



Participants and presenters at the Hamilton “Working for Effective Employment Relations” workshop, June 18.

## Because We’re Worth It...

Ngā mihi nui ki a koutou katoa!

In all, over 250 people from across a range of community sector organisations, from as far north as Kaitiāia and as far south as Bluff, have so far participated in this year’s Effective Employment Relations workshop series, run by the Workplace Wellbeing Project.

The workshops give participants an opportunity to get up to speed with best employment practice in our sector, to connect with Department of Labour Mediators and union representatives, and to discuss some of the key employment issues confronting the sector.

Employment issues are important for our sector on a number of levels – as workshop discussions have shown (see page 3). Most people come to our workshops looking for ways to improve their practices, and in particular, to find ways to support their governing boards to be better employers.

Concerns are common around the country. Participants from around New Zealand have identified adequate funding as THE crucial issue for their organisations. Without sufficient, secure funding, it is impossible to attract and retain the skilled, experienced staff we desperately need to develop more sustainable organisations and to continue to provide quality service.

For many this has crystallised into two simple words: pay parity. This has been echoed throughout the sector. In May this year, a Deloitte review commissioned by the National Residential Intellectual Disability Providers Group (NRID), a national organisation of providers who support approximately 6,500 New Zealanders with an intellectual disability, found that the intellectual disability sector could be on the verge of a crisis, due to poor funding, high staff turnover, an ageing workforce, and increasing costs. .../2

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## Because We're Worth It ..

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Later that month, representatives of 60 Māori, iwi and non-profit primary health care providers delivered a petition to Parliament, calling on the government for increased funding to deliver pay parity to non-profit primary health care workers. The groups have been working in partnership with the New Zealand Nurses Organisation for a multi-employer collective agreement (MECA) to provide common pay rates and conditions for these staff.

As Rowena Gotty, a spokesperson for the health care providers, said at the time: "It is not good enough to be funded by annual contracts for services. In addition to the uncertainty of actually being able to deliver a service from year to year, reporting requirements are prohibitive.

"In the long term, there needs to be a change of focus to building the capacity and capability of Māori service providers. This means funding organisations fully for the services they are providing so there is certainty for those running the organisation, those working for it, and those who rely on its services and support."

With April's Fairfax home loan affordability report showing housing affordability at its worst in six years, and food, power and petrol prices continuing to rise, sector salaries need to improve. With the economy clearly on the turn, the number of families seeking services and support can only increase, placing further pressure on community organisations and their staff.

Tina Reid, Executive Director of New Zealand Federation of Voluntary Welfare Organisations (NZFWO) says currently most Government contracts do not automatically allow for pay parity in the funding they are providing. "This is despite the fact that the Government relies heavily on sector organisations to provide core social services in Aotearoa New Zealand.

"The cost attributed to wages is below that of the public sector. It is time for the Government to recognise wage levels in a way that will achieve pay parity in the sector for someone providing exactly the same service as their public sector counterparts," Tina says.

Hopefully, the current proposal to 100% fund core essential social services through the Pathways to Partnership scheme will begin to address this disparity.

With an estimated 105,000 paid staff now working in not-for-profit organisations, it is time for the Government to recognise the huge value that tangata whenua, community and voluntary sector organisations provide for our communities.

Because we ARE worth it.

## Strategic Pay 2008 Not-for-Profit Sector Remuneration Survey: Results Out

This year's Strategic Pay Survey of Remuneration in the Not for Profit Sector was based on an analysis of 4,215 employees representing 148 organisations – an increase of 36 organisations and 1,000 participants over last year.

The survey provides detailed analyses of 81 job categories, providing base salary, fixed and total remuneration breakdowns by location and organisation size (employee numbers).

The key finding of the survey is the size of the pay gap between our sector and the broader employment market. On average, the difference in the median base salaries between the Not for Profit Sector and the Public Sector as at 1 May 2008 was 17.9%.

On average, the difference in the median base salaries between the Not for Profit Sector and the General Market as at 1 May was 20.8%.

