Report to Congress
President’s report

Looking back at the last year of PSA activity it’s clear that three events shaped 2011-2012: the continuing efforts towards the Christchurch rebuild, the Rugby World Cup, and the General Election.

The earthquakes meant many public services were under immense pressure but public servants all rose to the challenge. Public servants underlined the importance of strong public services, not just in times of extreme need, but also as a backbone that the country can rely on at all times.

The Rugby World Cup hype meant there wasn’t much political debate until a month out from the election. It was always on the cards that a National-led government would be returned to power - the surprise was by how few votes.

I like to think that the PSA campaign had some influence. Our campaign highlighted the need for strong public services. Our message was clear and unequivocal: stop the cuts.

Despite a hostile political environment last year, we still had some successes.

Some of our lowest paid members have benefitted. In October, the Government passed the Sleepover Wages Settlement Act, finally acknowledging that disability support workers should be paid the minimum hourly wage for overnight shifts. A very well deserved win for some of our lowest paid members and a clear demonstration of the benefits of joining a strong union.

We also released the most comprehensive study of the working lives of women in New Zealand’s public services to date. It showed that women in the public service gift millions of dollars in free labour.

It is my last year as President. It’s been a challenging four years but, from a personal perspective, an enjoyable time. I’ve met and worked with a wide variety of PSA members and come to appreciate even more what a great union the PSA is. I would like to thank my fellow board members, the PSA staff and you, our members, for your support.

Paula Scholes
President

PSA Executive

Paula Scholes, President
Benedict Ferguson, Vice President. Local Government
Richard Chalken, State Sector until December 2011
Renee Delamere, District Health Boards
Pam Jemmett, State Sector
Lee Knight, Community Public Services

Tauia MacDonald, District Health Boards until December 2011
Alby Marsh, Te Rūnanga o ngā Toa Āwhina
Kevin McGorry, Staff Rep
Bruce McKinlay, Public Service
Brenda Pilott, National Secretary
Richard Wagstaff, National Secretary
Membership Snapshot

Despite a difficult climate for public sector workers, the PSA continues to grow its membership. In May 2012, total membership stood at 58,352, an increase over the previous year. Māori continue to make up 10 per cent of the membership base and women over two-thirds.
Te Runanga o nga Toa Awhina

Te Rūnanga o ngā Toa Āwhina is the voice for Māori members in the PSA.

The komiti meets three times a year. In addition to normal komiti meetings, this year the biennial congress, Hui Taumata, was held from June 27th to June 29th at Orongomai Marae, Upper Hutt. It was attended by indigenous representatives from public service unions in Australia.

This reinforces and builds on the relationships and links established with indigenous unions across the Pacific. Members of the Rūnanga attended the Asia Pacific Regional Conference in Sydney in October and the ACTU Congress in May.

The Rūnanga hold these important relationships in high regard and hope mutual learning can help the PSA gain a better understanding of what we can do better to serve and cater to our Māorimembers.

The komiti held a hui over two days in December to discuss communication strategies for Māori members; strategic planning; and strengthening the role of Māori in the PSA.

Key to assisting Rūnanga endeavours is a plan that recognises existing media like the newsletter Ngā Peka o Tatou but also grasps and utilises new communication streams like social media networks.

Strategic plan 2020

The PSA’s strategic plan sets aspirational goals about where we want the PSA to be in 2020.

The plan was developed with a whole of union approach, through the governance structures of the union, consultation with other interested parties and signed off by the executive board. Its main goals are to:

- transform members’ workplaces to provide good jobs and improved services in a high trust, high performance workplace culture
- assert influence at national; sector and enterprise levels that comes from a high membership and through collective action, and effective union organisation and advocacy.
- close the gender pay gap within the coverage of the PSA.
- reform the public sector. The value of public services and publicly funded services will be recognised by the public, political parties, employers and commentators.

Annual Members’ Meetings

Each year PSA members come together to discuss union issues in their workplace and plan for the year ahead. Annual members’ meetings are a place to elect delegates and for members to air their concerns and connect with their colleagues. They are also a chance to connect with the PSA’s initiatives.

This year, the meetings were also used to talk about the asset sales petition and referendum.
Members of the PSA belong to one of five sectors. These sectors, and their associated structures, are a key part of the way the union functions. Each one of these sectors has its own committee and is represented on the PSA executive board.

**Community public services**

The PSA won a major legal battle for the minimum wage to be paid to members who work sleepovers. Since the passing of the Sleepover Wages (Settlement) Act requiring employers to pay disability support workers the minimum wage and back pay for overnight shifts, the PSA has been working with employers and the Ministry of Health to reach agreements.

