



Employment Services – Fair Pay Act Repeal

FINAL DECISION

February 2024

Introduction

Tēnā koutou,

As we all know, the Government has delivered on its commitment to repeal the Fair Pay Agreement (FPA) legislation.

Following the Fair Pay Agreement Act 2022 being repealed and Cabinet decisions, our work mandated by Cabinet and statute under it will come to an end.

This resulted in us needing to make some change to our structure, as proposed in the consultation document that I shared with you all at the end of last year.

I appreciate all the time and effort that went in to engaging with the proposed changes, and to those who provided feedback, thank you.

While I know that any change can be unsettling and consulting with employees over the Christmas period is inherently stressful, I wanted to be as open and transparent as possible and provide all impacted employees with the greatest opportunity to consider their options.

Overall, the feedback that was received was in support of the proposed changes. Even the few who didn't support specific elements of the proposed changes put time in to providing considerations of alternative options, which is hugely

appreciated. There is more detail in the document on specific feedback that was received.

I know that Employment Services is a success because of your skills and expertise, and I sincerely thank you for all your hard work while we have worked to implement and operate the FPA system.

Thank you again for your feedback and for your ongoing professionalism through this time of change.

Ngā mihi nui,



Katherine MacNeill

General Manager Employment Services

How to read this document

This document confirms the changes and implementation approach required as a result of the Government’s decision to repeal the legislation that provides for the Fair Pay Agreement system (*Fair Pay Agreement Act 2022* and associated regulations) and end grant funding for bargaining parties.

Scope of these change decisions

This final decision document confirms how we will implement the Government’s and Parliament’s decisions, the resulting organisational structure and the impacts to relevant employees. This document focuses on those specific roles that had responsibility for undertaking functions in the Regulatory Advisory Services and Dispute Resolution units that were dedicated to the delivery of Fair Pay work mandated or empowered by Cabinet decisions and FPA statute which will come to an end.

Understanding changes to your position

If changes are confirmed for your position this will be outlined in the section related to your team within either the Regulatory Advisory Services or Dispute Resolution units. Confirmed organisational charts have been included at the end of each proposal to demonstrate the impact that these change decisions will have to the structure. There is also a summary table at the end of this document with more detail about the confirmed changes to individual positions.

In addition, all people who are confirmed as directly impacted by these change decisions will receive a letter that outlines specific detail regarding how they are impacted by and what the next steps are.

Let us know

The information included in this document reflects the organisational structure as recorded in MBIE systems as at 31 January 2024.

If you notice any inconsistencies in the organisational structure represented, please advise your people leader or email ESConsultation@mbie.govt.nz.

These decisions have been shared with the Public Service Association (PSA).

Find out more about the change process and support available

Find out more about MBIE’s change process on page 16. This determines how we classify the impact to our people, based on the confirmed impacts to their positions.

We recognise that people will have a wide variety of feelings in relation to these confirmed changes. Please remember to be respectful of each other’s opinions and privacy. If you have further questions regarding this change or your personal situation, please have a conversation with your people leader in the first instance.

Further information on the support available is available from page 14.

Implementation timeline

Activity	Timeframes
Final decisions confirmed	8 February 2024
Effective date for change in reporting line changes	19 February 2024
Implementation of new structure	11 March 2024

Case for change

Key points about the proposed change

Following the Government's announcement to repeal the Fair Pay Agreement (FPA) legislation, our immediate focus was to consult with those employees in positions dedicated to FPA work which was mandated or empowered by the Fair Pay statute and Cabinet decisions. This resulted in a requirement to disestablish 10 positions across the following functions in the Regulatory Advisory Services and Dispute Resolution units:

- **vetting and verification** of FPA applications and processes to support the Chief Executive MBIE on her statutory decisions under the FPA Act;
- processing of FPA **grant funding** applications; and
- **bargaining support services**.

