BusinessCentral

EMPLOYER BULLETIN

17 February 2025
A Weekly News Digest for Employers

EMPLOYER NEWS

Twelve months to re-negotiate contracts before income threshold policy takes effect

Workplace Relations and Safety Minister Brooke van Velden says an income threshold for unjustified dismissal claims will apply to existing employment agreements after one year.

The income threshold, above which personal grievances cannot be pursued, will be introduced as part of upcoming changes to the Employment Relations Act.

"The $180,000 threshold will apply to new employment agreements once the Bill is passed and will apply to existing employment agreements 12 months after the Bill is passed," says Ms van Velden.

"If an employee is dismissed before the threshold applies to them, the employee will be able to raise an unjustified dismissal grievance within the 90-day period."

The transition period gives workers and employers time to amend employment agreements if they choose to. This includes the ability to opt back in to unjustified dismissal protection or negotiate their own dismissal procedures.

To read further, please click here.

Going for Growth: Unlocking investment in NZ

The Government is modernising visa settings to incentivise migrants to invest in New Zealand.

"Since 2022, migrants entering New Zealand under the AIP category have invested just $70 million," Economic Growth Minister Nicola Willis says. "By contrast, in the two years prior to COVID-19 migrants invested $2.2 billion."

"We are now making our investor visa simpler and more flexible to incentivise investors to choose New Zealand as a destination not just for their capital, skills and international connections, but to build a life for themselves and their family here," Immigration Minister Erica Stanford says.

From 1 April the current weighting system for the AIP will be replaced with the Growth category for higher-risk investments and a Balanced category for mixed investments, with the ability in the latter to choose ones that are lower risk. The system will also undergo other smaller changes.

To read further, please click here.

Going for growth: International investment summit to boost infrastructure and jobs

About 100 of the world's high-profile investors, business leaders, and construction companies are expected to visit New Zealand from 13-14 March for a global investment summit, Prime Minister Christopher Luxon and Infrastructure Minister Chris Bishop have announced.

"To make it clear we are open for business, the Government will host an international investment summit, highlighting partnership opportunities for overseas investment across our economy that will boost growth," Mr Luxon says.

The Government has made many announcements as part of its ambitious Going for Growth plan and will be making more over the coming weeks and months.

The Infrastructure Investment Summit is one of many growth initiatives in the Government's first Quarterly Action Plan for 2025, Mr Luxon says.

To read further, please click here.

Active Investor Plus Visa

The Active Investor Plus Visa category incentivises direct investment in New Zealand firms through a weighting system and encourages greater economic benefit to New Zealand.

This category is intended to attract investors who take an active role in helping companies access global knowledge networks, capital, and markets. The visa is designed to generate higher business productivity and job growth.

It opened on 19 September 2022 and replaced the Investor 1 and Investor 2 visa categories. As at 5 February 2025, Immigration received 101 applications involving 318 people. Of the applications, 43 were approved, 31 were approved in principle and 14 were still being assessed. (13 were withdrawn by the applicant.)

The investment funds committed under approved applications total NZD$545 million. When including applications approved in principle, the intended total is NZD$363 million.

Further information on the Active Investor Plus Visa will be available in early March, including information on options for current Active Investor Plus Visa applicants.

To read further, please click here.

Consultation opens on fisheries reforms

Feedback is being sought on proposed changes to the Fisheries Act, which Oceans and Fisheries Minister Shane Jones says are the most significant reforms in the sector for decades.

"The fishing industry generates around $1.6 billion in exports each year and employs 9000 people directly. The proposed changes will remove unnecessary regulations that impede productivity and the potential of the sector," Mr Jones says.

The proposals in the consultation document set out options to strengthen, streamline, and add to the tools available to set sustainable catch limits, improve privacy protections for fishers on vessels with onboard cameras, and more effectively deal with fish discarded under the Quota Management System.

"These proposals make the most of improvements to data collection to drive an effective and efficient fisheries system, while continuing to ensure healthy sustainable fisheries.

"They include a range of options that would be applied to set sustainable catch limits while accounting for the strength of information available, the characteristics of the fish stock, and environmental and socio-economic factors."

To read further, please click here.

Getting ACC back on track

Two independent reviews are being undertaken to boost ACC's performance and ensure it continues to deliver for New Zealanders, ACC Minister Andrew Bayly says.

