



Watch this Space

There are now three employment-related Bills working their way through parliamentary processes. These are the:

- Employment Standards Bill which is addressing all the issues around 'zero hour' employment agreements and practices. This is additional to those considerations we reported in our [June newsletter](#).
- Minimum Wage (Contractor Remuneration) Amendment Bill 2015 which, if enacted, would require certain classes of contractors to be paid not less than the minimum wage irrespective of what has been actually agreed between the parties
- Bill to extend paid parental leave to six months, which has just been drawn from the ballot of private members Bills. This is the second time this Bill has been drawn, and while there may now be sufficient support to see the Bill passed through Parliament, the Government has already indicated it will likely exercise its right of veto to prevent the Bill passing into law.

We will be keeping a watchful eye over the coming months as these Bills progress their way through parliamentary process and GrowHR will keep you up to date. If you would like any further information about what is being proposed in these Bills and how it might impact your business if enacted, contact a member of the Grow HR team on 06 8785454 or in Napier 835 0532.

Getting the Language Right

Disciplinary processes have again been in the spotlight. In a recent case, the Chief Judge of the Employment Court, Judge Colgan, commented on the process of setting out preliminary findings and the preliminary outcome of the disciplinary process in a

letter along with an invitation to an employee to attend a further meeting.

This subsequent meeting has generally been accepted as a good faith obligation. It provides the employee with the opportunity to comment on the preliminary decision and to provide any further information before any final decisions. The Chief Judge commented that many employees will naturally consider that the employer's mind is at this point made up, and there is little point attempting to change the employer's mind. This view may be reinforced if the language used in the letter gives the impression the outcome is a fait accompli.

Each case will turn on its particular facts and the language used in such letters. The risks to be managed are around alleged pre-determination by the employer and that potentially the dismissal may be held to be unjustified.

For assistance with disciplinary investigation processes and drafting disciplinary letters contact the team at Grow Human Resources on 06 878 5454 or in Napier 835 0532.

Remuneration reviews and adjustments - robust approval processes essential

In a recently reported determination from the Employment Relations Authority, a former employee of a preschool sought payment of arrears in wages to which she claimed entitlement. The preschool contested her claim and in the course of the Authority's investigation it transpired that the former employee, who had previously been the manager of the preschool, had incorrectly applied the remuneration review terms of the relevant collective agreement. This meant that rather than having an entitlement to arrears, she had in fact been grossly overpaid for a period of almost four years. Additionally the Authority identified that the former manager had been incorrectly paying herself and all other employees holiday pay at 10% instead of 8% as should have been the case.

One of the contributing factors to this situation was the lack of a robust approval process for remuneration adjustments and payments. The former manager had authorised and actioned substantial remuneration adjustments for herself and for other employees, without any peer review, external advice or employer approval to ensure the adjustments being made were consistent with the relevant collective agreement or other organisation policies and procedures. The result was significant unnecessary expense incurred by the preschool.

If you are carrying out remuneration reviews and want to ensure your remuneration processes are sound, or if you need help with wage and salary market benchmarking, call the team at Grow HR on 878 5454 or in Napier 835 0532.

What we can help with

- People Management and Performance
- Employment Agreements
- Collective Bargaining

- Legal advice on employment issues
- Employment Problem Resolution
- Productivity Improvement
- Training and Developing
- Restructuring
- Pay and Benefits
- Health and Safety



213 Karamu Road North,
Hastings
tel: 06 878 5454

40 Cadbury Road, Onekawa,
Napier
tel: 06 835 0532

grow
HUMAN RESOURCES
PEOPLE BUSINESS SUCCESS

© Grow HR 2015

[Share this with a colleague](#)

[Subscribe in error? Click here to unsubscribe](#)

This newsletter is necessarily brief and general in nature. You should seek professional advice before taking any action in relation to the matters dealt with in this newsletter. Contact your trusted team at Grow Human Resources.