

# Employment Agreement

## Compliance checklist

Sharp  
Tudhope

LAWYERS

Every employee must be given a written employment agreement and a signed copy kept on file. This checklist applies to employees employed on individual employment agreements only – different requirements apply to collective agreements.

### **Compulsory clauses (required by law):**

- The names of the employee and employer.
- A description of the work to be performed.
- An indication of the place of work.
- The agreed hours or an indication of the times the employee is to work.
- Shift cancellation provisions if relevant to the employee's work.
- Wages or salary to be paid and how it will be paid.
- Holidays Act 2003 information, including payment for public holidays, annual leave, sick, bereavement and domestic violence leave entitlements.
- Process for resolution of employment relationship problems.
- An employment protection provision if the business is sold or contracted out.

### **Desirable clauses (best practice to include):**

- Confirmation that the employee is legally entitled to work in New Zealand.
- Confirmation that the employee holds any qualifications, licenses or memberships required to perform their role.
- Employee warranties clause – that information provided on application is correct, no known impediment to performing job.
- Medical termination clause.

- Termination clause, including notice required, abandonment of employment.
- Redundancy clause. If no redundancy compensation payable, this should be specifically stated.
- Health and safety clause.
- Deductions clause.
- Confidentiality clause.
- Variation clause – any variation to be signed by both parties.
- Completeness / entire agreement clause.
- Acknowledgement that the employee understands the agreement and has had an opportunity to seek advice.

### **Optional clauses:**

- Drug testing.
- Trial or probationary period.
- Valid driver's license.
- Parental leave (if more generous than statutory minimum).
- Jury Service (if more generous than statutory minimum).
- Restraint of trade / non solicitation clause if appropriate for particular employees.
- Enhancement of ACC compensation in case of workplace injury (if paid).
- Intellectual property rights – covering work developed by employee during employment