"Over the last 10 years, ACC's performance has steadily decreased," Mr Bayly says. "Costs are up, with levies struggling to keep up. Meanwhile, rehabilitation rates are down, slowing down people's return to independence following an accident.

"Clearly if this trend is left unabated, the viability of the scheme is at risk, saddling future generations with immense costs. A robust plan is required to improve ACC's long-term financial sustainability without having to make large increases to levies.

"That's why the Government has commissioned two independent reviews to assess ACC's performance and effectiveness."

These cover ACC's operational performance, with a focus on case management, as well as its investment strategy, which will be the first external assurance review of ACC's investment function.

To read further, please click here.

Feedback wanted on working with engineered stone

Minister for Workplace Relations and Safety Brooke van Velden says the consultation on working with engineered stone closes in one month and hopes to hear from businesses, industry workers and people working with other materials that contain crystalline silica.

"There are a range of views on this topic, and I want to build a comprehensive picture of current workplace practices and how risks are currently being managed."

Engineered stone is a popular kitchen and bathroom bench material used in New Zealand homes and businesses. In its solid form, engineered stone does not have hazardous properties.

It is the dust that is generated from cutting, grinding, or polishing engineered stone that has the potential to cause harm when it is breathed in. Silicosis is an occupational disease caused by exposure to respirable crystalline silica, typically over a period of 20 years or more. Engineered stone workers can develop accelerated silicosis after just three to ten years of exposure.

"I'm keen to hear from all industries in which respirable crystalline silica is generated including/such as mining, quarrying, tunnelling, roading, foundries, construction, manufacturing of concrete, bricks and tiles, abrasive blasting, monumental masonry work, concrete drilling, grinding, fettling, mixing, handling and dry shovelling," says Ms van Velden.

To read further, please click here.

Livestock slaughtering statistics: December 2024

Statistics New Zealand has released the livestock slaughtering statistics for December 2024. This provides information about kills by region and animal type.

To read further, please click here.

Fiscal indicators in line with expectations

The latest financial statements show the Government's books are tracking broadly as expected, with some indicators in better shape than forecast at the Half Year Economic and Fiscal Update last year.

The Interim Financial Statements of the Government of New Zealand for the six months ended 31 December 2024 were published by Treasury. It reports a $400 million improvement in the Government's headline operating balance indicator, OBEGALx, compared to what was forecast. Net core Crown debt is $700 million lower than forecast.

"The Government is committed to returning OBEGALx to surplus and to bringing net core Crown debt below 40 per cent of GDP," Finance Minister Nicola Willis says.

The publication of the statements coincides with the launch of the Government's Going for Growth progress report, which lays out the work already underway, as well as the work planned, to grow New Zealand's economy.

To read further, please click here.

EMPLOYMENT COURT: ONE CASE

Employment Court overturns Authority regarding prohibition on preference issue

The New Zealand Public Service Association Te Pūkenga Here Tikanga Mahi Inc (NZPSA) succeeded in an application to the Employment Relations Authority (the Authority). The Authority found the Chief of the Defence Force (the CDF) breached Section 9 of the Employment Relations Act 2000 (the Act) concerning prohibition on preferences in relation to bargaining. While the parties were bargaining for new collective agreements for 2020 and 2021, the CDF backdated pay increases for non-union employees and increased pay rates for non-union employees, to match NZPSA negotiated rates.

The CDF applied to the Employment Court (the Court) to determine whether he breached the prohibition on preference under the Act, by giving a preference to non-union members. The Court also determined whether the CDF passed on mid-point pay rates from the collective agreement to non-union members, with undermining intention but not undermining effect, based on sections 59B(2) and (6) of the Act. The NZPSA claimed the preferences were also unlawful discrimination on the ground of union membership, since they excluded union members.

In section 9 of the Act, a contract, agreement, or other arrangement between persons must not confer preference on a person because of their status or non-status as a union member. The criteria included whether the arrangement confers any preference in obtaining or retaining employment, in relation to terms or conditions of employment (including conditions relating to redundancy), or fringe benefits or opportunities for training, promotion, or transfer.

The other section of direct importance was section 59B which dealt with collective bargaining. Broadly speaking, it defined certain circumstances as a breach of good faith if an employer were to “pass on” terms and conditions, from collective bargaining or a collective agreement, to an individual employment agreement.

The CDF claimed there was no preference in either 2020 or 2021. He submitted he acted in good faith and was open and transparent in his communications to NZPSA.

