

## Changes to Paid Parental Leave: What Employers Need to Know

### Effective from 1 July 2025

Significant changes to Australia's **Paid Parental Leave (PPL) scheme** will take effect from **1 July 2025**, with further adjustments scheduled for **July 2026**. These changes aim to make the scheme more flexible, gender-neutral, and better aligned with the needs of modern families.

Employers will need to review and update relevant workplace systems, documentation, and policies to remain compliant and avoid risk.

### Key Changes to the PPL Scheme

Feature	Before 1 July 2025	From 1 July 2025
<b>Paid Parental Leave Duration</b>	20 weeks	24 weeks (rising to 26 weeks from July 2026)
<b>Carer Classification</b>	Primary and secondary carers	Shared carer model – no distinction
<b>Leave Flexibility</b>	Leave generally taken in one block	Leave may be taken in multiple blocks (minimum one day)
<b>"Keeping in Touch" Days</b>	10 days	Replaced with 30 "flexible workdays"
<b>Concurrent Leave</b>	Limited access	Expanded access for both parents to take leave at the same time
<b>Eligibility Criteria</b>	Based on income test and work test	Updated income thresholds and revised work test rules
<b>Partner Access</b>	Limited in some cases	Expanded eligibility for partners

### Impacts for Employers

The upcoming changes will require operational adjustments and additional planning, particularly for smaller employers. Areas of impact include:

- Increased complexity in managing and tracking employee leave
- The need for more flexible and responsive **rostering systems**
- Revising employment contracts, policies, and leave templates to align with the new provisions
- Preparing for more frequent or non-continuous leave requests
- Managing workforce planning and temporary cover during extended or concurrent leave
- Ensuring equitable treatment to avoid potential discrimination risks

## Risks of Non-Compliance

Employers who are not prepared may face:

- **Discrimination claims**, particularly where outdated policies disadvantage certain employees
- **Breach of the National Employment Standards (NES)**, which may result in penalties or enforcement action
- **Negative impacts on workplace culture**, including staff disengagement or confusion
- **Costly disputes or legal claims**, especially where leave is refused or mishandled

## How to Prepare

To support compliance and minimise disruption, employers should take proactive steps now:

1. **Review and update your parental leave policy** in line with the new rules
2. **Train payroll, HR and admin staff** to manage leave entitlements and record-keeping accurately
3. **Communicate early** with employees who are likely to be affected by these changes
4. **Update employment contracts, letters of offer**, and internal forms or checklists
5. **Review rostering systems and workforce planning strategies** to accommodate more flexible leave requests

## Support and Resources

TCCI members can access assistance and tools to help manage the transition, including:

- **TCCI Workplace Relations Helpline:** Call 1300 765 123 for direct advice on how to apply the new rules in your workplace
- **Templates and resources:** Access updated sample policies, forms, and letters via the TCCI website
- **Guidance from the Fair Work Ombudsman:** Visit the Fair Work website for employer information on parental leave obligations
- **Updated Paid Parental Leave details from Services Australia:** For eligibility and claims-related information

## Need further support?

Contact the TCCI Workplace Relations team for tailored advice, documentation reviews, or assistance with implementation. [hr@tcci.com.au](mailto:hr@tcci.com.au)

