



PPTA TE WEHENGARUA ANNUAL CONFERENCE 2021

INDUSTRIAL STRATEGY 2021-22



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RECOMMENDATIONS

- 1 That the report be received
- 2 That the 2021-22 industrial claims be developed within the context of the Membership Vision for Education
- 3 Those strategic claims development focus on a phased implementation of key steps in that vision
- 4 That PPTA use a research company to test public support for strategic claim areas.
- 5 That PPTA and the Secondary Principals' Council of Aotearoa use an outside economics agency to assist in the development of a long-term sector fiscal plan
- 6 That strategic claim areas developed with members for 2022 be:
 - a. Pay that makes secondary teaching an attractive a career
 - b. Workload and wellbeing
 - c. Treaty-based claims
 - d. Professional Development and mentoring

BACKGROUND

The STCA expires in July 2022, and we will formally initiate bargaining on 3 May. Prior to that, the Accord partners (PPTA, NZEI and the Ministry of Education) will be meeting in March in a pre-bargaining process (which is currently undefined).

This paper outlines the framework and considers the strategy for negotiations over a long term.

Its companion paper is *Revisiting our vision for education*.

1. CURRENT UNCERTAINTIES

1.1. At the time of writing, we are about ten months from initiating. We have had little opportunity to engage with activists and the wider membership in ways that we normally would have done in other years. There are several areas of uncertainty lying between the middle of 2021 and the start of bargaining:

- **Economic and health environment**

The economic environment and the health environment are tied together to a degree which is unprecedented since the 1918 Spanish flu epidemic. While the economic situation is currently much better than had been anticipated at the onset of the Covid lockdowns, and the roll out of vaccines promises to bring us closer to normal activity, the medium to longer term impacts of the pandemic over the next ten months to two years remain unclear. Unemployment is predicted to fall (a strong pressure on secondary supply), and net government debt is predicted to be lower than originally expected. However, several areas of the economy are under increasing pressure from disrupted supply lines and a second outbreak of a more contagious variant of Covid-19 would have significant economic and health impacts in a short space of time.

- **Political environment**

There is an election at the end of 2023. While currently Labour remains in a strong political position, that is a long time in politics. It is likely (barring major shocks or a series of middle level embarrassments which undermine confidence in the Ardern-led government) that the current Cabinet will feel confident of re-election either as another single party government or (more likely) in a red-green coalition. That suggests a relatively benign government which will have confidence of its position in a negotiating period but also one which is fiscally cautious and focussed on maintaining centrist and soft-right voters. That suggests a round which is not dissimilar from the 2018 negotiations in terms of government-PPTA relationships but with less on offer. The nurses' negotiations are a litmus test for us in this regard.

Included in the 'political environment' are factors beyond the secondary sector (or even the schooling sector) that are subject to wider government policy, but which impact on many of our members. These will include national-level responses to housing pressures and social support measures like Working for Families and the moves made by the Government in the next budget.

- **Public attitudes**

The efforts of public sector workers in general though the pandemic has generated good will amongst the public. This is evidenced in the support shown to the nurses during their strike

action. What we do not know is the extent of this support for teachers and how potential claims we might make and actions to support those claims might impact on that support. One recommendation in this paper is for some testing of public attitudes to strategic areas of the claim and vision.

- **Early negotiations of other unions**

The nurses are in negotiations currently. Their experiences are likely to give us more concrete signals about what type of negotiations we will be engaging in next year. Their settlement may also act as a trend-setter for other public sector negotiations. A particular aspect of their negotiations is the way in which the potential outcomes of their potential pay equity settlement is being woven into employer offers.

- **Membership expectations**

At this point in time, we do not have a clear sense of what many members will prioritise in the claim's development process, nor how committed they will be to achieving the outcomes they prioritise. The depth and breadth of commitment to engage in activities to support negotiations will in part inform the strategic response, the nature of the claims package and the tactical approaches to the coming round.

Expectations are likely to be dependent, in part, on the direction taken by the four uncertainties above.

One early perception is that workload and wellbeing will take a bigger focus in the coming round following the failure of the Accord process to produce any significant immediate lightening of workloads and the additional stresses and pressures members experienced through Covid. Wellbeing is inextricably linked with working conditions and is an area that has been recognised as a priority for negotiations within the public services guidelines.

The process of engaging with members begins in earnest later this year. This will include the use of large-sample membership surveys.

- **Pay equity processes**

The teacher pay equity review will be a background activity during claim development and negotiations. While it is unlikely to produce any outcomes in the timeframe it is quite possible that it will be used as a distractor to pay claims. It may also give us some areas for movement but the slow pace of these reviews and the unhappy experience of the nurses with their review do not provide for optimism.

