BusinessCentral

EMPLOYER BULLETIN

16 December 2024
A Weekly News Digest for Employers

EMPLOYER NEWS

Pay deductions for partial strikes to be reintroduced

Changes to collective bargaining will help rebalance the rights and consequences of industrial action, Workplace Relations and Safety Minister Brooke van Velden says.

A bill to allow for pay deductions in response to partial strikes has been introduced to Parliament. Partial strikes are industrial actions that normally involve turning up to work but refusing to partake in key parts of the job. The previous government revoked this in 2018.

"Restoring employers' ability to make pay deductions for partial strikes could help incentivise both parties to return to the bargaining table and reach agreement sooner, while also minimising community impacts," Ms van Velden says.

"A large proportion of public sector collective agreements are expiring in the first half of next year. Introducing a bill this side of Christmas will set the stage for this Government continuing to deliver better public services in 2025."

To read further, please click here.

Commonsense changes to insulation standards

The Government is proposing commonsense changes to reduce the upfront cost of building, while maintaining robust energy efficiency standards, Building and Construction Minister Chris Penk says.

"Building costs have increased by more than 40 percent since 2019, with devastating consequences for Kiwis locked out of affordable housing."

MBIE is proposing some changes for builders and designers to meet energy efficiency standards at a lower cost.

These include:

- Removing the prescriptive "schedule method" that sets out insulation requirements in a new build, which could "reduce up-front costs as much as $15,000."
- Adjusting the minimum 'R-values' for roof, wall and floor insulation, with some leeway based on a total insulation calculation.
- Updating regional requirements for insulation.

Mr Penk "encourage[s] all industry participants to submit on the proposed changes."

To read further, please click here.

Government cuts red tape for food exporters

The Government is delivering on its commitment to cut red tape and increase the value of exports by making it easier for exporters to deliver safe New Zealand food to more markets, says Food Safety Minister Andrew Hoggard.

"I am pleased to announce that we will be progressing a new pathway to exempt food products for export from domestic composition and labelling requirements."

Currently, food produced in New Zealand for export must meet domestic food standard requirements for composition and labelling. Where these requirements differ to those of the importing country, exporters must apply to the Ministry for Primary Industries (MPI) to be exempt from New Zealand's composition and labelling requirements on a product-by-product basis.

"This is costly and inefficient - for both exporters and MPI - and can result in lost commercial opportunities, particularly for the dairy sector. It is also out of step with our international trading partners, who do not require individual export exemptions to be applied for.

"Taking into account consultation feedback, I have decided to take a two-staged approach to changing the rules. In the meantime, exporters of these foods can continue to use the existing process for case-by-case exemptions."

The new regulations are planned to come into effect in mid-2025.

To read further, please click here.

Repealing advertising restrictions for media

Legislation that will repeal all advertising restrictions for broadcasters on Sundays and public holidays has been introduced to Parliament, Media Minister Paul Goldsmith says.

"This change could generate approximately $6 million for the industry and any lost opportunities for revenue are significant in the current tight financial context.

"This will level the playing field by ensuring local media companies are not disadvantaged by restricted advertising times that don't apply to digital streaming platforms."

To read further, please click here.

Business employment data: September 2024 quarter

Business employment data includes filled jobs and gross earnings, with breakdowns by industry, sex, age, region, and territorial authority area.

Total actual filled jobs in the September 2024 quarter were 2.3 million. In the September 2024 quarter compared with June 2024 quarter, total seasonally adjusted filled jobs were down 0.7 percent (16,763 jobs). For the year ended September 2024 compared with the year ended September 2023, total gross earnings were up 5.9 percent ($9.8 billion).

The most major changes by industry, in seasonally adjusted filled jobs in the September 2024 quarter (compared with the June 2024 quarter), all trended downward between 0.5-2.5 percent. These were construction, accommodation and food services, administrative and support services, manufacturing and retail trade.

The largest increases in total annual gross earnings for the year ended September 2024, compared with the year ended September 2023, were in health care and social assistance, up 14 percent ($2.8 billion); public administration and safety, up 8.5 percent ($1.3 billion); and education and training, up 6.9 percent ($900 million).

