

## LEAVE POLICY

(Extracts relevant to parental leave)

### Parental Leave

Parental leave will be granted in accordance with the Parental Leave and Employment Protection Act 1987. Information on eligibility and parental leave types can be found at <https://employment.govt.nz/leave-and-holidays/parental-leave/>

If you intend to take parental leave, you must provide the FMA with at least 3 months' written notice, including what type of leave you are applying for, the date that you want the leave to start, and how long the period of leave will be. You must provide a letter from your Lead Maternity Carer indicating the estimated date of delivery.

In addition to the statutory entitlement, the FMA also provides a return to work bonus payment equal to 8 weeks' pay with the following conditions:

- Available to primary care givers who are permanent employees only, with a minimum of 6 months' service at the point of taking parental leave; and
- The employee must have completed four months' service after returning from parental leave.

The bonus payment will be paid in the pay-run following completion of 4 months' service. The payment will be pro-rated to the hours the employee works at the time the payment is made.

**Partner's leave** will be granted in accordance with the Parental Leave and Employment Protection Act 1987. However the FMA will provide this as paid leave:

- If you're a spouse or partner and you have worked for the FMA for an average of at least 10 hours a week for the six months before your baby's due date, you may take one week's paid partner leave.
- If you're a spouse or partner and you have worked for the FMA for an average of 10 hours a week for the 12 months before your baby's due date, you may take two weeks' paid partner leave.

If the following conditions are met:

- Available to permanent employees only
- This leave should be taken within 3 months from the date of birth or adoption

### New Parent Leave

The FMA recognises that, at times, new parents who have recently returned to work may need to take more frequent periods of leave to care for infants.

All permanent employees (whether full-time or part-time) who have returned from a period of either parental leave or partner leave will be granted a one-off 5 days of new parent leave.

New parent leave will be pro-rated for part-time employees.

New parent leave must be used within 12 months of the date it is issued.

Your eligibility to take new parent leave will immediately lapse if you have given notice of the termination of your employment. New parent leave will not be paid out on the termination of your employment and cannot otherwise be 'cashed up'.

Publication  
Schedule

# FMA Parental (Primary Carer) Leave Process

Created by **[section 9(2)(a)]**

Updated by **[section 9(2)(a)]**

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# Introduction

## Background

The Parental Leave and Employment Protection Act 1987, and the subsequent Parental Leave and Employment Protection Amendment Act 2016, sets out the obligations of both employer and employee regarding parental leave. This document sets out the steps in the parental leave process to ensure compliance with the Act.

## Purpose

The purpose of this document is to outline the process for an employee going on parental (primary carer) leave and provide a step-by-step guide for processing a parental (primary carer) leave request in order to provide FMA employees who are going on Parental Leave consistent and timely information and both employee and employer obligations.

## Scope

This process applies to permanent employees with FMA who have been employed for 6 months or more.

The process is intended to ensure that both the FMA and the employee taking parental leave have met the legal requirements (Parental Leave and Employment Protection Amendment Act 2016) and FMA's requirements.

The Parental Leave and Employment Protection Amendment Act 2016 provide four types of unpaid parental leaves. These types of leave are:

- Primary Carer Leave
- Partner's Leave
- Special Leave
- Extended Leave

## Parental Leave facts

Below are a few useful facts about Parental Leave, as taken from the MBIE website (July 2018).

### Who can take Parental leave?

Leave may be available to:

- female employees having a baby, and to their spouses or partners (includes a married, civil union or de facto relationship with a different or same-sex partner)
- employees, and their spouses or partners (includes a married, civil union or de facto relationship with a different or same-sex partner), who begin permanently caring for a child under six years who is not their natural child (this includes permanent care such as adoption and home for life, but not foster care).

Parental leave can be taken again for a different child as long as the employee has been back at work for six months before the expected arrival of the next child and they still meet the parental leave criteria.

The employee must meet either the six month or 12 month criteria. The amount of leave that they can take depends on whether they meet the six or 12 month criteria. If they have worked for the same employer for more than 12 months, but not for an average of 10 hours per week, they may still be able to take parental leave under the six month criteria.

- **Six month criteria**

You must have worked for the same employer for an average of at least 10 hours a week for the six months before your baby's due date (or the date you become responsible for the care of a child under six years on a permanent basis).

