



Employment Law Changes – Are you ready?

A commentary by Tony McKone, Director McKone Consultancy Ltd – 30 March 2016

If you haven't already cottoned on, changes to the Employment Relations Act 2000 come into effect on Friday 1 April 2016.

These changes are a result of an omnibus bill, the Employment Standards Legislation Bill that amended five pieces of employment legislation, being passed into law.

As an employer, you need to be aware that the following changes come into force with effect from 1 April 2016. This means that any new employment agreement you enter into on or after 1 April 2016 must comply with these changes:

- Employers must keep records, in sufficient detail, to demonstrate that they have complied with the minimum entitlement provisions of not just the Employment Relations Act 2000, but other legislation. This includes the Minimum Wages Act 1983, Wages Protection Act 1983 and Holidays Act 2003.
- Zero-hour contracts become unlawful. Employers must specify in their employment agreements the hours of work that they and their employee(s) have agreed to work.
- Employers may not include an availability provision in their employment agreements, unless they have genuine reasons based on reasonable grounds for including such a provision. The provision, if included, must provide for reasonable compensation to the employee for making themselves available to work under that availability provision.
- Where you employ staff on a shift basis, your employment agreements will need to specify both a period of notice that is required to be given before you can cancel a shift and the compensation payable if the shift is cancelled without giving the required notice. The compensation provided must be reasonable.
- You must not include a provision in your employment agreements that either prohibits or restricts your employees from working for another person unless you have genuine reasons based on reasonable grounds for including such a provision and that reason is included in the employment agreement.
- You must keep a record of the number of hours worked in each day in a pay period and the pay you make for those hours.

You will have until 1 April 2017 to ensure that all your existing individual employment agreements comply with these changes.

It is important that you do not leave reviewing your existing individual employment agreements until March 2017. The sooner you transition your employment agreements to these new requirements the better positioned you will be in terms of attracting and retaining staff.

If you need help in reviewing and updating your employment agreements, contact McKone Consultancy today for a no-obligation chat about what is required for your workplace.

Disclaimer: *The information shared in this blog should not be taken as advice. If you wish to know more about how these changes impact your business [contact Tony](#) today for an obligation free discussion.*