

EMPLOYER NEWS

Falling interest rates good for growth and jobs

Falling interest rates are good for growth, businesses, jobs and Kiwis paying off their mortgages, Finance Minister Nicola Willis says.

The Reserve Bank announced that it was reducing the Official Cash Rate (OCR) from 3.25 to 3% and signalled two further reductions this year.

"The latest reduction means the OCR has now fallen from 5.5% to 3% in just a year," Ms Willis says.

"I welcome the bank's decision to respond to a difficult second quarter of the year with more stimulus.

"Lower interest rates support businesses to expand and grow, support increased construction activity, create jobs and put more money in people's pockets."

To read further, please click here.

Boosting competition for affordable electricity

Energy Minister Simon Watts welcomes the new rule agreed to by the Electricity Authority will level the playing field for smaller power companies, boosting retail competition to put downward pressure on power prices.

"We know many Kiwis are struggling with the cost of living, with rising energy prices putting more pressure on their budgets," Mr Watts says.

"That's why this government is taking competition in the electricity market seriously because more competition means Kiwis can have access to more affordable electricity.

"Currently the large power companies can cross subsidise themselves because they both produce energy and sell it. The new rule will mean they have to offer their generation at the same rate to everyone and can't offer themselves discounts. This will level the playing field by giving smaller companies a better chance to compete and will mean Kiwi consumers have more choices.



"Healthy competition is essential to give us the reliable and affordable electricity we need to power our homes and businesses. The changes announced will encourage investment in new generation and allow all players to compete on a level playing field. This will lead to better economic outcomes, including for our large-scale industries."

To read further, please click here.

Biggest building consent system reform in decades

The government is announcing the biggest change to the building consent system since the Building Act came into force in 2004, Building and Construction Minister Chris Penk says.

- "The building sector has the potential to be an economic powerhouse, yet productivity has stalled since 1985 despite major advances in building methods and technology," Mr Penk says.
- "New Zealand's sluggish consenting system is delaying projects and driving up costs, making the average standalone house here 50% more expensive to build than in Australia.
- "Right now, councils are hesitant to sign off on building consents and inspections because they could be held liable for all defects, leaving ratepayers to foot the bill.
- "This often happens when one of the parties responsible cannot pay for repairs, for example, if a business goes bust.

To read further, please click here.

Business price indexes: June 2025 quarter

In the June 2025 guarter compared with the March 2025 guarter:

- the output producers price index (PPI) rose 0.6%
- the input PPI rose 0.6%
- the farm expenses price index (FEPI) rose 0.5%
- the capital goods price index (CGPI) fell 0.2%.

In the June 2025 quarter, prices received by producers of goods and services (outputs) rose 0.6% compared with the March 2025 quarter. Prices paid by producers of goods and services (inputs) rose 0.6% over the same period.

The largest output industry contributions were from:

- electricity, gas, water and waste services, up 6.2%
- manufacturing, up 0.3%
- agriculture, forestry, and fishing, up 0.9%.

The largest input industry contributions were from:

- electricity, gas, water and waste services, up 3.5%
- agriculture, forestry, and fishing, up 1.2%
- retail trade and accommodation, up 1.2%

To read further, please click here.



International migration: June 2025

Provisional estimates for the June 2025 year compared with the June 2024 year were:

- migrant arrivals: 138,900 (± 1,200), down 23%
- migrant departures: 125,200 (± 1,200), up 13%
- annual net migration: gain of 13,700 (± 1,500), compared with a net gain of 70,400 (± 200)

Annual migrant arrivals peaked at 234,800 in the year ended October 2023.

Annual migrant departures provisionally peaked at 125,400 in the year ended May 2025.

Annual net migration peaked in the year ended October 2023, with a gain of 135,500.

The long-term average for June years (2002 to 2019) before COVID-19 is 119,400 migrant arrivals, 91,600 migrant departures, and a net migration gain of 27,900.

Migrants are people changing their country of residence, regardless of their country of citizenship or visa status. A 12-month threshold is used to classify migrants from non-migrants, aligned with international guidelines on measuring migration.