In addition, a change in reporting line was proposed for the Senior Legal Researcher and Legal Researchers from the Manager Vetting, Verification and Research Services to the Manager, Regulatory Data and Information.

Impact of wider FPA funding for Employment Services

It was also signalled as part of this consultation that this may not be the only change we are required to make as we continue to implement the Government's legislative programme and fiscal prioritisation decisions. We committed to talking to you about potential impacts once we have greater clarity around what this means for MBIE and Employment Services.

I can now confirm that the Government has decided that MBIE will be required to return all Fair Pay funding provided through Budget 21 and 22, with effect from 1 July 2024 some of which has already been returned for example, remaining grant funding that was not contracted and consultancy funding. The FPA new initiative funding we received provided:

- resourcing for our new Fair Pay Act dedicated functions, the subject of this current process; and
- funding to reinforce existing general employment functions and services to meet expected increased demand resulting from the Fair Pay system across all our units.

In addition, MBIE is also required to provide a contribution to public sector fiscal savings. The extent of these further savings is not yet decided for the Workplace Relations and Safety portfolio, of which Employment Services is part.

Together, this means Employment Services will need to make savings to meet the required Fair Pay funding reductions as well as potentially contribute to wider fiscal savings across the Workplace Relations and Safety portfolio and meet cost pressures and wider demand for our services.

Once we have greater clarity on the overall savings required for Employment Services, we will need to consider the potential impacts to our current operating model and consult with you all on any proposed changes to our organisational structure. I appreciate that this will be unsettling, however, I have committed to being open and transparent with you all as we continue to implement the Government's legislative programme and funding decisions. If there is any support, you believe we could reasonably provide you with during this time please do not hesitate to reach out to your People Leader in the first instance. Further information on the support available is available from page 14.

Proposal 1 – Vetting, Verification & Legal Research Services.

Summary of changes proposed

The Vetting & Verification advisors and senior advisors in the Vetting, Verification & Legal Research Team were responsible for activities solely related to the obligations on the Chief Executive of the Ministry of Business, Innovation & Employment mandated and empowered under the FPA Act. With the repeal of the Act, this work will come to an end and the following positions were required to be disestablished:

- vacant Manager Vetting, Verification and Research Services position (16205718)
- Senior Advisor (Vetting & Verification) position (16208551)
- Advisor (Vetting & Verification) position (16208820)
- vacant Advisor (Vetting & Verification) position (16208817)
- vacant Advisor (Vetting & Verification) position (16208818)
- Advisor (Vetting & Verification) position (16208819)

This team also includes Legal Researcher positions. These positions provide legal research to support the Employment Relations Authority (ERA) for its general duties and CE MBIE’s obligation to provide support services to the ERA, under the Employment Relations Act 2000, as well as wider ES functions. As this work was not impacted by the FPA repeal, it was proposed that the remaining four Legal Researcher positions (#10023720, #10023730, #16207311 and #16207312) and Senior Legal Researcher position (#16212183) would report to the Manager, Regulatory Data and Information.

Your feedback on Proposal 1

The following table summarises feedback we received about Proposal 1

Feedback themes	Response
Concern about the positioning of the Legal Researchers	Feedback received proposed a number of alternative structural options for the Legal Researchers due to current workloads and perceived alignment of tasks, including the ERA Support Team. Following consideration of the feedback as well as the limitations and impacts of certain team alignments and opportunities for enhancing interaction in the future between research, insights and reporting the proposal for these positions to report into Regulatory Data & Information (RDI) is confirmed
Size of the team	Feedback questioned the span of control resulting from the proposed realignment of the Legal Researchers into the RDI team. While we acknowledge that a span of control of 16 FTE is large, it is within MBIE’s acceptable spans of control.
Support received for the positioning of the Legal Researchers	Feedback from a number of submissions agreed that RDI was the best option to enable wider sharing of research and realise our commitment of (through Budget 23) improved reporting for the ERA, facilitated by the RDI team.

