

Employment law updates on the horizon

With a number of legislative changes on the horizon, we expect another busy year for employment law. We set out below the expected legislative updates.

Fair Pay Agreements Bill

The Government has introduced a comprehensive Fair Pay Agreements Bill (the **FPA Bill**) into Parliament.

The Fair Pay system would allow industry or occupation-wide bargaining for minimum terms and conditions of employment. Its intention is to address reducing wages or employment conditions; rectify reduction in Union membership and ensure that wages grow proportionately with increases in labour productivity.

There are concerns about not only the cost to businesses of increased wages, but also about the costs of bargaining. There is also the question of who will represent employers in bargaining.

The FPA Bill is currently before the Select Committee with its report due by 5 October 2022. We are hopeful that some of these questions will be ironed out during the process.

Holidays Act reform

Almost two decades since its enactment, the Holidays Act 2003 (**the Holidays Act**) is finally going to get that long overdue reform. The Government has accepted recommendations to make the Holidays Act clearer and to provide greater certainty to employers and employees.

The Government established a Taskforce in 2018 which suggested improvements to the Holidays Act in 2019. The Government approved the recommendations in full, however we are still awaiting any legislation to be

drafted. We are now anticipating the reform will take effect in the first quarter 2023.

Extended time for sexual harassment PG

Currently, under the Employment Relations Act 2000 (**ERA**) a person has 90 days to raise a personal grievance involving allegations of sexual harassment. The Employment Relations (Extended Time for Personal Grievance for Sexual Harassment) Amendment Bill (**the Bill**) has been introduced into Parliament, with a purpose to extend the time available to 12 months.

The Bill is currently before the Select Committee with its report due by 18 November 2022.

Contractors or employees

The Tripartite Working Group of unions, employers and government (**the Working Group**) has recommended law reform to address the employee/ contractor boundary issue. The Working Group has proposed that the Government develop and publicly consult on a policy proposal based on its recommendations.

We are also awaiting the outcome of an Employment Court case concerning applications by Uber drivers to be declared employees.

Sick leave

Under the Holidays Act, employees currently become entitled to paid sick leave after six months continuous employment. The Government has begun work on implementing a Holidays Act Taskforce recommendation that gives employees access to sick leave from day one of employment.

We will continue to provide updates on the legislative changes as they become available.

Want to know more?

If you have any questions about this article, please contact our specialist [Employment Team](#).