The pay scale ultimately set for non-union employees, effective from 1 July 2020, had previously been offered to the NZPSA in bargaining. The NZPSA thought the figure did not meet the mandate from its members and did not accept the offer. The NZPSA went on to agree to different terms and conditions including higher rates for more senior employees, lower rates for the employees who were at the same level as the non-union employees who gained pay rises in 2020, and a different commencement date. The Court considered these events significant.

In respect of the 2020 bargaining, the Court found it was not a breach of section 9 for the CDF to simply settle the collective bargaining, after having his offer rejected by the NZPSA. Essentially, the NZPSA agreed to a bargain that it felt was more advantageous to its members, who tended not to be in the lower grades. That position was open to the NZPSA, and it was open to the CDF to accept it.

Part of the deal reached during the 2020 bargaining was for different timings as to when union employees’ pay increases would occur in 2021. Their pay increase was effective from November 2021. The NZPSA achieved the certainty that it had sought from such a deal. It agreed to the timing based on there being a review in July 2021 for non-union employees. The NZPSA alleged an issue in its members receiving their pay rise after the non-union employees, but that was part of the different deal it had negotiated and was permitted by section 9(2). There was no breach of that section.

The Court next considered if there was a breach under section 59(b) of the Act. It observed that the rates offered to non-union employees were substantially the same as those in the collective agreement that bound the CDF, which meant there was “passing on”. The matching of remuneration was done to deter employees from joining NZPSA to access the collective agreement. The Court found this passing on had the intention of undermining the collective agreement.

In order for a breach to be established, though, there needed to be both intent and effect. The NZPSA itself accepted that the passing on did not have the effect of undermining the collective agreement. That meant that, regardless of intention, the CDF was not in breach of section 59B of the Act. Given that finding, the related claim of unlawful discrimination was not considered.

The NZPSA had sought an order to either vary the collective agreement to increase certain rates, change the effective date of the increases in rates to match those in the individual employment agreements, or both. The Act, however, prohibited an Authority or Court from varying a collective agreement or any term of a collective agreement. That did not mean that the employees who had inferior terms and conditions were left without a remedy. They could raise a personal grievance for discrimination.

The CDF was successful in his challenge to the Authority's determination. It was set aside and the Court's judgment stood in its place.

The Chief of New Zealand Defence Force v NZ PSA Te Pukenga Here Tikanga Mahi [[2024] NZEmpC 251; 16/12/24; Judges KG Smith, JC Holden and K Beck]

EMPLOYMENT RELATIONS AUTHORITY: THREE CASES

Claims of voiding employment fall flat

The Ngāti Rehua Ngātiwai ki Aotea Trust (Ngāti Rehua) ran various initiatives across Aotea and surrounding islands in the Hauraki Gulf. It asked Mr Whaanga to join it as an interim general manager, but after their first meeting on 4 October 2022 went sour, it reversed its request and claimed it never had the role available. Mr Whaanga applied to the Employment Relations Authority (the Authority) and argued he had been unjustifiably dismissed from the role. He sought arrears of wages from 5 October to 3 November 2022, lost wages for the following six months and compensation for humiliation and loss of dignity and mana.

Ngāti Rehua's previous general manager, Mr Nepia, performed the work during the Covid-19 border restrictions under contract. In August 2022 his overseas commitments resumed, and he no longer planned to continue the work. Mr Whaanga had a long history of volunteer and trustee work with Ngāti Rehua for several decades. Ngāti Rehua passed a resolution at its 4 October 2022 meeting that it would hire an interim general manager, and that it would specifically have Mr Whaanga on for 90 days. It listed specific tasks it would have him do in that time. Mr Ngawaka, a trustee for Ngāti Rehua, was to ask him immediately after the meeting.

Mr Ngawaka told Mr Whaanga of the temporary interim position, and Mr Whaanga confirmed he was available to take on the role. Mr Ngawaka described the job as being "like what [Mr Nepia] is doing". As a result, he "thought that it would probably be a similar arrangement… as an independent contractor".

The parties discussed one project Mr Whaanga would manage, the Tū Mai Taonga project, and arranged for Mr Whaanga to attend a project hui on 6 October 2022. Mr Whaanga said he accepted the role, and that Mr Ngawaka told him to contact another trustee, Ms Armstrong, for his contract. Mr Whaanga sent an email addressed to all the trustees later that night, saying he was honoured "to be your interim GM". He already provided a list of immediate tasks he would undertake. He met with Mr Ngawaka and another trustee on 5 October 2022 about the work, including regular reports to the Board.