Confirmed changes

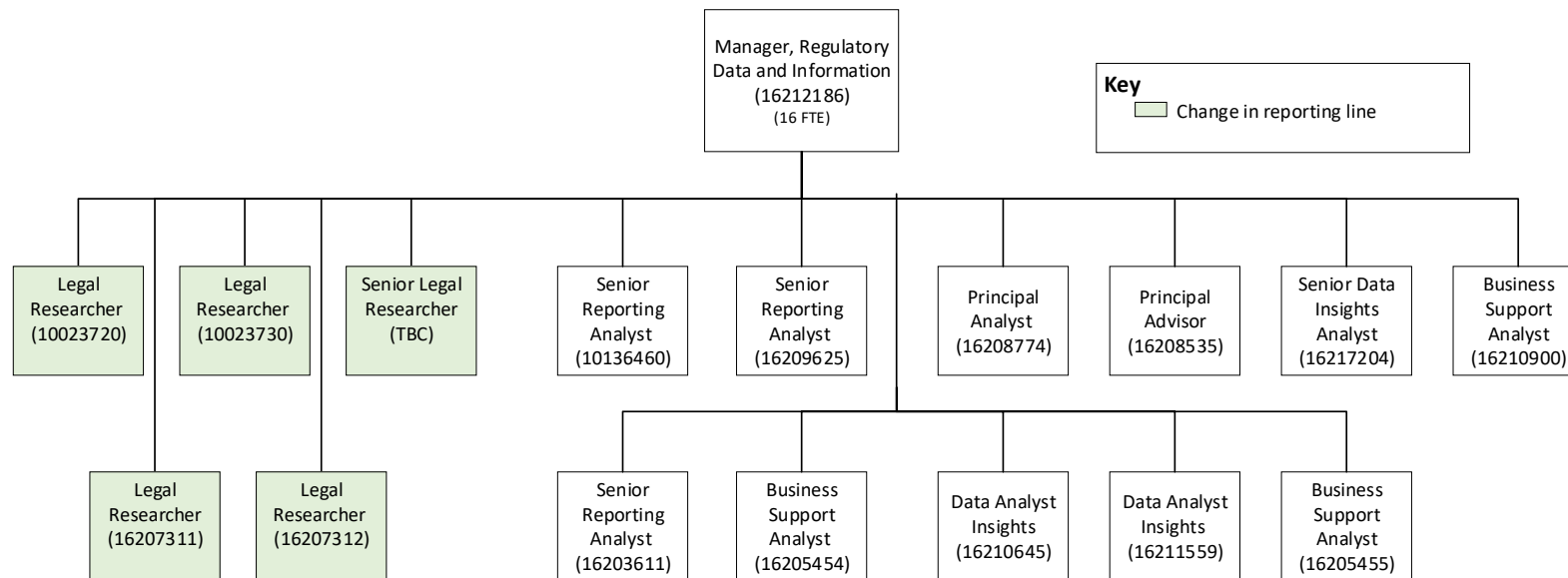
Following consideration of all feedback received, we have decided to proceed with the following changes:

- Disestablish the vacant Manager Vetting, Verification and Research Services position (16205718)
- Disestablish the Senior Advisor (Vetting & Verification) position (16208551)
- Disestablish the Advisor (Vetting & Verification) position (16208820)
- Disestablish the vacant Advisor (Vetting & Verification) position (16208817)
- Disestablish the vacant Advisor (Vetting & Verification) position (16208818)
- Disestablish the Advisor (Vetting & Verification) position (16208819)
- Change in reporting line Legal Researcher (10023720) to the Manager, Regulatory Data and Information.
- Change in reporting line Legal Researcher (10023730) to the Manager, Regulatory Data and Information.
- Change in reporting line Legal Researcher (16207311) to the Manager, Regulatory Data and Information.
- Change in reporting line Legal Researcher (16207312) to the Manager, Regulatory Data and Information.
- Change in reporting line Senior Legal Researcher (16212183) to the Manager, Regulatory Data and Information.

