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Nurses first to test the Govt's new pay equity regime

While those behind dozens of cancelled pay equity claims believe they have no hope of success under the Government's more restrictive regime, two groups of nurses believe their pay equity claims can withstand whatever is thrown at it



by **Laura Walters**4 hours ago



Hospice and Plunket nurses will be the first two groups to test the coalition Government's new pay equity regime. Photo: Lynn Grieveson

The nurses union will file two fresh pay equity claims on behalf of 1500 nurses working for Hospice and Plunket on Monday.

These will be the first claims filed under the Government's new regime, after 33 existing claims were scrapped (without prior warning) <u>days ahead of May's Budget</u>, when the coalition reformed the legislation to impose tougher tests for pay equity claims.

The Government says this change has saved them from paying \$13b of taxpayers' money in future wages and salaries to those that could have won a pay equity settlement under the previous government's rules. These workers are in female-dominated workforces, whose work has been historically under-valued because of gender-based discrimination.

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In the intervening months, unions and organisations have scrutinised the new law, concluding that they would be unlikely to bring a successful claim under the regime.

Instead, they have opted for protests <u>and now a court case</u> challenging the legality of the changes. There has also been sustained strike action from both nurses and teachers, which speaks to separate – but related – issues facing these sectors.

Among other things, the new framework has lifted the threshold for the percentage of women workers in a sector from 60 percent to 70 percent and changed the way equitable pay is determined through the comparator system. It removed the expectation that the taxpayer would cover the cost of settlements for those working in the 'funded sector', like care and support workers. It also required claimants to prove their case has "merit" at the outset, rather than 'arguability'.

NZ Nurses Organisation industrial service manager Glenda Alexander told Newsroom it felt odd to be the test case for this new regime.

"We considered very carefully whether or not we would just, you know, throw in the towel and give up and just keep protesting against the changes, or should we test the changes?"

For the nurses affected, there was a lot riding on these claims, Alexander said.

"We hope that it will mean that we can, successfully – and unnecessarily, in our view – prove again that the work of these nurses is the same as that done by other nurses who have already had a pay equity settlement."

When the Government threw out the 33 existing claims, the nurses' union was progressing 12 claims. But these two had progressed the furthest, which was why they were first off the block.

"We're just proving over and over again the same information. It's just ridiculous, and it's just another oppressive action towards women workers, really."

Alexander said the union had never before thought about quantifying the amount of time and money spent on progressing the claims, before she was asked by **the People's Select Committee** last month.

"I'd be estimating that it's around half a million dollars for each year that we've been working on this. And that's probably extremely conservative."

When the law change was announced in May, those working on the claims had already been through the evidence-gathering and interview process. They were just about to start bargaining over the outcome.

During the intervening three months, the union had been working to figure out exactly what the Government expected claimants to prove as part of the more robust testing regime.

The more they looked into the claim, and the market forces affecting pay, the more they were convinced they would be successful, Alexander said.

"In an odd and perverse way, having had to go through and look at what we think is required under merit, it gives us even more evidence – or it's a more compelling case ... And it just stands out even clearer that the work has been undervalued and it needs to be corrected."

While some nurses were striking over safe staffing levels and adequate pay rises in the midst of high inflation and a cost of living crisis, others – like Plunket and Hospice nurses – hadn't even reached that point yet, Alexander said.

The work of Hospice and Plunket nurses had been under-valued due to being dominated by women. But these workforces were also paid between 10 percent and 17 percent less than their peers working for Te Whatu Ora (in hospitals).

Nurses across the sector – including those in primary, secondary and specialist care – had different focuses but the same knowledge, effort and level of responsibility, Alexander said.

"It just feels that we shouldn't have to - in 2025 - continue to argue that the work gets recognised for its value."

That undervaluation also had flow-on effects for workforce planning and retention, the quality or care provided, and Kiwis' health outcomes. When the system wasn't set up to achieve the best health outcomes for patients, it had downstream impacts and associated costs, she said.

The new regime, which called for proof of merit from the outset, created a more adversarial process from the outset, the union leader said, adding that the previous law wasn't perfect but encouraged a more collaborative approach between employers and employees working through the claim process.

But right now, this was the only option they had.

"We either don't pursue pay equity claims through a legal framework that exists now, or we do. And we like to think, optimistically, that if any claims have an opportunity of getting through, these might succeed.

"Proof is in the pudding, isn't it?"

If successful, these two claims would pave the way for the nurses' union to refile the other healthcare worker claims that were being progressed prior to the law change.

And while Alexander acknowledged that every claim was different, she hoped it might also allow others, in different sectors, the ability to achieve the settlements and pay they deserved.

When Alexander started working for the nurses' union 35 years ago one of her first portfolios was pay and employment equity.

"And it feels like, 'Oh, my God, we're still trying to do it at this time'."

The two claims would be handed over in person at 1pm on Monday, at the Mary Potter Hospice in Wellington.

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