To read further, please click here.

Business financial data: September 2024 quarter

Business financial data provides sales, purchases, salaries and wages, and operating profit estimates for most market industries in New Zealand, and information on stocks for selected industries.

In the measured industries, for the September 2024 quarter compared with the September 2023 quarter, sales and purchases went down 0.7 percent. Sales were $189 billion (down $1.3 billion) and purchases were $133 billion (down $888 million). Operating profit was $25 billion (down $1.0 billion or 4 percent). However, salaries and wages were $31 billion (up $593 million or 1.9 percent).

Compared with the June 2024 quarter, the largest industry movements in sales were that electricity, gas, water, and waste services went up $819 million, while wholesale trade went down $457 million and construction down $429 million.

To read further including industry-specific results, please click here.

Independent review of ACC announced

ACC Minister Matt Doocey today announced an independent review of ACC because of concerns about declining rehabilitation rates and increasing costs.

“ACC provides critical support to New Zealanders in times of need, but I am concerned that ACC’s performance has been declining for a decade. Rehabilitation rates are down, weekly compensation costs are up and average costs per claim are up,” Mr Doocey says.

“Today I am announcing that the earners and business levy is having to be increased by up to 5 per cent a year for three years to meet the rising costs of the scheme.

“For somebody on the median full-time wage of about $70,000 a year this equates to an additional $42 for the 25/26 financial year, or 80c a week, and an increase of $140 in three years’ time from this year’s levy rate.

"The levies paid by motor vehicle owners are also being increased by 5 per cent plus an inflation adjustment per year for three years.

"This review will have a particular focus on claims management. It will look at whether ACC has the right interventions and settings in place to support accident claimants to return to independence as quickly as possible.

"Alongside the review, I am working with the ACC Board and the Ministry of Business Innovation and Employment to strengthen performance monitoring and achieve more targeted and cost-effective social rehabilitation services.

"I know that many Kiwis are doing it tough. The staging of the increase in ACC levies reflects this."

To read further, please click here.

Food and Fibre sector set to break records

New Zealand's food and fibre exports are forecast to hit $56.9 billion by 30 June 2025 and climb to a record $58.3 billion the following year, showcasing the strength and resilience of the sector, Agriculture and Forestry Minister Todd McClay announced.

"Strong global demand and healthy prices in key markets are positioning our food and fibre exports for record growth," Mr McClay says.

Dairy exports are forecast to grow by 10 per cent to $25.5 billion in the year to 30 June 2025, driven by tight global supply and higher prices. Meat and wool revenues are expected to rise slightly to $11.4 billion as demand strengthens and global beef supplies tighten.

Horticulture continues to surge, with export revenue projected to reach a record $8.0 billion in the year to 30 June 2025, a 12 per cent increase. Kiwifruit exports are set to exceed $3 billion for the first time, reflecting strong international demand for New Zealand's premium produce.

Forestry export revenue is expected to rebound 4 per cent to $6.0 billion this year, recovering from domestic supply-side disruptions and slow global demand. Renewed engagement and increased building activity in China is also set to drive higher demand for logs and processed wood products.

"To drive this growth the Government has moved swiftly to remove regulations hampering the sector's success. Already we've rolled out a comprehensive package of changes to reduce costs for farmers, drive productivity, slash red tape, streamline approvals, and secure trade deals that increase market access and boost returns," Mr McClay says.

To read further, please click here.

EMPLOYMENT RELATIONS AUTHORITY: FIVE CASES

Employer wins on its use of trial period

Mr McAlley was employed by Mr McFall as a security guard from 6 May 2023 until 17 May 2023. Mr McAlley worked for a total of three days before his employment was terminated under the trial period provision in his individual employment agreement. Mr McAlley argued that he was unjustifiably dismissed, claiming he had not signed his employment agreement prior to commencing work.

In the beginning of 2023, Mr McAlley contacted Mr McFall enquiring as to whether there was any work available as a security guard. Mr McFall followed up with an offer of casual employment in April 2023, which Mr McAlley did not accept. They maintained the discussion and met on 1 May 2023 to discuss possible employment. Mr McFall was prepared to offer employment to Mr McAlley, but said that given his track record, any employment he accepted would be subjected to a trial period. Mr McAlley said he understood the terms of the offer and was given an employment agreement to review.