- **Outcomes of the judicial review of the Teachers Council, part time and call-back cases**

At the time of writing, both legal cases and the judicial review have been heard. The judgement in the part time case went against our members, for our members in the judicial review, and we await the judgements on the call-back case.

Those judgements will have implications for what may be in the long-term vision, longer term strategic matters and in the coming negotiations.

- **Teacher supply**

Covid has created an unusual supply situation. Our March staffing survey suggests:

- The closure of the borders has reduced overseas teacher recruitment.
- Fewer teachers have left to go overseas.
- Resignations have gone down.
- The loss of fee-paying students has created some spare capacity on some schools that reduces demand for teachers.
- Retirements continue to be the major (and increased) proportion of reasons for resignations.
- The number of applicants for positions averages six, but a significant minority of jobs have no applicants or are filled from a single application.
- The number of relievers available to schools has fallen – an early warning sign of building supply pressures.

The longer-term effects of Covid will continue to influence supply. We can anticipate that recruitment from overseas will remain difficult (despite the limited number of priority border exemptions for secondary schools) and, working in the opposite direction, there will be delayed overseas travel and emigration for a period.

Driving factors for supply may be moving in different directions – unemployment is lower than anticipated and improvements in the economy or the border situation could drive up supply pressures, while any deterioration in the economy because of wider global economic factors would drive them down. Coupled with that, the average median wage has risen during the last few years and activity by the government to raise lower pay rates may lead to further growth in the median wage, while conversely a further Covid-driven economic shock could reverse that. Either of these scenarios would drive supply in the opposite direction.

Interacting with alternative job opportunities and relative salaries and uncertainties about the future will be the ongoing workload pressures faced by our members. Currently the most common reasons given by teachers who leave the profession for other jobs are the high workloads and the lack of work-life balance. Any significant improvement in the economic environment over the next year may see a marked deterioration in the supply situation. And there is still roll growth to accommodate in secondary until at least 2025. The start of term 1 2022 will be an important signpost for the direction of supply during the industrial negotiations.

2. GOVERNMENT PRIORITIES

The uncertainty about government priorities (other than what they will be if we have not settled before the next election and there is a new government in place) are not so much what their priorities are, but what those priorities mean.

2.1. THE 'WAGE FREEZE'

Quite how the government's indications about state sector pay negotiations will pan out will become clearer before we get to our negotiations. How they will be interpreted by the Ministry will be something we find closer to the time.

The key guidelines¹ are:

1. to engage in good faith on CPI claims and "steer outcomes towards lifting low pay".
2. Priority is to be given to workers who are in low paid roles, with average pay under \$60,000. Higher paid workers (\$100,000 plus) are to be offered alternatives that "do not result in ongoing increases to salaries" unless there are special circumstances.
3. The default for middle earners is no increases unless there are recruitment pressures to be addressed.
4. Across the board increases are not consistent with the wage priorities.
5. Pay claims are to be negotiated in good faith without predetermined outcomes.

2.2. WORKLOAD AND WELLBEING PRIORITY

Government has indicated that claims addressing wellbeing and workload are "a priority". Again, what that means in practice will become clearer over time.

2.3. EQUITY PRIORITY

The government has expressed an intention to accelerate pay equity and pay parity processes to settlement.

2.4. MINISTRY PRIORITIES

We may not know what the Ministry's priorities and claw back claims are until the negotiations begin.

2.5. MEMBER PRIORITIES

We have not yet engaged formally with members in developing claims and so have only general indications of what their priorities are. That initial indication suggests that both pay and conditions will form a large part of their thinking during the claim's development process. Housing and rental cost pressures remain an issue for members in several areas.

2.6. OTHER UNION CLAIMS

A number of other unions have current or coming negotiations and campaigns which will impact on our claim in a variety of ways.

¹ *Public Service Pay Guidance 2021* and *Government Workforce Policy Statement on the Government's expectations for employment relations in the public sector*. Both are published by the Public Service Commission.

RESPONDING TO UNCERTAINTIES

Planning to date has been focussed on developing an approach that allows us to deal with the uncertainties and to provide us with a framework to approach negotiations over a longer term. This approach comprises two parts: the Vision and the Strategy.

3. THE VISION

The work outlined in *the vision paper* is intended to create a longer-term context in which we can identify and progress the interests of the profession over a period of perhaps three contract rounds.

