



CRA BULLETIN

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KEY CHANGES TO THE EMPLOYMENT RELATIONS ACT 2000 AND THE HOLIDAYS ACT 2003

Most changes to the Employment Relations Act 2000 and the Holidays Act 2003 came into effect on 1 April 2011. Below are some of the key changes that may impact on your business.

Employment Relations Act 2000

- 90 day trial periods are extended to all employers. Only new employees can be put on a trial period and it must be agreed in writing in the employment agreement before the employee begins work. If an employee is dismissed within the trial period, notice must be given during the 90 days
- Changes to the test of justification used by the Authority or the court to determine if a dismissal or employers action was unjustified
- Mediators and the Employment Relations Authority can make recommendations on resolving a problem. Re-instatement for an unjustified dismissal is no longer the primary remedy
- Employer consent will be required to be given before a union can access a workplace, and employers can communicate with employees during collective bargaining
- From 1 July 2011, employers must retain signed copies of individual employment agreements or the current terms and conditions of employment that make up the employee's individual terms and conditions of employment. Employees are entitled to ask for a copy of their individual employment agreement.

Holidays Act 2003

- Employees may cash up a maximum of one of their four weeks of annual leave with their employer's agreement. This provision commences on 1 April 2011, and may only be used for leave that the employee has become entitled to after 1 April 2011
- Employers may agree with employees to transfer a public holiday so that it is observed on another working day
- There is a new calculation called 'average daily pay' that may be used if it is not possible or practicable to work out relevant daily pay, or where an employee's daily pay varies in the relevant pay period
- Employers will be able to require an employee to provide proof of sickness or injury within the first three consecutive calendar days of taking sick leave, if they inform the employee as early as possible that proof is required, and agree to meet the reasonable expenses of obtaining the proof.

Along with the Employment Relations and Holidays Acts changing the minimum wage is going up. From 1 April 2011, the adult minimum wage will increase to \$13.00 an hour. The new entrants' minimum wage and the training minimum wage will increase to \$10.40 an hour.

The CRA National Office has for sale up to date Employment Agreements. These are supplied to you as an electronic copy so you can edit to suit your company. If you already have the CRA Employment Agreement it does not need to be altered to reflect these changes.