

# New Zealand: Nurses reject sellout pay deal

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On March 26 the New Zealand Nurses Organisation (NZNO) announced that nurses and other hospital workers had rejected a 2 percent pay offer negotiated by the union with the country's 20 District Health Boards (DHBs). The NZNO refused to say what percentage of its 27,000 members voted against the sellout deal.

The rejection was accompanied by demands by workers on social media for strike action. The movement among health workers is part of a rising tide of class struggle internationally, including strikes by teachers in the US, Europe, Africa and South America. Since the Labour Party-led government took office in New Zealand last October, there have been strikes by commuter rail workers in Auckland and Wellington and port workers in Lyttelton.

Nurses are angry about the rundown state of healthcare, which has suffered decades of underfunding and pro-market reforms under Labour and National Party governments. Following the 2008 financial crisis, austerity measures imposed by the National government starved the health sector of funds needed to keep pace with population growth and inflation.

The NZNO presented the offer as an "improvement" on one nurses had rejected in December, even though both proposals included a pay rise of just 2 percent. The latest offer contained a \$1,050 lump sum payment, up from \$350.

The starting rate for a registered nurse is just \$47,000 a year (more than 30 percent lower than in Australia) and the proposed increase was less than \$20 a week—effectively a wage freeze. Official inflation last year was 1.6 percent, but the price of food increased 2.3 percent and utilities went up 3 percent. Rents soared by 5.4 percent, driven by speculation in the property market and a housing shortage.

The entire health system is in crisis. In February, Auckland DHB officials told a parliamentary

committee that hospitals in the country's largest city were operating with resources based on the 2013 census, even though the population has since grown by 17 percent. Radio NZ reported on March 27 that several rotting, mouldy and unstable buildings in Counties Manukau DHB alone would cost \$1.6 billion to remediate.

There are many reports of overcrowded hospital departments, lengthy delays for surgery and mental health services, and overworked doctors and nurses. The rising cost of living combined with low wages means hundreds of thousands of people cannot afford to see a doctor or buy prescription medicines. Underfunding has been linked to the deaths of babies and shorter life expectancies for cancer patients.

Midwives are also severely exploited. According to the NZ College of Midwives, those in rural areas earn approximately \$7.38 per hour after tax and expenses, while those in urban areas get \$12.80. The legal minimum wage is \$15.75 per hour. Midwives who are not based in hospitals are paid a lump sum for each pregnancy, must cover their own travel expenses and get no paid annual leave.

Asked whether midwives' pay would be addressed in the May budget, Health Minister David Clark told Radio NZ on March 6: "We don't have a money tree, we won't solve everything in one budget."

The Labour Party pledged during the election to increase health funding. However, it has refused to increase taxes for corporations and the super-rich, and has committed \$20 billion to military hardware over 15 years to prepare for war. The Labour Party and its coalition ally, the Greens, agreed to keep public spending at the same level overall as the previous National government.

Labour is promising \$8 billion extra for health over a four-year period, which will not address the need. Speaking to TV3, Prime Minister Jacinda Ardern said

DHBs told her they needed \$10 billion in new capital expenditure alone. She said the health system faced a “major crisis” which was “worse than I thought.”

Ardern refused to say if she thought nurses were underpaid. “I’m not going to insert myself into the negotiation, it wouldn’t be proper,” she said.

The NZNO, for its part, is desperately working with the government and DHBs to avoid a strike and impose a sellout on its members. NZNO industrial organiser Cee Payne announced that starting on April 9 there would be a series of protest rallies and in mid-April the delegates would discuss whether to ballot for industrial action. She said a strike would be “a last resort,” and called on the government to “step into this dispute.”

Payne told the media it had been about 30 years since the union called a nationwide strike, despite many attacks on the health system during that period.

There is growing militancy among workers, who are coming into conflict with the unions and the Labour government. The Facebook group “New Zealand, please hear our voice” established by ordinary nurses has provided a platform for health workers and has more than 40,000 members.

A post on March 26 said: “They have been promising safer staffing and better conditions for 10 years now. Wake up Govt and DHBs and NZNO. Nurse are not buying your BS any longer!” Many comments demanded strike action.

Nurses also expressed their frustration with the 2 percent offer on the NZNO’s pages. On March 13, Erin posted a comment on union president Grant Brookes’ Facebook page denouncing an increase in union dues. She asked: “Do you think this is fair given the insulting 2 percent NZNO has negotiated for us?” She described the offer as “a stab in the back from ‘our union’.”

At NZNO’s press conference on March 26, one reporter pointed to the growing anger on social media and asked: “Is the organisation worried that the members might actually take control of where this goes and you’ll lose it?” Payne replied: “We’re not worried. We have to do the industrial bargaining... nobody else can do that.”

When a video of the conference was posted on Facebook, Karen commented: “We need a new union to come on board. NZNO are pathetic.” Other comments denounced the union’s delaying tactics, demanded an immediate ballot on industrial action and

a pay increase of 15 to 20 percent.

The health workers’ struggle is at a critical turning point. The trade unions are controlled by a privileged bureaucracy that works with the government and big business to suppress the workers. Health workers must form new, rank-and-file committees that they control, completely independent of the unions. These committees should forge links with public transport and others who are being threatened with pay cuts or wage freezes. The demand must be raised for the broadest possible strike action, encompassing workers who are coming into struggle in New Zealand, Australia and internationally.

The fight for wages and conditions must be linked to a socialist program for the reorganisation of society in the interest of human need, not private profit. Accessible, high quality healthcare is incompatible with the capitalist system and the inequality it produces. Hundreds of billions of dollars must be redirected from the military and the fortunes of the rich to build new hospitals and greatly expand the health workforce, with high-paying jobs for all.

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