

EMPLOYER BULLETIN

22 May 2023

A Weekly News Digest for Employers

EMPLOYER NEWS

Bread and butter Budget 2023 leaves only crusts for business

EMA Chief Executive Brett O'Riley says Budget 2023 spreads the butter pretty thinly across the bread of the economy and really only leaves the crusts for business.

"This is a budget for recovery rather than growth or the transformation of the economy, which is most needed for business," he says.

"We were holding out hope for some well-funded initiatives to stimulate investment that enables innovation, like accelerated depreciation for hardware and software that would drive productivity."

Mr O'Riley says the EMA is pleased with the immediate and multi-year approach to fixing and funding new infrastructure to connect key areas of the country, but is keen to see detailed plans of priorities.

"While it's heartening to hear the Government is now not expecting the shallow recession indicated by previous forecasts, this seems to rely on Government spending to drive economic growth and reduce inflation," he says.

Additional investment in skills and training is also welcomed, particularly the extension of the Apprenticeship Boost, but that does not address critical skills shortages quickly enough and other solutions still must be sought.

"We didn't expect much and we didn't get much. There must be an integrated but also more immediate approach to deliver the pipeline of skilled people we need now and into the future," says Mr O'Riley.

"It's appropriate that there is more support for core services and our communities, but business is what makes the economy go around."

Employers & Manufacturers Association [18 May 2023]

Strong economy forecast to weather the storm

- Inflation forecast to fall to the 1-3 per cent target range by next year
- Economy to grow by 3.2 per cent this financial year
- Unemployment rate projected to peak at 5.3 per cent next year
- Wages to grow 5.2 per cent a year over the forecast period
- Net debt forecast to peak at 22 per cent of GDP in 2024, lower than the countries we compare ourselves with
- A return to surplus in 2025/2026
- Real government consumption to fall by 5 per cent by beginning of 2025

The economy is set to perform better than it did during the GFC despite the challenging global environment, with Treasury forecasting New Zealand will avoid recession.

“The Treasury is now forecasting New Zealand will avoid recession as the rebuild from the flooding and cyclone events support activity, along with stronger tourism.

“The economy is forecast to grow by 3.2 per cent in the year to June 2023, before easing to 1 percent in the following year, and then picking up to grow around 3 percent in the June 2026 and June 2027 years’ respectively.

“Inflation is projected to keep falling and be back inside the Reserve Bank’s target band of 1 to 3 per cent late next year.

“Unemployment is expected to rise to 5.3 per cent in the December 2024 quarter and remain there until the September 2025 quarter when it begins to fall back. Unemployment is expected to be back below 5 percent by the end of the forecasts.

New Zealand Government [18 May 2023]

Budget delivers support for tertiary education and training

- Extending the Apprenticeship Boost initiative
- Biggest boost to tertiary subsidies in 20 years
- Additional funds to support forecast enrolments
- Supporting Te Pūkenga’s IT integration

Budget 2023 extends the Apprenticeship Boost initiative to the end of 2024, at an expected cost of \$77.1 million, including new funding of \$17.1 million.

Apprenticeship Boost provides subsidies to employers of first- and second-year apprentices, to support those apprentices while working toward a qualification. As of March 2023, 57,040 apprentices have been supported through the initiative.

Budget 2023 increases tertiary subsidies, with additional increases for te reo Māori and mātauranga Māori provision.

“\$521 million over four years includes an across-the-board five percent increase from 2024 to help tertiary institutions manage increases in delivery costs and maintain the quality and accessibility of tertiary education and training. This is the biggest increase in at least 20 years.

“It also includes a phased increase of 15 per cent for Level 3 and above mātauranga Māori provision (including te reo Māori), phased in over four years.