- **Twelve month criteria**

You must have worked for the same employer for an average of at least 10 hours a week for the 12 months before your baby's due date (or the date you become responsible for the care of a child under six years on a permanent basis).

### How many weeks of parental leave payments are permanent employees entitled to receive?

Parental leave payments will usually be paid for up to 22 weeks. Payments will stop earlier (before the end of 22 weeks) if:

- The employee transfers the payment, or part of the payment, to their spouse or partner; or
- return to work (not including keeping in touch days); or
- stop being the primary carer of the child (unless they are the biological mother and miscarries or the baby dies); or
- becomes eligible for preterm baby payments. In this case they can suspend the parental leave payments and restart these after the end of the preterm payments as long as they haven't used up their 22 weeks.

If the employee returns to work (not including keeping in touch days) and they are still receiving parental leave payments they must contact Inland Revenue and advise them of their return date. The employee's entitlement to payments ends on the day they return to work.

### **How does parental leave affect annual leave?**

Annual leave will continue to accrue during parental leave; however the value will decrease over time. When the employee returns from parental leave the value of the annual leave is average out over how much the employee has worked over the past 12 months. The value will start to increase the longer the employee is back at work for.

### **Definition of primary carer:**

- A female employee who is having a baby, or her spouse or partner if they have all or part of the birth mother's parental leave payments transferred to them
- An employee who is going to have the primary responsibility for the care, development and upbringing of a child under six years on a permanent basis; this may be through adoption, or (external link) home for life (external link) or whangai (but it doesn't include on a foster care or other temporary care basis). If the employee has a spouse or partner they need to choose who will be the primary carer.

Primary carer leave can be taken for up to 22 weeks and must be taken in one continuous period. Primary care leave can't be taken if the employee has already taken any period of parental leave or similar leave in relation to that child.

### **Extended leave and entitlement:**

The amount of extended leave that an employee may take depends on whether each parent meets either the six month or 12 month time criteria. Extended leave may be shared by two parents who both meet the criteria, and they can take it at the same time or one after the other:

- Employees who meet the 12 month criteria may take up to 52 weeks extended leave (less the number of weeks primary carer leave taken, up to 22 weeks). If two parents are sharing the leave and they both meet the 12 month criteria then they share this amount.
- Employees who meet the six month criteria may take up to 26 weeks in total (less the number of weeks primary carer leave taken, up to 22 weeks). If two parents are sharing the leave and they both meet the six month criteria then they share this amount.
- If one parent meets the 12 month criteria and the other parent meets the six month criteria then the person who has only worked for six months cannot take more than 26 weeks of the total 52 weeks (less the number of weeks primary carer leave taken up to 22 weeks) available to the couple.

The one or two weeks of partner's leave is not included in the 26 week or 52 week extended leave period.

Extended leave can be started:

- at any time after the end of primary carer leave, or
- at any time after the end partner's leave, or
- on any date agreed with the employer, or
- if the employee is eligible to take primary carer or partner's leave but choose not to, then extended leave can start either when the baby arrives if the child is born to the employee or their spouse or partner, or the date the employee or their spouse or partner becomes the primary carer in respect of the child in all other cases.

The employee can finish their primary carer or partner's leave, go back to work, and then take extended leave later.

Ending extended leave:

For an employee (and/or their spouse or partner) who meets the 12 month criteria, extended leave must end by the:

- date the child turns one year if the child is born to the employee or their spouse or partner, or
- 12 months' anniversary of the employee or their spouse or partner becoming the primary carer in respect of the child.

For an employee who only meets the six month criteria (and whose spouse or partner doesn't meet the twelve month criteria), extended leave must end by the:

- date the child turns six months if the child is born to the employee or their spouse or partner, or
- six months from the date the employee or their spouse or partner became the primary carer of the child.

