BusinessCentral

EMPLOYER BULLETIN

22 April 2025
A Weekly News Digest for Employers

EMPLOYER NEWS

Tourism turbocharge takes New Zealand to the world

A major drive boosting New Zealand as an international travel destination will kick off with a $13.5 million turbocharge for global marketing activity, Tourism and Hospitality Minister Louise Upston has announced.

“The initial investment will include a focus on encouraging visitors from China, Australia, the United States, India, Germany and South Korea,” Louise Upston says.

“We know international marketing works, with around 14% of international holiday visitors already being directly influenced by Tourism NZ’s marketing activity.

“The $13.5 million announced is estimated to result in more than 23,000 additional international visitors and spending an extra $100 million across the country.

“We have encouraging signs coming through from our ‘Everyone Must Go!’ campaign focused on Australia, but we won’t stop there.”

To read further, please click here.

International travel: February 2025

International travel covers the number and characteristics of overseas visitors and New Zealand resident travellers (short-term movements) entering or leaving New Zealand.

Overseas visitor arrivals were 354,400 in February 2025, a decrease of 8,400 from February 2024. Arrivals from the United States, Australia, the United Kingdom, Canada and Japan increased the most. China, Taiwan and Malaysia visits fell, although these vary by year based on the timing of the Chinese New Year.

The total number of overseas visitor arrivals in February 2025 was 85% of the 417,900 in February 2019, before the COVID-19 pandemic. This amounted to 3.35 million across the February 2025 year, an increase of 240,000 from the February 2024 year.

New Zealand-resident traveller arrivals were 207,300 in February 2025, an increase of 2,700 from February 2024 and higher than before COVID-19. This was a February record for this type of arrival. The largest increases came from China, India, Indonesia, Fiji, the Philippines and Vietnam.

New Zealand-resident arrivals from Australia went down by 12,700 but still formed 39% of the total arrivals (less proportionally than before COVID-19). On an annual scale, the February 2025 year saw three million arrivals (183,000 more than the February 2024 year).

To read further, please click here.

Electronic card transactions: March 2025

The electronic card transactions (ECT) series covers debit, credit, and charge card transactions with New Zealand-based merchants. The series can be used to indicate changes in consumer spending and economic activity.

Based on the value of electronic card transactions for the March 2025 month (compared with February 2025), spending in the retail industries decreased 0.8% ($52 million). Durables, hospitality, fuel and apparel went down, but motor vehicles (excluding fuel) and consumables went up.

Non-retail decreased by $76 million (3.3%) from February 2025, which includes medical and other health care, travel and tour arrangements, and postal and courier delivery. Services went up $1 million (0.3%).

The total value of electronic card spending, including the two non-retail categories (services and other non-retail), decreased from February 2025, down $137 million (1.5%).

Cardholders spent $54 per transaction on average. The total amount spent using electronic cards was $9.2 billion.

For the March 2025 quarter (compared with the December 2024 quarter), retail spending increased $131 million (0.7%), non-retail was down $44 million (0.6%) and services was up $21 million (1.9%). The total value of electronic card spending increased by $23 million (0.1%) compared with the December 2024 quarter.

To read further, please click here.

Kiwi farmers doing their bit on emissions

New figures confirm that New Zealand farmers are on track to meet the target of a 10% reduction in biogenic methane emissions by 2030, Agriculture Minister Todd McClay says.

New Zealand's Greenhouse Gas Inventory (1990-2023) shows there was a further 2% drop in agricultural emissions in 2023, supporting the government's projections showing methane to be on track to reduce emissions by 10.1% by 2030.

"This is a step in the right direction. However, New Zealand cannot afford to reduce emissions through the planting of food-producing land or further reduction of stock numbers," Mr McClay says.

"That is why we are introducing legislation this year to restrict full farm-to-forest conversions and instead support agricultural methane reduction through a $400 million commitment to science and innovation.

"The primary sector is responsible for 360,000 jobs and contributes $58 billion each year to the New Zealand economy through exports.

"The government is committed to meeting New Zealand's climate obligations without closing down farms or sending jobs and production overseas."

To read further, please click here.

Health Infrastructure Plan released

Health Minister Simeon Brown has released New Zealand's first-ever Health Infrastructure Plan, setting out a national, long-term approach to renewing and expanding the country's public health facilities.

"This is a first for New Zealand – a single, long-term plan that lays out a clear pipeline for health infrastructure," Mr Brown says.

