

27 January 2021

Committee Secretariat
Education and Workforce Committee
Parliament Buildings
Wellington

Submitted online

Holidays (Increasing Sick Leave) Amendment Bill

Dear Sir / Madam

The New Zealand Medical Association (NZMA) wishes to submit on the above Bill. The NZMA is New Zealand's largest medical organisation, with about 5,000 members from all areas of medicine. The NZMA aims to provide leadership of the medical profession, and to promote professional unity and values, and the health of all New Zealanders. Our submission has been informed by feedback from our Board and Advisory Councils.

We note that this Bill would increase a qualifying employee's entitlement to paid sick leave from 5 to 10 days per 12-month period. The NZMA is supportive of this Bill. Five day's sick leave a year is inadequate for many workers with potentially adverse consequences for them, their families and wider society. Employees who exhaust their sick leave entitlements face a choice between working while sick or taking unpaid leave. This introduces additional cost pressures for households.

New Zealand's current statutory sick leave entitlement is low compared with similar jurisdictions. The proposed change aligns with public health guidance to stay home when sick, better supports employees to stay home when sick, and would reduce the transmission of infectious illnesses in the workplace. While some employers are likely to incur additional direct costs as a result of the increase, we note there is also evidence to suggest the increase in sick leave would result in productivity gains for some businesses. Nevertheless, to mitigate any direct costs, we suggest the Government consider a tax rebate for small businesses that incur additional costs associated with this change.

We hope our feedback is helpful and are not seeking the opportunity for an oral presentation to speak to this submission.

Yours sincerely



Dr Kate Baddock
NZMA Chair