



Voluntary Bonding Scheme for Veterinarians

Terms and Conditions

This document contains the Terms and Conditions on the Voluntary Bonding Scheme for Veterinarians applying in the 2018 funding round.

1 Definition of terms

- 1.1. Eligible Practice means a Practice as defined in clause 3.2.
- 1.2. Full-time means employment for at least 35 hours per week.
- 1.3. Good employer practices means that the Practice follows generally accepted guidelines for being a good employer, such as those published by the Department of Labour. This will include having a system in place whether formal or informal to ensure that there is support for the graduate in their transition from study to work.
- 1.4. Graduate means an Eligible Graduate as defined in clause 3.1.
- 1.5. Overall Production Animal Focus means that servicing production animals is a core focus of the Practice either because it is the only Practice servicing production animals and/or working dogs in the area or because more than 60 percent of the turnover generated by the Practice is from servicing production animals and/or working dogs.
- 1.6. Permanent means employment for an indefinite period of time with no specified end date.
- 1.7. Predominately Focused on Production Animals means that the graduate position is either purely focused on treating production animals and/or working dogs, or is a mixed position where over 60 percent of the work undertaken by the graduate will be related to the treatment of production animals and/or working dogs.
- 1.8. Production Animal means an animal that is farmed for food or fibre, including but not limited to, cattle, sheep, goats, poultry, deer and pigs, and excluding horses.
- 1.9. Veterinary science qualification means a Bachelor of Veterinary Science or any post-graduate qualification completed immediately after completing a Bachelor of Veterinary Science.
- 1.10. Week means five Full-Time working days e.g. 14 weeks is 70 Full-Time working days.
- 1.11. Working dog (also known as 'herding' or 'stock dog') means a dog for which the primary purpose is to work on the farm to assist in shifting or herding livestock. This excludes dogs that live on farm but are primarily kept as pets.

2 Background

- 2.1. The aim of the Voluntary Bonding Scheme for Veterinarians (the Scheme) is to support the retention of veterinarians to respond to livestock-based industry needs, and to assist New Zealand to maintain world-class standards in biosecurity, animal welfare and food safety.
- 2.2. The Scheme also aims to make a significant contribution to repayment of student loans for those Graduates who have them, but will be available to those without loans or those who have already paid off their loan.

3 Eligibility Criteria

The Scheme is available to persons who, in the opinion of the Ministry for Primary Industries (MPI), meet all eligible criteria outlined in clauses 3.1 and 3.2.



3.1. Eligible Graduate

3.1.1. An Eligible Graduate is a person who:

- is a New Zealand citizen or permanent resident;
- has a Bachelor of Veterinary Science from Massey University;
- is registered by the Veterinary Council of New Zealand (VCNZ) to practice as a Veterinarian in New Zealand and holds a current practicing certificate issued by the VCNZ;
- has or will have been offered a Permanent Full-Time position, or a Fixed Term Full-Time position with a contract period of no less than two years:
 - at an Eligible Practice; and
 - that is Predominately Focused on Production Animals and/or working dogs;
- applies for the Scheme within 12 months of completing their Veterinary Science Qualification.

3.2. Eligible Practice

3.2.1. An Eligible Practice is a veterinary practice which:

- has an Overall Production Animal Focus; **or** is the only veterinary practice in the area servicing production animals and/or working dogs;
- is offering a graduate position that will be Predominately Focused on Production Animals and/or working dogs;
- can demonstrate good employer practices, including having systems in place to support a graduate's personal career development; and
- is at risk of having a staff shortage, either already apparent or expected within two-three years.

3.3 Preferential listing

3.3.1 If a person, in the opinion of MPI, meets all eligibility criteria outlined in clauses 3.1 and 3.2 but is not selected to participate in the Scheme, their name will be placed in a preferential list for that funding round. Should either:
(a) a selected person from that funding round leave the scheme during the first two years in the scheme; or
(b) if insufficient applications are received in the following funding round; then

The first person from the preferential list will be offered a position in the scheme.

4 Incentive Payment

A Graduate is eligible to receive an incentive payment in accordance with clauses 4.1 and 4.2.

4.1 Bonding Period

- 4.1.1. The bonding period for Eligible Graduates commences on the first date of employment in an Eligible Practice (the Commencement Date).
- 4.1.2. The minimum bonding period needed to be completed to receive an incentive payment under the Scheme is three years.
- 4.1.3. The maximum bonding period allowed under the Scheme is five years.
- 4.1.4. A year means a 12 month period that runs from the Commencement Date to the anniversary date of the Commencement Date and then from anniversary date to anniversary date in years two to five of the Scheme.



4.2. Incentive Payment

- 4.2.1. Graduates are entitled to incentive payments for each year that they are eligible for the Scheme. The amount of the incentive payment is a taxable amount of \$11,000 (NZD) each year.
- 4.2.2. Payment for the first three years will be made as a lump sum at the end of three years completed in the Scheme, with an annual payment for the fourth and fifth completed year as set out below:

| Bonding period | Incentive Payment (before tax) | Payments made (before tax) |
|----------------------------------|-----------------------------------|-------------------------------|
| Year 1 completed | \$11,000 | \$0 |
| Year 2 completed | \$11,000 | \$0 |
| Year 3 completed | \$11,000 | \$33,000 |
| Year 4 completed | \$11,000 | \$11,000 |
| Year 5 completed | \$11,000 | \$11,000 |
| TOTAL AMOUNT ELIGIBLE FOR | \$55,000 | \$55,000 |

- 4.2.3. The Ministry will deduct PAYE and any outstanding student loan repayment obligations on behalf of the graduates prior to making any incentive payment to the graduate.
- 4.2.4. MPI will notify eligible graduates when they are due to receive incentive payments and request any further information needed to make the payment.

