

# ACCELERATE

October • 2024 | Issue • 048

OUR NEWSLETTER FOR GROWING BUSINESSES



## IN THIS ISSUE

In this issue, we're tackling key employment topics, from managing staff holidays to understanding annual leave rights and your legal duties as an employer under New Zealand law.

Refresh your knowledge of rest breaks, sick leave, staff contracts, and employment rights to ensure you're meeting your obligations effectively. Learn how to manage annual leave correctly and navigate public holidays with confidence.

In our digital snapshot, explore two top apps that simplify booking and payroll systems.

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Contact us on general line 09 520 4932, or DDI's below.

Richard Durney - DDI 09 869 6660 Michael Young - DDI 09 869 6667

Umendra Naidu - DDI 09 869 6662

Website [www.whaleyharrisdurney.co.nz](http://www.whaleyharrisdurney.co.nz)

## CONTACT OUR TEAM

# Quick guide to employment basics

Managing your team involves understanding your legal obligations. Here's a simple rundown of the key employment responsibilities under New Zealand law.

## Back to basics

Under New Zealand law, employers must:

- Give all employees a written employment agreement/contract.
- Pay employees at least the minimum wage for all the hours they work.
- Pay employees in cash (money) unless they have agreed to a form of direct credit.
- Not deduct money out of employees' wages unless the law allows it (such as for student loan payments) or an employee gives written authorisation.



## Rest breaks

Employees need regular rest and meal breaks. For people working eight hours or longer, two 10-minute breaks and an unpaid 30-minute lunch break are required. People working six hours need one 10-minute break and a 30-minute lunch break.

## Annual leave

Staff are entitled to a minimum of four weeks of paid annual leave after they have worked for you for 12 months. They are also allowed 12 paid public holidays to the extent they fall on days they normally work.

## Sick leave

Your team members are entitled to 10 days of sick leave per year if they (1) have been continuously employed by you for six months, or (2) over a six-month period, have worked at least an average of 10 hours a week with no less than one hour worked in every week or no less than 40 hours worked every month.

If an employee gets sick before starting their holiday, businesses must allow affected days to be taken as sick leave. If they get sick while on holiday, employers can decide whether or not to grant sick days.



**IMPORTANT:** In June, the government announced plans to move to a pro-rata system for sick leave and an accrual system for annual leave as part of changes to the Holidays Act 2003. Read more about the government's proposals [here](#).

## Bereavement leave

Employees are entitled to three days of bereavement leave every 12 months, as long as they have worked for their employer continuously for six months and meet the same hourly criteria as above.

This leave covers the death of an immediate family member or if an employee or their partner has a miscarriage or stillbirth. Bereavement leave of one day is permitted if the employer accepts that the employee otherwise has a close association with the deceased or particular responsibilities for matters associated with the death.

## Last but not least

- All New Zealand employers must provide a workplace that is healthy, safe, and free from discrimination and bullying.
- Staff must be allowed to join a union if they want to, free from any pressure.
- Employees can resign at any time by notifying you they will be leaving and working out the notice period set out in their contracts.

*If you're unclear on your legal responsibilities on employment matters, speak to a legal adviser to clarify your situation.*

## 5 things to remember about annual leave



Managing staff isn't just about what happens at work; it's also about managing holidays.

As an employer, you're responsible for keeping accurate up-to-date records about much-deserved time off.

1. Annual holiday entitlement does not expire; staff are entitled to their holidays until they take them. Only one week's leave per year may be cashed up and only with your consent.
2. Businesses need to be reasonable in considering requests; you can't unreasonably refuse an employee who wants to take annual leave.
3. However, employers can decline unpaid leave requests or advance holiday requests.
4. You can only require an employee to take a holiday if you can't agree on when leave should be taken. In this event, staff need 14 days' notice.
5. A business can't make an employee take their annual holiday in advance, except when the company has an annual closedown.

## What to know about public holidays

Following the introduction of Matariki in 2022, employees in New Zealand get 12 public holidays a year. But what happens if your business needs to stay open on a national holiday?

When employees work **all or part** of a public holiday, businesses must:

- pay staff at least time and a half for the hours they work, and
- if the day is one they would normally have worked, give them an alternative holiday/a day in lieu.

You can only require a team member to work on a public holiday if it falls on a day they would usually be working and their employment agreement requires them to work the public holiday.

### Labour Day is on the way

New Zealand's next public holiday is Labour Day on Monday 28 October. If you have any questions about annual leave and public holiday entitlements, please get in touch.



## Digital snapshot: Two tools to help with bookings and payroll

Finding digital tools to boost your business efficiency is easier than ever. In this edition, we highlight two apps that excel at managing bookings and payroll, helping you save time and stay organised.

Who's it for?		What makes it great?
<b>Timely</b> 	Any business needing a handy appointment management system. It's especially popular with hair, beauty, and hospitality businesses.	Timely makes it easy to handle appointments, client chats, and deposits. With a customisable calendar, reporting tools, and marketing features, it gives you a clear picture of your business. Plus, it automates admin tasks and syncs invoices directly with Xero, so you can focus on what you do best.
<b>iPayroll</b> 	Businesses of all sizes looking for a simple way to manage payroll and employee records, with a focus on keeping everything hassle-free.	iPayroll makes handling pay, leave, and employee records straightforward. It's cloud-based, so you can easily manage payroll, PAYE, and KiwiSaver. Employees can check their payslips, update details, track leave balances and submit timesheets. It's great for staying compliant and integrates smoothly with Xero.

Ready to digitise your business? The government's Digital Boost programme is designed to help SMEs adopt online tools - and there's lots of free stuff! Find resources and case studies on the [Digital Boost website](#). For small business apps, check out the [Xero app store](#).

## TAX CALENDAR - OCTOBER 2024

Date	Category	Description
<b>7 October</b>	PAYE	Large employers returns for September. File employment information within two working days after payday.
<b>21 October</b>	RWT	RWT return and payment due for deductions from dividends and deductions of \$500 or more from interest paid during September.
<b>21 October</b>	FBT	File September quarter return.
<b>21 October</b>	NRWT / Approved Issuer Levy	Payment and return due.
<b>21 October</b>	PAYE	Small employers returns for September. Large employers returns for October. File employment information within two working days after payday.
<b>29 October</b>	GST	Payment and return for September.
<b>29 October</b>	Provisional Tax	Instalment due for taxpayers who file GST on a six-monthly basis.

Note: the provisional tax due dates apply to those clients who have a March balance date. Different dates will apply for those clients who have different balance dates.

***Disclaimer:** This publication has been carefully prepared, but it has been written in general terms only.*

*The publication should not be relied upon to provide specific information without also obtaining appropriate professional advice after detailed examination of your particular situation.*