



**Mighty Efficient**  
BOOKKEEPING

# MIGHTY EFFICIENT BOOKKEEPING

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Vol. 7

MONTHLY NEWSLETTER



## What's on for the Mighty team this month?

Mighty have had a busy one this past month with a few exciting things happening!

To start off with we have jumped on board to be a season sponsor for our lovely clients Brian and Cassie Ellison (Flintstones Racing) who race sprint cars in Cromwell and all over the Island. We are very excited to see how the season goes for them and can't wait to follow their progress! You will be able to spot our logo on the bonnet of their orange sprint car and on their trailer!

We are also undertaking some training at the moment in preparation to implement an exciting new bit of software for builders and tradesmen alike that has some impressive job tracking and pricing features that we cant wait to sink our teeth into and help improve some of our client's workflow for invoicing and price tracking for quoted jobs. If this has got your attention we would love to show you a bit more about the program 'Buildaprice' so see if it could work for you as we will be implementing it in the new year! Last week we all were put outside of our comfort zone to have our staff photos taken, so expect to see some new photos pop up over the next wee while! Thanks to our amazing photographer Olivia from Image Photography and Design, we recommend her to anyone wanting to get some photos done!

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## CLIENT SPOTLIGHT

Kia Ora my name is James (Hemi) Vincent, originally from Motueka, I have called Wanaka home since 1999.

In 2019 I started Mana Contracting Wanaka, building residential driveways how I know they should be made. With the attitude of "do it right, do it once" we are now setting industry standards.

Being an owner operator business ensures easy communication from quote, through design/construction and surfacing options.

Mana Contracting is a small company, big on quality workmanship, starting on time and staying on budget. Mana Contracting provides a wide range of quality services, from solid schist stone walls, stone swales, soak pits, seamless asphalt entrance ways and driveways, trenches, and filling in those pesky potholes once and for all.

## TALK TO US

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## Covid-19 - Vaccinations in the Workplace

By **Employsure**

As it stands, the Government has stated the vaccine won't be mandatory. In addition, there are currently no legislative grounds or public health directives which permit an employer to require employees be vaccinated against COVID-19 (or any other disease). So, the question remains – what are your options as an employer? Can you direct your staff to take the vaccine? Must your staff be vaccinated, anyway? And what can you do if my employees refuse to follow as instructed?

Where there is no legal requirement to be vaccinated, a business can only require an employee to be vaccinated against COVID-19 where this is a lawful and reasonable direction.

The ability to direct an employee to get vaccinated will be situational, fact-dependent, and require a case-by-case assessment of all factors concerning the workplace, employees' circumstances, and the nature of the work performed.

To establish whether the direction is lawful and reasonable, factors an employer should consider may include:

- Is there a realistic or high risk of infection for a particular disease (in this case, COVID-19) in the workplace?
- What is the extent of community transmission in the workplace's location?
- Is the employee performing duties in an environment which may be prone to infection spread?
- Can the employer implement other measures to successfully mitigate the risk of infection spread?

Can I make vaccinations a condition of recruitment?

This will depend highly on the circumstances (e.g. if it's a legal requirement for the employer's business or industry). Vaccinations as a condition of employment must relate to the inherent requirements of the role and be lawful and reasonable. The employer may run the risk of a discrimination claim if a prospective employee is not engaged due to a protected characteristic.

Can I reject potential candidates who aren't vaccinated?

As above, you may run the risk of a successful claim if a prospective employee is not engaged solely due to a protected characteristic.

With so many questions in relation to vaccines in the workplace, Employsure have got a great guide that you will find attached to our newsletter email.

We have also attached a handy vaccination register for employers to be able to have their staff's details all in one place in case there are requests for proof of vaccinations for job sites etc as we have already started to encounter this with a few of our existing clients. As well as their infection control policy, which, with the inevitable spread of C-19 in NZ once restrictions lift, will be a handy policy to have on hand and in place.

## Christmas Annual Closedowns

If an employer regularly closes down for a holiday period or seasonal break and requires employees to take annual holidays (or take unpaid time off) this is referred to as an 'annual closedown' and it can occur:

- across an entire workplace, or
- for part of an organization (eg where a factory closes for maintenance while the office, dispatch, and sales departments stay open).

This often happens at Christmas time, but some seasonal industries have closedowns at the end of a particular season. An employer can close down different parts of the workplace at different times.

The employer may have a customary closedown once a year and require employees to take annual holidays during the period of the closedown, as long as they give employees 14 days' notice.

### Employees who are entitled to annual holidays at the time of closedown

If an employee is entitled to annual holidays (even if they currently have a zero annual holidays balance), they must stop work (as long as they get 14 days' notice) and take as much of their annual holidays balance as is needed to cover the closedown period. Payment for these annual holidays is calculated in the usual way that payment for annual holidays is calculated.

If the employee doesn't have a high enough annual holidays entitlement balance to cover the whole closedown period, then:

- in addition to taking all of the annual holiday's entitlement they currently do have, they can also take some annual holidays in advance (if the employer agrees), and/or
- they may have to take some leave without pay (or another form of leave as agreed with their employer).

### Employees who are not entitled to annual holidays at the time of closedown

Some employees may not be entitled to annual holidays at the start of the closedown because:

- they haven't worked continuously for their employer for 12 months yet, or
- they have worked for their employer for 12 months but haven't reached entitlement for annual holidays because they have taken an unpaid leave of more than one week and this has moved out their anniversary date for annual holidays entitlement, or
- they have had a period of receiving pay for annual holidays on a pay-as-you-go basis.

There are special provisions for these employees as follows:

- they must get paid 8% of their gross earnings as of the closedown date from:
  - the start of their employment if they haven't worked continuously for 12 months for their employer, or
  - their last anniversary date for annual holidays if they have already worked for their employer for at least 12 months, less any amount already paid as 8% pay as you go or already taken as annual holidays in advance,
- in addition:
  - the employee may agree with their employer that they take some annual holidays in advance
  - the employee's anniversary date for annual holiday entitlement purposes is moved to the date the closedown starts (or in some situations, an alternative date close by as nominated by the employer).

### An employer can nominate a date to be treated as the start of the closedown period

For employees whose work is subject to a regular annual closedown, and who have not become entitled to annual holidays at the time of the closedown, the employer can nominate a date that will be treated as the date that the closedown starts. This date will be the date the employee becomes entitled to annual holidays each year regardless of their actual start date of employment or the actual date of the start of the closedown. This date must be reasonably connected to the timing of the regular annual closedown.

For example, when there is a Christmas closedown, the date could be set at 15 December to make sure that it always comes before the annual closedown starts. This will mean that unless the employer agrees that an employee can take annual holidays in advance, the employee will always get their full entitlement to annual holidays just before the start of the closedown. This is the only situation where an employer can choose a particular date for employees to be entitled to annual holidays

### Relationship with other types of leave and holidays

If a public holiday falls, or an employee wants to take sick leave, bereavement leave day or an alternative holiday, during a closedown period, the employer needs to decide whether the day is an otherwise working day for the employee (ie if the closedown was not in force). If it is an otherwise working day, then the employee will be entitled to the day as a public holiday, sick leave day, bereavement leave day or alternative holiday as appropriate.

More info can be found on this at:

<https://www.employment.govt.nz/leave-and-holidays/annual-holidays/annual-closedowns/>

**If you have any queries at all about any of the information in this newsletter please don't hesitate to contact us at [info@mightyefficient.co.nz](mailto:info@mightyefficient.co.nz)**