

HOLIDAYS – FOUR WEEKS A YEAR IS ALMOST UPON US!

When the Holidays Act came into force almost four years ago, it seemed that one of the most controversial changes - four weeks holiday a year for all employees from 1 April 2007 – was a long way away. It's almost here so it's a good time to look at employers' obligations under the Holidays Act 2003.

The first thing to note is that the 2003 Act applies to all employees whether they are full or part time, fixed/term, permanent or casual and **all** employment agreements should have been amended to comply with its requirements.

Annual Holidays

Under the Holidays Act 2003, all employees have until 1 April 2007 been entitled to a minimum of three weeks holidays a year after completing 12 months continuous employment with the same employer. From 1 April 2007, this entitlement increases to four weeks. Employers should ensure all their employment agreements are amended to include the new entitlement. It will also be important that payroll departments are familiar with the new requirements before 1 April 2007 so that records continue to be accurate.

Public Holidays

All employees receive 11 paid public holidays. Employees who work on a public holiday are entitled to be paid a minimum of time and a half, only for the time actually worked. If there is a contractual penal rate, the employee gets whichever rate is higher. If an employee works on a public holiday that would otherwise be a working day for that employee, in addition to receiving time and a half they are also entitled to another day off. This applies to all employees – salaried or waged.

From 1 April 2007, any employment agreements that still provide for public holidays to be paid with regular pay under the transitional provisions must be amended to reflect the obligation to pay for working a public holiday.

Public holidays fall into two categories. The first category consists of Christmas Day, Boxing Day, New Year's Day and the day after that. The second category is made up of all the other public holidays including Easter, Labour Day and so forth. The holidays in the first category continue to receive special treatment.

When Christmas and New Year fall on a weekend and the employee works on the weekend they can have the public holidays off on pay. If they don't normally work the weekend, the days are transferred to Monday and Tuesday. This reflects and recognises the modern working week for employees. All other public holidays are celebrated on the day on which they fall.

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Sick Leave

All employees who have worked for the same employer for six months continuously are entitled to a minimum of five days paid sick leave each year, which can be accumulated up to 20 days, 15 of which may be carried over into the next period. Sick leave is not paid out on termination of employment.

Bereavement Leave

Employees are also entitled to a minimum of three days bereavement leave and this is payable for the death of each immediate family member (as defined in the Act). If more than one immediate family member dies in the period of entitlement, the employee is entitled to three days for each death. An additional day is allowed as bereavement leave on the death of a person who is not an immediate family member if the employer accepts there has been a bereavement.