

# **FAIR PAY AGREEMENTS**



**CLUBS**  
NEW ZEALAND INC

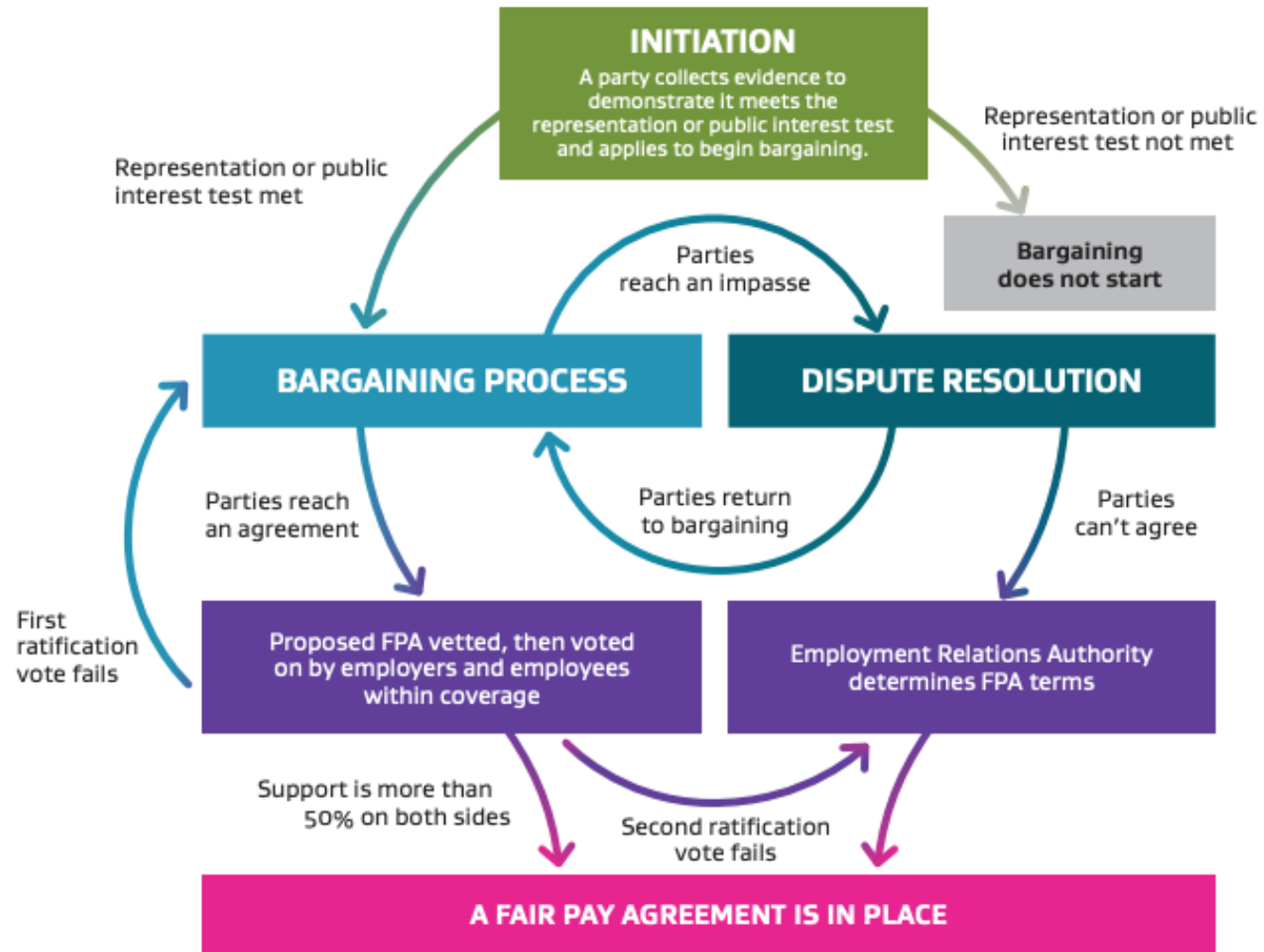
# FAIR PAY AGREEMENTS

- Fair Pay Agreement Act 2022 was passed into law late last year.
- A Fair Pay Agreement sets minimum employment terms for all employees in an occupation across all industries - or across one or more occupations within one industry. When a proposed fair pay agreement is validated, it is published into law as secondary legislation that applies to all employers and employees covered by the agreement.
- You cannot opt out of a Fair Pay Agreement.
- The FPA applies to covered employees irrespective of whether they are union members.

# GOOD FAITH

- Underpinned by the principle of Good Faith.
- Dealing with each other honestly, openly, and without misleading each other.

