



# **PSA Submission on the Incorporated Societies Bill**

**to the Economic Development, Science  
and Innovation Select Committee**

**May 2021**

# PSA submission to the Incorporated Societies Bill

28 May 2021

## About the PSA

The New Zealand Public Service Association Te Pūkenga Here Tikanga Mahi (the PSA) is the largest trade union in New Zealand with over 78,000 members. We are a democratic and bicultural organisation representing people working in the Public Service including for departments, crown agents and other crown entities, and state owned enterprises; local government; tertiary education institutions; and non-governmental organisations working in the health, social services and community sectors. Te Rūnanga o Ngā Toa Āwhina is the Māori arm of the PSA membership.

The PSA is affiliated to Te Kauae Kaimahi the New Zealand Council of Trade Unions, Public Services International and UniGlobal.

## Our values

### Solidarity - Kotahitanga

We champion members' interests with a strong effective voice. We stand together, supporting and empowering members, individually and collectively.

### Social justice - Pāpori Ture Tika

We take a stand for decent treatment and justice. We embrace diversity and challenge inequality.

### Integrity and respect - Te Pono me te Whakaute

Our actions are characterised by professionalism, integrity and respect.

### Solution focused - Otinga Arotahi

We are a progressive and constructive union, constantly seeking solutions that improve members' working lives.

### Democratic - Tā te Nuinga e Whakatau ai

We encourage participation from members. We aim to be transparent, accessible and inclusive in the way we work.

## Key points

The PSA welcomes the Bill which brings long overdue clarification to the role and functioning of incorporated societies. We are pleased to see changes have been made to the Bill to address some of the issues raised by the CTU and our sister unions in response to the exposure draft. For example, the new and improved definition of “officer” in clause 5 is welcomed.

However, the Bill as proposed still creates some areas of awkward fit for unions within the incorporated societies framework and we ask that these be addressed.

### **Financial gain (cls 22-24)**

We support the submission of Te Kauae Maimahi the New Zealand Council of Trade Unions and share its concern regarding the definition of “being carried on for the financial gain of its members” in clause 23. We consider this may lead to restrictions on (or at best confusion about) the operation of unions and may prevent unions from fulfilling some of their core functions.

We acknowledge the inclusion of clause 24(1)(i) which states that a society does not have a financial gain purpose because it will or may:

- (i) *in the case of a union, negotiate or arrange, in the ordinary course of promoting its members’ collective interests, the salaries, wages, or other term or conditions of employment of its members.*

However, the focus of this sub clause appears to be unions negotiating for collective interests, and this overlooks other instances where unions may be perceived as distributing financial gain to a member or group of members, such as via claims for damages, arrears of wages and breach of contract.

We recommend that this sub clause be amended to ensure that the issues identified by the CTU are addressed.

### **For further information about this submission, please contact:**

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