New Zealand Government [18 May 2023]

Govt investment in arts delivers strong economic results

- cultural sector employment grew by 4.2% in the 12 months to March 2022
- cultural sector businesses nationally grew by 8.2% to March 2022
- strong cultural sector GDP contribution of \$12.9 billion in the 12 months to March 2022, a growth of 10.6% compared to 5.3% for the total economy
- High level modelling suggests up to 1,000 more new jobs in the arts and cultural sector and over 1,600 additional jobs in the wider sector

A new report evaluating the economic impact of the Government's almost half a billion dollars investment in the arts and culture sector through COVID-19 shows heartening results, with employment, business and GDP growing in 2022.

"Despite a forecasted loss of nearly 11,000 jobs in the sector, employment actually grew by 4.2 per cent in the 12 months to March 2022. Similarly, the number of businesses in the cultural sector grew by 8.2 per cent to March 2022.

New Zealand Government [16 May 2023]

Changes to Partner of a Worker Work Visa confirmed

From 31 May 2023, partners of Accredited Employer Work Visa (AEWV) and Essential Skills Work Visa (ESWV) holders who apply for a new Partner of a Worker Work Visa may have new work conditions in the visa.

People who successfully apply for a Partner of a Worker Work Visa on or after 31 May 2023 may have new conditions that mean:

- they can only work for an Accredited Employer
- they cannot work in roles covered by capped sector agreements.
- if working in a role not covered by a sector agreement, they must be paid at least the median wage in effect at the time they receive their visa, or when they receive a job offer, whichever is later. This is currently NZD \$29.66.
- if working in a role covered by an uncapped sector agreement, they must be paid at least the relevant wage threshold in place. They will not be subject to a stand-down period.

Partners do not need to have a job offer to apply for this visa, and employers do not need to complete a Job Check. When granted, partners can change employers without applying for a Variation of Conditions. There is no minimum number of hours that partners need to work.

Immigration New Zealand [17 May 2023]

Business price indexes: March 2023 quarter

Business price indexes includes the producers price index (PPI), capital goods price index (CGPI), and farm expenses price index (FEPI).

Key facts

In the March 2023 quarter compared with the December 2022 quarter:

- output producers price index (PPI) rose 0.3 per cent
- input PPI rose 0.2 per cent
- farm expenses price index (FEPI) rose 0.7 per cent
- capital goods price index (CGPI) rose 1.0 per cent.

In the March 2023 quarter, prices received by producers of goods and services (outputs) increased by 0.3 per cent compared with the December 2022 quarter. Prices paid by producers of goods and services (inputs) increased by 0.2 per cent over the same period.

Statistics New Zealand [18 May 2023]

EMPLOYMENT RELATIONS AUTHORITY: FIVE CASES

Employee dismissed for failure to comply with vaccination policy

Mr Harwood was employed by the Whangamatā Golf Club Incorporated (the Club) as the director of golf from November 2020 until his dismissal in December 2021 for failure to comply with the Club's vaccination policy. Mr Harwood said his dismissal was unjustified because the Club's policy was unreasonable and unfair, and it failed to fairly consider alternatives to dismissal. The Club said it went through a fair consultation process with Mr Harwood regarding the vaccination policy, implemented it fairly and engaged with him regarding the consequences of his non-compliance with the policy including considering alternatives to dismissal.

In early November 2021 the general manager and the chairperson of the Club met with staff to update them on the vaccination situation at the Club and to encourage them to think about their vaccination status. On 22 November 2021, the Club wrote to employee team leaders asking them to complete the WorkSafe NZ COVID 19 assessment tool. Following the assessments and after further communication, on 25 November 2021 the general manager advised that by no later than 25 December 2021, all staff would be required to show evidence they were fully vaccinated.

The communication also advised of the need to have the first vaccine by 3 December 2021, and that employment with the Club would end on 26 December 2021 if the required proof of vaccination had not been provided, the effected person was unable to be redeployed, or a vaccination exemption could not be obtained. The Club wrote to Mr Harwood giving notice of his dismissal effective 31 December 2021.

