



CRA BULLETIN

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WHAT HAPPENS AT THE END OF PARENTAL LEAVE?

Many Mothers returning from maternity leave do consider their options regarding full time, part time, flexi-time work, or even not returning at all. Employers should be able to inform parents of what their options are and what happens if they decide to return to work or not.

Employee not returning

Employees who decide not to go back to work must tell their Employer in writing at least 21 days before the end of their parental leave (this may be more if the agreement has a longer resignation period).

Many Employees are concerned that if they resign early they will not receive their parental leave payments. However legislation introduced last year means that if an Employee decides not to go back to work, they will still get their parental leave payments.

Although Employees on parental leave continue to accrue annual leave, if an Employee decides not to return to work, their termination date would be back dated to the date they started parental leave. This means that any holiday pay they get in their final pay is based on their last day of work before their parental leave started.

Employee Returning to Work

Employees who decide to return to work should give notice of their intention to return at least 21 days before their leave ends. Generally, Employees can only return to work earlier than the agreed date if the Employer agrees.

While on Parental Leave, Employees continue to accrue leave entitlements throughout their paid and unpaid leave. The employment is continuous and Employees remain eligible for any benefits conditional on service being unbroken. On the Employee's return, leave is calculated at the average weekly earnings for 12 months immediately before the end of their last pay period. Therefore if an Employee returns to work following Parental Leave and immediately takes annual leave, their payment is likely to be less than their normal daily pay as their average calculation is likely to include a period of unpaid leave. The normal requirement of paying the higher of the average or relevant daily pay does not apply.

Many parents will seek to work part-time or vary their hours/location of work. Employers must consider any written request for a variation of working arrangements but can refuse the request on the following grounds:

- Inability to reorganise work among existing staff
- Inability to recruit additional staff
- Detrimental impact on quality
- Detrimental impact on performance
- Insufficiency of work during the periods the employee proposes to work
- Planned structural changes
- Burden of additional costs; or
- Detrimental effect on ability to meet customer demand.

Employers should also ensure that (so far as is reasonable and practicable) there are appropriate facilities and breaks to allow Employees to breastfeed while at work (these breaks may not be paid).