

# MERAS/DHBs MECA update

20 September 2018



## Members urged to reject DHBs' offer

The MERAS MECA negotiating team is recommending that you **reject** the NZNO pay rates that DHBs told us on Monday is all that is on offer.

This is because the DHBs are refusing to include a pay differential for midwives, a key claim your MERAS team has been arguing since negotiations started more than a year ago.

At the previous MECA negotiation in August, the DHBs' team agreed to prepare a proposal for a so-called "retention allowance for midwives" to go to the DHB CEs who met last week.

Part of this was to include an additional \$5000 for midwives who agreed to go to 0.9 FTE or fulltime, and an allowance for all midwives to encourage you to stay working in hospitals.

This followed the rejection by the DHBs' team in August of the MERAS proposal for a further 3% for midwives on top of the pay scales agreed by NZNO for nurses and their midwifery members.

But when the proposal went to the Ministry of Health and Health Workforce NZ, they rejected the idea, saying they had other ideas to retain employed midwives.

We have been objecting to the fact that the DHBs negotiated a settlement with NZNO that did not include a differential for midwives, and that at no stage were we consulted about these discussions. To us, this was a breach of good faith as we were expected to accept a settlement into which we had no input.

**As soon as we receive the formal offer from the DHBs, we will begin on-line voting. We encourage you to hold workplace discussions before you vote to hear what your colleagues think.**

**We will also be asking you about action you are willing to take if you vote NO to the offer. This will include a range of actions from lobbying MPs, a postcard campaign, to industrial action.**



*MERAS National Representatives Council members highlight our union as the voice for employed midwives at the College of Midwives conference last month.*

### The midwives' difference

We told the DHBs that the midwifery shortages and use of registered nurses on postnatal wards have highlighted for midwives the unfairness of having your pay rates linked to that of nursing.

As defined by Midwifery Council competency 4, midwives direct, supervise, monitor and evaluate the obstetric nursing care provided by registered nurses. **So why are you paid the same as nurses?**

The answer lies partly in the historical undervaluing of midwifery because it is seen as "women's work" and as such, midwives are considered to have "inherent" or "natural" abilities not required to be accounted for in wages paid.

Also it was in the interests of the male-dominated and powerful medical profession to devalue midwifery through regulation (requiring midwives to practice under the direction of a doctor from the 1920s to 1990) and to link midwifery with nursing.

The DHBs have embedded the injustice in their pay negotiations by linking midwives' pay to another oppressed group of mainly women, i.e. nurses.

## Costing midwives' pay equity

We have established that employed midwives have a case for pay equity. The DHBs have accepted this and they have agreed that pay equity claims should be based on occupational groups, not which MECA covers your work.

Though NZNO has put in a claim for pay equity for nurses and midwives as part of their bargaining, this does not mean the case for midwives is necessarily tied up with that of nurses.

In fact MERAS argues just the opposite because the linking of midwives to nurses pay is a big part of the problem.

MERAS members make up 85% of employed midwives. Therefore, we have made it very clear that any process involving pay equity for midwives must be led by MERAS.

Further, it is our view that consideration of the case for pay equity for midwives should leverage off the five-year struggle by self-employed midwives for recognition of their role.

The LMCs, through the College of Midwives, last year withdrew their action in the High Court and entered into a co-design process with the Ministry of Health, completed in November 2017.

That co-design model included comparisons with doctors and employed midwives, which more appropriately reflected the level of responsibility, skills, training, and scope of practice of LMCs.

Fair and reasonable compensation for self-employed midwives, in the context of the history of the role and in comparison with other roles with similar responsibility, risk and working conditions was valued at \$170,000 a year (for a fulltime workload).

In addition, remuneration for on-call expectations was valued at \$30,000 a year, and business operating costs at \$41,000. The total remuneration and costs came to \$241,000 a year.

This compares with self-employed GPs who earn between \$200,000 and \$225,000 a year for a 40-hour week with no on-call expectations.

Employed RMOs with 6 years' experience earn between \$118,910 to \$121,839 a year, plus leave entitlements and allowances, including on-call, taking their total package to more than \$200,000.

Core midwives employed by DHBs with 5 years' experience will earn \$70,820 a year if we accept the DHBs' offer. With QLP and penal rates for unsociable hours, overtime, leave entitlements and allowances, including on-call allowances, you would earn around \$100,000 a year for a fulltime role.

Working back from the co-design costings, and taking into account the benefits of the MECA terms and conditions, by our calculations you are being underpaid by roughly \$30,000 a year.

This is not a given, especially now we know that the Ministry of Health advised Minister of Health David Clark to reject the co-design remuneration recommendations of its own joint report.

### What is on offer

- Lump sum back pay of \$2000 (pro-rated) from 1 August 2017- 3 June 2018.
- Back pay on actual hours worked from 4 June 2018 to also include 3% on all rates from 4 June; a further 3% from 6 August.
- Additional 1% for senior midwives from 4 June 2018.
- An extra step on the core midwives scale from 6 May 2019 and an additional step on 5 May 2020, bringing the top core midwives rate to \$77,386, an increase of 15.9%

### What has been agreed

- Working party to update grandparented education funding provisions.
- A minimum of 4 hours paid time to attend MSR.
- An increase to on-call rates.
- Higher Duties Allowance to apply after 3 days.
- Share of the \$38 million staffing increases for additional midwives.
- MERAS Staffing Standards to be used in maternity facilities.
- Pay Equity to proceed with pay adjustments effective December 2019.
- Working party to review pay structure for all midwives, including grading and titles for senior midwife positions.

**NOTE: When we receive the DHBs offer, we will post it on the MERAS website.**