On 13 December 2021, the Club updated Mr Harwood on a change in the COVID Vaccination Certificate (CVC) requirements, CVC mandate scope and its view of how that would impact on his employment circumstances. The Club's view was, notwithstanding the change in mandate scope, it would not alter its policy based on the survey of members and the risk assessment it had undertaken. The Employment Relations Authority (the Authority) found the Club was able to implement such a policy.

The 3 December notice of dismissal relied on the Club's understanding that Mr Harwood was required under a duty imposed by or under the COVID-19 Public Health Response Act 2020 to be vaccinated to carry out his work. Whether that assessment was correct or not was overtaken by subsequent events notified to Mr Harwood by letter dated 13 December.

The Authority considered whether the Club failed to fairly reconsider Mr Harwood's dismissal following the 13 December change in mandate scope and/or did the Club exhaust all reasonable alternatives to termination. The letter stated the grounds of dismissal were that Mr Harwood was an employee whose employer had determined he must be vaccinated to carry out his work. The grounds of dismissal changed because the Club understood by then, from a clarification of the rules applicable to hospitality, that the vaccination mandate applied only to the hospitality and beverage service area of its business, and it relied on its vaccination policy implemented from 25 November 2020.

The Club was obliged to give Mr Harwood reasonable notice of a specified date by which he was required to be vaccinated to carry out his work. Implicit in any reasonable notice was that it included the grounds upon which the notice was exercised. Mr Harwood received 2 weeks' notice of the date by which he was to be vaccinated, which the Authority said alone may well have been reasonable given the preceding communications between the parties. However, the flaw in the Club's approach was that it collapsed the vaccination date notice into the dismissal notice. This was an incorrect approach because, having satisfied itself that Mr Harwood could not fulfil the vaccination requirement by the specified date, the statutory scheme required it to then turn its mind to exhausting all possible alternatives to dismissal before giving notice of termination. The Authority said if it was wrong and the specified date notice and reasonable alternatives to dismissal consideration could be fulfilled concurrently, then on the evidence before the Authority, the Club was unable to satisfy that it had met that high threshold.

The Club's initial consideration of redeployment was that it was not possible, which was advised in a letter on 25 November 2021, to Mr Harwood where the Club stated redeployment was an unlikely option given its understanding at that time of the application of the vaccination mandate, but it was open to discussion. The Club was unable to demonstrate it turned its mind further to alternatives to

dismissal, to the requisite high standard, prior to issuing the notice of dismissal. Mr Harwood's dismissal was unjustified because the Club was unable to demonstrate it had stepped through the statutory requirements. The subsequent attempts to resolve matters between the parties could not cure the flaws because the key decision to issue the notice of dismissal was not revoked.

The Club was ordered to pay Mr Harwood compensation of \$15,000 and two months' wages less earnings received during the period 1 January to 28 February 2022. Costs were reserved.

Harwood v Whangamata Golf Club Incorporated [[2022] 693; 22/12/2022; M Ulrich]

Authority determines person to be a volunteer and not an employee

Mr Nasar claimed he was employed by Expert IT Group Limited (Expert IT) from 25 November until 3 December 2020 when he was unjustifiably dismissed. He sought payment for the hours he worked plus remedies for his dismissal. Expert IT claimed that Mr Nasar was a volunteer who sought work experience following an unsuccessful job interview and signed an agreement to this effect.

The Employment Relations Act 2000 defines an employee as a person employed to work for hire or reward under a contract of service but excludes volunteers who do not expect and do not receive reward. The assessment requires looking at the written and oral terms between the parties, how the relationship has operated in practice, who is benefitting from the work and what the economic reality of the relationship is.

In October 2020, Mr Nasar completed a post-graduate diploma in informatics and computational systems and started looking for a role in that field. On 18 November 2020, he applied for a system engineer position with Expert IT. Shortly after, Mr Nasar interviewed with Mr Syed, a line manager for Expert IT. He claimed Mr Syed asked how he was supporting himself financially and whether he could afford to work the first few weeks without pay. Mr Nasar said he agreed to work for a few weeks for free on the condition it would convert to a full-time paid job.

