



## **Education Amendment Bill (No.2)**

**Submission to the Education and Science Select  
Committee by the Public Service Association: Te  
Pūkenga Here Tikanga Mahi**



**For a better working life**

New Zealand Public Service Association  
Te Pūkenga Here Tikanga Mahi



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30 April 2014

#### Introduction

The New Zealand Public Service Association Te Pūkenga Here Tikanga Mahi (the PSA) is the largest trade union in New Zealand with over 58,000 members. We are a democratic organisation representing members in the public service, the wider state sector (the district health boards, crown research institutes and other crown entities, state owned enterprises), local government, tertiary education institutions and non-governmental organisations working in the health, social services and community sectors.

As an affiliate of the New Zealand Council of Trade Unions Te Kauae Kaimahi (CTU), we strongly support their submission and those of the New Zealand Educational Institute (NZEI), the Post Primary Teachers Association (PPTA), the Tertiary Education Union (TEU), and the Independent Schools Education Association (ISEA).

The PSA shares the CTU's view that the changes proposed by the Bill to governance arrangements on the Teachers' Council, and University and Wānanga Councils will increase political control and reduce the independence of these bodies. This has the potential to undermine their credibility with stakeholders and the public and, ultimately, their ability to provide effective governance.

Of the approximately 50 employees at the Teachers' Council, 17 are PSA members. The remainder of this submission does not reproduce the points made by the CTU but rather addresses the Bill from the particular perspective and experience of the PSA and its members working at the Teachers' Council (the Council).

#### Transition to the new organisation

The PSA supports the appointment of an establishment board to oversee the transition process from the current crown entity structure to the new statutory authority. The PSA has considerable experience in working with establishment boards on the transition of staff to new organisations, for example as part of the creation of the new Auckland Council and WorkSafe New Zealand. We know what

works. Agreement with employees and their representatives on a clear and fair transfer process is essential.

Schedule 2 of the Bill inserts proposed Schedule 20 which provides for the transfer of all employees of the Teachers' Council to the Education Council on their current terms and conditions of employment (Schedule 20 cl 4) and treats their employment as continuous. We support this provision. However, there is a significant gap in the current terms and conditions of employment at the Teachers' Council. They do not include agreement on the process to be followed in restructuring and transfer situations or protections or compensation for employees made redundant.

Transferring to a new employer with no agreed change management process, redundancy protections or compensation as part of their terms and conditions leaves Council employees very vulnerable. The new Education Council will no doubt at some early state of its existence institute a restructuring. Employees will be left with no protections and no access to compensation if they are made redundant – other than at the grace of their employer.

For over a year, on behalf of its members at the Teachers' Council, the PSA has been seeking to conclude a collective employment agreement with the Council. Such an agreement would include an agreed process for restructuring and transfer situations.

However, despite stating in its 2013 Annual Report that "(i)t is anticipated that the collective agreement will be ratified by September 2013" (p.25), we still do not have an agreement. The Council has been slow to come to the negotiating table and slow to respond to our proposals. PSA members and in particular elected delegates at the Council have contributed a significant amount of effort towards progressing negotiations, including taking the initiative of drafting a proposed agreement based on terms standard in the collective agreements of similar sized crown entities. Most recently the Council has declined to agree to a collective agreement that makes any provision for change management process.

The Council's employees are its greatest asset. In choosing not to agree change management and redundancy protections with employees, the Council has placed employees and their families in an unnecessarily uncertain and stressful situation.

This will not impact solely on employees and their families. It is likely also to impact on the capability of the new entity and increase costs. It is the PSA's experience that in the face of employment insecurity, those employees with the best opportunities for work in other organisations take those opportunities. This has the potential to delay the date from which the new entity becomes fully effective and substantially increase recruitment costs.

The impact of this may be further exacerbated by likely increases in work pressure and workload following the establishment of the new entity. The bill substantially changes and expands the role of the Council, and the Government and stakeholders will understandably have raised expectations of what will be done by the new council following its establishment. This has the potential to result in a “perfect storm” for staff.

The new entity will have limited ability to raise or access additional income and existing staff will need to deliver more with little additional resource. The income stream would be almost exclusively registration fees and raising them (substantially) early on in the new entity’s existence will not be politically palatable to the new council.

By way of example, the 10% audit and moderation requirement could easily require ten to twenty additional full time staff members working exclusively on that alone (depending on the model adopted). Also, if the allocation, monitoring and planning of professional development was to become a responsibility this would carry large staff workload implications. The teacher practice area may well require significant staff expansion also.

Our concern is that this perfect storm of decreasing employment security and work pressure will increase the possibility of loss of staff and institutional knowledge at a time when the new entity will most need that capability and capacity.

The PSA will continue to seek agreement from the Council to a collective employment agreement with change management and transfer protocols and redundancy protections for employees. However, in the absence of such agreement, and given that transfer to the new organisation is imminent, we recommend that the Committee consider how it could amend Schedule 2 of the Bill to include in Schedule 20 of the Act a guarantee that transferring employees will not be made redundant for a reasonable period (for example two years) following their transfer to the new entity. This grace period would enable the Education Council to complete genuine, good faith negotiations with the PSA and any individual employees for employment agreements with an industry standard of restructuring terms.

## Contact

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