



EMPLOYER NEWS 2019

PERRIAM & PARTNERS

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EMPLOYMENT LAW CHANGES

After almost a year long process, the employment relations Amendment Bill (Bill) has now passed into law. Looking ahead, this will create significant change for 2019.

Changes in force on 6 May 2019:

Union delegates will be entitled to reasonable paid time off to represent employees.

Trial periods will no longer be available to all employers and will only be available to small to medium sized employers (employers with fewer than 20 employees).

All businesses taking over a contract involving 'vulnerable' employees will have to employ the people currently doing the work on the same terms and conditions.

2018 & BEYOND OUR CHANGING WORKPLACES

THREE KEY FINDINGS

83%	38%	83%
Face challenges attracting and retaining key talent. Reasons range from low pay, skill shortages and location.	Only 38% implemented initiatives to remedy challenges such as increased pay, flexibility and leadership training.	Despite this, 83% expect their business to grow over the next 25 months.

NOTEWORTHY TRENDS

72%	86%
Allow flexible working for school holidays, short working weeks, elderly care and extra parental leave.	Involved in social responsibility with 66% of ideas generated from the workforce.

COKE'S CULTURE IS THE REAL THING

What makes a really good employer? Chris Litchfield, managing director of Coca-Cola Amatil NZ (CCA) says it comes down to one thing — a great culture.

CCA has a mantra, "You should do the right thing by the business and by the people", and Litchfield says they're open to considering all suggestions. "If it makes good sense for us and the business, we do it. That sort of culture, I think, allows people to feel empowered and provides a good, strong cultural feel for the business."

"Three core values form the backbone of our culture — stand together, take the lead and keep it real," he says.

"CCA places a huge emphasis on developing its people and giving opportunities to those who are successful in their roles and embody these values."

"Part-way through 2017 we received feedback from our team that stress was a major area of concern, so our HR department helped facilitate a mindfulness workshop. It became an outstanding four-part series with an external mindfulness coaching business. We now have a national contact centre mindfulness team that practises every day at midday, and we have a much more resilient team.

To further ease stress, the team focuses on celebrating wins and attending social functions, and encourages each other to bring their authentic selves to work every day.

Litchfield says organisations can improve culture and engagement with five actions:

- Build trust by listening and responding. Asking and listening is great but if you don't act, people will stop telling you and you'll lose trust.
- Empower people by considering anything that makes good sense for your people and the business. This culture facilitates great "outside the box" ideas from employees.
- Facilitate engagement. Ask, listen to what's working and what's not, create a plan to address, act, repeat.
- Be inclusive — ensure people are comfortable bringing their whole selves to work.
- Treat accolades and accreditations as a compass rather than the destination.

Source: NZ Herald



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PAYDAY FILING

This new way of filing payroll information with Inland Revenue has been introduced with the aim of saving time for businesses and proving more timely and accurate information of taxpayers.



Payday filing was voluntary from 1 April 2018 and becomes mandatory from 1 April this year. It's a good time now to confirm that your existing payroll software system is compatible for payday reporting.

In a nutshell, Employer monthly schedules (IR348) will no longer be filed and instead an employment information schedule is now filed in accordance with each pay cycle. For new/departing employees, employee details must also be submitted on or before any new employees' first payday. Details include employee's start and end date, contact details and date of birth.

While filing becomes more regular, the payment dates remain the same. Employer deduction forms IR345 will continue to be filed with payment for at least the next few years until all PAYE information is processed in Inland Revenue's new computer system (estimate for 2020). The payday filing requirements are summarised in the table below:

Type of employer	Filing method	Due date for filing
Annual PAYE and ECST deductions of \$50,000 or more	Electronically from payday compatible software or through myIR	Within two working days after the payday
IR56 taxpayer (i.e. taxpayers who pay their own PAYE and are either a part-time private domestic worker, an embassy staff member, a New Zealand based representative of an overseas company, or a United States Antarctic Program worker).	Electronically from payday compatible software or through myIR	Within ten working days after the payday
Annual PAYE and ECST deductions of less than \$50,000	Paper	Within ten working days after the: Payday; or 15th and end of month if choose to file twice monthly

Ensuring a smooth transition

To prepare for the PAYE reporting changes, we recommend you:

- Confirm with your payroll software provider when the software will be ready for payday reporting;
- Be ready to commence payday filing (noting you must start at the beginning of a calendar month);

Review and update the PAYE reporting processes and procedures, noting how to report certain special payments (i.e. out-of-cycle pays, shadow payroll payments and benefits under employee share schemes) correctly.

LIVING WAGE EMPLOYER ACCREDITATION POLICY

Have you thought about your Company Registering if you have all employees being paid over \$20.55 and if not, and you are close, then why not consider it?

- 1 Here is the criteria that is other than meeting the \$20.55:
 - a All directly employed workers are on the current Living Wage prior to accreditation "Directly employed" means that workers employed by a business/organisation in an employer/employee relationship.
 - b All indirectly paid workers employed by contractors, delivering a service to the business/organisation on a regular and on-going basis, are either on the current Living wage or on milestones agreed as part of the License.
 - c Employers have provided workers with access to a union, and
 - d Employees' terms and conditions have not been reduced in order to meet the current Living Wage rate. An example of this may be the reduction of hours or other benefits in order to pay for the cost of delivering the Living Wage.
- 2 The Living Wage licence will remain valid for 12 months or until the release of the new Living Wage rate.
- 3 The licensed Living Wage employer must implement the new Living Wage rate within four months of the release of the new rate in order to continue to be a license-holder.

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