5 Other Provisions

5.1. Absences or leave

- 5.1.1. Where a Graduate continues to be in Full-time employment in an Eligible Practice, the Graduate may take absences of up to 14 weeks in total in a year, as defined in clause 4.1.4, without affecting the bonding period. Absences mean any leave such as retraining, annual leave, sick leave, and parental leave, which has been agreed to under the Graduate's employment contract.
- 5.1.2. Where a Graduate is absent for more than 14 weeks but less than 24 weeks in a year the amount of time taken beyond the 14 weeks period will be added to the bonding period before the next incentive payment will be made. Where a Graduate is absent for more than 14 weeks but less than 24 weeks in a year they must advise MPI within in one month of taking this extended leave. The anniversary date for the Graduate will be adjusted taking into account the added time i.e. made later.
- 5.1.3. The maximum time that may be added to a bonding period in any year is 10 Weeks (except in the case of parental leave, which is covered by clauses 5.1.6 and 5.1.7). Where this limit is breached MPI will consider whether the Graduate is still eligible for the Scheme and, if not, whether to make a pro rata payment.
- 5.1.4. Where a Graduate anticipates being absent for more than 24 Weeks in a year they must advise MPI as soon as possible prior to taking the absence to enable MPI to determine whether the Graduate is still eligible for the Scheme. MPI will make this decision at its sole discretion, taking into account any factors MPI considers relevant.
- 5.1.5. The bonding period is not affected if a Graduate takes less than 14 Weeks of absences in a year.



- 5.1.6. In the case of an absence due to parental leave, the Graduate may take those absences to which they are entitled under the Parental Leave and Employment Protection Act 1987 (or any legislation that replaces that Act) and remain eligible for the scheme. This includes maternity leave, partner's/paternity leave, and extended leave. The anniversary date for the Graduate will be adjusted (i.e. made later) by the amount of parental leave taken in excess of the 14 weeks specified in clause 5.1.2.
- 5.1.7. After an absence due to parental leave under clause 5.1.6, the Graduate must return to Full-time employment to remain eligible for the Scheme. If the Graduate does not return to work Full-time, they will no longer be eligible for the Scheme and the following will apply:
- where the Graduate has participated in the Scheme for three or more years, they will be entitled to a pro rata'd incentive payment covering the period from their commencement date to the last day of Full-time employment before going on Parental Leave.
 - where the Graduate has participated in the Scheme for less than three years, they will not be entitled to or receive any of their incentive payments.
- 5.2. Termination of employment**
- 5.2.1. Where a Graduate's employment is terminated (for whatever reason) and the Graduate is not moving to another position which is eligible for an incentive payment under the Scheme, they will no longer be eligible for incentive payments under the Scheme, unless exceptional circumstances exist.
- 5.2.2. The Graduate must advise MPI within one month of terminating their employment.
- 5.3. Expiry of fixed term contract**
- 5.3.1. Where a Graduate's fixed term contract expires and the Graduate is not moving to another position which is eligible for an incentive payment under the Scheme, they will no longer be eligible for further incentive payments under the Scheme, unless exceptional circumstances exist.
- 5.4. Exceptional circumstances**
- 5.4.1. Where circumstances exist which would ordinarily terminate a Graduate's eligibility under the Scheme, and these circumstances are exceptional, a Graduate can apply to MPI to remain eligible for incentive payments or request a pause as described below. Types of circumstances that might be deemed exceptional include employment disputes, family sickness or bereavement, or personal sickness or injury.
- 5.4.2. Where MPI considers that an exceptional circumstance exists a Graduate may receive a pro-rata payment based on the length of the bonding period completed, or be granted a 'pause' on the Scheme completion requirements until they resume work in an eligible position which meets the Scheme eligibility criteria. Decisions under this clause are at the sole discretion of MPI.
- 5.4.3. The maximum pause that will be granted under clause 5.4.2 will be 24 weeks and the anniversary date will be adjusted accordingly.
- 5.4.4. To apply for exemption under "exceptional circumstances" Graduates must apply to MPI within 2 months of their employment ending.
- 5.5. Change of practice**
- 5.5.1. If a Graduate changes Practice and their new position is in an Eligible Practice and they meet the eligibility criteria of the Scheme they must apply to Transfer their eligibility within the Scheme. The application must be made on the Transfer of Practice Application form.



- 5.5.2. Such an application must be made within one month of transferring to the eligible practice.
- 5.5.3. Any time taken between ceasing and recommencing employment will be considered an absence and clause 5.1 applies with necessary modifications.

5.6. Variation to Terms and Conditions

- 5.6.1. Should a variation in the terms and conditions be required by MPI, the Graduate will be notified. If MPI does not receive any communications within the timeframe stated in the correspondence, MPI will assume your acceptance of the variation.

6 Graduate Responsibilities

- 6.1. Graduates accepted into the Scheme must:
 - notify MPI of any matter that affects the eligibility Criteria in clause 3.1 to 3.2;
 - notify MPI of any change of employment;
 - confirm their continued eligibility by filling out the Confirmation of Eligibility Form, sent to them by MPI prior to each payment being made, including notification of any absence taken beyond 14 weeks in a 12 month period.
- 6.2. Graduates with a Student Loan account with Inland Revenue must apply any incentive payments they receive under the Scheme to make repayments to Inland Revenue against their student loan.

7 Dispute Resolution Process

- 7.1. Should a Graduate disagree with any decision made by MPI, they may outline the reasons in writing to the scheme administrator at funding@mpi.govt.nz.
- 7.2. A panel will be convened to review the decision made, including a panel member from outside of MPI. Decisions of the panel will be final.