On the day of the project hui, Ms Armstrong emailed Auckland Council representatives that "the trust has only just brought on [Mr] Whaanga as our interim". On the same day, Mr Whaanga attended the Tū Mai Taonga committee meeting at the Department of Conservation offices. Present were Mr Nepia, council and government representatives, and mana whenua. One of the mana whenua representatives was Ms Stephens, a kaumatua of Ngāti Rehua, and a previous trust Board member.

Mr Whaanga's speech in the meeting began to stray into matters the trust and Ms Stephens saw as internal information. They interrupted him, which he was offended by. Ms Stephens finally said, "As kaumatua I am asking that you stop now." Mr Whaanga replied: "You are not my kaumatua, you are just

a silly old woman." This came from the historical working tension the parties had. Ms Stephens and the committee walked out in response to this.

Mr Whaanga still worked on various tasks he had been assigned over the next week. Ms Stephens sent in a complaint about Mr Whaanga, which remained a live issue through the rest of his interactions with the Board.

On 16 October 2022, Mr Whaanga sent trustees his own draft employment agreement, since he still had not received one. He criticised Mr Ngawaka for failing to give him a copy during their initial conversation. Ms Armstrong agreed the contract needed "to be formalised before any further work from the interim GM proceeds".

During that meeting, the Board decided its resolution to appoint an interim general manager "was passed on presumptions that were not correct". Ngāti Rehua sent Mr Whaanga a letter on 25 October 2022 that the Board's motion was not valid, as Mr Nepia's resignation was not received until 6 October 2022. It told Mr Whaanga there was "not currently an IM General Manager role in place" and he was not to represent himself as being in that role while working for the Board. It said the Board's next meeting would discuss the situation further and, if a decision was made to proceed with Mr Whaanga, on what terms and conditions.

The 31 October 2022 Board meeting resolved not to continue the interim general manager role. It directed him to "cease undertaking any work for [the Trust]" and to "cease and desist from any further communications of any nature on behalf of the Trust Board".

The Authority considered the real nature of the parties' relationship. While the parties did not have a written document, Mr Whaanga's proposed employment agreement indicated his belief in the employment relationship, in contrast to Mr Nepia's independent contractor-style agreement. The common features of the 4 October 2022 telephone call were of a paid role for a set period, with Mr Whaanga receiving close direction from the Board, and that he would start immediately. Mr Ngawaka made an offer on those terms and Mr Whaanga accepted them. The correspondence immediately afterward supported a common understanding of Mr Whaanga's entry into the role.

Matters of control, integration and the fundamental nature of the relationship also favoured the existence of an employment relationship. The daily reports indicated a high level of control by the Board. The duties Mr Whaanga performed were integral to the Trust's work. Finally, Mr Whaanga did not think himself to be in business on his own account. He had claimed he had "the same contract as [Mr Nepia] so all the trustees need to do is… send [a copy] to me." However, he had not seen that Mr Nepia was engaged on a contract for services instead. This presumably suited Mr Nepia, but nothing suggested Mr Whaanga was going to enter into a similar arrangement. His use of the term "contract" referred to an employment agreement.

The Authority concluded Ngāti Rehua employed Mr Whaanga and therefore he had been unjustifiably dismissed. Ngāti Rehua had attempted a technical argument to reverse a hiring decision that it had come to regret. Overlapping appointments did not create an "invalid" hire under employment law.

The Authority considered remedies for the dismissal. Wage arrears would only go until the end of the fixed term. Though wage information was inconsistent, the Authority used evidence from Mr Nepia's work and the specific criteria of the Lottery Grants Board grant that funded the role, to compensate at $55 an hour, 35 hours a week, for 90 days. That resulted in an order for Ngāti Rehua to pay Mr Whaanga $27,027 of unpaid and lost wages.

The Authority ordered Ngāti Rehua to pay $13,500 in compensation for the hurt and humiliation, a figure borne of a reduction as a result of Mr Whaanga's contributory and blameworthy conduct, for making dismissive and derogatory comments. Even if he felt there was a breach of tikanga in the interruption, the Authority compared his standing in the moment to the guidance the other parties were trying to give him. Costs were reserved.