**Local government**

Big changes are occurring in local government. The Government wants councils to focus only on a narrow range of services, reduce spending, limit staff numbers and pay, and facilitate amalgamations and shared services. To meet the challenges of the changing environment the Sector Committee has prioritised the issues in an Action Plan. The plan focuses on three areas:

**Work on pay principles:** bargained pay - not performance pay, promoting a minimum $15 hourly rate and pay equity.

**Workloads, stress and bullying:** getting strong health and safety participation agreements in place and using these to raise and deal with these issues.

Promoting Sustainable Work Systems, the PSA’s productivity programme, and the benefit of worker voice in workplace decisions.

**District Health Boards**

The new District Health Board (DHB) sector committee has been working on a number of issues including:

**The Health Sector Relationship Agreement.** An agreement between the 20 DHBs, the NZNO, PSA, SFWU, ASMS, Ministry of Health and DHB board chairs to foster better relationships.

**Bipartite relationships.** Negotiating a management of change framework to be used in the finance, procurement and supply chain review. The framework will also be used for other change process that is being initiated for facilities management.

**Healthy Workplaces.** The PSA has appointed a representative to the safe staffing healthy workplaces unit governance board. A major aim is to balance quality patient outcomes with quality work environments while making efficient use of the health resource.
Public Service

The Public Service sector covers members working in government departments and offices of parliament, most of which have been facing cuts, mergers and restructures. The committee has developed a plan that will focus on:

Pay and Employment Equity: each enterprise within the sector should seek a review of their PAEE response plans.

Influence: develop union density data and targeted recruitment strategies across the sector. Maintain and strengthen our influence within enterprises, the States Services Commission and political parties.

State sector

The State sector committee represents members from crown entities; state owned enterprises; Public Finance Act 4th Schedule organisations; and any private organisation engaging in commercial activities, including those that were previously provided by the state.

The committee completed a sector strategy that outlines priorities including:

Communication. After reviewing the way in which they communicate with members, the committee developed a sector communication plan and put it into action.

Focus. Campaigns around contracting out of services and building union organisation in strategic areas are underway.

Protection. Ensuring that members’ interests are protected during any restructurings as a result of funding cuts, privatisation or contracting out is a key activity.

Transform workplace culture for better jobs: promote the PSA productivity model, Sustainable Work Systems (SWS). Monitor and improve enterprise engagement agreements, structures and work plans.

Health and Safety: investigate the number of health and safety participation agreements across the sector, with a view to maintaining and improvement.

Involvement: Increase the involvement of members in the sector committee’s work; ensure delegate networks are created for the sector clusters, women’s and Runanga reps. Continue to provide sector union news. Utilise membership surveys as appropriate and hold joint department union meetings.

Council of Trade Unions

The PSA is a committed affiliate of the New Zealand Council of Trade Unions (CTU) and participates in CTU forums and programmes. PSA national secretary Richard Wagstaff currently serves as the Vice President of the CTU.

The PSA has been active in CTU-led campaigns around fairness at work and has promoted UnionAid, a trust to assist workers in developing countries organise for human rights and economic development.
Industrial Activity

Public Service

In the public service sector there has been significant restructuring, mergers and downsizing due to cuts in government expenditure. The PSA increased our levels of engagement in two significant mergers: Department of Internal Affairs with the National Library and Archives; and the Ministry of Agriculture and Forestry, the Ministry of Fisheries and the New Zealand Food Safety Authority, now named the Ministry for Primary Industries.

The PSA has been influential in reducing the number of proposed redundancies at Inland Revenue, the Ministry for Primary Industries and the Ministry of Foreign Affairs and Trade.

It has been a relatively quiet year for bargaining, by design to minimise bargaining during the election year. An outcome of Child Youth and Family bargaining was a joint approach to managing workloads.

Organisations in bargaining this year include: Child, Youth and Family, Prisons; Parliamentary Services, Education Review Office, Culture and Heritage.

Pay movements have typically been around 1.5%.

District Health Boards

Unions affiliated to the Council of Trade Unions worked together to try to achieve a centralised settlement of their multi-employer collective agreements (mecas).

While the centralised process was ultimately unsuccessful it did provide the basis for the PSA to settle its district health board mecas for two-year terms. The agreement includes a lump sum and a 2% movement in a difficult bargaining environment without loss of conditions.

State sector

For much of the state sector, bargaining has been difficult and protracted over the past year. Added to the mix is the government’s privatisation agenda, which leaves many services and members under threat.

Housing New Zealand (HNZ) settled their collective agreement following protracted bargaining and Industrial action. Now HNZ members face the uncertainty of restructuring.

