



EMPLOYER NEWS 2018

Perriam & Partners Employer Newsletter

Issue 14 September 2018

THE LABOUR—NZ FIRST—GREENS GOVERNMENT

The Government is now well established and starting to make clear policy decisions, particularly around the labour market.

Increasing the minimum wage in New Zealand to \$20 an hour by 2021 is a good example of what may affect your business. This could result in some fairly large wage increases across businesses and industries that are traditionally lower paid such as parts of the public sector, hospitality, retail and not for profits.

The 'living wage' is also on the agenda. The hourly wage that a worker needs to pay for the basics of life as well as transportation, housing and child care. With the rising costs of living, many advocacy groups believe this figure should drive the minimum wage.

From September, a living wage will be introduced into the core public service, affecting around 2,000 employees. It will be interesting to note how this impacts the sector and can act as an example for other groups (well, the Government hopes it will).



RISING EXPECTATIONS IN THE MARKET

Changes to the labour market at the Government level are impacting the expectations of the employment market. Over the last four to five years, we've seen many 1% - 3% wage increases across several sectors as well as the large residential care workers settlement last year.

The increases for residential care workers were very large (between 20% - 40%) and they have recently been extended to another 5,000 workers who are doing similar roles in mental health.

While there is no denying that lifting the wages of certain lower paid industries is positive for those particular employees, it puts pressure on other sectors to do likewise. Something that might not be possible under certain economic conditions.

Nurses have now secured a pretty attractive pay rise and there will be more public sector organisations to come. At the end of the day, the consumer will pay but isn't that the way it should always be?

MOVE OVER MILLENNIALS ... GEN Z ARE HERE

Aged under 24, these neo digital natives have started graduating and turning up to workplaces near you. That's if they haven't skipped University to start a business online. They want flexible working hours, are socially conscious and more realistic than their forebears, and they are eager to go places fast.

They don't look for careers, but two year projects. They expect flexible working arrangements so they can go to the gym in their lunch break or work remotely. They prefer text or email to picking up the phone.

They know what they want, want to get there fast and are perhaps more than any other living generation to tell employers up front about what they expect. They think nothing of having thousands of followers on Instagram or Snapchat, the curation of which qualifies as a second job for some and they are strongly motivated by financial security. Meet your new co-workers ... Generation Z.

They look for projects and that could be a two or three year project, then they are off to the next thing. One thing you will hear all the time is 'succeed fast or fail fast.' I think they go "well I'll either be good at this or I'm not and I'll go on to the next thing."

Gen Zers are starting to out number other generations. There are about 983,000 people aged between 10 and 24 in New Zealand, compared with just over a million Millennials, 929,000 Generation Xers and 817,000 Baby Boomers, according to Statistics New Zealand.

WHAT DO WE KNOW ABOUT GENERATION Z, SO THAT WE CAN GET THEM TO BUY STUFF?

SO FAR, ALL WE KNOW IS THAT THEY HATE BRANDS THAT TRY TO GET THEM TO BUY STUFF.



IN THIS ISSUE

- Labour—NZ First—Greens Government
- Rising Expectations In The Market
- Move Over Millenials ... Gen Z Are Here
- Changes To Paid Parental Leave
- Sick Leave ... What You Need To Know
- Can You Terminate Someone For Social Media Conduct?
- Who Owns Your Emails?

CHANGES TO PAID PARENTAL LEAVE: WHAT IT MEANS FOR YOUR BUSINESS

From 1 July 2018, the number of weeks a parent can receive Government funded parental leave payments increased from 18 weeks to 22 weeks. Here's what you need to know ...



Employers are already required to provide a minimum of six months (26 weeks) of job protected leave to eligible employees (if the employee has been working for them for between six and twelve months). For employees who have worked for them for twelve months or more, the period of job protected leave is one year.

The change doesn't require employers to provide any additional leave. It might provide more certainty for employers, given the likelihood that more parents may take the full 26 weeks if the majority of the leave is paid. So, it could give employers greater confidence about the length of time they need to backfill the role.

The numbers of hours that an employee can do paid work while they are on parental leave increases from 40 hours to 52 hours during the parental leave period and will further increase to 64 hours from 2020.

NOTE: INLAND REVENUE MAKES PARENTAL LEAVE PAYMENTS, NOT EMPLOYERS.

CAN YOU TERMINATE SOMEONE FOR SOCIAL MEDIA CONDUCT?

Dismissing an employee for social media conduct depends on multiple factors, according to Hamish Kynaston, partner at Buddle Findlay. Firstly, if the incident takes place during work time and on work equipment, the employee risks disciplinary action.



Moreover, if the employer has specific rules in place and those rules are breached then that might lead to a finding of misconduct and then ultimately dismissal. "If an employee's conduct on social media outside of work and outside of work equipment is unacceptable then an employer may still be able to discipline or dismiss an employee," said Kynaston.

"Again, there has to be some connection to the workplace and some impact on the employer that might be abusive comments that undermine work, that undermine colleagues, that harass or bully." "The comments might have an impact on the trust that the employer has on the employee." "In those circumstances an employer can have a genuine interest and discipline or dismiss if the conduct is unacceptable."

A notable case in New Zealand involved a Childcare Centre Manager who was dismissed for 'liking' a negative Facebook post about her employer. The case highlights the need for having social media policies for employees, on and off the job.

- Source John Hilton

SICK LEAVE ... WHAT YOU NEED TO KNOW

After an employee has been working for six months, they're legally entitled to at leave five days paid sick leave a year.



YOU MUST:

- Allow unused sick leave to carry over into the next year. If the employee's balance is 15 days or more, you must transfer over 15 days each year and add the 5 days for the current year.
- Allow employees to use sick leave to care for a sick or injured spouse, partner, dependent child or any other dependent individual.
- Pay a sick employee what they'd get if they'd worked a normal day, including bonuses, overtime etc.

YOU CAN:

- Let employees who've worked for you less than six months take sick leave in advance.
- Offer more than 5 sick days a year.
- Choose to let employees carry over extra sick leave from year to year.

WHO OWNS YOUR EMAILS?

A recent case tested the ability for a sacked employee to request all their email correspondence from their former employer. The issue was brought before the Privacy Commissioner as the employee claimed the emails were personal to him and therefore he had a right to them.

The man who was a University academic was dismissed for serious misconduct and lost access to his email account on the day of his termination. The University offered to provide certain specific emails upon request but not for the entire 12 month period he was requesting.

The Privacy Commissioner agreed and declined the employees claim. Emails generated by employees during the course of their employment using the employer's system are the property of the employer. However, this doesn't mean the employee doesn't have access rights to them.



CONTACT US

Perriam & Partners
Unit 4, 35 Sir William Pickering Drive
PO Box 20 222
Christchurch 8543

Tel: 03 358 3108
Fax: 03 358 3120
Email: reception@perriams.co.nz