In 2007, the gap between our sector and the public sector was 15.3% - and between our sector and the general market the gap was 17.6%. In other words, our sector has, in the last year, fallen further behind both the public sector and the general market, by 2.6% and 3.2% respectively.

The relationship with the Public Sector is particularly irrelevant as many NfP organisations are funded through contracts with those Public Agencies.

David Shannon, Senior Consultant for the Survey, notes that salaries in the public sector have not remained stagnant over recent years, continuing to move upward at 3% to 5% per annum for most roles below the managerial level. Thus, while contracts for services may have been drawn up in good faith by both parties, based on the going rate at the time, Not for Profit sector employees can quickly fall behind.

For these employees the temptation to leave for higher paid employment in the public sector – "often with the very agencies that contracted for their services externally – becomes increasingly potent," says David. "As long as the NfPs remain bound by contracts where salary rates reflect an earlier day, they will struggle to retain these staff."

"When NfPs renegotiate their funding contracts, they must do it in full knowledge of the market remuneration rates that may apply both then and in the future," says David.

On a brighter note, some of the positive features participants noted about their organisation included: a relaxed and happy atmosphere and well supported team environment; flexibility in work hours, holiday and sick/bereavement leave; time off for children and family events; school holiday leave; support and/or payment for costs of professional learning development; provision of car parking; and even massages and birthday leave! It seems we do some things very well.

For more information about the Survey, contact: David Shannon, 09 303 4053 or [david@strategicpay.co.nz](mailto:david@strategicpay.co.nz)

## “Working for Effective Employment Relationships” Workshops --- Your Feedback

These one-day workshops are designed for board members and managers of community organisations which employ paid staff. Topics covered include the principles of the Employment Relations Act, managing workplace conflict and performance issues, governance and management issues in employment, and an introduction to mediation.

In all, 13 workshops have been held so far this year. We look forward to confirming a new workshop itinerary once we hear about further funding. If you are interested in hosting a workshop in your area, please contact us at [ere.project@gmail.com](mailto:ere.project@gmail.com).

The reality is that there is never enough time in one day to cover all the issues in enough depth. We are therefore looking at ways we can build on the base of this initial workshop. We are also working on an employment relations resource tailored specifically to the sector's needs – more on this in the next few months.

### Your Most Pressing Issues

- Funding, funding, funding!
- Setting remuneration - budgeting for salary growth
- Recruiting and retaining skilled staff
- Role definition and boundaries – governance & management
- Relationships between volunteers and paid staff
- Recognising the value (\$, hours, expertise) of volunteers in the contracting process

### Sector-Specific Employment Resources You'd Like to See

- Employment handbook - hard copy and online
- 0800 service – could be subscription-based
- More, more, more Governance/Management information for Trust Boards
- Best practice policies for our sector
- Dealing with conflict, performance management
- Template job descriptions – staff, volunteers and governance, performance appraisals
- Governance clinics – a specific workshop for Board members



### Whangarei Employment Relations workshop, May 23

Above: Tina Reid, Executive Director of the NZ Federation of Voluntary Welfare Organisations, assists participants. Below: Participants at the Whangarei workshop enjoy the discussion



### Staff Retention A Key Issue for Not-for-Profits: Grant Thornton Survey

Findings from the Grant Thornton 2007/2008 Not for Profit Survey have highlighted very similar issues to those identified by participants at this year's Employment Relations workshops. The Survey asked respondents to identify the three most significant issues challenging their organisation.

While financing their activities continued to top the poll (56%), **32% of NFPs listed retention and motivation of key staff** as the most significant issue facing their organisation, up from 23% in the previous year's survey - reflecting 'the limited career path offered by some NFPs and the inability to match the salaries of the corporate sector.'

