

PRESBYTERIAN PEOPLE

Employment news & information bulletin

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Presbyterian Church
of Aotearoa New Zealand

Human resources team update

Welcome to the second bulletin from the Assembly Office human resources team.

On 30 August the KiwiSaver Bill was passed by Parliament to encourage New Zealanders to save for their retirement. From 1 July 2007 all new employees will be automatically enrolled in KiwiSaver (except those under 18 years, casual employees or those receiving ACC or parental leave payments) and will have eight weeks to opt-out. Existing employees will have the opportunity to join the new scheme.

In future issues of Presbyterian People we will bring you further information on the scheme and what is required of both employers and employees.

Preparing for a pandemic or other emergency

Enclosed with this copy of Presbyterian People is a letter from the Moderator and Assembly Executive Secretary asking parishes to consider what they will do in the event of an emergency pandemic.

We've updated the human resources section of the website to include links to useful information to help both parishes and individuals prepare them-



Christmas Holidays

With the Christmas season upon us, now is the time to consider holidays for your employees (if you haven't already done so!).

See over the page for information on holiday entitlements.

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Holiday Entitlements

Annual Holidays

Under the Holidays Act 2003 all employees are entitled to 11 paid public holidays – where that holiday falls on a day that the employee would have worked. This entitlement stands regardless of how long the person has worked for an employer, or whether they are full or part-time employees.

This year, the following days will be public holidays:

- Monday 25 December (Christmas Day)
- Tuesday 26 December (Boxing Day)
- Monday 1 January (New Years Day)
- Tuesday 2 January (Day After New Years Day)

Public holiday entitlement

Where an employee would normally work Monday to Friday, this Christmas they are entitled to a day-off for each public holiday (Monday and Tuesday), paid at their relevant daily pay.

However, if an employee does not normally work on a Monday and Tuesday, and because these holidays fall on weekdays rather than the weekend, then the employee's entitlement is satisfied if they do not work those days.

Working on a public holiday

Where an employee, who would normally work on a Monday, agrees to work either all or part of Christmas Day, they are entitled to their relevant daily pay (less penal rates where these apply) relative to the amount of time worked PLUS half that amount again AND a day in lieu.

Where an employee, who would not normally work on a Monday, agrees to work either all or part of Christmas Day, they are entitled to their relevant daily pay (less penal rates where these apply) relative to the amount of time worked PLUS half that amount again.

What is a working day?

For most employees this will be straightforward as they work the same days each week. Likewise, for employees who work to a roster, it will be known in advance whether or not a public holiday will fall on a working day.

If you and your employee cannot agree on whether a public holiday is falling on a working day the first port of call should be the employment agreement. If the agreement does not resolve the issue, then you and the

employee should review the pattern of days that the employee has worked for you. If you still cannot agree please contact the human resources team for advice.

In the unlikely event that no agreement can be reached, both you and the employee have the right to request a Labour Inspector to come in and decide the matter.

Entitlement to a day in lieu

Under the Holidays Act, an employee who works all or part of a public holiday that falls on a working day is entitled to an alternative day-off that is:

- Taken on a day agreed to by the employer and employee
- On a day that would otherwise be a working day
- A whole working day off regardless of the amount of time the employee actually worked on the public holiday
- Paid at the relevant daily pay

If you and your employee cannot agree on when the leave should be taken, and 12 months has not lapsed since the public holiday, the employee may take the day in lieu by giving 14 days' notice of their intention to you.

However, once 12 months has lapsed, it is reversed, and you can advise the employee of when to take the day in lieu by giving 14 days' notice to them.

After 12 months, the employee may also ask you to pay them out at an amount agreed to. If you decide to do this you need to:

- Check the employment agreement to see if there are any relevant clauses around this
- Put into writing what you have agreed to with the employee such as:
 - The amount you have agreed to pay them for the day in lieu
 - Whether they will still be entitled to a day in lieu
- Attach a copy of the agreement, signed by both parties, to the employee's pay and holiday record.

One more thing to note, employees who only work on public holidays (such as casual employees) are not entitled to alternative holidays or days in lieu.

Relevant daily pay

Throughout this article we have referred to 'relevant daily pay'. This term replaces 'regular pay' under the old Act. It refers to the amount of pay the employee would have otherwise earned had they worked that day.

For example, a parish administrator that normally works 3 hours per day, Monday to Friday, at \$18.00 per hour would be entitled to a payment of \$54.00 before tax on Christmas Day as this is what they would have earned had they worked. However, if the parish administrator did work on Christmas Day, they would be entitled to \$81.00 (time and a half) before tax and another day in lieu.

Relevant daily pay does include any performance-based payments, overtime and board and lodgings if this is what the employee would have otherwise received. Penal rates however, are paid separately (and only if they are stipulated in the employment agreement).

For example, if our parish administrator's agreement provides for an extra 25% where they work on a public holiday. So in our scenario above, if the parish administrator worked on Christmas Day they would be entitled to \$94.50 before tax (time and a half plus penal rates) and another day in lieu.

Calculating relevant daily pay for casual employees and overtime

Where an employee's hours are variable you can calculate their relevant daily pay by using the following formula:

Average daily rate = gross pay for last 52 weeks / 52 weeks / 5 days

So for example, where an employee earned \$5,200.00 gross over the last 52 weeks their relevant daily pay would be \$20.00 or:

$\$5,200.00 / 52 \text{ weeks} = \100.00

$\$100.00 / 5 \text{ days} = \$20.00 \text{ relevant daily pay.}$

For assistance with working out your employee's holiday entitlements please email Margaret Fawcett, at margaret@presbyterian.org.nz.

General Information

There are a few basics when dealing with Holidays:

- 1 The Holidays Act only provides for the minimum requirements, you will need to check your employment agreements to make sure you are honouring any provisions over and above the Act.
- 2 The purpose of the Holidays Act is to provide for rest and relaxation, and to assist employees achieve a 'work-life balance'. Bear this in mind when negotiating time in lieu with your employees.
- 3 Please ensure that holiday pay is paid in the regular pay-cycle. Where this cannot be achieved, due to staff being away etc, you need to consult with your employees – for example paying in advance.