Whaanga v Ngāti Rehua Ngātiwai Ki Aotea Trust [[2024] NZERA 593; 01/10/24; R Arthur]

Redundancy without consultation leads to unjustified dismissal

Mr Vujcich was employed by Apricity NZ Management Ltd (Apricity NZ) as national sales manager from January 2023 until his position was made redundant in March 2023. He applied to the Employment Relations Authority (the Authority) and claimed he had been unjustifiably dismissed due to a lack of procedure and consultation on Apricity NZ's part.

Apricity NZ was part of the wider Australian entity Finance Group Pty Limited (AFG). Although Mr Vujcich's employment agreement was with AFG, it was accepted his employment was with Apricity NZ. The agreement contained a 90-day trial period allowing termination with one week's notice.

Two months into his employment, AFG's financial instability became apparent. On 27 March 2023, the Chief Operating Officer (COO) held a group-wide online meeting with Australian and New Zealand staff, including Mr Vujcich. During the meeting, the COO announced that AFG had no funds and all its employees, including those in New Zealand, were terminated. Staff were informed that AFG was entering administration or receivership.

Apricity NZ's Head of Customer Relations, Mr Hewitt, ended Apricity NZ's office lease. Mr Vujcich helped him vacate the premises. On 29 March 2023, Mr Vujcich received an email emphasising the priority of finding alternative employment. He did not respond or raise concerns at that time. When his salary was not paid on 6 April 2023, Mr Vujcich wrote to Apricity NZ's director, Mr Meakin, and claimed he never received formal notice of termination. He requested over $30,000 in total for unpaid wages (worth just over $7,000), redundancy entitlements, holiday pay and reparations. Following a conference call, Apricity NZ declined to pay that alleged figure. However, Mr Meakin, who had limited access to Apricity NZ's bank accounts, paid the outstanding wages once he gained access on 29 May 2023.

On 13 June 2023, a liquidator was appointed to Apricity NZ. Mr Vujcich claimed he remained employed and worked for Apricity NZ until that date, following instructions from Mr Hewitt. Mr Hewitt denied his claims and asserted that any work was done voluntarily for Mr Vujcich's own benefit. Mr Vujcich and two others explored purchasing Apricity NZ and forming a new company, although that plan was later abandoned. Mr Vujcich also received a brokerage fee for transferring clients from Apricity NZ to other financial institutions. On 19 June 2023, Apricity NZ's liquidator informed Mr Vujcich that employees had "long since been terminated" and that his employment was considered terminated either at the liquidator's appointment date or an earlier termination date that applied.

The Authority examined whether Mr Vujcich's employment continued beyond the 27 March 2023 meeting. The Authority found that the contents of the meeting, subsequent actions like vacating the office, and correspondence left no doubt that his employment in fact ended at that time. However, the termination did not comply with the legal requirements of a trial period termination, which mandates clear notice that it took effect under a trial period. The absence of formal notice rendered a trial period termination ineffective, as termination on short notice is invalid unless accepted.

The Authority then assessed whether Apricity NZ acted fairly and reasonably. It determined that the dismissal process lacked procedural fairness, including consultation and proper notice, and so failed to meet legal standards. As a result, Mr Vujcich had been unjustifiably dismissed.

As compensation for hurt and humiliation, the Authority awarded Mr Vujcich $18,000. Mr Vujcich alleged that Mr Meakin and Apricity NZ's CEO, Mr Toll, incited or aided breaches of his employment agreement, and sought penalties against them. The Authority found insufficient evidence to establish breaches of salary, termination, or redundancy clauses, or that the individuals acted knowingly or deliberately to breach the agreement. Accordingly, no penalties were imposed.

Mr Vujcich also claimed breaches of the Holidays Act 2003, Minimum Wage Act 1983 and Wages Protection Act 1983 due to non-payment of wages and entitlements. The Authority concluded that since his employment ended on 27 March 2023, and outstanding wages were paid on 29 May 2023, no breaches occurred. Costs were reserved.

Vujcich v Apricity NZ Management Ltd (in Liquidation) [[2024] NZERA 623; 16/10/24; S Blick]

Labour-hire client is joined to temp worker's personal grievance as controlling third party

Ms Holland brought the claim to the Employment Relations Authority (the Authority) that she had been unjustifiably dismissed by her employer, Millennial Recruitment Ltd (Millennial). She felt she had not been offered more work when she raised a bullying complaint about a co-worker. She also asserted that Aotearoa Fisheries Ltd, trading as Moana New Zealand (Moana), caused or contributed to her personal grievance. She sought to have Moana joined as a controlling third party. Both Moana and Millennial objected to that.

