

ANNUAL REPORT 2009-2010



PSA executive



Paula Scholes,
President



Georgina Kerr, vice president
Te Rūnanga o nga Toa Awhina



Benedict Ferguson
Community sector



Bruce McKinlay
Environment sector



John Upfold, treasurer
Governance sector



Gordon Mosley
Infrastructure sector



Tauia MacDonald
Health sector



Richard Chalklen
Social services sector



Kevin McGorry
Staff rep



Brenda Pilott
National secretary



Richard Wagstaff
National secretary

President's Report



This annual report documents another busy and challenging year for our union. As President I've enjoyed grappling with the issues and working with my colleagues on the executive board and with the secretariat to try to overcome some of the obstacles we faced. It's been hugely satisfying to be able to make progress in this difficult climate. We have a government that's not particularly union-friendly, a virtual wage freeze across the public sector, rolling restructuring and redundancies and an economy that is still far from healthy.

Yet despite all this, we have been able to progress our agenda and achieve some real gains for members. Last October members in the Ministry of Justice began an industrial campaign for fair pay and a fair pay system. For months the Ministry sat tight and refused to negotiate. It took an application to the Employment Court to get them back to the negotiating table.

I was very impressed with the tenacity and determination of our Justice members to hold firm to their goals and was delighted when a settlement was finally achieved. This was an important victory, not just for Justice members but for every worker in the public sector. It broke the wage freeze and signalled to employers that we, the PSA, are prepared to fight and that we're prepared to back our members and our members are prepared to back us.

The national health settlement is another achievement we can all take pride in. For the first time, the main health unions, the PSA, the Nurses Organisation and the Service and Food Workers Union combined to negotiate a deal with all 21 district health boards. It gave pay increases to 45,000 workers at a time when health budgets were being pared back. It was also a major victory for collectivism and union cooperation.

Industrially we have been swimming against the tide, but that hasn't stopped us making progress or being proactive. Earlier this year we launched a major campaign *Working for You*. *Working for You* promotes the value of public services and the people who deliver them. Public services make New Zealand a better place to live – but many of us take them for granted. Government departments and agencies keep our country running smoothly and are the foundation of our economy. It's important that we stand up for public services at a time when the government is intent on reducing or privatising them.

The strength of our union has always been its people, at all levels, working together towards common goals. I'd like to thank all our delegates for the leadership they've shown. A big thank you to the executive board who continue to take our union forward in tough times. Thanks also to our national secretaries, all the hard working staff of the PSA and, of course, our kaumatua Kiwhare Mihaka for his guidance and support.

Our membership is continuing to build. It's great to see the membership figures each month and to see that our strength is holding up – even in this climate of reducing public sector jobs. The figures demonstrate the relevance to workers of what we do, that in tough times workers need their unions more than ever and that collectivism gives workers a voice.

The road ahead is not going to get any easier. But we've been through difficult times before in our long history and come through them. The PSA will celebrate its centenary in 2013. Nearly 100 and still going strong!

Paula Scholes
PSA President

The Year in Review

Report from the secretariat

For a union as large and diverse as the PSA every year is different and presents new challenges. This year's big challenge was adjusting to a new political landscape. From the outset the Government has made it clear it has little commitment to the public sector. It intends to continue with its programme of downsizing and restructuring, reducing public services and privatising or contracting out services where possible.

Members have responded strongly to attacks on them and the services they deliver. Their union stands with them.

The PSA has developed a number of strategies to manage in this new environment.

We have refused to accept the de facto freeze on public sector pay and have rejected offers that include nil wage increases at the bargaining table. This approach has been vindicated with a breakthrough settlement for Ministry of Justice members.

At a national level we have been successful in voicing our opposition to public sector cuts through the media, consistently making the link between cuts and loss of public services. The PSA enjoys a high media profile and is now seen as a key commentator on public sector issues.

Part of our strategy has been to forge closer alliances with community groups. We are working with those in the community public services sector, with NGOs and advocacy agencies, on shared issues such as the impact of public sector cuts on communities and funding difficulties for the sector. The PSA was instrumental in the formation, this year, of the ACC Futures Coalition which opposes cuts to ACC coverage and the privatisation of the scheme.

This year we launched *Working for You*, which promotes the value of public services and the people who deliver them. Over the next few months *Working for You* will be travelling to towns throughout New Zealand to talk with members and communities about the impact of public service cuts on them, and to shape together a vision for the future of public services in New Zealand.

The PSA has always had close links with other unions. This year we explored the possibility of a merger with the Service and Food Workers Union. That did not eventuate but we continue to have a close working relationship with that union and others where there is crossover membership. In a notable first, the PSA, the Nurses Organisation and Service and Food Workers Union were jointly able to negotiate a settlement with the 21 district health boards.

The PSA is actively involved with the Council of Trade Unions (CTU). We liaise with the CTU on initiatives such as the Fairness@Work campaign, opposition to the cuts to ACC coverage, promotion of pay and employment equity, submissions on employment and health and safety law and support for public services.



As a union we pride ourselves on taking a constructive approach to workplace issues. We are developing a union approach to productivity called Sustainable Work Systems to give workers a real voice in the workplace. It promotes a new workplace culture to maximise public value by working with management to identify and eliminate wasteful business processes that are a barrier to our members getting the job done.

Within the PSA we have focused on increasing efficiency. We have invested in integrated information systems which will improve service to the union's large and growing membership. Video conferencing is being installed in all

offices to reduce travel costs and improve our sustainability as an organisation.

Our communications are constantly being reassessed in the light of changing technologies. The PSA is now using social media tools like Facebook, YouTube, Twitter and campaign microsites like Working for You, to channel our messages to members and to the wider community in new and innovative ways.

The PSA is a progressive union with the membership and resources to meet new challenges. We're moving forward confident for the future.

Brenda Pilott and Richard Wagstaff
PSA secretariat

AT A NATIONAL LEVEL WE HAVE BEEN SUCCESSFUL IN VOICING OUR OPPOSITION TO PUBLIC SECTOR CUTS THROUGH THE MEDIA, CONSISTENTLY MAKING THE LINK BETWEEN CUTS AND LOSS OF PUBLIC SERVICES.

PSA Centenary

The PSA's planning to celebrate the union's centenary in 2013 is progressing well. A brochure has been produced to initiate discussions with potential partners such as museums in the year-long centenary year celebrations. The Wellington Museum of the City and Sea is partnering with the PSA to stage an exhibition during 2013. It is hoped the exhibition will be able to be shown in other centres.

