

Perriam & Partners

Chartered Accountants & Business Advisors

EMPLOYER NEWS 2021

PERRIAM & PARTNERS

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PUBLIC HOLIDAY PAY

An employee must be paid for a day off on a public holiday if it falls on a day that the employee would otherwise have worked.



Employees who work on a public holiday are entitled to payment at one and a half times ordinary pay for that day (or more if agreed), as well as a 'Day in Lieu' (being any other day, as a day's paid Annual leave). This means they can take another day as a holiday & be paid for it.

Part time employees who work regularly on the same day as a public holiday are entitled to pay for that day in proportion to the number of hours they work x 1.5 ordinary pay.

ANNUAL HOLIDAY PAY

Employees are entitled to a minimum of 4 weeks paid leave for every 12 months of service. Holiday pay for annual leave is the greater of:

The current ordinary weekly pay (excluding overtime), at the time the leave is taken; and

The employee's average weekly gross earnings (including overtime) for the 12 months immediately before the end of the last pay period, before the annual holiday.

Holiday pay must be paid to the employee before they take leave, unless the employer and employee agree in writing that the normal pay cycle will continue undisturbed during the holiday.

For those of you who may still be making manual payroll calculations you can check the amounts to be paid by using the holiday pay tool on the Ministry of Business, Innovation and Employment's website.

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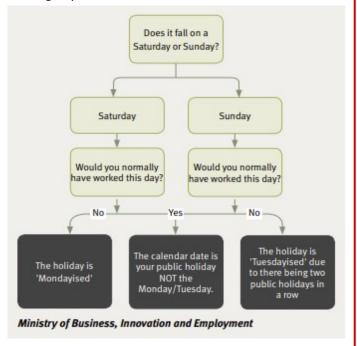
PREPARING FOR THE HOLIDAY SEASON

Despite changing times, wage subsidies and other Covid related effects in the workplace, New Zealand employment law, including the Employment Relations Act and Holidays Act, continues to apply to all employment relationships. Here, we remind you of your obligations for the upcoming Holiday Season.

PUBLIC HOLIDAY DATES

- Christmas and Boxing Day, Saturday 25 and Sunday 26 December 2021.
- New Year's Day and the day after, Saturday 1 and Sunday 2 January 2022.

This season, all four statutory holidays fall on the weekend. For employees who would normally work on any of these days, those days will be treated as a public holiday. For days that the employee would not normally work, the holiday would be taken on the following Monday and/or Tuesday, assuming that is a normal working day as follows:



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GETTING A RAISE

Boss/worker jokes are always funny. This is even more true when you add cash to the mix. That is why Alberta Venture includes this tale as one of its top "office-approved" jokes.

Sam walks into his boss's office and says "Sir, I'll be straight with you, I know the economy isn't great, but I have over three companies after me, and I would like to respectfully ask for a raise."



After a few minutes of haggling the boss finally agrees to a 5% raise, ad Sam happily gets up to leave. "By the way," asks the boss, "which three companies are after you?"

"The electric company, water company and phone company!" replied Sam.

BEYOND CULTURE FIT

We explored how companies can attract and retain a more socio-economically diverse workforce.

One of the key reasons that businesses fail to do this well is because they hire according to "culture fit". Not only is that exclusionary, but it also ends up building a workforce who all think in a very similar way.

"Issues arise when we assess people too much on their personal characteristics over what they can bring to the company" say Janine Jacobs and Louisa Mordaunt, cofounders of company culture consultancy HappyHQ. Instead, they suggest hiring for 'culture add', "People from all sorts of backgrounds can still be aligned on values, but also bring a variety of new experiences. Diverse opinions prevent complacency and groupthink."

EMPLOYMENT AGREEMENTS FOR SEASONAL STAFF

Christmas and New Year is a busy business time for some employers. Many have to take on extra staff, usually on a fixed term or casual employment agreement, to keep up with customer demand. Employers need to ensure that the employees are employed on the appropriate type of agreement, and that the minimum statutory requirements for that type of agreement are satisfied.

If the employee is to be used consistently during the busy time but will not be required once it is finished, a fixed term employment agreement is likely to be the most appropriate contract. In this case, the employment agreement itself must state; when the employment agreement will end i.e. on a particular date or at the end of a particular project or season, the reason why the employment will end then; and the way in which the employment will end.

However, if the employee is only to be engaged on an "as and when required" basis and there is no expectation of work from one engagement to the next, then a casual employment agreement is likely to be the most appropriate contract.

For public holidays, if it is clear that a casual employee would have worked on that day (had it not been a public holiday), then they are entitled to be paid for that public holiday just like any other employee.

PEOPLE MAKE IT HAPPEN

Ray Kroc, founder of McDonald's, once said: "Numbers are impressive, systems are important, slogans are moving, but people make it happen".

Your people *are* your organisation. They play a major role in determining the kind of experience your customers will have.

First find out how your customers want to be treated. Then hire people with the right people skills and behaviours to deliver that experience.









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