

#### **EMPLOYER NEWS**

#### **Holidays Act to be replaced**

Cabinet has agreed to policy proposals for new employment leave legislation: a simpler and more workable replacement for the Holidays Act 2003.

Progressing reforms to the Holidays Act to simplify the law, give businesses certainty and reduce compliance costs is an action under the government's Going for Growth plan.

New Zealand's current leave system is complex and confusing. Employers struggle to understand and apply the Holidays Act correctly, and workers struggle to understand their entitlements.

The proposals reform the systems for earning and taking annual and sick leave.

# Key changes:

- rather than lump sum entitlements provided in weeks and days, both will accrue in hours, starting from day one
- there will be financial compensation in lieu of annual leave and sick leave for casual employees and employees who work more than contracted hours
- one single streamlined and simplified leave payment method will apply for all types of leave.

There are further changes proposed to the leave system such as:

- a shift to hours-based accrual for alternative holidays
- a new Otherwise Working Day test for public holidays
- the ability to take part-days of all types of leave.
- There will be a 24-month implementation period after the Employment Leave Bill is passed into law, to allow for a smooth transition for employers and payroll providers.

Full details of the proposed changes, including the Cabinet paper and a factsheet: Holidays Act reform.

To read further, please click here.



# New residence options to bolster workforce

More Kiwi businesses will soon be able to attract and retain the workforce they need, with the government's introduction of two new skilled migrant residence pathways.

Economic Growth Minister Nicola Willis says skilled and experienced migrants play an important role plugging workforce gaps, and in turn helping businesses to grow.

"Businesses told us it was too hard for some migrants to gain residence, even when they had crucial skills and significant experience that was not available in the existing workforce.

"We're fixing it."

From mid-2026, there will be two new residence pathways:

#### Skilled Work Experience pathway

 For migrants in skilled roles who have at least five years of directly relevant work experience, including at least two years of experience in New Zealand where they've been paid at least 1.1 times the median wage, and:

# **Trades and Technician pathway**

 For migrants in specified skilled roles who hold a relevant qualification at Level 4 or above, and have at least four years of relevant post-qualification skilled work experience, including at least 18 months in New Zealand where they've been paid at or above the median wage.

To read further, please click here.

#### **New Reserve Bank Governor appointed**

Dr Anna Breman, the First Deputy Governor of Sweden's central bank, has been appointed as the new Governor of the Reserve Bank of New Zealand, Finance Minister Nicola Willis announced today.

"Dr Breman comes to New Zealand with an impressive blend of technical skills and organisational leadership experience. She has been a Deputy Governor of Sweden's Riksbank since 2019.

"She holds a PhD in Economics from the Stockholm School of Economics and has previously been group chief economist at Swedbank, a leading Swedish commercial bank. She has also worked at the Swedish Ministry of Finance, the World Bank and as an academic economist in the United States.

"Dr Breman was nominated for the role by the Reserve Bank Board following a worldwide search in which 300 potential candidates were identified.

"The core criteria against which candidates were assessed were enterprise leadership, technical credentials, stakeholder engagement experience, personal resilience and cultural capability."

To read further, please click here.

#### **Developing talent for a stronger economy**

The government today released an update to Going for Growth, its plan to drive economic growth.

The update sets out what the government is doing to make New Zealand's skills and education system world-class once again, and to ensure our immigration system complements the domestic skills pipeline.



Businesses thrive when they can tap into a workforce equipped with the skills to drive innovation and growth, while individuals thrive when they have the skills and qualifications to secure fulfilling and ongoing employment.

Since Going for Growth began, the government has built on earlier progress, including:

- Investing in Teaching the Basics Brilliantly to reverse the long-term decline in student achievement through additional school-based teaching resources and focused training
- Investing to support job seekers under 25, including those with health conditions or disabilities, to move into employment, education or training rather than go on or stay on a benefit

To read further, please click here.

#### GDP decreases 0.9% in the June 2025 quarter

New Zealand's gross domestic product (GDP) fell 0.9% in the June 2025 quarter, following a 0.9% increase in the March 2025 quarter.