Later that day, Mr McAlley emailed Mr McFall and asked for another copy of the employment agreement, as he needed proof of employment for a new tenancy he was seeking to enter. Mr McFall advised Mr McAlley he could accept the agreement via email once Mr McFall was able to review the agreement. Mr McFall further advised Mr McAlley that at the beginning of his employment there would be additional paperwork to sign. From there, Mr McAlley accepted the offer by email.

Mr McAlley was due to start work on 6 May 2023 but became unwell and told Mr McFall he would not be at work. He was then absent on 6 and 7 May 2023. He was not rostered on to work until 10 May 2023. However, Mr McAlley did not physically sign his employment agreement prior to commencement of working onsite.

Mr McAlley worked the following days from 10 to 12 May 2023. He then injured his ankle and was unable to attend work on 13 and 14 May 2023. On his stipulated return day of 17 May 2023, Mr McAlley advised he would not be able to attend work due to family bereavement. Later that day, Mr McFall gave Mr McAlley notice of termination under the 90-day trial period provision outlined in his employment agreement.

Mr McAlley claimed he was unjustifiably dismissed, and that Mr McFall could not rely on the trial period due to not signing his employment agreement prior to commencing employment. However, the Employment Relations Authority (the Authority) deemed that Mr McAlley's trial period provision complied with law. The Authority also deemed that Mr McAlley knew the trial period provision was in his employment agreement, being that it was discussed in the meeting.

The Authority deemed that Mr McAlley accepted the employment agreement via email prior to beginning employment. It concluded that the trial period provision in the employment agreement could be relied upon. Mr McFall was justified in terminating Mr McAlley's employment, under the reliance and in accordance with the trial period provision outlined in the employment agreement.

Therefore, the trial period rules applied, and Mr McAlley could not bring a claim of unjustified dismissal. Costs were not awarded as neither party incurred any.

McAlley v McFall [[2024] NZERA 522; 30/08/24; P van Keulen]

Permanent employee treated as a casual and dismissed

Ms Boriboon was employed by Loctun Deluxe Nail & Beauty Salon Ltd (Loctun) from 2 November 2022 until August 2023. Loctun's sole director and shareholder, Ms Vo, deemed Ms Boriboon a casual employee with the understanding that she would only be called when work was available. Ms Boriboon raised a personal grievance alleging unjustified dismissal.

Ms Boriboon did not have an individual employment agreement. One was offered to her in June 2023, but she refused to sign it as it contained multiple errors. Initially she worked six hours a day, Monday to Friday, at an hourly rate of $21.20. Those hours often fluctuated depending on how much business there was.

In July 2023, Ms Boriboon noticed she was not paid sick leave for the time off she had taken to care for a dependent child. At the same time, her working hours were significantly reduced. Ms Vo told her that she was a casual employee. She instructed Ms Boriboon that she was no longer needed and not to come back. Ms Boriboon continued to question the situation but was ignored until she left her employment. Loctun did not participate in the hearing at the Employment Relations Authority (the Authority).

The Authority determined the parties had verbally agreed on Ms Boriboon's hours. Even though the fluctuating hours bore a resemblance to a casual role, the verbal agreement between the parties was of permanent employment.

The Authority found that when Ms Vo told Ms Boriboon not to come back, she had unjustifiably dismissed her. Further, Ms Vo unilaterally changed the employment arrangement to a casual agreement and then stopped communicating with Ms Boriboon. With no reasons justifying the dismissal, no consultation, no access to information or opportunity to comment, and the sudden way in which Ms Boriboon's employment came to an end, Loctun had breached its good faith obligations to Ms Boriboon. There was no process – Ms Boriboon was dismissed by a series of messages and was not given a chance to respond to the decision.

The Authority issued penalties for the breach of good faith and failure to provide wage and time records. It felt that changing Ms Boriboon's role from permanent to casual had an obvious adverse effect on the employment arrangement.

