



Redundancy Services

An information guide for employers



Work and Income
Te Hirainga Tangata

A service of the Ministry of Social Development



Supporting employers

with information about the wide range of services available to you through Work and Income.

Helping employers

by working with you when you need to consider redundancies or solutions to retain staff.



Redundancy Support

This is an information and advice service that is provided in confidence when your business is downsizing, closing or relocating.



Job Support Scheme

This is aimed at helping your employees keep their jobs by providing an allowance to supplement their income when they have accepted reduced hours at work.



Recruitment and retention

We can also help your business with advice, support and solutions to help you retain your workforce and address your recruitment needs.



Redundancy Support

Redundancy Support is an information and advice service that is provided in confidence when a business is downsizing, closing or relocating.

Work and Income can support employers during this time by:

- meeting, in confidence and on site, to talk about the particular situation and how we can help
- coordinating services across agencies such as Inland Revenue and Career Services
- helping employees with CV preparation, skills assessment and training, and information to help them transition into other work.

Help us to work with your employees so that we can provide them with support as soon as possible. The earlier we can be involved in a redundancy event, the sooner we can help employees find another job or access the full range of services available through Work and Income.



Job Support Scheme

This allowance is available for up to six months and assists businesses to keep employees on at reduced hours rather than make them redundant.

To be eligible for the Job Support Scheme you must:

- employ 50 or more staff
- negotiate a temporary agreement with employees (and unions where applicable)
- reduce the hours of participating employees by up to 10 hours per fortnight, but not so they work less than 30 hours per week



For example:

If you indicate five employees may be made redundant, a maximum of 50 employees can receive the Job Support Scheme allowance.

- not make any employee participating in the agreement redundant
- agree to pay the allowance (less tax and levies) directly to employees participating in the scheme
- confirm that the move to reduced hours is only expected to be temporary
- confirm that participating employees are New Zealand citizens, permanent residents or have valid work permits.

For each job saved from redundancy, the allowance can be paid for up to 10 employees.

Only permanent full-time employees are eligible for the allowance. For the purposes of the Job Support Scheme, 'full-time' means work of 37.5 hours or more per week.

The Job Support Scheme will provide employees with an hourly allowance, for up to five hours per fortnight. This allowance is paid through the employer to the employee less any tax and levies.



You will be required to invoice Work and Income every four weeks for the total amount of allowance, including GST, paid to participating employees for the previous two fortnights. With this invoice you will also be required to declare that you have continued to meet the terms and conditions of the Job Support Scheme.

For more information:

- 📞 call our Employer Line on 0800 778 008
- 🌐 or go to www.workandincome.govt.nz



Recruitment and retention

Work and Income can help your business by working with you to find staff with the right skills, whether you are looking for full-time, part-time, temporary or seasonal staff. We offer a free recruitment service and your vacancies can be listed with us either through our 0800 Employer Line, online or in person.

To help you retain staff it is important they have as much information as possible about other services and financial assistance available to them, such as Working for Families Tax Credits.

Information about the services available to support staff is in our brochure 'Redundancy Services – an information guide for employees'.

For more information about our recruitment services call 0800 778 008 or visit www.workandincome.govt.nz.

Our brochure 'Finding staff made easy – an employers guide to recruitment' details what is available through our recruitment service and is also available online.



Programmes and services

Work and Income is continually looking at ways to support employers and understand the challenges faced during the normal peaks and troughs of the business cycle. We can work with you at any stage and have a range of programmes that can be tailored to respond to your business needs.

Some of the programmes that support business' include:

- partnering with industry to provide industry specific skills training
- developing training programmes for specific groups, such as young people
- providing in-work support to new staff referred through Work and Income.

To see what programmes might help support your business, keep up-to-date through the Business page of the Work and Income website.

 www.workandincome.govt.nz/business



Other useful information

This section provides you with an overview of other information that is available to support employers, and indirectly, your employees.

Department of Labour

The Department of Labour has information on:

- the process for employers declaring a redundancy
- the notice period
- compensation and payment of
- annual holidays
- 90 day trial period
- holiday entitlements
- sample letters
- labour market reports.

 www.dol.govt.nz
or www.ers.govt.nz/redundancy/employer.html

Inland Revenue

Inland Revenue offers electronic services and online calculators that help businesses work out their tax liability. Business Tax Information Officers are able to talk directly to a business owner about their particular situation.

 www.ird.govt.nz
 or 0800 377 774

Information for small businesses

Small and medium business enterprises (SMEs) have a resource to support employers in the development of the 'biz information' website and free phone service.

 www.business.govt.nz

 or 0800 424 946





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*To find out more
about our employer and
redundancy services*

call: 0800 778 008

or visit: www.workandincome.govt.nz