



Hi from Shafid & Ngaire from  
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# CONTRACTORS PAYROLL / ACCOUNTING NEWSLETTER

Version 3 of Series 05

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[www.livestockoffice.co.nz](http://www.livestockoffice.co.nz)

Click on **Contractors Payroll / Accounts** button for info and sample screens etc. & this Newsletter

Click on Shafid Khan's logo for a link to all the programmes Khan Software has available or

[www.khan@khan.co.nz](mailto:www.khan@khan.co.nz)

## EMPLOYMENT AGREEMENTS

An excerpt from Conference

Every Employee **must** have a written Employment Agreement.

Agreements **must** include:

**WHO** – The names of Employer & Employee

**WHAT** – A description of the work

**WHERE** – An indication of where the work is to be performed

**WHEN** – An indication of times of work

**HOW MUCH** – The wages or salary payable

Plus: A plain language explanation for resolving Employment Relationship Problems

And: An Employee Protection Provision.

## PENALTIES

Penalties can be imposed if no written Employment Agreements in place:-

**\$ 5,000.00 for an Individual**

**\$10,000.00 for a Company**

You can get Employment Agreements from the Shearing Contractors Association (it pays to be a member)

I have 'up to date' Employment Agreements and Staff Handbooks available at a minimal cost. These cover the Holidays Act 2003 and the Holidays Amendments 2004.

**Staff Handbook: Also known as "House Rules".**

There is no specific guide as to the contents. Usually include Health, Safety, Discipline issues. Vital to reflect the organisations processes/procedure and conditions and also philosophy.

I do have samples of Staff Handbooks available for you to view. These are an ideal media to tell your Staff about you and your Company.

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## EMPLOYMENT AGREEMENTS

The Employment Contracts Act allowed for Individual and Collective Employment Agreements, to cover "full time"; "part time"; "seasonal" or "fixed term"; and "casual" Employees and the various work requirements of Employers. To this list we would add "part time – as and when required".

The Employment Relations Act will not change this range of Contracts ... now Agreements ...so that any employment situation can easily be addressed. What has changed however are the circumstances under which the various types of Agreements can exist by statute, and/or the recommended circumstances for some types of Agreement to be utilised.

### Individual Agreements

The new legislation promotes Individual Agreements, especially for Employers, because the Employer is not so bound by a Union being in a monopoly situation.

The advantages of Individual Agreements for Employers are:

No automatic import of "continuity of employment".

Negotiated between Employer and Employee.

Cannot involve another Employer

Unless there is an Applicable Collective in place, the parties are completely free to negotiate whatever terms and conditions they wish.

There is no requirement for a "coverage clause". The Employer should have Individual Agreements ready to show prospective Employees prior to engagement.

With an inclusive Staff Handbook, Individual Agreements can be reduced to one or two pages. The Employee must receive a copy of the Agreement.

The advantages of Individual Agreements for Employees:

They have a much greater degree of flexibility when negotiating with their Employer

They can enlist the assistance of someone else (a Union maybe) to help with any part of their negotiations

Any changes either party may wish to pursue, can occur without the agreement of a third party.

They do not have to be Union members

As well, the advantages for Employers also relate to Employees

**Next Newsletter will concentrate on Collective Agreements and Working with Trade Unions.**