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## Parental Leave Process for P&C Coordinator

### Before Leave commences:

1. An employee submits a written request to their manager stating that they wish to take parental leave. This must be received at least 3 months before they intend to take leave.
2. Obtain a copy of the written request and the employee's medical certificate confirming the pregnancy and place on the employee's employment file.
3. Check the length of service of the employee who is applying for parental leave in Datacom under "Employee Details" that they have been employed with FMA for 6 months or more.
4. Calculate and inform the person of their current annual leave entitlement – see appendix (I).
5. Request the employee to download and complete the applicable fields of the IR880 form.
6. Employee forwards to P&C for completion of section 2 – see appendix (II).
7. Place a copy of the completed form on the employee's employment file and give the original completed form back to the employee.
8. Draft a letter on behalf of the employee's manager in response to the parental leave request based upon the template letter. This must be completed within 21 days of receiving the request.
9. Director of P&C signs letter and gives one copy to employee and keeps one copy for the employee's personnel file.
10. Enter the dates of the parental leave on the relevant pay periods of the payroll calendar, along with the date they are due for the 4 month return to work bonus
11. Ensure the person is entered on the Datacom system and processed on the payroll as being on parental leave (eg unpaid).
12. Put a reminder note in the People and Capability calendar diary to contact the manager/employee 6 weeks prior to the intended date of return.

### During leave period:

1. Contact manager six weeks before the employee is due to return (if they haven't advised Coordinator/BP beforehand) to find out if they have contacted the employee yet to see if they are returning on the date they said they would and if they require a variation to their hours. If not, also send the manager the following templates for the employee to use as necessary: '[Notice of returning to work](#)', '[Notice of not returning to work](#)' and '[Flexible working arrangement request form](#)', otherwise if the employee has indicated to the manager what they would like to do, send them the applicable template directly.
2. Draft a return to work letter confirming their back to work date along with any variations to their hours or variation letter with changes if required.
3. If employee is not returning from parental leave, they will need to advise us in writing (using the applicable template above) and when the effective last day will be and their resignation will be processed accordingly.
4. Liaise with the manager and IT to get the employee's desk/computer/phone set up.

### On return to work:

1. When the employee has returned to work reinstate them on the payroll on the next available pay run, ensuring any changes to their schedule are made.
2. If the employee fulfils the [Parental Leave Return to Work Bonus](#) criteria, enter the payment date on the payroll calendar.

## Parental Leave Process for Business Partners

1. Employee/ manager informs you of the pregnancy and whether or not they intend to return after parental leave
2. BP informs Coordinator. Coordinator will send template email regarding documentation to the employee
3. Meanwhile, BP speaks to manager around resourcing (eg: hiring someone on a primary carer's cover)
4. BP speaks to manager closer to the time of departure around making sure the employee is kept in the loop around changes while they are on leave, explaining 'keeping in touch' days if they wish to take them. BP also may need to have a discussion around finalising resourcing, org chart changes etc.

## Parental Leave Process for Managers

1. Employee informs you of their pregnancy and whether or not they intend to return after parental leave. Manager congratulates them and informs P&C BP and/or Coordinator.
2. Manager considers resourcing for role (hiring someone on a primary carer's leave cover, spreading out the workload to other members of the team etc) and arranges meetings with ExCo member/ BP to discuss the best solution.
3. Around two months before the employee is due to go on leave, manager meets with them to discuss 'keeping in touch days' (may need to speak to BP beforehand to get clarification around this) and see how much communication / updates they would like while on leave.
4. One to two months before the employee is due to go on leave, manager may need to meet with BP/ ExCo member etc to finalise resourcing/ change in org structure.
5. Six weeks before the employee is scheduled to return to work, manager is to contact the employee to see if they are still returning on the date they originally said they would (if the employee hasn't done so already) and whether they require a variation to their scheduled hours or a gradual return to work. Within the same email, manager includes template letters for 'Notice of returning to work', 'Notice of not returning to work' and 'Flexible working arrangement request form'. Manager is to inform BP/ Coordinator of potential changes or confirm that they are returning on the date they originally said they would.
6. Two weeks before the employee returns to work, manager will receive an email from P&C Coordinator asking for confirmation on where the returning employee will be sitting so IT can set up desk. Manager needs to ensure that the desk is tidy for their arrival (could get a TSA or PA to assist with this).
7. When employee returns make sure they know all of the new starters that have come on-board since the employee went on leave. Make them feel like they are part of the team and schedule regular catch up to see how they are going settling back in and handling the workload. Ensure they are provided with additional/ refresher training if needed.

