

Parental leave

For Doctors



How to make parental leave work for your
whānau and your finances

Welcome!

If you're reading this, chances are you're planning to have a baby or already have one on the way - so, congratulations! Pregnancy is a full-time job in itself, and preparing for the arrival of your pēpi is exciting, overwhelming, and often expensive. For many of us, parental leave is the first time we've faced an extended period without our usual income, all while juggling rising living costs, and the many unknowns of new parenthood.

The good news? While you can't control your baby's arrival date or how much they sleep (if at all), you can structure your parental leave to work as hard as possible for you and your whānau.

Disclaimer: This is a general guide. It is not exhaustive or legal advice. For individual situations, please contact your union (RDA, STONZ, or ASMS), Employment New Zealand, or IRD.

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The Basics

If you're finding parental leave and parental leave payments confusing - that's because it is!

There are three separate elements that all kind of merge together which is why there is so much confusion on this topic. So let's try and break it down clearly.

**IRD Paid Parental
Leave Payments**

Parental Leave

**Employer specific
additional benefits**

IRD Paid Parental Leave Payments

These are payments from the government for anyone in NZ who meets eligibility criteria.

Parental Leave

This is the job-protected leave that employees in NZ are entitled to if they meet eligibility criteria.

It is possible to meet the requirements for the IRD PPL payments but not meet the employment requirements for job-protected parental leave.

Employer specific benefits

In addition to the above, some employers offer additional benefits to their employees and in this guide we will look closer at the benefits that Te Whatu Ora offers its employees

IRD Payments (PPL) - The Basics

This is a government payment to support time off work after the birth or adoption of a child. It applies to employees, contractors, and self-employed doctors if you meet the eligibility rules.

Eligibility

You qualify if, before your baby’s due date (or adoption/placement), you worked:

- At least **10 hours per week**,
- For **any 26** of the 52 weeks immediately before your baby’s due date.

💡 *Any type of paid work counts – not just medical work.*

If you are eligible and then unfortunately miscarry your baby or your baby is stillborn, you’re still entitled to paid parental leave.

Payments

- Duration: **Up to 26 weeks**.
- Amount: Up to **\$788.66/week** (before tax) for 1 July 2025 – 30 June 2026. (Reviewed annually on 1 July.)
- It is considered taxable income.
- End date: either at the end of the 26 weeks or the day before you return to work.

When PPL Payments Start

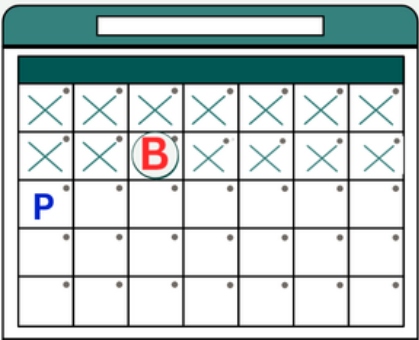
- Up to 6 weeks before your due date, OR
- On the day the baby is born/placed in your care, OR
- After any annual leave you take immediately before.

Example:

Mum takes annual leave from the 1st - 14th

Baby born on the 10th

IRD payments will start as soon as the annual leave ends - on the 15th



Working During PPL

- You may work up to 64 hours total (Keeping in Touch hours) during your 26 weeks of PPL.
- ⚠️ No work in the first 28 days after birth/placement.
- Exceeding 64 hours may stop your PPL payments.

Parental Leave - The Basics

Based on employment law, employees (not contractors) in NZ may be eligible for job-protected parental leave.

This leave is separate to the IRD payments. It is possible to be eligible for the payments but not the protected leave.

Eligibility:

6-month test: 6 months with one employer (avg. 10+ hours/week) before the due date.

12-month test: 12 months with one employer (avg. 10+ hours/week) before the due date.

Primary Carer Leave

Could be the birth mother, adoptive parent, spouse or other caregiver who will be the primary carer for the child

- Up to 26 weeks' leave which can start up to 6 weeks before the baby is born.
- If eligible for parental leave and then unfortunately have a miscarriage or your baby is stillborn or dies, you can still take this leave.
- You can discuss with your employer about taking paid annual leave before parental leave.
- Leave must be taken in a continuous block.

Partner Leave

Can be taken 21 days before or 21 days after the due date/ the date their partner is becoming the primary carer

- ≥ 12 months employment: Up to 2 weeks unpaid leave.
- 6–12 months employment: Up to 1 week unpaid leave.

