

Staff on *Parental Leave* or *Extended Leave Without Pay (LWOP)* present a problem for *Annual Leave* accrual, as the employee is absent for part of the year and the legislation provides for a "rateable deduction" for time absent from work.

This is best achieved by adjusting the employee's next anniversary date by one week for each full week of absence.

**NOTE: Parental Leave is paid for by the Government - not by the Employer.**

## Parental Leave

It is recommended that you make the following changes to an employee's record after they start their *Parental Leave* or *LWOP*:

- **After processing their last pay**, tick the option in *Edit Employee...More...Contract..Parental Leave*
- **Edit the date the leave commenced**

SmoothPay will check every time a payrun is processed and recalculate the number of weeks absent.

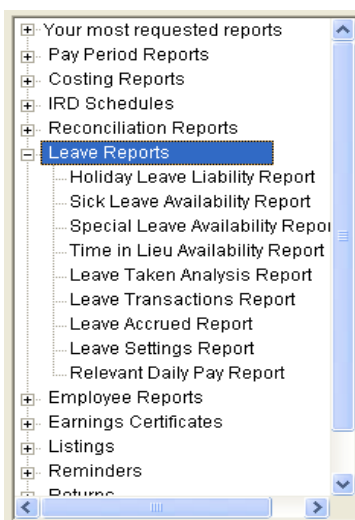
When the employee receives a pay after returning to work (or terminating if they decide not to return), the LWOP flag is reset.

When their next anniversary (plus the number of whole weeks absent) occurs, their anniversary date is adjusted to the new date and the delay counter is reset to zero.

## Leave Reports

SmoothPay provides a great range of *Leave Reports* that provide you not only with management information (Leave Liability etc), but a solid and consistent record of leave, settings, transactions and values.

These reports can be selected from the reports list:



Individual Employee *leave records* for each type of leave can also be produced from the *Edit Employee...Leave Setup screens*.

## Related Topics and Resources

Pay clerking is not a simple job! It requires knowledge of an enormous amount of legislation, generally accepted principles developed over decades, and it's easy to be misled and end up with your leave processing and records in a real shambles.

**SmoothPay** provides a complete range of guides and tutorials for all aspects of the software available on our website, and our **HelpDesk** provides expert advice on using **SmoothPay** whenever you need it.

## Forms, Publications and Websites

The best source of information is the Department of Labour (you should always record the date, time and name of the person you speak to regarding any clarification or determination).

The Department of Labour website can assist greatly with online preparation of employment contracts, guides and information for Employers: [www.ers.dol.govt.nz](http://www.ers.dol.govt.nz)

Some (not all) Employers Associations are worth their weight in gold, especially when it comes to employment procedures. For definitive advice, you must refer to the Department of Labour, though sometimes an Employers Advocate can provide practical and cost saving advice.

A form (*Annual Leave Balance Worksheet*) is available to assist you to establish the correct opening leave balances and methods of entitlement, and is available from the *Edit Employee...Leave Setup screens*, or from the *Documentation* section of our website.

The *Holidays Act* (and amendments) is the legislation which determines how leave should be applied, and is available from government bookstores and online.

CCH Ltd produce two superb reference guides, *New Zealand Employment Law Guide* and *Guide to Holidays and Leave*. These can be ordered by calling CCH on 0800 500 224, or visit their website [www.cch.co.nz](http://www.cch.co.nz)

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