

## Accrual and Payment of Alternative Leave

All employees are entitled to a paid day off on a statutory holiday if it would otherwise be a working day for them. These statutory holidays are separate from and additional to annual holidays.

The statutory holidays over the Christmas and New Year period continue to have special arrangements, but the Holidays Act 2003 changes the previous arrangement that deemed these holidays to be celebrated on Monday and Tuesday if they fell at a weekend. From Christmas 2004:

- If the holiday falls on a weekend, and your employee doesn't normally work on the weekend, the holiday is transferred to the following Monday or Tuesday so that the employee still gets a paid day off if they usually work those days.
- If the holiday falls on a Saturday or Sunday and the employee normally works on that day, then the holiday remains at the traditional day and the employee is entitled to that day off on pay. An employee cannot be entitled to more than four public holidays over the Christmas and New Year period, regardless of his or her work pattern.

All other statutory holidays are celebrated on the day on which they fell. In years where Waitangi Day (6 February) or Anzac Day (25 April) fall at the weekend, employees who do not normally work on the weekend have no entitlement to payment for the day.

### How do you determine a normal working day

The concept of what would otherwise be a working day is key to determining an employee's entitlement regarding statutory holidays. In most cases whether a day would otherwise be a working day is clear because the working week or roster is constant and both the employer and employee can understand and agree about whether the employee would otherwise work on the day. Where the employer and the employee cannot agree whether a day would otherwise be a working day they should consider the following issues:

- what the employment agreement says
- the employee's usual work patterns
- the employer's rosters or other similar systems
- the reasonable expectations of the employer and employee as to whether the employee would work on the day concerned.
- whether the employee works for the employer only when work is available

### When can an employee be required to work on a statutory holiday?

An employer may require an employee to work on a public holiday when: the public holiday falls on a day the employee would otherwise have worked, and the employee's employment agreement specifies that the employee may be required to work on the holiday.

### Payments for employees working on statutory holidays

Where an employee works on a statutory holiday that is normally a working day for them, they are entitled to 1 ½ times their usual hourly rate for the hours they actually work, and a full day off at a later date (alternate day). Note – this applies to salaried as well as waged staff!

### On Call – things to consider

Employers who are on call on a statutory holiday will receive payment as listed above if they are called upon – this makes being on call undesirable for many people. Consideration should be given as to whether it would be advantageous to “top up” the wages for on call staff. They are still entitled to an alternative day regardless of whether they are called in or not.

### Accrual of Alternative Leave

Alternative leave should be accrued in days not hours, as it is irrelevant how many hours the employee works on the day, they are still entitled to a full alternative day. Payment for that day is based on the number of hours they would normally work on the day they take it (eg if they work 5 hours on Monday and 8 hours on Friday)

### Further Information

Further information and examples of accrual and payment for alternate holidays is available from Ezipay.