To read further, please click here.

Record high number of small businesses taking advantage of regional support and advice

In the financial year 2024/25 the Regional Business Partner (RBP) Network recorded its highest level of engagement outside the COVID-19 response period, supporting nearly 4,500 businesses. This is a 7% increase over the previous year and a sharp 13% rise compared to 2022/23.

The RBP Network is a nationwide initiative delivered in collaboration with business chambers, economic development agencies and national provider Poutama Trust to provide tailored support and resources to help small business across New Zealand grow and succeed. Together with Business Mentors New Zealand (BMNZ), these programmes are vital tools in lifting business capability and resilience.

Director Business & Consumer Diana Loughnan says the growth in engagement shows that Kiwi businesses appreciate and value the expert guidance the programme offers.

"Customer satisfaction is high, and many businesses are sharing their positive experiences with others," Ms Loughnan says.

"If you're a business owner looking to grow, adapt, or simply get advice, we encourage you to connect with your local RBP or Business Mentors New Zealand."

To read further, please click here.



RMA reforms to deliver jobs and growth

The government's second RMA Amendment Bill has passed into law, bringing in sweeping changes to many of the handbrakes on New Zealanders' lives, helping to drive economic growth, and laying the groundwork for job creation," RMA Reform Minister Chris Bishop says.

"The Resource Management Act (RMA) has been holding New Zealand back for decades. It has let successive governments and councils say 'no' to progress, 'no' to development, and 'no' to building the houses, infrastructure, clean energy and other important projects that New Zealanders need to get ahead," Mr Bishop says.

"Our full replacement for the RMA will be introduced to Parliament this year, be passed into law next year, and be in effect by 2027 – but in the meantime, through this Amendment Bill, we're making it quicker and simpler to consent renewable energy, boost housing supply, and reduce red tape for the primary sector."

To read further, please click here.



EMPLOYMENT RELATIONS AUTHORITY: FOUR CASES

Justified suspension and dismissal for alleged sexual harassment

Mr Soares was employed by The Salvation Army NZ Trust (the Trust) in February 2019 as a social worker. His work involved supporting and facilitating rehabilitation programmes for vulnerable individuals. Mr Soares was also a union member with the NZ Public Services Association and covered by the terms of a collective agreement.

On 29 March 2023, Mr Soare's manager, Ms Martin, received several complaints about Mr Soares. They included an allegation of unwanted touching, alleged hurtful comments minimising the effects of sexual abuse, and alleged comments of a sexual nature about another staff member.

Mr Soares was invited to an investigation meeting that took place on 19 April 2023. He chose not to bring a support person or representative. When the allegations were put to him for his response, he asked to postpone the meeting while he engaged a union representative.

Mr Soares approached the Trust's director, Mr Smythe, and asked him to become involved in the investigation process. Mr Smythe declined since he could be tasked with acting as the decision-maker later, depending on how the investigation concluded.

A further meeting was arranged for 8 May 2023. The meeting was described as part of an "information gathering process" and not a disciplinary meeting. Mr Soares was given an opportunity to offer explanations for each of the allegations brought against him.

Following the 8 May 2023 meeting, further complaints and concerns were raised against Mr Soares. On 25 May 2023, Mr Soares was given a letter proposing for him to be suspended from work. Ms Martin said the letter was given to him in advance of a meeting scheduled for 29 May 2023 where he would have the opportunity to give feedback on the suspension proposal.

During the 29 May 2023 meeting, Ms Martin also sought responses from Mr Soares about the new allegations. Even though Mr Soares said he was never given the chance to respond to those new allegations, notes from his union representative who attended the meeting clearly showed Mr Soares' provided responses. The union representative challenged the lawfulness of the suspension, as suspension was not explicitly provided for in the collective agreement. After pausing the meeting, Ms Martin took advice from Mr Smythe and confirmed the proposed suspension was permissible.

