

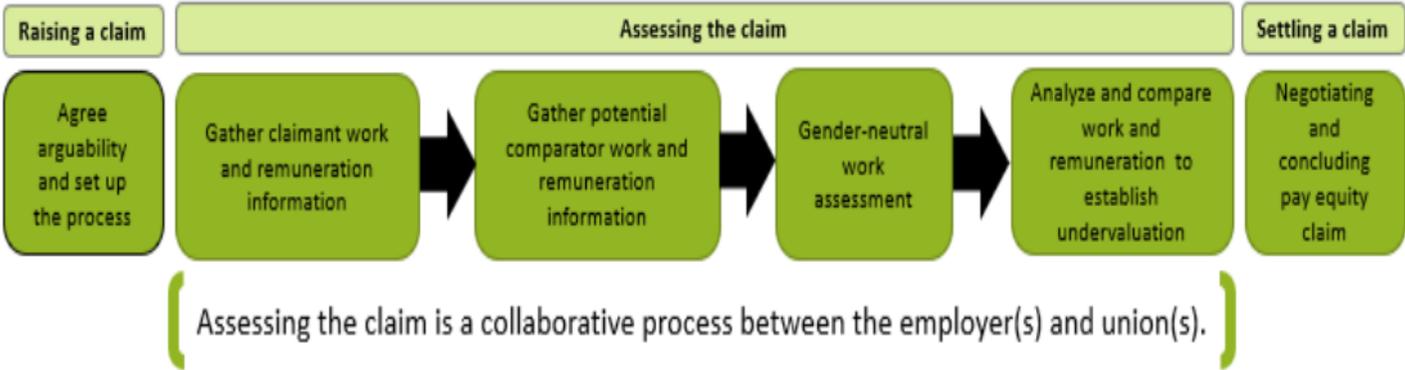


Nursing Pay Equity Settlement FAQs

Full information about the Settlement can be viewed at www.nzno.org.nz/dhbpayequity

<p>What is pay equity?</p>	<p>Pay equity is about the same pay for doing jobs that are different but are of equal value. It recognises that while on the surface two jobs may look very different to each other, they require the same or similar degrees of skills, responsibility, conditions, experience, and effort.</p> <p>Pay equity acknowledges that female-dominated occupations may have experienced perceptions and prejudices that have led to sex-based undervaluation of the work. In brief, pay equity is about correcting sex-based undervaluation of female-dominated workforces.</p>
<p>What's the difference between pay equity and equal pay?</p>	<p>'Equal pay' generally refers to men and women receiving the same pay for doing the same job. 'Pay equity' is about men and women receiving the same pay for doing work that is of equal value.</p>
<p>What claims have been made in DHBs?</p>	<p>Unions have raised pay equity claims for roles within the following workforces:</p> <ul style="list-style-type: none"> • Nursing – New Zealand Nurses Organisation (NZNO) and Public Service Association (PSA). • Administration and Clerical – Public Service Association (PSA). • Midwifery – New Zealand Nurses Organisation (NZNO) and Midwifery Employee Representation and Advocacy Service (MERAS) • Allied, Scientific and Technical – Public Service Association (PSA) and Association of Professional and Executive Employees (APEX).
<p>What is the process for</p>	<p>There are three key stages to the pay equity process:</p> <ul style="list-style-type: none"> • Raising a claim.