[www.grantthornton.co.nz](http://www.grantthornton.co.nz)

*"It is always good to have a reality check on your own performance both as employer or volunteer. The information and the discussion it generated will be useful in the work I do.*

*Thank you to those who developed the programme."*  
Deirdre Jolly, Chair, Alexandra Council of Social Services

## Pay and Employment Equity in Our Sector

*“No, I don't really think there is a problem of discrimination for women who work in the sector. After all, most of us who work here are women, I think the problem is the difference between what we get paid and what they pay people in the other sectors.”*

This response from a sector worker back in 2005, when Jane Stevens undertook some initial research into pay and employment equity issues in our sector, is not an uncommon one. But the issue of pay and employment equity in our sector is worth looking at more deeply.

### What is Pay and Employment Equity?

The Department of Labour website states that pay and employment equity is about ensuring that “pay, conditions, access to the full range of jobs at all levels of the workplace, and experiences in the workplace, are not affected by gender.” It exists when “employees’ pay and work experiences are not affected by gender.”

### What Does It Mean For Our Sector?

Firstly, as stated elsewhere in this issue of *Mana Mahi*, we cannot ignore the impact that lack of *pay parity* with the public sector has on our sector. Setting that aside, and while comprehensive research is still yet to be done, it is nonetheless undeniable that our sector workforce, particularly at the lower-paid end, is predominantly female. In turn, because occupations in the sector tend to be seen as traditionally female, they tend to be undervalued. Each reinforces the other. Māori and Pacific Island women workers in our sector, in particular, are most at risk of suffering from pay inequity as a result of both gender and racial discrimination.

Lack of career pathways for women, combined with women’s traditional caring roles, mean that for many women, working in our sector can become a game of ‘loop the loop’, with little career progress.

### What Tools Are Available To Help Us Begin To Address Pay and Employment Equity in Our Sector?

The National Advisory Council on the Employment of Women (NACEW) in collaboration with the Human Resources Institute of New Zealand (HRINZ) have recently developed on-line and downloadable tools to assess pay and employment equity practices in their organisation. Any employer, including from the community and voluntary sector, who has an interest in pay and employment equity can use them. The tools encourage employers and human resource professionals to gain a better understanding of pay and employment equity issues by looking deeply at current practices, as it is often difficult to see discrepancies on the surface. To find out more check out [http://www.hrinz.org.nz/Site/HR\\_Info/Pay\\_and\\_Employment\\_Equity/default.aspx](http://www.hrinz.org.nz/Site/HR_Info/Pay_and_Employment_Equity/default.aspx)

Tackling employment equity in areas like recruitment and promotion, flexible work arrangements, and leave for caring responsibilities are all critical to helping close the gender pay and employment gap, and can benefit employers too. For more information on pay and employment equity go to [www.dol.govt.nz/services/payandemploymentequity](http://www.dol.govt.nz/services/payandemploymentequity) or phone 04 915 4613.

## Work is Getting Flexible

On 1 July, the Employment Relations (Flexible Working Arrangements) Amendment Act, sponsored by Green MP Sue Kedgley, came into effect. The Act gives employees with caring responsibilities the right to ask their employers for flexible working arrangements – arrangements such as flexi-time, home-working, career breaks, term-time working, altered hours or job sharing.

“We need laws that take account of our responsibilities outside of our employment, and flexible working arrangements can be part of the solution,” says CTU Secretary Carol Beaumont. “Legislation isn’t the only answer, but it does create a climate and culture of acceptance about the need for employer openness to requests - as well as a transparent process for employers to refuse requests.”

To be eligible for the right to ask for flexible working arrangements, workers must have worked for their employer for at least six months and be caring for someone. If they meet these minimum requirements, they can request flexible working arrangements that help balance their work and care.

“Our message to workers not covered by the law will be to ask anyway, as many employers may consider their request for a change in working arrangements. And when the Act is reviewed in two years time we will be arguing for its extension to cover all workers.”