"The average age of our public health estate – 1,274 buildings across 86 campuses – is around 47 years. This is creating some significant challenges."

Issues include major remedial work needed to avoid service disruption, facilities with poor seismic ratings or serious compliance risks, and outdated infrastructure unable to support modern models of care.

"The Health Infrastructure Plan identifies the more than $20 billion investment required to meet future health needs and introduces a more efficient way of delivering large hospital projects, called 'Building Hospitals Better'.

"Instead of building single, large-scale structures, the plan proposes delivering smaller, more manageable facilities in phases.

"The plan includes major new builds and expansions across the country, featuring new acute services buildings, inpatient units, expanded emergency departments and wards, and upgraded facilities.

"It also includes the planning and initial build of the recently announced new hospital in South Auckland.

"Building new ambulatory hubs in population centres means services such as radiology, oncology, dialysis and day-stay surgeries can be delivered closer to the community, while also reducing capital investment costs."

To read further, please click here.

Welcome insights to make hospitality thrive

Tourism and Hospitality Minister Louise Upston has welcomed a report from the Restaurant Association and Hospitality New Zealand on steps to support the hospitality sector to thrive.

"It's fantastic to see the insights and ideas discussed at last year's Hospitality Summit now presented as actionable solutions in this report," Louise Upston says.

"I'm pleased to see that the Government's focus on tourism growth aligns with the hospitality sector's priorities, particularly our vision to drive economic growth for hospitality businesses and jobs for Kiwis, by increasing international visitor numbers.

"The Hospitality Summit has been a key initiative allowing greater alignment across the hospitality and tourism sectors. The input of hospitality leaders has been instrumental in delivering our Tourism Boost.

"Where recommendations call for government support or action, much is already being addressed through the work programmes of various government agencies.

"Work currently underway includes the additional $3 million to secure more business events as part of the Tourism Boost package, and $50,000 to develop hospitality and restaurant spending insights.

"Changes to the Accredited Employer Work Visa address concerns raised about wage thresholds and job checks while a review of the vocational education and training system will consider the need for better support for skilled talent in the industry," says Louise Upston.

To read further, please click here.

ANZAC Day 2025

Due to the upcoming short week we are pausing the Bulletin and will resume as usual the following Monday, 5 May. The AdviceLine will be closed on the public holidays.

EMPLOYMENT COURT: ONE CASE

Court upholds that IEA required an availability provision

Messrs Williams, Shearer and Finn (the defendants), who were regional technical managers (RTMs) employed by the Chief of the New Zealand Defence Force (NZDF), successfully brought a case before the Employment Relations Authority (the Authority) in 2023. They proved that the hours-of-work clauses in their individual employment agreements (IEAs) were "availability provisions" and lacked the legal element of reasonable compensation. NZDF challenged the Authority's finding in the Employment Court (the Court), seeking a de novo (from the beginning) review of the case.

In July 2017, to comply with legislative changes, NZDF sought to amend its employment agreements to pay fair compensation to employees who were required to be available outside their usual working hours. While the defendants felt that their roles met that threshold, NZDF disagreed. NZDF's position was that the RTMs were sufficiently compensated and not required to perform work outside their usual hours. Despite this, the RTMs did carry out on-call work beyond their normal hours until 31 May 2019. The key question became whether they were required to do so.

The Court upheld that the defendants' employment agreements contained an availability provision. The agreements set out that the defendants would be required to work outside their core hours to enable NZDF to meet its operational needs. That requirement was also supported by the RTM job description and by NZDF's flexible working arrangements policy.

NZDF argued that the RTMs were not unreasonably called on outside of normal work hours and that they voluntarily undertook this work. NZDF also submitted that the flexible work arrangements policy existed for the benefit of staff. The Court did not agree. The employment documentation failed to suggest to RTMs that they could decline work when called upon. The flexible work policy provided a framework for more flexible arrangements but ultimately required employees to make themselves available to meet operational needs.

The Court considered whether the defendants were required to be available to perform work in addition to their guaranteed hours. A key piece of evidence was a letter dated September 2015 from the manager of two of the RTM team. This letter sought to formalise the understanding of arrangements for the team. It set out that RTMs were permitted to take work vehicles home because of their geographical locations and in recognition of the fact that the team was to be available 24/7.

Ultimately, it was accepted practice that the RTMs were on call after hours. The rosters and other relevant documentation stated that they were on call, and the RTMs acted in accordance with that roster. Further, their employment agreements required them to work such reasonably necessary hours and days as required to generally meet the operational needs of NZDF, and as directed by their manager. The Court considered that the rostering arrangements activated those obligations. They were indeed then called on outside of their normal working hours in the full knowledge of their manager. Therefore, the RTMs were in fact required to be available until 31 May 2019.