ACC collective agreement negotiations continued into a third year. The PSA application to have assisted bargaining through the Employment Relations Authority (ERA) was successful. Members are currently voting on a proposed change to mandate before the parties resume what is hoped will be a conclusion to their bargaining.

Members are continuing to fight moves to allow meat companies to do their own inspections. Meat inspection is currently carried out by independent inspectors from state-owned enterprise AsureQuality but the Ministry for Primary Industries wants meat companies to take over inspection tasks. The PSA line on this has been consistent: allowing companies to inspect their own product will fail to protect consumers’ health and the high quality reputation New Zealand meat has overseas.
Bargaining in crown research institutes has been more positive, with useful pay rises usually able to be negotiated. However, funding risks remain a central concern. Job loss and continual restructurings along with privatisation continue to be a feature for some parts of the sector.

**Community Public Services**

The sleepover ruling was a major result for members working in community public services but many continue to be under-paid. For this reason the PSA will be employing a strong bargaining strategy that targets increases for the lowest paid.

A strategy was put in place to help build the PSA’s presence in the community public services sector and recruitment is already showing good signs of growth.

**Local Government**

Successful re-negotiations have been completed with most councils where collective agreements expired in the last year.

A remuneration working group established as a result of the Auckland Council collective agreement settlement has concluded its work on a new pay system, which has now been endorsed by members. This will be a key factor in the renegotiation of the collective agreement later this year.

**Change Management**

Change is not always a bad thing. It can be positive if it leads to greater job satisfaction and improved services.

However, most of the change now underway in the public sector is driven by government cost-cutting. Most departments and government agencies have had their budgets cut while having to absorb additional costs. This has led to a never-ending round of reviews, restructurings and job cuts.

In the last year the Ministry of Fisheries, and the Food Safety Authority were merged into the Ministry of Agriculture and Forestry, which was then renamed the Ministry for Primary Industries.

Housing New Zealand saw regional frontline services replaced with centralised services.

The Ministry of Economic Development, the Ministry for Science and Innovation, the Department of Labour and the Department of Building and Housing were merged to create the so-called super ministry: Ministry of Business, Innovation and Employment.

In local government, after the Auckland transition, the government has introduced legislation to facilitate more council mergers across the country. More job cuts are in the pipeline as a result of Corrections Department restructuring.

The PSA has now developed a guide to change management to help members understand their rights and what to expect when a restructuring is proposed for their workplace. Copies are available on the website or on request from the organising centre.
### General election

The PSA election campaign messages appeared in newspapers and magazines, on billboards and bus shelters, supported with a Keep New Zealand Working website and through social media. The feedback was positive: members told us it made them proud to belong to the PSA.

### Up Where We Belong

The long-running campaign to raise the status of disability work is continuing until government responds with the necessary funding.

Low pay and the lack of recognition for skills and experience make it hard to employ and keep good staff. Disability support services are run on the cheap and both workers and people with disabilities are being short-changed.

This campaign is putting the spotlight on disability support services to raise public awareness of the need for a radical overhaul in the way the Government funds these essential public services.

### Together

Together was formed as an initiative of the Council of Trade Unions to provide New Zealanders who don’t belong to a trade union with the chance to be part of an organisation that supports worker rights. It also provides individual workers with much-needed support in their day-to-day jobs.

The PSA, along with other unions, is getting behind Together which aims to get these workers a better deal at work.

### Asset sales

The PSA has joined the Council of Trade Unions and Grey Power-led initiative for a petition calling for a referendum on the sale of assets.

Parliament has passed the bill that will allow assets to be partially sold. If the petition is a success, it will be hard for the government to keep going down this track. The petition for a referendum is the best chance to stop the sale of valuable public assets.
Networks

The PSA provides formal and informal networks to enable members from different sectors to come together and share information, ideas and expertise. The Women’s network, PSA Youth, PSA Pasefika and Out@PSA have been formally recognised by the executive board. Members also come together to work on issues related to sustainability, ethics, disability, mental health, health and safety, and science.

Women’s Network

The network developed an activity plan and is focused on using the results of last year’s survey of women members to inform the work of the PSA. Priority issues include pay equity, participating in the Council of Trade Unions Women’s Council, building the network’s processes and raising its profile internally and with external stakeholders.

This year a committee of 11 women were elected. Janet Quigley was elected as convener of this committee.

Committee members come from across the PSA sectors and from around the country. They had two face-to-face meetings this year and two teleconferences to discuss implementation of the women’s survey, pay and employment equity and the extension of paid parental leave, and the PSA bargaining agenda.

