

GSF Employer Update

March 2014

Leave Without Pay

When a GSF member takes a period of leave without pay (LWOP), employers are not required to deduct member contributions or pay employer subsidy to GSF for the LWOP period.

When Datacom is advised of the dates of the LWOP period, the contribution and subsidy amounts expected are reduced to match the period of LWOP processed in your payroll. Where the GSF member is not eligible to or has not elected to suspend contributions, Datacom will directly charge the member the required contribution and subsidy amounts for the period.

Notifying GSF of LWOP

It is the member's responsibility to advise GSF of any intended periods of LWOP so that arrears of contributions and subsidy can be charged in a timely manner. This is regularly reiterated to members in annual member newsletters.

In the current GSF system, where Datacom is not notified at the time LWOP is taken, the leave period may not be identified until a later date when we are reconciling the member file. In this case, the member will be charged interest on the contribution and subsidy arrears.

Once the GSF Employer Portal is launched, if we have not been advised by the member of their LWOP prior to the relevant pay period, full contributions and subsidy will be expected causing your online employer statement to show as underpaid. Because the statement will not match the amount calculated in your payroll system, you will need to contact Datacom to advise of the LWOP and have your statement updated.

Minimising impact

Encouraging staff to keep Datacom updated of any LWOP will reduce the need for you to contact us to resolve discrepancies both prior to and after the launch of the GSF Employer Portal. The booklet **GS7 - Information on Leave Without Pay**, available on the website www.gsfa.govt.nz under Members > Booklets, contains more information for members and includes the form members need to complete to advise us of any upcoming LWOP.