The Court then considered whether the availability provision allowed for the payment of reasonable compensation. NZDF submitted that the salary was adequate compensation and that the "on-call" work was not onerous. The Court did not accept that. It felt that when NZDF offered compensation to the defendants in a without-prejudice conversation, that indicated NZDF recognised there was a value to the RTMs being on call, beyond their salaries. The offer had been rejected by the defendants on the basis that they considered they were entitled to the same compensation as the technicians who worked for them.

The Court found no evidence of an agreement between NZDF and the RTMs that their remuneration included compensation for being available for work under the availability provision. The Court found that the defendants' employment agreements did not provide for the payment of reasonable compensation as required under the Employment Relations Act 2000.

The Court said, "That is not to say that the RTMs are necessarily entitled to the same payments as their reports received. It seems to me that those employees had specific restrictions on them and were called upon more frequently than the RTMs. The parties may wish to consider the factors set out in [the Act] as an objective starting point for negotiations and a degree of compromise may be required from both parties."

The Court recommended the parties should meet as soon as practicable to agree on the quantum of any reasonable compensation. In the event they were unable to agree, they could return to the Court. Costs were reserved.

The Chief of New Zealand Defence Force v Williams [[2025] NZEMPC 16; 10/02/25; Judge Beck]

EMPLOYMENT RELATIONS AUTHORITY: THREE CASES

Employee treated as abandoning employment for being off sick

Ms Hylkema was employed by Tasman Lifestyle & Sports Ltd (Tasman) from March 2022 to manage its two clothing retail stores. Tasman dismissed Ms Hylkema on 5 September 2023, claiming she abandoned her employment and was unable to work due to mental or physical incapacity. Ms Hylkema countered that she had not abandoned her employment, that no process for medical incapacity had been followed, and that she had been unjustifiably dismissed. She also claimed she was unfairly disadvantaged by Tasman upon returning from a period of leave.

Ms Hylkema took paid leave due to difficult personal circumstances. When she returned, Tasman had reduced her hours and management duties. Tasman claimed it had made these changes to support her and give her time to ease back into the workplace.

Shortly after returning, Ms Hylkema sent Tasman a medical certificate stating that she was unfit to work for two weeks. She only had three days of entitled sick leave remaining. Tasman believed it was reasonable to ask for further information so it could manage the business. It thought Ms Hylkema had not communicated constructively on the matter and considered it justifiable to dismiss her on the basis of abandonment of employment.

The Employment Relations Authority (the Authority) noted that Tasman's co-directors, Mr and Mrs Crockett, were well aware that Ms Hylkema was dealing with several stressors in the workplace. The medical certificate provided was more than a mere "note" and it did not indicate an indefinite absence. While Mr Crockett had commitments outside of the workplace that were being impacted by Ms Hylkema not working, the Authority noted that other employees could have absorbed the work.

On 31 August 2023, Ms Hylkema raised a personal grievance of unjustified disadvantage. She informed Tasman that she was distressed in her employment, particularly due to being pressed to provide further medical information regarding the extent of her absences from work, which had become conflated with concerns about prior leave already approved. Mr Crockett replied to the grievance on 4 September 2023 and said he would provide the information requested in the letter. However, the next day, Tasman summarily dismissed Ms Hylkema for reasons of abandonment and medical incapacity.

Upon the dismissal, Ms Hylkema lost access to Tasman's work systems. Based on Mr Crockett's explanations and emails in response, the Authority found this was likely inadvertent. The Authority was also persuaded that Mr and Mrs Crockett genuinely intended to support Ms Hylkema in their actions – they valued her as a senior employee. There was a context of matters outside Ms Hylkema's control that also impacted the situation.

However, the Authority did not accept that Ms Hylkema had abandoned her employment. She did not walk out and never return. She did not fail to appear at work without a reason given. Tasman's method of ending employment was considered unjustifiable.

The Authority awarded Ms Hylkema $12,000 as compensation for the unjustified dismissal. She was also awarded $3,584 for her two-week notice period, if not paid, as well as one month of lost wages worth $4,480. Costs were reserved.

