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**INLAND REVENUE**

**STANDARD TERMS  
EMPLOYMENT AGREEMENT**

**June 2007**



**Inland Revenue**  
*Te Tari Taake*

## **EMPLOYMENT PHILOSOPHY**

We value our employees' ability to make their own decisions depending on what is happening at any time, within the context of the appropriate policies and procedures.

It is neither possible nor desirable to set rules regarding everything that can happen in a workplace. However it is desirable to set out the general terms and conditions of employment to provide a foundation for our relationship. These Standard Terms of Employment should be read in conjunction with your appointment letter.

Policies and procedures may be introduced and amended from time to time. You will of course be made aware of policy and procedure, but you must also make every effort to become familiar with them and to ensure they are followed.

## **NATURE OF THE EMPLOYMENT RELATIONSHIP**

The Chief Executive Officer is your employer while you are employed in the Inland Revenue Department.

Where reference is made in these Standard Terms of Employment to "the Department" it shall mean the Chief Executive or his or her nominee.

## **FOUNDATION PRINCIPLES FOR EMPLOYMENT**

These are the principles which underpin the employment relationship. They are binding on both Inland Revenue and you.

- We will value each other and act with integrity, honesty, respect and trust.
- We will meet and be seen to meet all legal obligations consistently and impartially.
- We will act professionally and take responsibility for our actions.
- We will work together co-operatively to balance the needs of our customers and the business.

## **INLAND REVENUE'S COMMITMENT**

As your employer, Inland Revenue is committed to the following actions and approaches:

- Encouraging open two-way communication.
- Supporting its employees in their endeavours to fulfil their duties.
- Encouraging skill development for individuals and recognising and rewarding high performance.
- Observing and promoting the principles of equal employment opportunities and cultural awareness.
- Promoting responsiveness, flexibility and efficiency in meeting our customer needs.
- Encouraging suggestions for innovation and better ways to do things.
- Pursuing quality is fundamental to our success.
- Exercising good judgement.

## **YOUR ROLE AND RESPONSIBILITIES**

Your work responsibilities are to:

- be honest, diligent and perform to the best of your ability.
- work as part of a team and promote the efficient operation of your team and other teams within Inland Revenue to achieve the best outcome possible.
- conduct yourself professionally in all interactions with customers, service providers and officers of Inland Revenue.
- take responsibility for your own development and participate in the opportunities for development that Inland Revenue offers.
- promote efficiency in Inland Revenue and contribute to the responsible operation of our business.
- take responsibility for your own actions and for undertaking your duties.
- maintain appropriate ethical standards, and develop relationships based on trust, confidentiality and integrity.
- comply with, and promote compliance with, the Inland Revenue Code of Conduct.

You may from time to time be placed in another position of similar responsibilities without adversely affecting remuneration and other conditions. Such a placement may be in the interests of organisational efficiency and/or your own development.

Where such a placement involves a change in location your agreement will be sought. If you agree to such a change you will be reimbursed for all actual and reasonable expenses incurred in taking up the appointment.

You will be given no less than three months' notice of any placement involving a change in location.

## **REMUNERATION**

Our remuneration policy is to reward our people for their contribution to achievement of the business goals as individuals and as part of a team.

Details of your remuneration are set out in your appointment letter.

Your remuneration will be reviewed in accordance with the Remuneration Policy as amended from time to time. The current version of this policy is attached to your letter of Appointment.

## **Expenses**

You will be reimbursed for actual and reasonable authorised expenses incurred by you in the course of your employment.

## **Deductions**

Where time off is to be unpaid including if you are absent from work without authority, or otherwise in default, we may make the appropriate adjustment to your remuneration. Where this occurs you will be notified.

## **PERFORMANCE**

Your performance will be assessed against the performance

**MANAGEMENT**

plan agreed with your manager, in accordance with the department's performance management system.

**HOURS OF WORK**

We are a professional organisation determined to have our customers' needs drive our business. Hours of work will be those necessary to achieve your individual performance plan and generally meet the business needs.

Where appropriate normal hours of work will be set by your manager. These may be recorded in your appointment letter.

Your remuneration incorporates any additional payment for long hours or for work performed on weekends.

**LEAVE****Public Holidays**

You are entitled to the following public holidays:

- Christmas Day
- Boxing Day
- New Year's Day
- 2 January
- Waitangi Day
- Good Friday
- Easter Monday
- ANZAC Day
- The birth of the reigning sovereign (observed on the first Monday in June)
- Labour Day (being the fourth Monday in October)
- The day of the anniversary of a province or the day locally observed as that day.