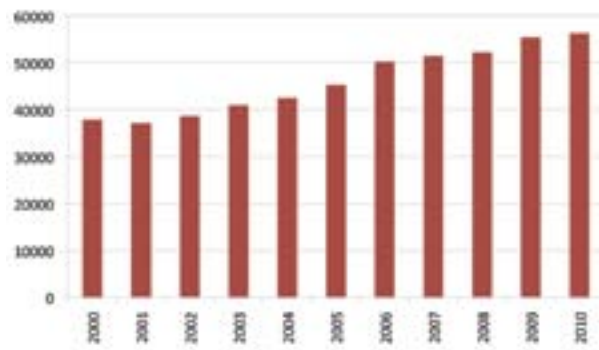
Work has begun to update the recorded history of the PSA, focussing on the past 25 years. An historian is gathering oral history recordings which will form the basis of a book and an interactive history website. The Labour History Project is supporting the centenary project and is planning a history symposium during 2013.



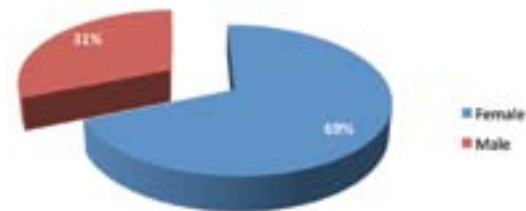
Membership snapshot

The PSA had 58,374 members as at 31 July 2010. This represents a 0.911 percent increase in membership over the year.

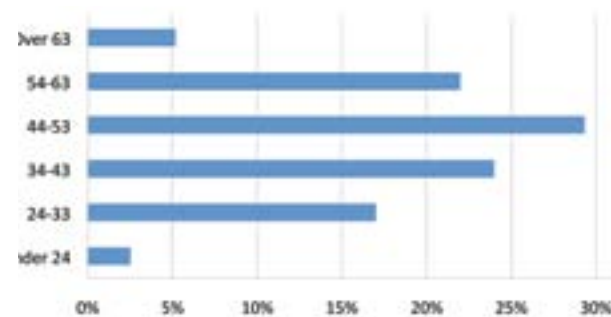
Membership growth 2000-2010



PSA membership: gender



PSA membership: age bands



PSA Delegates



Networks

The PSA Rules provide for networks of members with common interests. Formal networks exist to provide support, share information and organise events and activities. They have no governance role but can present remits to Congress and provide ongoing advice and expertise to the board and sector committees.

The formal networks recognised in the Rules are:

- ▶ PSA Pasefika
- ▶ Women's network
- ▶ PSA Youth network
- ▶ Out@psa network

PSA Pasefika

The prime focus of PSA Pasefika is to "build, strengthen and influence 'Pasefika for Quality' to champion and celebrate the interests of Pasefika." Nearly 3000 PSA members have identified as Pacific Island. PSA Pasefika plays a leadership role in CTU Pasefika.



PSA Women's Network

The Rules, confirmed in 2008, established a formal Women's Network. The network has collaborated with researchers from

Victoria University on a successful survey of women members that attracted over 7300 responses. The survey - *A Woman's Place, what women think about work*- explores the voice women have in their workplace, their working lives and in their union. The survey report will be published later in 2010.

PSA Youth

PSA Youth (PSAY) was established in 2008 for members under 35 years of age. Its purpose is to encourage activism among young workers and strengthen the union's focus on issues for younger workers. In June 2010, PSAY sent out a survey to all the 35-year-old and under PSA members. Over 2000 young members participated in the survey and a plan is being drafted from the survey results.

Out@psa

The Out@PSA network is for PSA members who identify as gay, lesbian, bisexual, transgender/transsexual or intersex. Its main

role is to provide advice and support on employment-related matters, usually by phone or email. Out@PSA is a very active participant in the CTU network Out@Work. The past year has seen growth in network membership. A training resource for organisers is being developed and the PSA webpage revamped.

Delegate Development

The PSA runs an extensive delegate development programme that builds skills, knowledge and confidence. Over 2000 delegates participated in 148 workshops during 2009.

In addition to the introductory "Building Your Union" workshop, the workshop covering practical skills to handle disciplinary issues attracted the most participants. Delegate feedback is very positive and reflects an appreciation of being able to learn new skills and gain confidence in the process.

Delegate training also focuses on enterprise-specific workshops, 38 of which were run since 1 April last year. These included change management, disciplinary issues and negotiation team training. A major training programme in the Department of Internal Affairs, involving the department's management, provided 13 workshops for staff members on *Creating a Positive Workplace*.

Over the past year 15 delegates have also chosen to enrol in the CTU-sponsored delegate qualification, the National Certificate of Employment Relations (Union representation). This qualification is undertaken via a combination of distance learning, written assessments and attendance at PSA workshops.

Health and safety representatives

Over 460 health and safety representatives attended stage one workshops over the last 12 months to July 2010.

PSA leadership

National Delegates Congress

The highest decision-making body. Held every two years.

Te Rūnanga Taumata

The congress of Te Rūnanga of ngā Toa Āwhina, held every two years prior to Congress.

Annual General Meeting

Provides constitutional oversight.

Executive Board

Accountable to Congress. Comprises the president and convenors of sector committees and the committee of Te Rūnanga o ngā Toa Āwhina, a representative of PSA staff and the national secretaries

Sector committees (6)

Represent the interests of members within their sector. Each committee includes a sector rūnanga.

Committee of Te Rūnanga of ngā Toa Āwhina

Represents the interests of Māori members.

Workplace delegates

Members may establish local, regional and national delegate committees for their enterprise.

CTU workshops

Delegates participated in the CTU-organised educators' workshops. These consisted of information and practice sessions for delegates who wished to provide training to other delegates or members in their organisations. Some other delegates participated in CTU Health and Safety workshops which involved follow-ups of identified tasks after the workshops.

Bargaining for decent pay and decent work

Continuing budgetary constraints, job cuts and restructurings have created a challenging bargaining environment across the public sector. However the PSA remains determined to push for fair pay increases and no clawbacks.

The government has continued to send messages to public sector employers that additional funding will not be available for wage increases and budgets will remain static or decrease in the coming years. "Doing more with less" is the government's mantra.