Extended Leave

Extra unpaid parental leave usually taken after primary carer leave ends. This allows eligible employees to take up to a year off.

- If both parents are eligible, they can share this time between them and can take it together or one after the other
- Partner's leave does not count towards extended leave
- Doesn't have to be taken in a continuous block like parental leave. You could technically break it up into chunks and return to work in between but this must be agreed upon with your employer.

Sharing Payments and Leave

We've seen that the payments and leave are separate and have their own eligibility criteria.

The next common area of confusion is about how these payments, parental leave and extended leave can be shared.

Transferring IRD PPL payments:

- You can transfer some or all of your 26 weeks of entitlement to another primary carer.
- You can only transfer it once
- The other primary carer must independently meet the IRD requirements for these payments, ie: 10 hours a week for any 26 of the 52 weeks before baby's due date.

Sharing Leave

- Both you and your partner must meet the eligibility criteria (6 month or 12 month test)
- Both meet 12 month test: can take a combined total of 52 weeks - you can choose how to divide this up, either together or one after the other.
- Both meet 6 month test: you can share up to 26 weeks of leave
- One meets 12 months and one meets 6 months: you still get 52 weeks in total but the partner who only meets 6-month test cannot take more than 26 weeks total.

Note: only one person can receive IRD payments at a time, even if you're both on leave.

Te Whatu Ora Employees

- **Te Whatu Ora offers eligible Primary Carers 14 weeks of top-up payments to 100% of their ordinary salary -if you meet IRD requirements.**
- **ASMS members who aren't eligible to get this top up payment can instead receive 6 weeks of full pay.**
- 2 weeks PAID partner's leave
- Te Whatu Ora may offer additional job protection beyond the statutory minimum - ie you may be eligible for 6 months' unpaid leave even if you don't meet the 6-month eligibility test.
- Essential training and education costs are usually still covered while on leave - but check with your specific union.

Annual Leave

Annual leave can be taken to reduce the amount of unpaid time you're having away from work but WHEN you take that leave can have a massive difference.

Normally AL is paid out at the higher of:

- your Average Weekly Earnings (AWE) or
- Ordinary Weekly Pay (OWP)

but not when it comes to Parental Leave!

- If you take annual leave before parental leave begins, this is paid as usual (ie the higher of AWE or OWP)
- But if you take annual leave during parental leave or **within 12 months after parental leave** = paid only on AWE (usually lower). This is a big deal because if you've been off and not earning then your AWE is usually much lower than your usual pay.
- See if you can take your AL BEFORE starting parental leave!!

This applies to employees on STONZ/RDA contracts - ASMS contracts are paid at OWP so timing of annual leave doesn't change the rate you are paid at.

Limits on hours/ reducing hours

LIMITS ON HOURS DURING PREGNANCY (HOSPITAL DOCTORS)	
RMOs – RDA/STONZ	SMOs – ASMS
28 weeks No night shifts	• No nights/after-hours
32 weeks No long days >10 hours	• No long days >8 hours
36 weeks No acute clinical workload	• No acute clinical workload
<i>Earlier earlier if advised by recommended by your LMC/clinician.</i>	

- If you reduce your hours for pregnancy-related reasons, your salary during this time will reduce to reflect the fewer hours worked.
- However, this will not affect the employer-provided 'top-up' to your paid parental leave.
- Annual Leave (AL) taken before parental leave will be affected, because AL is calculated in weeks, not hours.

Example:

Doctor A is working 1.0 FTE and due to pregnancy related fatigue reduces her hours from 28 weeks to 0.6 FTE (working 3 days). She plans to commence parental leave from 36 weeks and use 2 weeks of Annual Leave prior to this.

- From 28 to 34 weeks: She is paid at her reduced 0.6 FTE rate, reflecting her lighter workload.
- When parental leave begins at 36 weeks: Her payments (including any employer top-up) are based on her original 1.0 FTE salary.
- Annual Leave from 34 to 36 weeks: She takes 2 full weeks of leave — even though she's working 3 days/week — so her AL balance is reduced by 10 days, not 6.

Thanks for reading! I hope you found this useful. If you have any questions or suggestions for things to add please don't hesitate to get in contact

welcome@healthywealth.nz

or by visiting

www.healthywealth.nz

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This booklet is for educational purposes only and provides a basic overview of parental leave. This is a very complicated area so if you have any questions please don't hesitate to contact your union:

RDA

STONZ

ASMS