



21 April 2026

Tēnā koe

Official Information Act request

Thank you for your email of 14 April 2026, requesting a copy of the Staff Collective Agreement between the Ministry of Social Development (the Ministry) and the Public Service Association (PSA).

I have considered your request under the Official Information Act 1982 (the Act) and I have enclosed a copy of the Collective Agreement with this letter.

Please note, since the Ministry's response provided to you on 11 February 2026, the Collective Agreement has been signed by the PSA.

I will be publishing this decision letter, with your personal details deleted, on the Ministry's website in due course.

If you wish to discuss this response with us, please feel free to contact OIA_Requests@msd.govt.nz.

If you are not satisfied with my decision on your request, you have the right to seek an investigation and review by the Ombudsman. Information about how to make a complaint is available at www.ombudsman.parliament.nz or 0800 802 602.

Ngā mihi nui

pp.

Anna Graham
General Manager
Ministerial and Executive Services



**MINISTRY OF SOCIAL
DEVELOPMENT**
TE MANATŪ WHAKAHIATO ORA

Staff Collective Agreement

1 June 2025 to 31 July 2026

RELEASED UNDER THE
OFFICIAL INFORMATION ACT



**Ministry of Social Development Te Manatū Whakahiato Ora and
Public Service Association Te Pūkenga Here Tikanga Mahi Inc**

Staff Collective Agreement

1 June 2025 to 31 July 2026

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1. MSD PSA Relationship

1.1 Introduction

This Collective Agreement (CA) provides minimum terms and conditions of employment for PSA members covered by the Staff Collective at the Ministry of Social Development Te Manatū Whakahiato Ora (MSD).

This collective agreement is a combination of previous Service Delivery and National Office and Ministry of Youth Development Collectives.

This collective agreement should be managed and applied with good faith and with the same intent and objectives as the relationship agreements between MSD and PSA. These agreements are available on the MSD intranet.

1.2 Ngā Kaupapa

Te Rūnanga o Ngā Toa Āwhina (Te Rūnanga) represents and promotes the interests of Māori members within the PSA. To support this work, Te Rūnanga have introduced eight Kaupapa (collectively Ngā Kaupapa) which give a cultural insight and effect to Te Ao Maori in the workplace.

MSD, PSA and Ngā Kaitūhono agree to be guided by Ngā Kaupapa in implementing this collective agreement and in our ongoing engagement.

Ngā Kaupapa consists of:

- Rangatiratanga: empowering Māori leadership
- Whānaungatanga: encouraging personalisation and high trust
- Kaitiakitanga: protecting Māori to secure working conditions and cultural identity
- Manaakitanga: encouraging health and well-being in the workplace
- Wairuatanga: promoting cultural behaviour
- Whakahiato Umanga: career development
- Whakamana: developing effectiveness
- Kotahitanga: building solidarity and unity

1.3 Relationship principles

The parties to this collective agreement recognise that their interests are mutually dependent. Our relationship agreements set out the principles and provide a framework for the way we work together.

1.4 PSA representation

MSD acknowledges and recognises the PSA, its officers and officials and delegates as representatives of the union in the workplace. This includes recognising the PSA's right to independently represent the collective interest of members and the responsibility of the Chief Executive to manage their agency under legislation.

MSD acknowledges that the good faith provisions under the Employment Relations Act 2000 apply to access to the workplace by unions. PSA representatives may enter the workplace for purposes relating to members' employment and/or union business. The PSA representative accessing the workplace will follow the agreement as outlined in the MSD/PSA relationship agreements and related documents.

PSA delegates will have time, resources and access to education to carry out their role as described in these documents.

MSD shall deduct PSA fees with the consent of a PSA member from their wages or salary and shall remit the same (less the deduction of the 2.5 per cent administration fee) to the PSA along with a schedule of names of contributing members on a regular basis. Where an individual has requested confidentiality, the PSA shall not pass their name to MSD.

MSD acknowledges its obligations to provide employment relations education leave in accordance with the requirements of the Employment Relations Act 2000.

The PSA agrees to provide MSD with the names of all delegates following each two-year election outcome and to advise of any subsequent changes to this list.

PSA members are entitled to paid attendance at two union meetings each of a maximum of two hours in each calendar year. At each meeting an attendance register will be completed and provided to MSD. For clarification, meetings held jointly by PSA and MSD representatives will not be regarded as union meetings for the purpose of this clause.

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2. Collective agreement formalities

2.1 Introduction

This agreement is a collective agreement under Part 5 of the Employment Relations Act 2000.

2.2 Coverage

This agreement covers positions covered by core or premium salary ranges, except those positions excluded below.

The following positions are excluded from coverage:

- Positions that have Financial Delegations* levels 1-4; or
- Positions that have Management and Human Resources Delegations* levels 1-6; or
- Positions that are covered by any other MSD Collective Agreement; or an agreement covering any departmental agency hosted by MSD; or
- Casual staff (defined as: any employee who is engaged to work on an as and when required basis); or
- Human Resource positions that have responsibility for giving employment relations advice and assistance; or
- All positions that report directly to the Chief Executive and/or Deputy Chief Executive positions.

Note: It is not intended that the exclusion of senior specialist positions from coverage results in any disadvantage of existing employees in these positions. If there is any possible disadvantage MSD and the PSA will meet to resolve the issue on a case by case basis.

* The current Financial, Management and Human Resource Delegations for the Ministry of Social Development document are dated 27 August 2024 and 15 August 2023 respectively. The coverage of this agreement shall not extend to or include any new positions that come into effect during the term of this agreement that are assigned delegations at the above level of financial and/or management and human resources delegations. In addition, if during the term of this collective agreement MSD revises its delegations document, this agreement shall not extend to or include any position that has an equivalent level of delegation or responsibility than was the intention of the delegations document dated 27 August 2024 and 15 August 2023.

The coverage of this Agreement will extend to and include any new positions that are established during the term of the Agreement, except where a position is within or of a similar nature to the exclusions listed.

Where there is any uncertainty over the coverage of this collective agreement, the issue will be discussed, and resolution reached between MSD and the PSA.

2.3 Parties

Employer Party:

- The Chief Executive of the Ministry of Social Development Te Manatū Whakahiato Ora (MSD).

Union Party:

- The Public Service Association Te Pūkenga Here Tikanga Mahi Inc (PSA).

2.4 Application

This collective agreement binds and is enforceable by:

- MSD;
- The PSA; and
- Employees of MSD:
 - Who are or who become members of the PSA; and
 - Whose work comes within the coverage clause of this agreement.

The terms and conditions of employment contained in this collective agreement will also continue to apply to employees bound by the collective agreement when the employees are working for MSD at an overseas location on a short-term basis.

2.5 Variations

The provisions of this agreement may be varied in the following manner:

- The initiator of a proposal to change the provisions of this agreement will begin bargaining for a variation by notifying the other party of the proposal and the procedure for ratification; and
- Where positions covered by this agreement are directly affected by the proposed changes, MSD and the PSA will negotiate in good faith and seek to agree on the changes (the proposed variation) to the provisions of this agreement; and
- Any proposed variation of the provisions of this agreement will be recorded in writing; and
- MSD and the PSA will use best endeavours to agree which positions covered by this agreement are directly affected by the proposed variation of the provisions of this agreement; and
- Unless the PSA advises MSD at the beginning of bargaining for a variation of this agreement of a different ratification procedure, the proposed variation of the provisions of this agreement will be ratified when a simple majority of PSA members who vote agree to the variation, and those entitled to vote will be those PSA members who are affected by the proposed variation.

Any ratified variation will be recorded in writing and appended to and become part of this agreement.

2.6 Application of the Public Service Act 2020

Schedule 1 Part 1 Section 13 of the Public Service Act 2020 will continue to apply to employees bound by this collective agreement, except where any term or condition of employment is referred to and dealt with in this collective agreement.

2.7 Integrity

It is the intention of the parties, unless specifically agreed, that this agreement should not lessen conditions.

It is also recognised by the parties that the rewrite/development of this collective agreement may have resulted in errors caused by the:

- Omission of clauses; or
- Deletion, addition or restructuring of wording that results in the intent of the original clauses being lost or altered.

Where such an error is identified, it is agreed that the matter will be referred to the Working Group (MSD and PSA representatives) responsible for the development of this agreement.

The Working Group may:

- Agree that the original intent applies; or
- Clarify and confirm the new intent; and/or
- Agree that the necessary alterations may be entered into the collective agreement and ratified as variations of this agreement.

2.8 Term

This collective agreement will come into effect on 1 June 2025 and will expire on 31 July 2026.

2.8.1 Lump sum payment

The parties to this Collective Agreement recognise the value of their productive and ongoing relationship, and the benefits of a collective agreement. Subject to ratification of the Collective Agreement by 19 June 2025, in recognition of the value of a new Collective Agreement, the ongoing partnership MSD has with the PSA, the following payments will be made:

- To each employee who is a member of PSA as at the next working day following ratification, a lump sum payment of \$300 gross (pro-rated for part-time employees) and capped at \$300 per individual.

To be eligible for this lump sum an employee must:

- Be either permanently employed or employed under a fixed term agreement under coverage of the Staff Collective Agreement on the next working day following ratification of the new CA; and
- Be a member of the PSA as at 5.00pm on 19 June 2025 (date of ratification), and as confirmed by the PSA to MSD before 5.00pm on 26 June 2025.

The parties agree that any employee who terminates their employment and whose last day of employment is on 19 June 2025 shall not be entitled to receive the lump sum payment.

3. The working environment

3.1 Treaty of Waitangi and Māori perspective

MSD is committed to fulfilling its Crown obligations under Te Tiriti o Waitangi in partnership with Māori. This involves being responsive to the needs and perspectives of Māori in every facet of its business and day to day practice.

3.1.1 Recognition of Tikanga Māori and Te Reo skills

The employer shall take into account for purposes of recognition proficiency in Te Reo where the needs of a job demand such skills. Where employees are called upon by MSD to use Tikanga Māori and Te Reo Māori in circumstances outside their job requirements and where such duties are above and beyond the normal requirements of the employee, MSD may recognise such contributions either financially or otherwise.

Examples of recognition could include preparation time, resources in support, funds for kai for manuhiri (visitors), paid time off/discretionary leave.

Financial recognition will not be additional to the Te reo allowance if applicable.

3.2 Equal employment opportunities

The aim of MSD is to have an inclusive, respectful and responsive organisational culture, which enables access to work, equitable career opportunities and maximum participation for members of designated groups and all employees.

MSD will make reasonable accommodations to enable greater access to the workplace for employees with disabilities, religious and ethical beliefs and/or family commitments. This will assist in the development of a staffing profile that reflects the values and composition of the community, assisting in improved services and policy development.

3.3 Official Languages

MSD acknowledges their role in promoting and supporting the knowledge and use of New Zealand's official languages (Te Reo Māori and New Zealand Sign Language) and English. Employees can seek approval to access funding to meet the costs and, as appropriate, time to attend classes/courses. In particular, MSD will ensure Te Reo Māori me ōna Tikanga education is available, encouraged and supported.

3.4 Personal information

Employees may access their own personal information in accordance with the Privacy Act 2020.

3.5 Code of Conduct and other MSD policies

MSD has a Code of Conduct that sets out its standards of conduct for staff. There are also other policies setting standards of behaviour that are issued by MSD. The standards outlined in these documents must be adhered to at all times. Employees have access to copies of the Code of Conduct and policy documents and are responsible for ensuring that they are familiar with these and comply with them. The Code of Conduct and the policies of MSD may be amended from time to time by MSD.

MSD agree to consult with the PSA when changes are proposed to the Code of Conduct and MSD policies.

3.6 Conflict of Interest

Our people live and work in their communities, therefore it is sometimes hard to avoid conflicts of interest, whether real or perceived. That makes it even more important that conflicts of interest are identified, avoided when they can be, and managed when they cannot be avoided. Employees need to refer to policies and guidance on MSD's intranet for more information.

3.7 Flexible Working Arrangements

The parties recognise that flexible working is important to give employees real choices in managing their work-life balance while ensuring arrangements meet the operational needs of MSD and the team as well as the needs of individuals.

MSD is a flexible-by-default employer and is committed to the principles outlined in the Te Kawa Mataaho Public Service Commission flexible-work-by-default guidance as below:

If not, why not?

- All roles are treated as flexible unless there is a genuine business reason for a role not to be. Flexibility is equally available to women, men and gender diverse employees, irrespective of the reason for wanting it. Working flexibly does not undermine career progression or pay.

Actively championed by leaders

- Leaders support, champion and role model flexible working for their teams and themselves.

Works for the role

- Every role should be suitable for some form of flexibility but not every type of flexibility will work for every role. Genuine business reasons may mean that some types of flexibility cannot be implemented for some roles.

Works for agencies and teams

- Flexible working should not be viewed as something which is just agreed between an employee and manager. This means that the impact of flexible arrangements should be considered on teams and the agency as a whole.

Mutually beneficial

- Flexible working needs to work for agencies, teams and employees. Consideration should be given to how flexible work arrangements can maintain or enhance service delivery and performance of agencies, teams and employees. It should not result in increased workloads for employees working flexibly or for other team members who are not.

Requires give and take

- Flexibility requires give and take between the employee, manager and team. It also places collective obligations on employees, managers and teams to be open and adaptable so that it works for everyone.

Flexible working arrangements can be formal or informal, ad hoc or regular,

temporary or permanent and can include but are not limited to:

- Working remotely from an alternative location
- Variation to normal pattern of work
- Job Sharing
- Or a combination of options

Formal flexible work arrangements:

- will be regularly reviewed to ensure they meet the needs of both parties
- where they have been declined:
 - the employee will be provided with a clear explanation including the genuine business reason and
 - a review process will be available.

Remote working is an MSD-initiated arrangement where employees work primarily from a location other than an MSD site for a specified term (defined as minimum three months – maximum two years) in response to a business need.

Further information on MSD's flexible and remote working policies and guidelines covering the resources and support available, including seeking a review of a decision, can be found on the MSD intranet.

