Parental leave Best Practice Guide

This best practice guide is for employers and managers. It explains the advantages of taking a best practice approach to parental leave.

It includes:

- Working at best practice
- Parental leave
- Legal requirements
- Using best practice to support parental leave
- A best practice checklist
- Links and resources.

It also has practical tips and case studies to help you move your business towards best practice.

Working at best practice

Best practice employers recognise that retaining skilled employees when they have children is imperative to long-term business success. These employers go beyond their minimum legal obligations and create practical, flexible and tailored parental leave policies for their business.

Every workplace can enjoy the benefits of taking a best practice approach to parental leave. These include:

- keeping experienced staff – employees who feel supported in taking parental leave are more likely to remain attached and committed to their workplace
- smoother transitions for businesses and employees
- attracting skilled staff
- being a recognised employer of choice.

Parental leave

Parental leave lets employees take time away from work for the birth or adoption of a child. The term ‘parental leave’ can include:

- unpaid parental leave
- government-funded Parental Leave Pay
- employer-funded paid parental leave.

Legal requirements

Unpaid parental leave

Under the Fair Work Act, employees (including regular casual employees) who have worked with their employer for at least 12 months can take unpaid parental leave when they or their partner are to give birth or adopt a child.
These employees can take up to 12 months of unpaid parental leave and can also request an extra 12 months of unpaid parental leave (up to a total of 24 months). The request to extend the leave for an additional 12 months must be in writing and given to the employer at least 4 weeks before the end of the first leave period.

Employees taking unpaid parental leave have a return to work guarantee. This gives them the right to return to the position they held before their leave started. If their old position doesn’t exist when they return, the employee is entitled to an available position which is nearest in status and pay to their pre-parental leave position, and for which they are suitably qualified.

The Fair Work Act also has rules about notice, evidence, adoption leave, transferring to a safe job during pregnancy and flexible unpaid parental leave. For more information about your minimum legal obligations, visit www.fairwork.gov.au/parentalleave

Government funded Parental Leave Pay

The Australian Government provides Parental Leave Pay (PLP) for working parents at the national minimum wage for a maximum period of 18 weeks. This scheme gives eligible employees a payment during their leave, it doesn’t extend the period of leave they can take.

Employees can split their PLP over 2 periods (a set period and a flexible period).

The set period is a minimum period of 60 days that must be taken within a continuous block, and within 12 months of the adoption or birth of a child. It can be paid before, after, or at the same time as other entitlements, such as annual leave, and employer-funded paid parental leave. The set period ends once the employee returns to work (except for ‘keeping in touch’ days).

The flexible period is a period of up to 30 days that can be used as individual days or in one or more blocks as negotiated between the employer and the employee. It must be used within 24 months of a child’s birth or adoption. It usually starts after the set period has ended and after the employee has returned to work.

CASE STUDY – Accessing Flexible PLP

Gabrielle works 5 days a week. After she has a child, she takes 12 weeks of PLP.

After the 12 weeks of PLP, Gabrielle returns to work. She’d like to access flexible PLP while she adjusts to her new role as a working parent.

Gabrielle and her employer agree that she will work 3 days a week and will use flexible PLP for the other 2 days. They also agree that after her flexible PLP runs out, she’ll return to 5 days per week.

Gabrielle takes her flexible PLP for 2 days each week for the next 15 weeks – a total of 30 days. She then returns to work 5 days a week as agreed with her employer.

Eligible employees can receive the government-funded PLP directly from Centrelink, or it can be passed on to them via their employer.

Services Australia manage the PLP payment system. For further information including eligibility requirements for the scheme, visit www.servicesaustralia.gov.au/parentalleavepay

Parental leave – Best Practice Guide
Dad and partner pay

Working dads or partners who take unpaid leave in the first year after the child’s birth or adoption can access dad and partner pay. Eligible dads or partners (including same-sex partners) get up to 2 weeks of government-funded pay at the national minimum wage.

For further information visit Services Australia at www.servicesaustralia.gov.au/dadandpartnerpay

Using best practice to support parental leave

All employers must comply with their legal obligations, but there are many things you can do to make your business ‘best practice’ – that is, a great place to work.

Best practice doesn’t look the same for all employers. The way to achieve best practice will vary between industries, business environments and the number of employees.

Below are initiatives and suggestions that can help you move your business towards best practice.

Paid leave and other benefits

Many best practice employers choose to provide a period of employer-funded paid parental leave and other benefits to assist employees who are pregnant, on parental leave or returning to work.

Employer-provided benefits are usually set out in an employment contract, registered agreement or a workplace policy.

Best practice benefits can be provided at the employer’s discretion and could include:

- providing pregnant employees parking at work or work from home arrangements
- paying the employee their normal wages during some or all their leave
- allowing dads and partners to access paid leave at the time of birth or adoption, or when the other parent returns to work
- topping up an employee’s pay so they get their full wage when accessing government-funded PLP
- giving employees the option of taking annual leave or long service leave at half pay during parental leave
- allowing eligible employees to access individual days or short blocks of flexible PLP from the government, to facilitate a gradual transition back to work
- paying an employee’s superannuation contributions while on leave
- offering a ‘return to work’ bonus when employees return from parental leave
- allowing employees with less than 12 months’ service to take parental leave
- continued access to benefits such as a company car, employer-paid study, mobile phone or internet during parental leave
- counting the period of unpaid parental leave as service for the calculation of annual leave and other service-related entitlements.

