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Employment Leave Bill: Practical Steps to Start Preparing

The Employment Leave Bill has passed its third reading, with Royal Assent expected shortly. While the changes are not expected to take effect for 24 months, employers who start preparing now will be better placed when implementation requirements become clearer. Here are some practical steps employers can start considering now (further details coming soon).

1. Review arrangements that may be affected by the new hours-based leave model. This includes checking how employee hours are structured in practice, identifying employees who regularly work additional hours, assessing casual employment arrangements, and reviewing multi-role positions.
2. Consider whether payroll and HR systems can accommodate the proposed changes. Understanding how standard hours, additional hours and roster patterns are currently recorded will make future changes easier when the time comes.
3. Review payroll data. Accurate records of hours, work patterns and leave balances will be important for transitioning to the new regime, and identifying gaps now may save time later.
4. Review employment agreements, policies and record-keeping practices. The Bill reaches beyond leave calculations, with flow-on changes across New Zealand's employment law framework. Employers should start considering what updates may be needed to payroll processes, employment documentation, onboarding and compliance practices.
5. Importantly, the current Holidays Act 2003 remains in force until the new regime takes effect. Employers should continue to meet their existing obligations and deal with any outstanding Holidays Act liabilities, as those liabilities will not disappear simply because legislative change is on the horizon.
6. If you have any further questions about what the Bill means for you or your business, please contact our specialist Employment Team.

Want to know more?

If you have any questions about the new Employment Leave Bill please contact our specialist [Employment Team].

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