3.8 Gender Pay Principles

MSD and PSA are committed to the Gender Pay Principles for the public sector ([Principles-Gender-Pay.pdf](#)), in order to ensure the work environment, including remuneration, is free from gender-based inequalities. These are:

- Freedom from bias and discrimination - Employment and pay practices are free from the effects of conscious and unconscious bias and assumptions based on gender.
- Transparency and accessibility - Employment and pay practices, pay rates and systems are transparent. Information is readily accessible and understandable.
- Relationship between paid and unpaid work - Employment and pay practices recognise and account for different patterns of labour force participation by workers who are undertaking unpaid and/or caring work.
- Sustainability - Interventions and solutions are collectively developed and agreed, sustainable and enduring.
- Participation and engagement - Employees, their unions and agencies work collaboratively to achieve mutually agreed outcomes.

MSD and the PSA will continue to work together on MSD's Gender Pay Gap Action Plan.

3.9 Reasonable Accommodations

MSD is committed to the practice of reasonable accommodation.

Reasonable accommodation recognises that each employee has their own individual circumstances and enables MSD and employees to agree on the necessary workplace adjustments needed to effectively perform the job.

Reasonable accommodation refers to creating an environment intended to ensure equality of opportunity to meet an employee's needs in relation to disability or

family commitments and particular practices of an employee's religious or ethical beliefs.

Reasonable accommodations can include, but are not limited to, changes such as flexible working, work environment, duties, equipment, or a combination of these.

Enabling reasonable accommodation for our employees is part of good management practice and ensures we will attract and retain a diverse workforce capable of delivering our strategic direction, Te Pae Tawhiti.

Further information on the resources and support available for reasonable accommodations can be found on the MSD intranet.

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4. Hours of Work

4.1 Introduction

The purpose of these hours of work provisions is to allow the flexibility for employees to carry out their work while ensuring that these arrangements do not adversely affect the employee, their partner and/or their dependants and describes how patterns of work will be established and agreed.

MSD supports a balance between personal, family and work commitments while also ensuring that MSD's requirements are met.

4.2 Full-time and part-time hours

The standard hours of work for full-time employees are 37 hours and 55 minutes per week (typically worked as seven hours and 35 minutes per day over a five day week). The hours of work will be specified within each employee's letter of offer. Part-time employees are employed to work less than 37 hours 55 minutes per week.

Any change between full-time and part-time hours will be by mutual agreement and set out in writing.

4.3 Hours of operation

As noted in clause 1.1 (Introduction) this collective agreement is a combination of previous Service Delivery and National Office and Ministry of Youth Development collective agreements. As such it includes each of the hours of operation clause from those collectives and those clauses will continue to apply as they had under those previous collective agreements.

Either the Service Delivery or National Office hours of operation clause will apply based on the business group the position belongs to.

4.3.1 Service Delivery hours of operation

For employees appointed on or after 1 July 2010:

Standard hours of work are between Monday – Friday 6.55am – 9.00pm.
Non-standard working patterns** are between Monday – Saturday 6.30am – 10.00pm

Client Service Integrity – based on requirements of the position, Investigators will manage their standard hours between Monday – Friday 6.30am – 10.00pm

For employees appointed prior to 1 July 2010:

Refer to the tables below for specific variations:

Table 1

<i>Business Unit</i>	<i>Qualifying period</i>	<i>Standard Hours / Non-standard working pattern</i>	<i>Days</i>	<i>Times</i>
Service Delivery (excluding those	Appointed	Standard	As specified in letter of offer or agreed variation. Where not specified:	

groups listed below)	prior to 1 July 2010		Monday – Friday	8.00am – 5.00pm
		Non-standard	As specified in letter of offer or agreed variation. Where not specified:	
			Monday – Friday	7.00am – 9.00pm
			Saturday	8.00am – 6.00pm

Table 2

Business Unit	Qualifying period	Standard Hours / Non-standard working pattern	Days	Times
Previously employed in Work & Income Contact Centres				
Contact Centres	Appointed on or before 30 June 2005	Standard*	Monday - Friday	6.55am – 6.15pm
			Saturday	7.55am – 6.00pm
		Non-standard	Monday - Friday	6.55am – 9.00pm
			Saturday	7.55am – 6.00pm
	Employed prior to 14 October 2002	Standard	Where established standard hours of work are worked over five consecutive days, will receive two consecutive days off per week. The entitlement to two consecutive days off may be varied by mutual agreement between the employee and their manager. Any changes to these established individual hours of work (including the days off) will be agreed, set out in writing and signed by the employee and their manager.	
Central Processing Unit	Employed prior to 30 June 2005	Standard*	Monday - Friday	7.00am – 6.00pm
			Monday - Friday	7.00am – 9.00pm
		Non-standard**	Saturday	8.00am – 6.00pm

Table 3

Business Unit	Qualifying period	Standard Hours / Non-standard working pattern	Days	Times
Previously employed in Work & Income Contact Centres (including Central Processing Unit) and StudyLink (excluding Outreach Centres)	Appointed on or after 1 July 2005	Standard*	Monday - Friday	6.55am – 10.00pm
			Saturday	7.55am – 6.00pm
Seniors Support Centre	Appointed on or after 1 July 2010	Standard	Staff shall retain the hours of work provision that was applicable prior to this date - which were:	
Seniors Support Centre	Appointed prior to 1 July 2010	Non-standard**	Monday - Friday	8.00am – 5.00pm
			Monday - Friday	7.00am – 9.00pm
			Saturday	8.00am – 6.00pm
StudyLink	Temporary or casual staff	Standard	Monday – Sunday	6.55am – 10.00pm
	Rostered employees		MSD will provide an opportunity for employees to advise their preferred hours prior to determining the roster. Where possible, MSD will consider staff preferences prior to determining the	

			roster. Staff understand and acknowledge that there is no guarantee that they will receive their preferred hours. The final determination of the roster will be set for MSD's operational requirements and client needs.
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Table 4

Business Unit	Qualifying period	Standard Hours / Non-standard working pattern	Days	Times
Previously employed in StudyLink – Student Support Centres and Contact Centres	Appointed on or before 30 June 2005	Standard	Monday - Friday	7.00am – 10.00pm
		Non-standard***	Monday – Sunday	7.00am – 10.00pm
		Flexible hours	Monday - Sunday	6.00am – 10.00pm

*Standard hours - may include working the standard weekly hours (37 hours and 55 minutes) over any four or any five, or over all six days of the week, Monday to Saturday (eg Monday, Tuesday, Thursday, Friday and Saturday; or Monday, Tuesday, Wednesday afternoon, Thursday, Friday and Saturday morning).

**Non-standard work patterns may include working the standard weekly hours (37 hours and 55 minutes) over four or five days of the week, Monday to Saturday.

***Non-standard work patterns may include working the standard weekly hours (37 hours and 55 minutes) over four or five days of the week, Monday to Sunday.

4.3.2 National Office hours of operation

Business Unit	Days	Times
National Office (excluding IT)	Monday to Friday	7.30am to 7.30pm
	Saturday	8.00am to 6.00pm
IT	Monday to Friday	6.30am to 10.00pm
	Saturday	7.30am to 6.00pm

4.4 Patterns of Work

The pattern of an employee's hours of work will be established and agreed between the employee and their manager. Generally, this pattern will be within the hours of operation stated in clause 4.3 (Hours of operation) but may be outside this by mutual agreement. When necessary, employees may be required to vary this established pattern in order to meet MSD's requirements.

Any changes to an employee's standard individual hours of work, including the days those hours are worked, will be by mutual agreement and set out

in writing and signed by the employee and their manager.

The standard hours under any non-standard work pattern may not be less than four hours and may not exceed 10 hours per day.

Employees will be entitled to two consecutive days off per week. The exception to this is:

- Contact Centre employees excluding those that have agreement they work Monday to Friday
- Employees who are on On Call and subsequently work
- Employees who agree to perform overtime on their rostered days off.

Employees who work in IT area may be required by MSD to participate in on-call /standby roster and respond accordingly to call outs.

4.5 Overtime

4.5.1 Definition

Where an employee works standard hours of work under clause 4.2 Full-time and part-time hours, overtime is payable for all authorised time worked in excess of eight hours per day or 40 hours per week.

The above criteria apply to both full-time and part-time employees.

Where an employee has an agreed pattern of work of more than 8 hours per day or more than 40 hours per week, overtime is payable for all authorised time worked in excess of:

- Eight hours per day or 40 hours per week; and
- The employee's individual daily or weekly hours of work, where their hours are in excess of eight hours per day or 40 hours per week.

Where a part-time employee works on Saturday and/or Sunday and these days do not form part of their standard individual hours of work, they will be paid in accordance with the rates in clause 4.5.2.

4.5.2 Application

Where the criteria in clause 4.5.1 are met, the overtime will be paid for at the rate of time and a half for the first three hours and double time thereafter.

Double time will be paid for all authorised overtime worked:

- After midday Saturday (where Saturday is not a normal day of work for the employee) and all day Sunday; or
- Between 10pm and 6am on any day of the week.

Alternatively, in lieu of the above payments and by mutual agreement, employees can receive equivalent paid time off (TOIL) on an hour for hour basis under clause 4.6 (Time off in lieu) or be paid a regular overtime allowance.

Note: The above additional rates do not apply where any of the overtime fall within an employee's standard individual hours of work as defined in the hours of operation tables above.

Where an employee is required to work on a day off, they will receive a minimum

payment of three hours at the appropriate rate.

4.5.3 Restrictions on overtime payment

An employee whose annual base salary plus higher duties allowance exceeds the gross value of Step 13, Band 6 of the core salary ranges is not eligible to receive overtime payments, except where hours worked are as a result of being called back to work while on call. In this case the call back clause shall apply.

However, a manager may make overtime payments available to staff whose annual earnings exceed Step 13, Band 6 of the core salary ranges where there is a business need to do so.

Employees who are not eligible for overtime payments may take time off in lieu under clause 4.6 (Time off in lieu).

4.6 Time off in lieu

4.6.1 Time off in lieu of overtime payments (TOIL)

Employees will often be able to work flexibly to allow for fluctuations in their workload. However, when employees work longer than their normal hours, they can by agreement with their manager, take time off for the same number of extra hours worked in lieu of the payment of overtime. The provision of paid time off in lieu or the payment of overtime is to support employees in maintaining healthy and safe work practices.

4.6.2 Paid time off in lieu for part-time employees (TOIL)

Part-time employees who work more than their established part-time hours may take equivalent paid time off where these extra hours do not meet the criteria for the payment of overtime under clause 4.5.1 (Overtime definition)

4.7 Rest and meal breaks

Employees are entitled to a reasonable paid rest break each morning and afternoon and an unpaid meal break of not less than half an hour during their normal working day. The timing of these breaks should take into account the needs of clients/work as well as the requirements for employee health and safety.

MSD will provide tea, coffee, milk and sugar for rest and meal breaks.

4.8 On call

Participation in on call will be voluntary. An employee who is required to be on call will be paid an allowance of \$35 gross per day or part thereof. A day is defined as 24 hours from the commencement of being on call. When an employee is on call and is called back to work, they will be entitled to the call-back provision in clause 4.9.

4.9 Call back

An employee who is called back to their place of work will be paid a minimum of three hours at the appropriate rate. The appropriate rate for employees called back to work is:

- Where the employee's annual gross base salary plus higher duties allowance is equal to or less than Step 13, Band 6 of the core salary ranges, payment will be in accordance with clauses 4.5.1 and 4.5.2; and
- Where the employee's annual gross base salary plus higher duties allowance exceeds Step 13, Band 6 of the core salary ranges, payment will be at time one or
- Where an employee who is not eligible for overtime payments is called back to work, they will receive a minimum of three hours of time off in lieu.

All call backs during a single three-hour period will be considered part of the minimum call back period until the employee has exceeded three hours' call back. For clarity, travel time is included within the three-hour minimum.

4.10 IT on call and call back

Employees who work in the IT area may be required by MSD to participate in an on call roster and respond in accordance with the requirements of the MSD's IT On Call and Call Out policy which may be amended by MSD from time to time. Employees who are on call to provide support for the MSD's IT systems will receive:

- An allowance of \$35 gross per weekday, and \$52.50 gross for a weekend day or public holiday (note this reflects T1.5 should someone be required to work on a public holiday). This equates to \$280 gross for each full calendar week on call (a week being seven consecutive days). No employees will be rostered on call while on planned leave, excluding public holidays.

Where an employee is called out they shall be paid at time and a half of their ordinary hourly rate for all hours called out (subject to the minimum periods specified below).

For clarity, the call back provision clause 4.8 (On call) and clause 4.9 (Call back) is not applicable for IT employees when on call.

Due to the nature of the IT environment the parties recognise that there are two types of call out, namely Remote Call Out and On Site Call Out.

These are defined as follows:

- Remote call out is a call out that can be remedied by remote access from a laptop, or by cellphone.
- On site call out is a call out that requires remedial action to be taken at the site or workplace rather than by remote access via a laptop or cellphone.

4.10.1 Remote call out

- For each remote call out, employees will be paid a minimum of one hour at time and a half of their ordinary hourly rate
- Each subsequent call out during the same daily on call period will be aggregated with the first call out and will be considered part of the minimum call out period until the hour has been exceeded.

4.10.2 On site call out

- For each on site call out, employees will be paid a minimum of three hours at time and a half of their ordinary hourly rate.

- Each subsequent call out during the same daily on call period will be aggregated with the first call out and will be considered part of the minimum call out period until the three hours have been exceeded.
- A remote call out that results in a subsequent on site call out will be regarded as part of the same call out (i.e. only the three hour minimum will apply).
- All call outs will include travelling time and the time spent travelling to and from an on site call out will be counted towards the minimum period of three hours.

4.10.3 Public holidays

- All call outs on public holidays will be paid at time and a half of an employee's ordinary hourly rate which meets the requirements of the Holidays Act 2003.
- Employees who are on call on a public holiday will receive a day off in lieu in accordance with the requirements of the Holidays Act 2003, regardless of whether they are called out.

