



Parental Leave Pay – parent eligibility

General eligibility

To be eligible for Parental Leave Pay a person must:

- be the primary carer of a newborn or recently adopted child
- meet the residency, work and income tests
- be on leave or not working from the time they become the child's primary carer until the end of their Paid Parental Leave period.

Primary carer

A person is the primary carer of a child for a period if the child is in the person's care in that period and the person meets the child's physical needs more than anyone else in that period.

Parental Leave Pay is payable to only one primary carer at a time. The rate of Parental Leave Pay cannot be shared between carers of the child. In most cases the primary carer will be the child's birth mother or the initial primary carer adoptive parent.

A person may be eligible for Parental Leave Pay in the event of a stillbirth or infant death.

Residency test

A person must meet the residency requirements from the day they become the child's primary carer (e.g. from birth for a birth mother) until the end of their Paid Parental Leave period. They must be one of the following:

- an Australian resident, including:
 - an Australian citizen
 - the holder of a permanent visa
 - a special category visa holder who is a protected SCV holder
- the holder of a special category visa who is residing in Australia
- the holder of a temporary visa subclass 070, 309, 310, 447, 451, 695, 785, 786, 787, 820, 826, or the holder of specific Criminal Justice Stay Visas. To continue to be eligible for Parental Leave Pay, the holder of a temporary visa must usually remain in Australia until the end of their Parental Leave Pay period. A temporary absence from Australia of no more than 6 weeks may be allowed only in limited circumstances.

Work test

To meet the Paid Parental Leave work test a person must have:

- worked for at least 10 of the 13 months (295 days in a 392 day period) prior to the birth or adoption of their child
- worked for at least 330 hours in that 10 month period (at least 7.6 hours a week on average)
- had no more than an eight week gap between two consecutive working days



A working day is a day on which a person has worked or taken paid leave for at least one hour.

Full-time, part-time, casual, seasonal, contract and self-employed workers may be eligible.

Income test

To satisfy the income test, a person must have an individual Adjusted Taxable Income (ATI) of \$150,000 or less in the financial year prior to the date of birth or adoption, or the date of claim, whichever is the earlier. The income limit will be indexed annually in line with the Consumer Price Index, commencing from 1 July 2014.

A person's ATI for the financial year consists of their :

- taxable income
- adjusted fringe benefits
- target foreign income
- total net investment loss
- tax free pension or benefit
- reportable superannuation contributions

less any deductible child maintenance expenditure.

Must not have returned to work

To be eligible for Parental Leave Pay a person cannot work between becoming the primary carer and the end of their Paid Parental Leave period. Primary care will start from:

- the date of birth for the birth mother
- the date the child enters the claimant's care as part of the adoption process for the initial primary carer of an adopted child
- the date the child enters the claimant's primary care for a secondary claimant or a primary claimant in exceptional circumstances.

There are certain limited circumstances in which eligibility for Parental Leave Pay is maintained when a person returns to work including, for example, where a defence force member or a law enforcement officer is recalled for duty, or where the child is required to remain in hospital or is admitted to hospital immediately after their birth because of a premature birth, or complications or illness associated with the child's birth.

Baby Bonus

- Parental Leave Pay and Baby Bonus cannot both be paid for the same child.
- A person who is eligible for both payments must choose to receive either Parental Leave Pay or Baby Bonus for the child.
- In the case of a multiple birth, a person may, if eligible, receive Parental Leave Pay in respect of one child and Baby Bonus for second and subsequent children.

Exceptional circumstances for claims for Parental Leave Pay

Under the *Paid Parental Leave Act 2010*, a primary claim may generally only be made by the child's birth mother or the initial primary carer adoptive parent of the child. However, the Paid Parental Leave Rules provide for a primary claim from another person in exceptional circumstances where the person has the primary care of the child before the child's first birthday or first anniversary of the day of placement of the child. This may include, for example, a situation where the birth mother or initial primary carer adoptive parent is incapable of caring for the child because of significant health issues and the new carer has, and is likely to continue to have, care of the child for at least 26 weeks.