Hylkema v Tasman Lifestyle & Sports Ltd [[2024] NZERA 773; 23/12/24; A Baker]

Employer deemed to have missed restructure steps including selection process

Triple S Management (Triple S) was a management company established to facilitate administrative functions across three companies, one of which was Strata Networks. Mr Berridge was employed as a service desk technician by Triple S in January 2019. His primary role was to support Strata Networks. He subsequently raised a personal grievance for an unjustified dismissal, arising from a flawed restructuring process.

In 2019, Strata Networks suffered a significant financial impact when income from its primary client substantially decreased. To ensure Strata Networks remained financially sustainable, Mr Cameron and Mr Comer, directors of both Triple S and Strata Networks, discussed restructuring the subsidiary companies. They decided the best approach was to start "at the bottom" and to balance saving money with retaining skills.

In August 2019, Mr Berridge was called into a meeting with Mr Comer without any forewarning to discuss proposed redundancies at Strata Networks. Mr Berridge was upset and left the meeting after a few minutes. Mr Comer still delivered a letter setting out that his role was to be made redundant. The letter also invited Mr Berridge to a meeting to discuss the proposal and included limited financial information about the reduction in monthly revenue.

At the meeting, Mr Comer stated that he had already informed Mr Berridge of the business reasons for the proposal and that the company was considering making his role redundant to reduce costs. He also said Triple S had considered other options as alternatives to redundancy but decided not to go with them, and asked Mr Berridge for ideas.

Mr Berridge was given one week to review the proposal and provide feedback, and Triple S took another week to consider the feedback. Mr Berridge was then dismissed by way of redundancy.

The Employment Relations Authority (the Authority) accepted Strata Networks had genuine business reasons for its restructure, but found its process was not procedurally justified. Under the Employment Relations Act 2000 (the Act), employers must provide employees with adequate information during a restructure, and a genuine opportunity to comment on said information.

First, the proposal letter from Triple S contained minimal financial information. Mr Berridge was not provided the relevant information he needed to provide meaningful feedback on cost-saving options.

Second, Mr Berridge was one of two service desk technicians who worked for Strata Networks. However, he was the only one given a redundancy proposal letter. As the roles were being reduced, Triple S should have carried out a selection process with the two technicians and consulted with them about the selection criteria.

Triple S also failed to genuinely consider alternatives to redundancy. It did not propose any redeployment options to Mr Berridge, instead putting the onus on him to suggest redeployment options.

The Authority held that the restructure process was procedurally flawed, and that Triple S had not acted as a fair and reasonable employer. Therefore, Mr Berridge succeeded in establishing a personal grievance for unjustified dismissal.

The Authority deemed that reimbursement for one months' wages of $4,166 was reasonable. The dismissal also caused Mr Berridge significant stress, hurt his feelings and damaged his confidence. Triple S was therefore also required to pay him $15,000 as compensation for hurt and humiliation. Costs were reserved.

Berridge v Triple S Management Ltd [[2024] NZERA 774; 23/12/24; A Gane]

Employer's disciplinary process does not sufficiently consider employee's case

ZXY was an organisation that cared for individuals with intellectual disabilities and offered residential care support services. Ms Johnstone was employed as a residential/support care worker and had been in this role for nearly 21 years. ZXY summarily dismissed Ms Johnstone following a formal discipline process. Ms Johnstone then raised a claim of unjustified dismissal with the Employment Relations Authority (the Authority).

On 27 April 2023, client X was being observed by staff member Y while Ms Johnstone was in the kitchen. X apparently slipped from his chair, and for a time lay rigid on the floor before returning to his chair and finishing his breakfast. Both Ms Johnstone and Y assessed X and, as he appeared responsive and keen to attend his marae programme, they allowed him to leave the home. Ms Johnstone did not believe X had been unconscious, so she did not call an ambulance. She further believed that, per usual practice, she did not need to complete an incident report, as she would counter-sign one prepared by Y. An appointment was made for later that day for X to be seen by a doctor. During the marae programme, X suffered two fainting episodes and had to be taken to the hospital for emergency treatment.

ZXY ran a disciplinary process and summarily dismissed Ms Johnstone, reasoning that her conduct was a "gross dereliction of duty" and categorically serious misconduct. It cited aggravating features like Ms Johnstone attempting to shift blame to her co-worker. ZXY placed emphasis on what may have happened to X and the possible reputational harm to the organisation. ZXY offered Ms Johnstone the chance to resign, but she declined.