Moana often required additional labour for short periods over seasonal peaks and had arrangements with a number of labour-hire companies as a result. Millennial kept such a register of workers (temporary workers) available to be placed in a variety of roles, on assignment to its clients. All temporary workers were employed by Millennial under individual employment agreements and paid by Millennial for the work they performed for its clients.

In August 2023, Moana requested Millennial to provide a number of temporary workers. Ms Holland was one of those workers and commenced her assignment with Moana on 17 September 2023. On 28 September 2023, Moana notified Millennial that it no longer required two of the temporary workers. Ms Holland's assignment ended as a result.

The Authority set out the test for joining a third party in the Employment Relations Act 2000 (the Act). An application to join a proposed controlling third party must be granted if Moana had been notified correctly, an arguable case was made that it was a controlling third party, and its actions caused or contributed to Ms Holland's personal grievance. Ms Holland sent a personal grievance letter on 15 November 2023 to both Millennial and Moana, satisfying the notification requirement.

The Act defined a controlling third party as a person who had a contract or other arrangement with an employer, and under which an employee of the employer performed work for the benefit of the person. This person also exercised, or was entitled to exercise, control or direction over the employee, that was similar or substantially similar to that of an employer.

Ms Holland was employed by a written employment agreement with Millennial and placed as a temporary worker on assignment to Moana. Moana derived a benefit from this arrangement. Staff carrying out fish processing work were employees of Millennial. Millennial bore the responsibilities of the employer, which would otherwise fall to Moana, if it directly employed staff to carry out these duties. There was an arguable case that the first half of the definition was met. Moana, though, submitted that the second half was not met. It claimed it did not and was not entitled to exercise control or direction over Millennial's employees in a way that was similar or substantially similar to that of an employer.

Ms Holland argued that she was at all times under the control and direction of Moana. She said she "reported directly to Mr Fakatala at Moana daily and it was Moana's management that inducted, supervised, instructed, and trained [her]". Further, she "was directed by Mr Fakatala in relation to daily tasks that [she] was expected to undertake, not [Millennial]".

The Authority determined that Ms Holland had an arguable case, that her day-to-day work – the "what, when, where, how and by whom" – was under the control and direction of Moana and Millennial. Moana submitted that it and Millennial carefully defined their respective obligations in relation to Ms Holland and urged the Authority to take note of the explicit agreement reached in this regard. However, there was an arguable case that in practice Moana could and did exercise the requisite control over Ms Holland.

The Authority needed to determine if Moana contributed to the circumstances of Ms Holland's personal grievance. While the evidence so far was not strong, Ms Holland established it was arguable that Moana's dissatisfaction with her performance and conduct resulted in the cessation of her assignment to Moana. Mr Fakatala told the Authority he chose to advise Millennial that Ms Holland in particular was no longer required. It was this instruction that was the prime motivator for the conclusion of Ms Holland's assignment.

Ms Holland's application to join Moana as a controlling third party was granted and the Authority redirected them back to mediation. Costs were reserved.

Holland v Millennial Recruitment Ltd [[2024] NZERA 651; 01/11/24; 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: Five Bills

Pae Ora (Healthy Futures) (3 Day Postnatal Stay) Amendment Bill (17 February 2025)

Gene Technology Bill (17 February 2025)

Local Government (Water Services) Bill (23 February 2025)

Customs (Levies and Other Matters) Amendment Bill (10 March 2025)

Māori Purposes Bill (27 March 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/

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A GUIDE TO EASTER AND ANZAC DAY 2025

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A QUICK GUIDE TO HOLIDAY PAY PRACTICES IN NEW ZEALAND

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If you would like to provide feedback about the Employer Bulletin, contact: comms@businesscentral.org.nz
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Our training team provide you with practical training solutions across various employment topics to help upskill your staff, giving your business a competitive edge.

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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 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.

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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.

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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

NATIONAL PUBLIC HOLIDAYS 2025

New Year's Day - Wednesday, January 1
Day after New Year's Day - Thursday, January 2
Waitangi Day - Thursday, February 6
Good Friday - Friday, April 18
Easter Monday - Monday, April 21
ANZAC Day - Friday, April 25
King's Birthday - Monday, June 2
Matariki - Friday, June 20
Labour Day - Monday, 27 October
Christmas Day - Thursday, 25 December
Boxing Day - Friday, 26 December

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.