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5. Remuneration

5.1 Introduction

The purpose of this section is to describe the principles and objectives for remuneration in MSD. Further information about related processes, procedures and positions in each band is provided on MSD's intranet. The current bands are recorded in Section 18.1 MSD Bands and Salary Ranges. This section will be updated to reflect any outcomes from collective bargaining including changes to the bands and salary ranges through the term of the collective agreement.

The premium band ranges are outside scope of the normal collective bargaining process and retain their own pay range review process and cycle.

MSD is committed to a fair pay approach and the guidelines for setting fair pay levels are set out on MSD's intranet under "Our Fair Pay approach".

5.2 Guiding principles

The guiding principles for MSD's remuneration and progression framework are:

- Simple, flexible and transparent
- Affordable, evidence-based and consistent
- Supports the direction of the organisation
- Encourages fair recognition of our people

The framework comprises eight core bands and salary ranges. Premium salary ranges may be applied where it can be clearly demonstrated these are required and they will be reviewed annually to ensure they continue to be required.

Within each salary range, the design provides four zones and 13 set steps with step 5 called the "anchor point". The anchor point is informed by government expectations, market information, fiscal envelope and remuneration guiding principles and is subject to bargaining.

5.3 Annual salary progression

Progression through the steps occurs annually on 1 October. Progression is assumed where the employee engages with and participates in Te ara piki.

Progression can be paused where there are identified performance concerns which have been communicated in writing including a proposed path forward to address the concerns. Progression is applied once the identified performance concerns are addressed. On-going engagement between the employee and the manager should ensure there are no surprises when performance concerns are raised. Progression will also be paused when an employee does not participate in Te ara piki.

To clarify, employees will receive a pay progression unless they:

- are at or above the top of the salary range for their band
- have been advised in writing that their progression is at risk because:
 - they are not performing at the required level
 - they have withdrawn from participating in Te ara piki, i.e.:

- unwilling to discuss and agree on objectives and outcomes
 - do not have a development plan in place which is aligned to organisational and individual priorities
 - not engaging with their manager through ongoing conversations.
- have been in their role for less than three months during the review period (1 October to 30 September), whether it be:
 - as a new employee
 - after being on leave which interrupts service (e.g. unpaid general leave). Progression will be reviewed for eligibility upon their return
 - after appointment to a new role with an equivalent or greater salary increase than the upcoming progression step*.
 - have received a salary increase within the preceding three months of the progression date, for any reason other than a salary range movement or a job-size change.

*it is expected that any salary increase within three months of the progression round will be made to a step where the salary is no less than the upcoming progression step.

5.4 Appointment to bands and salary ranges

Employees will be paid salaries in accordance with the bands and salary ranges for their positions. An employee will be advised of their individual salary in writing as part of an offer of employment. Employees will be advised of any changes in salary due to salary range increases resulting from bargaining or annual progression.

Where a role is placed in a different band and salary range following a job-size review, the translation approach for impacted employees will be discussed with the PSA.

6. Capability and Career Development Approach

MSD aims to encourage and provide employees with appropriate career development opportunities to assist them to reach their full potential and facilitate their job security by developing portable skills and attributes.

Employees and their manager should discuss career development opportunities during their regular conversations. This may include agreeing on the conditions and type of support provided by MSD.

Individual career development opportunities can be, but are not limited to:

- On-the-job learning opportunities and experiences;
- Internal training courses;
- External courses/conferences;
- Study assistance;
- Coaching, mentoring and buddying of others;
- Secondment, short term covering and support of others; and/or
- Achieving recognised qualifications.

Individual career development can also include, but is not limited to:

- Becoming a PSA delegate
- Being a Health and Safety Representative
- Participating in and contributing to employee networks and related events
- Learning a language or other skill not a requirement of my role.

Te ara piki supports employees to own and manage their own development and career, to grow and develop to meet their potential. It focuses on building the capabilities that helps employees to contribute and make an impact on MSD outcomes for clients and New Zealand citizens.

Te ara piki has the following key principles:

- aligns to and supports MSDs strategies, values and outcomes. There is a clear line of sight between MSD expectations and how we recognise contribution and develop employees
- provides a sustained, ongoing and continuous focus on capability and development. We recognise that most learning occurs on the job as part of our everyday work and that feedback, support and coaching will also occur in 'real time' and in the mahi
- integrated into the way managers and employees work together enabling employees to be more self-managing. This will be seamlessly incorporated into existing day to day activities
- connects the employees' contributions and achievements with the development of capability and career aspirations, with the intention of allowing all of our employees to achieve their potential
- easy to use, understandable and transparent. Accessible and well-designed resources are provided to all of those engaged in the approach
- people centred, strengths based and is centred around open communication within the workplace. It focuses on self-reliance, encouragement and makes employees feel valued and respected

- prioritised and supported. MSD investment in people aligns to our purpose, values and priorities, allowing employees to contribute in an effective and meaningful way.

To enable these principles to be met, Te ara piki has the following key operational features:

- employee led and manager supported. Employees own and lead the process, and managers will support employees to fulfil their agreed capability and development goals in an environment that is positive and supportive.
- financial commitment. Managers will ensure employees are given reasonable opportunity to develop and funding will not be unreasonably withheld.
- provide the opportunities and time. Managers will ensure employees have access to learning opportunities and experience and have agreed time during working hours to participate and engage in their development and career aspirations.
- access to training and development options. Managers will ensure employees have equal opportunities to access training and development options whether that be learning on the job and development experiences, secondments, internal or external training, other informal developmental opportunities, etc.
- prioritise development. Managers will prioritise employees developing their capability and in the exceptional circumstance where training is deferred due to workload or business demand will reschedule the training at the earliest opportunity.

Further information of the processes and procedures of Te ara piki is provided on MSD's intranet.

7. Expenses and Allowances

7.1 Additional duties

7.1.1 Higher duties

Where an employee is required to perform the duties of a higher-level position for a minimum of five consecutive working days, they will be paid an allowance equivalent to the difference between their usual salary and the salary they would receive if appointed to the higher-level position. Where an employee qualifies for this allowance, the payment will be effective from the date the higher duties were first performed.

Where an employee is required to perform only some of the duties of a higher-level position, they will be paid a proportional amount of the higher duties allowance or may agree to some other form of recognition.

In the event that the employee is subsequently promoted to the higher-level position, the appointment may be effective from the date the higher duties were first performed.

An employee is not entitled to the payment of overtime when they are receiving a higher duties allowance for acting in a position that does not qualify for the payment of overtime.

Where an employee is acting in a higher-level position and works approved overtime in their substantive position, they will be paid overtime inclusive of the HDA and under the same conditions as the applicable overtime clause.

7.1.2 Special duties

An allowance reflecting up to a maximum of 5% of base salary (or 2.5% if the employee is paid above the top of their pay band) or some other form of agreed recognition will be made where an employee agrees to undertake duties or responsibilities in addition to their normal work.

7.2 Meal allowances

7.2.1 Overtime

Where an employee is required to work overtime and a meal is necessary because of the overtime, MSD will either:

- Supply a meal*; or
- Reimburse the actual and reasonable cost; or
- Pay a meal allowance of \$17.50 where the employee works:
 - two or more hours overtime at the completion of their normal day's work; or
 - five or more hours overtime on their normal day off and during the period of overtime an unpaid meal break is taken.

For clarity, employees are entitled to only one of the above.

*Managers will take into consideration dietary requirements when supplying a meal.

7.2.2 Other meals

Where an employee has a meal with a client or is working away from their normal place of work in the evening, they will be reimbursed on an actual and reasonable basis.

7.3 Travel

7.3.1 Overnight travel

The employer will reimburse staff for all reasonable expenses (the purposes of which have been approved) incurred solely in respect of work with MSD, including approved and agreed activity under the relationship agreements.

It is agreed that no employee should be out of pocket, nor should they profit in respect to expenses related to their work for the employer, or any other approved activity.

Employees required to travel in New Zealand on official business shall be paid:

- Actual and reasonable accommodation costs for overnight travel (receipts required);
- Actual and reasonable reimbursement for meals (receipts required), as a guide one telephone call home per 24-hour period (receipts required); and
- An incidentals allowance of \$9 may be claimed for each night of overnight travel.

If an employee has a MSD cellphone, they agree to use that phone for the call home referred to above.

The employee's overnight and travel and accommodation arrangements shall be confirmed by their manager or appropriate person in MSD in advance. MSD shall arrange travel and accommodation whenever possible.

Employees travelling away overnight may elect an advance in accordance with the financial policy.

7.3.2 Staying privately

Subject to the employer's prior approval, which should not be unreasonably withheld, where an employee is required to travel for business reasons and stays privately, the allowance for accommodation, meals and incidentals will be \$65 per day for each 24-hour period and \$37.50 for each period less than 24 hours. Anyone staying for the purposes of qualifying for this allowance must not exceed 14 consecutive days. No other payment will be made and it is up to the host and the employee to agree on the amount paid to the host. Any arrangements entered into between the employee and the host will not be the responsibility of MSD.

This allowance is in lieu of any claim by an employee for meals, incidentals, gift for host (koha) or accommodation expenses.

The employee's selection will be confirmed with their manager or the appropriate person within MSD before travel arrangements are made.

7.4 Secondments and relieving allowance

From time to time MSD may have secondment and relieving opportunities that an individual employee may wish to consider. MSD seeks to encourage and provide opportunities for career development through the provision of secondment/relieving opportunities for MSD employees. When the proposed opportunity involves an employee working outside their substantive location, the manager offering the opportunity will negotiate and agree an arrangement with the employee prior to commencement.

The parties agree and acknowledge that the best outcomes in agreeing a secondment/relieving arrangement will occur when this is based on the following principles:

- All secondment/relieving arrangements are negotiated and agreed prior to commencement;
- The arrangement negotiated reflects the needs of the individual;
- The arrangement is fiscally sound and can withstand external scrutiny;
- The individual is not advantaged or disadvantaged financially through the arrangement; and
- The agreement negotiated has integrity and reflects actual costs/expenses incurred.

7.4.1 Short-term secondments/relieving

Where a secondment/relieving arrangement is reasonably short term, that is for a total duration of up to eight weeks, the following provision will apply.

Where an employee is on a secondment including relieving that necessitates them being away from home for a continuous minimum period of 14 days up to eight weeks they will receive:

- Actual and reasonable accommodation costs;
- Where the period of secondment/relieving is greater than four weeks, one return trip home at MSD's expense; and
- An allowance for meals and incidentals of \$52 for each 24-hour period and \$30 for each period of less than 24 hours.

Where a short-term secondment/relieving arrangement is extended beyond a further two-week period, the employee's manager will negotiate with the employee a new arrangement in accordance with the provision for long-term secondments/relieving in clause 7.4.2.

7.4.2 Long-term secondments/relieving

For a secondment/relieving opportunity in excess of eight weeks' duration, the manager and the employee will discuss options from the following menu. In negotiating and agreeing the arrangements, the following principles will be considered:

The options agreed will:

- Reflect the duration and nature of the secondment/relieving opportunity;
- Reflect the needs of MSD; and
- Balance the employee's needs wherever possible with the cost to MSD.

Possible menu options may include, but are not limited to:

- Accommodation arrangements, e.g. private, longer-term rentals, accommodation outside the secondment/relieving location;
- Reimbursement of childcare/eldercare costs;
- Travel home on a fortnightly/monthly basis;
- A daily allowance of \$30 per day;
- Local travel cost assistance if accommodation is outside the secondment/relieving location; and
- Any other actual and reasonable expenses.

7.5 Expenses for dependant care

Where an employee is required to work overtime (including short-term secondments/relieving as per clause 7.4.1) or stay away overnight as per clause 7.3.1 and this results in extra costs for the care of dependants, the extra amount will be reimbursed on an actual and reasonable basis.

7.6 Reimbursing expenses

7.6.1 Expenses

MSD will reimburse an employee for actual and reasonable expenses arising out of the performance of their work.

7.6.2 Changes in the workplace

MSD will pay the additional travel costs based on public transport rates for a period of one year where an employee:

- Is engaged in a metropolitan area;
- Is required to move from one office to another within the same metropolitan area on a permanent basis; and
- This involves additional travelling time of 15 minutes or more by public transport.

7.7 Other allowances

7.7.1 Interpretation

Where an employee is paid an annual salary of less than \$25,232, they will be paid a proportional allowance equivalent to the difference between their actual salary and \$25,232 during any period when they are engaged in casual interpreting duties.

This payment will have no application where:

- Interpreting is a normal expectation of the job; or
- Competence in a relevant language has been taken into account in the appointment of the employee and the grading of the position.

7.7.2 Annual practising fees

MSD will pay for the costs of admission fees, registration and/or annual practising fees where the qualification or certificate is a requirement for the performance of an employee's duties.

7.7.3 Vehicle allowance

Where by mutual agreement an employee uses their own vehicle for work purposes, they will be paid a motor vehicle reimbursement in accordance with the Inland Revenue rates, as adjusted from time to time.

Alternatively, an employee may reach agreement with their manager on a different arrangement for a vehicle allowance.

7.7.4 Te Reo Māori competency allowance

MSD is committed to embedding a Māori world view throughout the organisation that will honour our commitment as a Te Tiriti o Waitangi partner and ensure our staff have the capability of working with Māori in ways that are mana enhancing.

We support our people to engage in te reo Māori and tikanga Māori and will recognise an employee's competence in te reo Māori by payment of an allowance as one of the ways our people are encouraged to develop te reo skills. The rate of the allowance is based on the level of certification given by Te Taura Whiri i te Reo Māori (The Māori Language Commission).

The allowance on achievement of the appropriate certification by Te Taura Whiri i te Reo Māori, will be based on the following:

Level Finder Attestation	Descriptor/Objective	Annual Allowance \$ p.a. (gross)
5	Complete proficiency: Reward excellence and cultural contribution	\$3500
4	Higher proficiency: Reward cultural contribution	\$2500
3	Moderate proficiency: Encourage development	\$1750
2	Basic conversational proficiency: Support on-going learning	\$1000
1	Basic routine language: Encourage entry level learning	\$500

Supporting guidelines will be available on MSD's intranet.

Where employees are in receipt of the Te Reo Competency Allowance, they may be asked to exercise those skills and capabilities.