Develop a policy

A parental leave policy is a good way to show that your business values and supports its employees. A policy can help your managers and employees understand how parental leave works. It can also give your business an advantage to attract and keep staff.
When developing your parental leave policy, consider your legal obligations, business needs, and the views of employees. Developing your policy in consultation with employees will help to create a consistent and fair approach that works for everyone.

Your policy should acknowledge the importance of employees’ parental and family responsibilities and complement other policies.

Your parental leave policy should include:

- **entitlements** – explain employee’s leave entitlements, including unpaid parental leave, government funded PLP and any employer-funded benefits you’ll provide
- **notice** – provide information about when and how an employee should notify you of their pregnancy and leave dates.
- **transition** – include arrangements for the employee’s smooth transition leaving and returning to work
- **keep in touch** – explain the process the business will use to keep in touch with employees on leave
- **flexibility** – include information about flexible working arrangements that may be available to assist employees before and after parental leave.


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**CASE STUDY – Parental leave policy**

George is a business owner. He has introduced a parental leave policy to clarify entitlements and support staff returning to work after parental leave.

George’s business now offers paid parental leave to staff who have been employed by the company for more than 12 months. The amount of paid leave is 20 weeks, made up of 10 weeks at full pay and 10 weeks at half pay.

While preparing the policy, George and his managers consulted staff. This led them to include more than just information about paid leave in the policy. George now offers flexible work options to pregnant employees and automated reminders for managers to keep in regular contact with staff on parental leave and as they transition back to work.

George explains, ‘We want our staff to return to work happy, motivated and productive. To achieve this, we provide the best support we can.’

**Keep in touch**

An employee on parental leave isn’t required to participate in any work-related activities. However, they can choose to attend work meetings or perform work for the purpose of ‘keeping in touch’. If the employee does attend meetings or performs work during their leave, with the agreement of the employer they’re entitled to be paid at their usual rate.

Employees can access up to 10 keeping in touch days without affecting their ongoing entitlement to parental leave or PLP. Keeping in touch days cannot occur within 14 days of the birth or placement of the
child (where the employee suggests the keeping in touch day), or within 42 days of the birth or placement of the child (where the employer suggests the keeping in touch day).

Good communication and planning will help you manage employees taking parental leave and help an employee on leave feel attached to the workplace, their career and their colleagues. There are many ways to communicate effectively with staff during parental leave. These can include:

- **meeting before the employee starts leave** – talk about key contacts, handovers of work, important dates during their leave and how you will keep in touch while the employee is on leave. Find out the employee’s expectations and preferences concerning contact during parental leave
- **a buddy** – nominate a colleague to forward important information about work to the employee while they’re on parental leave
- **email update** – send staff newsletters and updates to the employee’s home email account (where appropriate) or arrange for them to have remote access to their work email
- **events** – invite employees on parental leave to attend social events, planning days, training or team building days.

CASE STUDY – Keeping in touch

Joan runs a small retail business. She keeps staff on parental leave informed of any changes or opportunities for training. Joan also invites staff to attend team meetings and social gatherings with their child.

Jessica, one of Joan’s staff said, ‘When I went on parental leave my manager asked how I’d like to keep in touch. I asked to remain on the group email lists. It meant I still got messages and could check them in my own time on my phone. I was also invited to the annual planning day and end of year party. The keeping in touch days made me feel connected and less worried when I returned to work.’

Support employees returning to work

At the end of their parental leave, employees have the right to return to work in the position they held before starting their parental leave. If their old position doesn’t exist when they return, the employee is entitled to an available position for which they are suitably qualified, which is nearest in status and pay to their pre-parental leave position.

Communicate regularly in the lead up, to make sure you understand their needs.

Avoid making assumptions about what the employee will or won’t want to do on their return. This will help you support their transition back to work.

Some employees who’ve been on parental leave may want to ask for a change in their working arrangements when they come back to work. They have a right to request flexible working arrangements under the Fair Work Act.

Some employees may want to transition their working hours over an agreed period. For example: coming back two days per week for the first month, increasing to three days for the next month, and then returning to their normal working hours. This type of arrangement can help employees as they settle their child into childcare and adjust to their new role as a working parent.
If the employee has not used the whole 18 weeks PLP provided by the government scheme, you can agree to let them access flexible PLP days while they transition back.

PRACTICAL TIP: Some employees require suitable facilities to breastfeed or express breast milk when they return to work.

Best practice employers provide their employees with access to a suitable room and let employees take appropriate breaks to breastfeed or express.