Activity decreased in the June 2025 quarter across 2 out of 3 high-level industry groups: goods-producing industries fell 2.3%, and primary industries fell 0.7%. Service industries were flat.

"The 0.9% fall in economic activity in the June 2025 quarter was broad-based with falls in 10 out of 16 industries," economic growth spokesperson Jason Attewell said. "GDP has now fallen in 3 of the last 5 quarters."

Manufacturing was the largest contributor to the overall decrease in GDP, down 3.5% in the quarter.

The fall in manufacturing was led by transport equipment, machinery and equipment manufacturing, down 6.2%.

Food, beverage and tobacco manufacturing, down 2.2%, also contributed to the fall in manufacturing. This was reflected in decreased export volumes associated with this type of manufacturing, such as meat products.

Construction was down 1.8% in the June 2025 quarter, following a 1.2% increase in the March 2025 quarter.

To read further, please click here.

# Action needed to address ageing population

Dr Stephen Rainbow talks about why International Day of Older Persons on October 1 holds special meaning for him.

"Within five years, it is predicted there will be one million people over 65 in New Zealand. Every day, there are eighty over 65s added to the population (and I'm proud to say I will soon be one of them). It is also predicted that within 25 years, there will be nearly 300,000 over 85 in New Zealand. These trends are global, with the number of people over 60 expected to reach two billion worldwide by 2050.

"Just imagine if this ageing revolution was seen as an opportunity rather than a problem!

"Not only do seniors bring skills and expertise, but their experiences also imbue them with a sense of resilience that is essential for coping with life's ups and downs. I was told recently, for example, of a retirement village without water and power after the Christchurch earthquakes where a not-uncommon response from residents was, "we've been through worse before".



"For people of my grandparents' generation - who went through two world wars, a Great Depression and several epidemics - a sense of resilience was essential to surviving life's vicissitudes. Imagine if this quality could be shared with more young people struggling to make sense of the world."

To read further, please click here.

# Trade Minister to promote NZ trade at ASEAN Economic Ministers meeting

Trade and Investment Minister Todd McClay departs today for Kuala Lumpur to attend a series of high-level ASEAN Economic Ministers' Meetings.

- "This year marks the 50th anniversary of New Zealand's Dialogue Partnership with ASEAN, a milestone that underlines just how far we've come, and why we are committed to elevating our relationship to a Comprehensive Strategic Partnership," Mr McClay says.
- "Collectively, ASEAN is New Zealand's fourth-largest trading partner, with two-way trade now worth more than \$29 billion a year. Strengthening these relationships is vital to achieving the government's ambition of doubling the value of New Zealand's exports in 10 years."
- "Over the past 15 years, trade with ASEAN has more than doubled under AANZFTA. Worth USD\$4.13 trillion there is even more potential ahead, and Kiwi exporters are well-placed to seize those opportunities."

To read further, please click here.



# **EMPLOYMENT RELATIONS AUTHORITY: FIVE CASES**

# Failure to consult on selection criteria leads to unjustified dismissal

In August 2022, Ms Franich was employed by Edgesmith Ltd (Edgesmith) in an internal sales role until her position was made redundant on 9 February 2024. Due to declining sales, Edgesmith commenced a restructuring process in January 2024. It proposed to disestablish the internal sales roles at its Silverdale branch to fund the creation of three new positions across New Zealand. Ms Franich was one of three affected employees.

Ms Franich was invited to a meeting on 2 February 2024 to discuss the restructuring proposal. During the meeting, Edgesmith outlined the reasons for its proposal and asked Ms Franich if she would be interested in stepping into any of the new roles. She said she was not.

Ms Franich was invited to a second meeting on 9 February to provide her feedback on the proposal. She raised concerns about how the proposed redundancies might impact the increased workload on the Auckland team and expressed an interest in exploring other redeployment opportunities. There was no discussion about the method Edgesmith might use to reduce the number of sales team roles or what selection criteria would apply to the affected employees.

Later that day, the parties reconvened to discuss the outcome of the proposed restructuring. Edgesmith revealed that the selection criteria they used evaluated the skills, job performance and experience of the three sales team members, but ultimately there were no substantial differences in the strengths and weaknesses across the group. In the end, Edgesmith decided to make Ms Franich's role redundant for reasons based purely on cost, given that her salary was considerably higher than the other two sales team members.