8. Public Holidays, Annual and Long Service Leave

8.1 Public Holidays

8.1.1 Application

Public holidays will be observed in accordance with the Holidays Act 2003 and all subsequent amendments.

8.1.2 Payment for working on a public holiday

Where an employee agrees to work on any part of a public holiday they will be paid double time for all hours worked, with a minimum payment of three hours at that rate.

8.1.3 Alternative paid holiday

Where an employee agrees to work on any part of a public holiday that would otherwise be a working day for the employee, the employee will be entitled to an alternative paid holiday in addition to the payment under clause 8.1.2 (Payment for working on a public holiday).

Payment for the alternative holiday will be the employee's relevant daily pay for the day that is taken as the alternative holiday. The alternative holiday will be taken on a day that is agreed between the employee and their manager and within 12 months of the entitlement having arisen.

Where a public holiday falls on a full-time employee's day off, the employee will receive the equivalent time off.

Public holidays falling within a period of paid leave will not be debited against the leave.

8.2 Annual leave

8.2.1 Entitlement to annual holidays

Annual holidays will be allowed in accordance with the Holidays Act 2003. Full-time employees will be entitled to annual leave as follows.

Employees appointed on or after 19 August 2010:

- On completion of one year's continuous service, 23 days per year (4.6 weeks); and
- On completion of five years' continuous service, 25 days per year (5 weeks).
- Annual leave will be pro-rated for staff who work part time.
- The timing of taking annual leave will be decided by mutual agreement between the employee and their manager, taking into account work requirements and personal preferences. In the absence of agreement, MSD may direct when leave is to be taken.

- It is expected that each employee will agree an annual leave plan with their manager so as to ensure that leave is managed appropriately. It is expected that at any time an employee should not have accumulated more than five days over their annual leave entitlement, except where the employee and their manager have agreed this within their leave plan. Managers and employees both have a responsibility to ensure that this expectation is met.
- An employee may be able to anticipate annual leave by mutual agreement with their manager, to be refunded if necessary on resignation. In determining the amount of leave that may be anticipated, consideration should be given to the needs of both the employee and MSD.

Employees who were employed by MSD as at or prior to 19 August 2010 who were therefore immediately prior to this date bound by the 2008–2010 Work and Income and Students, Seniors and Integrity Services Collective Agreement or the 2008-2010 Ministry of Social Development in National Office and Ministry of Youth Development Collective Agreement shall retain the following annual leave provisions, unless they have voluntarily elected to accept the annual leave buy out option as provided for in the Terms of Settlement for the 2010–2013 Work and Income and Students, Seniors and Integrity Services Collective Agreement or the 2010-2013 Ministry of Social Development National Office and Ministry of Youth Development Collective Agreement.

Employees whose employment commenced on or before 30 June 2009:

- On completion of one year's continuous service, 23 days per year (4.6 weeks); and
- On completion of six years' continuous service, 28 days per year (5.6 weeks).

Employees whose employment commenced on or after 1 July 2009 and before 19 August 2010:

- On completion of one year's continuous service, 20 days per year (4 weeks);
- On completion of three years' continuous service, 23 days per year (4.6 weeks); and
- On completion of six years' continuous service, 28 days per year (5.6 weeks).

Employees who accepted the voluntary annual leave buy out option will then be entitled to annual leave on the same basis as staff appointed on or after 19 August 2010. Translation arrangements were detailed in the Terms of Settlement for the 2010–2013 Work and Income and Students, Seniors and Integrity Services Collective Agreement or the 2010-2013 Ministry of Social Development National Office and Ministry of Youth Development Collective Agreement.

8.2.2 Payment for annual holidays

Where an employee takes any period of annual leave, the employee will be paid for the holiday in the pay that relates to the period during which the holiday is taken.

8.2.3 Calculation of annual holiday pay

For the purpose of calculating leave only, a week is defined as Thursday to Wednesday aligned to the pay cycle.

Payment for annual holidays will be calculated on the greater of:

- The employee's ordinary weekly pay at the time of taking the holiday; or
- The employee's average weekly earnings for the 12 months prior to taking the holiday.

8.3 Long service leave

Employees will be entitled to long service leave as follows:

- Two weeks' holiday on completion of 10 years' continuous service; plus
- One week's holiday after five years' continuous service thereafter.

Long service leave will not be accumulated from one qualifying period to another and will be taken before the next entitlement falls due or be forfeited.

Employees who have completed eight years continuous service may anticipate one weeks' long service leave/holiday in advance of their 10-year entitlement, where approved by their immediate manager. When an employee anticipates this one week's long service leave/holiday and then leaves the employment of MSD prior to completing 10 years' continuous service, they shall be required to repay in full the one week's long service leave/holiday taken in anticipation. The employee agrees and authorises MSD to make a deduction from their final pay the amount in full for the leave which they have anticipated.

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9. Sick and Dependant Leave

9.1 Sick leave and dependant leave

9.1.1 Sick leave (personal illness)

Personal illness can include both physical and mental illness and injury. It also includes stress-related problems where a medical practitioner has certified that an employee is unable to work.

In the event of personal illness, permanent employees will receive 10 days' paid sick leave per year. Unused sick leave will be carried forward and accumulated to a maximum of 260 days.

Temporary fixed-term employees will receive paid leave in the event of personal illness as follows:

- In the first six months of service, an employee will be entitled to a proportional amount of leave calculated on the employee's number of weeks' service (at the time of taking leave) multiplied by 10 and divided by 52; and
- After six months' continuous service, an employee will be entitled to 10 days per year.

9.1.2 Purpose of personal sick leave

The purpose of sick leave is to protect employees where by reason of illness they are prevented from attending work. Sick leave is to be administered fairly by management and utilised responsibly by employees.

9.1.2.1 Sick leave less than two hours

Absences of less than two hours are not taken off your sick leave entitlement, but your manager may ask you to make up the time.

9.1.3 Dependant illness

Dependant illness leave is to cover situations where an employee is required to assist or care for a member of their household, family or family-like friend who becomes dependent on them as a result of illness, incapacity, accident or other injury. The dependent person does not necessarily have to be living in the same house as the employee.

In the event of dependant illness, permanent employees will receive 10 days' paid dependant leave per year.

Unused leave for dependant illness will be carried forward and accumulate to a maximum of 20 days.

Where the dependant is seriously ill, additional leave may be considered on a case-by-case basis.

Dependant leave is calculated on a pro-rata basis in proportion to the percentage of full-time hours that the employee is contractually required to work. Dependant leave will be allocated on the employee's anniversary date based on their hours of work at that time.

For clarity, if you increase your hours of work throughout the year your dependant leave balance will not increase.

9.1.4 Verification of sick leave and dependant leave

Where an employee takes in excess of five consecutive working days because of either personal illness or dependant illness, the employee will provide a medical certificate that:

- Confirms the inability of the employee to attend work due to illness or injury; or
- Confirms the inability of the employee to attend work due to the illness or injury of the employee's dependant; and
- Provides a likely date for the resumption of work.

The employee will be responsible for the cost of the medical certificate and any examination necessary for the certificate to be provided.

MSD is concerned for the health and wellbeing of employees. It may therefore require an independent medical assessment of the condition of the employee where the purpose of the assessment is to assess the employee's ability to return to or remain at work. MSD will be responsible for the cost of the examination and documentation.

9.1.5 Notice

Any absence due to illness is to be notified to the employee's manager as soon as possible.

9.1.6 Combined 15-day sick leave and dependant leave

Employees employed by MSD as at 30 April 2008, and who accepted in writing an alternative combined sick and dependant leave individual term and condition, shall continue to receive a 15-day combined option as detailed in this clause.

Personal illness can include both physical and mental illness and injury. It also includes stress-related problems where a medical practitioner has certified that the employee is unable to work.

Dependant illness leave is to cover short-term situations where the employee is required to care for a member of their household or family who becomes dependent on the employee as a result of illness, incapacity, accident or other injury. The dependent person does not necessarily have to be living in the same house as the employee. Personal sick leave may be used for dependant illness up to a maximum of four weeks in any 12-month period. The use of personal sick leave for dependant illness in excess of four weeks in any 12-month period may be considered on a case-by-case basis and subject to a manager's approval.

In the event of personal or dependant illness, the employee will receive up to 15 days' paid leave per year. Unused leave will be carried forward and accumulated to a maximum of 260 days.

In addition, to avoid doubt, clause 9.1.8 applies to the misuse of sick or dependant leave when it has been established that the employee has taken sick or dependant leave on an occasion or on a series of occasions where they have not been genuinely ill or injured or had to care for a dependant.

9.1.7 Special circumstances

Where an employee has used up all their available paid sick leave, the manager will consider, in consultation with the employee (where practicable) and on a case-by-case basis, one or more of the additional options:

- A request for annual leave;
- Reduced hours;
- Paid special circumstances leave (full or reduced pay) where special circumstances exist, e.g. acute illness, serious accident or major surgery;
- Unpaid sick leave; or
- A mix of these options, such as:
 - part of time off as special circumstances leave with the remainder as unpaid sick leave;
 - returning to work on reduced hours until fully recovered.

If the request is for additional paid leave, the employee may need to provide a medical certificate (at their cost) to support their case.

The manager may require the employee to undergo an independent medical examination (at the employer's cost) as part of their consideration.

9.1.8 Misuse of sick leave or dependant leave

Misuse of sick leave occurs when it has been established that an employee has taken sick leave on an occasion or on a series of occasions where they have not been genuinely ill or injured. Misuse also includes the incorrect usage of dependant leave as personal sick leave or vice versa.

Where the manager has reason to believe that sick leave has been misused, the manager will notify the employee in writing of the need to meet the employee (and their representative) to discuss their concerns.

Misuse of sick leave may be established by the use of an independent medical assessment.

If proof of sickness or injury is required because there are reasonable grounds to suspect that an employee is using personal sick leave or dependant leave improperly for periods of absence of less than three consecutive days, the cost of the examination and documentation will be met by the employer. For periods of absence of three consecutive days or more, the cost of the examination and documentation is the responsibility of the employee. MSD must inform the employee of the requirement for proof as early as possible at the time of, or prior to, the absence occurring.

In the event that it is established that the employee has misused their sick leave, the manager may consider applying one or more of the following options:

- Employee Assistance Programme;
- Future sick leave to be supported by a medical certificate, at the employee's expense; and/or
- Disciplinary action.

The manager will record the action taken in writing together with the reasons for their decision and, where appropriate, the duration of the action.

9.1.9 Sickness on annual leave or long service leave

Where an employee becomes ill while on annual or long service leave, the period of illness will be a charge against their sick leave.

A medical certificate may be required.

9.1.10 Medical retirement

Before entering into discussions with an employee about medical retirement, a manager will explore all options to support the employee to remain at MSD.

MSD may approve an employee's early retirement for medical reasons. Where an employee retires on this basis, they will receive a minimum payment of 65 days' salary. This entitlement will be pro-rated for part-time staff. The exception to pro-rating will be where the employee has reduced their hours to work part time within 12 months of the date of medical retirement and it has been documented at the time of the reduction in hours, in the employee's health management plan, that the employee is reducing their hours as a result of a medical condition. In such circumstances the calculation will be based on the employee's hours of work prior to the reduction in hours.

9.2 Special leave for the care of dependants

9.2.1 Definitions

Special leave for the care of dependants is unpaid leave where an employee cares for a dependent relative in a situation where the relative requires long-term home assistance (as a result of a disability or illness).

A dependent relative is a child, partner, parent or grandparent of the employee. Leave may also be approved for other family members on a case-by-case basis.

9.2.2 Eligibility

Subject to the approval of their manager, a permanent employee will be eligible to take a minimum of one month's unpaid leave and up to a maximum 15 months' unpaid leave for the care of a dependant.

Where an employee wishes to take special leave, they will provide as much notice as is possible to their manager. The employee will provide one month's notice of their intention to return to work at the completion of the leave.

Prior to approval, the manager may require verification of the disability or illness.

9.2.3 Job protection

Where approval is given for an employee to take special leave, the employee will be entitled to resume work in the same position or a similar position to the one they held prior to commencing special leave for the care of a dependant. A similar position means:

- At the equivalent salary and job sizing;
- At the same or another location within reasonable travelling distance; and
- Involving responsibilities broadly comparable to the previous position.

Where an employee takes special leave for the care of a dependant, MSD will as a preference keep the employee's position open with a temporary replacement. This special leave without pay interrupts but does not break service.

In the event that an employee's position becomes affected during a period of special leave for the care of a dependant, they will be notified and consulted in terms of the change management provisions contained in this agreement.

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10. Family Leave Provisions

10.1 Tangihanga/bereavement and Hura Kohatu leave

An employee will be granted tangihanga/bereavement leave on full pay to allow them to:

- deal with their loss
- discharge their obligations, and
- to pay their respects to a deceased person.

Following the unplanned loss of a pregnancy, tangihanga/bereavement leave may be taken.

Obligations for tangihanga/bereavement leave may exist because of blood or family ties, close association, or because of particular cultural requirements, such as attendance at a Tangihanga, Hura Kohatu or equivalent event.

The period of tangihanga/bereavement leave will be agreed between the employee and the employer; however, the following applies:

- a minimum of three days on the death of a close relative
- a minimum of one day on the death of any other person if the employee's manager accepts that the employee has suffered a bereavement
- a minimum of one day to attend a Hura Kohatu (unveiling).

Additional time needed for travel will also be considered.

Where an employee suffers bereavement while on another form of leave, except for public holidays, that period will be recorded as bereavement leave.

10.2 Parental leave

Parental leave provided by MSD is leave without pay and also includes primary carer leave, partner's leave, extended leave and special leave.

The provisions of the Parental Leave and Employment Protection Act 1987 (including the protection of employment provisions) apply with additional entitlement for payment on return to work.

For the types of leave under Parental leave and how to apply, refer to MSD's intranet.

Employees eligible for primary carer leave or negotiated carer leave may be entitled to Paid Parental leave payments. This payment is administered by Inland Revenue and further details can be found on their website.

