New Zealand nurses “lied to” over union-government pay equity settlement

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The New Zealand Nurses Organisation (NZNO), representing over 30,000 nurses in the country’s public hospitals, has over the past week run a series of online membership meetings. These have ostensibly been to ascertain if nurses will “endorse” a legal challenge to a pay equity settlement agreed between the union and the Labour-led government.

The union was forced to back out of the agreement as a result of furious opposition from nurses who had expected the deal to include backdated pay to 2019. NZNO chief executive Paul Goulter said “some” members believed they were being short-changed between $15,000 and $20,000.

The agreement, which the NZNO was ready to recommend, included pay rises of around $6,000 to $16,000 depending on the role and experience. The new rates will not be back-paid to December 2019, which was agreed to by nurses in previous pay rounds since the equity claims were lodged in 2017.

Furious nurses vented their anger over the betrayal. Waitemat? District Health Board (DHB) nurse Neil Warrington told TV1 on April 11 that “nurses are being done over again.” He declared: “We’re not sure why the union quite frankly agreed to this. We don’t understand why they even brought this to the members, because this was just going to cause so much anger and so much hurt. What we were promised was what we were promised.”

Warrington said nurses were being “strong-armed” into accepting a very small pay rise, with a $3,000 tax-deductible lump sum and a month’s backpay: “It is an absolute slap in the face and again nurses being promised one thing and being told ‘no you can’t have it.’”

Wellington Hospital clinical nurse coordinator Ryan Teahan told TV1 News: “It’s a massive slap in the face that they have even thought of doing this for us. It’s a complete and utter lie, they have completely disrespected us.” Wellington Hospital nurse and NZNO delegate Sarah Ward said: “I feel like I’ve lied to the other nurses [about the settlement]. I feel really disappointed in our union and the government.”

A change.org petition started by one nurse has so far collected nearly 20,000 signatures, emphasizing the “huge injustice” involved. Nurses had “worked tirelessly throughout the global pandemic during a severe staff shortage,” the petition notes. Nurses were relying on the payments and “have planned their lives with the expectation that the DHBs and NZ government would stay true to their word.”

Releasing the deal on April 8, the government and NZNO both heralded it as “historic.” The NZNO prepared a membership ballot to be held before Easter, expecting ratification. The outrage and public criticism of the union, by more than just “several” nurses, forced the u-turn. Goulter attempted to distance himself from the deal, saying it was agreed to before his appointment as the union’s chief executive and announced a “legal review” of the matter.

Health Minister Andrew Little hit out at the about-face, saying the back pay would add “hundreds of millions of dollars on top of the agreement already.” Little, ex-head of the former Engineering, Printing and Manufacturing Union, urged the NZNO to abide by the settlement, complaining: “I have to say, as a former union leader involved in negotiating settlements, it is very unusual for a union to re-litigate terms of settlement that they have already signed up to.”

The membership meetings are in fact a manoeuvre to head off seething disaffection among the NZNO’s rank-and-file. Nurses have been given a “choice” between seeking a determination by the Employment Relations Authority or holding a vote to ratify the original settlement. The second option would proceed with the deal “despite that it breaches earlier agreements.”

Pay equity deals, mainly involving the NZNO and the

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Public Service Association (PSA), are a bureaucratic mechanism ostensibly to bring the salaries of female-dominated occupations such as nursing into line with "similar" male-dominated professions. Since the 1980s, Labour and the trade unions have repeatedly promised this gender equity adjustment—using it to divert attention from their wholesale assault on the pay and social position of the entire working class.

The debacle further exposes the NZNO's sell-out over last year's contract settlement with the DHBs. Under threat of a government wage freeze, nurses held a nationwide strike on June 9 after rejecting two offers that would have increased wages by just 1.38 percent, less than half the then 3.3 percent (now 6.9 percent) inflation rate. The NZNO initially claimed it was pushing for a pay increase of 17 percent over two years.

The union provoked widespread anger when it cancelled another strike scheduled for July 29 before presenting a revised agreement for a vote. The offer did not address low wages or the increasingly desperate staffing crisis in public hospitals caused by decades of underfunding. The NZNO attempted to disguise the rotten deal by including promised money from the pay equity deal, which was then still under negotiation.

By conflating the pay equity "adjustment" with the salary offer, the NZNO claimed that base rates would go up by $5,800 (7.5 percent for a nurse at the top of the pay scale). A lump sum payment of $6,000, funded through the pay equity settlement, was described as an "advance" to be recouped when the deal was finalised.

The union finally pushed through the contract settlement on terms similar to those previously rejected by the nurses, with the promise of a major boost from the pay equity claim proving decisive.

The settlement also contained an empty pledge of controls on ever-expanding workloads. NZNO Industrial Services Manager Glenda Alexander wrote a *Stuff* op-ed in November, titled "Why we should be glad nurses have settled with the DHBs," boasting: "In terms of safe staffing, we now have a legally binding pathway where DHBs will be forced to address staffing shortages whenever they put patients at risk."

Alexander airily stated that the union "didn't get everything we asked for," but nevertheless declared a sweeping victory. "Pay equity will put us on a salary par with our male counterparts in other professions and lift wages dramatically. DHBs being forced to address staffing shortages without delay should see a reduction in burn-out and poor patient care," Alexander proclaimed.

That has now all been exposed as a fraud. Not only has the wage increase been overtaken by skyrocketing inflation, the workload controls which the union had a hand in designing are useless for dealing with the overwhelming demands of the COVID pandemic—as was completely foreseeable given the then escalating international crisis.

Neither the NZNO, the PSA, or any of the unions have opposed the Ardern government's criminal decision to abandon New Zealand's elimination strategy, allowing COVID to spread everywhere. More than 640 people have now died with the virus, with 10 or more dying every day.

The pandemic has revealed the inadequate, run-down state of the entire health system. Speaking to a recent TVNZ "Sunday" program, "fed up" nurses said there was a serious nursing shortage long before COVID struck, and now burnout and resignations are high, leaving them overworked and understaffed. Last week the Counties Manukau DHB admitted there is no "quick fix" for a massive backlog of operations and appointments cancelled or postponed due to Omicron.

Last week, 10,000 allied health workers across nearly 70 occupational groups voted for renewed strike action over low pay after a previous strike was called off by the PSA when the Employment Court ruled it illegal.

Nurses and other workers fighting to defend living standards, jobs and conditions, including the public health system, cannot place any faith in the machinations of the trade unions and the Labour government. Workers need to form rank-and-file committees in every workplace to advance their own class demands. This is inseparable from the fight for a workers' government and the socialist reorganisation of society. The Socialist Equality Group urges all those who agree with this program to contact us.

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