
All District Health Boards

A significantly better offer

District Health Boards have almost doubled their offer to nurses in a package of more than half a billion dollars to settle pay negotiations with NZNO.

DHB spokesperson Helen Mason says the offer is a significant increase going beyond the recommendations of the Independent Panel proposed by the Prime Minister. It deals with pay and also has a commitment by DHBs to address the workforce and planning issues raised by nurses.

“The offer will invest \$520 million dollars between now and mid-2020 for base pay increases, more staff and improving working conditions. Almost half of that is new funding over and above the DHBs’ previous offer.

“This offer will increase NZNO members’ base salary and offers a range of other benefits on top of that to the majority of nurses. The salary of a Registered Nurse with five years’ experience will go up by around \$10,500 over 18 months – that’s almost \$200 extra a week by the end of 2019. On top of that, they’ll also get increases in on-call rates. By December 2019, the average take home pay of a full-time experienced Registered Nurse will be around \$93,000 a year.”

In addition to the base pay increases, Ms Mason says there will be a \$2,000 lump sum payment. DHBs will work with the NZNO to address its broader pay equity claim, and the Ministry of Health will provide an extra \$48 million dollars to fund more nurses and measures to ensure safe staffing levels.

“Nurses, midwives and healthcare assistants are a highly respected and valued part of the health workforce which this increased offer recognises.”

“We listened when nurses said raising base pay was very important to them. This offer has three pay rises in the next 15 months, and adds two steps to the top of the registered nurses scale to recognise the value of their experience.”

“Nurses have used teachers as a benchmark – this offer moves their base pay rates to a similar level, with penal rates lifting average earnings of a Registered Nurse with five years’ experience to \$93,000 moving them even higher.”

“The slightly longer term was key so DHBs could meet and go beyond the panel’s recommendations, almost doubling our last offer.”

“This offer is a considerable improvement on the last one delivering base pay increases, additional staffing and improved working conditions. We think that it’s a significantly better offer and hope it’s the basis for an agreement that will avoid strike action.”

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DHB media release re NZNO MECA Negotiations
28 May 2018

The revised offer

Term	Expires 31 July 2020
Lump sum payment	\$2,000 to be paid on ratification (pro-rated for part-time and casuals)
Pay adjustments	4 June 2018 – 3% on all scales 6 August 2018 – 3% on all scales 5 August 2019 – 3% on all scales Removal of salary step SN1 from the senior nurse and midwife salary scale and a further 1% added to the SN2 to SN8 Senior Nurse wage rates from 4 June 2018
Additional steps	RN/M6 - \$72,944 introduced 3 December 2018 RN/M7 - \$77,386 introduced 2 December 2019 (RN/Ms with over 12 months on RN5 to progress on these dates)
Enrolled Nurses Professional Development Recognition Programme	Increase proficient from \$2,500 to \$3,000, and accomplished from \$4,000 to \$4,500 at 4 June 2018
On-call allowance	Increase from \$4.04 to \$8.00 (and \$6.06 to \$10.00 for public holidays) from 4 June 2018
Nursing staffing improvements	\$750k additional investment in the SSHW Unit to support fast-tracked CCDM Implementation
	An immediate 2% investment in additional nursing staff (\$38M)
	An additional 2 FTE per 600 nursing FTE for CCDM implementation within DHBs (\$10M)

Historic pay movements

The DHBs delivered a significant pay increase of 20% or more to nurses, healthcare assistants and midwives in 2004-2006. This was referred to as a 'pay jolt', and was described as a 'move towards pay equity' for DHB nurses and midwives.

DHBs and NZNO both accepted that the 2004 settlement and the following one in 2007 delivered significant gains for nurses, and resulted in pay rates for DHB nurses that were reasonable when compared with other health professionals with degree qualifications, and with other professionals outside the health sector. Comparisons were made at the time between the remuneration of nurses, teachers and police officers.

Since that time, nurses have received comparable pay increases to police and teachers, and these increases have been ahead of cost of living increases.

OECD data shows that nurses are paid 14% above the national average wage. In New Zealand nurses are paid 24% above the national average wage. New Zealand is ranked 5th out of the 30 OECD countries covered. It is higher than Australia, where nurses are paid 16% above the national wage.

Nursing workforce at a glance

	Headcount	FTE
Registered Nurses and Midwives	20030	14460
Community Nurses and Midwives	2030	1540
Enrolled Nurses	940	680
Health Care Assistants	4030	2610
Senior Nurses and Midwives	4400	3640
Totals	31430	22930