As part of its strategy to achieve the best possible outcomes for members, the PSA is pursuing several initiatives to improve pay and conditions and the quality work: fair pay increases; targeting low pay; job security; pay rates and pay steps negotiated as part of the collective agreement; improvements to annual leave and common leave provisions for the public service; pay and employment equity across the wider state sector; multi-employer collective agreements; support for delegates; and union facilities. Membership recruitment has been central to all bargaining campaigns.

Pay increases

A de facto freeze on wages increases in the public sector was successfully challenged by members at the Ministry of Justice. Their intense five-month campaign of industrial action brought the Ministry back to the bargaining table and resulted in a settlement. Most members saw improvements in pay, a fairer pay system with negotiated progression steps plus a one-off payment of \$1250 for members. The settlement was important for bargaining across the sector because it broke the wage freeze, raised morale, and provided inspiration for other members facing similar issues.

Low pay targeted

The PSA continues to advocate for the removal of hourly rates

below \$15 in the public sector; lifting the bottom rates in salary scales; and campaigning for decent pay in community public services.

Pay negotiated collectively

Despite employer resistance, pay is now included in most public service collective agreements and there has been some progress in developing a pay system that is less discretionary and provides for more transparency, certainty and fairness

Leave provisions

The PSA aims to maintain annual leave entitlements across the public sector that are above the statutory minimum.

The PSA is setting leave provisions which set an employment standard across the public service that would enhance most employees' leave entitlements. Implementation was through bargaining or as a variation to the collective agreement. They were achieved in two-thirds of government departments before a change in government when previous commitments were revoked.

Pay and employment equity

Despite the government's determination to ignore pay and employment equity issues, the PSA continues to voice its concern about inequities and has been active in the Pay Equity Challenge, the CTU-led campaign against the government's acceptance of gender-based pay inequities in state sector workplaces.

Multi-employer collective agreements

In an historic first, the PSA, the NZ Nurses Organisation and the Service and Food Workers Union joined forces and negotiated a nation-wide, across the board pay increase with all district health boards. The settlement delivered a 2 per cent pay rise for 43,000 hospital workers and an agreement that DHBs will work with unions on safe staffing levels and healthy workplaces. Just under 16,000 PSA members received pay rises as part of the settlement.

South Island clerical workers, whose pay had been unfairly frozen, got larger increases though they still remain behind their counterparts in the North Island. The PSA continues to promote multi-employer collective agreements as an efficient, cost-effective approach to bargaining.

Science Sector

Collective agreements have been negotiated for all Crown Research Institutes, with most members receiving a pay increase of 2 - 3 per cent. The bargaining has seen no loss of conditions in the science area with the PSA retaining its member-only benefits.

Health and disability community public service organisations

The PSA is working with disability providers to identify our common interest in improving the pay and conditions of disability workers. In an environment with very limited funding, we are generally managing to settle collective agreements with increases to pay and no compensatory reductions in conditions.

Increases for home support workers are more difficult to achieve due to a lack of funding and cutbacks from DHBs to community home support services.

Local government

After several months of negotiation between the PSA and the Auckland Transition Agency, the union has negotiated three new collective employment agreements to replace 11 current agreements. The agreements protect conditions that PSA members said were important and in some cases enhance existing conditions. PSA members now have consistent conditions of employment across the Auckland region.

Support for delegates

The PSA is negotiating for union facilities to support workplace organisation and the role of delegates. These include such

- ▶ Health sector rūnanga structures a successful model for member communication and participation
- ▶ Increased attendance at hui
- ▶ Māori delegate attendance at training courses increased.
- ▶ Good progress of mentoring network of senior Māori delegates
- ▶ Kumara vine communications strategy well used by rūnanga members
- ▶ Continuing to play a major role in the CTU rūnanga work programme.



things as time for delegates to carry out their role, access to online union resources and opportunities to meet with members. In addition, along with other CTU unions, the PSA is seeking clear agreement on the right of members' access to the union.

Recruitment

Recruitment strategies linked to bargaining, sometimes including a premium for union members, have been largely successful and driven membership growth across the PSA.

Bargaining strategies

The PSA bargaining strategies have been reviewed in light of the new environment. The 2009-11 strategies apply to the state sector with separate strategies for health, local government, science and the community public services sectors. The common thread is for:

- ▶ Pay levels negotiated as part of collective agreements.
- ▶ Step-based pay systems to replace existing discretionary-based performance-pay systems.
- ▶ Fair pay increases targeting inequitable rates.
- ▶ Maintaining the value of pay and conditions.
- ▶ Job security through robust change management processes and redundancy provisions.

Employers often put forward a pay increase versus jobs scenario. This can present a dilemma for members but there is no guarantee jobs will be saved whether or not pay increases. The PSA is keen to work with employers to identify savings to protect members' jobs and living standards. This links to our policy to engage on productivity initiatives.

Employment law changes

The Government's proposed changes to the Employment Relations Act 2000 could impact on public sector bargaining. Proposed changes include extending the 90-day trial period to all employees, making union access to the workplace more difficult and allowing an employer to communicate directly with workers during bargaining and at settlement. The PSA, in conjunction with the CTU and other unions, is mounting a campaign to oppose the changes.

Changing the way we work

A proposal has been developed to reconfigure the way PSA operates by creating five new sectors to replace the current ones. The proposed new sectors are to be called: community public services, DHBs, local government, public service and state sector. The rationale for this change is to better reflect both the external organisation of the public sector and the PSA's internal strategy and organising groupings.

The proposal has been developed and discussed with sector and rūnanga committees and will be considered by Congress.

The principle of one representative per sector on the executive board is retained. There are no direct structural changes arising from this proposal for the rūnanga or sector rūnanga. There are no changes relating to staff support for the sector committees.

TE RŪNANGA O NGĀ TOA ĀWHINA

Committee members

Kaumātua: Kiwhare Mihaka

Convenor: Alby Marsh, Plant and Food Research, from August 2010.
Georgina Kerr concluded her 2nd term as Runanga Convenor in August 2010.

Deputy Convenor: Marshall Tangaroa, Department of Corrections

Infrastructure sector

Jeana Jurisich, Department of Corrections

Kaio Rivers, Ministry of Justice

Marshall Tangaroa, (Deputy Convenor), Department of Corrections

Health sector

Allan Franks, Auckland District Health Board

Hine Haig, Tairāwhiti District Health Board

Taipu Moana, Waikato District Health Board

Puti Tamehana, Whanganui District Health Board

Community sector

Queenie Harding, Far North District Council

Environment sector

Alby Marsh (Convenor), Plant and Food Research

Mike Tana, Ministry of Agriculture and Forestry

Tani Tumoana, AsureQuality Ltd.