If you are required by Inland Revenue to work on a public holiday you will be paid at the rate of time and a half of hours worked. You will also be entitled to an alternative holiday if this would otherwise have been a working day for you.

**Annual Closedown Period**

Inland Revenue has an annual closedown period between the Christmas and New Year holidays. Inland Revenue will provide at least one month's notice of the closedown period and the work locations affected each year. In the event that the Wellington Call Centre is operating between the Christmas and New Year holidays and you are employed to work in the Wellington Call Centre you agree that you will be available to work if required to do so by Inland Revenue.


Where you have a current annual leave entitlement at the commencement of the closedown period you will be required to use that annual leave for the closedown period.

Where your current annual leave entitlement at the commencement of the closedown period is insufficient to cover the entire closedown period, then you agree to take annual leave in advance to cover that part of the closedown period for which you do not have a current leave entitlement.

Where you do not have a current leave entitlement you agree

	to take annual leave in advance.
<b>Annual Leave</b>	After each 12 month period of employment you are entitled to five weeks' annual leave.
<b>Timing</b>	<p>It is important that you use this time to have a break from work. Ensuring you have a holiday means that you will be refreshed and revitalised and this is critical to maintaining a healthy lifestyle and workplace. You have an obligation to take your leave within the year after becoming entitled to it. Wherever possible, leave should be scheduled for times causing least disruption to work requirements.</p> <p>If it is not possible for you to take all of your leave within 12 months of becoming entitled to it you should discuss the situation in advance with your manager so that firm arrangements can be made for the leave to be taken.</p>
<b>Payment</b>	You agree that payment for annual leave will be made in the pay that relates to the period during which the leave is taken (i.e. your usual pay day). Inland Revenue may approve your request for payment of annual leave prior to going on leave.
<b>PERSONAL NEEDS</b>	
<b>Sickness and Bereavement</b>	<p>We recognise that from time to time you may need to be absent from work because:</p> <ul style="list-style-type: none"> <li>▪ you are ill; or</li> <li>▪ you need to care for your spouse, or a dependent child or parent when they are ill; or</li> <li>▪ you have suffered a bereavement, or have an obligation due to the death of a family member, or perhaps some other person with whom you have a close association.</li> </ul> <p>In such circumstances we support you taking reasonable time off. While we have not initially placed a limit on the amount of time you may have off on pay, we reserve the right to set a limit on a case by case basis (which will be not less than 11 days per year) and to cease paying you while you are absent from work. You will be consulted before any such decision is made.</p> <p>You may be required to provide a medical certificate for any absence greater than three consecutive calendar days, whether or not these days would otherwise be working days for you.</p> <p>If you fail to provide a medical certificate when required to do so, Inland Revenue will not be required to pay you for any sick leave in respect of which the proof is required until you comply with that requirement</p> <p>In special circumstances we may require you to undergo a medical examination at the Department's expense by a doctor nominated by the Department.</p>

<b>Parental Leave</b>	<p>The sick leave provisions in this clause are not in addition to the sick leave provisions of the Holidays Act 2003.</p> <p>The provisions of the Parental Leave and Employment Protection Act 1987 shall apply.</p>
<b>Special leave without pay</b>	<p>Upon application, you may be granted special leave without pay on whatever conditions you and the Department may agree at the time the leave is granted.</p>
<b>Long Service Leave</b>	<p>After each five year period of continuous employment you are entitled to five days long service leave.</p> <p>The Department requires you to take your entitlement to long service in one period, and within five years of qualifying for the entitlement.</p> <p>In the event that you resign, or notify your resignation, or the Department terminates your employment, you will forfeit any untaken long service leave which you may have been entitled to, and you will not receive payment for any unused long service leave upon terminating your employment.</p> <p>Your qualifying period for earning long service leave shall cease on the day you retire. Any additional service which may accrue as a result of retiring leave will be excluded from being paid to you beyond your last day of duty.</p>
<b>HEALTH AND SAFETY</b>	<p>Inland Revenue is committed to the health and safety of all our employees. Inland Revenue recognises that the health of our employees is an important ingredient in a productive and efficient workplace and that promotion of good health and safety practices is preferable to dealing with illness and accidents.</p>
<b>Inland Revenue's Obligations</b>	<p>Inland Revenue's main obligation is to provide and maintain a safe work environment. To this end Inland Revenue will:</p> <ul style="list-style-type: none"> <li>▪ Involve staff in the ongoing development of health and safety systems and emergency procedures.</li> <li>▪ Provide necessary safety equipment.</li> <li>▪ Maintain a work environment free of unwelcome behaviour and provide a mechanism for reporting sexual harassment, ensuring a fair investigation and avoiding reprisals against the complainant.</li> </ul>
<b>Your Obligations</b>	<p>You also have a number of obligations with respect to health and safety, your own as well as others in the workplace. You are required to:</p> <ul style="list-style-type: none"> <li>▪ Take reasonable care for your own health and safety and that of others who may be affected by what you do or do not do.</li> <li>▪ Co-operate with Inland Revenue on health and safety matters.</li> <li>▪ Be aware of the emergency procedures of the area in which you are working.</li> <li>▪ Immediately report any accident, hazard or sub-standard conditions to the appropriate person.</li> </ul>

