

10 Things Employers Must Know About The New Holidays Act

On 1 April 2004 several major changes to the holiday laws took effect.

Employers must know what these new provisions are or risk personal grievances or prosecutions.

1. Advice of Rights

Employers must advise employees of their entitlements under the Act and that information is available from the union (if they are a member) and the Department of Labour.

To show that this has been done these points should be included in all employment agreements along with a provision concerning the opportunity to take independent advice.

2. 4 weeks Holiday

This will become standard from 1 April 2007 and cannot be bargained away. Leave is to be expressed as so many weeks (not days).

3. Annual Holidays must be taken

The employer must allow the employee to take all their annual holidays. They can require them to take them by giving 14 days notice.

4. Annual Holidays do not lapse

If employees fail to take holidays then clauses preventing carrying forward are of no effect. Holidays remain due until they are taken. Allowing a delay will put up your costs as wages rise. Holidays are paid at the current rate.

5. Two weeks uninterrupted leave

Employees are entitled to take two weeks of their leave in an uninterrupted block.

6. Sick Leave

Sick leave of 5 days after 6 months service must be allowed. A further 5 days is due after each subsequent 12 months.

Sick leave can be accumulated up to 15 days so an employee can have 20 days up their sleeve.

7. Sickness while on holiday

If an employee is sick while on holiday they are entitled to sick leave and can take their holidays at some other point. Make sure you have clear processes in place for employees to report sickness and provide evidence to support their claim.



8. Public Holidays

If the employee is required to work on a Public Holiday they will be paid at time and a half for the hours worked on that Public Holiday and will be given a day in lieu to be taken at an agreed time. Agreements may not state that the pay includes the extra pay. It must be paid on top of ordinary pay.

9. Close downs

Only one per year is allowed.

10. Bereavement Leave

Three days for the death of a spouse, parent, child, brother or sister, grandparent, grandchild or spouse's parent.

One day on the death of another person if the employer accepts that a bereavement has been suffered. Relevant factors include closeness of the relationship, responsibility for arrangements and cultural responsibilities.

If more than one bereavement is suffered at the same time then the employee is entitled to leave for each.

The mechanisms for calculating leave and public holiday pay are complicated. The onus is on the employer to get it right.

Alan Knowsley