

TRAINERS' ASSOCIATION NEWSLETTER FOR MARCH 2019

CONSULTATION ON VENUE PLAN AND DRAFT CALENDAR

NZTR have held meetings around the country which trainers attended. If you would like to have your view included for consideration to form part of the Trainers' Association's submission, please contact Executive Officer, Wendy Cooper. It is understood that the Executive of the Trainers' Association have attended most of the regional meetings, so will have a good understanding of regional views.

Submissions are due by 19th March, so any feedback needs to be made by 11th March.

CD TRAINERS' ASSOCIATION SIRES GOLF DAY

- Friday 29th March 2019, 11.00am Shotgun start
- Palmerston North Golf Course, Brightwater Terrace, Palmerston North
- Ambrose Tournament Max Handicap 24
- Put together your Trainers' teams of four representing your region
- Teams of four \$350 per team or a Special rate for Trainers' Association members \$50
- Sponsorship deals available at \$350 GST included
- Spaces are limited so get your entries in ASAP for this great day of entertainment and prizes
- Contact Paul Claridge: 021 322 300

TRAINERS' PROFILES

Apart from listing all members contact details on the Trainers' Association website, you can also have a profile included which can provide further information on your facilities and services offered. This could be particularly useful for someone looking for a trainer or to buy shares in a horse. You can check out how these look on the Profiles tab on the website: <http://nztrainers.co.nz/Profiles.aspx>

Trainers wishing to have their profile listed can click on the link at the bottom of the page.

WINNER DUNSTAN TRAINERS' MAIDEN NZ AWARD FOR FEBRUARY

The meeting selected for February was held on Waitangi Day at the Wairarapa Racing Club meeting at Tauherenikau. The McKenzie Electrical Maiden 1600m was

won by Beyond the Fort, trained by Bill Thurlow from Waverley. As Bill is a member of the Trainers' Association he will receive a bag of Dunstan Speedfeed and a bag of Equifibre Lucerne-Pro.

NEWS FOR EMPLOYERS:

IRD PAYE filing procedures

From 1st April 2019 changes are being made to the way employers need to report PAYE to the IRD. The procedure will move from a monthly basis to reporting every payday. Payment of PAYE will still be monthly. For further information, please refer to the link from the Trainers' Association website:

<http://nztrainers.co.nz/UserFiles/File/Payroll%20filing%20changes.pdf>

Independent contractors

There have been a number of trainers requesting information regarding whether an employee could actually qualify as an independent contractor. A flow-chart and spreadsheet is included in the Trainers' Association website on the Employment tab:

[http://nztrainers.co.nz/UserFiles/File/Step%20One%20-%20Flow%20chart%20employment%20\(1\)%20\(1\).pdf](http://nztrainers.co.nz/UserFiles/File/Step%20One%20-%20Flow%20chart%20employment%20(1)%20(1).pdf)

This will guide you through the ways you can see if it is applicable for your staff.

Cash payments to track work riders and grooms

A common occurrence in the horse racing scene is paying cash to people that support your staff who work for you on a contractual basis. These people will not have an employment agreement with you and do not meet the definition of an employee. Examples of this are riders that ride track work on a casual basis or people that you pay to look after a horse for you at the races or sales.

While a common practice there are a few important things to be aware of:

- When you pay a person cash it will not be a deductible expense for your business unless you obtain an invoice from that person.
- You do not need to treat the expense as wages and calculate PAYE on the payment as the person is an independent self-employed contractor and is responsible for paying tax on the payment to Inland Revenue.

- There is no requirement to withhold tax on the payment unless the person is an apprentice jockey or driver (there are other types of contractors that you are required to withhold tax for and pay directly to Inland Revenue but are not applicable to the horse racing industry).

Helpful Hint: Purchase an Invoice book.

Keep a standard invoice book (stamped with your details in the purchaser field) with your cheque book. When you are making cash payments you could issue an invoice on behalf of the person you are paying and get them to sign it. This would result in an expense that is deductible against your income, resulting in less tax for you to pay.

Article written by Briar Carr – accountant at Candy Gillespie and member of Equine Industry Association, email: briar@cqca.co.nz

IMMIGRATION UPDATE

Trainers are reminded that they must comply with both Employment and Immigration legislation when employing migrants workers. There are reports of incorrect procedures being undertaken when bringing in such workers and certainly when transferring from one employer to another.

- Things to watch with staff, particularly migrants worker include:
 - o All staff (not just migrants) have written Employment Contracts and Offers of Employment before they begin work
 - o Accurate wage records and daily time records must be kept
 - o A migrant worker must hold a valid and correct visa before beginning work – this visa will normally (but not always) specific the employer's name, address and the job role to be worked in. The visa holder can only work in accordance with the conditions noted on their visa. It is good practise for trainers to always hold a copy of the visa printout and passport copy on migrant worker's employment file
 - o NZTR must also be notified of all staff movements and the required licences maintained and updated
 - o Health & Safety compliance, with staff meetings must be held regularly.

Our industry is at risk of being targeted by the Government authorities should they uncover irregularities and breaches of compliance.

The Trainers' Association website has Employment compliance information and templates on the Employment tab. Information on immigration is on the Links page.

There is a new policy on immigration being proposed by the Government which will have far-reaching effects. One of these will see employers needing to become accredited before they are able to employ immigrants. The Trainers' Association is involved in communications with Immigration NZ and will keep you updated with progress.

Following is from Richard Howard from Pathways to New Zealand Ltd – an Immigration Adviser who specialises in the racing industry:

The consultation announcement/documents regarding the proposed work visa changes can be viewed here:

- <https://www.immigration.govt.nz/about-us/media-centre/news-notifications/consultation-on-proposed-changes-to-employer-assisted-temporary-work-visa>
- <https://www.mbie.govt.nz/have-your-say/consultation-on-a-new-approach-to-employer-assisted-work-visas-and-regional-workforce-planning>

You will read from the Cabinet paper:

37. ...there were around 16,000 employers who supported visa applications under the Essential Skills category in 2017/18. Approximately 94 per cent of these employers (15,000) were low users, employing five or less migrant workers. These employers supported approximately 60 per cent (23,400) of the nearly 39,000 Essential Skills Visas issued.

The glaring issue is that the Government is promoting that ALL employers who wish to employ a migrant worker must have one of the proposed forms of accreditation and given the number of employers who will (as proposed) be required to become “accredited” this process will present significant logistical challenges – which are most unlikely to be overcome in any timely or efficient manner. It appears also that this accreditation may need to be renewed annually!

The underlying purpose of the proposed changes is to combat migrant exploitation and to make it harder for non-compliant employers to benefit from employing migrant workers. The racing industry is becoming more dependent on migrant workers, especially for trackwork riding and for apprentice jockeys, and trainers will need to ensure they have a history of

compliance with employment and immigration law in order to have the best chance of achieving the required accreditation to be able to continue to benefit from migrant workers in the future.