Loctun was ordered to pay Ms Boriboon $18,000 as compensation for hurt and humiliation, lost wages of $5,624, wage arrears of $8,349, public holiday arrears of $808.20 and the Authority's filing fee of $71.55. It was also to pay interest on the wage arrears from the end of her employment until the money was fully repaid. Loctun also had to pay a penalty of $1,000 to Ms Boriboon and a further $4,000 to the Crown. Costs were reserved.

Boriboon v Loctun Deluxe Nail & Beauty Salon Ltd [[2024] NZERA 531; 05/09/24; S Kennedy-Martin]

Employer failed to take steps to protect employees from harm

AKO and CJV, a couple, were both employed by DGE from 6 December 2021. AKO was employed as a general farm hand and CJV as the station cook. They were both required to live on the property, with written service tenancy agreements attached to their individual employment agreements. AKO and CJV resigned on 11 February 2023 after AKO was assaulted by another employee at work. They claimed their resignations should be treated as constructive dismissals due to the way their employer handled the workplace assault. They claimed compensation, lost wages, and penalties for breaches of good faith and of DGE's health and safety obligations.

On 24 January 2023, another employee, QEU, assaulted AKO while both employees were out working on the farm. AKO and CJV met with the station manager straight away to report the incident. The station manager told them QEU had already contacted him, handed in his notice and was leaving the station. The next day, AKO confirmed with the station manager he felt okay to work, but privately had a panic attack. The plaintiffs met with the station manager at his house that evening and conveyed their intention to resign. The station manager said he did not want them to resign. He offered AKO time off and away from the farm and invited them both to think about their decision until after the weekend.

AKO and CJV met with the station manager again on 30 January 2023. They had decided to stay, believing QEU was leaving in two weeks, which would alleviate their concerns about safety and security. The station manager denied he gave them any timeframe for when QEU would leave the farm. On 9

February 2023, the station manager extended QEU's end date. He explained to AKO that QEU would be staying on longer than intended. At that point, AKO and CJV thought they could no longer trust their employer with their safety. They emailed their resignation seeking to leave earlier than their one-month notice periods.

The station manager said there was no need to take any action against QEU, other than have him work down the other end of the farm for one day, because after that, QEU would proceed to be on leave and then end his employment. He also told QEU to stay away from AKO and CJV.

The Employment Relations Authority (the Authority) found it more likely than not that DGE told the plaintiffs QEU would leave in two weeks. The plaintiffs were not given any information to suggest that would change.

DGE had a duty to deal with AKO and CJV in good faith, be active and constructive in maintaining a productive employment relationship and be fair and reasonable. DGE argued it did not know how the assault impacted on AKO and CJV or that they did not feel safe, but the Authority rejected the claim. The station manager knew AKO's mental health would have been negatively impacted from the assault. No objective fact-finding or enquiry was made into the circumstances of the assault or its seriousness.

Employers failing to take steps to protect employees from harm in the workplace, once aware of the harm, give rise to findings of constructive dismissal. The employer also did not provide an effective method to deal with such workplace hazards. As a result, it failed to provide a safe workplace, resulting in a constructive dismissal.

DGE was ordered to pay AKO compensation of $20,000 for hurt and humiliation, and compensation to CJV of $18,000. It was to pay AKO lost wages totalling $13,098.37 and CJV of $12,094.17. Finally, it was to pay a $12,000 penalty, with $2,000 payable to each of AKO and CJV. Costs were reserved.

AKO v DGE [[2024] NZERA 534; 5/09/24; S Martin]

Employees with disputes must choose to follow them up at the time

The Ministry for Social Development (the Ministry) employed CPD in September 2020. CPD raised a claim in the Employment Relations Authority (the Authority) and argued MSD had mistreated them regarding absences from work and the management of their workload. The Authority first assessed here whether CPD raised their issues to MSD within the 90-day deadline for personal grievances.

CPD claimed they requested specific support from the Ministry in early 2022 which it did not provide. The Ministry also declined requests that CPD made to work from home or do overtime. CPD accused the Ministry of performing actions that disadvantaged him, like its implementation of a work rehabilitation plan and relocating CPD's work to other employees.

