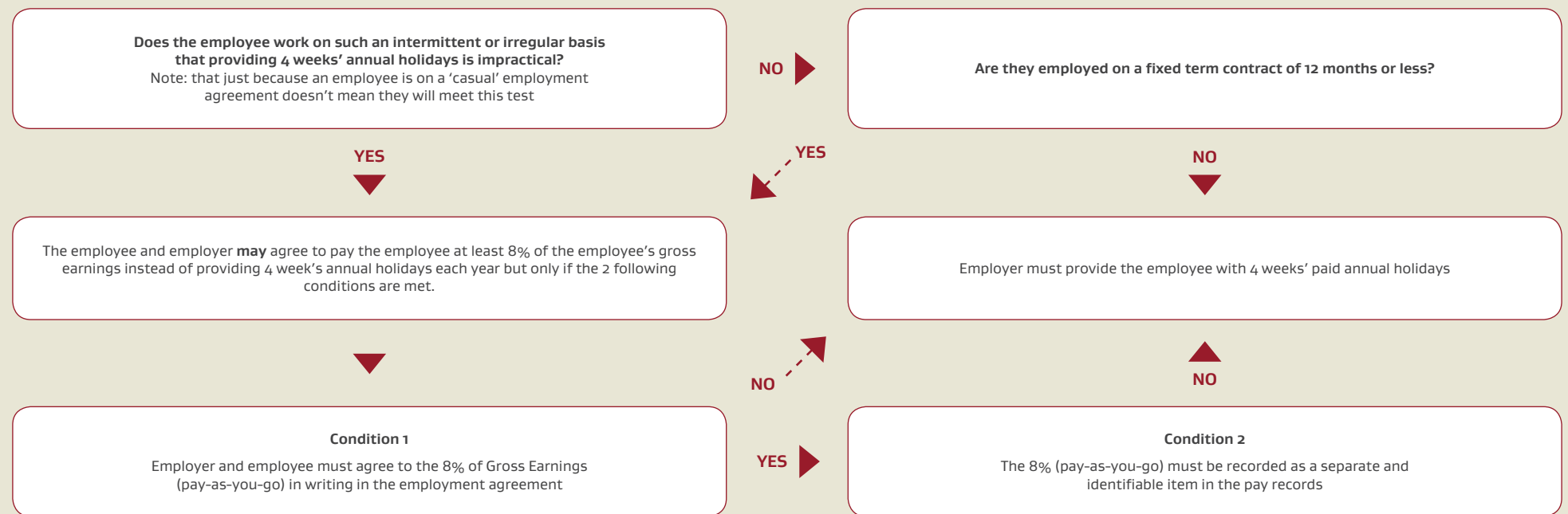




# 8% instead of annual holidays

Paying 8% of Gross Earnings (as pay-as-you-go) instead of providing 4 weeks' paid annual holidays



Employers should review the employee's situation regularly to ensure that it continues to meet the criteria and the conditions, eg. if the employee's fixed term employment agreement is extended over 12 months or the employee's work pattern becomes more regular so that 4 weeks' annual holidays may be provided, then the employer and employee should renegotiate the employment agreement so that the employee is entitled to 4 weeks' annual holidays 12 months after they were no longer eligible for pay-as-you-go annual holiday pay.

*This information is guidance only, is not legally binding, and should not be substituted for legal advice or for the wording of the Holidays Act 2003. MBIE does not accept any responsibility or liability for error of fact, omission, interpretation or opinion that may be present, nor for the consequences of any decisions based on this information.*