10.2.1 Application of annual leave

The Holidays Act 2003 allows employees to continue to accrue annual leave while they are on parental leave. This leave will be available to employees following their return to work and paid at the standard holiday pay rate when they take it.

An employee may request to take their outstanding leave entitlement and accrued leave prior to commencing parental leave. The term of parental leave without pay will begin once any requested annual leave has been used.

10.2.2 Ex-gratia payment on return to work

Employees will be eligible for an ex-gratia lump sum payment of up to 32 days, if they have taken primary carer and/or extended leave from a position in MSD and have taken at least six weeks' leave without pay. Only one payment will be made when both partners are engaged by the public service and meet the eligibility criteria.

The payment will be made either:

- as a one payment on the completion of six months' service after returning to work
- alternatively, the employee may choose to receive the payment pro-rated in equal fortnightly instalments commencing on their first payday after they return to work, with the final payment made at the completion of six months' service.

Where an employee chooses to receive the parental leave payment in instalments, they need to advise MSD of this on or before their first day back at work. They are not entitled to the balance of the payment if they resign or their employment is terminated before the completion of six months' service after returning to work.

The payment will be made as follows:

- The amount will be calculated at the normal rate of salary applicable to the 32-day period prior to the commencement of the leave;
- The amount will be pro-rated where an employee takes primary carer leave and/or extended leave of less than 6 weeks.

Where an employee works reduced hours prior to taking primary carer leave or extended leave as a result of a medical condition arising from their pregnancy, the ex-gratia payment will be calculated at the normal rate of salary for the 32-day period prior to the reduction in hours.

10.3 Re-engagement after childcare

An employee who resigns to care for pre-school children will have preference for re-employment if they re-apply for a position within four years from the date of resignation or five years from the date of taking parental leave.

The preference will apply where the employee applies for a vacancy that is substantially the same position as previously held and where the employee has the necessary skills to fill the vacant position competently. Where these criteria are met, the person will be offered the position in preference to any other person.

The period of absence will be treated as unbroken service but will not count for the purpose of any service-related leave entitlements. The preference will lapse where the applicant has not been appointed to a position within six months of re-applying.

10.4 Family Violence

MSD has a lead role in preventing and responding to family violence. It recognises that when its employees experience family violence in their personal life, their attendance, performance and/or safety at work may be affected.

MSD is committed to providing a safe and supportive workplace and supports violence-free families. This means making sure that our staff members who are experiencing family violence can ask for and receive confidential help and support and have access to appropriate help.

Employees who are experiencing family violence can raise it with their manager or human resources. The employee may also go through a support person, such as a PSA delegate, Family Violence Response Coordinator, Family Violence Champion or Peer Support person.

Some examples of practical actions to support the employee include:

- discretionary leave with pay (the employee is not expected to use up annual leave first)
- discretionary leave without pay
- counselling through the Employee Assistance Programme
- redirecting pay to a different bank account
- referral to an external agency who can help
- flexible working, including hours, days, patterns and/or locations of work.

Proof that family violence is occurring is not required. More information can be found on MSD's intranet "Family Violence - it's not OK, but it is OK to ask for help".

11. Additional Leave Provisions

11.1 Jury service and witness (including Treaty of Waitangi) leave

Where an employee is required for jury service, or obliged to attend as a witness, paid leave will be provided to attend.

Where an employee is required as a witness, or in a specific role, to attend Māori Land Court, claimant negotiations concerning land issues, or Waitangi Tribunal hearings, paid leave will be provided to attend.

Any jurors' or witnesses' fees are to be repaid to MSD.

11.2 Community service leave

Employees who are appointed by Ministerial appointment to a Board, Council or Committee will be allowed paid time off to meet their commitments. If an employee has been given approval to undertake a commitment to community activities such as civil defence (including conferences and courses), voluntary fire-fighting and search and rescue, unpaid leave will be provided for these activities.

The period of leave will be determined in each case by agreement with the employee's manager, subject to addressing any difficulties in releasing the employee from work.

Any remuneration earned from these activities during paid time off is to be repaid to MSD.

11.3 Military leave

Leave of absence may be approved for employees to undertake military training in accordance with the Volunteers Employment Protection Act 1973. Employees who undertake military training will receive 12 weeks' paid leave for the initial training plus up to four weeks' paid leave for training each year thereafter. Where an employee receives military pay while on training, the employee must refund either their salary paid by MSD or their pay received from the military, whichever is the lesser amount.

Additional military leave without pay will be allowed to employees who are selected by the military to undertake peace-keeping duties. The period of leave will be to a maximum of 12 months, inclusive of any training required.

11.4 Discretionary leave

Additional leave either with or without pay may be allowed at the discretion of the manager.

11.4.1 Leave without pay

An employee may apply for leave without pay and the employer will make reasonable efforts to accommodate the request. Each application will be considered according to its merits, with a decision made taking account of the circumstances of the individual as made known to the employer and the operational needs of the employer. All annual leave will be expected to be taken prior to the commencement of extended leave without pay that is three months or longer.

Approved discretionary leave without pay for periods in excess of one week will be regarded as discretionary leave and the following will apply:

- For extended discretionary leave without pay of more than one week and up to three months, the position will be held open and service will be interrupted but not broken; and
- For extended leave without pay of more than three months and up to 15 months, the employee is not guaranteed placement in either the same job or a new job at the end of the period of leave. If the position is either not able to be held open for operational reasons, or there is a restructure that has resulted in the position no longer being available, the employee will need to apply for an alternative position. If a suitable position is found, their service will be treated as interrupted but not broken. The employee will be given preference for a period of three months for appointment to that vacancy. If no job is found before the end of the preference period, the employment will terminate. The last day of service will be recognised as the original date on which the extended leave commenced.

11.4.2 Leave with pay

It is not a prerequisite for an employee to have used up their available annual leave, and other paid leave type, prior to discretionary leave with pay being considered. However, available leave balances will normally be taken into consideration. Each case would be considered individually.

Examples of the circumstances that may be considered by the employer include:

- Representing New Zealand in an official capacity;
- Formally representing New Zealand in a sporting activity;
- Has suffered a major personal crisis or loss that they need to address and leave without pay would cause financial hardship to the employee and/or their family/dependants
- Where an MSD worksite is closed by the employer (e.g. due to emergency event) and no alternative arrangements are available.
- If you have a terminally ill family member or family-like friend.

11.4.3 Extreme weather and emergency situations

In an adverse event such as extreme weather, a pandemic or emergency situation MSD will, as appropriate, grant paid discretionary leave. Guidance on the application is available on MSD's intranet.

In considering whether an adverse event requires the temporary closure of a worksite, MSD will consider:

- safety and security of employees
- advice and guidance issued from relevant authorities
- operation of essential services
- security of property, assets and records
- continuing business operations (including working from alternative sites or at home), as far as is reasonably practicable
- any other relevant information.

11.5 Study leave

Employees may be granted leave to undertake a programme of study as agreed with the employer. Support for study leave may include: paid or unpaid leave for attendance at lectures, tutorials and workshops, and attendance and preparation for examinations or assessments; contributions to course fees; or the use of work facilities.

The employer, in consultation with the employee, in determining the support for study, will take into account:

- The time commitment required and the workload of the employee;
- Programme requirements, such as attendance at lectures or workshops, residential modules, on-the-job or practical experience, examinations and assessments;
- Additional support available, such as the use of work facilities and technology;
- The impact of leave on the work of the organisation and on the workload of the employee and others; and
- The affordability of providing the support to the employee.

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12. Wellbeing, Health and Safety

12.1 Principles

It is the responsibility of both MSD and employees to ensure that there is a mutual commitment to the obligations for health and safety in the workplace under the Health and Safety at Work Act 2015, its amendments, regulations and codes of practice.

Note: The relevant codes are available in the workplace.

All employees, including managers, will observe the MSD health and safety policies and practices in the workplace.

12.1.1 Objectives

To identify, eliminate or minimise risks to prevent or reduce incidents that could result in personal injury or occupational illness.

To this end:

- MSD will provide and maintain a healthy and safe work environment;
- MSD and the PSA have developed, agreed and will review an employee participation system for all employees;
- All employees have a personal responsibility to work safely and to avoid injury to themselves, other employees, clients, customers and any other person;
- There is a mutual responsibility for both MSD and an individual employee to facilitate the individual employee's rehabilitation back into the workplace;
- MSD will work with employees and their health and safety representatives to provide a workplace where staff can be safe and secure;
- Ongoing consultation with the PSA and training will be provided in the management of risks and the implementation of safe work practices;
- Provision will be made for emergency procedures for the workplace; and
- Employees shall report any incidents and any potential or actual hazards arising in the workplace to their managers.

12.2 Vision care

12.2.1 General

The costs of eye tests, glasses and contact lenses are subsidised through MSD's vision care scheme. The scheme applies to permanent staff members, and fixed term employees who have completed 12 months continuous and cumulative service with MSD, who are required to use a computer regularly as a part of their day-to-day duties.

12.2.2 Approval requirements

In accessing their entitlements, staff members must get approval from their budget manager before making an appointment with an eye specialist or incurring any cost. This is obtained through the completion of an eyewear examination requisition which is published on MSD's intranet.

12.2.3 First-time/Upgrading glasses or contact lenses

When a test shows that a staff member needs prescription eyewear, or existing eyewear needs to be upgraded, MSD will pay a maximum of \$400 (GST inclusive) per annum from the date of the last claim for the examination, for the eye test and prescription eyewear (frames and lenses).

The payment of up to \$400 per annum may be made towards the cost of subsequent regular eye tests and upgrade of eyewear.

MSD will pay for the eye test whether or not there is a change in prescription, but will not pay for new lenses or frames if there is no change.

MSD will not pay for the costs of frames for staff members switching from contact lenses to glasses.

12.2.4 How to pay for eye tests and eyewear

An eyewear examination requisition should be completed by the employee and approved by the employee's manager prior to arranging an appointment with the eye specialist. The eyewear examination details are then forwarded to the eye specialist to complete the relevant sections, who then forwards the completed form, along with the invoice, to the National Accounting Centre (NAC) for payment. Employees are responsible for meeting any costs exceeding the maximum limits as these are deemed personal expenses.

Employees must *not* pay the invoice and seek reimbursement.

This provision shall not be applicable to employees who have tendered their resignation. Employees will not be entitled to vision care assistance under this scheme if they terminate their employment within six weeks of the eye test appointment. If an employee leaves MSD, they agree to authorise MSD to deduct the said amount from their final pay.

12.3 Hearing care

Each calendar year MSD will provide reasonable paid time for employees to access a free hearing test. This will be with the prior approval from their manager, which will not be unreasonably withheld. For clarity, the employee will not be required to 'make-up' the time taken to obtain a free hearing test.

12.4 Accident leave

Where an employee is absent from work due to an accident, the provisions of the relevant accident legislation at the time of the injury will apply.

Where the absence is due to a work-related accident, MSD will pay for the first week of absence at 80 per cent of the employee's ordinary pay.

Where the absence is due to a non-work-related accident, payment for the first week of absence will be made where the employee has an unused sick leave entitlement. Any payment made will be a charge against their sick leave entitlement.

Where the absence is due to either a work-related or a non-work-related injury, the balance between the 80 per cent Accident Compensation Corporation payment (or the MSD Workplace Insurer payment) and the employee's ordinary

pay will be paid where an employee has an unused sick leave entitlement. Any payment made will be a charge against their sick leave entitlement.

12.5 First aid

A designated first aid attendant who is the holder of a current certificate will receive an annual allowance of \$330, paid fortnightly.

MSD will pay for accredited first aid training for designated first aid attendants.

12.6 Employee assistance programme (EAP)

MSD is committed to assisting all employees in achieving a high level of wellbeing. It is in the best interests of both MSD and employees that employees are able to obtain early and confidential assistance if they or their families are being adversely affected by a personal problem.

Employee assistance is available to all employees and their immediate families. It represents MSD's commitment to the welfare of all employees and the promotion of a healthy working environment.

It is recognised that individuals may have personal or other problems that affect their work, and the employee assistance programme provides a means for these problems to be identified and resolved.

MSD recognises that this is a key element in meeting its obligations as a good employer.

All MSD employees are encouraged to use MSD's Employee Assistance Programme early as the need arises. Participation will not affect an employee's promotional opportunities or employment security.

Information about this service, including how to access the programme, is available in the workplace and on MSD's intranet.

12.7 Workplace harassment / bullying

12.7.1 Definition

Workplace harassment / bullying, including sexual and racial harassment, is any verbal or physical behaviour or the display of material, including use of visual material that is unwelcome to the receiver and embarrassing, intimidating or intrusive. It affects morale, productivity and the right to have a good working environment.

12.7.2 Mutual responsibilities

It is the responsibility of MSD to promote and maintain a work environment free of unwelcome behaviour and to provide a mechanism for reporting incidents of harassment / bullying, ensuring a fair investigation and avoiding reprisals against the complainant. It is the responsibility of both management and employees to behave in a manner that is respectful of others.

To this end, MSD will ensure that the guidelines for managers and complainants are readily available through MSD's intranet.

12.8 Compassionate grant

On the death of a staff member MSD may approve a cash grant to:

- The surviving partner; or
- Dependent children; or
- The estate of the deceased employee.

This cash grant will be calculated in accordance with retiring leave tables and where the deceased employee had an entitlement to retiring leave prior to their death the cash grant where approved *will be in lieu of* any retirement leave entitlement (that may otherwise have become due) and is *not* in addition to any retirement leave entitlement that may otherwise have become due. For employees who are not eligible for retiring leave then their calculation will be based on a payment of at least 65 days.

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13. Terms of employment

13.1 Categories of employment

Employees employed under this agreement may be employed on a permanent or fixed-term basis.

Permanent and fixed-term employees may be employed as either full-time or part-time employees.

MSD may employ individuals on a fixed-term basis, as provided for in the Employment Relations Act 2000 and its amendments. Currently this provides for an employee and employer to agree employment that will end:

- At the close of a specific date or period; or
- On the occurrence of a specific event; or
- At the conclusion of a specific project.

