

From: Fair Pay Agreements <FairPayAgreements@mbie.govt.nz>

Sent: Thursday, 1 September 2022 11:33 am

To: Gary Morrison <gary@security.org.nz>

Subject: Update on Fair Pay Agreements Implementation

Kia ora Gary

Thank you for taking the time to meet with the FPA Implementation Programme team over the last few months. It has been a great opportunity for us to hear more about the sector or communities you represent and discuss any questions or concerns about the proposed FPA system. This has been useful to gauge awareness and understanding of the proposed legislation and for us to understand how we can keep you informed.

The latest on Fair Pay Agreements

The Fair Pay Agreements Bill continues to move through the parliamentary process now that all written submissions have been received and presentations in person have been heard by the Select Committee. Submissions are now publicly available on the Parliament website [here](#). Meanwhile, the Fair Pay Agreements Implementation programme team within MBIE is focused on preparing to operationalise the system once the FPA system come into effect.

To re-cap, the proposed FPA system enables employers and employees to collectively bargain for minimum employment terms, on an industry or occupation-wide basis.

In order for there to be a clear pathway for those who wish to initiate an FPA, the Implementation team is currently refining the operational process design of the FPA system. This includes establishing new functions within MBIE to support the FPA system, and preparing tools, templates and guidance for each stage of the FPA process for those that will form bargaining sides. We will provide an update on how to access these tools and guidance once the Bill is finalised.

Information for employers, employees, and other audiences is also being prepared to support general awareness and understanding of Fair Pay Agreements and the proposed FPA system.

Next steps in the parliamentary process

The Education and Workforce Select Committee is now considering the Bill and is due to report back to Parliament by 5 October 2022. Subject to House priorities, the Bill is expected to progress through the remaining stages in Parliament in October and early November.

The Fair Pay Agreements legislation is expected to come into effect by the end of 2022.

FAQ

A variety of questions came up when we have engaged with stakeholders about FPAs. A frequently asked question is: "If there are no union members within our business, how could an FPA be initiated that would affect us?"

A: The proposed FPA system requires that when initiating bargaining for an industry or occupation, the union must meet a representation test. This is based on evidence of support from 1,000 employees or 10% of employees within coverage. It is not a requirement that all of those covered are union members.

An overview of the Fair Pay System

The proposed FPA system includes various steps that will need to be undertaken, from initiating an FPA for an industry or occupation, to establishing bargaining sides and commencing bargaining, to voting and ratification of the final Fair Pair Agreement. Along the way there will be tools, information and support in place. See an overview of the system here: [The proposed Fair Pay Agreement system \(mbie.govt.nz\)](#)

See further information on Fair Pay Agreements [here](#).

Please feel free to share this information with others in your organisation, business, or networks.

Upcoming engagement

In the coming months the FPA Implementation Programme team will be re-engaging with stakeholders to provide updates on progress under key workstreams, and to explore opportunities for collaboration and information-sharing with wider business networks and communities, including webinars.

In the meantime, if you have any questions or wish to contact the FPA Implementation team, please email fairpayagreements@mbie.govt.nz.

Our Employment New Zealand website, newsletter, and social media channels are also helpful for keeping track of updates on Fair Pay Agreements and other employment-related topics. Please feel free to share the following links with others in your organisation or networks:

[Employment New Zealand website](#)

[Employment New Zealand newsletter](#) (subscription link)

Employment New Zealand [Facebook](#) and [LinkedIn](#)

Ngā mihi

FPA Implementation Team