Governance sector

Marcia Puru, Inland Revenue

Martha Selwyn, Public Trust

Social services sector

Georgina Kerr, Education Review Office

Craig Matthews, Ministry of Social Development

Deceased : valued runanga member and PSA executive board member

Marlene Pitman died suddenly on January 16.

Points of note:

- ▶ Māori members: 5924
- ▶ Development, implementation and monitoring of a strategic plan that aligns itself with the PSA overall priorities and objectives
- ▶ Regular input to governance of the union
- ▶ Three issues of Ngā Peka

Job cuts

The public sector job cuts and restructurings that began with the change of government in November 2008 continued, despite Prime Minister John Key's earlier assurance to the PSA that a National government would not radically reorganise the public sector. In the May Budget Finance Minister Bill English signalled that public sector budgets would not increase in the foreseeable future, activities would be curtailed or dropped and back office functions reduced or restructured. Inevitably, all this is having an effect on the delivery of public services. For example, district health board cuts to home help for the elderly are increasing health and safety risks for older people and affecting their ability to live independent lives.

In 2009 1480 fulltime positions were lost in the public service overall. Many were positions that were not filled. A large number of positions were lost in the regions. Many of the cuts affected frontline positions such as border control positions at MAF and jobs lost through the closure of ACC regional offices.

Restrictions on funding for district health boards and the review of public health services in a number of regions has resulted in job losses and more are expected as the reviews are completed. Clerical and administrative staff are being particularly targeted.

Job losses in local government as a result of the Auckland restructuring are unknown in the transition period to the new single Auckland Council and members' job security remains a priority for the union. The contracting out of council services and privatisation of public assets by a new council could result in considerable job losses and reduction in pay and conditions for members. Further job cuts are expected as a result of a review of expenditure on policy advice.

The PSA is responding to the jobs cuts and restructuring in a number of ways.

Change management

Change management in the public sector continues to be an important focus for the PSA in its fight to protect services and members' job security. The PSA approach is aimed at:

- ▶ minimising job losses and exploring options
- ▶ ensuring members have a say in decisions
- ▶ fair and transparent processes and decision-making
- ▶ monitoring the effects on workloads and services
- ▶ maintaining public ownership and control.

Delegates in a number of departments have been highly effective in analysing the effects of restructuring proposals and presenting options to lessen job losses and protect services.

Keep Auckland working

The PSA is continuing to run an effective Keep Auckland Working campaign to protect jobs and conditions during the transition to a single council; retain services and assets in public ownership; and strengthen local democracy. The PSA has made submissions on the Auckland legislation. PSA representatives have regular meetings with Auckland Transition Authority executives to help safeguard members' pay and conditions in the transition to the new council on November 1.

Job watch

A 'public sector job watch' on the PSA website provides a running tally of public sector job cuts. We are monitoring the effects of job cuts on services; these may take time to become evident.

Media coverage

The PSA's media campaign is ensuring that public sector job cuts and the negative impact on services and productivity maintain high visibility, with regular coverage in newspapers and on radio and television.

- ▶ Local government national delegates led campaign in recruitment on the basis of the right to negotiate pay rates
- ▶ Bargaining strategy being reviewed in view of slow progress
- ▶ Settlements to date range from 2% up towards 4%
- ▶ Success in getting many employers to recognise union membership in bargaining
- ▶ Progress is continuing with the building of delegate structures
- ▶ Engagement with the Minister of Local Government



COMMUNITY

Community sector committee

Benedict Ferguson, (Convenor), Manukau City Council
 Pam Jemmett, (Deputy Convenor), Otago University
 Ian Bull, Radio New Zealand
 Neil Coup, Hutt City Council
 John Fisher, Open Polytechnic of NZ
 Queenie Harding, (Runanga), Far North District Council
 Gill Headifen, National Library
 Diana McRae, National Library
 Roy Ramsey, Marlborough District Council
 Flash Sandham, Taupo District Council
 Walter Cook, (retired), National Library
 Vacancy - Energy

Points of note

- ▶ 7290 members, 352 delegates
- ▶ Membership growth in Auckland as result of transition to new council

Strategies

Democracy at Work

Democracy at Work is the PSA's vision and agenda for change – how public services should be delivered, how employment relations should be done and what workplaces should be like. Democracy at Work is about:

- ▶ decent work, decent workplaces
- ▶ high performing workplaces
- ▶ public value.

Partnership for Quality

Partnership for Quality recognises the mutual interests of union members and employers in building strong and sustainable public services. It is based on good faith and engagement on issues and the search for solutions.

Though the national-led government declined a partnership agreement the PSA, the union remains committed to constructive engagement with government and employers at all levels, where there is a genuine wish to engage with the PSA.

Sustainable Work Systems

The PSA is developing a union approach to productivity called Sustainable Work Systems. The new strategy will incorporate the principles of Democracy at Work and Partnership for Quality. Sustainable Work Systems aims to give workers a real voice in the workplace by moving beyond the master/ servant relationship with management. It introduces a new culture and a new way of working to maximise public value by working with management to identify and eliminate frustrating and wasteful business processes that are a barrier to our members getting the job done.

Currently the PSA is jointly working with Waitemata DHB on a sustainable work systems initiative in the Mental Health Service covering around 900 staff. PSA staff and delegates are receiving intensive training alongside managers and the exercise will be rolled out across the organisation over the coming months. The PSA is also engaging in a similar initiative with Bay of Plenty DHB and we have an agreement to work with the Ministry of Social Development.

Campaigns

Working for You

Working for You promotes the value of public services and the people who deliver them. Public services make New Zealand a better place to live – but many of us take them for granted. Clean drinking water, electricity, rubbish collection and road maintenance are just some of the services that underpin our

daily lives. Public schools educate our children, our hospitals take care of the sick, and our social services look after the vulnerable and the elderly. Government departments and agencies keep our country running smoothly and are the foundation of our economy.

The Working for You campaign is focused on building a broad base of support for public services both within communities and within the PSA membership, in order to provide the strongest possible footing for a highly visible PSA election campaign in 2011.