Throughout 2022, CPD frequently took time off work due to health or medication issues, which ultimately led to unexplained absences. When CPD's sick leave ran out, the Ministry treated some of the absences as annual holidays or unpaid sick leave. It also offered EAP services to CPD.

In that time, CPD's work became increasingly unpredictable. Without notice to the Ministry, CPD would try to take their equipment to work from home or go home early. They said this was due to their condition and the noise in the office. CPD would also text their manager last-minute to say they would not come into work at all. The Ministry thought CPD's absences were putting a strain on its operations and that the situation was becoming unsustainable.

From the beginning of the year, CPD submitted many work-from-home requests, the first being on 7 January 2022. The Ministry declined these on the basis that CPD should not have been working if they were unwell.

In another request on 10 January 2022, CPD also mentioned the Ministry should have more staff present in the office to help manage the workload. CPD's manager explained that COVID-19 had impacted the in-person resources available. CPD was dissatisfied with that response but chose to focus on improving their attendance and reducing conflict and stress rather than pursuing the matter.

On 24 and 27 February 2022, CPD asked the Ministry to provide additional paid sick leave since their entitlement had run out. The Ministry declined the request. It offered various suggestions for alternate support, including part-time hours, leave without pay and reducing CPD's workload and duties. CPD again chose to also drop this matter.

On 17 May 2022, CPD's manager emailed him about a potential return-to-work plan. On 25 May 2022, the manager assessed a medical certificate for CPD. As a result, the manager suggested returning to work on reduced hours and that no additional hours would be worked without agreement. CPD claimed to have the same dissatisfaction and attitude to agreement on this matter. CPD signed a full-time rehabilitation plan on 22 August 2022, while also being declined another request for overtime worked from home.

On 1 June 2022, the Ministry removed CPD from their role due to his unpredictable presence at work. The Ministry did not intend the decision to be a restructure or demotion, and it did not result in any changes to CPD's employment conditions. Instead, to resolve the issue CPD had directly brought up about workload, MSD re-allocated CPD's work files, an action the Ministry had the authority to perform.

CPD raised a personal grievance in an email on 7 June 2022 regarding the re-allocation of their work files. Across their other communications, they took issue with the manner in which the Ministry ran its process and felt it was an unjustifiable disciplinary action resulting in damage to their reputation. They also laid out how they wanted the issue to be resolved.

CPD sent an email on 20 February 2023 seeking to raise all of the above incidents as a personal grievance. The Authority deemed that most of their communications did not raise a personal grievance as per the Employment Relations Act 2000. The Ministry's response to CPD's concerns were considered reasonable and the Authority found it relevant that CPD decided not to pursue matters at the time. Therefore, when CPD sent their email in February 2023, they had exceeded the 90 days they had to raise their earlier concerns.

However, the final incident of re-allocating CPD's work was raised promptly, with sufficient clarity around how they desired the Ministry to respond. That personal grievance alone was allowed to proceed to the Authority hearing. From there, the Authority next organised for its process to begin with a case management conference. Costs were reserved until the outcome of the personal grievance.

CPD v The Chief Executive of the Ministry of Social Development [[2024] NZERA 559; 17/09/24; A Gane]

Employee unjustifiably disadvantaged by prolonged suspension

Mr Williams worked as a labourer at Bassett Plumbing & Drainage Ltd (Bassett) from November 2017. He claimed he was unjustifiably disadvantaged by a prolonged suspension issued in response to his negative drug test.

On 11 October 2022, Bassett's contracts manager, Mr Clayton, called Mr Williams over the phone and raised a health and safety issue involving his failure to clean an excavator properly. Their discussion became heated, and Mr Clayton instructed Mr Williams to attend a meeting and take a drug test the following morning. Suspension was not mentioned at that time, and both parties verbally agreed Mr Williams would be tested.

The meeting addressed the excavator issue and Mr Williams' allegedly aggressive behaviour over the phone. Mr Williams denied that suspension was discussed but agreed to the drug test which he completed promptly. He received a negative result.