The Authority was critical of the heavy emphasis ZXY placed on the hypothetical consequences of Ms Johnstone's actions. These hypotheticals became the lens through which the decisionmaker saw what Ms Johnstone did or did not do, despite what Ms Johnstone explained she knew at the time and what she would have done with the benefit of hindsight. For example, after the incident, it emerged that X had a pre-existing heart condition and that Ms Johnstone had no knowledge of that at the time.

A key point of contention was whether X was unconscious and whether Ms Johnstone had been aware of that. ZXY had reached the conclusion that Ms Johnstone had erred by not phoning an ambulance.

The Authority criticised ZXY's investigation process, thinking that Y should have been asked to clarify exactly what happened to X and what information Y then passed on to Ms Johnstone. That level of detail was not shared with Ms Johnstone.

The Authority noted the absence of a clear policy on when staff should call an ambulance or contact the doctor's room. At the time, two very experienced employees did not consider it necessary to call an ambulance. That indicated a gap between what ZXY thought its policy was and practice. The Authority did not consider calling an ambulance as obvious as ZXY claimed it was.

ZXY appeared to conclude Ms Johnstone should have called an ambulance because of Y's comment about rigidity and that X may have fallen off his chair. However, from Ms Johnstone's perspective, it was not obvious that an ambulance should have been called, because she considered unconsciousness to be key and did not know X had been unconscious. ZXY could not point to any written policy or record of training that an ambulance should have been called. It relied on staff knowing it was a "common sense" thing to do. It was with the benefit of hindsight, and the opinions of others who knew what happened after the incident, that this was "common sense." To assess Ms Johnstone's actions from the time using later hindsight was not fair.

The Authority determined that, based on what Ms Johnstone knew of the situation at the time, she did the best she could in the circumstances. The Authority felt a "gross dereliction of duty" implied a deliberate action or inaction on Ms Johnstone's part, in the knowledge that what she did was wrong. In this way, Ms Johnstone did not consider she should call an ambulance and knowingly failed to do so. The Authority did not think a fair and reasonable employer could view what happened as dereliction of duty.

ZXY also accused Ms Johnstone of not filling out an incident report within 24 hours as required by policy. However, her decision was based on prior management practice. She also felt overwhelmed by events and eventually did complete the incident when ZXY requested.

Generally, ZXY appeared to give little, if any, weight to other relevant factors, such as Ms Johnstone's prior practice of her nearly 21 years' unblemished employment record and her prior history of having called an ambulance for X. ZXY's acknowledgement of Ms Johnstone's prior service was to give her the opportunity to resign retrospectively. The Authority did not see this as meaningful consideration of her service.

The Authority found ZXY was unjustifiably dismissed. ZXY was ordered to pay Ms Johnstone $25,000 compensation and three months' wages. Costs were reserved.

Johnstone v ZXY [[2025] NZERA 11; 15/01/25; L Vincent]

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: Eight Bills

Land Transport Management (Time of Use Charging) Amendment Bill (27 April 2025)

Plain Language Act Repeal Bill (14 May 2025)

Medicines Amendment Bill (19 May 2025)

Juries (Age of Excusal) Amendment Bill (22 May 2025)

Employment Relations (Termination of Employment by Agreement) Amendment Bill (22 May 2025)

Sale And Supply of Alcohol (Sales on Anzac Day Morning, Good Friday, Easter Sunday, And Christmas Day) Amendment Bill (22 May 2025)

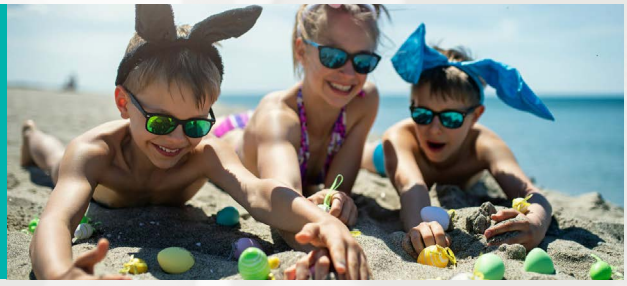
Anzac Day Amendment Bill (22 May 2025)

United Arab Emirates Comprehensive Economic Partnership Agreement Legislation Amendment Bill (23 May 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/

CLICK HERE

A GUIDE TO EASTER AND ANZAC DAY 2025



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A GUIDE TO SHOP TRADING RESTRICTIONS

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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

ENTERPRISE SERVICES

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advice@businesscentral.org.nz
www.businesscentral.org.nz

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.

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.

ENTERPRISE SERVICES

0800 800 362
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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.

04 470 9930, training@businesscentral.org.nz, businesscentral.org.nz

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

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.