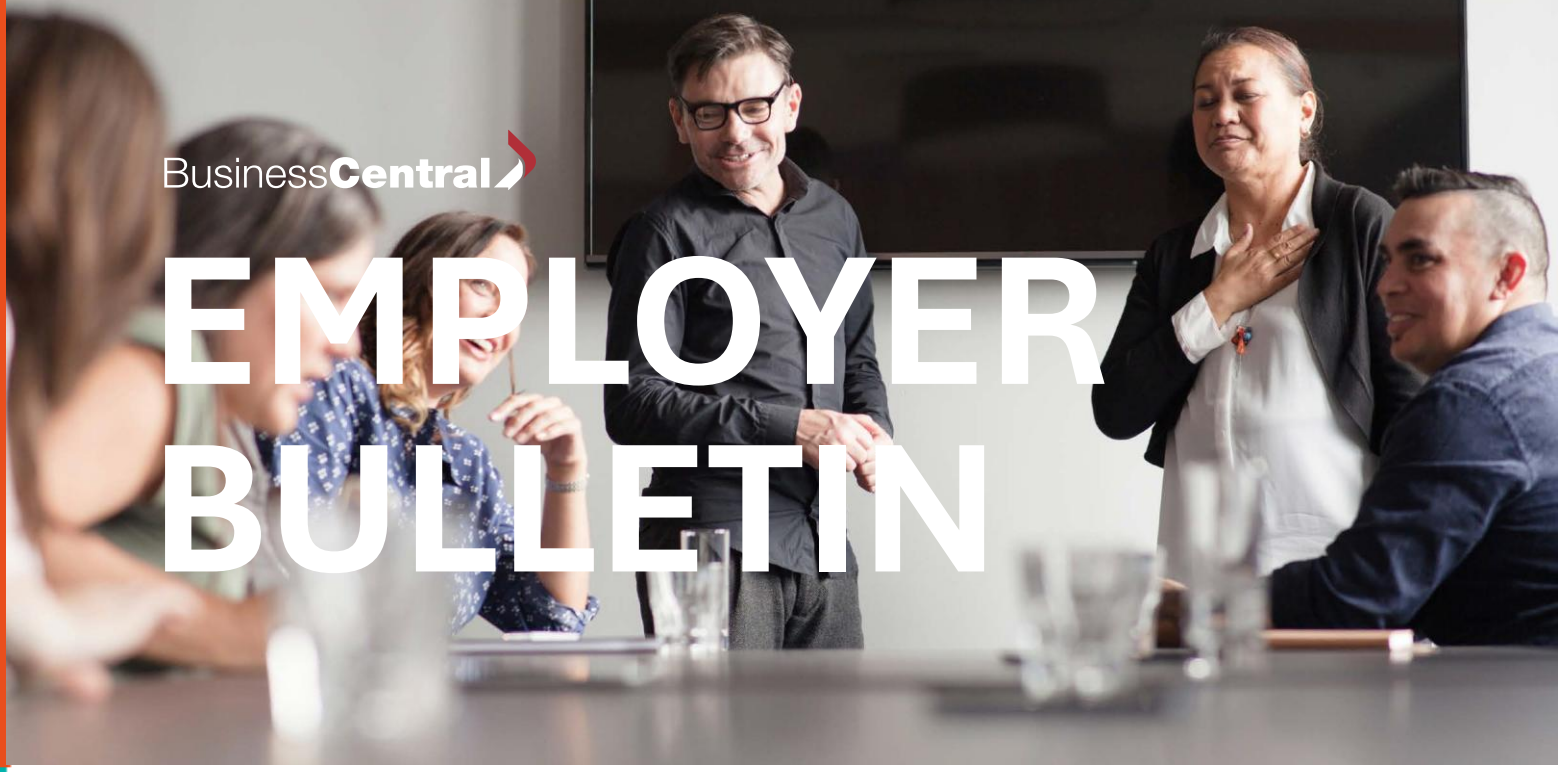


BusinessCentral

EMPLOYER BULLETIN

A Weekly News Digest for Employers

16 November 2026

EMPLOYMENT NEWS

Election 2026: what the result tells us so far

Election night delivered a close and unusual result rather than a clear mandate. Labour narrowly leads the preliminary party vote with 29.36 percent, compared with National's 29.21 percent. However, National's stronger performance in the electorates means it is projected to hold 42 seats in Parliament, compared with Labour's 36.