The confirmed organisational chart is available on page 8.

Proposal 1 – Vetting, Verification & Research Services

Confirmed organisational chart



Proposal 2 – Service Advice & Analysis

Summary of changes proposed

The facilitation of FPA grant funding contracts and payments to bargaining sides under the FPA system was previously undertaken by the Investment Coordinator position within the Service Advice & Analysis team.

Cabinet decisions resulted in the allocation of grant funding provisioned for bargaining sides ending, effective from 5 December 2023. As a result, the Investment Co-ordinator position (16205718) was required to be disestablished.

Your feedback on Proposal 2

No feedback was received relating to this proposal.

Confirmed changes

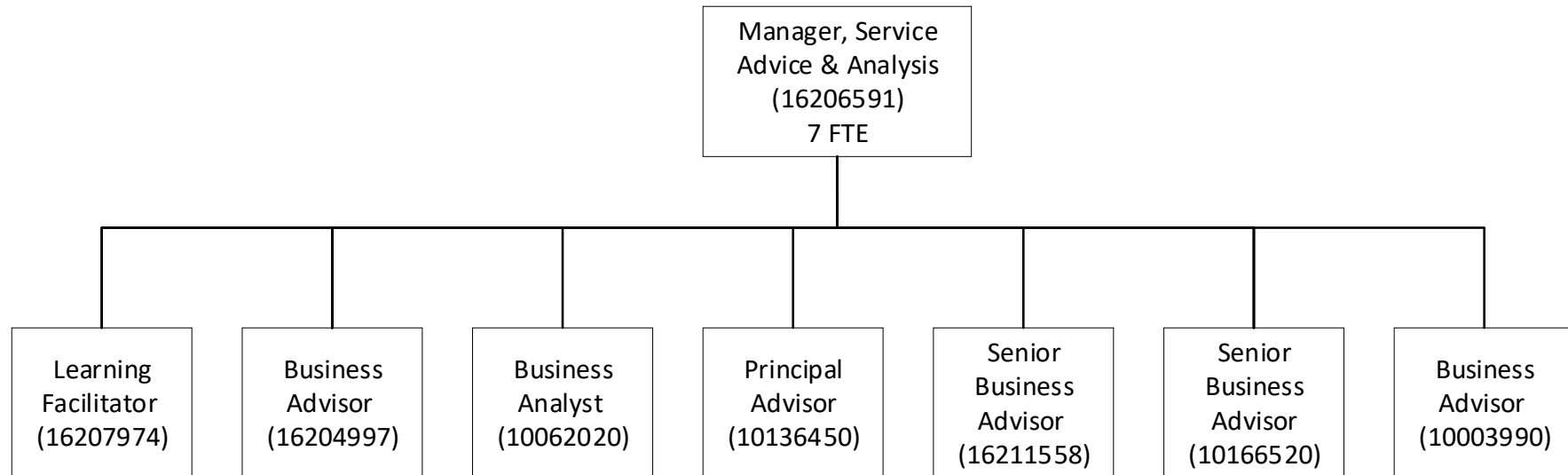
The following change will be made.

- Disestablish the vacant Investment Coordinator position (16205718).

The confirmed organisational chart is available on page 10.

Proposal 2 – Service, Advice & Analysis

Confirmed organisational chart



Proposal 3 – Capability & Early Resolution

Summary of changes proposed

Bargaining Support Services are empowered by provisions of the FPA Act (s222 of the Act) and delivered by three Bargaining Process Practitioner positions. This function within the Capability & Early Resolution Team and the Bargaining Support Service positions were fully funded through Budget 21 and Budget 22 FPA new initiative funding to undertake activities related to supporting bargaining parties as part of FPA system to deliver on these FPA Act statutory provisions.