Ms Franich was shocked that she had been selected for redundancy, especially when another affected employee with only six months of limited experience had not been. This led Ms Franich to raise concerns over whether her redundancy was motivated by other undisclosed factors. However, since the decision had already been made, it was too late for Ms Franich to offer any input on how the selection criteria had been applied.

A letter received on 13 February 2024 confirmed that Ms Franich's employment was terminated on 9 February 2024 by way of redundancy, based on her having the highest salary. Despite her reservations, Ms Franich accepted an offer which provided her with a further five weeks remuneration to be paid in lieu of her notice period and on the condition that she reserved the right to bring legal proceedings.

On 5 April 2024, Ms Franich's representative wrote to Edgesmith raising personal grievances for unjustified dismissal and unjustified disadvantage in relation to her redundancy. Accordingly, Ms Franich sought remedies including compensation for lost wages, hurt and humiliation, and a contribution to costs.

When considering whether to disestablish a role, the duty of good faith requires an employer to provide affected employees with access to all the relevant information that informs the decision. Additionally, employers must also provide an opportunity to comment on that information before any decision is finalised.

The Employment Relations Authority (the Authority) determined that Edgesmith had genuine business reasons for restructuring the company and that it was reasonable to identify Ms Franich's position for possible redundancy. However, the Authority also found that the selection criteria Edgesmith had used and how it was applied was not communicated to Ms Franich in a manner that allowed her to meaningfully comment on it.

Even though cost reduction was genuinely the objective of the restructuring, there was no indication that Ms Franich knew that her individual pay level formed part of the selection criteria. Equally, there was no evidence that she was aware she was paid more than the other sales team members to such a degree that it would feature so significantly in the restructuring outcome.

Failing to disclose the selection criteria until the outcome meeting deprived Ms Franich of a fair opportunity to engage meaningfully in the restructuring process. Edgesmith ought to have provided Ms Franich with a chance to respond to the proposed selection criteria and allowed her to share her views on the comparative skills and experience of the other sales team members, which may have influenced the final deliberations.



Accordingly, the Authority determined that the lack of proper consultation rendered the restructuring both procedurally and substantively flawed. As a result, Edgesmith was unable to establish a fair and reasonable basis for selecting Ms Franich for redundancy, and her dismissal was therefore found to be unjustified. The Authority ordered Edgesmith to pay Ms Franich three weeks of lost wages and \$16,000 for hurt and humiliation. Costs were reserved.

# Franich v Edgesmith Ltd [[2025] NZERA 370; 26/06/25; M Urlich]

#### Mistake in trial period provision renders it invalid

Mr Singh claimed he was unjustifiably dismissed by Pilling & Leggett Engineering Co Ltd (P&L) where he was employed as a CNC machinist. P&L contended that Mr Singh's employment was subject to a valid 90-day trial period under the Employment Relations Act 2000 (the Act) and so he was barred from bringing a personal grievance claim relating to the dismissal. Mr Singh's individual employment agreement (the agreement), signed on 13 July 2023, stated that it would come into force on 31 July 2023, which was the day Mr Singh commenced working.

Mr Singh's account of the dismissal was that Mr Jackson, a manager at P&L, approached him near the end of his shift on 30 August 2023 and told him that his employment would be ending. Mr Jackson said he had concerns about Mr Singh's performance and, after a month, Mr Singh was not showing any signs of improvement. Therefore, he explained he was terminating his employment with two weeks' notice. The termination letter was emailed the following morning.

The Employment Relations Authority (the Authority) first considered whether Mr Singh's employment ended subject to a valid 90-day trial period.

Mr Singh submitted that the trial period provision was invalid on several grounds. The clause contained an erroneous reference to a non-existent section of the Act. Also, Mr Singh was not expressly advised, outside of the written declaration in the agreement, to seek independent advice. Further, he claimed he commenced work prior to signing the agreement. He also argued written notice of termination was not given at the time the dismissal was communicated.

