

Negotiating Collective Employment Agreements

Under the Employment Relations Act (ERA)

What is a Collective Employment Agreement?

The Employment Relations Act 2000 (ERA) provides procedures for unions and employers to negotiate employment agreements to apply to all union members engaged on work within the coverage clause of the agreement.

NZMA National Collective Agreements – PHC MECA

NZMA negotiates the Primary Health Care Multi Employer Collective Agreement (PHC MECA) for practice nurses, medical receptionists and administration staff. This agreement applies only to employers who were cited as original parties to the negotiations or joined as subsequent parties after it came into force.

Parties to collective bargaining are specifically required to conclude a collective agreement where they are party to bargaining for it, unless there are genuine reasons, based on reasonable grounds, not to.

For details of the arrangements through which NZMA negotiates the PHC MECA on behalf of members, contact the NZMA on 0800 656 161.

Other Collective Agreements

Other employer groups in the industry have their own collective agreements. Members should be aware that the process to negotiate a collective agreement is a complex one and, in some cases, may be subject to the additional and significant good faith and procedural obligations contained in the statutory Code of Good Faith for the Public Health Sector. The Employment Relations Authority can also become involved in collective negotiations in certain situations, and, in rare cases, has the power to independently determine the terms and conditions that will bind the parties.

Any member contemplating negotiations with a union for a collective agreement is strongly urged to contact the NZMA Member Advisory Service for further advice or to take advice from a law firm with employment law specialists or other competent source.

What does the ERA require for a collective agreement?

The Act sets down minimum requirements for the form and content of employment agreements. All collective employment agreements (CEAs) entered into while the Act is in force must include the following elements:

- The CEA must be:
 - (a) In writing; and
 - (b) signed by each union and each employer that is a party to the agreement.
- A CEA may contain any provisions that the parties to the agreement mutually agree on, but the agreement must contain:
 - (a) A coverage clause;
 - (b) An employee protection provision dealing with arrangements in the case of certain types of restructuring which would affect certain types of employees
 - (c) a plain English explanation of the services available for the resolution of employment relationship problems, including reference to 90-day period for raising a personal grievance;
 - (d) a clause providing how the agreement can be varied; and
 - (e) an expiry date or event.

Parties may not contract out of the Act. A CEA must not contain anything that is contrary to law or inconsistent with the Act.

The parties to the agreement must ensure that a copy of the CEA is sent to the Ministry of Business, Innovation and Employment as soon as practicable after entering into the agreement.

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Need more help?

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