



EMPLOYMENT LAW PACKAGE

National is working hard to lift the long-term performance of the economy and create more jobs for New Zealanders. Our employment law package contains practical solutions to issues facing employers and employees. It will reduce compliance costs, give businesses more confidence to take on new staff, help resolve workplace disputes faster, and provide more choices for employees and employers.

INITIATIVES

DETAILS

BENEFITS

90-DAY TRIAL PERIOD

Extending trial to all employers

- The voluntary 90-day trial period for new employees will be extended to cover all employers.
- We introduced the trial period for employers with fewer than 20 employees in 2008 and it has been very successful.

- ✓ Giving employers more confidence to hire new employees.
- ✓ Giving more people the chance to prove themselves in a job.

PERSONAL GRIEVANCES

Fixing the system

- The Employment Relations Authority will have the ability to filter out vexatious or frivolous claims early on.
- The Authority will promote mediation by giving priority to mediated cases.
- Behaviour that delays the Authority will be penalised.
- Employers' processes will not be the subject of pedantic scrutiny.
- The Authority will be moving to a more judicial mode of operation, with the right to cross-examine witnesses.
- Rules on union access to workplaces will change, so that any access will require the consent of the employer. That consent cannot be unreasonably withheld.

- ✓ Protecting the rights of workers.
- ✓ Helping resolve employment problems faster.
- ✓ Discouraging poor practice.
- ✓ Reducing costs of disputes.
- ✓ Improving confidence in the system.

HOLIDAYS

Cashing in your fourth week of annual leave

- Employees will be able to trade one of their four weeks' annual leave for cash.
- This is only at the employee's request and cannot be raised in salary negotiations.

Using "Average Daily Pay" to calculate entitlements

- Calculating entitlements will be simpler for employees who have variable hours and pay, using our new calculation known as "Average Daily Pay".
- It's based on the average of an employee's pay over the past year.

Transferring public holidays

- Employers and employees will be able to agree to transfer the observance of public holidays to another working day.

Doubling penalties for employers

- Maximum penalties will double for employers who don't comply with the Holidays Act.

Asking for proof of sickness or injury

- Employers will be able to ask for proof of sickness or injury within three consecutive days of an employee taking sick leave – but they'll have to cover the employee's costs in obtaining proof.

- ✓ Making the Holidays Act easier to understand and apply.
- ✓ Reducing costs for businesses so they can invest more time and money in growing their business and creating jobs.
- ✓ Giving employees and employers more choices.
- ✓ Encouraging employers and employees to follow the rules.

Proposed changes to the Holidays Act and the Employment Relations Act will be in place next year. There are other changes too, see www.beehive.govt.nz