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- Comply with the requirements of Inland Revenue's Accident insurers re work related and non-work related personal injuries.
  - Disclose any secondary employment details when requested (and any subsequent changes to those details) in accordance with the requirements of Inland Revenue's insurers.
  - Actively participate in the development of appropriate health and safety systems and procedures.

## **ENDING EMPLOYMENT**

### **Notice of Termination**

You or the Department may terminate this agreement by giving not less than one month's written notice or one month's total remuneration in lieu of notice may be paid or forfeited as the case may be.

In the event of serious misconduct, material breach or any continued non-observance or non-performance of any of the terms and conditions of your employment, the Department may terminate your employment without notice.

The Department would only summarily dismiss you after considering your explanation of the matter of complaint.

In the event that you:

- commit any act of bankruptcy, become insolvent or compound with or attempt to compound with creditors; or
- commit any offence involving dishonesty or any indictable offence; or
- conduct yourself in a manner likely to bring you or the Department into disrepute,

the Department may terminate your employment by giving whatever notice that the Department deems appropriate.

The Department would only dismiss you on notice after considering your explanation of the matter of complaint.

### **Suspension on Pay**

Inland Revenue may suspend you on pay where an investigation into alleged misconduct is about to commence or has commenced. Suspension on pay is only considered when there is apparent serious misconduct and dismissal is an option likely to be considered, and there are sound reasons to make suspension necessary. This includes where your safety or the safety of other staff or property is likely to be jeopardised if you remain in the workplace.

### **Termination for Incapacity**

If, as a result of mental or physical illness, you are incapable of carrying out your employment duties and obligations, the Department may terminate your employment. In that event the Department would give you such notice as the Department deems appropriate in your circumstances.

Before any termination for incapacity decision is made, you will undergo a medical examination by a registered medical practitioner nominated by the Department at the Department's expense to obtain an independent medical report for the Department. As far as practicable the Department would take your wishes regarding a preferred medical practitioner into account.



## Redundancy

- **Definition**

Redundancy means the situation where your employment is terminated because the duties, responsibilities and powers of your position are significantly altered or are surplus to our requirements due to a change in the size, structure responsibilities or requirements of the Department.

- **Suitable alternative position**

It may be that although the position you currently occupy is redundant, the Department may offer you a new position. As stated in the "Your Role" section, we consider it to be a necessary requirement of our business that we can do so.

Where the offer of a new position amounts to a suitable alternative position, you will not be eligible for redundancy compensation if you decline such an offer.

Whether a position is a suitable alternative will be considered on a case by case basis, taking into account your skills, experience and employment history with the Department.

You may be offered a position which involves a reduction in your total remuneration.

If you decline such a position, you will remain eligible for redundancy compensation.

If you accept such a position you will not be eligible for redundancy compensation, but will receive a lump sum payment equivalent to two years worth of the difference in total remuneration between your current position and the new position.

A suitable alternative position will also include an offer of employment with an organisation created by an organisational restructuring.

- **Sale or Transfer**

If as a result of restructuring, a decision is made to contract out, sell or transfer the whole or any part of Inland Revenue's operations, in negotiating with the prospective employer the objective will be to arrange for you to be offered employment by the new employer on no less favourable conditions of employment overall. As soon as possible after the commercial arrangements are finalised, you will be provided with information about the new employer, whether you will be offered employment by the new employer, the basis of any such offer, the timetable for transition, and the process for consultation with you.