Union Climate Action

This year the PSA, the Tertiary Education Union, the World Wildlife Fund, and the Hikurangi Foundation joined forces to take action on climate change. Union Climate Action gives members the opportunity to take action in the workplace. Earth Hour 2010 marked the beginning of the campaign. Earth hour is a global event that shows that a simple energy-saving act repeated by many can make a difference. It is the largest mass-environmental action in history.

Keep Auckland Working

As the transition to a new Auckland council continued, the PSA sought to safeguard members' interests by closely monitoring developments and engaging with the Auckland Transition Authority. The Keep Auckland Working webpage provided a hub for the latest news about the restructuring and how the PSA was responding to the changes.

PSA local government regional delegates met with Interim Auckland Council Chief Executive Doug McKay and other officials and also worked to develop a PSA vision for the new council.

Social Media

The PSA has used social media tools like Facebook, YouTube, Twitter and campaign microsites like Working for You, to push our messages to members in new and innovative ways.

These tools have helped us reach a wide range of people:

Our Facebook page has over 700 members who not only read our messages but post comments, share stories and invite their friends, family, and colleagues into PSA debates.

We have a growing number of followers on Twitter where the PSA posts short 140 character messages. Followers retweet (forward) our messages onto their networks helping us expand our reach and voice.

The PSA has its own dedicated YouTube channel where we post a mixture of professionally shot videos and PSA crafted animations. With many of today's internet communications being visual, YouTube continues to be a staple communication tool for the PSA.

Campaign micro-sites like Working for You have enabled us to target our messages to specific audiences without the clutter and distraction of all of the other issues that the PSA covers. Blogs, e-postcards, surveys, polls and discussion forums have given passionate members a chance to put forward their views and opinions in a way that they may not have been able to do so previously.

Up Where We Belong

A website has been set up to encourage groups and employers to support the campaign for better funding to support decent pay and quality services.

Up Where We Belong 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.

Keep prisons public

Private prisons cost more and deliver less but the government has nevertheless passed legislation to allow private companies to manage prisons. The campaign aims to highlight the issues surrounding private management and ownership of prisons.

Bargaining

Bargaining is a key campaign for PSA members. The campaign is based on the bargaining priorities of the PSA for the period 2009 to 2011. The bargaining campaign focuses on:

- ▶ fair and equitable pay, democratic pay systems
- ▶ improving the quality of working life
- ▶ strong workplace organisation
- ▶ workplace partnership agreements.

Value Clerical – Pay Fair

The PSA supported South Island Clerical workers who had been campaigning to get pay parity with their counterparts in the North Island. The clerical workers are one of the worst paid occupational groups in the health sector, many on little more than the minimum wage.



The clerical workers mounted a determined campaign for fair pay. They got strong support from doctors, nurses and other health professionals. As part of the joint union settlement with district health boards, clerical workers received pay increases that went some way in addressing the disparity with clerical workers in the rest of the country.

Justice for Us

After an intense five months of industrial action, PSA members at the Ministry of Justice ratified a settlement that broke a pay freeze and won them much-needed improvements to their working conditions.

The campaign was drawn out by the reluctance of the Ministry of Justice to negotiate. It wasn't until an Employment Court judge ruled that pay negotiations weren't over and that bargaining should resume that a swift result was achieved.

Campaigns supported by the PSA

The PSA endorsed campaigns that support better communities. It has endorsed:

- ▶ Fairness at Work
- ▶ ACC Futures Coalition
- ▶ Pay Equity Challenge Coalition

Points of note

- ▶ 21,155 members, 1008 delegates
- ▶ Significant increase in workloads faced by members across the sector as a result of funding cuts and the non-replacement of staff
- ▶ National Terms Of Settlement (NTOS) achieved a 2% increase in salaries for nursing staff and allied health and technical members in 2010. Clerical members in South Island and Auckland also achieved MECA settlements.
- ▶ Bargaining fees negotiated for the first time for PSA
- ▶ Health Sector Relationship Agreement (HSRA) reached between DHBs and health unions
- ▶ Day of action for low paid workers held on 27 November.
- ▶ National Māori PSA health delegates' hui held in August
- ▶ Oral Health National Occupational Panel established for dental therapist and assistant members.



Engagement

Government

The PSA secretariat and president engage as much as possible with government ministers on matters that affect members' jobs, working conditions and living standards. This affords the opportunity to present ideas and information that may influence decisions in a way more favourable to members' interests.

Local government

The PSA has been working closely with the Auckland Transition Agency on the plan to merge all Auckland councils to a single council on 1 November. The aim is to safeguard members' jobs, pay and conditions in the transition.

Public sector productivity

The PSA continues to work closely with the CTU in promoting a partnership approach to raising workplace productivity as a means of enhancing workplaces, contributing to better jobs, and improving economic and public sector performance. The PSA is represented on the Workplace Productivity Reference Group which is made up of influential unions and business organisations.

The government has been critical of public sector productivity but has presented few facts to back up their assertions. The PSA continues to advocate for job security and workplace stability as a basic requirement for high-performance workplaces.

Health sector relationship agreement

Health sector unions and district health boards are signatories to the health sector relationship agreement (HSRA) designed to draw on everyone's professional skills to improve the quality of health services and the work environment. Training in HSRA processes is being provided to organisers, delegates and managers. With the support of the partnership resource centre, the PSA is working on a productivity project in mental health.

SOCIAL SERVICES SECTOR

Committee Members

Richard Chalklen, (Convenor), Special Residential Schools
 Colleen Boyer, Ministry of Social Development
 Nicole Bradbury, Ministry of Education
 Dennis Gibbs, Education Review Office
 Georgina Kerr, (Runanga), Education Review Office
 Craig Matthews, (Runanga), Ministry of Social Development
 Ben Prasad, Housing New Zealand Corporation
 Alison Van Dyk, Ministry of Social Development
 Richard Wilson, Department of Labour

Points to note

- ▶ 10, 578 members
- ▶ 795 delegates

Science

The PSA's 2500 members in Crown Research Institutes (CRIs) continue to be represented by the National Science Committee (NSC) which meets three times each year.

Representatives of the NSC met with the Minister of Research Science and Technology on several occasions to discuss issues of concern to our science members. These included funding difficulties and consequent redundancies occurring in particular CRIs.

During the year the NSC pursued its goal of engaging with policy makers and the science industry by having regular meetings with representatives from Science NZ and from MoRST. Considerable effort was invested on submissions to the CRI Taskforce and the NSC continues to lobby for improvements in job security, career pathways and pay rates in order to ensure New Zealand retains a viable and dynamic science workforce.

