

Paid Parental Leave (PPL)

Paid Parental Leave is a government-funded entitlement paid to eligible working mothers/fathers and adoptive parents when they take parental leave from their job(s) to care for their newborn or adopted child under the age of six.

To help employers on the subject of Paid Parental Leave, we've put together simple answers to a few commonly asked questions.

Who pays for PPL?

Paid Parental Leave is paid by the IRD, it is NOT paid by the employer. However, employees will have to apply for parental leave from their employer (*with an IR880 Form*). If they are eligible for parental leave, they then apply to the IRD for parental leave payments.

How is PPL paid?

The PPL will be paid directly into the employee's bank account, just like their normal salary and wages or self-employed income. However, they will need to ensure their eligibility to be able to qualify.

How do I know if they are eligible for PPL?

Follow the link below to find out:

<http://employment.govt.nz/er/holidaysandleave/parentalleave/index.asp>

Once IRD have received and processed the employee's application, they will send the employee a payment advice letter.

How do I respond to PPL requests?

After you receive the application for parental leave, you have seven days in which to ask for any required information that has not been provided. You should respond promptly in writing advising whether your employee is eligible for parental leave. If they are not eligible, you should state the reasons why.

You will also need to confirm the date they will start their leave and whether their job can be kept open.

As an employer there are a few obligations you should be aware of.

Follow the link below to find out more about your obligations as an employer:

<http://employment.govt.nz/er/holidaysandleave/parentalleave/employers/obligations.asp>

If my employee is on paid parental leave, do they continue to accrue annual leave?

Yes. Since it qualifies as continuous employment, both annual and sick leave continue to accrue during the period of parental leave. However, it will affect the rate at which their annual leave is paid out.

For more information on Paid Parental Leave, you can visit the IRD website by following the below link:

<http://www.ird.govt.nz/yoursituation-ind/parents/parents-paid-parental-leave.html>

At Your Side

Brother International is an award winning Global Corporation in New Zealand as the premier provider of products for the home, home office and office with full support and solutions.

An existing client of Datacom Payroll of over 15 years, Brother International uses **DataPay** and **DataESS** to eliminate internal manual processes and streamline their entire payroll and communication system.

DataPay is date effective and provides access to data changes in real time. And because **DataPay** is a cloud based solution, it caters easily to the continual changes of tax regulation, payments and other legislative obligations required in the industry. **DataESS** will allow employees to update their personal details, view their live payroll information, check leave balances and apply for leave on-line with full online access 24/7.

The result is a series of applications that exemplify New Zealand's fully featured and modern payroll system, removing the need to invest in hardware or software, installation of annual updates or upgrades. Simply connect to our applications over the Internet and you'll be using the latest and greatest version of our software.

Outcome:

- Better response times as employees are now able get customised information when required
- Time is saved with online services. Employees have access to their own information, and can bypass payroll staff for details such as IRD numbers and bank account information
- Timesheets importing, containing data for all employees in one batch making payroll processing effortless
- The DataPay solution is compliant with statutory legal and taxation requirements

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QUARTERLY INDEX

The HR Quarterly Index provides a summary of industry confidence in the business sector from the HR Coach Research Institute for New Zealand.

The outlook in New Zealand this quarter is one of pragmatism. The results in almost all areas are substantially down yet the overall sentiment is not entirely bleak.

Two major factors that need to be considered when examining these results are that New Zealand is a seasonal economy given its exposure to agriculture and secondly it is a small market, and changes in results are therefore magnified.

Business confidence, ease of credit and expectations of profitability are all down as are the employment figures. As this quarter coincides with the onset of winter, next quarter's outlook will determine the severity of these results.

On a promising note, the past three years results indicate that the third quarter of the year sees an upswing as the country prepares itself for summer.

The last quarter saw a contraction nationally. Businesses will need to focus on systems and frameworks to streamline operations in the current economic climate. Working smarter and maximizing internal resources will be key to surviving this economic chill.

Goodie Bag Give Away

Want to get your hands on a "Goodie Bag" worth up to \$150??!!

Here's your chance!

All you have to do is to submit your answer by **23rd September 2015** to: Answers@datacom.co.nz

If your answer to the question below is correct, you will automatically be in the draw to win!

The Question –

What is the maximum PPL payment for employees (*before tax*) from **1 July 2015** onwards?

A winner will be drawn by **25th September 2015** and the winner will be notified through post/email and/or in the October issue of our Respondent publication.

Consolidated Results Table

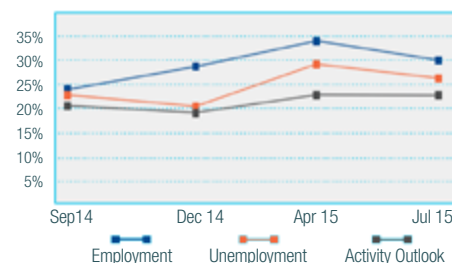
Productivity Growth Factors	Sep 14	Dec 14	Apr 15	Jul 15
Business Confidence	24%	30%	34%	30%
Activity Outlook	37%	37%	41%	41%
Employment	18%	20%	23%	22%
Unemployment	-25%	-29%	-30%	-21%
Profits	21%	21%	28%	26%
Pricing Intention	23%	20%	23%	23%
Exports	20%	28%	24%	23%
Investment	17%	20%	22%	22%
Ease of Credit	11%	16%	27%	21%

Job Advertisements

Job Advertisements have consistently been rising with consistent trends of newspaper advertisements increasing at a slower rate than the internet

Job Vacancies - Skilled Vacancies (<i>index by region</i>)	Feb14 - Feb15	May14 - May15
Auckland	8.00%	9.10%
Wellington	-5.70%	4.40%
North Island - Other	-0.20%	2.70%
Canterbury	8.20%	4.90%
South Island - Other	12.00%	4.20%

Business Expectation for Growth



Business Expectation for Staff



Current State of Employment NZ

Participation Rate	69.6%
Unemployment Rate	5.8%
Wage Growth	1.7%
IMF Unemployment Forecast	5.2%
OECD Unemployment Forecast	5.4%
Employment by person	2,355,000
Unemployment by person	146,000

Business Confidence



Key sources: HR Coach Research Institute, Business New Zealand Planning Forecast, National Bank of New Zealand Forecast Reports, Department of Labour – Labour Statistics.

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