The Authority found that Mr Singh signed the agreement before he started work and returned it on his first shift. The Authority outlined that given the restriction of rights that an effective trial period provision brings with it, the requirements in the Act must be strictly met. Therefore, the mistaken reference to a non-existent part of the Act defeated the validity of the trial provision.

The Act requires an employer to advise an employee that they are entitled to seek independent advice about the intended agreement. Mr Singh was provided sufficient time to consider the proposed agreement, and there was no undue pressure placed on him to sign it. However, P&L made a limited statement in the 13 July 2023 meeting that Mr Singh could talk to his wife about the agreement. That was found not to be sufficient to comply with the obligations under the Act. The purported trial provision was also found to be invalid on that basis.

Additionally, P&L did not provide notice strictly in accordance with the agreement. The agreement required that notice be given in writing at the time of dismissal. It concluded that the trial provision was also invalid on that basis. The Authority determined that Mr Singh's employment was not subject to a valid trial provision. Therefore, he was able to bring his unjustified dismissal claim.

The Authority then considered whether Mr Singh was unjustifiably dismissed from his employment. P&L conceded that if Mr Singh was not barred from bringing a personal grievance claim, it would follow that the procedural fairness requirements would not have been satisfied.

While the Authority acknowledged P&L held some genuine concerns as to whether Mr Singh's qualifications and experience matched his abilities, the dismissal occurred without any formal notice of the concerns. The Authority found that the dismissal was both procedurally and substantively unjustified.



The Authority ordered P&L to pay Mr Singh \$15,000 compensation and \$1,760 for lost wages. P&L was also ordered to pay a penalty of \$800 for failing to immediately provide a copy of Mr Singh's wages and time records in accordance with the Act, with half to be paid to the Authority and half to be paid to Mr Singh.

# Singh v Pilling & Leggett [[2025] NZERA 389; 03/07/25; R Anderson]

#### Procedural flaws in disciplinary process leads to unjustified dismissal

Mr Trail was employed by Veolia Water Servies Ltd (Veolia) as a network operator in 2017. In November 2019, he was promoted to spiral wound pipe (SWP) team leader. Mr Trail became frustrated in 2023 by changes to the SWP team causing him to have several verbal outbursts. His conduct initially led to a warning, and ultimately to his employment being terminated in September 2023. Mr Trail lodged a claim in the Employment Relations Authority (the Authority) alleging he had been unjustifiably dismissed.

In May 2023, Mr Trail was reminded about his tone after he spoke to a colleague in such a manner that it reduced them to tears. A further blow up occurred in July when Mr Trail had a robust conversation with his manager, Mr Rozitis. As a result of the July incident, Mr Trail was invited to a disciplinary meeting. At the meeting, he expressed frustration at how he thought Veolia was not supporting him and failing to provide him with leadership opportunities. At the meeting, Mr Rozitis undertook to look into leadership training. However, Mr Trail was told he needed to improve the way he talked to colleagues and received a written warning.

Around that time, a new employee, NSB, was hired as a supervisor. NSB made a number of complaints about Mr Trail's conduct, which culminated in Mr Trail being invited to a meeting on 25 August 2023. The meeting was partly to address the complaints but also to address Mr Trail's request for the written warning to be withdrawn. At the meeting, Veolia declined to withdraw the written warning and Mr Trail was suspended pending an investigation into the complaints made against him.

On 6 September 2023, Mr Trail attended a disciplinary meeting and at that time provided feedback on the allegations against him. The decision was made to terminate his employment. His feedback involved pointing to inconsistencies in how his behaviour in particular had been called out while other similar behaviour from other employees had not been. He also again expressed frustration with his team, saying the role caused him stress and anxiety. From Veolia's perspective, Mr Trail sought to blame others for his misconduct and therefore Veolia lost trust and confidence in him.

The Authority took issue with the first warning issued in May 2023. Mr Rozitis was both the complainant and the decision-maker. The invitation letter to the meeting also contained elements that suggested predetermination and no investigation was undertaken as Mr Rozitis relied solely on his own recollection of events. The Authority found the warning was not justified in terms of process and outcome. It was also an issue as it informed some of the decision-making when Veolia considered dismissing Mr Trail.

