

UNIVERSAL PERMANENT EMPLOYMENT AGREEMENT

Notes on All Documents

1. Sections highlighted in Yellow indicate where you should personalise these for your needs, i.e. people/company names etc
2. Sections Highlighted in Green indicate areas which you can personalise to suit your needs
3. Sections Highlighted in Blue are explanatory commentary that should generally be deleted before use

Notes on Employment Agreements

All other Permanent employment agreements in HRtoolkit are based on this template document.

1. Except where indicated changes should not be made to this employment agreement without reference to an appropriate professional. The following clauses are required **BY LAW** to be included in all agreements:
 - a. Statement of who the agreement is between i.e. company name and employee name
 - b. The position
 - c. Duties
 - d. Place of work
 - e. Working hours
 - f. Payment arrangements
 - g. Public holiday arrangements
 - h. Redundancy provisions, including rights in respect of contracting out, restructuring and transfer of employment
 - i. How to resolve employment relations problems
2. Remember to include a **Kiwisaver information booklet or direct employees to the Kiwisaver website (www.kiwisaver.govt.nz)** with the employment agreement. Employees will automatically be enrolled in the scheme if they do not opt-out between weeks 2 and 8 of employment. If they are already a member of Kiwisaver before they start employment, then they do not have the option of opting out.
3. The **working hour's clause** needs to give a fair and reasonable estimate to the hours of work in order that the employee can make an informed decision about how much time they will require to be available.
4. If you dismiss an employee under the terms of a **trial period** (of a maximum of 90 days) they cannot bring a Personal grievance for unfair dismissal. However **THEY CAN** bring a claim for other reasons such as discrimination, harassment or unjustified action by the employer. It is

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The universal employment agreement includes all clauses and phrases and you can delete all none applicable sections to suit your needs.

Associated Documentation

1. Quick Guide to Employment Agreements
2. Job description template
3. Sample Job description phrases
4. Offer cover letter

Associated Legislation

- Employment relations act
- Human Rights act
- Wages Act

Redundancy Provisions

Please note, that in the following industry sectors there are additional Redundancy Provisions. Refer to www.ers.govt.nz for more information:

- Cleaning services and food catering services in any place of work
- Laundry services for the education, health, or age related residential care sector
- Orderly services for the health, or age related residential care sector
- Caretaking services for the education sector.

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Individual Employment Agreement

1) The Parties

The parties to this employment agreement are:

- a. [insert employer's name], the "Employer"; and
- b. [insert employee's name], the "Employee".

2) Position

Your Job title is to be [insert title of position].

3) Start Date

This agreement shall come into effect on DATE OR DATE TO BE AGREED.

4) Duties

The duties the employee shall perform are the duties set out in the Job Description attached to this agreement.

5) Place of Work

- a) The Employee shall perform their duties at [insert location of Employer's premises, or where the employee will be doing their job].

6) Working Hours (Delete non-applicable sections)

Full-time office hours

The Employee's hours of work shall be 35/37.5/40 hours per week Monday to Friday, between the hours of 8.30am to 5pm.

Part-time Hours with set schedule

The Employee's hours of work shall be insert number hours per week insert days of week, between the hours of insert hours.

Full-time Variable hours – Particularly for Management level positions

The office opening hours are 8.30 am to 5pm.

Due to the nature of your role, your actual hours of work may vary from the office opening hours. Your remuneration level has been set to take account of this need for flexibility.

Full-time in accordance with Roster

The Employee's hours of work shall be 35/37.5/40 hours per week worked over 5 days, insert days of week e.g. Monday to Sunday between the

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hours of **insert range of hours e.g. 7am to 7pm** in accordance with a roster.

The Roster will be notified to you by **insert method of notification e.g. publication on the staff notice board** at least 2 weeks/1 month/2 months in advance. Changes to the Roster after publication will be discussed with you as necessary.

Part-time in accordance with Roster

The Employee's hours of work shall be **insert number** hours per week worked over **insert number** days, **insert days of week e.g. Monday to Sunday** between the hours of **insert range of hours e.g. 7am to 7pm** in accordance with a roster.