As a result, the following changes were required:

- Disestablish the Bargaining Process Practitioner role (16208775)
- Disestablish the Bargaining Process Practitioner role (16208776)
- Disestablish the Bargaining Process Practitioner role (16208779)

The team also includes the Early Resolution Service. However, the Early Resolution Service predates the FPA Act, having been set up in September 2020. It is provided as a dispute resolution service under general employment legislation for a wide range of employment problems. This service was not mandated or empowered by the FPA Act. The Early Resolution Service, comprising Early Resolution Facilitator and Senior Early Resolution Officer positions, is therefore out of scope of this change process.

The Manager Capability & Early Resolution leads both functions as part of the Employment Services Dispute Resolution leadership team.

Therefore, no changes were proposed to this Manager position or to the reporting line for the positions that deliver the Early Resolution Service.

Your feedback on Proposal 3

The following table summarises feedback we received about Proposal 3

Feedback themes	Response
Feedback received requesting more time to provide feedback as people were still on leave	Request granted and timelines adjusted accordingly.

Confirmed changes

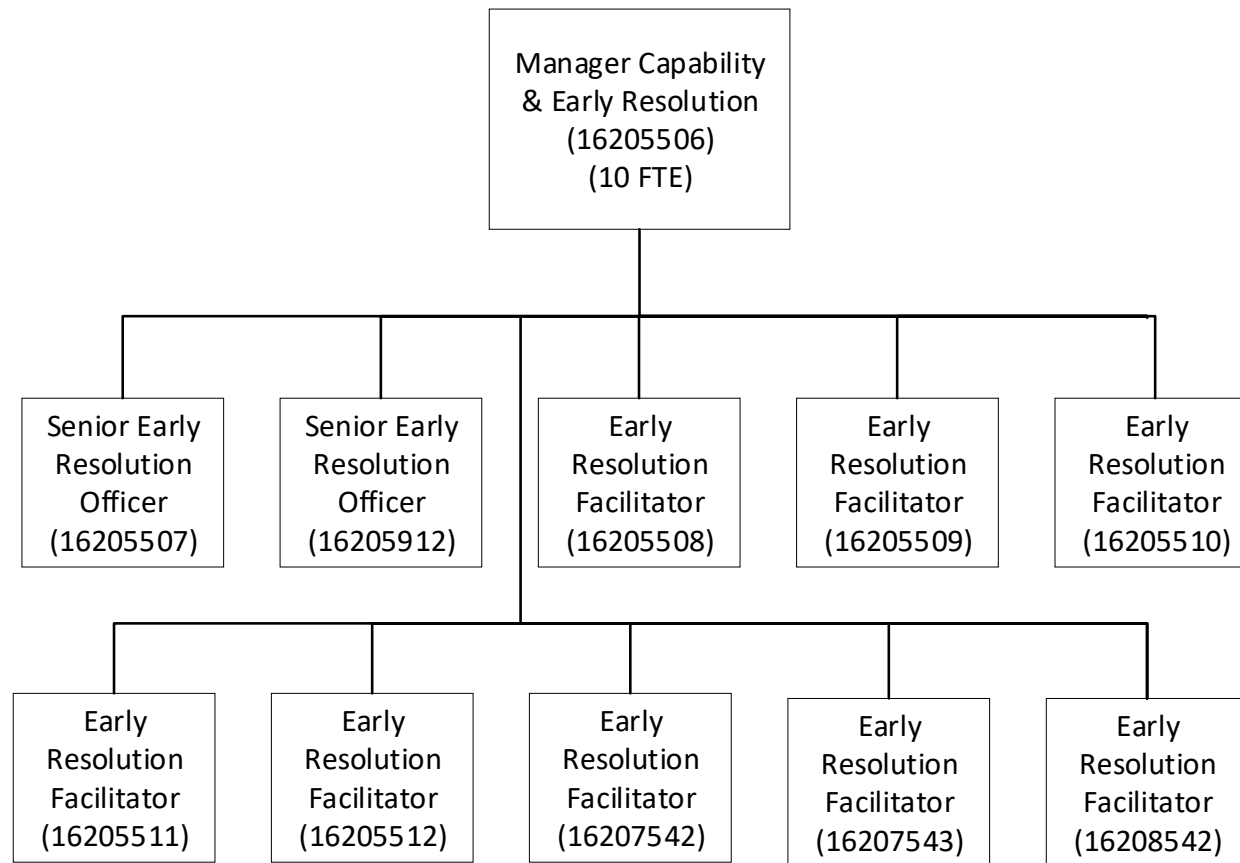
The following changes will be made.