<p>addressing a pay equity claim?</p>	<ul style="list-style-type: none"> Assessing a claim – the Allied, Scientific and Technical is at this stage. Settling a claim – the Midwifery claim is at the beginning of this stage, and the Nursing and Administration and Clerical claims are at this stage. <p>Assessing the claim involves the DHBs and unions gaining a good understanding of the claimant work and the work of male-dominated potential comparator roles.</p> <p>The DHBs and the union together selected a representative sample of the workforce and they were interviewed using the pay equity assessment tool this included both employees and their supervisors to enable us to learn more about the work they do including their skills, responsibilities, working conditions and demands.</p> <p>A comparator is a person who is doing work that may be of a similar value but in a role that is mostly performed by men. We look at what skills, demands and responsibilities are needed for the comparator roles and look at their working conditions to establish if the work is comparable.</p> <p>If the work is comparable, the remuneration of both claimants and comparators is analysed and assessed. The purpose of this is to find out whether the claimant is being paid less than the comparator because of their sex. If there is sex-based undervaluation, the parties will negotiate a settlement.</p>
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<p>Why did it take so long to reach an agreed settlement?</p>	<p>This is a complex process that needs to be done well and withstand a high degree of scrutiny and be free of bias. We needed to make sure we got to the right outcome. Our claim is one of the first two pay equity claims to settle in the health sector and is largest settlement to date.. As such, many of the tools needed to do this work had to be created from scratch. This work provide a real shortcut for other groups to have a considerably easier path to settlement. This is something that all nurses and HCAs should be proud of.</p>
<p>Who is covered?</p>	<p>Our Nursing Pay Equity Settlement covers the occupational groups set out in the coverage clauses of the NZNO and PSA DHB MECAs, with the exception of midwifery roles, which are covered by our Midwifery Pay Equity claim.</p> <p>The following positions employed by a DHB are covered by this settlement: Health Care Assistant, Mental Health Assistant, Enrolled Nurse, Registered Nurse (including those working in Community, Mental Health and Public Health); Designated Senior Nurse, Nurse Practitioner</p>

Am I eligible to vote?	You are eligible to vote if you are currently employed by a DHB in one of the roles listed above.
Are casual and fixed term employees covered by the claim?	Yes, pay equity claims cover the work of casuals and fixed term employees. All employees who perform the work will be covered by the claim.
Why are Midwives not covered by this settlement as they are covered by the NZNO/DHB MECA?	NZNO and MERAS have each lodged separate pay equity claims for their midwife members. However, legislation requires Pay Equity claims for the same occupational groups to be consolidated. The NZNO and MERAS/DHB Pay Equity process began later than the nursing process and those negotiations are continuing.
I'm a Registered Nurse and a Midwife holding dual practicing certificates, which settlement applies to me?	It is the role, rather than the qualifications you hold that determines whether you are covered by the settlement. If you hold dual practicing certificates you will be covered by the settlement which covers the role you are performing.
What male-dominated professions were used as comparators?	<p>The comparators that were used for the nursing pay equity process were:</p> <ul style="list-style-type: none"> • Customs Officers • Mechanical Engineers • Fisheries Officers • Corrections Officers • Detectives • Detective Sergeants • Detective Senior Sergeants
Why is there more than one comparator?	Having multiple comparators gave us useful reference points for our understanding of what equal pay should look like, and ensured we had a full environmental scan of male roles. No single comparator provided all the information we needed.
Why and how were these comparators chosen?	The search for comparators went wide and included male dominated occupations in the private sector. However, the process meant employers had to participate in the Pay Equity interview process and be willing to provide a high level of detail on the pay and conditions of their employees. In all cases the private sector employers declined to participate. The public sector was generally more forthcoming with the release of job holders for the interview process.