# THE PROCESS



# HOSPO FAIR PAY AGREEMENT



**MINISTRY OF BUSINESS,  
INNOVATION & EMPLOYMENT**  
HĪKINA WHAKATUTUKI



## **Public Notice of Approval of Application to Initiate Bargaining for a Proposed Fair Pay Agreement**

*Section 37 of the Fair Pay Agreements Act 2022*

<b>Proposed Fair Pay Agreement:</b>	Hospitality Industry
<b>Initiating Union:</b>	Unite Union Incorporated
<b>Application Number:</b>	FPA01-001-2022
<b>Decision:</b>	<b>APPROVED</b>

# BARGAINING PARTIES

## EMPLOYEE BARGAINING SIDE – MADE UP OF UNIONS

- Unite Union (Initiating Union)
- Raise the Bar Hospitality Union Incorporated (approved)
- E tū (under assessment)

## EMPLOYER BARGAINING SIDE – MADE UP OF EMPLOYER ASSOCIATIONS

- Clubs New Zealand (under assessment)
- RA (approved)
- NZ Security Association (approved)
- HNZ (approved)
- Employers and Manufacturers Association (Northern) (under assessment)

# COVERAGE

The proposed FPA is an industry-based agreement and covers only the occupations within the industry as described in the approval notice.

## INDUSTRY DESCRIPTION

**H 44000 – Accommodation**

**H 451100 – Cafes and Restaurants**

**H 451200 – Takeaway Food Services**

**H 452000 – Pubs, Taverns and Bars**

**H 453000 – Clubs**

**R 920100 – Casino Operation**

**J 551300 – Motion Picture Exhibition**

**N 721200 - Labour Supply Services**

**Event Catering Services**

## OCCUPATION DESCRIPTION

- Cafe or Restaurant Manager
- Caravan Park & Campground Managers
- Accommodation Managers
- Licensed Club Manager
- Bed and Breakfast Employee
- Call or Contact Centre Manager
- Customer Service Manager
- Conference and Event Organiser
- Cinema Manager
- Facilities Manager
- Baker
- Pastrycook
- Butcher or Smallgoods Maker
- Chefs
- Cooks
- Bartender
- Barista
- Café Worker
- Gaming Worker
- Hotel Services Manager
- Waiter
- Bar Useful or Busser
- Doorperson or Luggage Porter
- Accommodation Receptionist
- Ticket Seller
- Fast Food Cook
- Cook's or Chef's Assistant
- Kitchenhand
- Accommodation Housekeeper
- Laundry Worker
- Caretaker
- Handyperson
- Car Park Attendant
- Ticket Collector or Usher
- Delivery Driver
- Cleaner
- Alarm, Security or Surveillance Monitor
- Security Officer
- Bus Driver
- Beauty Therapist
- Cashier

# WHAT DOES THIS MEAN FOR EMPLOYERS

## DURING BARGAINING (NOW)

- You need to pass on information to employees from the employee bargaining side throughout the bargaining process.
- You will need to provide Unite Union with contact details of your employees (unless your employee has chosen not to share their contact details).
- You need to allow your employees to attend 2 x 2 hours paid meetings arranged by the employee bargaining side.
- Allow a representative from an employee bargaining side access to the workplace.

## DURING VOTING

- Your eligible employees may vote on the terms of the proposed FPA.



# WHAT THIS MEANS FOR EMPLOYERS

## ONCE FPA IS IN PLACE

- Once a FPA is ratified it becomes secondary legislation and applies to all covered employees and covered employers irrespective of whether the employer is a union member or not.
- All employers covered under the FPA will need to ensure that the employment agreements of covered employees have the terms that are the same as or better than those in the FPA.



# WHAT WILL BE IN THE HOSPO FPA

Each fair pay agreement must specify:

- the commencement date
- the coverage of the agreement
- the standard hours
- the following details of wages
  - minimum base wage, overtime rate, penalty rate
  - the specified amount by which the above rates must be adjusted and the calculation that must be used to adjust it
- the arrangements for training and development
- leave entitlements
- the governance arrangements that will apply to the bargaining sides when the agreement is in force
- the process for each bargaining side to engage with the other bargaining side in order to vary the FPA
- the date on which the agreement expires.





# KEY THINGS TO TAKE AWAY

- Employers and employees cannot opt out of a FPA.
- The FPA will apply to all covered employees even if they are not union members.
- Employees are not obligated to join the union (employers must not influence an employee to join or not join the union).
- All parties must act in good faith.
- When a FPA comes into force, it must include terms that are better than, or the same as, relevant minimum entitlements. If the law changes a minimum entitlement to be better than terms in a FPA, the new minimum entitlement applies - the most favourable term trumps.

# QUESTIONS