Mr Syed disagreed. He claimed they discussed Mr Nasar's technical skills and explained to him he did not have the skills needed for the role. Mr Nasar allegedly replied that he was keen to learn and asked for a volunteer opportunity. On 25 November 2020, the parties signed a one-page volunteer agreement based on a template Mr Syed downloaded online. The agreement had some features which did not align with volunteer status: it stated Mr Nasar would 'work' full-time hours, referred to a project end, annual reviews and a 21-day notice period. Mr Syed said these were included in error because he was unfamiliar with the template.

Upon commencing work, Mr Nasar undertook administrative and IT related tasks set by Mr Syed. He also attended prayers with co-workers during the day after which they shared lunch purchased by one of them. Mr Nasar did not have a password to log onto Expert IT's computer system, nor did he have additional responsibilities assigned to him aside from participating in daily office life. Mr Nasar soon realised the costs he was incurring commuting to Expert IT's offices were unsustainable. On 2 December 2020, he raised his concerns with Mr Syed and proposed to continue working if Expert IT paid his fuel, food and rent. This was declined so Mr Nasar asked to leave immediately. Expert IT agreed and there was no suggestion that Mr Nasar was expected to work out a notice period.

Mr Nasar accepted he signed the volunteer agreement but submitted the real nature of the relationship was that of employment. He relied on the alleged discussions in the interview, the tasks he undertook during the period, and the wording of the volunteer agreement. He also claimed that Expert IT's true purpose in offering him the volunteer agreement was to undertake a free work trial to assess his suitability for the position and benefit from his free work.

Yet the evidence indicated the parties had a shared intention from the outset that Mr Nasar would not be rewarded for the work. They signed an agreement expressly stating Mr Nasar agreed he was a volunteer and would not be paid, and when this was put to him by the Employment Relations Authority (the Authority), Mr Nasar accepted that he did not expect to be paid. Mr Nassar then claimed that despite this expectation he was rewarded for his work with meals from co-workers after they attended prayers.

The Authority rejected this. Expert IT's evidence was that this was not a work requirement, and a meal was shared by those who attended because it was convenient and an expression of shared values. Rather, Mr Nasar sought to be rewarded by attempting to renegotiate the volunteer agreement terms to receive costs towards food, fuel and rent. When this was declined, he immediately left.

In assessing whether it was a free work trial, an important consideration was the economic reality and benefit Expert IT may have derived from Mr Nasar's work. Given the short time Mr Nasar was there and the level of tasks he performed, Expert IT would have gained little benefit. But it could not be said he made no contribution. The Authority stated the situation was analogous to many employment relationships where new employees would require time to become familiar with the workplace and responsibilities of their roles before the employer experiences the full benefit of their work. But Mr Nasar's evidence was insufficient to establish that the parties agreed, or were likely to have agreed, that it was a work trial. Moreover, Expert IT emphasised that it had no need to assess Mr Nasar's skills for the role because Mr Syed had already done so during the interview.

Weighing all the factors, the Authority was satisfied that Mr Nasar did not expect and did not receive reward from the arrangement. He was therefore a volunteer and could not bring a personal grievance. Costs were reserved.

Nasar v Expert IT Group Limited [[2022] NZERA 643; 5/12/22/ M Ulrich]

Ensuring an employee receives a visa is not obligatory on an employer

Ms Newsome came to New Zealand from the United Kingdom and was working for many years on a skilled migrant work visa that was attached to a specific employer. Her husband, Mr Newsome, also from the United Kingdom, had New Zealand immigration status dependant on Ms Newsome's visa eligibility.

In February 2020, Ms Newsome's then New Zealand employer, (Company A) was liquidated. At that point her work visa attached to that employer became invalid. Ms Newsome applied to Immigration New Zealand (INZ) for Skilled Migrant Residency. In July 2020, after correspondence with INZ, INZ acknowledged she was by then in breach of her existing visa conditions. She applied for a 'Variation of Visa Conditions' (VOC), something suggested by INZ pending the application she had already submitted for residency. The VOC relied on an offer of employment from Strada Environmental Limited (Strada), whose sole director is Mr Bank.