On the current count, the current coalition have 67 of Parliament's 131 seats—just above the 66 seats needed for a majority. Approximately 399,000 special votes remain to be checked and counted, so these numbers may change before official results are released on 27 November.

To read further, please click here.

Business Central [11 November 2026]

Net migration gain of 22,600

New Zealand had a net migration gain of 22,600 people in the September 2026 year, up 12,700 from the previous year, according to provisional estimates released by Stats NZ today.

Net migration is the difference between the number of migrant arrivals and migrant departures.

"The net migration gain for the September 2026 year was higher than the previous year due to more migrant arrivals and fewer migrant departures," international migration statistics spokesperson Sarah Drake said.

There were 136,100 migrant arrivals (up 7 percent) and 113,500 migrant departures (down 3 percent) in the September 2026 year.

To read further, please click here.

Statistics New Zealand [12 November 2026]

Welcoming progress on proposed wool levy

I welcome the announcement that wool growers will be given the opportunity to vote on a proposed wool levy as part of the Beef + Lamb New Zealand (B+LNZ) referendum process in early 2027, Associate Agriculture Minister Mark Patterson says.

"The sheep and wool sectors are an important part of New Zealand's rural economy, and it is encouraging to see industry organisations working together to develop a proposal focused on growing demand, strengthening value, and supporting the long-term future of New Zealand wool" Mr Patterson says.

Recent improvements in wool prices and renewed interest in wool products demonstrate the opportunities that exist for the sector. The proposed levy is intended to support collective activities that individual growers and businesses cannot undertake alone, including market development, research, standards, education and industry capability building.

To read further, please click here.

New Zealand Government [12 November 2026]

Medsafe approves first medicine using the 'Rule of Two' pathway

Paliperidone is the first medicine to be approved in New Zealand via the expedited 'Rule of Two' pathway, says Associate Health Minister David Seymour.

"The 'Rule of Two' medicines approval pathway was introduced last year. It allows medicines to be approved within 30 days if the product has approval from two recognised overseas jurisdictions," Mr Seymour says.

The policy is starting with recognising medicine regulators from Australia, the United States, Canada, the United Kingdom, the European Union Medicine Agency, Singapore and Switzerland.

"Medsafe has approved Paliperidone in 25 working days using the 'Rule of Two'. This is around 10 months' faster than expected without the 'Rule of Two'," Mr Seymour says.

"Rather than repeating a full assessment, Medsafe focused on verifying that the medicine proposed for New Zealand was the same as the product approved overseas and assessed any factors relevant to its use in the New Zealand context.

To read further, please click here.

New Zealand Government [12 November 2026]

Rising unemployment highlights employer caution and need for workforce pathways

The increase in unemployment, as well as the increased proportion of young New Zealanders not in employment, education or training (NEETs), reflects continued hesitancy among businesses, especially around hiring, says the EMA.

Figures released today by Stats NZ show the unemployment rate rose to 5.7% in the September quarter, from 5.6% in the June quarter. The seasonally adjusted proportion of 15 to 24-year-olds who were NEETs also increased, from 13.8% in the June quarter to 14.1% in the September quarter.

EMA Head of Advocacy and Strategy Alan McDonald says the rise in unemployment was a surprise, given it had been widely expected to remain stable.

"A 0.1 percentage point movement may appear small, but it represents roughly another 3,000 people unemployed and shows the labour market has not yet turned the corner," says McDonald.

"We are seeing signs of economic recovery, underpinned by strong exports and improving activity in manufacturing, residential construction and tourism. However, the recovery remains brittle, and businesses are still assessing whether stronger demand will last before committing to permanent hires."

McDonald says the greater use of casual workers and fixed-term contracts reflects the caution employers are showing in the current environment.

To read further, please click here.

