

90-Day Trial Scheme Expanded

The Government has announced plans to extend the 90-day trial period scheme to incorporate all workplaces. Under the scheme, workers dismissed during a 90-day trial period cannot file a personal grievance against their employer for unjustified dismissal. It currently only applies to employers with 19 or less staff.

Trial periods are an established part of employment laws in most OECD member states and many employers in New Zealand have been either frustrated or sometimes ignorant of the fact that new starts who are dismissed during their trial period can still bring an unjustified dismissal claim against their employer. The new law changes this and this new law will affect your business.

Despite vehement protestations from union groups and the Labour and Green Parties, the Government's decision to expand the scheme to all employers is not unexpected and will be popular with employers and employer groups.

Employees can still bring a personal grievance or legal proceedings for any of the following:

- an unjustified action;
- discrimination;
- sexual harassment;
- racial harassment;
- duress (in relation to membership or non-membership of a union or employees' organisation);
- if their employer has failed to comply with a requirement of Part 6A (relating to continuity of employment if an employee is affected by restructuring).

By way of example, employees will still have access to personal grievance procedures during their trial period if their employment is disadvantaged by an unjustified action by their employer. For example, an employee whose pay is unilaterally reduced during their trial period will be able to commence a personal grievance claim for unjustified action against their employer.

Our Employment Law Contacts are:

Erin Davies
Partner

direct dial
email

(09) 979 2177
davies@brookfields.co.nz

Stephen Corlett
Senior Associate

direct dial
email

(09) 979 2141
corlett@brookfields.co.nz

Ben Atkins
Solicitor

direct dial
email

(09) 979 2130
atkins@brookfields.co.nz

The contents of this publication are general in nature and are not intended to serve as a substitute for legal advice on a specific matter. In the absence of such advice no responsibility is accepted by Brookfields for reliance on any of the information provided in this publication. © **Brookfields**

Auckland **Manukau** **Wellington**
t 09 379 9350 09 262 2145 04 499 9824
f 09 379 3224 09 379 3224 04 499 9822
www.brookfields.co.nz



Brookfields
LAWYERS