The Roster will be notified to you by **insert method of notification e.g. publication on the staff notice board** at least 2 weeks/1 month/2 months in advance. Changes to the Roster after publication will be discussed with you as necessary.

7) Overtime (for salaried staff only)

It is a normal expectation of the role that the employee may from time to time be required to work additional time to get the job done. As a normal course of events any excessive additional time will be compensated through time in lieu by arrangement with the manager.

At the company's discretion they may opt to pay for overtime instead of offering time in lieu. This will be paid at the rate of your base salary divided by the normal working hours.

8) Pay Rate (Delete non-applicable sections)

Annual Salary

The Employee's salary shall be **#[insert figure]** per annum, which shall be paid in equal [weekly/fortnightly/monthly] installments

Hourly paid

The employee shall be paid an hourly rate of **#[insert figure]**. The number of hours paid will be in accordance with timesheets submitted on a **daily/weekly** basis

9) Payment method

Payment will be made by direct credit to the employee's nominated bank account on **insert day on which payment will be made**.

10) Trial Period

a) A trial period will apply for the first **insert duration usually 30, 60 or 90 days** (NB legal maximum is 90 days) of employment during which time

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suitability for and of the position will be assessed and reviewed by the Employer.

- b) During the trial period the employer may terminate the employment agreement and the employee may not pursue a personal grievance on the basis of unfair dismissal except as specified under the Employment relations act.
- c) One week's (or alternative period as specified) notice of termination may be given by either party within the duration of the trial period, even if that notice extends beyond the end of the Trial period.

11) **Kiwisaver**

- a) If the period of employment is intended to last for longer than 28 days, the Employee is entitled to join Kiwisaver.
- b) The Employee will automatically be enrolled in Kiwisaver and deductions at the employee's chosen rate of their Salary/Wages will automatically be contributed to this kiwisaver scheme. The Employer will also contribute to the Employee's Kiwisaver scheme in accordance with the legislated percentages.
- c) If the Employee wishes to opt out of Kiwisaver, they need to complete and submit an opt out form between weeks 2 and 8 of employment.
- d) For Kiwisaver forms, including opt-out forms, and more information visit www.kiwisaver.govt.nz.

12) **Annual Leave**

- a) The employee is entitled to four (4) weeks annual leave per annum (pro-rata for part-time employees) to be taken in accordance with the Holidays Act 2003 and subsequent amendments.
- b) An employee may request in writing cashing up of up to one week of annual leave per annum once the leave entitlement has arisen. In accordance with the Holidays Act annual leave entitlement arises at the end of each 12 month period, therefore you may not request cash-up of any leave until the entitlement has arisen. The employer reserves the right to deny such a request at its absolute discretion.

13) **Sick leave**

- a) After 6 months continuous employment the employee is entitled to five (5) days sick leave per annum to be taken in accordance with the Holidays Act 2003 and subsequent amendments.
- b) Sick leave entitlements can be accumulated from year to year up until a maximum entitlement of 20 days.

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14) Public Holidays

- a) The employee shall be entitled to be paid for the time actually worked on a Public Holiday at a rate of time and a half.
- b) If the employee is required to work on a public holiday which would have otherwise been a normal working day they will be entitled to a day off in lieu.
- c) If the employee is required to work on a public holiday which would NOT have otherwise been a normal working day they will NOT be entitled to a day off in lieu.
- d) The Employer recognises only the published public holiday dates and will not generally agree to requests for transference of public holidays in accordance with the Holidays Act. Any decisions about whether a public holiday will be transferred are at the absolute discretion of the Employer.

15) Bereavement Leave

- a) The Employee shall be entitled to bereavement leave in accordance with the Holidays Act if they have worked for six months at an average of at least 10 hours per week, and at least one hour per week or 40 hours per month.

16) Car Parking **DELETE AS APPLICABLE**

You will be provided with a car park for your use when you are attending the office.

17) Company Car/Vehicle Allowance **DELETE AS APPLICABLE**

Car as a benefit

As part of your remuneration package the company will provide a company funded vehicle. You are entitled to use the vehicle for reasonable private use.

