
- 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

1 or two weeks (five or ten working days) 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 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, the minimum statutory provisions.

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 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 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.³

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

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 2019 (including proposals currently under discussion)

None reported.

Policy response to the Covid-19 pandemic up to end June 2020

Childcare and schools

• Over the period of Level 4 lockdown (26 March to 27 April 2020), ECEC centres were and schools wholly closed. As essential businesses were able to resume under Level 3 lockdown (28 Apri to 13 May 2020), schools and ECEC centres were able to slowly reopen, from around 29 April 2020, though learning and working from home was still encouraged. Children of essential workers in essential services were a priority so that parents could return to work (essential services provide for the necessities of life, including food, medicine, healthcare, energy, fuel, wasteremoval, internet and financial support). Moving to Level 2 lockdown (13 May to 8 June 2020), schools and ECEC centres

³ Section 69Y from the Employment Relations Act 2000. Available at: http://www.legislation.govt.nz/act/public/2000/0024/latest/DLM194066 3.html.

started to welcome all children back from around 18 May; schools and ECEC centres were mostly wholly back at this time.

Parental leave

• During Level 4 and 3 lockdown (26 March-13 May 2020), which has now ended, temporary changes were made so that some workers could go back to work during the pandemic without losing their remaining entitlement to Parental leave and associated payments and protections; this covered workers needed to return early because of COVID-19 as their skills, experience or qualification meant that no one else could fill their role, or if there was a high demand for workers in their particular role. Under these changes, workers could return to work for up to 12 weeks and then go back on Parental leave. Employers, however, could not require an employee to return to work if they would like to remain on parental leave.

Other measures for parents and other carers

The Wage Subsidy Scheme and the Wage Subsidy Extension have been put in place to help businesses and workers adjust to the initial impact of COVID-19, and to avoid businesses having to lay off their staff or reduce their hours. The Wage Subsidy Scheme is 'designed to support employers and their staff to maintain an employment connection and ensure an income for affected employees during the initial impact of COVID-19', and covers employees for 12 weeks; for a business to be eligible, there had to have been at least a 30 per cent decline in actual or predicted revenue over a period of one month when compared with the same month last year. The Wage Subsidy Extension is 'available to businesses that are significantly affected by COVID-19', i.e. 'have had a revenue loss of at least 40 per cent for a 30-day period in the 40 days before they apply, compared to the closest period last year'; it covers employees for an additional 8 weeks and also includes the self-employed, contractors and sole traders, registered charities, incorporated societies and post-settlement governance entities. Subsidy rates under both schemes are NZD\$585.80 [€330.46] per week for full-time employees (where full-time is 20 hours or more per week) and NZD\$350 [€197.44] per week for part-time employees, where part-time is less than 20 hours per week. Under both schemes, 'the employer must make their best endeavours to pay employees at least 80 per cent of their normal salary or wages...[and] pass on at least the full value of the relevant subsidy rate except where the employee's normal wages are less than the relevant subsidy rate.' Applications for the Wage Subsidy Extension could be made from 10 June 2020 until 1 September 2020.

Recipients of welfare benefits received an extra NZD\$25 [€14.10] per week as part of the COVID-19 relief package. The Winter energy payment was also increased making it NZD\$1400 [€789.76] for couples with dependent children and NZD\$900 [€507.70] for singles.

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 previous editions of the Leave Review. 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.

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