



# Budget October 2022-23

This information is accurate as of 25 October 2022.

## Boosting Parental Leave to Enhance Economic Security, Support and Flexibility for Australia's Families

The Australian Government is increasing the length of the Paid Parental Leave scheme to 26 weeks by 2026.

Currently, parents are eligible for:

- 18 weeks of Parental Leave Pay for the primary carer
- 2 weeks of Dad and Partner Pay for dads and partners.

From 1 July 2023, Parental Leave Pay and Dad and Partner Pay will be combined into a single 20 week payment. Other changes include:

- the introduction of gender-neutral claiming to allow either parent to claim
- parents being able to take weeks of Parental Leave Pay at the same time
- introducing a family income limit of \$350,000 adjusted taxable income in addition to the existing individual income limit of \$156,647.

Parents will be able to take Parental Leave Pay in blocks as small as one day at a time, with periods of work in between. This must be within 2 years from the date of birth or adoption.

The new Paid Parental Leave scheme will have a 'use it or lose it' portion for each parent. This is to support families and incentivise both parents to access it.

Starting from 1 July 2024, Parental Leave Pay will increase by 2 weeks each year. This is until 1 July 2026 when it will reach 26 weeks.

You can read about the [Paid Parental Leave Scheme](#) on the Department of Social Services' website.

Services Australia has been allocated \$4.7 million in 2022-23 and \$16.8 million over 4 years until 2025-26. This is to deliver the IT changes needed to implement this measure.

This measure is subject to the passage of legislation.

### Who does this measure affect?

This affects parents with a newborn or newly adopted child.

### When will this start and finish?

This will affect claims for children whose date of birth or entry to care is on or after 1 July 2023, and will be ongoing.