On 19 June 2020, Ms Newsome signed an individual employment agreement with Strada, after Mr Newsome had been discussing various possibilities with Mr Bank. Mr Bank told the Newsome's he had never employed people where a visa application had to be approved first. For the VOC, Strada needed to provide information in two forms, the INZ 1113 and INZ 1235. Those forms required the prospective employer to supply information about its business and information as to why Ms Newsome should be employed in the offered role, rather than any available New Zealanders. INZ contacted Ms Newsome to let her know that the INZ 1235 form Mr Bank filled out, was missing information related to various aspects of Strada's business.

On being pursued by Ms Newsome on his response to INZ, Mr Bank replied that he had advised INZ that he will not be providing the information requested. INZ's response to the application was that it remained concerned that the offer of employment may not be ongoing and workable and that they were unable to ascertain that Ms Newsome's employment met all the requirements for the visa category applied for. Ms Newsome claimed that the action or inaction by Strada caused her and her husband to be removed from New Zealand under urgency and caused financial losses to them. She claimed Strada breached the employment agreement by not assisting her to obtain the required work visa needed to commence her employment. She said this disadvantaged her in her employment and on the same accusations, resulted in a constructive dismissal by Strada having breached its good faith obligations to her.

The Employment Relations Authority (the Authority) accepted Ms Newsome's evidence that she did not commence work for Strada. Since Ms Newsome did not commence work, the Authority had to determine whether she was an employee as defined by her being a 'person intending to work' in order to have her claims heard by the Authority. It was found there was no completed offer and acceptance until satisfactory reference checks had been carried out. The process to accept and commence employment was therefore incomplete.

The Authority had also found that where a person was not "legally permitted to work in New Zealand before INZ granted him a work visa... he therefore could not have been employed before then." Evidence that the parties knew this was a condition that had to be fulfilled, even though they did not include it in writing in the employment agreement or in the offer of employment from Strada. This understanding is supported by the parties' actions including Strada completing various documentation for INZ to support Ms Newsome's application and messaging both her and Mr Newsome about it.

The Authority did not find that Ms Newsome was a 'person intending to work'. While there was a written and signed employment agreement, it could only be an offer of employment that was incapable of being accepted until INZ visa approval was obtained by Ms Newsome. The IRD forms accompanying the employment agreement carried wording that supported that the employment was treated as an 'offer.' That meant that because offer and acceptance was not concluded to the point of an unconditional employment relationship, Ms Newsome did not fall within the definition of 'a person intending to work'. Ms Newsome's claim was dismissed and there was no order as to costs.

Newsome v Strada Environmental Limited [[2022] NZERA 640; 02/12/2022; A Baker]

Employee unjustly enriched by receiving salaries from three different countries concurrently

Scott Technology Limited (Scott) was an automation and robotic company based in Dunedin with subsidiary businesses in China and Germany. Mr Snowling worked for Scott for 20 years starting from 2000 where he held various senior roles with Scott and its subsidiaries in China and Germany, sometimes concurrently and sometimes separately but in close proximity. The employment came to an end because of a restructuring. Mr Snowling claimed entitlement to redundancy compensation, annual leave, an "expat" allowance, bonus payments and a contribution to tax related expenses. Scott denied all of Mr Snowling's monetary claims apart from in relation to redundancy, holiday pay and claims that Mr Snowling has been unjustly enriched by way of salary and tax overpayments in the amount of \$410,604 and sought to recover the same from him. The issue was brought to the Employment Relations Authority (Authority) beyond the three-month timeframe but was still considered as the delay was caused by COVID-19.