More and more members are joining up to the network to receive regular newsletters. The network also has its own Facebook page and a page on the PSA website.

Out @PSA

Social events in Auckland, Palmerston North and Wellington strengthened ties within the network as well as with various community groups. Out @ PSA had a strong presence at Auckland’s Big Gay Out, showed solidarity with the Maritime Union during the Ports of Auckland dispute and was very visible at the ‘Out in the Square’ event in Wellington.

A survey of network members to gain a better understanding of their needs and wants with the network received a massive response. The results of this are still being collated and will be presented at the next network meeting.

A regular newsletter and page on the PSA website has all the latest Out @ PSA activities.

Deaf and disabled members’ network

The inaugural meeting of the PSA Deaf and disabled members’ network was held in Auckland. Members discussed a range of issues including encouraging disabled members who are delegates to apply to attend Congress, funding for community law centres and the need to get rid of the minimum wage exemption.

The meeting was addressed by Green MP Mojo Mathers, who spoke about the need for direct representation of people with disabilities in parliament and other positions of power.
PSA Youth

PSA Youth organised a two-day conference of 50 young people working in public services around the country. The busy agenda included union history, new politics and the struggle of movements. Participants heard about the PSA’s strategic direction and possibilities of participation and engagement.

Blogger and broadcaster Martyn ‘Bomber’ Bradbury provided thought-provoking insights and a panel of young political leaders talked about the importance of diplomacy prior to the elections. The conference also heard from union leaders who commented on how crucial young people are to the re-vitalisation of the union movement.

The PSA has appointed a youth organiser to help build and shape the network over the coming year and to look at ways to attract younger members to the PSA.

The network plans to hold an annual conference and is looking at new technology, in the form of a smartphone application, to take PSA information to its members.

Mental Health

The PSA has established a committee of delegates who work in mental health, from across PSA sectors. The committee will operate for a year and initially focus on input to the PSA’s submission on the Mental Health Commission’s report on mental health services, called the Mental Health Blueprint, as well as ensuring that we have a coordinated approach across the PSA to our work in mental health.

Social Workers’ Action Network

An informal network of social workers has been established to connect social workers working in the many diverse organisations across the community public services sector.
Sustainable Work Systems

Sustainable Work Systems (SWS) is the programme that the PSA has developed to put workers at the centre of improving productivity across their workplace. It’s based on solid research and incorporates lean thinking and productivity tools that have been adapted for the public sector.

In 2011, SWS was successfully piloted in the appointment scheduling team at the Bay of Plenty District Health Board, cutting the time taken to book appointments from five hours to one and a half hours.

SWS was featured in the government’s Better Public Services report. It was highlighted as an innovation in supporting continuous workplace improvement.

Dr Thomas J Schneider, an internationally recognised management expert, came to New Zealand at the PSA’s invitation in May to talk about creating high performance, high engagement, workplaces. He was well received by Ministers and managers across the public sector.

SWS is also being rolled out at Counties Manukau District Health Board and other parts of the public sector.

International

The PSA is a member of Public Services International (PSI), a federation of more than 650 unions spanning the globe. In March the PSA attended the PSI Sub-regional advisory committee in Sydney. The four-day meeting featured a range of presentations, from Trans Pacific Partnership trade agreements to climate change in the Pacific.

PSA Centenary

In 2013, the PSA celebrates one hundred years of progress. A steering committee has met to guide the programme of activities that will be unveiled throughout the year. An interactive website, an oral history book and a specially commissioned banner will all be part of the celebrations, which will culminate in a special centenary congress in October 2013.
General update

Legal Representation
The PSA legal team provides advice and representation in legal proceedings. Most matters are resolved with the employer or at mediation, with a minority of cases resulting in litigation. Examples of the issues we have covered this year are:

Healthcare NZ Limited: The PSA took part in legal proceedings that resulted in workers at Healthcare NZ Ltd gaining the protections afforded to "vulnerable workers" under the Employment Relations Act when their work was transferred to a new employer.

PACT Group: PSA and SFWU members were locked out by the employer. The unions challenged the lockout as unlawful, and the PSA’s interim challenge to the Employment Court was successful. A collective agreement was subsequently settled.

Submissions
Over the last year the PSA made a number of submissions to select committees and employers on a range of issues, from the recovery strategy for greater Christchurch to the green paper on vulnerable children. The full text of PSA submissions can be downloaded from the PSA website.

Communication
The PSA continues to look at new and cost-effective ways to communicate with members.

Feedback and research with members in 2011 suggested that the PSA needed to update printed publications and the website. A plan was formed around this work and is well underway.

Social media became a wider part of the way the PSA communicates with members and the last year saw an increase in the number of people coming to our web, Facebook, Twitter, and YouTube pages.