Despite that outcome, Mr Williams did not know whether he was allowed to return to work. After three unsuccessful attempts to call Mr Clayton to determine what was going on, he sought advice from the Citizens Advice Bureau, which agreed to reach out to Bassett on his behalf. Mr Clayton informed the Citizens Advice Bureau that Mr Williams was suspended on full pay pending an investigation. Mr Williams, unaware of any suspension, questioned its necessity given the negative drug test outcome.

Two days later, on 14 October 2022, Mr Williams received a letter from Bassett inviting him to a disciplinary meeting on 28 October 2022 to address 12 allegations, many unrelated to the original incident. Termination was proposed as a potential outcome. Mr Williams requested further details about the allegations on 28 October 2022 to prepare his response. Bassett took 24 days to provide this information. Bassett's next letter reduced the allegations down to seven, without explanation.

Mr Williams submitted a written response on 10 December 2022 alongside a personal grievance claim for unjustified disadvantage. Bassett requested a meeting, held on 12 December 2022, to discuss the matter. The meeting concluded with Bassett taking no further action, and allowed Mr Williams to return to work on 13 December 2022, after ten weeks of suspension.

The Employment Relations Authority (the Authority) analysed Mr Williams' employment agreement, which allowed for suspension only when termination was being considered. Mr Clayton admitted that suspension was not discussed with Mr Williams in the meeting on 12 October 2022 and that no consultation occurred. Bassett was also not considering termination at that time, making the suspension contrary to the agreement.

Even if Bassett did have a contractual right to suspend, the Authority determined it must be exercised fairly and reasonably. Mr Clayton's suspension was supposedly for drug testing and further investigation into the incident, but alternative options such as additional training or reassignment of duties could have been explored.

The Authority found the suspension unjustifiable on both procedural and substantive grounds. Requiring Mr Williams to undergo a drug test was a lawful and reasonable instruction, and so Bassett had no reason to formally suspend him. When Mr Clayton was informed of the negative drug test, rather than inviting Mr Williams back to work, Basset continued his suspension. None of the 12 initial allegations appeared to be related to the original reason for suspension.

Keeping Mr Williams suspended was also inconsistent with Bassett's employment agreement clause – treating employees with dignity and respect. The suspension period changed over the course of weeks without consultation on the change. There was no need for Mr Williams to be suspended at all, let alone for ten weeks.

Bassett's 24-day delay in providing further information about Mr Williams' allegations was not the action of a fair and reasonable employer, especially as termination of employment was possible after that meeting. Bassett attributed the lengthy process to Mr Williams' representative's unavailability, but the Authority's perspective was that Bassett could have concluded the matter independently or set a firm meeting date.

The disciplinary allegations also lacked clarity. Bassett's failure to justify the allegations and later silently reduce them cast doubt on the validity of the suspension and investigation. Overall, the disadvantage was more than minor and resulted in Mr Williams being treated unfairly. His claim of unjustified disadvantage was successful.

The suspension caused Mr Williams' stress and a sense of alienation. The experience was emotionally taxing, as he felt ostracised and falsely labelled as a drug user. Those effects were compounded by Bassett's prolonged and unclear process. Mr Williams was awarded $9,500 compensation for hurt and humiliation. Costs were reserved.

Williams v Bassett Plumbing & Drainage Ltd [[2024] NZERA 596; 08/10/24; J Lynch]

LEGISLATION

Note: Bills go through several stages before becoming an Act of Parliament: Introduction; First Reading; Referral to Select Committee; Select Committee Report, Consideration of Report; Committee Stage; Second Reading; Third Reading; and Royal Assent.