- Disestablish the Bargaining Process Practitioner role (16208775).
- Disestablish the Bargaining Process Practitioner role (16208776).
- Disestablish the Bargaining Process Practitioner role (16208779).

The confirmed organisational chart is available on page 12.

Proposal 3 – Capability & Early Resolution

Confirmed organisational chart



Summary of changes to positions

The following table details the changes required due to the Fair Pay Agreement legislation being repealed:

Position title	Change
Manager Vetting, Verification and Research Services position (16205718)	Disestablish vacant position
Senior Advisor (Vetting & Verification) position (16208551)	Disestablish position
Advisor (Vetting & Verification) position (16208820)	Disestablish position
Advisor (Vetting & Verification) position (16208817)	Disestablish vacant position
Advisor (Vetting & Verification) position (16208818)	Disestablish vacant position
Advisor (Vetting & Verification) position (16208819)	Disestablish position
Investment Co-ordinator position (16205718)	Disestablish vacant position
Bargaining Process Practitioner position (16208775)	Disestablish position
Bargaining Process Practitioner position (16208776)	Disestablish position
Bargaining Process Practitioner position (16208779)	Disestablish position
Legal Researcher position (10023720)	Reporting line change to Manager Regulatory Data & Information
Legal Researcher position (10023730)	Reporting line change to Manager Regulatory Data & Information
Legal Researcher position (16207311)	Reporting line change to Manager Regulatory Data & Information
Legal Researcher position (16207312)	Reporting line change to Manager Regulatory Data & Information
Senior Legal Researcher position (16212183)	Reporting line change to Manager Regulatory Data & Information

Support through change

We recognise that change may be difficult and encourage you to reach out to your support network as well as taking advantage of the resources available to you, including:

Wellbeing support

- Your people leader
- Our Employee Assistance Programme (EAP) provides external support for both work and personal issues ([Home | EAP Services Limited](#), 0800 327 669 or via the app)
- Your union delegate or representative can provide you or your people support through change ([Unions | HR](#))
- The Wellbeing, Health and Safety Team (safetyandwellbeing@mbie.govt.nz)
- 1737 – Access free counselling services through the national telehealth service
- Te Puna Ora – Our one-stop shop for all things wellbeing related. Ensuring we all feel supported across the four pillars of work, social, mental and physical health. Go to My Dashboard – Te Puna Ora (<https://mbie.vitalityhub.co.nz/>). This can be accessed remotely using your MBIE login details.

Learning support

- Learn@MBIE which holds all of MBIE’s learning content in one place. Access it via [Learn@MBIE](#).
- Specifically, the ‘[Change](#)’ learning module on Learn@MBIE is highly relevant.

- Percipio, the world’s largest online library. Access it via [Percipio](#), select ‘team/enterprise subscription’ and then enter ‘MBIE’ in the Site Name field.

Career development

- MBIE’s [Career Services](#), through EAP, can assist with general career advice and is available for self-referral (employee-led). This also includes budgeting and financial advice, personal development and coaching, and personal legal advice.

Outplacement support

Outplacement support is designed to help affected kaimahi with the tools, knowledge, and confidence to quickly transition into their next role. Support is provided as a programme which MBIE employees can take part in over a period, through an external provider. The programmes cover practical aspects related to career planning, job search, and networking.