Workplace engagement

In workplaces with partnership agreements, PSA delegates play an important role in engaging with employers and providing a voice for union members in the decision-making process. There are some highly effective and sophisticated partnership arrangements in some of our well-organised workplaces that are valued by union members and the employer. These partnership arrangements are proving to be not only influential but also enduring.

Think tanks

The PSA maintains contact with the Institute of Public Policy Research and with The Work Foundation in the UK.

Other bodies

The PSA has representatives on the following:

- ▶ Institute of Public Administration (IPANZ)
- ▶ Advisory Board of School of Government, Victoria University
- ▶ Local Government Industry Training Organisation
- ▶ Learning State (public service industry training organisation)
- ▶ Te Kaiawhina Ahumahi (social services industry training organisation).

- ▶ Bargaining this year continues to be protracted and features low percentage movements in pay.
- ▶ Success, including pay, in collective agreements achieved in some enterprises.
- ▶ Leave provisions achieved in a number of public service enterprises
- ▶ Industrial campaigns launched for ACC and Housing New Zealand
- ▶ Bargaining underway for TEC, an organisation that continues to be a target for funding cuts.
- ▶ Whānua Ora and the impact of contracting arrangements between public service organisations and the NGO Sector expected to increase considerably union workload
- ▶ Many agencies in the sector reviewing spending creating a flow-on effect on members' job security, pay and conditions

HEALTH SECTOR

Committee members

Tauia MacDonald, (Convenor) Waikato District Health Board
 Colleen Sayer-Roberts, (Deputy Convenor), Auckland District Health Board
 Philip Brown, Wairarapa District Health Board
 Nancy Dally, Counties Manukau District Health Board
 Renee Delamere, Bay of Plenty District Health Board
 Allan Franks, (Runanga), Auckland District Health Board
 Hine Haig, (Runanga), Tairāwhiti District Health Board
 Richard Hemingway, Whanganui District Health Board
 Annie Hetherington, West Coast District Health Board
 Julie Hollamby, Tairāwhiti District Health Board
 Lee Knight, Te Roopu Taurima
 Ewan McCafferty, Taranaki District Health Board
 Taipu Moana, (Runanga), Waikato District Health Board
 Mike Prouting, Southland District Health Board
 Janet Quigley, Canterbury District Health Board
 Puti Tamehana, (Runanga), Whanganui District Health Board
 Debra Taylor, Waitemata District Health Board

Legal Representation

The PSA legal team provides advice and, where appropriate, advocacy in legal proceedings. In line with the principles of the Employment Relations Act 2000, most of the cases we pursue are resolved at mediation. A snapshot of some of the types of issues that have reached the Employment Relations Authority includes:

- ▶ Disputes about the interpretation of collective agreements
- ▶ Personal dismissal cases
- ▶ Defence of nurses in the Health Practitioners Disciplinary Tribunal
- ▶ Defending an appeal to the District Court about an ACC review decision
- ▶ Disputes with employers about communications during bargaining and employer attempts to bargain directly with our members

The PSA has also been involved in a number of larger cases this year including:

Ministry of Justice

At the height of the industrial dispute, the Ministry of Justice claimed that bargaining was at an end. The PSA challenged this in the Employment Court which considered the good faith obligations on an employer to bargain and conclude a collective agreement. The Court found in favour of the PSA and required the Ministry to continue to bargain in good faith with the PSA.

Sleepover Case

The PSA is involved in a landmark case seeking payment of the minimum wage for community support workers who sleep overnight at residential care facilities. The case has been heard in the Employment Court. The employer claimed that workers who were sleeping over were not working but the Court found sleepovers are valuable work for the employer and play a critical role in care of vulnerable people. The court

found that workers should be paid the minimum wage for each hour worked. The employer has gained leave from the Court of Appeal to appeal the decision of the Employment Court which will be heard during 2010. The PSA has filed proceedings on behalf of members at Spectrum Care. The Government has described the sleepover case as an 'un-quantified fiscal risk' in its Budget such is the significance of the financial implications of the decision.

90 Day trial case

The legal team is taking a case referred to it by the CTU for a worker dismissed under the new 90-day trial provisions of the Employment Relations Act 2000. The case was removed directly to the Employment Court for determination because of the untested nature of the legislation and because the important questions of law which will have a wide impact.

PSA Plus

Holiday homes

The PSA holiday homes continue to be popular with members. The occupancy rate continues to be high: 66% for the year ending July 2010, with most demand in school holidays and at weekends. A new online booking system has been developed which makes it easy for members to book via the website

Other member benefits

The PSA uses our strength of numbers to attract membership deals on a range of financial, insurance and other products. PSA membership attracts special deals from:

- ▶ Vero – home, contents, car and travel insurance
- ▶ Crombie-Lockwood – health and risk insurance
- ▶ Kiwibank – banking package
- ▶ Avis – rental cars

- ▶ Public service departments bargaining difficult and protracted
- ▶ National Science Committee met regularly with the Minister of Research Science and Technology
- ▶ Submissions on CRI Taskforce and research science and technology priorities.
- ▶ All sector committee delegates attended a delegate development workshop



ENVIRONMENT

Committee members

Bruce McKinlay, (Convenor), Department of Conservation
 Dave Nendick, (Deputy Convenor), Ministry of Agriculture and Forestry
 Chris Buckler, Land Information NZ
 Jenny Fraser, Plant and Food Research
 Lynnell Greer, Department of Conservation
 Keith Gutsell, AsureQuality Ltd.
 Alby Marsh, (Runanga), Plant and Food Research
 Lisa Reuben, AsureQuality Ltd
 Craig Ross, Landcare Research
 Paula Scholes, Environmental Science and Research
 Mike Tana, (Runanga), Ministry of Agriculture and Forestry
 Tani Tumoana, (Runanga), AsureQuality Ltd.

Points of note

- ▶ 6504 members, 369 delegates
- ▶ Modest wage increases have been achieved in most CRIs

PSA Submissions

Health

Submission to the Ministry of Health on Discussion Document: Proposals for Organisational Change for the Ministry of Health. April 10. Response to the Horn Report identifying issues with the health system that are consistent with issues raised by members.