Bills open for submissions to select committee: Twelve Bills

Evidence (Giving Evidence of Family Violence) Amendment Bill (19 December 2024)

Policing (Police Vetting) Amendment Bill (19 December 2024)

Mental Health Bill (20 December 2024)

Principles of the Treaty of Waitangi Bill (7 January 2025)

Oranga Tamariki (Responding to Serious Youth Offending) Amendment Bill (9 January 2025)

Disputes Tribunal Amendment Bill (16 January 2025)

Crimes (Countering Foreign Interference) Amendment Bill (16 January 2025)

Employment Relations (Pay Deductions for Partial Strikes) Amendment Bill (20 January 2025)

Racing Industry Amendment Bill (22 January 2025)

Employment Relations (Employee Remuneration Disclosure) Amendment Bill (23 January 2025)

Victims of Sexual Violence (Strengthening Legal Protections) Legislation Bill (23 January 2025)

International Treaty Examination of the US Tuna Treaty Amendments to Annex II of the Treaty on Fisheries between the Governments of certain Pacific Island States and the Government of the United States of America (23 January 2025)

International treaty examination of the Agreement on Climate Change, Trade and Sustainability (23 January 2025)

Overviews of bills-and advice on how to make a select committee submission-are available at: https://www.parliament.nz/en/pb/sc/make-a-submission/

ADVICELINE – CHRISTMAS 2024 AND NEW YEAR 2025

This is the last issue of the Employer Bulletin for 2024. The first issue in the New Year will be 17 January 2025. Have a safe and enjoyable holiday period. We look forward to your continued membership, support and readership in 2025.

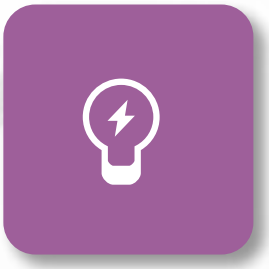
AdviceLine will close at 5pm Tuesday 24 December and reopen on Monday 6 January.
Our hours from Monday 6 January – Friday 10 January will be 8am – 6pm.

CLICK HERE

A QUICK GUIDE TO HOLIDAY PAY PRACTICES IN NEW ZEALAND

The purpose of the Employer Bulletin is to provide and to promote best practice in employment relations.

If you would like to provide feedback about the Employer Bulletin, contact: comms@businesscentral.org.nz
or for further information, call the AdviceLine on 0800 800 362



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AdviceLine is your link to first-rate employment relations advice. Business Central understands the difficulties employers can have with managing employees, so supports you with dedicated employer advisors.

TRAINING SERVICES

Our training team provide you with practical training solutions across various employment topics to help upskill your staff, giving your business a competitive edge.

OCCUPATIONAL HEALTH AND SAFETY CONSULTANTS

Health and Safety and the well-being of your employees should be of paramount importance to any employer. To help you along the way, we have a friendly and knowledgeable Health and Safety Consultant.

EMPLOYMENT RELATIONS CONSULTANTS

Employment Relations can be a difficult area to navigate. When you need close guidance on employment matters, you can rely upon our seasoned ER Consultants to be there to help.

LEGAL

When employees test the waters with a personal grievance, Business Central Legal are here to help. We offer representation in all employment law matters.

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ADVICELINE

AdviceLine is your link to first-rate employment relations advice. Business Central understands the difficulties employers can have with managing employees, so supports you with dedicated employer advisors.

This service is 100% inclusive of your membership. There is no time limit to your call, and the team is available 8am–8pm Monday to Thursday and 8am–6pm Friday.

Our Employer Advisors are well trained and comprise a mixture of legal and business backgrounds. They understand your issues and can help advise you on legal requirements and best practices. They are backed up by a large resource base they can call on to support with you with written resources, guides, and templates.

TRAINING SERVICES

Our training team provide you with practical training solutions across various employment topics to help upskill your staff, giving your business a competitive edge.

Whether it be best practice processes under the Employment Relations Act and the Health and Safety at Work Act, leadership training or personal development, the Business Central training team are dedicated to facilitating your business's professional learning.

For more information about Business Central's public and customised in-house courses, or to register for a course, contact the team today.

For regular training updates in your area, subscribe to our Training Update newsletter.

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OCCUPATIONAL HEALTH AND SAFETY CONSULTANTS

Health and Safety and the well-being of your employees should be of paramount importance to any employer. To help you along the way, we have a friendly and knowledgeable Health and Safety Consultant.

Adrienne has extensive experience with helping companies navigate Health and Safety requirements. She understands companies need to see sound return on investment for their well-being initiatives. Adrienne offers full support with compliance issues such as induction training and hazard identification and management. Additionally she can help with preparation for ACC 'Workplace Safety Management Practices'.