On 15 June 2023, Mr Smythe invited Mr Soares to a meeting for the following day. The purpose of the meeting was to consider an interim decision to terminate his employment for serious misconduct, as most of the allegations had been substantiated. Mr Soares did not attend the meeting. On 16 June 2023, the Trust sent a letter to Mr Soares confirming its decision to terminate his employment.

Mr Soares raised a claim with the Employment Relations Authority (the Authority) alleging an unjustified dismissal and unjustified disadvantage relating to his suspension. Mr Soares continued to argue that his suspension was not lawful as it was not something specifically provided for in the collective agreement. The Authority referred to established precedent from the Employment Court, where despite there being no contractual right to suspend, it may still be justified in certain circumstances, namely when the employee's continued presence may result in some other significant issue.

Ultimately, the Trust's decision was found to be justified. Mr Soares was given an opportunity to comment on the suspension proposal and, when he raised an objection, the Trust paused the process and sought advice. Given the concerns the Trust held, and the vulnerable clients Mr Soares worked with, the Authority considered suspension to be justified.

In relation to the unjustified dismissal claim, the Authority found that the Trust properly considered the complaints it received, and Mr Soares was given a fair opportunity to comment on them. Mr Soares argued his feedback should have been raised with the complainants for comment. However, the Authority noted that he had largely only provided denials or failed to recollect events, so it thought such responses did not need to be placed before the complainants for comment.



Mr Soares also argued that the identity of the decision-maker was never made known to him. The Authority disagreed, pointing to the fact that Mr Smythe had notified him of who the decision-maker would be in April 2023.

The Authority found it was open to the Trust to conclude that Mr Soares' actions amounted to serious misconduct, as a fair and reasonable employer. After having run a fair process in which Mr Soares' feedback had been genuinely considered, dismissal was an option open to the Trust in those circumstances.

Ultimately, the Authority concluded that Mr Soares was not unjustifiably dismissed. Costs were reserved.

Soares v The Salvation Army NZ Trust [[2025] NZERA 306; 22/05/25; E Robinson]

Barge crew found to not be shift workers

Mr Cobbett, Mr Hook, and Mr Short (the applicants) were former employees of Mt Rex Shipping Ltd (Mt Rex). The applicants lodged a claim with the Employment Relations Authority (the Authority) and argued they had been employed as "shift workers" in accordance with the Employment Relations Act 2000 (the Act). As a result, they claimed they were owed compensation for barge trips that were cancelled throughout their employment.

All the applicants had employment agreements that provided for a minimum of 40 hours' work per week. Each barge trip would take between 8-10 hours to complete. Mt Rex endeavoured to allocate four trips per week to employees, and it offered shore work or occasional make-up barge trips on weekends, to account for any trips cancelled during the normal working week. Barge trips attracted a fixed rate, whereas payment for shore work was at a slightly lesser rate.

The barge trips were set by a roster one week in advance and the expectation was that if a trip was cancelled, employees would instead undertake shore work. Difficulties arose when the company hired more staff to fulfil an increasing demand for its labour. The impact for existing employees was that there were fewer barge trips overall. That meant employees were directed to undertake more shore work, which paid less than the barge trips.

In October 2023, the applicants sought to have barge trip cancellations classified as "shift cancellations" under the Act and raised their concerns with Mt Rex. In response, Mt Rex agreed to tidy up its employment agreements to provide assurances around fair notice of trip cancellations and compensate employees for their time when trips were cancelled. However, all of the applicants resigned before those arrangements were formalised.

In relation to the law around the cancellation of shifts, which would only apply if the work in question was considered "shift work", the Act describes shift work as "a period of work performed in a system of work in which periods of work are continuous or effectively continuous and may occur at different times on different days of the week".

The Authority found no reference to shift work in the applicants' employment agreements directly and the term was only used in the position description, which stated that experience with shift work was desirable. The advertisements for the applicants' roles also suggested the company was seeking shift workers. However, the Authority determined the work carried out in practice did not meet the definition of shift work as described in the Act.

The applicants argued that the work met the definition of being "continuous or effectively continuous". The background to that part of the Act was that it was amended to address issues of employers breaking up shifts into smaller shifts. Parliament's intention was to address concerns about employee exploitation. The term "continuous and effectively continuous" is not defined in the Act.

