



# UPDATE

## Employment Law Reforms - you can't stop progress

You need to ensure you are up to date with changes that may impact on your business; and we are committed to ensuring that you are. Set out below is an update on the Employment Relations Amendment Bill as it gets closer to becoming law.

In addition, a taskforce has been set up to deal with that tricky piece of legislation; the Holidays Act 2003. We are making submissions as a firm about the issues we are frequently dealing with for clients. Tim is also involved with submissions on behalf of the NZ Law Society Employment Committee. If you wish to make submissions, let us know if we can assist (due by 12 October 2018).

### Employment Relations Amendment Bill

We outlined the major details of the proposed changes to the Employment Relations Act 2000 in our April 2018 newsletter: <https://www.sbmlegal.co.nz/Publications/Article.aspx?articleId=82>.

The Select Committee's report is now out. While there are clarifications to certain matters that were unclear when the Bill was first introduced, overall, the Bill is basically still in the same form that it was introduced. You can read the report here: [https://www.parliament.nz/en/pb/sc/reports/document/SCR\\_80236/employment-relations-amendment-bill](https://www.parliament.nz/en/pb/sc/reports/document/SCR_80236/employment-relations-amendment-bill).

Some of the more interesting points of clarification the Select Committee's report provides are:

- clarifying that time spent on "union activities" is to be paid at the same rate as if an employee were performing their ordinary employment duties;
- clarifying what union information an employer would need to provide to new employees, and that the cost of this is to be borne by the union;
- clarification that for the requirement to include "rates" of wages or salary in collective agreements, this can be done by including the actual rates themselves, or by including a "minimum" rates of wages or salary, or a method of calculating those rates;

- for the proposal to amend 90 day trial periods, the qualification for an employer to be able to have trial periods is that the employer must have fewer than 20 employees at the beginning of the day on which the employment agreement is entered into;
- clarification in relation to the payment of compensation in lieu of an employee receiving breaks;
- the ability of the Minister to include additional categories of "vulnerable employees" who would have added protection in the event of a restructuring; and
- clarification that minor or technical errors in strike notices would not invalidate such notices.

The Select Committee's report will now be debated in Parliament. It is unclear if and when these changes will pass into law, but if so we expect that this is likely to occur this side of Christmas. We will continue to keep you updated.

### Holidays Act Taskforce

We recently reported on the establishment of the Taskforce in our July 2018 newsletter: <https://www.sbmlegal.co.nz/Publications/Article.aspx?articleId=92>.

The Taskforce has now published an Issues Paper. In that paper, the Taskforce sets out all of the issues that it is considering as part of its review. Separately, the Taskforce is seeking proposals for changes to the Holidays Act that are consistent with its Terms of Reference.

This is an excellent opportunity to have input into the design of a fit for purpose Holidays Act which (we hope) will provide a piece of legislation that is easy to interpret and to use. It seems like the Taskforce is open to any proposals which might go some way to achieving these aims.

The Taskforce is seeking responses to the issues and proposals for change by 12 October 2018. A submission can be made via MBIE: <https://www.mbie.govt.nz/info-services/employment-skills/legislation-reviews/holidays-act-review>.

If you need any assistance to put forward your ideas on the Taskforce's Issues Paper we would be happy to assist.