## Appendix

### Appendix (I) – Establishing an employee’s leave balance prior to commencement of parental leave

Enter the [Datacom Portal](#) and select Leave and then select Leave Calendar / Leave Request

**[section 9(2)(a)]**

Select My Company and type in the name of the relevant employee and select

**[section 9(2)(a)]**

Select New Leave Request

Select Annual Leave

Within the “From” field, select the final working date prior to commencement of parental leave

**[section 9(2)(a)]**

The balance as at that date will show under the Annual Leave field

**[section 9(2)(a)]**

## Appendix (II) – Completing the Inland Revenue IR880 form

1. The applicant is to complete the form and send to P&C

**Inland Revenue**  
Te Tari Taake

**Paid parental leave**  
application for an employee

IR 880  
June 2013

Ministry of Business,  
Innovation & Employment

Office use

**Applicant to complete**

First name: \_\_\_\_\_ Surname: \_\_\_\_\_  
IRD number: \_\_\_\_\_ (8 digit numbers start in the second box: 7 0 0 0 0 0 0 0)  
Postal address: \_\_\_\_\_  
Phone number: \_\_\_\_\_  
Home: \_\_\_\_\_ Work: \_\_\_\_\_

We collect the following information for statistical purposes. This question is optional.  
Please tick the ethnic group(s) you belong to:  
☐ NZ European ☐ Cook Island Māori ☐ Chinese  
☐ Māori ☐ Tongan ☐ Indian  
☐ Samoan ☐ Niuan ☐ Other (please specify): \_\_\_\_\_

Has your employer granted you parental leave from work?  
☐ Yes ☐ No  
Is this application for an adopted child?  
☐ Yes ☐ No  
Birth date of your child (or adopted child) or expected due date (see note 2)  
Day: \_\_\_\_\_ Month: \_\_\_\_\_ Year: \_\_\_\_\_  
Have you received paid parental leave (PPL) for a child previously? If "yes", please tick here  
Yes ☐ No ☐  
Your bank account number (see note 3)  
Bank: \_\_\_\_\_ Branch: \_\_\_\_\_ Account number: \_\_\_\_\_ Suffix: \_\_\_\_\_

**Note:**  
You may qualify for both parental tax credit (PTC) and paid parental leave (PPL) payments, but you cannot receive both. In most cases PPL payments will be higher than parental tax credit payments (see note 4).  
Are you expecting three or more children? (from multiple birth or adoptions)  
☐ Yes ☐ No  
Is your income from your job less than \$25,384.84 (before tax)?  
☐ Yes ☐ No  
Are you planning to take less than 14 weeks parental leave?  
☐ Yes ☐ No  
If you've answered "yes" to any of these questions, we'll get in touch with you to help you work out which is better for you.  
If you've answered "No" to all three questions, PPL is better for you.  
Please tick the circle to show you're choosing to receive PPL payments instead of PTC.  
If you're unsure about any of these questions please tick this circle and we will contact you.  
☐ Yes ☐ No

Do you want to transfer any of your entitlement to your spouse or partner?  
You might have a spouse or partner who's also taking parental leave from their job or self-employment and you may want to transfer your entitlement to them for some or all of the period (up to the 14 weeks' entitlement). If you do you'll also need to fill in a Paid parental leave transfer to an employee (IR 881) form or a Paid parental leave transfer to a self-employed person (IR 889) form.  
☐ Yes ☐ No

Do you make or receive child support payments through Inland Revenue? (see note 5)  
☐ Yes ☐ No  
If you'd like to estimate your income for child support, enter your new income estimate for the current financial year (see note 5)  
\$ \_\_\_\_\_ for the financial year ending \_\_\_\_\_  
Do you want to make voluntary student loan payments on top of your required payments (see note 6)?  
☐ Yes ☐ No  
If you'd like to make voluntary payments, enter the amount here  
\$ \_\_\_\_\_ fortnightly payments % \_\_\_\_\_

**Declaration** There are penalties for giving false or misleading information or failing to provide information with the intention to mislead.  
I understand (I return to work before I have received all of my payments) I must notify IR immediately.  
I declare that the information in this application form is true and correct to the best of my knowledge. I understand that I have chosen to receive paid parental leave payments and cannot receive parental tax credit for the children this application relates to.  
Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Form/page 1 Give this form to your employer to fill in page 2