The applicants argued that Mt Rex effectively operated its two barges on a 24/7 basis and so would meet the definition of being continuous work. However, the Authority did not support that view. There were clear breaks in barge trips when third-party contractors were brought in to clean the vessels, which took around four hours.



While some make-up trips were undertaken on Sundays, that was rare and generally the company would be closed that day. It was submitted that one of the barges sailed twice daily throughout the week. However, the evidence indicated that, even during its busiest periods, that claim was found to not be accurate.

The Authority observed that the rostering of barge trips was not indicative of shift work. Trips could be cancelled because of poor weather, mechanical reasons, or failing to meet minimum crew requirements. It was further observed that the intent of the Act was that shift work would not be linked to specific times. In relation to the barge trips, they were at a static time linked to the changing of the tides and each trip stood alone as distinct events. There were simply too many variables outside of the company's control for periods of work to be continuous or effectively continuous.

While the company had guaranteed a minimum number of hours of work, there was no guarantee given of a certain income. The evidence clearly showed that there was ample shore work available, and that was agreed as part of the claimants' employment agreements. The Authority deemed that Mt Rex had not breached its obligations under the Act in relation to cancelling shifts and so the claims were dismissed. Costs were reserved.

Cobbett v Mt Rex Shipping Ltd [[2025] NZERA 288; 22/05/25; P Fuiava]

Employer's process is flawed but employee's actions did not help matters

Mr Wang was employed by Enterprise Collision Repair Ltd (Enterprise) as a car groomer in February 2023. On 1 November 2023, Mr Wang had an altercation with another employee, which led to a physical confrontation. The two were separated and Enterprise's director, Mr Guo, attempted to get both parties to apologise to each other. Mr Wang asked for CCTV footage of the event, which Mr Guo declined. A day later, both employees were issued with written warnings and Mr Guo continued to decline to release the CCTV footage.

Mr Wang then raised a complaint with the Police and went off on sick leave and did not return. He subsequently resigned on 5 February 2024. Mr Wang raised a claim with the Employment Relations Authority (the Authority) alleging that he was unjustifiably disadvantaged and constructively dismissed.

The disadvantage claim centred on two key issues. The first was that Enterprise had not conducted a thorough investigation of the altercation before issuing the warning to Mr Wang. Second, the warning letter set out that the finding was established through CCTV footage and the event was a breach of the company's code of conduct. Mr Wang submitted he was not given the CCTV footage to review and that he was not aware of any code of conduct document. Enterprise's view was that it had interviewed both individuals and, along with the CCTV footage, had enough information to make its decisions.

Ultimately, the Authority found Mr Wang had established a disadvantage claim. Enterprise should have made the CCTV footage available to him and given him a proper opportunity to respond. Mr Wang was asked for his comments in front of the other participant to the altercation on the day the incident occurred. He was also not advised of his right to have a support person or representative present, nor was he given the chance to comment on the outcome before a decision was made.

The Authority then turned to the constructive dismissal claim. Mr Wang claimed he had received threats from the other participant in the altercation. He considered the workplace to be unsafe, and that view was reinforced for him by the manner in which Enterprise dealt with the altercation.

While the Authority accepted there was no evidence of any threats being made to Mr Wang, the manner in which Enterprise dealt with the altercation dealt a blow to Mr Wang's confidence in the company. The Authority observed that, while Enterprise thought it had acted correctly, it was reasonably foreseeable that Mr Wang would resign in the circumstances. An unjustified constructive dismissal had been established.



The Authority awarded Mr Wang \$12,000 as compensation for hurt and humiliation. However, that amount was reduced by 20% to reflect his contributory conduct. It was found that Mr Wang had started the altercation by accusing his colleague of cherry-picking easier jobs. He then engaged in a heated exchange that led to physical violence. Costs were reserved.

