

EMPLOYMENT LAW COMPLIANCE CHECKLISTS

This checklist applies to employees employed on individual employment agreements only – different requirements apply to collective agreements.

EMPLOYMENT AGREEMENTS

Every employee must be given a written employment agreement and a signed copy kept on file.

Compulsory clauses (required by law):

1. The names of the employee and employer.
2. A description of the work to be performed.
3. An indication of where the place of work.
4. The agreed hours or an indication of the times the employee is to work.
5. Wages or salary to be paid and how it will be paid.
6. Holidays Act 2003 information, including payment for public holidays, annual leave, sick and bereavement leave entitlements.
7. Process for resolution of employment relationship problems.
8. An employment protection provision if the business is sold or contracted out.

Desirable clauses (best practice to include):

1. Employee warranties clause – that information provided on application is correct, no known impediment to performing job.
2. Termination clause, including notice required, abandonment of employment.
3. Medical termination clause.
4. Redundancy clause. If no redundancy compensation payable, this should be specifically stated.
5. Health and safety clause.
6. Deductions clause.
7. Intellectual property rights – anything developed by employee during employment belongs to employer.
8. Confidentiality clause.
9. Variation clause – any variation to be signed by both parties.
10. Completeness / entire agreement clause.
11. Acknowledgment that the employee understands the agreement and has had opportunity to seek advice.

Optional clauses:

1. Drug testing.
2. Trial period.
3. Valid driver's license.

4. Parental leave (if more generous than statutory minimum).
5. Jury Service (if more generous than statutory minimum).
6. Restraint of trade / non solicitation clause if appropriate for particular employees.
7. Enhancement of ACC compensation in case of workplace injury (if paid).

RECORD KEEPING

Compulsory Records (required by law):

1. Copy of employment agreement provided to employee, signed by the employee.
2. Employee's name and postal address.
3. The kind of work on which employee usually employed.
4. Where necessary for calculating pay (i.e. waged employees), the hours and days worked by the employee in each pay period.
5. The wages to be paid in each pay period and the method of calculation.
6. The dates the employee last became entitled to annual holidays and sick leave and their current entitlement to annual holidays and sick leave.
7. The dates of leave taken, including annual holidays, sick leave and bereavement, and payment received for each.
8. Any annual leave cashed up as well as the date and amount paid for each entitlement year.
9. The dates and number of hours worked on public holidays and the payment for these; the date (or 24-hour period) the public holiday or any part of it has been transferred to, and the date the employee became entitled to any alternative holiday (day-in-lieu).
10. The dates of, and payments for, any public holidays or alternative holidays they didn't work but were entitled to holiday pay.
11. The cash value of any alternative holidays they gave up for payment.
12. The cash value for any board and lodgings provided.
13. The date when employment ended, and the amount of holiday pay they received at the end of employment.
14. A copy of their tax code declaration (IR330).
15. Details of any employment relations education leave taken.

Desirable records (best practice to keep):

1. Application form,
2. References supplied with application,
3. Emergency contact / next of kin details,
4. Training records (including any health and safety training),
5. Performance management reviews,
6. Any live warnings issued,
7. Requests for flexible working arrangements, reasons for refusal, if refused,

8. Any loans made to employee, and arrangements for repayments,
9. Authorisation for deductions if any is given.
10. Records of all wage deductions, such as PAYE, student loan deductions and superannuation contributions, and any agreements for wage deductions.
11. Requests to transfer public holidays (and whether or not these were agreed to).
12. Requests to cash-up annual holidays (and whether or not these were agreed to).
13. Dates that any extra provisions in employees' employment agreements take effect.
14. Evidence of rest and meal breaks provided (or compensation for these).
15. Employees' bank account details if this payment method has been agreed to.
16. Details of employees' work permits, if applicable.

POLICIES

Compulsory Policies (required by law):

1. Health and safety.
2. Smoking policy and designated smoke-free areas.

Desirable Policies (best practice to have):

1. Disciplinary policy.
2. Performance management policy.
3. Sick leave / management of absence policy.
4. Stress management policy (may form part of sick leave policy).
5. Internet / email usage policy.
6. Drug and alcohol policy.

Optional policies

1. Whistle-blowing (protected disclosures) policy.
2. Motor vehicle policy.
3. Conflicts of interest / other employment policy.
4. Acceptance of gratuities policy.
5. Communication with media.

For more information [click here](#).