

Paid parental leave increases for families this Sunday^[1]

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EXCERPTS

More New Zealand families with newborns can enjoy more time to bond with their babies – and get more money in their pockets too, says the Minister for Workplace Relations and Safety Iain Lees-Galloway.

“The Government is making good on its plan to extend Paid Parental Leave, rising from 18 to 22 weeks from this Sunday, on its way to 26 weeks for babies by July 2020.

“And more families will be better off under this Government, with a rise in the actual payments of 4.7 per cent.

“From 1 July 2018 parents of babies due or delivered on this date will be eligible for 22 weeks of paid leave, up from the current 18 weeks. There will be a further increase to 26 weeks from 1 July 2020.

“Delivering better outcomes for families is one of the Government’s top priorities. Paid Parental Leave plays an important role in making sure that families have valuable support at this crucial stage in their children’s lives.

“Extending the duration of payments is vital for supporting working families with newborns and young children.

“Alongside this, Parental Leave payments will increase for all recipients by 4.7 per cent from this Sunday, 1 July 2018. The maximum weekly rate for eligible employees and self-employed parents will increase from \$538.55 to \$563.83 gross per week.

“This increase reflects a 4.7 per cent rise in the average weekly earnings over the year to March 2018, as reported by Statistics New Zealand.

“Extending Paid Parental Leave will provide greater financial certainty and confidence for working families. World Health Organisation guidelines stress the importance of the first six months for babies to breastfeed and bond with parents. The evidence is clear that these six months are crucial for infant development.

“This is an important component of the Government’s Families Package, along with initiatives like the Best Start scheme and boosting the Working for Families payments. These will reduce child poverty and provide better support for New Zealand families,” Mr Lees-Galloway says.

Supporting information:

- Under the Parental Leave and Employment Protection Act 1987, eligible parents are entitled to payments equal to their normal pay up to the current maximum rate. The maximum rate is adjusted annually to account for any increase in average weekly earnings.
- The minimum parental leave payment rate for self-employed parents will increase this year from \$157.50 to \$165.00 gross a week, to reflect the minimum wage increase on 1 April this year.
- The minimum rate for self-employed parents is equivalent to 10 hours worked per week at the adult minimum wage (which is now \$16.50 per hour).

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Region: Australia and New Zealand^[3]

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