

Two pieces of employment legislation have recently been introduced to Parliament.

September 2015

Employment Standards Legislation Bill 2015

A package of measures aimed at preventing unfair employment practices such as “zero-hour contracts” was introduced to Parliament on 13 August 2015.

“Zero-hour contracts” are arrangements where an employer is not committing to any hours of work yet expecting employees to be available when required and not providing any compensation for that availability.

The changes proposed by the Bill include that:

Agreed hours are to be stated in the employment agreement

In situations where the employer and employee are to agree to a set amount of hours, that amount will have to be recorded in the employment agreement. Employers will not be able to require employees to be available for hours beyond those contracted for unless compensation is provided. Further, employers will not be under an obligation to offer, and employees will be free to decline, any work that is beyond what is contracted for.

Employers may not cancel shifts without reasonable notice or compensation

If an employer cancels an employee’s shift or sends them home part-way through, the employer will have to compensate the employee for that time.

Employers may not put unreasonable restrictions on secondary employment

Unless there is a genuine reason based on reasonable grounds to do so, employers will not be able to restrict secondary employment of employees. Employers will however be able to request that employees disclose any secondary employment.

Employers may not make unreasonable deductions from employees’ wages

Employers will not be able to deduct money from employees’ wages in situations where the employee had no control over the loss and where the loss was not caused by the employees own negligence. An example of this would be where there has been theft or damage by a customer.

Paid Parental leave be extended to increase the flexibility and applicability of the scheme

The Bill proposes the following changes to the parental leave scheme:

- Parental leave payments are to be extended to non-standard workers and those who have recently changed jobs;
- Entitlements are to be extended to a wider group of primary carers other than biological and formal adoptive parents;

- Extending unpaid leave to workers who have been with their employer for more than six months but less than twelve;
- Increasing the flexibility with which workers can take unpaid leave;
- Introducing “keeping in touch” hours;
- Allowing workers to resign and still receive payments;
- Increasing the penalty for fraud.

Once the measures come into effect, employers will have a transitional period in which to make the necessary changes to existing employment agreements. If you would like any assistance with this process, we would be happy to help.

Minimum Wage (Contractor Remuneration) Amendment Bill 2015

A private member’s Bill to amend the Minimum Wage Act 1983 to extend its provisions to apply to payments under a contract for services has just passed its first reading and has been referred to the select committee for consideration.

The Bill will prevent businesses from paying contractors less than the minimum wage of \$14.75 per hour.

If it is passed, the Bill would cover the following services:

- Building and construction services;
- Cleaning services;
- Courier services;
- Food catering services;
- Fast-food delivery services;
- Newspaper or pamphlet delivery services to letterboxes;
- Personal home-care support to an individual in the individual’s house;

- Public entertainment services as an actor, musician, or singer;
- The manufacture of clothing, footwear, or textiles;
- Telemarketing services;
- Market research services;
- Licensed security guard services;
- Services in the forestry industry related to planting, pruning, or felling; and
- Truck-driving services delivering goods.

Contractors in these services are considered by the Bill drafters to be among the most vulnerable to exploitation and the Bill aims to address this.

Submissions on the Bill are due by 24 September 2015.

If you would like more information regarding the above, or have any questions, please contact us.

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