For more info go to [www.dol.govt.nz](http://www.dol.govt.nz) or [www.ctu.org.nz](http://www.ctu.org.nz)

### Tax Rebate Introduced for Redundancy Payments

Under existing tax law, lower and middle-income earners could be overtaxed when their redundancy payments pushed them into a higher tax bracket. The government has introduced a rebate of 6% to make the taxation of redundancy payments fairer to people when they receive a lump sum payment. The rebate will apply to redundancy payments made on or after 1 December 2006 and will be based on a flat rate of six cents per dollar, for the first \$60,000 of the redundancy payment, with the maximum amount claimable being \$3,600. See [www.ird.govt.nz/news-updates/like-to-know-redundancy-rebate.html](http://www.ird.govt.nz/news-updates/like-to-know-redundancy-rebate.html)

### For the Good of Others

A recent study by researchers at the University of Bristol has found that individuals in the not-for-profit (including public) sector are significantly more likely to donate their labour, measured by unpaid overtime, than those in the for-profit sector. In education, health and social care, 46 per cent of employees in the non-profit sector did unpaid overtime compared to 29 per cent in the private sector. Even when such factors as age, gender, dependants, job type, unionisation, tenure, promotion prospects and so on were taken into account, those in the non-profit sector were still significantly more likely to be slaving at their desks beyond their contracted hours.

[www.bris.ac.uk/Depts/CMPO/workingpapers/wp197.pdf](http://www.bris.ac.uk/Depts/CMPO/workingpapers/wp197.pdf)

## Going to Mediation – What is Involved?

© Department of Labour. We greatly appreciate the input of Department of Labour Mediators into the Working for Effective Employment Relations community sector workshops.

### About mediation

The Department of Labour provides mediation services to help people resolve their employment relations problems quickly and effectively. The Department's first priority is to prevent employment relationship problems occurring in the first place by providing information to help employers and employees develop and maintain productive employment relationships. If there are problems that employers and employees are unable to resolve themselves, they can approach the Mediation Service to seek assistance. Assistance can be provided in a range of ways from provision of information, facilitation, educational events or programmes, or mediation.

The Mediation Service has offices around the country. You can call the Employment Relations Infoline on 0800 20 90 20.

Mediation services are available to both employers and employees to help them identify problems and seek appropriate courses of action to resolve them.

### What is the process of mediation?

Mediation is a process in which the participants, with the assistance of a mediator, systematically isolate disputed issues in order to develop options, consider alternatives and reach agreements that will accommodate their needs. This process may occur by telephone or by email or in the workplace or in Mediation Service rooms.

### How to go about getting mediation

Before seeking mediation assistance, employers and employees should follow the self help processes. If they have been unable to resolve the problem in this way, they can ask for help from the Mediation Service in their area by contacting Employment Relations Infoline on 0800 20 90 20.

### Reaching agreement

If the parties reach agreement (whether with the help of a mediator or not), they can ask a mediator to sign the agreement. The mediator will explain to the parties that, once signed, the agreement becomes final and binding and cannot be challenged. Such an agreement is enforceable in the Employment Relations Authority or the Employment Court, and there are penalties for breaching it.

### What happens if the parties cannot agree?

If the employer and employee cannot reach agreement in mediation, they can agree (by giving written authority) to the mediator making a final and binding decision. The mediator will explain to the parties that once he or she makes a decision, that decision is enforceable and cannot be challenged. There are penalties for breaching such decisions. A party cannot later seek another determination in the Employment Relations Authority or the Employment Court.

If either or both of the parties do not want the mediator to make a decision, the problem may be taken to the Employment Relations Authority which will investigate and make a determination for the parties.

### Alternative dispute resolution procedures

Employers and employees can choose to use a private mediator or arbitrator to assist them in resolving any problems. They should, however, be aware that any settlement or decision would have no status under the Employment Relations Act. If, however, they want such a settlement or decision to be final and binding, they need to have it signed by a Mediation Service mediator (see "Reaching agreement" above).

### Further information & guidance

We welcome the opportunity to help you further. If you can't find an answer to your question, or you want further clarification, more detailed information or guidance on any matter covered here, please contact us. We value your query and will respond to you as quickly as possible.

Call us free on 0800 20 90 20 or visit our website at [www.ers.dol.govt.nz](http://www.ers.dol.govt.nz).