Outplacement support is offered to MBIE people who are impacted by disestablishment of their position because of change. It will be offered if the person has been unsuccessful in securing another role at MBIE and is generally offered a month before the date of disestablishment.

MBIE people who have been offered outplacement support will continue to be provided with redeployment support from People and Culture, right up to the date of disestablishment.

Outplacement programmes available

H2R Consulting is currently MBIE's supplier of outplacement programmes. In addition to the programmes themselves, MBIE people are offered access to H2R's Career Portal which contains extensive resources, questionnaires, templates, and handy tips, as well as links to career bytes and webinars.

Outplacement equips individuals with the tools, knowledge, and confidence to quickly transition into their next role. The programme covers many practical aspects of preparing for and conducting a job search:

- Skills assessment
- CV and cover letter writing
- Networking
- Developing a job search strategy
- Managing LinkedIn and Seek profiles
- Preparing for interviews
- Making informed career choices.

People and Culture Business Partners arrange outplacement support for affected people as part of wider redeployment support. They will discuss outplacement support with MBIE people in step with the conditions outlined above and will connect people with H2R directly.

Change Process

Consistent with MBIE's employment agreements and recruitment policy, the following summarises the confirmed change process (including reconfirmation, reassignment, selection, and redeployment processes) which will apply to confirmed changes.

Reconfirmation

This is where your substantive position is reconfirmed because your current position remains substantially the same and you are the only person able to be reconfirmed to the role. Examples include change in reporting line, title, change in tier, and minor changes in work content.

For reconfirmation to apply:

- The position description you are being reconfirmed into is the same (or substantially the same) as what you currently do, and
- Salary and other terms and conditions for the position are no less favourable, and
- Location of the position is in the same local area (note: this need not necessarily mean the same building and/or the same street).

If your substantive position is reconfirmed as part of the final structure, you will not need to take any action as you will automatically be reconfirmed into the position.

Reassignment – selection and expression of interest (EOI) process

If you are confirmed as being significantly affected by any of the confirmed changes you will be able to apply for any other existing MBIE vacancies that you are suitably qualified/experienced for. This can be done via the MBIE website.

You will be considered an affected employee if you are permanently employed in a position that is:

- to be disestablished;
- to be changed to the extent that it cannot reasonably be considered as the same position or a substantially similar position; or
- subject to a significant location change outside of the current local area.

Please note that you will not be considered affected if your substantive position only has a change in business group, branch, reporting line, job title, tier, or work location (within the 'same local area' or region).

Redeployment

If you wish to apply for any other existing MBIE vacancies (i.e., vacancies that are being advertised separately to this change process), this can be done via the MBIE careers site at any stage.

If you are considered an affected employee, this will need to be indicated as part of your application as first consideration will always be given to affected employees over other applicants subject to them meeting the suitability requirements of the position. Where applicable, a panel interview will be used as a contributing selection tool to assess the demonstrated skills, experience and qualifications against the key accountabilities and person specifications as outlined in the position description.

Review process

If you disagree with the application of this process, including for example your reconfirmation or direct reassignment into a position as part of the final structure, you have the right of review. This process is set out in your employment agreement. You are encouraged to raise any concerns with your people leader at the earliest opportunity so these can be worked through with you on a case-by-case basis.

Secondments and acting arrangements

If you are currently on secondment or acting in a different position, there may be potential changes proposed for that position as well as your permanent substantive position. However, you will only be considered an affected employee if your permanent substantive position is significantly impacted.

It is intended that people will continue in their temporary position until the end of the term currently in place unless otherwise advised.

Process for casual and fixed term employees

Casual and fixed term employees, by the nature of their employment agreements, will not have access to the change processes set out above.

Upon completion of the change management process for affected permanent employees, any remaining vacant positions in the new structure would be openly advertised through standard recruitment and selection processes and any casual or fixed term employees would then be able to apply.