Wang v Enterprise Collision Repair Ltd [[2025] NZERA 291; 23/05/25; A Leulu]

Authority awards uncontested claim for unpaid wages

Ms Wang worked for Cozy Life Kitchen Ltd (Cozy) as an administrative co-ordinator from 18 September 2023 to 20 September 2024. For the first six weeks of her employment, her pay rate was \$27 per hour, which rose to \$28 per hour.

Ms Wang raised a claim with the Employment Relations Authority (the Authority) seeking to recover 10 weeks of unpaid wages totalling \$15,680, as well as four weeks' annual holiday pay. Cozy chose not to engage with the Authority's investigation and ignored requests for it to produce Ms Wang's wage and time records.

The Authority found that in failing to provide the requested details, Cozy had breached its obligations under both the Employment Relations Act 2000 (the Act) and the Holidays Act 2003. As a consequence, the Authority accepted Ms Wang's uncontested evidence about her wage, time and leave entitlement information.

Cozy was found to owe Ms Wang \$15,680 for 10 weeks of unpaid wages and four weeks of unpaid holiday leave pay. The Authority found Cozy clearly engaged in multiple breaches of employment standards. It failed to pay Ms Wang for the hours she had worked and therefore was also in breach of the Wages Protection Act 1983. It also failed to produce a copy of her employment agreement and had failed to pay her out her holiday pay when her employment ended.

The Authority then turned to consider whether one of Cozy's directors, Mr Li, could be deemed a person involved in breaches of employment standards and therefore liable for costs.

The Act provides that a person would be involved in breaches of employment standards if they aided, abetted, counselled or procured the breach, or induced the breach, or had been knowingly concerned in or party to the breach. The Act provides that where a company has engaged in a breach of employment standards, then that person may only be treated as a person involved in a breach if they were an officer of the company.

Mr Li was Cozy's sole director from 14 June 2019 to 26 March 2025. He was the director at the time that wages and holiday pay obligations were not met, and he remained the director when Ms Wang lodged her statement of problem with the Authority. The Authority found that Mr Li was at the material time "a person involved in a breach of employment standards".

The Authority exercised its discretion under the Act to give Ms Wang leave to recover the owed wage arrears and other money (interest and reimbursement of her filing fee) from Mr Li personally, where Cozy defaulted in paying her.

The Authority ordered Cozy to pay Ms Wang the sums it owed her. If Cozy was not able to pay that amount, then it would advise Ms Wang, which would allow her to pursue a compliance order against Mr Li directly.

Cozy was ordered to pay Ms Wang \$16,323.96. This consisted of \$15,680 wage arrears from July to September 2024, \$572.41 interest accrued from 20 September 2024 to the date the Authority issued its determination, and \$71.55 to reimburse her filing fee. No cost orders were made.

Wang v Cozy Life Kitchen Ltd [[2025] NZERA 304; 30/05/25; R Larmer]



LEGISLATION

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

Bills open for submissions to select committee: Twelve Bills

Local Government (System Improvements) Amendment Bill (27 August 2025)

Legislation Amendment Bill (28 August 2025)

Public Service Amendment Bill (31 August 2025)

Education and Training (Early Childhood Education Reform) Amendment Bill (1 September 2025)

Patents Amendment Bill (4 September 2025)

Electoral Amendment Bill (11 September 2025)

Constitution Amendment Bill (15 September 2025)

Regulatory Systems (Internal Affairs) Amendment Bill (24 September 2025)

Review of Standing Orders 2026 (25 September 2025)

Antisocial Road Use Legislation Amendment Bill (30 September 2025)

Carter Trust Amendment Bill (2 October 2025)

Regulatory Systems (Transport) Amendment Bill (2 October 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 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

0800 800 362 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 advice@businesscentral.org.nz 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.

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



UPCOMING PUBLIC HOLIDAYS

Labour Day - Monday, 27 October 2025 Christmas Day - Thursday, 25 December 2025 Boxing Day - Friday, 26 December 2025 New Year's Day - Thursday, 1 January 2026 Day after New Year's Day - Friday, 2 January 2026

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

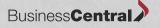
In most situations it will be clear whether the day on which the public holiday falls would otherwise be a working day for an employee.

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.