	<p>Once we interviewed job holders we applied an agreed criteria to determine suitable comparators as follows:</p> <ul style="list-style-type: none"> • A comparator occupation is or has been historically male-dominated. • There is a reasonable sample size available for assessment. • The necessary work and remuneration information is accessible and roles are covered by a collective agreement. • Ideally the role has a similar skill level and/or qualifications, and similar entry level criteria.
<p>Will there be the opportunity to further increase pay rates for these roles?</p>	<p>The NZNO/DHB MECA 2020 expires this year and members may claim a pay increase through the MECA negotiation process as we usually do. This is scheduled to begin later in 2022.</p> <p>It is also understood that the pay rates for the comparator groups may have increased since the data was collected. The Pay Equity Terms of Settlement provide for a review of the Pay Equity rates to ensure Pay Equity is maintained. This is required by law.</p>
<p>What happens if the outcome is not ratified by employees covered by the settlement?</p>	<p>The settlement will not apply, and we will make an application to the Employment Relations Authority to consider the evidence and make a determination which will be binding on all parties.</p>
<p>When will the full outcome of the vote be known?</p>	<p>Workers will be sent their ballots from midday 20 April (this process will take a few hours to complete). The ballot will run until midday 29 April and the results made public in the afternoon of the 29th.</p>
<p>What are the percentage increases?</p>	<p>The Pay Equity assessment process established that some nursing roles were undervalued more than others so a standard percentage increase on the scales does not apply. Instead variable wage increases apply for different groups of members.</p> <p>More detailed information about increases and translation to the new pay rates is available here: www.nzno.org.nz/dhbpayequity</p> <p>Payments for working shifts, weekends, overtime and public holidays will be calculated on your new pay rates.</p>
<p>Why are the increases different for different roles?</p>	<p>Each role was assessed separately using the EJE job evaluation tool and the evidence showed that some roles have been undervalued more than others.</p> <p>As indicated in our Pay Equity Updates to members, it was anticipated that genuine Pay Equity across the nursing workforce would mean differing pay increases for different roles.</p>

<p>When will the new rates apply from?</p>	<p>The new rates will apply from 8 March 2022. There will be a back pay component applied from that date.</p>
<p>What are the lump sum payments?</p>	<p>The lump sum payments are recognition for past work and was negotiated to recognise that the claim applied from 31 December 2019.</p> <p>A down payment on this recognition was paid to NZNO members as a result of MECA negotiations in late 2021. This included up to \$6,000 as a lump sum and up to a further \$1,000 as the 30 November settlement date was not met. The remaining payment of up to \$3,000 brings the total recognition of past work to \$10,000. These payments have not yet been paid to staff who are not NZNO or PSA members.</p> <p>What we have learnt from previous experience involving back pay is that it is extremely complex to administer and in this case would have taken up to two years to administer. Further, back pay is heavily invested money going backwards, rather than the money to increase the rate or achieve other, complementary, improvements to terms and conditions going forward.</p>
<p>Why isn't the lump sum payment recognising the value of previous work not based on actual back pay amounts?</p>	<p>The lump sum payment is a negotiable aspect of the settlement. Although the parties disagreed about the payment amount, ultimately it was necessary to make a decision about how to move forward with the negotiations. Our approach to the Pay Equity negotiations from the beginning has been to achieve the greatest increase to rates of pay for as many members as possible. We also heard from members how urgently they wanted to see this issue resolved. This guided our approach which mean that we were able to conclude the claim so that members could enjoy the benefits of the pay equity settlement sooner.</p>
<p>What if I was employed by a DHB in one of these roles but am no longer?</p>	<p>To be eligible to vote on the settlement you need to be currently employed by a DHB in one of the roles covered by the settlement.</p> <p>If you were employed by a DHB in a role covered by the settlement as at 1 January 2020 but no longer work at a DHB you are not eligible to vote on the settlement but are entitled to the recognition of past work payment for the period between 1 January 2020 and 8 March 2022. The DHB you worked at will make that payment.</p>
<p>Retrospective payments (Recognition of past work payments) related to employees who are no longer employed at DHBs</p>	<p>A lump sum will be payable to employees covered by the Settlement Agreement on the basis of the following conditions to acknowledge the implementation date of 31 December 2019 previously agreed by the parties in the 2018-2020 Multi Employer Collective Agreement (MECA) negotiations. The payment will be a \$3,000 (gross) lump sum which will be pro-rated by:</p> <ul style="list-style-type: none"> • FTE; and • Service for those employed at DHBs for less than twenty-six months prior to 7 March 2022. <p>For clarification, employees are eligible for the lump sum payment if they were employed by one or more DHBs between 1 January 2020 and the effective date of this settlement.</p> <p>In situations where an employee has been employed by more than one DHB during the above period the employing DHB will be responsible for payment and funding of the lump sum.</p> <p>Employees who resigned from employment by a DHB between the above dates will be entitled to receive the lump sum payment pro-rated. The amount of the lump sum shall be divided by twenty-six months and multiplied by the number months of service or part there-of.</p> <p>The DHB where the employee was last employed will be responsible for payment of the lump sum.</p> <p>Example: A full time employee employed between 1 January 2020 and 5 August 2020 shall receive the lump sum payment calculated as follows:</p>

