



EMPLOYER NEWS 2017

Perriam & Partners Employer Newsletter

Issue 9 December 2017

PAYROLL OBLIGATIONS

With the holiday season almost upon us, we thought it worthwhile giving an update to all our employers regarding their payroll obligations at this time of year.

With many of your staff soon to take annual leave, you are likely to receive some questions regarding annual leave entitlements and holiday pay calculations.

If you are unsure of any of the answers, we have staff here at Perriams who are experienced in dealing with these types of matters and are ready and willing to assist you with any queries that you may receive.

Let it be our Christmas present to you!



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.

WORKING ON A PUBLIC HOLIDAY

Where an employee works on a public holiday, the employee is entitled to payment at one and a half times their relevant daily pay or average daily pay for the time actually worked.

The employee is also entitled to an alternative (paid) days holiday if the public holiday was a day which would ordinarily be a working day for the employee.



PUBLIC HOLIDAYS CHRISTMAS & NEW YEAR 2017/2018

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| • Christmas Day | Monday 25 December 2017 |
| • Boxing Day | Tuesday 26 December 2017 |
| • New Year's Day | Monday 1 January 2018 |
| • Day After New Year's Day | Tuesday 2 January 2018 |

This Christmas season these public holidays are observed on the actual day they fall, being a weekday.

Where an employee **does not** work on a public holiday and the day would otherwise be a working day for the employee, the employee is entitled to be paid their "relevant daily pay" or "average daily pay".

Employers may require an employee to work on a public holiday if it falls on a day the employee would normally have worked and the employment agreement specifies that the employee may be required to work on public holidays.

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, 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.



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Best wishes for the coming festive season.