The Authority also took issue with the process followed to terminate Mr Trail. Reliance was placed on the complaints made by NSB. However, there was no evidence that they had been investigated. Mr Trail disputed some of the comments yet was not given an opportunity to make any kind of statement, nor to review any statements provided by NSB to Mr Rozitis.

In the letter inviting Mr Trail to the September 2023 disciplinary meeting, there was no mention that his conduct was considered a breach of the organisation's values. There was also no mention of his conduct being categorised as belittling or making others feel unsafe. That was relevant as that allegation only arose during the meeting and was not supported by any examples or evidence. The letter of termination set out that Veolia had lost trust and confidence in Mr Trail, but that allegation had not been expressly raised to him at any time.

It was clear that Veolia had not properly set out its concerns prior to the September 2023 meeting and had not fully expanded on them at the time. Mr Trail was also not provided time to consider the issues properly but was expected to respond to them during the meeting.



Finally, the Authority concluded that Mr Trail's explanations had not been given fair consideration. The evidence indicated he had worked in the same role for three years prior to the events in 2023 without any incident. Veolia could have investigated his concern about team structure and workload and its impacts on him. It chose not to and asserted that Mr Trail was failing to take responsibility for his own actions and sought to deflect and blame others.

While it was reasonable for Veolia to conclude that some of Mr Trail's behaviour towards management was aggressive and belligerent, the Authority did not consider that it would meet the threshold for serious misconduct, nor could a fair and reasonable employer conclude that dismissal was the appropriate sanction for Mr Trail's behaviour. The claim of unjustified dismissal was upheld.

The Authority awarded Mr Trail \$20,000 as compensation for hurt and humiliation, along with three months' lost wages. However, the Authority found that Mr Trail's conduct was blameworthy and contributed to the grievance. As a result, the remedies were reduced by 50%. Veolia was ordered to pay Mr Trail \$10,000 for hurt and humiliation, and one and a half months of lost wages. Costs were reserved.

#### Trail v Veolia Water Services Ltd [[2025] NZERA 353; 18/06/25; P van Keulen]

## **Authority issues compliance order for unpaid settlement**

Mr Lambert lodged an application in the Employment Relations Authority (the Authority) and sought to obtain a compliance order to enforce a record of settlement, which was entered into with Expert IT Group Ltd (Expert). Expert admitted that it had not met the conditions of the settlement and submitted that was because of its financial circumstances. It requested a repayment plan, spread over a 12-month period.

The settlement set out that \$30,000 would be paid to Mr Lambert over a three-month period, to be concluded by 31 September 2024. However, by the end of September, \$8,000 remained unpaid. By the time the matter came before the Authority, \$5,300 was still unpaid.

The Employment Relations Act 2000 (the Act) allows that any valid settlement may be enforced by a compliance order. In this case, Expert had clearly failed to comply with the conditions of the settlement and so the Authority issued a compliance order against Expert. If Expert failed to abide by the compliance order, Mr Lambert would be entitled to pursue such a breach in the Employment Court or the District Court.

The Authority further exercised its discretion to order that the repayment include interest until the sum owed was paid in full. Therefore, Expert was ordered to pay Mr Lambert \$5,300 with interest.

Mr Lambert attempted to add Mr Sharif, the sole director and shareholder of Expert, to the proceedings so that he might be held liable for sums owing if Expert was not able to make good on the payment. That claim was not successful. Mr Lambert could not provide evidence to show that Mr Sharif had acted as a guarantor in the event Expert was not able to meet its obligations.

Expert's request to make repayments by instalment over 12 months was declined. Expert provided a profit and loss report for the month of March 2025. The Authority found the information to be insufficient to justify an order for instalment payment.

The Authority ordered Expert to pay Mr Lambert \$1,483.50 for costs. The Authority also ordered Expert to refund Mr Lambert the \$71.55 filing fee.

Lambert v Expert Group Ltd [[2025] NZERA 390; 03/07/25; J Lynch]



#### **Authority penalises attempt to coerce witness**

The Employment Relations Authority (the Authority) initiated proceedings to determine whether a penalty was warranted where a witness in an Authority investigation was allegedly offered money if their evidence led to a particular outcome.