13.2 Recognition of service

13.2.1 Recognition of service for employees employed by MSD on or after 1 July 2009

Service in the core Public Service and Crown entities (excluding district health boards and the Education service (which includes schools, tertiary education institutions and kindergartens)) will be recognised for leave entitlements.

Service will be recognised for a maximum of five years prior to 13 May 2008.

There will be no recognition after 15 months' break in service or where redundancy has been paid out in regard to that service, unless the break in service was for childcare (up to four years).

Recognition will include permanent and fixed term employment where all other eligibility criteria is met.

The onus and responsibility for providing evidence of previous service rest with the employee.

13.2.2 Recognition of service for employees employed by MSD up to and including 30 June 2009

MSD will recognise an employee's service with other departments and ministries of the Public Service (as defined in section 27 of the State Sector Act 1988) and with the Parliamentary Service as continuous service where the employee joined MSD within one month of leaving the service of the other organisation:

Provided that this shall not apply to any period of service that ended with the payment of redundancy compensation to an employee.

Employees' previous service with, and any previous service recognised by, the Department of Work and Income, the Ministry of Social Policy, the Department of Labour, the Department of Social Welfare, the New Zealand Employment Service and Income Support is recognised for the purposes of service-related provisions in this agreement.

13.3 Superannuation

13.3.1 Government Superannuation

KiwiSaver is the recognised superannuation scheme available to all employees and auto enrolment will occur when someone joins MSD, if eligible. Further KiwiSaver information can be found on the Inland Revenue website.

13.3.2 Closed superannuation schemes

MSD will contribute to closed government superannuation funds for those who are eligible. These funds include Government Superannuation Fund, State Sector Retirement Savings Scheme and the Individual Retirement Plan.

13.4 Salaries and deductions

Salaries will be paid fortnightly by direct credit to each employee's bank account on receipt of the employee's written authorisation.

MSD may make deductions from an employee's salary:

- For the purposes of PAYE;
- In accordance with the Wages Protection Act 1983; and/or
- At the employee's written request.

An employee will be provided with written advice on any occasion that their gross pay or deductions are changed.

13.5 Relocation

13.5.1 Assistance

Where an employee is appointed to a position in another location:

- On promotion; or
- To meet the needs of MSD; or
- To assist an employee's career development.

The costs and other assistance for transferring the employee and their family to a new location will be met by MSD.

The actual assistance required in each case will be determined by agreement between the employee and their manager. An employee may use a representative in these discussions.

Assistance may include, but is not limited to, the following:

- Expenses of transfer of household effects, including insurance and storage;
- Personal travel and living costs for the employee and their family and temporary accommodation costs for up to three months;
- Expenses arising from the sale and purchase of the employee's home, including any early mortgage repayment penalties;
- Expenses arising from the transfer of children between schools;
- The reimbursement of expenses reasonably incurred in the re-establishment of the employee's household; and/or
- Paid leave as necessary to effect the transfer.

Travel costs to the new location will be paid in terms of the travel allowance provisions contained in clause 7.3 (Travel).

13.6 Discipline

When dealing with discipline, the following principles will apply:

- The employee is to be advised of their right to representation and/or a support person of their choice;
- The employee is to be informed of the issue in question and be given a reasonable opportunity to provide an explanation;
- Any corrective action required together with a reasonable period of time to improve performance or change the conduct will also be advised. Where this is a performance issue, consideration should be given to appropriate alternative work, coaching and counselling;
- An appropriate investigation will be undertaken before any substantive action is taken;
- Depending on the seriousness of the issue, a verbal warning will normally precede a written warning;
- Any disciplinary action is to be recorded in writing, signed by the employee and placed on their personal file;
- A written warning will specify the duration of the warning and will be removed from the employee's personal file on its expiry date;
- In cases of alleged serious misconduct, the employee may be suspended on pay while an investigation is undertaken; and
- Where an employee feels they have been aggrieved by any action of MSD, they are to be advised of their right to pursue a personal grievance.

13.7 Termination of employment

13.7.1 Notice

For permanent employees, one month's notice of termination will be provided by either the employee or MSD. For employees engaged on a temporary fixed-term agreement, employment will cease on the expiry date or prior to the expiry date with one week's notice provided by either the employee or MSD. Any of the notice periods may be varied by mutual agreement.

Where MSD does not give the appropriate notice, the full notice period shall be paid thereof. Where the employee does not give the appropriate notice, MSD will only be liable for the period of the notice that has been given. Nothing in this clause shall prevent the employer from dismissing an employee without notice for serious misconduct.

13.7.2 Abandonment

Where a permanent employee is absent from work for a continuous period in excess of five consecutive working days without notification and without good cause, the employee shall be deemed to have terminated their employment. Prior to termination, MSD must make every reasonable effort to contact the employee, including sending a letter to the last known address outlining the employee's obligations and, where appropriate, offering assistance.

An opportunity for reinstatement will be considered where the employee was unable to notify the employer of absence due to unforeseen hospitalisation or similar cause.

Where a temporary employee is absent from work for a period of no less than seven consecutive days without authorisation and without good cause, the employee shall be deemed to have terminated their employment.

13.8 Employment relationship problems (including personal grievances)

It is in the interests of the PSA and MSD and the employees bound by this collective agreement that employment relationship problems are resolved in good faith and as close to the point of origin as possible.

Where an employment relationship problem is identified by either an employee or MSD, reasonable steps must be taken to notify the other person(s) involved of the issue.

Once a problem has been identified, reasonable steps will be taken by all persons involved to resolve the issue.

If the issue cannot be resolved, either the employee or MSD may seek the assistance of a mediator. The mediator will be mutually agreed as an appropriate person to assist. Costs of the mediator will be met by MSD.

The Mediation Service of the Ministry of Business Innovation and Employment may be accessed.

MSD and the PSA prefer that employment relationship problems are resolved without requiring the use of these institutions, but this clause does not prohibit an employee or MSD accessing them in the first instance.

In the case of a personal grievance, the employee must raise the grievance with the appropriate manager **within 90 days** of the date that the alleged action occurred or came to the notice of the employee.

For grievances in relation to sexual harassment the employee must raise the grievance with the appropriate manager **within 12 months** of the date that the alleged action occurred or came to the notice of the employee, whichever is later.

If an employee wishes to raise a personal grievance beyond the timeframes mentioned above, the employee must either seek the agreement of MSD or apply to the Employment Relations Authority to do so.

'Personal grievances' are defined under section 103 of the Employment Relations Act 2000 – see clause 19 Definitions, in this agreement.

'Employment relationship problems' are defined under section 5 of the Employment Relations Act 2000 – see clause 19 Definitions, in this agreement.

14. Our approach to change management

14.1 Introduction

The provisions of clause 14 apply to permanent employees only and will not have any application to fixed-term (temporary) employees.

14.2 Objective

MSD's purpose is to lead social development to achieve better futures for all New Zealanders. MSD operates in a dynamic environment and needs to be responsive to government direction, client needs and other environmental factors.

When MSD undertakes change, it will do this according to principles in the relationship agreements. Change within MSD includes evolutionary, structural and/or process-based change.

14.3 Principles

The best outcomes will be achieved when change is based on the following principles:

- An intention to make things better for staff and clients;
- Staff are central to the success of the outcomes;
- Change will be managed in a way that aims to retain a motivated, engaged and productive workforce for the future;
- Change maximises opportunities;
- Stakeholders including staff and the PSA are engaged throughout the change process from the development through to post-implementation;
- A proactive and appropriate communication strategy for managing the change is in place; and
- The process is flexible, timely, open and transparent.

14.4 Change management approach in event of no job losses

Most change that occurs in MSD does not involve job losses or relocation outside a local area. Where job losses or relocation do not occur, MSD will develop, in consultation with staff and the PSA, a process that is consistent with its change principles. This process may be implemented at a local, regional or national level.

14.5 Change management approach in event of job losses

Where MSD cannot provide an assurance that there will be no job losses or relocation outside a local area, the following process will apply.

14.5.1 Proposal for review

MSD will provide employees and their representatives with the opportunity to be involved in any review where MSD cannot provide an assurance that there will be no job losses or relocation outside a local area.

The Chief Executive will advise staff and their representatives when a decision is made to commence any such review (for the purpose of providing the opportunity to be involved). The aim of this mechanism will be, wherever possible, to reach agreement on recommendations to management, who will endeavour to take the views into account as far as possible before review decisions are made.

14.5.2 Procedures

Where, following consultation, a decision is made that will result in job losses, MSD and the PSA will develop and agree procedures for managing the change, including the way in which reconfirmation and reassignment will apply.

These procedures will normally include:

- Identification of employees affected by the change;
- Consideration of not filling vacancies as they arise;
- An effective communication process;
- A timetable for implementation;
- Support services; and
- An appointment process and a review mechanism.

14.5.3 Preferential applicants

Employees who have been identified as being affected by the change and whose positions have been declared surplus to requirements will have a preferential right of appointment to vacancies within MSD and will be advised in writing of their preferential status.

14.5.4 Counselling

Counselling will be made available to preferential applicants and their families.

14.6 Reconfirmation

Reconfirmation applies when there is one clear candidate for a position that is to be transferred into a new structure (within or outside MSD) where:

- The new role description is the same or nearly the same;
- The salary is the same;
- The terms and conditions, including career prospects are no less favourable; and
- The location is the same or in the same vicinity.

Where there is more than one clear candidate, the procedure for managing the change will be through reassignment or voluntary severance where this option is made available.

New role descriptions will be available prior to the commencement of this process.

14.7 Reassignment and voluntary severance

14.7.1 Voluntary severance

Where a change proposal may result in fewer positions than there are affected employees, MSD may seek expressions of interest, on a without prejudice basis, for voluntary severance from employees after the reconfirmation of roles stage in a change management process for affected employees.

Where expressions of interest are received, MSD may, at its sole discretion, choose to accept or decline any expression of voluntary severance where there would be an adverse impact on the business. All applicants will be advised in writing of MSD's decision and the rationale for the decision.

By way of example and without limiting MSD's sole discretion, voluntary

severance may not be accepted in circumstances where:

- An applicant has skills and experience that MSD wishes to retain; or
- Where approving the voluntary severance may result in insufficient skilled staff from which to appoint to remaining positions in the impacted area.

Where MSD accepts an expression of interest and offers voluntary severance, written acceptance of that offer by the individual will be binding.

Where an employee accepts an offer of voluntary severance, their employment will end by reason of redundancy, in accordance with clause 15 (Redundancy).

Note: During any notice period the provisions of Section 88 of the Public Service Act 2020 continue to apply to employees for whom voluntary severance has been agreed.

14.7.2 Reassignment

Once the reconfirmation process has been completed, reassignment will apply. The objective will be to place the maximum number of preferential applicants into positions by matching individual skills with positions that require similar skills. The process for doing this will be developed and agreed as part of the procedures in clause 14.5.2 (Procedures). Cases will be dealt with on an individual basis and each applicant will be consulted prior to reassignment.

Any training needs will be identified before a preferential applicant is reassigned. Preferential applicants may be required to undertake on-the-job training and/or attend training courses.

14.8 Declining offer of employment under reconfirmation and reassignment

Where an employee is offered a position in accordance with the reconfirmation and reassignment provisions and they do not wish to accept the offer of the position, that employee will not be entitled to receive redundancy compensation.

14.9 Redeployment outside of MSD and career transition

14.9.1 Redeployment outside of MSD

In addition to the reconfirmation and reassignment provisions, during the notice period, subject to the provisions of the Public Service Act 2020, both MSD and the employee shall make reasonable efforts to locate suitable alternative employment for the employee in the following areas:

- Within the Public Service; or
- Within any other part of the State Services (which term shall include Crown entities, Crown companies and State Owned Enterprises); or
- In the organisation acquiring some or all of the business of the Ministry of Social Development whether or not that organisation is within the State Services (where the position ceases to exist due to the part of the Ministry of Social Development's business in which the employee's position is situated being sold or transferred).

Where the employee and MSD agree that a reasonable offer of employment has been made MSD's responsibilities under these provisions shall be fulfilled, and the employee shall not be entitled to any payment under the redundancy compensation clause 15.5 (Redundancy compensation). The offer of a position

with similar duties and responsibilities, in the same general locality (alternatively where relocation is required, and expenses to cover these costs have been agreed), with terms and conditions of employment that are the same unless otherwise agreed (including service-related, redundancy and superannuation conditions), and on terms that treat service with MSD as if it were continuous service with the new employer shall constitute a reasonable offer for the purposes of this provision.

14.9.2 Career transition

Employees not appointed to a position through reconfirmation, reassignment or internal recruitment will continue to be supported during the time they are employed with MSD.

This will include but is not limited to, reasonable paid time, if required, to prepare/update CV's and prepare for and attend interviews as agreed in advance with their manager.

MSD will support employees who want to seek assistance of MSD's Employee Assistance Programme (EAP) services which includes (but is not limited to) restructuring support, career issues counselling, financial mentoring, personal and family counselling.

14.10 After acceptance of reassignment

Following acceptance of reassignment, any of the following provisions may apply.

14.10.1 Relocation

Where reassignment involves relocation outside the local area, the employee will receive a minimum of three months' notice or a lesser period of notice where this is mutually agreed, and assistance will be provided under the transfer provisions contained in clause 13.5 (Relocation).

When reassignment is within the same local area and there is an increase in travelling time of 30 minutes or more:

- The employee will receive at least one month's notice (or a lesser period by mutual agreement); and
- Assistance will be provided under the transfer provisions in clause 13.5 (Relocation) where the employee chooses to relocate their household and this reduces the travelling time to the new workplace by a minimum of 30 minutes.

14.10.2 Travel

Where the new position is in the same local area and involves additional travelling costs, MSD will pay the extra travel costs based on public transport rates for a period of one year.

14.10.3 Equalisation

Where reassignment is to a position with a lower salary, the employee will receive an allowance equivalent to the difference between their old and new salaries and be able to have this paid either:

- As a lump sum calculated on the basis of two years' equalisation; or

- As an ongoing allowance that will be abated by any subsequent salary increases.

Where the employee is within five years of eligibility for Government Superannuation and the employee is a member of the scheme, the equalisation allowance will count towards the calculation of superannuation.