You agree that Inland Revenue may supply to the potential new employer, employment related information about you as an employee of Inland Revenue for the purpose of these provisions.

You may choose not to accept an offer of employment made

by the new employer.

The suitable alternative position option may apply, however no redundancy will arise by reason of the sale or transfer of the whole or any part of Inland Revenue's operations, where the person or entity acquiring the whole or any part of the operation offers you employment in the same capacity, or in a capacity you are willing to accept, on no less favourable conditions of employment overall, and agrees to treat your service as continuous.

- **Redundancy compensation**

Where you have not been placed in a position by confirmation or reassignment and where no other options have been identified and your employment is terminated you will receive:

- as much notice as possible and in any event not less than one month's notice of termination of employment or payment in lieu of notice; and
- redundancy compensation of 25% of total remuneration, except where you have more than 5 years continuous service, when you will be paid an additional 4% of total remuneration for each subsequent year. The maximum redundancy compensation payable will be 45 weeks pay.

You will, in addition, receive payment for any outstanding leave entitlements.

There will be no entitlement to any other compensation relating to the termination of your employment for reason of redundancy.

## **PROFESSIONAL REQUIREMENTS**

### **Security**

Section 6 of the Tax Administration Act 1994 places a responsibility on all Inland Revenue employees to "use their best endeavours to protect the integrity of the tax system."

Security of information, equipment and premises is a fundamental part of the way we undertake our business. You must ensure that you acquaint yourself and comply with our policies in this respect.

### **Conflict of interest**

You must ensure that you are not involved (directly or indirectly):

- in any other employment or business which may affect or compromise your ability to perform your duties; or
- in an activity in conflict with the interests of the Inland Revenue Department

You must not accept payment or other benefit in money or kind from any person or company as an inducement or reward for any action in connection with any matter or business transacted by or on behalf of the Inland Revenue Department.

If you are in any doubt you should seek prior clarification from

## **Confidentiality**

your Manager.

In accordance with Section 81 of the Tax Administration Act 1994, you are required to sign and observe a Declaration of Fidelity and Secrecy.

We will comply with the provisions of the Privacy Act 1993.

You are responsible for the security of any confidential and commercially sensitive information under your control or to which you have access. Information concerning customers, other employees of Inland Revenue and anything to do with Inland Revenue's business, must be treated with the utmost confidentiality.

The requirement for confidentiality continues after employment with Inland Revenue ceases and until such time as the material in question comes into the public domain through some other legitimate way.

Such is the importance of confidentiality of information that any breach may provide grounds for dismissal and prosecution and any breach of this responsibility after you have left Inland Revenue's employ may similarly provide grounds for prosecution.

## **Copyright, Intellectual property and Inventions**

All work, product, and all inventions, improvement, discoveries, processes, programs and/or systems developed by you, or to which you become aware of, in the performance of your duties while employed by the Department shall be fully disclosed to, and become the sole and absolute property of the Crown.

Upon request, you shall execute, acknowledge and deliver such assignments, certificates and other documents that the Department may consider necessary or appropriate to vest all rights, titles and interests therein in the Crown.

## **PERSONAL GRIEVANCES AND DISPUTES**

We will be committed to resolving any employment relationship problem, including a dispute or personal grievance, as close as possible to the point of origin. You have the right to be represented at any stage in the process of raising and seeking resolution of an employment relationship problem.

You will seek to resolve any employment relationship problem with your manager. If this is not appropriate or does not resolve the matter then you should raise it with your manager's manager. You will follow any applicable internal procedures prior to seeking mediation assistance in accordance with the Employment Relations Act 2000.

Section 114 of the Employment Relations Act requires you to raise a personal grievance with Inland Revenue within the period of 90 days beginning with the date on which the action alleged to amount to a personal grievance occurred or came to your notice whichever is the later, unless Inland Revenue

consents in writing to the personal grievance being raised after the expiration of that period.

Where you are unable to resolve any grievance or dispute with your manager or through internal procedures, you may apply to the Department of Labour Mediation Service for mediation assistance in accordance with section 146 of the Employment Relations Act. The mediation service is confidential and aims to assist in resolving the grievance or dispute.

If agreement cannot be reached with the assistance of the Mediation Service you may submit the grievance or dispute to the Employment Relations Authority for a decision. The decision of the Authority is final and binding unless it is appealed to the Employment Court.