NFK owned and operated a hospitality business called GPQ. On 31 March 2023, NFK sold his shares in GPQ to RCL. As part of the arrangement for NFK to sell his shares, NFK would be employed as a manager at GPQ for a period of five years. On 21 May 2024, NFK resigned from GPQ. GPQ then claimed that NFK had breached his employment agreement. In response, NFK denied GPQ's claim. NFK also made the Authority aware that a witness for GPQ, Ms B, had informed him that she had been offered a sum of money by LQI, who was an associate of RCL. The arrangement was that a sum would be paid to Ms B if she provided evidence against NFK in an Authority investigation.

The issue for the Authority to consider was whether, under the Employment Relations Act 2000 (the Act), a penalty should be imposed on GPQ on the basis that its actions could be responsible for obstructing or delaying the Authority's investigation.

When NFK resigned on 21 May 2024, a lawyer acting for GPQ (now owned by RCL) wrote to NFK confirming his terminating of employment a few days later. NFK would go on to raise a claim for unjustified dismissal in the Authority.

On 7 January 2025, Ms B told NFK that LQI (an associate of RCL) had offered to pay her \$20,000 if she gave evidence supporting GPQ's position for the Authority's investigation. While their conversation was not recorded, NFK did record a further conversation on 22 January 2025. The transcript of the call clearly set out that Ms B had been offered money if she were to act as a witness against his claim.

LQI said they did not intend to mislead the Authority or for Ms B to give false evidence. While LQI used to be in a relationship with Ms B, their relationship had broken down. LQI believed Ms B was actively working with NFK, and so initially did not intend to call Ms B to give evidence. When questioned by the Authority, Ms B confirmed that LQI had offered to pay her \$20,000 if she were to act as a witness for GPQ.

The Authority found, on the balance of probabilities, that the evidence confirmed an attempt at witness coercion. LQI claimed the offer of funds was related to Family Court matters, but the Authority found they were substantively linked to the Authority proceedings.

The Authority assessed whether LQI had standing at GPQ to make the offer he did to Ms B. The Authority was told LQI was neither a director nor a shareholder and only provided accounting advice. The Authority was not convinced, as the evidence indicated LQI would financially benefit if GPQ was successful. The relationship pointed to there being more than LQI merely acting as a contracted accountant for GPQ. Further evidence clearly showed that LQI had a financial interest in GPQ and the ability to make the offer to Ms B on its behalf.

The Authority was satisfied that Ms B was offered a financial incentive by LQI that could have obstructed the Authority's investigation. GPQ was ordered to pay a penalty of \$2,000. Of that amount, \$500 was to be paid to NFK. Costs were reserved.

VLW v NFK [[2025] NZERA 366; 25/06/25; E Robinson]



### **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: Nine Bills

Antisocial Road Use Legislation Amendment Bill (30 September 2025)

Carter Trust Amendment Bill (2 October 2025)

Regulatory Systems (Transport) Amendment Bill (2 October 2025)

Defence (Workforce) Amendment Bill (5 October 2025)

Summary Offences (Demonstrations Near Residential Premises) Amendment Bill (6 October 2025)

Retail Payment System (Ban on Merchant Surcharges) Amendment Bill (12 October 2025)

<u>Taxation (Annual Rates for 2025–26, Compliance Simplification, and Remedial Measures) Bill</u> (23 October 2025)

Inquiry into Performance Reporting and Public Accountability (29 October 2025)

Local Government (Auckland Council) (Transport Governance) Amendment Bill (9 November 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/



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

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



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



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# OCCUPATIONAL HEALTH AND SAFETY CONSULTANTS

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



#### **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**

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

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

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

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

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

# **EMPLOYMENT RELATIONS CONSULTANTS**

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

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

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

#### LEGAL

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

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

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

# A QUICK GUIDE TO HOLIDAY PAY PRACTICES IN NEW ZEALAND



#### **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.

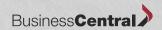
Employers therefore need to consider whether the day on which the public holiday falls is otherwise a working day for each employee in order to determine public holiday entitlements. The otherwise working day test applies to all employees regardless of whether they are permanent, fixed term or casual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