14.11 Options

Where a preferential applicant cannot be placed through reconfirmation or reassignment, the following options may be offered. Where this occurs the employee and/or the PSA on their behalf and MSD will agree a timeframe within which a preferential applicant must choose an available option. During this timeframe, a preferential applicant will be entitled to reasonable paid time off to pursue any employment options.

14.11.1 Extended notice

The terms of an extended period of notice are as follows:

- The period of notice will commence from the expiry of the period of time allowed for choosing an option and be up to a maximum period equal to the amount otherwise payable to the employee as redundancy compensation;
- The employee will not receive any redundancy payments irrespective of the length of the notice period; and
- Where a preferential applicant has not been placed into a position by the expiry of the notice period, the employee will cease employment and receive cessation leave if they are entitled to this leave entitlement.

During a period of extended notice the employee will retain their status as a preferential applicant and will also be entitled to reasonable paid time off to pursue any employment options. The duties and work requirements of the employee during the period of notice will be decided by agreement with their manager.

14.11.2 Temporary employment

MSD may agree to offer alternative employment for a temporary period, at the end of which the employee will be entitled to consideration of other options.

14.11.3 Special leave without pay

Special leave without pay may be agreed, during which time the employee will retain their preferential applicant status. This period may include an opportunity for retraining.

14.11.4 Retraining

Where a retraining opportunity is identified, a specific programme will be designed to meet the needs of the individual. MSD will pay for the costs of the training to a maximum of the redundancy compensation payment that the employee would otherwise receive.

14.11.5 Enhanced early retirement

Enhanced early retirement means that a preferential applicant who wishes to remain in MSD may replace an employee who is not a preferential applicant who

wishes to exit the organisation. This is conditional on the preferential applicant's skills being similar to the skills of the person who wishes to exit MSD.

Enhanced early retirement will only occur with the manager's and the employee's agreement.

If the application of enhanced early retirement is agreed, the employee who exits MSD will receive the redundancy payment, based on their entitlements.

14.11.6 Redundancy

Redundancy may be considered on a case-by-case basis.

14.11.7 Other options

Other options may be agreed. The types and levels of financial assistance will be negotiated on a case-by-case basis.

14.12 Alternative change process

Notwithstanding the processes provided for in clauses 14.5.2 (Procedures) to 14.11.7 (Other options), MSD and the PSA may agree on an alternative change management process following consultation with employees who are likely to be affected by any change proposal.

An alternative process may be used, for example, where a change is localised or limited in its application and where the parties agree that the processes provided in clauses 14.5.2 (Procedures) to 14.11.7 (Other options) would not manage the change proposed in the most effective or timely manner.

In the absence of agreement, the procedures in clauses 14.5.2 (Procedures) to 14.11.7 (Other options) will apply.

An agreed alternative process would not affect an employee's entitlement to redundancy compensation as specified in clause 15 (Redundancy).

14.13 Employee protection provision

14.13.1 Application

This clause applies to any sale, transfer or contracting out of all or part of the activities or operations of MSD.

14.13.2 Process

Where MSD is contemplating such sale, transfer or contracting out (together a 'transaction') and the transaction may affect positions of the employees covered by this agreement, the following process will apply:

- (A) As soon as is reasonably practicable (taking into account the commercial and confidentiality requirements of any such transaction), MSD will consult the PSA and the employees potentially affected.
- (B) Where following such consultation it has been determined to proceed with the transaction, MSD will endeavour in its negotiations with the potential new employer, to protect employee interests by:

(i) Exploring with the potential new employer whether it is in a position to offer employment to the potentially affected employees covered by this agreement on terms and conditions of employment that avoid the need to pay redundancy compensation if the transaction proceeds; and

(ii) Where the proposed transaction is not able to be concluded on the basis in paragraph (B)(i) above, or on a basis whereby an employee is prepared to accept a role with the new employer, MSD will endeavour to find a suitable alternative position for its staff prior to resorting to redundancy.

14.13.3 Matters to be negotiated

The matters relating to the terms of employment that MSD will negotiate with the new employer will be those set out in this written contract of employment and, for the avoidance of doubt, will not include any matters contained in MSD policies or any other discretionary benefits of employment.

14.13.4 Entitlements of non-transferring employees

Where, following the negotiations with the new employer, the transaction is to take place, and an individual employee covered by this agreement either is not offered employment with the new employer or has declined an offer of employment, the following process will apply:

- (A) Where no offer of employment is made by the new employer, MSD will explore redeployment and other options to avoid redundancy for the employee and will endeavour to identify a similar role for the employee with MSD on no generally less favourable terms of employment than those contained in this agreement. If such a role is identified for an employee and they are offered such a role, where the employee declines it, they will be made redundant without compensation;
- (B) Where an offer of employment is made by the new employer on terms that avoid the need to pay redundancy compensation under clause 15.2 (Restriction on entitlement to redundancy compensation) of this agreement but the employee declines such an offer, they will be made redundant and will not be entitled to any redundancy compensation;
- (C) Where the employee is made an offer of employment by the new employer on terms and conditions that do not satisfy clause 15.2, (Restriction on entitlement to redundancy compensation), the employee will be entitled to decline the offer and receive redundancy compensation and any other entitlements in accordance with the terms of this agreement. However, if the employee accepts such an offer, they will not be entitled to redundancy compensation.

Note: Nothing in the above clause applies where the employee's employment is transferred within the Public Sector pursuant to the terms of the Public Service Act 2020.

15. Redundancy

15.1 Application

The provisions of section 15 apply to permanent employees only and will have no application to fixed-term (temporary or casual) employees.

15.2 Restrictions on entitlement to redundancy compensation

Where an employee's employment is being terminated by MSD by reason of the sale or transfer by MSD of the whole or part of its operations, nothing will require MSD to pay compensation for redundancy to the employee if:

- The person or organisation acquiring the business or part being sold or transferred:
 - Has offered the employee employment in the business or part being sold or transferred; and
 - Has agreed to treat the service as if it were continuous service with that service or organisation; and
- The conditions of employment being offered to the employee by the service or organisation acquiring the business or part being sold or transferred are substantially the same as, or more favourable than, the employee's conditions of employment, including:
 - Any service-related and redundancy conditions; and
 - Any conditions relating to superannuation under the employment being terminated; and
- The offer of employment by the service or organisation acquiring the operation or part being sold or transferred is an offer to employ the employee in the business either:
 - In substantially the same as, or in a similar capacity to, that in which the employee was employed; and
 - In the local area; or
 - In any capacity that the employee is willing to accept.

15.3 Redundancy provisions

Following agreement that the option of redundancy is to be made available in terms of clause 14.11.6 (Redundancy), and where it is mutually agreed, on the individual ceasing employment the following provisions will apply.

15.4 Notice

Employees who are made redundant will receive one month's notice of termination of employment or payment in lieu thereof.

15.5 Agreed redundancy compensation

The following levels of compensation apply to identified groups of employees when the criteria are met as set out in each instance. For the avoidance of any doubt, an employee will only be entitled to receive one of the following redundancy compensation provisions (clauses 15.5.1 to 15.5.5 inclusive). In no circumstance is an employee entitled to receive more than one of the following provisions (clauses 15.5.1 to 15.5.5 inclusive).

Note: Clause 16.6 (Schedule for Child Youth and Family) of this agreement details the schedule of special arrangements that applies to PSA members whose positions transferred from coverage of the Child, Youth and Family main staff

collective agreement to the National Office and Ministry of Youth Development collective agreement with effect from 31 March 2007.

Employees eligible for grand parented redundancy provisions will receive the greater value of either the current redundancy calculation or the combined grand parented redundancy and special provision cessation leave (Section 16.2) (Cessation Leave).

15.5.1 Income Support / Department of Social Welfare pre-1 July 1992

Permanent employees who were engaged prior to 1 July 1992 by the Department of Social Welfare will receive redundancy compensation calculated in accordance with the following scale:

- 29.165 per cent of ordinary pay for the previous 12 months; plus
- 8 per cent of ordinary pay for the first complete year of continuous service and 4 per cent of ordinary pay for each complete year of continuous service thereafter to a maximum of 19 years' service; plus
- 0.333 per cent of ordinary pay multiplied by the completed months of service that are additional to complete years of continuous service to a maximum total of 20 years' service;
- 8.33 per cent of ordinary pay for the previous 12 months for each dependent child of the employee; and/or
- 4.165 per cent of ordinary pay for the previous 12 months for one dependent person (other than a dependent child) whose annual income is less than \$22,322.

The maximum individual payment under these provisions is \$50,000 gross.

15.5.2 Income Support/Ministry of Social Policy post-30 June 1992

Permanent employees who were engaged on or after 1 July 1992 by Income Support and prior to 1 October 1998 and permanent employees employed by the Ministry of Social Policy (and the Social Policy Agency) and in former positions of the Ministry of Social Policy on or after 1 July 1992 and prior to 19 March 2004 will receive redundancy compensation calculated in accordance with the following scale:

- 25 per cent of ordinary pay for the first year of continuous service; and
- 4 per cent of ordinary pay for each complete year of continuous service between two and seven years inclusive; and
- 5 per cent of ordinary pay for each complete year of continuous service between eight and 15 years inclusive; and
- 3.5 per cent of ordinary pay for each complete year of continuous service between 16 and 20 years inclusive; plus
- \$2,400 for each dependent child of the employee; and/or
- \$1,200 for one dependant (other than a dependent child) whose annual income is less than \$22,322.

15.5.3 New Zealand Employment Service

Permanent employees who were engaged by either the Employment Service, Community Employment Group or Local Employment Co-ordination and who were employed prior to 1 October 1998 will receive redundancy compensation calculated in accordance with the following scale:

- For employees with more than 12 months' continuous service, 25 per cent of ordinary pay for the previous 12 months' service; and
 - For employees with between two and six years' continuous service, 4 per cent of ordinary pay for each complete year of service in that period; and
 - For employees with between seven and 20 years' continuous service, 5 per cent of ordinary pay for each complete year of service in that period; and
- A single payment of \$2,500 where the employee has dependent children and/or a dependant (other than a dependent child) whose annual income is less than \$22,992.

15.5.4 Department of Work and Income/Ministry of Social Development post-30 September 1998

Employees employed by the Department of Work and Income from 1 October 1998 until 30 September 2001 and any employee employed by MSD on or after 1 October 2001 will receive redundancy compensation as follows:

- 15 per cent of ordinary pay for the first year of continuous service; and
- 5 per cent of ordinary pay for each complete year of continuous service thereafter;
- to a maximum of 52 weeks' pay.

15.5.5 Ministry of Youth Affairs/Ministry of Social Development (Ministry of Youth Development pre-1 January 2004)

Permanent employees employed by the Ministry of Social Development in the business unit of Ministry of Youth Development and/or its predecessor the Ministry of Youth Affairs prior to 1 January 2004 will receive redundancy compensation as follows:

- For the purposes of this provision, ordinary pay is defined as basic taxable salary, except in the case of employees on parental leave where ordinary pay shall be the ordinary pay at the time of taking leave;
- 10 per cent of total ordinary pay for the preceding 12 months;
- 4.165 per cent of total ordinary pay for the preceding 12 months for one person (other than a dependant child) who is dependent on the employee and receives a gross annual income of less than \$22,992;
- 8.33 per cent of total ordinary pay for the preceding 12 months for each dependent child of the employee.

'Dependent child' means all children up to the age of 15 years and all children between the ages of 15 and 18 years who are not:

- In paid employment; or
- In receipt of state benefit; or
- In receipt of basic grant or an independence circumstances grant under the Student Allowances Regulations; and
- Including those of whom employees are paying maintenance in terms of Inland Revenue Department requirements and those for whom liable parent contributions are made. Where both parents' positions are declared surplus only one parent can claim for dependent children. It is the employee's choice as to which one claims.

These payments are regardless of length of service but are conditional on employees finishing on an agreed date.

Employees with 12 months or more continuous service will also receive:

- 10 per cent of total ordinary pay for the preceding 12 months; and
- 4 per cent of total ordinary pay for the preceding 12 months multiplied by the number of years of continuous service minus one, up to a maximum of 15 years;
- 0.333 per cent of total ordinary pay for the preceding 12 months multiplied by the number of the completed months in addition to completed years service, provided total service is less than 16 years;
- 5 per cent of total ordinary pay for the preceding 12 months multiplied by the number of years of continuous service between 16 and 19 years; and
- 0.416 per cent of total ordinary pay for the preceding 12 months multiplied by the number of completed months in addition to completed years of continuous service, provided total service in years is between 16 and 19 and less than 20 years.

Note: The total amount paid to employees under this provision shall not exceed \$42,000 gross.

15.5.6 Ordinary pay

Ordinary pay is defined as basic taxable salary, plus regular taxable allowances paid on a continuous basis that either attract overtime or payments or are paid on an hourly basis for all hours worked.

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16. Special provisions (grand-parented clauses)

16.1 Department of Labour, Income Support or New Zealand Employment Services

The following provisions only apply to those PSA members who were employed by the Department of Labour, New Zealand Employment Services or Income Support prior to the dates specified in the particular clauses below and has continued to be employed by MSD.

16.2 Cessation leave

16.2.1 Eligibility

Employees who were employed prior to 1 October 1998 by the Department of Labour, New Zealand Employment Service or Income Support and whose employment is terminated as a result of redundancy will receive cessation leave in accordance with the following scales:

Length of service	Amount of cessation leave
• Less than five years	• Nil
• Five and less than 10 years	• 22 days
• 10 and less than 15 years	• 44 days
• 15 and less than 25 years	• 65 days

Months	0	2	4	6	8	10
Years	Amount of cessation leave (days)					
25	65	66	66	67	68	69
26	69	70	71	71	72	73
27	74	74	75	76	76	77
28	78	79	79	80	81	81
29	82	83	84	84	85	86
30	86	87	88	89	89	90
31	91	91	92	93	94	94
32	95	96	96	97	98	99
33	99	100	101	101	102	103
34	104	104	105	106	106	107
35	108	109	109	110	111	111
36	112	113	114	114	115	116
37	116	117	118	119	119	120
38	121	121	122	123	124	125
39	125	126	126	127	128	129
40	131					

16.3 Retiring leave

16.3.1 Eligibility

An employee with a minimum of 10 years' unbroken service in the Public Service will be entitled to retiring leave in accordance with the following table where:

- The employee was employed by the Department of Labour prior to 1 September 1996 or was employed by Income Support prior to 1 October 1998; and
- The employee retires; or
- The Chief Executive has approved the employee's earlier retirement on medical grounds or on other grounds at the employee's request.

