

# MECAs and Individual Employment Agreements: Some Facts

**What happens if there is a MECA (such as in DHBs) or other collective, when you are not a member of the body that negotiated the MECA or other collective?**

## INTRODUCTION

- In broad terms, we offer all the services which one would want from a professional nursing organisation, an advocacy group, and a nursing union.
- As you would expect, we provide a complete range of workplace representation services, including reviewing employment agreements, negotiating agreements, and representing members with workplace issues. We regularly provide representation for members, to resolve disciplinary issues and employment problems, including personal grievances, redundancies, negotiated settlements and the like.
- Both individual and collective employment agreements (CEAs) are handled by us.
- Some of our workplace representation is undertaken through our principal industrial arm *Te Uniana o NSNZ* (the union of NSNZ). *Te Uniana o NSNZ* is a registered union. *Te Uniana o NSNZ* is part of the Society and an application for membership of the Society serves as an application for membership of *Te Uniana o NSNZ*. No extra fees (direct or indirect) apply.

## DHB MECA

- Only NZNO members are 'under' the DHB MECA, as it is negotiated by the NZNO, but that does not mean that non-NZNO members are necessarily on different salary rates or conditions.
- Each time that there is a new MECA a couple of things happen to non-NZNO members, once the MECA is ratified:
  - You get an email from HR asking whether you consent to paying a bargaining fee to the NZNO to be part of the MECA. Our members reply that they do not consent to a bargaining fee. This usually triggers a second email from HR with an offer to revise your IEA to match the MECA changes. You reply to that email indicating that you accept the offer. Employees can also trigger the process, by requesting a variation to their IEA.
  - To recap, each time a new MECA is implemented, DHBs email employees on IEAs with an offer to revise their IEA. They cannot pass on the changes automatically;

but all that means is that they have to make an offer, or the employee has to request that their IEA be updated. No complicated negotiations are involved, usually just an offer by email to each employee, by HR, once the MECA has been settled. The dates for all increases are usually the same, but we are aware of minor differences in some cases. See attached a DHB IEA and a DHB IEA offer email as examples.

- **At this stage, we have no reason to believe that DHBs will change their approach in this regard, with the next MECA, but it can never be completely ruled out.** However, if DHBs did change their approach, or if being on an IEA became significantly problematic, we could look at accelerating our plans to negotiate a series of separate CEAs or a separate MECA.
- The NZNO always presses for differences between MECA and IEA conditions, but DHBs have never agreed to any significant differences. Just because a union seeks something in a claim, it does not mean that it will be included in a CEA or MECA. Ultimately, DHBs decide what to offer nurses on IEAs, not the NZNO.
- Where appropriate, possible or as a need arises, we do negotiate collective agreements, *Te Uniana o NSNZ* being one of our vehicles for this. Generally, we can only do that where we have sufficient numbers. An IEA is the backstop position when we do not yet have the numbers, or if it would not make sense to do a collective.
- The DHB MECA, and some other CEAs, have clauses to allow nurses who do not hold membership with the union that negotiated the MECA to be ‘under’ the MECA, without paying a bargaining fee, if they are a member of “another union”. Since all Society members are automatically concurrent members of *Te Uniana o NSNZ*, this theoretically presents another possibility. However, we are not relying on this as an option or using it.

## OTHER SECTORS

- The same approach generally applies in other parts of the health service where there is a collective negotiated by a union other than us. That is to say, terms in an IEA usually mirror the relevant MECA or other CEA.
- General information on some of this can be read here:  
<https://www.employment.govt.nz/starting-employment/unions-and-bargaining/collective-agreements/passing-on-collective-agreement-terms/>
- Differences between an IEA and a CEA are relatively rare but there are some instances. Where there are such differences these are usually minor and in monetary terms, especially if consideration is given to the difference between our membership

fees and those of the NZNO, particularly when calculated in net terms, after tax, and over the full life (usually 2 or 3 years) of the relevant MECA or IEA.

## NEWLY HIRED EMPLOYEES

- There are some circumstances where CEA and IEA terms must be the same, unless the employee agrees otherwise.
- For the first 30 days of employment all new employees (by law) are automatically on the MECA, regardless of which union they belong to or even whether they belong to any union at all. If they do not opt to join the union that negotiated the MECA (or other collective), within the 30-day period, they are automatically placed on an IEA that **must have conditions and terms that are no less favourable than the MECA or other CEA.**

## PAY EQUITY

- Pay equity claims and settlements are covered by special legislation. By law, the following applies:
  - **Everyone in a workplace must get exactly the same benefits of pay equity settlement, whether or not they belong to the union that negotiates the pay equity claim.**
  - The union negotiating the claim cannot require an employee to join that union in order to get the same benefits and they cannot charge or request a fee of any sort from a non-member. They are however permitted to ask for a donation, but not a fee.
  - Also, all nurses in the workplace are permitted to vote on the pay equity claim and settlement, even if they are not a member of the union that negotiated that pay equity case. This is unique to a pay equity claim.

## TE UNIANA o NSNZ

- While *Te Uniana o NSNZ* is a relatively new additional arm, we have managed some workplace unions for decades and have previously used these to negotiate collectives. The Nurses Society of New Zealand is far from new: we have operated for decades and are very experienced in both professional body and union roles.



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