



Working in Wine™

Employment information provided especially for the New Zealand wine and liquor industries
by Battersby HR Consulting, Human Resource professionals

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The information contained in this newsletter will be of most interest to those who are involved in employing others.

A focus on Health and Safety
Minimum Wage Rate Increased
Holidays and Holiday Pay – when you can Pay as you Go
OSH – you MUST train your staff
Definition of Serious Harm
Article by Strategic Pay – Managing Remuneration
A little lighter...Computer Tips and Tricks

This newsletter contains several references to Health and Safety, aimed at our vineyard and winery employers preparing for vintage. There are some really **important issues** around that, including thorough and recorded training, and managing safety around shift work. All a bit sombre, but employers do need to take all practicable steps to ensure the safety of their employees at work.

Minimum Wage Rates

From 1 April there's an **increase in the minimum wage** that you must pay your staff. For adults, over the age of 18, you need to be paying them \$12.75 (up from \$12.50). That's \$102 for an 8-hour day or \$510 for a 40hour week The new entrants minimum hourly rate increases to \$10.20, or 80% of the adult minimum wage.

The new entrants rate can be paid to 16 and 17 year olds for the first 200 hours or 3 months of employment, after which the adult minimum wage applies. This also applies to commission or **piece rate** employees – the minimum wage needs to be paid, averaged out over their pay period (in most cases a week).

Holiday Pay – When pay-as-you-go provisions can be used (This information take from the Labour Department's website)

The Holidays Act 2003 allows "pay-as-you-go" holiday pay arrangements in two circumstances only. These are:

- employees on **genuine fixed-term agreements** of less than 12 months – this reflects the fact that these employees are not expected to reach the date on which they would normally qualify for annual holidays; and
- employees with a **work pattern that is intermittent** or irregular (genuine casual work) – this reflects the fact that the employee's employment pattern may mean it is not meaningful or practicable to attempt to provide them with four weeks paid annual holidays.

Employees paid on a pay-as-you-go basis are not entitled to paid time off for annual holidays.

Casuals – Generally, these are employees whose employment is triggered by an event that cannot be accurately anticipated, or whose work pattern can be described as so **irregular or intermittent** that the concept of four weeks away from work is difficult to apply. In such cases, an arrangement can be agreed to add to their pay 8% of the employee's gross earnings as annual holiday pay.

For these employees, the arrangement must be by genuine agreement and be included in the employment agreement, and the **8% annual holiday pay** should appear as a separate and identifiable amount on the employee's pay slip.

At the end of the employment relationship, no additional pay for annual holidays is due.

If an employee agrees to enter into such an arrangement, the employer would be wise to **keep it under review** to see whether a regular cycle of work has developed. If this occurs, the employer and employee should enter into a new employment agreement that provides for annual holidays to accrue, and that removes the 8% payment.

OSH

Recently a business was **fined \$55,000** and its employee awarded \$20,000 compensation after an accident that cut off his finger.

It seems that the employer had implemented several OSH systems but **failed to prove the training** of that employee on the machine. There was no 'sign off' that he had been trained.

Two points here – the employer's insurance covered the compensation payment but NOT the fine, he had to pay that himself. (Might pay to check your insurance policies).

And, although he thought he had trained the staff member, because **he could not prove** the training, he was fined more heavily.

We say it over and over....

Employers **MUST** be able to prove they have taken 'every practicable step to prevent the accident from occurring'. Employers have to **prove** they have trained their employees in not just all their OSH systems but that they also have sound training records – including dates, details and signatures of those trained.

We are offering a free HR and OSH Health Check value \$280 – why not ensure that everything's ok at your place going in to vintage? Call Paddy on 09 838 6338 now for your peace of mind.

Definition of Serious Harm (Media release December 2009)

Minister of Labour Kate Wilkinson has announced a proposal to change the definition of 'serious harm' under the Health and Safety in Employment Act 1992.

Serious harm is a pivotal definition in workplace health and safety legislation. If serious harm occurs, employers or those in control of a workplace are required to immediately notify the Department of Labour, the Civil Aviation Authority or Maritime New Zealand.

The proposed definition will include physical injuries leading to an employee being unable to perform their normal duties for 10 or more calendar days. It will also include any permanent injuries, specified events such as electrocution or loss of consciousness, and diagnosed occupational illnesses.

'This definition provides **more certainty** and will ensure that employers are not required to spend an inordinate amount of time dealing with what can be minor matters.'