Submission to the Ministry of Health on the report of the ministerial reference group on health and disability services. September 09. The suggested solutions are inconsistent with each other. The Ministry of Health should be strengthened, not dismantled.

Submission to the Whānau Ora Taskforce. November 09. Recommended that the PSA concept of decent work be incorporated within the framework for whānau-centred approaches to service delivery.

Health practitioners

Submission to the Nursing Council on the Consultation on the registered nurse scope of practice under the Health Practitioners Competence Assurance Act (2003). July 2009. Identified some of the issues related to the review of nursing.

Submission on the enrolled nurse and nurse assistant scopes of practice under the Health Practitioners' Competence Assurance Act (2003). September 09. Generally supportive of the changes to the scopes of practice of second level nurses that will strengthen the clinical workforce.

Submission to the Nursing Executives of New Zealand and the New Zealand Nurses Organisation on the PDRP Evidential Requirements Working Party Consultation Document. September 09. The PSA is generally supportive of the approach taken in the document.

Submission to the Ministry of Health on the Draft Credentialling Framework for New Zealand Health and Disability Service Providers. September 09. The PSA is supportive of the direction outlined in the draft framework with reservations.

Local government

Submission to Local Government and Environment Select Committee on the Local Government Act 2002 Amendment Bill. June 10. Opposed on the grounds that it will erode public and democratic ownership and control of public assets and public services.

Hardship Fund

During the Ministry of Justice dispute which lasted several months a hardship fund was established to aid members in financial difficulties because they had pay docked when taking lengthy or sustained industrial action. Members who applied for assistance were given supermarket food vouchers. On 27 May it was decided to cease considering applications due to the settlement of the MoJ dispute and the members receiving the pay out in June. The balance of the money remains in the fund for future use in emerging disputes deemed appropriate.

Submission on the Auckland Transition Agency Discussion Document Council-controlled organisations of Auckland Council. March 10. The proposed framework is deeply flawed and will not serve the people of Auckland well.

Submission to the Auckland Transition Agency on Discussion Document – Organisational Structure and Staff Transition. November 09. Services should be retained in-house and should not be outsourced to council-controlled organisations or private providers without compelling reason.

Freedom of association

PSA submission on Education (Freedom of Association) Amendment Bill 2010. March 10.

Changes proposed by the Bill are neither necessary nor desirable.

Special education

Submission on the Review of Special Education 2010. March 10. Summary of the views of members working in special residential schools.

Personal grievances

Submission on the Review of Part 9A: Personal Grievances. March 10. Further regulation is unneeded as the current system works well and is cost effective.

Privatising prisons

Submission on Contract Management of Prisons Consultation. February 10. Mt Eden-Auckland Central Remand Prison is not suitable for contract management.

Science

Submission to the Taskforce on options for strengthening the settings for Crown Research Institutes – terms of reference. November 09. Mergers should only take place if there is sufficient evidence that the merger will strengthen the science and research capability of the new institute.

Submission on the Interim Report of the Taskforce on options for strengthening the settings for Crown Research Institutes. January 10. Further restructuring and merging of CRIs in the current environment would be unproductive.

Submission on New Zealand's research, science and technology priorities. November 09. New Zealand's approach to publicly funded science must be strategic and the PSA supports the general principles listed in the strategy document.

Submission on the Draft Tertiary Education Strategy 2009. November 09. The PSA agrees with the government's focus on the importance of skills and innovation to achieving growth potential, but the strategy needs to be clear and take account of more variables.

Full text of the submissions can be downloaded from the PSA website: www.psa.org.nz

Working with other unions

Council of Trade Unions

The PSA is a committed affiliate of the Council of Trade Unions, actively participates in its national and local forums and programmes, and contributes expertise on public sector issues. PSA national secretary Richard Wagstaff is vice president of the CTU.

The PSA liaises with the CTU on initiatives such as the Fairness@Work campaign, opposition to the cuts to ACC coverage, promotion of pay and employment equity, submissions on employment and health and safety law and support for public services.

The PSA supports Unions Aotearoa International Development Trust (UnionAID), the overseas development agency of the New Zealand Council of Trade Unions and promotes it through our regular publications and on the website.

The PSA is represented by the secretariat on the National Affiliates Council. Over the past years, PSA members and officers have actively participated in the CTU Rūnanga, CTU Komiti Pasefika, the Biennial Women's Conference, the Women's Council, Out@Work, and Stand Up!, a forum for young union members.

The PSA secretariat and national president attended the CTU union leaders' forum in July.

Joint negotiations with other unions

In joint bargaining, the PSA the NZ Nurses Organisation and the Service and Food Workers Union negotiated a nationwide, across the board pay increase with all district health boards.

Service and Food Workers Union

The PSA had exploratory talks with the Service and Food

Workers Union (SFU) to consider whether merging the two unions would be in the best interests of members. After a series of discussions with the SFU, the PSA executive board decided not to proceed with a merger.

Public Services International

The PSA is an active member of Public Services International, a global union federation made up of more than 650 trade unions, representing more than 20 million workers who deliver public services in 160 countries around the world. PSA House in Wellington is the headquarters for the PSI Oceania sub-regional headquarters secretariat.

Our contribution to PSI activities is concentrated largely on building public sector union organisation in the Pacific. We have developed close links with union leaders in Fiji, Samoa, Tonga and the Cook Islands and assist with training and development programmes.

International Trade Union Confederation

The International Trade Union Confederation (ITUC – formerly known as the International Confederation of Free Trade Unions) comprises 311 national trade union affiliates, representing 168 million trade union members in 155 countries and territories, and campaigns to defend workers' rights worldwide. The PSA is represented at ITUC through the CTU.

Union Network International

Union Network International (UNI) is a global union federation representing 15 million members in 900 unions including workers in the mass media, entertainment, and the arts. The PSA has affiliated its broadcasting workers to UNI.

Overseas unions

The PSA maintains close links with public sector unions in Australia, Britain and Ireland that face issues similar to ours.

Operational

The PSA is working to ensure our operational systems are future proofed to deal with change, whether welcome or unwelcome.

Staffing

Currently the PSA employs 129 staff: 122 permanent staff and seven fixed-term (for projects and backfilling). Permanent staffing levels have increased by two with the creation of new positions: an online multimedia communications adviser and a business systems coordinator. There are 83 organising staff and 46 clerical and support staff.

Over the year there were two retirements, six resignations, 10 permanent appointments and eight fixed term appointments.