EMA | Employers and Manufacturers Association [6 November 2026]

Funding for research into hydrogen resources

Exploratory research work into the commercial viability of hydrogen resources in Southland will be accelerated by a grant of up to $17.8 million from the Regional Infrastructure Fund, Regional Development Minister Shane Jones says.

"This investment is about improving our understanding of hydrogen and whether it can provide New Zealand another source of energy at a time when global access to energy resources is increasingly uncertain," Mr Jones says.

"Hydrogen presents an exciting economic and emerging energy opportunity. We need to better understand how hydrogen could support New Zealand's economic growth, strengthen energy security, and build on our natural advantages.

"The research will help establish whether New Zealand's natural hydrogen resources can be commercially developed. This is an important step towards building a clearer picture of how hydrogen can contribute to our economic prosperity."

To read further, please click here.

New Zealand Government [5 November 2026]

Employment Relations Authority: Five Cases

Court affirms Authority's finding on ex-employee's breach of settlement

In February 2022, the Employment Relations Authority (the Authority) found that Mr Halse and CultureSafe NZ Ltd had both breached a record of settlement. The Authority ordered them to comply with the record of settlement and pay a penalty of $9,000 each to the Crown. Mr Halse challenged the Authority determination on a de novo basis in the Employment Court (the Court).

Mr Halse was employed by Hamilton City Council (the Council) from 2008 until his employment ended in 2014. Following mediation, the parties entered into a record of settlement certified by a MBIE mediator. Relevant provisions included a confidentiality clause requiring the settlement and mediation discussions to remain confidential, and a non-disparagement clause preventing either party from making disparaging comments about the other or Council employees.

After leaving the Council, Mr Halse founded CultureSafe providing advocacy services, largely to employees involved in employment relationship problems. In 2020, CultureSafe began acting for an employee of the Council. On 11 December 2020, Mr Halse published a post on CultureSafe's Facebook page that was highly critical of the Council and its chief executive. As a result, the Council wrote to Mr Halse, saying that the post breached the record of settlement, and asked for its removal. The post was not removed. A further post was made on 21 December 2020, which included attaching photographs of the Council's letter.

The Council filed a statement of problem with the Authority, seeking orders that CultureSafe and Mr Halse comply with the record of settlement. An additional 11 posts were placed on CultureSafe's Facebook page by Mr Halse during January 2021, and the Council then lodged an amended statement of problem, covering all 13 posts. Mr Halse and CultureSafe did not deny their involvement in publishing the posts and following its investigation, the Authority issued the determination that Mr Halse challenged.

The Court hearing took place in February 2026. Mr Halse argued that the claims were time-barred because more than six years had passed since the settlement was signed in February 2014. He also contended that any alleged breach had to relate to a current employment relationship problem between the parties, denied breaching the confidentiality provision, and relied on the right to freedom of expression under the New Zealand Bill of Rights Act 1990.

The Court found the record of settlement was enforceable. It had a statutory basis under the Employment Relations Act (the Act) as any action must be commenced in the Authority or Court no more than 6 years after the date on which the cause of action arose. The Court outlined that the causes of action in the case arose when the alleged breaches of the record of settlement occurred, not on 14 February 2014 when the record of settlement was signed, as Mr Halse argued. Accordingly, proceedings could be filed by the Council in respect of all the alleged breaches of the record of settlement up until 10 December 2026. The Council was well within time when it filed both its original statement of problem and when it filed its amended statement of problem, adding further alleged breaches.

The Court also found that the record of settlement, and any alleged breaches of it, related to the employment relationship problem and it was breached. Mr Halse breached the agreement in the fourth, seventh, eighth, ninth, eleventh and thirteenth posts when he referred to his own dismissal, and the alleged reasons for it, and/or the settlement reached between the parties.

In relation to the non-disparagement clause, the Court found all the relevant posts referred to were disparaging of the Council and concluded the posts breached both the confidentiality and non-disparagement clauses. It noted that while Mr Halse was entitled to represent employees in employment matters, he remained bound by the obligations he had agreed to in the record of settlement.

