

# Hon Chris Hipkins

MP for Remutaka

Minister for COVID-19 Response

Minister of Education

Minister for the Public Service

Leader of the House



18 MAY 2021

Richard Wagstaff  
NZCTU President  
178 Willis Street  
Wellington  
6141

Dear Richard,

Thank you for your letter dated 17 May 2021 confirming the outcome of our meeting on 11 May 2021. I agree with you that the following points are consistent with my understanding of the consensus we reached:

1. Collective bargaining in the public service will be in good faith without pre-determined outcomes.
2. The parties will prioritise accelerating reductions in pay gaps faced by Maori. Accelerating reductions in pay gaps faced by Pacific Island, Asian and low paid workers will also be a priority.
3. The Minister intends to accelerate pay equity and pay parity processes to settlement, positively impacting on the gender and ethnic pay imbalance.
4. There is scope to discuss cost of living increases in negotiations for all union members covered by collectives, with higher increases for low paid workers and that there is no pay freeze.
5. All existing agreements will be honoured, including across the board base rate increases and salary progression.
6. Bargaining parties are encouraged to explore other areas to make for a better job, a better place to work, and to support better service delivery. Wellbeing and workload issues are a priority.
7. The parties have a preference for collective bargaining and will work together to find ways to encourage and maximise the number of employees covered by collective agreements.
8. Given that significant levels of bargaining is already underway and more bargaining will occurring in the coming weeks, that it is important to make sure our discussion and agreement is conveyed and explained to those at the negotiation tables as soon as possible.
9. For agreements that have expired, the period for renegotiating will be extended by agreement between the parties so that existing agreements remain in place collectively for the agreed period.
10. These Guidelines will be reviewed again and amended if required by the end of 2022, after consultation with the NZCTU.
11. The channels of communication are open, and we agreed to have further discussions.

Thank you to the NZCTU and affiliated unions for your constructive engagement. I look forward to working with you on these important matters.

Yours sincerely

A handwritten signature in black ink, appearing to read 'CHIPKINS', written in a cursive style.

**Chris Hipkins**  
**Minister of Education**

# Office of Hon Chris Hipkins

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19 May 2021

Erin Polaczuk and Kerry Davies  
PSA National Secretaries  
PSA House  
PO Box 3817  
Wellington 6011

Dear Erin and Kerry,

Thank you for meeting with the Prime Minister and me last week. The Prime Minister has referred your letter of 14 May 2021 to me, as Minister for the Public Service, as I have portfolio responsibility for this matter.

Following our recent conversations, I have discussed your request contained in that letter with the Public Service Commissioner, and I can confirm that I have asked him, as you have outlined in your letter, to work with Public Service departments to ensure that bargaining during the period of the recently published Pay Guidance advances the goal of implementing step-based progression where the criteria are transparent, recognise experience and minimise discretion, and also that low paid jobs will be prioritised.

The Commissioner has advised me that he will include this in advice that he is intending to send to chief executives, supporting implementation of his guidance, following recent discussions between Ministers and unions.

Thank you for working constructively with me on this matter.

Yours sincerely,

A handwritten signature in blue ink, appearing to be 'CH', written over a light blue horizontal line.

Chris Hipkins  
Minister for the Public Service