	<p>□ \$3,000 divided by 26 (months) = \$115.38 x 8 (months) = \$923.07 lump sum (gross) payment.</p>
<p>Partial pay equity payment in advance</p>	<p>Some employees covered by the Pay Equity Claim have already received up to \$7,000 as a partial pay equity payment in advance as a part of the MECA bargaining for the NZNO and PSA collective agreements settled in September 2021. For the avoidance of doubt, those employees who have already received a partial pay equity lump sum payment in advance will only receive the \$3,000 lump sum payment pursuant to clause 2.3.</p> <p>Employees who did not receive the partial payments in advance will receive the same entitlement under the same conditions as those employees who did receive the partial payments in advance</p> <p>Those employees covered by the Pay Equity Claim settlement who have not already received up to \$7,000 as a partial pay equity payment in advance as part of the MECA bargaining for the NZNO and PSA collective agreements settled in 2021 will receive up to \$7,000 lump sum payment on the same conditions as those employees who did receive the partial payments in advance. The lump sum payment will be pro-rated by:</p> <ul style="list-style-type: none"> • FTE; and • Service for those employed at DHBs for less than twenty-six months prior to 7 March 2022. <p>Employees who resigned from employment by a DHB between the above dates will be entitled to receive the lump sum payment pro-rated. The amount of the lump sum shall be divided by twenty-six months and multiplied by the number months of service or part there-of. The DHB where the employee was last employed will be responsible for payment of the lump sum.</p>
<p>Why do staff who are not NZNO or PSA members get the settlement as well?</p>	<p>The settlement is about what is fair and right for workers in these roles as a whole. The Equal Pay Act applies to all workers covered by the Pay Equity claim regardless of union membership.</p>
<p>Will staff who are not NZNO or PSA members receive the recognition for past work?</p>	<p>Yes, they will receive this payment. The Equal Pay Act applies to all workers covered by the claim regardless of union membership and NZNO's legal advice is that this includes the recognition for past work.</p>
<p>When will the DHBs start paying the new rates and back pay?</p>	<p>We are unable to provide a certain date when the back pay and new rates will be paid out and estimated dates often are not reliable. However, NZNO will press employers for payments to be made as soon as possible.</p>
<p>Designated Senior Nurses</p>	<p>Senior nursing roles are key leadership roles critical to support our organisations and teams as we navigate our health system review through:</p> <ul style="list-style-type: none"> • Front line people leadership of our largest workforce; • Leading advanced nursing practice that will assist and support delivering different models of service delivery to the people we serve; • Building and growing our nursing workforce in knowledge, skills and competence in a time of workforce shortages; • Integration and co-ordinators of care across the healthcare system.

The completion of the pay equity process has contributed to the disruption of salary relativities in the senior nursing group. The current job sizing tool used to size and evaluate roles in the senior nursing group is the COMPERS tool. This tool does not capture all aspects of roles that are important in the New Zealand context.

Joint Working Group

The parties agree to establish a joint working group to select and implement a gender neutral job evaluation methodology to establish relativities in the senior nursing group employed by District Health Boards, and fully capture the breadth and depth of senior nurse practice, leadership roles and responsibilities in Aotearoa New Zealand.

The parties aim to complete this work to inform the re-negotiation of the NZNO Nursing and Midwifery, and PSA Nursing MECAs in October 2022.