The Court rejected Mr Halse's argument about his right to freedom of expression and referred to the fact Mr Halse voluntarily entered into the record of settlement, including agreeing not to make disparaging comments about the Council. A non-disparagement clause in a record of settlement can be a justified limitation on rights especially considering the financial benefits obtained by Mr Halse. He was simply being held to the agreement he made.

The Court found the breaches were deliberate, repeated and serious and considered the Authority's penalty of $9,000 was appropriate in the circumstances. The challenge was therefore unsuccessful, and the penalty imposed by the Authority remained in place.

Halse v Hamilton City Council [[2026] NZEmpC 100; 29/05/26; Judge Holden]

When self-defence meets serious misconduct

Mr Tawhiwhirangi, a principal corrections officer, was dismissed by the Department of Corrections (Corrections) on 19 July 2024 following an employment investigation into an incident at Arohata Prison on 28 April 2021. While assisting with the reception of prisoner NWM, Mr Tawhiwhirangi applied force to her throat after he believed she was about to spit at him.

Mr Tawhiwhirangi said prison director, Ms Carey, had asked him to assist with NWM's reception because the receiving-area Principal Corrections Officer did not want to deal with her, placing him in the room where the incident occurred; Ms Carey denied giving that direction. NWM later complained, and CCTV footage was reviewed. Corrections alleged he had used unjustified and/or unreasonable force and had failed to report the incident as required by the Prison Operations Manual. Mr Tawhiwhirangi was suspended in May 2021. The employment investigation was later paused while Police prosecuted him for common assault arising from the same incident.

In May 2023 the District Court found him not guilty, accepting he acted in self-defence because he believed NWM was about to spit on him and the force used was not disproportionate in those circumstances.

After the criminal proceedings ended, Corrections resumed its employment investigation. Mr Tawhiwhirangi said he had been asked to assist with NWM, who was known for difficult behaviour and previous spitting incidents. He submitted that he acted spontaneously and in accordance with his training to prevent being spat on during the Covid period. He accepted he

had not completed an incident report but said he expected the receiving office staff to do so, considered the incident minor, or forgot. Corrections concluded his use of force was not an approved technique, was dangerous and disproportionate, and breached the Code of Conduct, use-of-force policies and reporting obligations. It also relied on his failure to activate body-worn cameras, consider other options such as stepping back, using a spit hood, or planning containment, and his failure to accept accountability.

Mr Tawhiwhirangi raised personal grievances for unjustified dismissal and disadvantage, seeking reinstatement and other remedies. He argued Corrections had failed to give proper weight to the District Court's findings that his use of force was lawful, reasonable and proportionate in self-defence. He also challenged the fairness of Corrections' investigation, including Ms Carey remaining the decision maker despite conflicting evidence about whether she had directed him to the receiving office, and Corrections taking into account matters that had never been put to him as allegations, including his comforting of NWM after the incident. Corrections maintained that the criminal decision was not determinative because it applied a different standard and did not address the relevant employment standards, policies or Mr Tawhiwhirangi's failure to report the incident.

The Employment Relations Authority (the Authority) accepted that Corrections was entitled to investigate employment concerns, but found it difficult to separate its employment process from the District Court's findings. Although Corrections maintained it was not determining whether Mr Tawhiwhirangi had acted unlawfully, its decision letters concluded that he had no reasonable grounds to act in self-defence, had used disproportionate force, acted unlawfully and breached the Corrections Act. Those were matters the District Court had already considered and determined.

The Authority found Corrections had not clearly identified which remaining policy breaches, apart from the force itself, amounted to serious misconduct or justified dismissal. Its treatment of the reporting failure was also insufficiently analysed independently of the unlawful-force conclusion.

The Authority also identified procedural concerns. Ms Carey's evidence conflicted with Mr Tawhiwhirangi's over whether she had asked him to assist with NWM, creating a reasonable perception of bias given she remained the decision maker. Corrections also treated Mr Tawhiwhirangi's provision of atawhai, or comfort, to NWM after the incident as inappropriate, despite this never having been put to him as an allegation. Taken together, these issues meant Corrections had not acted as a fair and reasonable employer, and the dismissal was unjustified. The Authority therefore did not need to determine the additional disadvantage grievances separately.