## Australia and New Zealand Third Sector Research Ninth Biennial Conference: DEMONSTRATE!

24-26 November 2008, AUT City Campus, 55 Wellesley St, Auckland

Hosted by ANZTSR, AUT and the University of Waikato Management School, in association with Unitec and Massey University

Do researchers in and of the Third Sector make a difference?

We invite all participants to DEMONSTRATE the value of research work, no matter where and how you work – in as many ways as we can fit into the programme, the time and the venue.

For more information or to register: [www.anztsr.org.au/2008%20conference%20web%20home.htm](http://www.anztsr.org.au/2008%20conference%20web%20home.htm)

## INTERNATIONAL

### Decent Work, Decent Life

Since the 2005 World Social Forum in Porto Alegre, Brazil, Solidar has been a part of the campaign to promote Decent Work, Decent Life for All. On 31 October 2007, in Lisbon, Solidar and the International Trade Union Confederation, the Global Progressive Forum, Social Alert International and the European Trade Union Confederation launched the "Call to Action for Decent Work, Decent Life".

The call was launched on the eve of the International Labour Organisation's (ILO) Forum on Decent Work for a Fair Globalisation. The call has already been signed by a number of key decision-makers including Juan Somavia, the Director General of the ILO, Sha Zukang, UN Under Secretary General for Economic and Social Affairs, Dayan Jayatilaka, Chairperson of the ILO Governing Body, Carlos Tomada, Labour Minister of Argentina, Carlos Lupi, Labour Minister of Brazil, and Poul Nyrup Rasmussen, President of the Party of European Socialists.

The Call to Action - available online in 12 languages including English, French, Spanish, Portuguese and German - sets out 7 key demands, which decision makers at national, regional and international level must respond to in order to ensure that Decent Work, Decent Life is a reality for all. *Sign a copy online at [www.decentwork.org](http://www.decentwork.org)*

### 500,000 Workers Unite for World Social Work Day

15/04/2008: The Aotearoa New Zealand Association of Social Workers (ANZASW) joined today with the 83 other associations around the world that belong to the International Federation of Social Workers (IFSW) to celebrate World Social Work Day – 15 April 2008. "This event was recognised at the ANZASW's Congress in Christchurch earlier this month, where it was also noted that 2008 marks the 60th Anniversary of the Universal Declaration of Human Rights," said Rose Henderson, ANZASW President.

"As we take the opportunity on this day to put social work into an international context, it is becoming more and more apparent that professional associations for Social Workers can make a world of difference through co-operation and mutual support. Regardless of internal country definitions of which populations are most vulnerable and in need of help, each of us has a leading role to play in supporting human rights and we need to step up to that responsibility to promote the welfare of individuals, families and communities".

[www.scoop.co.nz/stories/PO0804/S00225.htm](http://www.scoop.co.nz/stories/PO0804/S00225.htm)

## Project Partners

New Zealand Federation of  
**Voluntary Welfare Organisations** 



## Employment Relations Info Links

<http://ers.govt.nz/> Department of Labour Employment Relations Service website – has an employment agreement builder, plus many other resources on a wide range of employment topics.

<http://keepingitlegal.net.nz> Keeping It Legal - E Ai Ki Te Ture - find out about your legal responsibilities as a voluntary sector employer.

<http://www.governance.tpk.govt.nz/> Te Puni Kokiri's website for effective governance education. This site is designed to help trustees and directors of Māori organisations with their responsibilities and role as guardians and leaders. However much of the material is equally relevant for non-Māori organisations.

For more info about the Workplace Wellbeing Project or to inquire about hosting a workshop, contact Conor Twyford

 04 239 8173 or 021 213 2553

 [ere.project@gmail.com](mailto:ere.project@gmail.com)

Workplace Wellbeing is a sector-driven, sector-owned collaboration between the NZ Council of Social Services, the NZ Federation of Voluntary Welfare Organisations, Community Waikato and the Service and Food Workers Union Nga Ringa Tota. The project's strategic goal is to promote and support good employment practices and relationships in our sector.