

Covid-19 Guidelines for Employers

The Employment Relations Act principles continue to apply.

- Good faith in dealing with employees
- Take measures that a fair and reasonable employer could do in the circumstances
- Communicate regularly and transparently with staff
- Seek input and consult with staff
- Changes to employment need to be done in agreement

Guidelines for dealing with staff downturn:

- Check your contractual obligations
- Ensure you maintain privacy
- Use **best endeavours** to retain staff in the first instance by discussing with them:
 - Reduction in hours;
 - Redeployment to other roles which can be done at home or to other companies;
 - Leave without pay.
- Remember that you will need good staff during the recovery phase so retention is preferable.
- Apply for the wage subsidy if you qualify:
 - Must be committed to pay 80% of the subsidy;
 - If that isn't possible, pay at least the rate of the subsidy that applies to that employee;
 - If the employee's usual wages are lower than the rate of the subsidy, continue paying that amount for the duration of the subsidy.
- Be flexible and keep communicating with your employees.
- Redundancy should be a last resort. If you are considering redundancy:
 - Remember the expectation if the wage subsidy is utilised is that staff will be retained and the subsidy paid for the full 12 weeks;
 - Contact Ministry of Social Development for support:
<https://www.workandincome.govt.nz/documents/eligibility/emergencies/redundancy-information-for-employers-coronavirus-.pdf>
 - Contact your bank for financial support;
 - Consider other ways to alleviate financial pressures e.g. request a rental holiday.
- If you need to restructure, you will need to go through a full and sound process to determine if you have to make some roles redundant.
 - Although redundancy is about roles, people are affected and it can be a difficult and upsetting process;
 - Follow clear steps to make sure you're being fair, following best practice and doing everything you're legally required to;

- See [Business.govt.nz](https://www.business.govt.nz/hiring-and-managing/ending-employment/employee-redundancy/) for details on the steps for restructuring and redundancy:

Restructuring Process

Step	Task	Suggested Timeframe	Planned completion date	Date completed
1	Document restructure proposal	Complete before announcing restructure		
2	Invite people to a meeting to hear about the proposed restructure	Allow a few working days between sending the invitation to the meeting and holding the meeting		
3	Hold a meeting to discuss the restructure	Allow enough time during the meeting to discuss the proposal and to answer questions		
4	Gather feedback about the proposal	At least one week		
5	Consider feedback and make a decision. <i>If you still think your original proposal is best, go to Step 6.</i> <i>If you want to change your proposal, go back to Step 1.</i>	A few days after the feedback deadline		
6	Confirm the structure in writing to all employees. <i>For those roles affected (made redundant or change in responsibilities) you'll need to provide personalised written notification. If any roles are being made redundant, go to Step 6 of the Redundancy task list.</i>	As soon as you make your decision		

Redundancy Process

Step	Task	Suggested Timeframe	Planned completion date	Date completed
1-5	Go through the full restructure process			
6	Confirm in writing the final structure to employees who are being made redundant	As soon as you have completed the restructure process		
7	Meet with any employees who request a meeting to discuss the redundancy	Hold the meeting a few working days after the employee requests the meeting to ensure they have time to organise support and/or representation		
8	Begin completing your employee exit checklist	As soon as you determine which employees are being made redundant		

Please note that this is general advice only and will vary for each specific situation. In addition, this continues to be an evolving situation. For specific and current advice relating to your unique situation, please get in touch with an expert from our employment team...