Reinstatement was declined. Although reinstatement is the primary remedy, the Authority found it was neither practicable nor reasonable given Mr Tawhiwhirangi's lengthy absence from the workplace, changes in Corrections' women's prison strategy and trauma-informed practice, and concerns about his suitability to return to that environment. These included his failure to report the use of force and trigger mandatory processes, such as medical assessment, as well as comments he made during the investigation.

Compensation for Mr Tawhiwhirangi's hurt and humiliation was assessed globally to total $20,000, alongside lost wages at three months' remuneration. However, the Authority found Mr Tawhiwhirangi contributed to the situation by failing to properly assess and manage the known risks, consider options short of confrontation, and report the use of force. A 15% reduction for contribution was applied, reducing compensation to $17,000 and lost wages to $19,882.50. No separate damages or penalty for breach of good faith was awarded, and a claim for monetary benefits was withdrawn.

Tawhiwhirangi v The Chief Executive of the Department of Corrections [[2026] NZERA 402; 23/06/2026; S Kennedy-Martin]

Café dismissal via text message falls short of fair process

Mr Huntley-Byrne was employed by Dallison 2021 Limited (Dallison), which operated the Hind Quarters café in Waverley, as a kitchen hand from 5 June 2024. His employment ended on 18 November 2024 after a series of closing tasks were left incomplete following his shift the previous evening. Mr Huntley-Byrne raised a personal grievance for unjustified dismissal.

Concerns about Mr Huntley-Byrne's performance had arisen earlier in the employment. In October 2024, the café's acting manager, Ms Evans, reported issues including missed shifts, poor presentation and work practices she considered a risk to the café. Customers had also overheard Mr Huntley-Byrne yelling in the kitchen.

Ms James conducted a formal meeting with Mr Huntley-Byrne, who attended with a support person, where matters including lateness, cleanliness and a workplace argument were discussed. Mr Huntley-Byrne apologised, but no formal disciplinary outcome or warning was communicated to him at that point.

Following the meeting, Ms James prepared a letter dated 29 October 2024 advising Mr Huntley-Byrne of a final warning. She placed it in a sealed envelope and handed it to him at the café. Mr Huntley-Byrne did not open the envelope, but instead, left it on a shelf. Ms James did not instruct him to open it. The envelope remained sealed after his employment ended, and Mr Huntley-Byrne said he did not view its contents until they were disclosed in the proceedings.

Mr Huntley-Byrne was responsible for closing the café on 17 November 2024. After his shift, Ms James inspected the café and found that it had not been properly closed. The alarm had not been set, the sandwich press remained on, milk had been left on the counter, scum remained in the sinks and cardboard boxes obstructed a freezer vent.

Ms James posted photographs of the incomplete tasks into the Hind Quarters staff group messenger chat. In the chat, she stated the café could have burned down, and that Mr Huntley-Byrne could not do his job.

The following morning, Mr Huntley-Byrne texted Ms James directly to ask whether he was rostered to work. She replied *"no"* and, when pressed on when she would next like him to work, responded: *"I don't. Sorry mate you blew it yesterday."* A formal dismissal letter was later prepared and posted to his home address, though Mr Huntley-Byrne said he never received it.

The Employment Relations Authority (the Authority) found that while Ms James had conducted some investigation by visiting the café and photographing the incomplete tasks, Dallison's overall response fell well short of both its own employee handbook and the procedural requirements of the Employment Relations Act 2000.

No disciplinary meeting was held at which Mr Huntly-Byrne could have had a support person present and a genuine opportunity to respond to the allegations before a decision was made. The Authority also found that the group messenger chat was not an appropriate forum in which to raise conduct concerns, particularly where dismissal was a possible outcome. It noted that Dallison had demonstrated it was capable of following a proper process, having done so at the October 2024 meeting.

On that basis, the Authority concluded that Mr Huntley-Byrne was unjustifiably dismissed.

On remedies, the Authority awarded $8,299.20 for 13 weeks of lost wages, accepting that Mr Huntley-Byrne had made genuine efforts to find alternative work. Compensation of $15,000 was awarded for hurt and humiliation.

