



NEWSLETTER

Welcome



Welcome to June's Newsletter.

This month we cover some early thoughts on the impact of the Rugby World Cup on absenteeism and productivity. We also look at the issue of suspension and the process you would need to follow if considering this, and the 2011 budget changes to KiwiSaver.

There is still time to book on the free seminar on Thursday. Details are on page 3.

Absences During the Rugby World Cup

At the time of writing this there were 75 days, 6 hours and 47 minutes to the start of the Rugby World Cup. Whatever your personal interest in the event, I can

guarantee there will be workplace issues relating to the event.

The most likely issue will be workplace attendance and productivity during matches.

Start thinking now about what you are going to allow in your workplace. Communicate this with your staff so there are no surprises or misunderstandings later on. Many of



your people may already have tickets - do they have the corresponding leave approval?

You may be able to give all employees time off to attend matches if they request. You might consider placing a TV in the staff room that employees are free to watch when the matches are on during work time. However if this isn't practical there are some questions you need to consider:

How are you going to deal with requests for time off during this period? How many people can be absent at any one

time? It may be in your industry no one will be able to take time off.

How will you decide who gets priority for leave?

What will you do if you turn down a request for leave, and the person calls in sick on the day instead?

Have a look at the Rugby World Cup website for match dates to give yourself an idea of when your risk times are, and communicate your requirements to your staff early on.

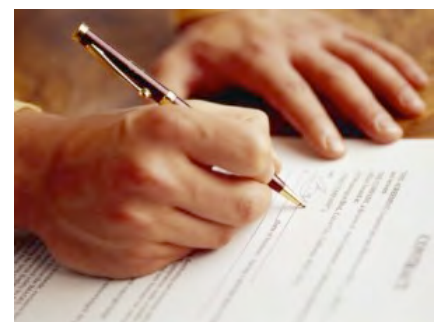
www.rugbyworldcup.com

Employment Agreements 1 July

Employers must keep copies of signed, up to date, Employment Agreements for all their employees from 1 July.

Employers face fines of up to \$20,000 for not complying.

If you have an employee refusing to sign, give me a call to discuss what you can do resolve the problem.



Suspensions

Suspension is often the first consideration for employers when they become aware of a potential serious misconduct issue.

As a general rule suspension is only lawful if there is a contractual and statutory justification for it.

If there is not a clause within the Employment Agreement allowing for suspension, there are very few circumstances where suspension would be considered justifiable.

Where there is a suspension clause it is still necessary to follow a process before suspending. That process may be specified in the Employment Agreement. As a minimum the following guidelines should be followed:

Tell the employee that suspension is being considered, outlining the reasons for the proposed suspension. For example as a minimum they will need to be advised that there is an allegation of serious misconduct that needs to be investigated, and suspension is considered necessary. Provide them with all the relevant information and the

opportunity to respond. The employer needs to consider the employee's response before making the decision on the suspension.

Suspension is not completely prohibited if there is no suspension clause. An Employment Court case in 2009 (Kereopa v Go Bus Transport Ltd), ruled that immediate suspension was reasonable without a clause in the Employment Agreement, as there were safety concerns arising from the allegation that the employee had used marijuana while driving a bus. It was noted however that the employee should still have been consulted about the proposed suspension, and it was deemed to be reasonable in part because the suspension was on pay and of short duration.

Part of the discussion with the employee should include matters such as pay and length of suspension.

If you do not have a suspension clause in your organisation's Employment Agreements, please give me a call and we can discuss your options.

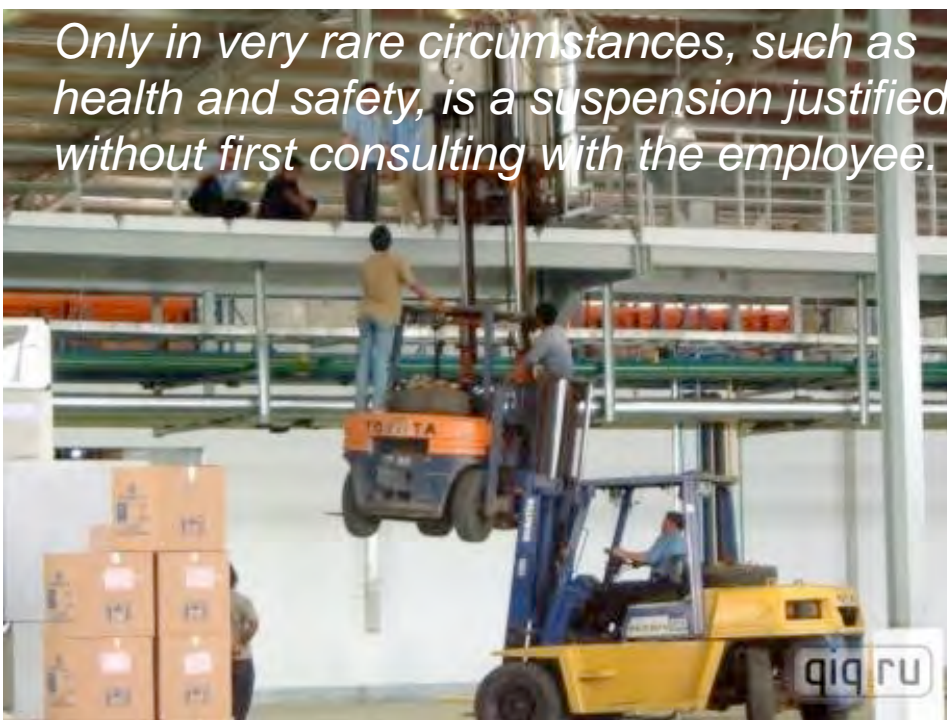


KiwiSaver - Budget 2011

- From 1 July 2011 member tax credit contributions will reduce from a maximum of \$20 per week to a maximum of \$10 a week.
- From 1 April 2012 the tax free status of employer contributions will be removed. They will be subject to Employer Superannuation Contribution Tax at the rate of 33%.
- From 1 April 2013 minimum employee and employer contributions will increase from 2% to 3%.

These changes will require updates for your payroll system and you may want to consider KiwiSaver as part of a total remuneration package. The legislation allows for this, however it is important to remember the law has changed three times in relation to total remuneration, and there are some rules around what you can and can't do.

If you would like further information please contact me.



FREE SEMINAR

Case Law Update

A presentation and discussion on the implications of recent decisions by the Employment Relations Authority and Employment Court.

INCLUDING

What information must an employer disclose to an employee before making a redundancy or disciplinary decision?

What rights does an employee have, to be redeployed to an alternative position during a restructuring?

Is mediation really confidential?



Book your place now!

Thursday 30 June 2011

Harcourts Auction Rooms, Buxton
Square, Nelson

9am start - 10.30am finish

RSVP Tues 28 June 2011

kay@chapmaner.co.nz

03 545 0877

IF YOU ARE AN EMPLOYER THAT MAY HAVE TO DEAL WITH

**REDUNDANCIES
DISCIPLINARY ISSUES or
PERSONAL GRIEVANCES**

THIS SEMINAR IS FOR YOU