EMPLOYMENT RELATIONS CONSULTANTS

Employment Relations can be a difficult area to navigate. When you need close guidance on employment matters, you can rely upon our seasoned ER Consultants to be there to help.

Having someone equipped to help you do the work can take the stress out of a tricky situation.

Our Consultants have a wide range of experience and are prepared to help. Whether you need to update your agreements or policies, or embark on performance management, they have the experience to make a difference. There are so many areas they can help; it may be union issues and managing a difficult relationship or it could be confirming a restructuring selection matrix.

LEGAL

When employees test the waters with a personal grievance, Business Central Legal are here to help. We offer representation in all employment law matters.

Business Central Legal provides you best return on investment for legal advice on employment law matters. Our team of lawyers are only available to members, and can help solve your tricky issues.

While you may think of lawyers as representing people in court, this is far from everything they do. Employers take advantage of the value of the Business Central Legal team to help in drafting documents such as tailored employment agreements and offers of employment. Additionally they can help with key guidance on difficult issues as restructuring processes and rock solid performance management plans.

A QUICK GUIDE TO HOLIDAY PAY PRACTICES IN NEW ZEALAND

CHRISTMAS AND NEW YEAR PUBLIC HOLIDAYS 2024/2025

Christmas Day Wednesday 25 December 2024
Boxing Day Thursday 26 December 2024
New Year's Day Wednesday 1 January 2025
2 January Thursday 2 January 2025

PUBLIC HOLIDAYS

All employees for whom the day would otherwise be a working day and do not work on that day, will be entitled to a paid public holiday not worked.

All employees for whom the day would otherwise be a working day and do work on that day, will be entitled to at least time and a half for the hours worked on that day and an alternative holiday.

Employers therefore need to consider whether the day on which the public holiday falls is otherwise a working day for each employee in order to determine public holiday entitlements. The otherwise working day test applies to all employees regardless of whether they are permanent, fixed term or casual employees, or have just commenced employment.

OTHERWISE WORKING DAY

In most situations it will be clear whether the day on which the public holiday falls would otherwise be a working day for an employee.

However, if it is not clear an employer and employee should consider the following factors with a view to reaching an agreement on the matter.

- The employee's employment agreement;
- The employee's work patterns;
- Any other relevant factors, including:
    - whether the employee works for the employer only when work is available;
    - the employer's rosters or other similar systems;
    - the reasonable expectations of the employer and the employee that the employee would work on the day concerned;
- Whether, but for the day being a public holiday, the employee would have worked on the day concerned.

CHRISTMAS/NEW YEAR CLOSEDOWN AND PUBLIC HOLIDAYS

If a public holiday falls during a closedown period, the factors listed above, in relation to what would otherwise be a working day, must be considered as if the closedown were not in effect. This means employees may be entitled to be paid public holidays during a closedown period.

ANNUAL HOLIDAYS, PUBLIC HOLIDAYS, TERMINATION OF EMPLOYMENT

A public holiday that occurs during an employee's annual holidays is treated as a public holiday and not an annual holiday.

An employee who has an entitlement to annual holidays at the time that their employment ends will be entitled to be paid for a public holiday if the holiday would have:

- Otherwise been a working day for the employee; and
- Occurred during the employee's annual holidays had they taken their remaining holidays entitlement immediately after the date on which their employment came to an end.

When applying the provision, you are only required to count the annual holidays entitlement an employee has when their employment ends (not accrued annual holidays). Employees become entitled to 4 weeks annual holidays at the end of each completed 12 months continuous employment.

PUBLIC HOLIDAY TRANSFER

The Holidays Act 2003 allows an employer and employee to agree in writing to transfer a public holiday to any 24-hour period.

This means, with agreement, a public holiday may be transferred:

- By a few hours to match shift arrangements; or
- To a completely different day

In the absence of a written agreement, a public holiday is observed midnight to midnight.

Please note that this guide is not comprehensive. It should not be used as a substitute for professional advice. For specific assistance and enquiries, please contact AdviceLine.