RESET form

2. Once the employee has returned the form, the Employer Section of the form (Page 4) must be completed by the P&C Coordinator on behalf of FMA as follows:

**Employer to complete**

Employer's name: \_\_\_\_\_

Employer's IRD number: (8 digit numbers start in the second box: - / - / - / - / - / - / - / - ) \_\_\_\_\_

Postal address: \_\_\_\_\_  
Please put street address or PO Box number and suburb, box lobby or RD. Town or city above (see note 1)

Contact person: \_\_\_\_\_

Job title: \_\_\_\_\_

Phone number: \_\_\_\_\_  
 Work: \_\_\_\_\_ Other: \_\_\_\_\_

We collect the following information for statistical purposes. This question is optional. Please tick the industry group you belong to.

|                                                      |                                                            |                                                     |                                                   |
|------------------------------------------------------|------------------------------------------------------------|-----------------------------------------------------|---------------------------------------------------|
| <input type="radio"/> Accommodation, restaurant      | <input type="radio"/> Cultural and recreational            | <input type="radio"/> Government                    | <input type="radio"/> Personal and other services |
| <input type="radio"/> Agriculture, forestry, fishing | <input type="radio"/> Education                            | <input type="radio"/> Health and community services | <input type="radio"/> Transport and storage       |
| <input type="radio"/> Communication                  | <input type="radio"/> Electricity, gas, water supplier     | <input type="radio"/> Manufacturing                 | <input type="radio"/> Wholesale and retail        |
| <input type="radio"/> Construction                   | <input type="radio"/> Finance, business services, property | <input type="radio"/> Mining                        |                                                   |

Applicant's parental leave commencement date (see note 7): Day Month Year    2 0

If the applicant is on a fixed-term agreement, enter the completion date of the agreement (if known) (see note 8): Day Month Year    2 0

Is the applicant taking less than 14 weeks' parental leave? (see note 9) ☐ Yes ☐ No

What date is the employee expected to return to work? Day Month Year    2 0

Enter the greater of the applicant's ordinary weekly pay or average weekly earnings (see note 10): \$

Applicant's current tax code (see note 11):

**Employer's declaration** (see note 13 before completing this declaration)

Please complete and/or tick the option that applies for each section in the declaration. Please ensure you have fully completed and signed the declaration, so payments can start promptly for your employee.

I declare that \_\_\_\_\_ (applicant's name) qualifies for parental leave because they:

- ☐ will have been employed by me for \_\_\_\_\_ year(s) \_\_\_\_\_ month(s) as the baby's expected due date or adoption date, and will have worked for an average of \_\_\_\_\_ hours a week over the 6 or 12 months (circle one) before the baby's expected due date or adoption date and has worked at least one hour a week or 40 hours a month over this period.
- ☐ are a teacher employed by multiple boards of trustees, or a doctor who has worked for more than one district health board and will have worked for an average of \_\_\_\_\_ hours a week over the previous 6 or 12 months (circle one) and they have provided me with evidence of their previous jobs, earnings and hours (see note 12).
- ☐ have notified me of their intention to take parental leave, and has been granted parental leave.
- ☐ will not have taken parental leave in the 6 months prior to the expected date of birth or adoption of this baby.
- ☐ have provided me with a certificate of pregnancy from the lead maternity carer stating the applicant's expected due date, or have provided me with documentation that they are adopting a child (see note 13).

**Note:** Your employee is not required to provide a certificate of pregnancy or documentation that they are adopting a child if this is covered under the parental leave provisions in their employment agreement.

There are penalties for giving false or misleading information, or failing to provide information with the intention to mislead.

I declare that the information in this application is true and correct. Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Form/page 2 Give this form to your employee to send to Inland Revenue, PO Box 39090, Wellington Mail Centre, Wellington **READY TO SIGN**

3. Enter Employer Name as Financial Markets Authority
4. Enter Employer IRD number as 106 821 216
5. Enter postal address as:  
Financial Markets Authority  
Po Box 106672  
Auckland 1143
6. Enter the contact name, title and phone number of the person completing the form
7. Sign and date the form
8. Check the rest of the form to ensure it has been filled out correctly

Publication  
Schedule



# Publication Schedule