The PSA has had a high media profile, particularly in newspapers and on radio. Letters to the editor and opinion pieces have provided additional opportunities to ensure our voice is heard.

Operational

Staffing
The PSA employs 120 staff: 117 permanent staff and 3 on fixed terms (for projects and backfilling). There are 90 organising staff and 30 strategy and support staff.

Membership fees
Membership fees remained the same and are based on income:

- Under $17,000: $3.70 a fortnight
- $16,000 to $34,000: $7.40 a fortnight
- Over $34,000: $14.80 a fortnight

Information systems
A new financial system was introduced speeding up the process for invoices using online approvals. A new web-based holiday home booking system went live and has been very successful. Over 94% of all booking are made online.

As per the current PSA plan (2010/2013) for technology, all laptops and mobile phone have been replaced.
PSA Sustainability

The PSA continues to enact our Sustainability Action Plan. Regular reporting to staff on travel, vehicle, and mobile phone usage is helping to inform behaviour and enable the PSA to reduce costs.

### Resource use

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<tr>
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<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicles (litres of fuel)</td>
<td>91,697</td>
<td>90,715</td>
<td>94,514</td>
<td>85,674</td>
<td>85,713</td>
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<tr>
<td>Vehicles (tonnes of CO2-e)</td>
<td>245</td>
<td>243</td>
<td>253</td>
<td>229</td>
<td>229</td>
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<tr>
<td>Air travel (tonnes of CO2-e)</td>
<td>309</td>
<td>300</td>
<td>264</td>
<td>294</td>
<td>265</td>
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<tr>
<td>Electricity (KWh)</td>
<td>427,666</td>
<td>459,264</td>
<td>490,031</td>
<td>409,762</td>
<td>397,237</td>
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<tr>
<td>Natural Gas (M3)</td>
<td>636</td>
<td>8,539</td>
<td>10,189</td>
<td>9,844</td>
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</tbody>
</table>

The Electricity and Natural Gas figures are ONLY for PSA run offices. Another 217,173 (KWH) of electricity and 1,200 (M3) of gas was used by the PSA Holiday Homes.

Note: 2012 data is for the period: 01/04/2011 - 31/03/2012

### Financial sustainability

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<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
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<tbody>
<tr>
<td>Ratio of reserves to operating cash requirements</td>
<td>83.96%</td>
<td>84.35%</td>
<td>94.22%</td>
<td>86.35%</td>
<td>86.8%</td>
</tr>
<tr>
<td>Ratio of current assets to current liabilities</td>
<td>6.4:1</td>
<td>6.2:1</td>
<td>6.4:1</td>
<td>6.8:1</td>
<td>6.2:1</td>
</tr>
<tr>
<td>Ratio of total assets to total liabilities</td>
<td>5.4:1</td>
<td>5.5:1</td>
<td>6.2:1</td>
<td>6.1:1</td>
<td>5.6:1</td>
</tr>
</tbody>
</table>
### Membership sustainability

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
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</thead>
<tbody>
<tr>
<td>Delegate to member ratio</td>
<td>1:18</td>
<td>1:17</td>
<td>1:17</td>
<td>1:17</td>
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<tr>
<td>Training days delivered</td>
<td>237</td>
<td>192</td>
<td>150</td>
<td>133</td>
</tr>
</tbody>
</table>

#### Female to male (%):
- **Delegates**: 60:40, 60:40, 61:39, 61:39
- **Governance**: 48:52, 41:59, 49:51, 49:51

*Note: Figures not available for 2008. Delegate training days for 2010 do not include enterprise specific training. The reduction of delegate training days for 2011 is due to cancellations in Christchurch as a result of the earthquakes. The statistics on training do not include enterprise-specific workshops.*

### Staff sustainability

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<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
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<tbody>
<tr>
<td>Staff with a career development plan in place (%)</td>
<td>61</td>
<td>46</td>
<td>90</td>
<td>96</td>
</tr>
<tr>
<td>Staff turnover (%)</td>
<td>6.6</td>
<td>3.3</td>
<td>7.3</td>
<td>7.5</td>
</tr>
<tr>
<td>Staff in retirement saving schemes (%)</td>
<td>82</td>
<td>88</td>
<td>87</td>
<td>94</td>
</tr>
<tr>
<td>Take-up wellness payment (%)</td>
<td>77</td>
<td>62</td>
<td>81</td>
<td>85</td>
</tr>
<tr>
<td>Days lost through sickness (%)</td>
<td>3.7</td>
<td>3.4</td>
<td>2.3</td>
<td>1.4</td>
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