Transferring Parental Leave Pay to an eligible partner

Parental Leave Pay may be transferred from the child's mother or the initial primary carer adoptive parent, to the father or partner, if they also meet the eligibility requirements for Parental Leave Pay and take on the primary care of the child. This may occur, for example, where the mother returns to work before the end of her Paid Parental Leave period, and the father takes on the primary carer role. This option provides flexibility for families to use Parental Leave Pay in a way that suits their individual needs.

More information

More detailed information about the Paid Parental Leave scheme for parents is available from the Centrelink website at www.humanservices.gov.au

Customer demographics

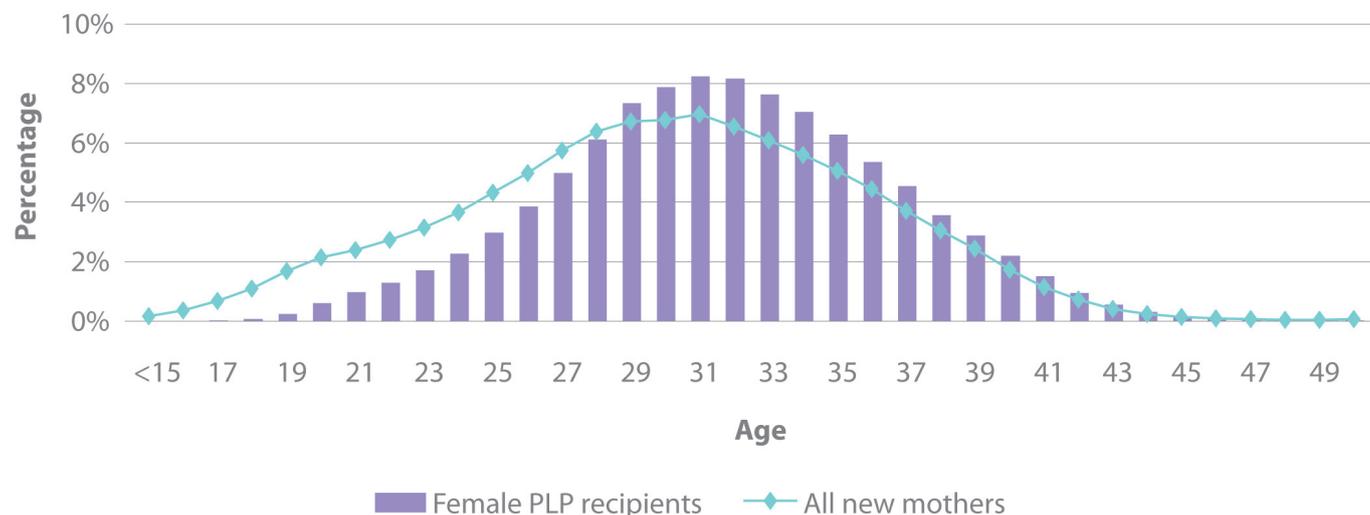
Since the commencement of the Paid Parental Leave scheme from 1 January 2011 to 31 December 2012, more than 255,000 individuals have claimed Parental Leave Pay.

At 31 December 2012, around 37,000 parents were receiving payment and more than 194,000 had received their full payment. The remainder were awaiting their start date or the processing of their claim.

Unless otherwise stated, the following demographic analyses are for recipients of Parental Leave Pay from 1 January 2011 to 31 December 2012.

Percentage of recipients who are females:	99%
Percentage of recipients who are partnered:	95%
Percentage receiving payment for the full 18-week period:	99%
Percentage of recipients who lodge pre-birth claims:	54%
Number of transfers to fathers/partners:	380
Median income of recipients:	\$45,000
Average income of recipients:	\$49,347
Percentage of recipients in 2012-13 whose adjusted taxable income is below National Minimum Wage:	25%
Percentage of recipients who start their payment within 4 weeks of their child's birth:	59%

Age of female PLP recipients - as at 31/12/2012



Adjustable Taxable Income of PLP recipients - as at 31/12/2012