The Authority found that Mr Huntley-Byrne's conduct had contributed to the situation giving rise to his dismissal, accepting that he knew the standards required to close the café having done so previously. A reduction of 10 percent was applied to all remedies, resulting in final awards of $7,469.28 in lost wages and $13,500 in compensation. The Authority also imposed a nominal penalty of $500 for Dallison's failure to provide complete wage and time records when requested.

Huntley-Byrne v Dallison 2021 Ltd [[2026] NZERA 354; 05/06/26; A Higgins]

No leave without leaving: forced resignation was constructive dismissal

Ms Kennett worked for Polygon GY Developments Ltd (Polygon) at Subway stores from March 2023, mainly at Bishopdale. Ms Kennett claimed unjustified dismissal, constructive dismissal, unpaid wages, Holidays Act entitlements and penalties, from Polygon. She claimed she had been dismissed by an unjustified redundancy framework and that her resignation had been manufactured by it.

In late 2023, Ms Kennett sought extended leave. Director Mr Greene declined it, and the parties disputed whether Ms Kennett then chose to resign or was required to do so to take the holiday. Ms Kennett resigned, was paid out, signed a new agreement, and returned in January 2024.

The same issue arose in December 2024 when Ms Kennett sought holiday leave. After a heated discussion, she resigned effective 20 December. She said Mr Greene again required her to resign although assured her she would return. Mr Green maintained resignation was Ms Kennett’s choice. Polygon then advised the Bishopdale store was being sold to Wealthjoy Ltd, sought alternative employment for her, and on 10 January 2025 said it could not offer future work because of redundancy, while maintaining she had already resigned.

The key issues were whether Polygon had manufactured resignations to avoid statutory liabilities, whether employment was continuous, whether she remained employed after 20 December 2024, whether redundancy was justified, and what remedies were owed. Polygon said she resigned voluntarily, re-employment was not guaranteed, redundancy was genuine, and any arrears were limited.

The Employment Relations Authority (the Authority) preferred Ms Kennett's evidence. It found Mr Greene had required her to resign in 2023 while promising she would return, so her employment had in reality ended at Polygon's initiative. As Polygon re-employed her within a month and had ended her employment to avoid its Holidays Act obligations, the Act's presumption applied and her employment was treated as continuous for the purposes of that Act.

For December 2024, the Authority found Mr Greene gave definitive assurances of continued employment and Ms Kennett relied on them, so she remained employed after 20 December. Employment ended only when Polygon sent its 10 January letter. The dismissal was unjustified: even if the sale might have led to redundancy, it was still conditional, and Polygon had not established the role would cease or properly considered redeployment.

The dismissal was also procedurally unfair. Polygon signed the sale agreement before consulting Ms Kennett, withheld relevant information, failed to give contractual notice, and did not follow the sale-process obligations in the employment agreement. The Authority also found this was a constructive dismissal because resignation was presented as her only realistic option during a heated exchange, without time to reflect or seek advice.

The Authority ordered Polygon to pay four weeks' notice of $3,898.80, six weeks' lost wages of $5,848.20, $19,000 compensation, unpaid wages of $237.98, and Holidays Act entitlements of $2,657.85, holiday pay and KiwiSaver to be added where applicable. Polygon was also ordered to pay a $2,000 Holidays Act penalty, split equally between Ms Kennett and the Crown, plus interest of $448.22.

Kennett v Polygon GY Developments Ltd [[2026] NZERA 405; 24/06/26; W Fussey]

Employment relationship not established in business partnership

The case related to whether Mr Hu was an employee of Pipeview Ltd (Pipeview) or instead a business partner. The difference was important because, if Mr Hu was an employee, the Employment Relations Authority (Authority) could investigate his employment claim. If he were a business partner, the dispute would be a civil matter outside the Authority's jurisdiction.

Mr Hu claimed that he worked for Pipeview from December 2022 until July 2024. Pipeview disputed the existence of an employment relationship. Its position was that Mr Hu, Mr Feng and Ms Lin were in business together.

