

Why employment agreements are a must

Getting in place a well thought out, clearly written employment agreement should be step one when hiring a new person. Not only is it required by law, but it helps protect everyone from risks and headaches down the line should the employment relationship turn sour. While some employers put this in the 'too hard' or 'maybe later' basket, employment agreements don't have to be a major effort – not with the free tools and resources you can find with a quick Google search.



What does the law say?

An employer is legally required to provide a written employment agreement before an employee commences work. While there are some provisions that must be included by law, there are also a number of minimum conditions that must be met regardless of whether they are included in agreements. Employment law also provides a framework for negotiating additional entitlements.

While verbal agreements can be legally binding – such as telling someone that they've got the job – they don't replace the need to have an employment agreement in place.

Why do employers need an employment agreement?

Employers who take on staff without a written employment agreement risk a \$10,000 fine. Aside from this, having a specific document that outlines roles and responsibilities for all to

refer to when needed, is crucial in the event of a dispute.

New Training Agreements require an employment agreement

ETITO has updated our Training Agreements to collect additional information as required by the Tertiary Education Commission [TEC].

This is primarily about ensuring that apprentices are eligible to receive government funding and requires supporting documentation such as a birth certificate, passport or an appropriate work visa.

Part of this also involves referencing the apprentice's employment agreement since one of the requirements of an apprenticeship is being employed. ETITO will no longer be able to accept Training Agreements from apprentices without employment agreements.

Where can I go for help?

The Department of Labour has an

'Employment Agreement Builder' on its website that simplifies and streamlines the process. Simply fill out the fields in an electronic form, and it produces a written employment agreement at the end. You can find out more about employment agreements generally at the Department of Labour website: www.dol.govt.nz

The Electrical Contractors Association of New Zealand [ECANZ] also has an industry specific employment agreement designed for electricians that it makes available free to its members. It's editable so you can add provisions specific to your business. You can contact ECANZ on 04 494 1540 or visit www.ecanz.org.nz.

As always, if you have any questions about Training Agreements or about training in general, contact your ETITO Training Manager or visit www.etito.co.nz

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