'It will also assist the Department of Labour and other enforcement agencies to focus on investigating and preventing the most serious workplace accidents.'

Ms Wilkinson says she will introduce legislation to Parliament in the new year to amend the Health and Safety in Employment Act.

Winery employers please note: Make sure you go through a thorough pre-vintage OSH training with all employees, and have them sign your training records.

"Managing remuneration out of the recession"

Timely Article provided by Strategic Pay, providers of the NZ Wine Industry's Salary Survey

While 2010 has been earmarked as the year in which New Zealand will **climb out of the recession**, employers will continue to face challenges as they manage the fallout of the global economic downturn which is still ever too present in some organisations. There is a fine balance in keeping personnel costs down, performance and motivation up and general staff morale stable.

As media push the "out of recession" message and raise hopes for the public, employers who are still feeling the aftershocks now struggle with managing their, previously on-side and understanding, staffs' expectations. These new expectations no doubt centre around **re-instating pay-cuts** and lifting wage freezes. The heightened communication experienced in many businesses as a result of the recession, will need to continue.

As budgets for across the board increases remain tight, it is essential that organisations continue to closely monitor performance and **reward accordingly**, as it is this which directly impacts the bottom line and ensures that the highest performers are retained and continue to support the business' objectives.

It was clear in 2009 that organisations affected by the recession managed to stay afloat by **reducing their wage bill** – be it by redundancies, removal of one-off bonuses, pay cuts or freezing wages. 2010 will continue to see job lay-offs and pay freezes for some; however, much less than was experienced in 2009. Accordingly to the latest data collected by Strategic Pay, in the 12 months to February 2010, 67% of organisations provided salary increases that were lower than the previous 12 months.

Organisations that have made the tough decision to freeze pay for a second year in a row are, encouragingly, in the minority with around 18% of organisations looking at increases below 2% in the coming 12 months; less than half of these potentially freezing pay for another 12 months.

2009 was not all bad news however; staff turnover levels are at the lowest some organisations have seen in many years.

Those confronted with reduced pay or reduced working hours saw an opportunity to strike a better work/life balance. Employers looked to **other ways of rewarding** and retaining staff, and clearly, with employee turnover relatively so low, this was achieved to some extent. Incentive pay and clear performance measures, and the subsequent link to remuneration, have been looked to more closely as a method of rewarding those high performing staff, resulting in a much sounder remuneration system.

Organisations that may not have been too badly affected by the recession saw an opportunity in 2009 to drive unnecessary costs out of their business and **review organisation structures** to improve efficiencies.

Unemployment statistics published early in 2010 reported the highest rate of unemployment at 7.3% in the December quarter. This, coupled with an improved business employment outlook indicated by the increase of positions advertised in early 2010, implies that **market rates for jobs will hold steady** for a while longer, rather than continue to increase at the 3-5% per annum typical of previous years.

Tips and Tricks

After all that serious stuff, here's a little light relief... With thanks to Debbie Mayo Smith, acclaimed international speaker and author. These snippets of handiness are taken from her book: 101 Email and Google Quick Tips.

**This is an "Outlook Address book" tip
Can't find an email from a particular sender who's in your
Contacts?**

Instant contact activity report

If you click on a contact in your Outlook Address book, and open it up, the first view you will see is the **General** tab. In fact there are several more tabs as well. Have you ever clicked on a contact's **Activities** tab? Outlook will search through all your folders and lists all your activity with that contact: emails, tasks meetings. The generated list not only shows you what folder they're in, but allows you to work with the items too.

So, instead of searching through all your folders, if you know who the email is from, go to that person's Contact information and click on the Activities tab.

How do I quickly Create a New Contact from an Email I have received?

Instant New Contact

Got an email from someone you want to add to your Contacts? Drag the email and drop it in your Contacts folder.

A new contact opens with their name and email address filled in and the email content in the text box of that contact. If they have a signature attached to their email you simply highlight the information, and then drag their contact details such as company, position, or phone, from the signature and drop it in to the respective contact fields.

Easy!

Shortcuts for email handling

Control R

Quickly reply to the email you're ready by hitting Control and the letter R; stops you accidentally replying to everyone that was copied in.

So, **Control + F** is a quick way to forward an email.

These shortcuts are for email only; they do different things in MS Word.

All best wishes to vineyard and winery people as they prepare for the forthcoming grape harvest, 2010. And a warm welcome to international wine people.
Paddy and Heather Battersby