Membership fees

Membership fees are based on annual gross salary. The current fortnightly fees are \$3.60 for earnings under \$16,500; \$7.10 for earnings between \$16,500 and \$33,000; and \$14.20 for earnings over \$33,000. Under PSA Rules membership fees are reviewed every two years taking into account cost-of-living and wage movements. The next review is due in 2011.

Membership database

We continue to improve our membership systems for staff and provide facilities for delegates and members. An "Update your details" facility on our website has also proved invaluable for maintaining up to date records. To date there have been 10,000 updates and 7,253 new items of information recorded in our database from members. Delegates are now receiving regular membership lists for membership tracking and site mapping. We are working on a web facility for delegates to

update information directly into our membership system. Statistical reports have been developed and are provided to our sector committees, national organisers and management to assist with strategic decision-making. Gathering up-to-date email addresses and mobile phone numbers for members has been a priority. More than additional 6000 mobile contacts have been collected this year, ensuring we can have instant contact with more than a third of the union membership.

Information systems

The PSA adopted a new information systems strategic plan (ISSP) in 2006. A review of progress against this plan showed that its recommendations had been successfully implemented. A new plan valid to 2013 has been introduced and work is proceeding in alignment with its recommendations. Last year saw the introduction of a computer telephony integration system. This year a new intranet linked to the membership database, administration systems and the website was launched. This provides staff with quick and easy access to information and records. A replacement finance payroll, HR and budgeting system is currently being introduced and will be completed by 2011. New colour photocopiers have been installed in all offices, eliminating the need for posters, leaflets and flyers to be couriered from the Wellington office. Later this year the video conferencing system will be upgraded to reach all offices.

Business continuity plan

Work has been completed to ensure our financial and operational systems are safeguarded and the union can continue to function in the event of significant disruption. An offsite disaster recovery system for critical systems has been put in place and was successfully tested in June.

GOVERNANCE

Committee members

John Upfold, (Convenor), Statistics New Zealand
Abdul Rafik, (Deputy Convenor), Inland Revenue
Josh Gardner, Inland Revenue
Ann Kendall, Department of Internal Affairs
Pene Morris, Parliamentary Services
Marcia Puru, (Rūnanga), Inland Revenue
Martha Selwyn, (Rūnanga), Public Trust
Resignations: Craig Bradley, Statistics New Zealand

Points of note

- ▶ 5571 members
- ▶ 309 delegates
- ▶ 7 per cent decline in membership (400 members) probably due to IRD restructuring
- ▶ Bargaining currently underway in several enterprises

- ▶ Reports of increased stress in the workplace as people's targets or workloads increase
- ▶ Working committee has been established with PSA representation to monitor merger of the National Library, Archives and the Department of Internal Affairs



INFRASTRUCTURE

Committee members

Gordon Mosley (Convenor), Ministry of Justice
Trevor Day, Ministry of Justice
Shane Lean, Ministry of Justice
Wendy Faulkner, Department of Customs
Candace Johnston, Department of Corrections
Jeana Jurisich, (Rūnanga) Department of Corrections
Tracey Karena, New Zealand Defence Force
Jackie Kerr, Department of Corrections
Neville Nodder, Department of Corrections
Keith Oldcorn, New Zealand Defence Force
Kaio Rivers, (Rūnanga), Ministry of Justice
Marshall Tangaroa (Rūnanga) Department of Corrections
Andrew Tanner, Aviation Security Service
Resignations during the term: Hamiora Te Aramakutu, Steve Clarke

Points of note:

- ▶ 6777 members
- ▶ 482 delegates

- ▶ Successful Justice for Us campaign resulting in breakthrough Ministry of Justice settlement
- ▶ All enterprises except Corrections experienced redundancies or sinking lid policies
- ▶ Combined sector hui with Community, Environment and Governance sectors
- ▶ Submissions on prison privatisation, prison site management review and Ministry of Justice courts regional realignment



Sustainability

Good progress has been made with a number of the projects set out in the PSA Sustainability Action Plan. An new online operating manual has been completed and a new strategic planning process is in development. We have established an eco-rep role. Eco-reps will work with members in workplaces to involve them in union activity around sustainability issues. On Earth Day 2010 in March the PSA joined forces with the Tertiary Education Union, the World Wildlife Fund and the Hikurangi Foundation to take action on climate change.

We are building our relationships with communities through our Working For You campaign.

Regular reports to PSA staff on their travel usage are helping us to reduce our impact on the environment and the capital expenditure plan for this year includes sustainability measures such as the installation of solar panels on PSA House in Wellington. The Joint Union Management Committee has a number of projects underway which will contribute to decent work for PSA staff.

Resource use

	2008	2009	2010
Vehicles (litres of fuel)	91,697	90,715	94,514
Vehicles (tonnes of CO2-e)	245	243	253
Air travel (tonnes of CO2-e)	309	300	264
Electricity (kWh)	427,666	459,264	490,031
Natural gas (M3)	636	8,539	10,189

Note: 2010 data is for the period 1/4/2009 - 31/03/2010

Financial sustainability

	2008	2009	2010
Ratio of reserves to operating cash requirements	83.96%	84.35%	94.22%
Ratio of current assets to current liabilities	6.4:1	6.2:1	6.4:1
Ratio of total assets to total liabilities	5.4:1	5.5:1	6.2:1

Membership sustainability

	2009	2010
Delegate to member ratio	1:18	1:17
Number of training days delivered	237	192
Female to male (%):		
- Members	69:31	69:31
- Delegates	60:40	60:40
- Governance	48:52	41:59

Note: Figures not available for 2008. Delegate training days for 2010 do not include enterprise-specific training.

Staff sustainability

	2009	2010
Staff with a career development plan in place (%)	61	83
Staff turnover (%)	6.6	3.3
Staff in retirement savings schemes (%)	82	88
Take-up wellness payment (%)	77	62
Days lost through sickness (%)	3.7	3.4

Note: Figures not available

Figures as at year ending 31/3/2010

Financial

The report of the treasurer and the audited financial statements are published as a separate document.

The treasurer reports that the union is financially well-placed to meet whatever the future holds. In addition to membership fees, the union receives income from property rentals, interest on investments and PSA plus initiatives. The financial position has benefited from membership growth but investment returns have been modest and this will continue with the fall in the official cash rate. The union maintains healthy financial reserves.

Income



Expenditure



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Te Pūkenga Here Tikanga Mahi

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