



# Keeping in Touch (KIT) Provision

## The Productivity Commission's recommendation

The Productivity Commission's report *Paid Parental Leave: Support for Parents with Newborn Children* recommended the inclusion of a Keeping in Touch (KIT) provision in the Paid Parental Leave scheme to allow parents who receive Parental Leave Pay to undertake activities that 'maintain contact with the firm or that facilitate an orderly return'. The Productivity Commission concluded that:

*A KIT provision would be likely to improve employee retention for businesses, decrease any productivity loss associated with a parent's absence from work, and enhance the career prospects of the relevant parent.*

*This arrangement should also be extended to the self-employed/employers so that they can maintain a degree of oversight of their business.*

The KIT provisions in the *Paid Parental Leave Act 2010* (the PPL Act) apply to Parental Leave Pay.

## Keeping in touch (KIT) provision

Under the PPL Act, to receive Parental Leave Pay a person must be on leave or not working from the time they become the child's primary carer (eg. from the date of birth for a birth mother) until the end of their Paid Parental Leave period.

If a person returns to work or participates in a paid work activity between becoming the primary carer of their child and the end of their Paid Parental Leave period, their Parental Leave Pay will stop from that day.

The KIT provisions in the PPL Act create an exception to this rule by allowing some limited paid work activities to be undertaken before the end of the Paid Parental Leave Period, without the person losing their entitlement to Parental Leave Pay.

The KIT provisions allow an employee to do paid work activities for up to 10 days if those activities are for the purpose of staying connected with their work, and to help them transition back into work after the end of their leave.

The KIT provisions also allow a self-employed person to do some paid work activities for their business if those activities are for the purpose of overseeing the business or performing the occasional administrative task.

## Employee KIT facts:

- A KIT day is a voluntary activity. Both the employee and the employer must agree to the employee participating in a KIT day.
- An employee can take up to 10 KIT days between becoming the child's primary carer and the end of their Paid Parental Leave period, without losing their entitlement to Parental Leave Pay.
- If the 10 KIT days are exceeded before the end of the Paid Parental Leave period, Parental Leave Pay will stop from the 11th day of paid work activity.
- If an employee participates in a paid work activity for at least one hour on a day, that activity will count as one KIT day.
- Paid work activities can include, but are not limited to, training days, planning days, conferences and on-the-job training to update skills.
- A KIT day cannot be taken in the first two weeks after the birth or adoption of the child to allow for maternal recovery if applicable, and bonding with the child.
- An employee can initiate a KIT day after two weeks. An employer cannot ask an employee to participate in a KIT day within the first six weeks after the birth or adoption.
- It is expected that an employee participating in a KIT activity will not receive less than their usual pay for the time they work.
- Taking a KIT day will not extend the Paid Parental Leave period or affect the payment of Parental Leave Pay for the day.
- An employee is required to notify Centrelink if they return to work or exceed 10 KIT days before the end of their Paid Parental Leave period.

## Employer KIT facts

- A KIT day is a voluntary activity. Both the employee and the employer must agree to the employee participating in a KIT day.
- An employee can initiate a KIT day following the first two weeks after the birth or adoption. An employer cannot ask an employee to participate in a KIT day within the first six weeks after the birth or adoption.
- An employer is required to notify Centrelink if an employee returns to work or takes more than 10 KIT days before the end of their Paid Parental Leave period.
- Employers must comply with their usual record keeping and notification requirements, such as payroll records and payslips, for KIT days.
- Work performed on a KIT day counts as service and may have implications for an employee's entitlements, such as leave accrual.

## Self-employed KIT facts

- If a self-employed person returns to running their business before the end of their Paid Parental Leave period, their Parental Leave Pay will stop from that day.
- A self-employed person is required to notify Centrelink if they return to work before the end of their Paid Parental Leave period.
- Similar to the KIT provisions for employees, a self-employed person may oversee their business and perform the occasional administrative task before the end of their Paid Parental Leave period, without losing their entitlement to Parental Leave Pay.
- Administrative tasks can include, but are not limited to, paying an account, checking on the delivery of an order, or organising replacement staff to manage an absence from work.

## Changes to the Fair Work Act

The *Fair Work Act 2009* was amended with effect from July 2012 to provide for employees who are on unpaid parental leave under the National Employment Standards (NES) to work for up to 10 days for the purposes of keeping in touch with their employer without that work breaking the employee's single continuous period of unpaid parental leave.

A KIT day taken under the PPL Act counts as a KIT day under the *Fair Work Act 2009*.