Mr Hu said he had never received an employment agreement and had received only one payment that he regarded as wages. The payment was $925.09, made by Pipeview on 26 January 2023, with the bank reference *"Wages"*. Mr Hu relied heavily on this payment as evidence that he was an employee.

He also produced a WeChat exchange from January 2023 in which Mr Feng asked him for his bank account and IRD number and indicated that money could be paid to them. Mr Hu maintained that he performed labouring work for Pipeview, sometimes casually and sometimes regularly. His workdays were ostensibly arranged through WeChat, and he said he received instructions from Mr Feng approximately 90% of the time, while Ms Lin dealt with the company's financial decisions.

The wider evidence showed sizable business and financial dealings between the parties. Mr Hu had previously acknowledged in an affidavit that the two couples had been involved in a property-development joint venture from 2021, with additional parties becoming involved later. He also referred to Pipeview as a business that he and Mr Feng had together.

There was also sizable evidence of other financial disputes between the parties. Mr Hu had obtained a judgment in China for approximately RMB1.45 million against Mr Feng and Ms Lin concerning loans made by Mr Hu and his wife. There were also High Court proceedings in New Zealand involving Ms Lin and Mr Hu. Notably, Mr Hu had entered a settlement deed in October 2024 intended to end the parties' business relationship and recover money he believed was owed to him.

The Authority considered the legal test under the real nature of the relationship, considering all related matters, including the parties' intentions. The Authority also applied the established common-law tests of control, incorporation and whether the person was genuinely working on their own account/economic reality.

The Authority accepted that the $925.09 payment was described as wages but found that this was not enough to establish employment. The legislation specifically prevents a label or description used by the parties from being treated as the determining factor. Evidence showed that Mr Feng received the same net amount on the same day. His Inland Revenue records showed gross earnings of $1,153.85 and PAYE of $228.76, producing the same $925.09 net payment.

Further bank records showed that Mr Hu received three payments from Pipeview between October 2023 and January 2024 totalling $23,000. Mr Feng said these were shareholder withdrawals. Mostly, the records showed payments involving Mr Hu, Mr Feng and Ms Lin in amounts ranging from tens to hundreds of thousands of dollars. The Authority considered the size, frequency and nature of these transactions much more consistent with people conducting business together than with an ordinary employment relationship.

The Authority also noted that Mr Hu had paid $30,000 to Ms Lin shortly before she purchased Pipeview, which supported the conclusion that the parties were financially involved in the business together. His December 2024 affidavit concerning the harassment proceedings was also significant because, despite discussing the parties' business relationships, it did not mention that he was an employee of Pipeview. The Authority considered that exclusion important because an employment relationship would have been relevant to those proceedings.

The Authority concluded that the documentary evidence *"by a wide margin"* did not establish the necessary indicators of employment, including control, integration and the

fundamental/economic reality test. The real nature of the relationship was found to be a civil dispute between former business partners, rather than an employment relationship. Consequently, the Authority had no jurisdiction to determine Mr Hu's claim and declined the application.

Xi v Pipeview Limited [[2026] NZERA 312; 20/05/26; P Fuiava]

Legislation

Note: Bills go through several stages before becoming an Act of Parliament: Introduction; First Reading; Referral to Select Committee; Select Committee Report, Consideration of Report; Committee Stage; Second Reading; Third Reading; and Royal Assent.

Bills open for submissions to select committee: Six Bills

References to Tiriti o Waitangi/Treaty of Waitangi Amendment Bills

Building Amendment Bill

Local Government (Rates Capping) Amendment Bill

Taxation (Annual Rates for 2026-27, FBT Simplification, Foreign Investment Funds, and Remedial Measures) Bill

Ngāti Mutunga o Wharekauri Claims Settlement Bill

Rēkohu Wharekauri Shared Redress Bill

There are currently no select committees following the dissolution of the 54th Parliament on 1 October 2026.

As a result, no closing date has been set on bills currently open for submissions. However, the public is encouraged to submit by 1 December 2026, so submissions are processed and readied in time for the next Parliament.

Overviews of bills and advice on how to make a select committee submission are available at: New Zealand Parliament - Make a submission