Ask mothers what they need when they return to work. Consider privacy, timing of breaks, comfortable seating, access to power for a breast pump and where to store equipment and expressed milk. If they intend to breastfeed at work discuss how this can be managed, including any workplace health and safety or privacy concerns.

Train managers and employees

Best practice employers give their managers and employees training and information about parental leave. This helps everyone understand how parental leave works and encourages employees to discuss leave arrangements with their manager.

You can provide your managers with:

- **information to share with employees** – for a quick overview of parental leave, share our short [Parental leave video](https://www.youtube.com/user/FairWorkGovAu) at www.youtube.com/user/FairWorkGovAu
- **training** on how to prevent or respond to any discrimination issues that could arise – use our free [Diversity and discrimination online course](https://www.fairwork.gov.au/learning) available at www.fairwork.gov.au/learning
- **options** for engaging temporary staff (to backfill employees on parental leave for the duration of their leave)
- **tips** for managing an employee’s return to work, including handling requests for flexible working arrangements – use our free [Workplace flexibility online course](https://www.fairwork.gov.au/learning) available at www.fairwork.gov.au/learning
- **strategies** for remembering to check in with employers, such as setting calendar reminders
- **links to resources**, such as the toolkits at www.supportingworkingparents.gov.au
- **details** for the person in your business they can contact for further information, guidance or support. This would usually be the person who manages human resources issues for your business.
PRACTICAL TIP: Consider giving your managers training on how to respond when an employee first tells the manager that they are pregnant. There’s no need to immediately try and sort everything out – the key is to help the employee feel comfortable by offering congratulations, and then making sure the employee and manager know where to go for more information. This could be an internal human resources person, a policy, or external resources (for example, www.supportingworkingparents.gov.au).

The manager can then schedule a time for an informed discussion to talk about details like when the baby is due, whether there are any health issues that the employer should be aware of, and how parental leave works.
Best practice checklist

A best practice workplace involves more than just understanding and complying with the law. This checklist will help you work towards best practice in your business:

- **policy** – develop a parental leave policy to ensure a consistent and fair approach to parental leave. For help creating a parental leave policy for your business use the Policies to Support Working Parents Tool at https://supportingworkingparents.humanrights.gov.au/employers/tools

- **tools and training**
  - Help employees understand their rights and requirements for working while pregnant, taking parental leave and returning to work. Download and share the Employee guides available at https://supportingworkingparents.humanrights.gov.au/for-employees
  - Provide your managers with tools and checklists to help them handle pregnancy announcements, parental leave requests and return to work discussions, visit https://supportingworkingparents.humanrights.gov.au/employers/tools

- **additional benefits (if your business can afford to)** – consider:
  - providing paid parental leave (in addition to the Government scheme)
  - making superannuation contributions to the employee during parental leave
  - letting employees take annual leave and long service leave at half pay during their parental leave
  - paying a bonus when employees return to work
  - providing equivalent benefits to both parents

- **communication**
  - talk to employees before they start leave and discuss arrangements for keeping in touch while on parental leave and what return to work arrangements might look like
  - keep in touch with employees whilst on parental leave

- **support**
  - provide practical support for pregnant employees, for example, providing car parking, different start times, work from home arrangements, and time off for appointments
  - support employees to transition back to work following parental leave.
    Understand this can be stressful, let them know they are supported and explain what they can expect. Discuss options like accessing flexible PLP (if eligible) to help ensure a smooth transition

- **share** – showcase successful parental leave experiences in your workplace (make sure other employees are happy to share their story first)

- **review** – review policies regularly to ensure they comply with minimum workplace requirements and meet the needs of your employees and your business.
Links and resources

Resources

- The Supporting working parents website has information and resources for both employers and employees to help them understand parental leave entitlements. Visit https://supportingworkingparents.humanrights.gov.au
- Our Balancing work and family templates can assist you and your managers and employees in recording parental leave requests, variations and extensions. Visit www.fairwork.gov.au/templates
- Find all our Best practice guides at www.fairwork.gov.au/bestpracticeguides. These easy-to-follow and practical guides will help you transform your business from compliant to best practice, so you can get the most out of your employees.

Links

Services Australia
www.servicesaustralia.gov.au

Fair Work Commission
www.fwc.gov.au

Workplace Gender Equality Agency
www.wgea.gov.au

Australian Human Rights Commission
www.humanrights.gov.au

State & territory anti-discrimination bodies

- Australian Capital Territory Human Rights Commission
  www.hrc.act.gov.au
- Anti-Discrimination Board of New South Wales
  www.antidiscrimination.justice.nsw.gov.au
- Northern Territory Anti-Discrimination Commission
  www.adc.nt.gov.au
- Anti-Discrimination Commission Queensland
  www.adcq.qld.gov.au
• Government of South Australia Equal Opportunity Commission
  www.eoc.sa.gov.au
• Equal Opportunity Tasmania
  www.equalopportunity.tas.gov.au
• The Government of Western Australia Equal Opportunity Commission
  www.eoc.wa.gov.au
• Victorian Equal Opportunity & Human Rights Commission
  www.humanrightscommission.vic.gov.au

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