On 22 May 2020, Mr Snowling was advised by Scott that he would receive a redundancy payment of \$128,419.20 and an accrued leave payment of \$19,300.00. Upon contesting the calculation methodology, Scott informed Mr Snowling that the final pay would be withheld until an external reconciliation audit was completed into his pay and tax history. It was found that Mr Snowling was receiving three separate salaries concurrently while working overseas and claiming tax credits in New Zealand. Scott alleged that Mr Snowling knew or ought to have known that he was wrongfully benefiting from his employer's salary payments' errors as he was receiving remuneration more than his salary entitlements. Scott sought to recover \$225,419 in salary overpayments from Mr Snowling and \$185,185 for mistakenly settling a complex tax liability on salary payments made in Germany which should have been settled by Mr Snowling.

Scott sought penalties for Mr Snowling breaching his good faith obligations by not telling his employer of his advantageous salary and tax position and, when brought to his attention, failing to rectify the situation. This included instructing Scott's China based subsidiary to continue paying him in local currency after he ceased performing the role.

By contrast, Mr Snowling claimed that upon the termination of his employment he was entitled to be paid all outstanding remuneration without deductions and that withholding wages was a breach of the Wages Protection Act 1983 and Holidays Act 2003. Mr Snowling's total claim against Scott amounted to \$559,897.18.

The Authority noted the lack of evidence from Mr Snowling to show his entitlement to the multiple salaries concurrently and his personal income tax in excess of tax on fringe benefits in Germany. Mr Snowling's claims for payment of an expat allowance, bonus-payment, and his claims in relation to the German tax payment and for reimbursement for tax advice in Germany and New Zealand were not accepted. Mr Snowling's position that he performed three jobs concurrently, occupying 120 hours per week was unsustainable. The accepted view was that he performed one job only. Therefore, Mr Snowling was enriched by mistaken payments made to him by Scott and such enrichment was unjust in circumstances where Mr Snowling knew or ought to have known that such payments were not due and owing to him. The quantified amount of the money owed by Mr Snowling to Scott, in the absence of any differing amounts advanced to the contrary by Mr Snowling, was \$410,604. This comprised a salary overpayment of \$225,419 and a tax overpayment of \$185,185.

The Authority ordered restitution of the \$410,604 in absence of any legal basis for Mr Snowling to either retain the salary or not account for the personal income tax liability. An amount of \$147,719.20 was deducted from the \$410,604, which was the total of Mr Snowling's redundancy compensation and his outstanding holiday pay due on termination of his employment.

No special damages were awarded as it was Scott's own mistake for withholding redundancy compensation and holiday pay. No penalties were given as the causes of action were raised over 12 months prior to the penalty actions and so irrecoverable. The Authority ordered Mr Snowling to pay Scott \$262,884.80 as restitution with the parties to come to an agreement and submit a payment schedule for the Authority to approve. Costs reserved.

Snowling v Scott Technology Limited [[2023] NZERA 8; 11/01/23; A Dallas]

Employee held to be unjustifiably dismissed

Mr Marchand was employed by Tyres 2 Go Blenheim Road Limited (Tyres 2 Go) from December 2019 until the employment ended in March 2021. Mr Marchand claimed he was dismissed without procedural or substantive justification. Mr Marchand sought compensation and reimbursement of lost wages. Tyres 2 Go claimed Mr Marchand was dismissed after he lost his driver licence and consequently could not perform a core part of his job description.

Mr Marchand's work included driving customers' cars to confirm their descriptions of problems and then to check whether services provided had resolved the problems. This driving included use of public roads. Despite this, his job description did not state that a valid driver licence was required.

On 11 February 2021, Police arrived and served Mr Marchand a notice of driver licence suspension for excess demerit points. Mr Marchand continued to work thereafter without any significant adjustment to the way he performed his duties, despite the manager of Tyres 2 Go, Mr Taylor's, knowledge that Mr Marchand's licence was suspended.