Car as a tool of trade

You will be provided with a company vehicle for the purpose of meeting the demands of your employment. You entitled to use this vehicle to get too and from work, however, the car should be left at the workplace in periods of absence such as holidays etc.

Car provision included in salary

You will not be provided with a company vehicle as you have been compensated for this as part of your base salary. If you are required to travel on company business then you may use the company pool vehicle. If you decide to use your own vehicle for business travel, you will be

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reimbursed for actual and reasonable costs incurred. It is your responsibility to ensure that your vehicle is appropriately insured for business travel.

Car Allowance

You will be provided with a car allowance of **\$insert gross amount** which will be paid to you in equal monthly instalments with your normal salary. The vehicle allowance is provided for you to pay for all vehicle related expenses including servicing, fuel, finance etc.

18) Confidential Information

As an employee you may have access to confidential information. Such information should only be used for its intended purpose and should not be divulged or used in any way that may be against the best interests of the company either during or after employment.

19) Termination of Employment

a) General Termination

The Employer may terminate this agreement for cause, by providing **insert period e.g. 2 weeks/1 month's** notice in writing to the Employee. Likewise the Employee is required to give **insert period e.g. 2 weeks/1 month's** notice of resignation. The Employer may, at its discretion, pay remuneration in lieu of some or all of this notice period.

b) Termination for Serious Misconduct

Notwithstanding any other provision in this agreement, the Employer may terminate this agreement summarily and without notice for serious misconduct on the part of the Employee.

c) Abandonment of Employment

In the event the Employee has been absent from work for three consecutive working days without any notification to the Employer, and the Employer has made reasonable efforts to contact the Employee, this agreement shall automatically terminate on the expiry of the third day without the need for notice of termination of employment.

20) Redundancy Provisions

a) Redundancy situations may arise in the event that the employer is selling or transferring all or part of the business. They may also arise where the needs of the business have changed such that the employee's position no longer meets the needs of the business. For example, this may be as a result of a down-turn in business, or changes in the business which mean that the employee's role is significantly changing.

b) In the event of a redundancy situation the employer will:

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- Meet with the employee, providing information about the proposed arrangement
- Give the employee an opportunity to comment on the proposal,
- Consider and respond to the employees comments.

21) Transfer of all or part of the business

- a) In the event that redundancy arises as a result of a transfer of all or part of the business, the employer will endeavour to ensure that the employees is offered a position with the new employer with the same or similar terms of employment.
- b) Where the new employer does not offer a new position with the same or similar terms then employment will be terminated by reason of redundancy.
- c) In the event that a position with the same or similar terms is offered, but the employee does not take this offer, this will be terminated by reason of resignation.

22) Compensation for redundancy

- a) The employee will be entitled to notice in accordance with the termination clause in the event of redundancy.
- b) The employer reserves the right to offer, at its absolute discretion, enhanced redundancy compensation.

23) Resolving Employment Relationship Problems

- a) Wherever possible it is the aim of the company to resolve any employment relationship issues as quickly as possible. Therefore if any employment issues arise, those should be raised with the Employer as soon as possible.
- b) If the matter is not resolved either party can seek assistance from the Department of Labour's mediation service. If the issues are not resolved at mediation, they may be referred to the Employment Relations Authority.
- c) If the issue is a personal grievance, the Employee must present that grievance within 90 days of the event giving rise to the grievance, or after further time if allowed by the Employer or where the Employment Relations Authority grants an extension of time.

24) Deductions from Wages

- a) Where requested by the Employee, the Employer shall deduct from their salary/wages any agreed amount for matters such as superannuation, a staff social club or union fees and pay the amount

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to the organisation specified by the employee. The Employer shall also be entitled to deduct from any salary payment payable upon termination of employment any overpayment made to the Employee for leave taken in advance.

25) Declaration

I, **COMPANY**, offer this employment agreement to **EMPLOYEE NAME**.

Signed by:..... Date:.....

I, **EMPLOYEE NAME**, declare that I have read and understand the conditions of employment detailed above and accept them fully. I have been advised of the right to seek independent advice in relation to this agreement, and have been allowed reasonable time to do so.

Signed by:..... Date:.....

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