4. PROPOSED STRATEGIC FRAMEWORK

- 4.1. The strategic framework is effectively the steps to be taken over the next three industrial rounds to progress the goals of the membership vision for education. Not all those steps need to be within the negotiations themselves, but the collective agreement rounds would form key staging posts along the way.
- 4.2. The vision process will identify key areas in which progress is needed. These are likely to be divisible into key themes, perhaps something like:
 - well paid
 - trained to a high standard
 - continuously supported
 - Treaty-led and culturally responsive
 - properly resourced for curriculum delivery
 - properly resourced for pastoral care
- 4.3. Key changes required to bring about improvements in those areas would then be identified and each round would focus on movement in those strategic areas. Each round would see members prioritizing within and across those areas. That allows members to retain control of specific components of each round's claims as well as reaffirm (or adapt) the longer-term vision.
- 4.4. As an example, assuming that appropriate pay and a good supply of trained and qualified teachers were two of the areas identified then we might continue with the goal of relative salary at the top of scale being 1.74 times the median wage and seek to make progressive shifts towards that over the next three rounds. In each round members would determine how big a movement we would make towards that goal, but the goal would be overarching. This has already been established as a long-term goal during the 2018 consultations with members.
- 4.5. Similarly, if addressing resourcing to decrease workload, then one goal might be no class has to be larger than 25 and the three industrial cycles would include progressive steps towards that. The size of each of those steps would be determined by members at each round.
- 4.6. Broad strategic areas and a longer-term timeframe would allow us to adjust for the uncertainties and formulate longer term campaigns to support the broad vision and its goals, which in turn would support individual industrial rounds.
- 4.7. The strategic areas are likely to be broad enough to allow us to respond to immediate pressures and to new ones that arise during the timeframe. They may also identify for us areas where we can make

opportunistic gains (e.g., in advancing an area in negotiation where an actual claim is not fully achievable).

5. THE VISION AND A LONG-TERM SECTOR FISCAL PLAN

- 5.1. There is no national long-term plan at government level for resourcing education. Each budget is a standalone event. This means that over time we have seen surges of funding in some areas and under-resourcing in others. Within a long-term vision, a sector-designed fiscal plan could establish long term funding planning. This would need a three-part development:
 1. Identifying current areas of education spending by government
 2. Identifying underspending
 3. Identifying long term levels of strategic funding to maintain a high-quality secondary teaching service.
- 5.2. Some expertise would be required to help develop this and this paper proposes that PPATA and the Secondary Principals' Council of Aotearoa work with the support of an external economics agency to develop this fiscal plan.

6. THE VISION AND THE ACCORD PRE-BARGAINING PROCESS

- 6.1. An Association-led vision for the secondary profession and a strategic plan sitting alongside a sector-developed long term fiscal plan will be very helpful for our representatives in the Accord pre-bargaining process to help develop direction and priority to the negotiation process.

7. THE VISION AND CLAIMS DEVELOPMENT

- 7.1. The 2022 claims development would be the first round of the strategic claims. While the vision and its strategic areas are still in development, early indications are that the goals would be a teaching profession to be highly paid, trained to a high standard, continuously supported, culturally responsive, and properly resourced for both curriculum delivery and pastoral care.
- 7.2. This is consistent with the broad categories of our current industrial work on: Te Tiriti; Workforce; Wellbeing; The New Teaching and Learning Landscape; and Promoting Equity.
- 7.3. More work on the Vision will help to focus on key strategic goals and claims development would focus on the specific claims to achieve those goals, or steps towards them.
- 7.4. The process would focus on the range of identified steps towards each of the vision components, which should be progressed in this round, in what form and how big the step should be.
- 7.5. This might look something like:

Vision for 2031:	Examples of possible goals in each area	Non-claim activities to promote goals	Claim items
Workforce is			
well paid	TBS at 1.74 relativity with MWW		
trained to a high standard	Access to professional development		
continuously supported	Access to an experienced mentor		
culturally responsive	Increasing fluency of the teaching force in Te Reo Māori		
properly resourced for curriculum delivery	Sufficient staffing for classes of 25 or less		
properly resourced for pastoral care	Sufficient staffing for guidance and pastoral staffing ratios of 1:400		

7.6. Non-claim activities might include campaigning, advertising, lobbying, organised summits and conferences, publications etc. Claims items would be filled in by during the claim development processes leading to each separate round of negotiations. These might include claims within each strategic area which are general, or which are member-specific items. At each round these would need to be widely felt and deeply held proprieties for that time.

LONGER TERM FOCUS FOR ASSOCIATION ACTIVITY

- 7.7. The natural cycle of bargaining means that the focus and activity of members and of the wider organisation is intensely focussed on ‘one off’ negotiations. This means that momentum built on issues can be lost from round to round and that important ongoing issues disappear from public view after a settlement.
- 7.8. The combination of a long-term vision for the sector, a strategic fiscal plan for funding it and a strategic industrial plan for progressively moving to the appropriate level of funding for key industrial matters gives an ongoing focus to our strategic work and would allow steady and constant progress between rounds as well as at the time of negotiations. Branch and regional activities between industrial rounds could include activities designed to progress the strategic issues outside bargaining. An area not progressed in one year could be the focus of more intensive activities in the next year.
- 7.9. A long-term strategic plan and a national sector fiscal plan would also give more focus to Association communications and work with other sector agents and political groups over the longer term.