A letter dated 18 February 2021 invited Mr Marchand to an investigation meeting on 23 February 2021 to discuss three issues. The letter referred to Mr Taylor's attempts to ask Mr Marchand about the status of his licence, with him refusing to provide information. On 24 February 2021, a second letter included an account of the investigation meeting, which included the preliminary decision to terminate Mr Marchand's employment on notice, based on his refusal to give any information about the status of his licence, causing the company to assume it was suspended indefinitely. The third letter, headed "Termination of your employment by dismissal on notice", was dated 1 March 2021. It stated that Mr Marchand had not responded to the 'preliminary view' and Mr Taylor's final decision was to dismiss him on two weeks' notice.

Mr Taylor claimed he gave each letter to Mr Marchand and that he met with Mr Marchand on 23 February 2021. Mr Marchand claimed he never received the letters during his employment nor was there an investigation meeting.

On 11 March 2021, Mr Marchand sent a txt message to Mr Taylor asking, “Can I have a termination letter, and can you let me know when I receive my final pay?” Mr Taylor did not respond. The txt message supported Mr Marchand’s evidence that he did not receive the dismissal letter.

Mr Marchand and Mr Taylor both gave an account of events that occurred on 8 March 2021. Mr Marchand said he was taking a break on the shop floor and was scrolling through his phone. Mr Taylor approached him and told him to get off his phone and put it in his car. Mr Marchand asked why. Mr Taylor then told him to “F--- off”. Mr Marchand asked why again, and Mr Taylor said it was because he was on his phone, had no licence and was arguing. Mr Marchand’s evidence is that he thought it best to leave the store for Mr Taylor to “cool off”.

Mr Taylor’s evidence was that he drove a car into the workshop and asked Mr Marchand to work on it. Mr Marchand was scrolling through his phone. Mr Taylor asked him to stop scrolling, repeated the instructions and asked Mr Marchand to put his phone aside or in his vehicle. Mr Marchand replied, “F--- this, make me”. Mr Taylor ignored this. Mr Marchand started throwing tools around. Mr Taylor asked Mr Marchand to leave the premises before he called the police. Mr Marchand left.

Mr Taylor’s account of the events was not given until 26 April 2022. Mr Taylor’s explanation for the account not being given earlier, was that he thought the loss of the driver licence was sufficient. The Authority preferred the evidence of Mr Marchand. His evidence was that when he returned to the workplace on 9 March 2021, Mr Taylor told him that he was not wanted there and to go home. Mr Marchand left. His evidence was consistent with his description in the 11 March 2021 text message.

The Employment Relations Authority (the Authority) found Tyres 2 Go did not sufficiently investigate the concerns mentioned by Mr Taylor on 8 March 2021. Tyres 2 Go did not raise its concerns with Mr Marchand before it dismissed him or give him an opportunity to respond to its concerns. It did not follow the disciplinary procedures laid out in the employment agreement. The actions were not what a fair and reasonable employer could have done in the circumstances at the time. The Authority found that Mr Marchand was unjustifiably dismissed.

Mr Marchand’s licence was suspended for three months from 11 February 2021. Mr Taylor did not ask about the duration of the suspension, and he did nothing to stop Mr Marchand from doing that work, prior to the dismissal. The company did not consider whether work could be reallocated to other staff to accommodate Mr Marchand’s licence suspension or give him an opportunity to investigate a limited licence. In these circumstances, the Authority did not accept that the loss of Mr Marchand’s licence required the reduction of remedies for the personal grievance. The Authority stated that the harm suffered by Mr Marchand was not insignificant. Compensation of \$15,000 for hurt and humiliation was awarded and two weeks of lost remuneration of \$1,800. Costs were reserved.

Marchand v Tyres 2 Go Blenheim Road Limited [[2023] NZERA 1; 6/1/2023; P Cheyne]

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.

There are currently two Bills open for public submissions to select committee.

[Social Workers Registration Legislation Amendment Bill \(07 June 2023\)](#)

[Inquiry into seabed mining in New Zealand \(23 June 2023\)](#)

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/>

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,
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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.



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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.

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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.