16.3.2 Payments

Months	0	2	4	6	8	10
Years	Amount of retirement leave (days)					
10	22	23	24	24	25	26
11	26	27	28	29	29	30
12	31	31	32	33	34	34
13	35	36	36	37	38	39
14	39	40	41	41	42	43
15	44	44	45	46	46	47
16	48	49	49	50	51	51
17	52	53	54	54	55	56
18	56	57	58	59	59	60
19	61	61	62	63	64	64
20	65					

Employees who have 25 years' or more service will receive retirement leave in accordance with the corresponding scale contained in the cessation leave provisions in clause 16.2 (Cessation Leave).

16.3.3 Anticipated leave

An employee with more than 20 years' continuous service may choose to anticipate retiring leave, which will be taken as paid leave.

16.4 Resignation leave

16.4.1 Eligibility

An employee with a minimum of 20 years' service may be entitled to resignation leave in accordance with the following table where:

- The employee provides three months' notice of resignation; and
 - The employee was employed by either:
 - the Department of Labour or New Zealand Employment Service prior to 1 September 1996; or
 - Income Support prior to 1 October 1998; or
 - the Ministry of Social Policy prior to 1 December 2000.

16.4.2 Payments

Months	0	6
Years	Amount of resignation leave (days)	
20	32	33
21	34	34
22	35	36
23	36	37
24	38	39
25	39	40
26	41	42
27	42	43
28	44	44
29	45	46
30	46	47
31	48	49
32	49	50
33	51	51
34	52	53
35	54	55
36	55	56
37	56	57
38	58	59
39	59	60

16.4.3 Deduction of long service leave

Where an employee has taken long service leave prior to resignation, the amount of resignation leave will be reduced by the total amount of long service leave taken. The amount of the reduction will be offset by a credit of one day for each six-month period worked after the time of taking the last period of long service leave, to a maximum credit equal to the total number of days' reduction for long service leave taken that has been made.

Deductions for long service leave will not apply where an employee resigns on the grounds of ill health.

16.5 Ministry of Social Policy – Sick leave and domestic leave

16.5.1 Application

These sick leave and domestic leave provisions apply to employees previously covered by the Ministry of Social Policy Collective Agreement dated 21 December 2000.

16.5.2 Purpose

The purpose of sick leave is to protect employees when by reason of illness or accident they are prevented from attending work. It is to be administered fairly and used responsibly. When an employee is sick the Ministry will pay sick leave (based on normal salary and hours of work) as set out below.

Employees with service of:

- Less than two years, nine days' sick leave per year (this provision will be pro-rated for employees on fixed-term agreements); or
- Two years or more, as required.

The manager may approve additional paid sick leave in the first two years of service based on merits of the case.

Absences of less than two hours will not be recorded against sick leave. Absences of over six hours will be counted as a full day.

16.5.3 Medical certificates

Employees are required to provide a medical certificate to support absences of more than five consecutive days (including off-duty days).

16.5.4 Sickness while on annual leave

An employee may be granted sick leave for illness or injury that occurs during a period of annual leave or long service leave (except where the illness occurs following the last day of duty). A medical certificate may be required.

16.5.5 Limits and misuse

Where there are concerns about the authenticity of an employee's absences on sick leave, the employee's manager may review the employee's sick leave entitlement. An employee may be required to produce a medical certificate, or to undergo an examination by a registered medical practitioner nominated and paid for by the Ministry.

Prior to any decisions the manager will consult with the employee (and their representative) to discuss the reasons for the absence.

Where it is established that the employee has not used sick leave in a responsible manner disciplinary action, in accordance with due process, may be taken which may result in:

- Informal disciplinary action; or
- The employee being placed on a limit of nine days' sick leave for the next 12 months; or

- In more serious instances the employee will be subject to formal disciplinary action as per the Code of Conduct.

16.5.6 Long-term illness

The Ministry will always do its best to provide continued employment when employees are prevented from attending work due to long-term or recurring illness or injury. However, there is a limit as to how long any position can be kept open. Subject to due process the Ministry may consider:

- Leave on reduced pay; or
- Unpaid leave; or
- Medical retirement.

Each case will be dealt with on its merits.

16.5.7 Translation to 'sick leave as required'

Employees who had an accumulated protected sick leave entitlement as at 1 July 1994 may continue to access that entitlement under the sick leave provisions. The amount of accumulated leave will reduce as sick leave and domestic leave is taken.

16.5.8 Domestic leave

Domestic leave may be used to cover situations where an employee has to care for a family or household member who through illness or injury has become dependent on them. A medical certificate may be requested and the Ministry will offset the amount of domestic leave the employee takes against their sick leave.

16.5.9 Ministry service leave – Ministry of Social Policy

16.5.10 Application

These Ministry service leave provisions apply to employees previously bound by the Ministry of Social Policy Collective Agreement dated 21 December 2000, who elected to choose Ministry service leave under clause 27.13 of that collective agreement.

16.5.11 Ministry service leave

Employees are entitled to Ministry service leave as follows:

- At five years' service with the Ministry, five days; and
- An additional five days is provided after 10, 15 and 20 years with the Ministry.

Employees must decide whether to take the leave that is due within the next 12 months or defer it for another five years. It will then accumulate and be added to the next entitlement of five years. If no decision is made within 12 months from the date of entitlement, the five days will automatically be added to the next entitlement.

Ministry service leave must be taken in blocks of five days, with the minimum period taken being one block of five days.

16.5.12 Cessation leave - Ministry of Social Policy

Employees who were previously bound by the Ministry of Social Policy Collective Agreement dated 21 December 2000 and whose employment ends as a result of redundancy will receive cessation leave based on the following scale.

Length of service	Amount of cessation leave
Less than five years	Nil
Five and less than 10 years	22 days
10 and less than 15 years	44 days
15 and less than 25 years	65 days
25 and less than 35 years	107 days
35 years or more	131 days

16.5.13 Retiring leave - Ministry of Social Policy

An employee will be entitled to retiring leave calculated on the basis of 22 days for the first 10 years' service, increasing by four days per year (or part year) to a maximum of 130 days where:

- The employee has a minimum of 10 years' continuous service; and
- The employee was employed by the Ministry of Social Policy prior to 19 March 2004; and
- The employee retires; or
- The Chief Executive has approved the employee's earlier retirement on medical grounds or on other grounds at the employee's request.

16.5.13.1 Anticipated leave

An employee with more than 20 years' continuous service may choose to anticipate retiring leave which will be taken as paid leave.

16.5.14 Ministry of Youth Development

Permanent employees employed by the Ministry of Social Development in the business unit of Ministry of Youth Development and/or its predecessor the Ministry of Youth Affairs prior to 1 January 2004 and whose employment ends as a result of redundancy will receive cessation leave based on the following scales.

Cessation leave for employees with less than 20 years' service

Qualification required	Amount of retiring leave
Completion of 15 years' service	65 working days
Completion of 10 and under 15 years' service	44 working days
Completion of five and under 10 years' service	22 working days
Under five years' service	NIL

Cessation leave for employees with 20 years' or more service

Months	0	2	4	6	8	10
Years	Amount of cessation leave (days)					
20-24	65					
25	65	66	66	67	68	69
26	69	70	71	71	72	73
27	74	74	75	76	76	77
28	78	79	79	80	81	81
29	82	83	84	84	85	86
30	86	87	88	89	89	90
31	91	91	92	93	94	94
32	95	96	96	97	98	99
33	99	100	101	101	102	103
34	104	104	105	106	106	107
35	108	109	109	110	111	111
36	112	113	114	114	115	116
37	116	117	118	119	119	120
38	121	121	122	123	124	125
39	125	126	126	127	128	129
40	131					

Outstanding annual leave and long service leave may be separately cashed up.

16.6 Schedule for Child, Youth and Family staff

16.6.1 Application

The parties have agreed that the following positions will transfer from coverage of the PSA Child, Youth and Family (CYF) main staff collective agreement to the National Office and Ministry of Youth Development collective agreement with effect from 31 March 2007:

- Positions which were previously covered by the CYF/PSA Collective Agreement that are within merged teams;
- Positions which were previously covered by the CYF/PSA Collective Agreement, in the CYF National Office service line which are corporate in function and nature; and
- A list of position titles included within this transfer of coverage provided within the terms of settlement letter between the Ministry and the PSA.

The following provisions will apply to staff permanently employed (unless otherwise stated) with the Department of Child, Youth and Family, in positions identified as subject to the transfer, on or before 30 June 2006, unless specified otherwise. These provisions will also apply, unless otherwise stated, to staff employed in positions in the Child, Youth and Family, National Office service line which are subject to this transfer of coverage, where appointments occurred between 1 July 2006 and 31 March 2007.

These provisions do not apply to staff that were appointed to positions within merged teams on or after 1 July 2006, and were therefore offered terms and conditions based on the MSD/MYD National Office Collective Agreement with the PSA.

16.6.2 Retirement leave

Upon retirement (ie permanent departure from the workforce) an employee with 10 years' service shall be granted retirement leave of 22 days. This entitlement increases by four days for each year (or part year) of service until the beginning of the 21st year of service, when a maximum of 66 days retirement leave is reached.

From the beginning of the 26th year of service the entitlement is 70 days retirement leave increasing by four days each year (or part year) of service to a maximum of 130 days retirement leave.

16.6.3 Leave for medical retirement

An employee may apply to or be required to retire on medical grounds. An employee retiring on medical grounds has a minimum entitlement to 65 days' retiring leave. This is increased by four days per year or part year of service for more than 25 years' service, to a maximum of 130 days.

16.6.4 Resignation leave

Employment commenced prior to 10 July 2000

An employee may be granted resigning leave according to the following table, if the employee has given three months' notice of resignation, and their work

record is satisfactory.

If the employee has taken long service leave prior to resigning, their resigning leave will be reduced by 20 days, but for each complete period of six months worked after the employee took long service leave, the employee will be granted one additional day, up to a maximum of 20 days.

If an employee resigns on the grounds of ill health the full resigning leave entitlement will be granted and no reduction will be made for any long service leave taken.

Years of service	Leave working days	Years of service	Leave working days
20	32	30	46
20.5	33	30.5	47
21	34	31	48
21.5	34	31.5	49
22	35	32	49
22.5	36	32.5	50
23	36	33	51
23.5	37	33.5	51
24	38	34	52
24.5	39	34.5	53
25	39	35	54
25.5	40	35.5	55
26	41	36	55
26.5	42	36.5	56
27	42	37	56
27.5	43	37.5	57
28	44	38	59
28.5	44	38.5	59
29	45	39	59
29.5	46	39.5	60

16.6.5 Service recognition

All transferring employees will have service recognised that has been previously credited, or credited prior to this variation, by the Department of Child, Youth and Family.

16.6.6 Redundancy

An employee employed on a casual, temporary or fixed-term basis has no entitlement to the redundancy provisions below.

(A) Employment commenced on or after 10 July 2000 with Child, Youth and Family and up to and including 31 March 2007.

An employee who has their employment terminated due to redundancy will be given one month's notice of termination in writing as required by the notice provisions of this agreement, or payment in lieu of such notice by mutual agreement with the MSD. An employee will be paid compensation of:

- 25 per cent of gross annual salary for the first year of service or part thereof; and
- 5 per cent of gross annual salary for each subsequent year of service with a pro-rata adjustment for a part year of service; to a maximum of \$50,000 or 52 weeks' salary, whichever is lesser.

An employee who accepts other employment during the notice period will not be paid for the un-worked portion of the notice period.

(B) Employment with the Department of Child, Youth and Family commenced on or after 1 July 1992 and prior to 10 July 2000.

If an employee's employment is terminated due to redundancy they will be entitled to:

(i)

- 25 per cent of total gross salary for the first year of service, plus 4 per cent of total gross salary for years two to seven, plus 5 per cent of total gross salary for years eight to 15, plus 3.5 per cent of total gross salary for years 16-20; plus
- \$1,200 for one person (other than a dependent child) who is dependent on them and receives a gross annual income of less than \$22,319;
- \$2,400 for each dependent child of the employee.

Dependent child means all children up to the age of 15 years and all children between the ages of 15 and 18 years who are not in paid employment, in receipt of a state benefit or in receipt of a basic grant or an independent circumstances grant under the Student Allowances Regulations.

Where both parents' positions are declared surplus only one parent can claim for dependent children. It is the employee's choice which one claims.

(ii)

- Cessation leave in accordance with the scales below will be paid, subject to the leave being reduced by the amount of paid anticipated retiring leave already taken.

For an employee with less than 20 years' service the following table applies.

Qualification required	Amount of cessation leave
Completion of 15 years' service and over	65 working days
Completion of 10 and under 15 years' service	44 working days
Completion of five and under 10 years' service	22 working days
Under five years' service	NIL

For an employee with 20 years' service or more the following table applies.

Months	0	2	4	6	8	10
Years	Amount of cessation leave (days)					
20-24	65					
25	65	66	66	67	68	69
26	69	70	71	71	72	73
27	74	74	75	76	76	77
28	78	79	79	80	81	81
29	82	83	84	84	85	86
30	86	87	88	89	89	90
31	91	91	92	93	94	94
32	95	96	96	97	98	99
33	99	100	101	101	102	103
34	104	104	105	106	106	107
35	108	109	109	110	111	111
36	112	113	114	114	115	116
37	116	117	118	119	119	120
38	121	121	122	123	124	125
39	125	126	126	127	128	129
40	131					

Outstanding annual leave and long service leave may be separately cashed up.

(C) Employment prior to 1 July 1992.

If employment is terminated due to redundancy an employee will be entitled to:

(i)

- 29.165 per cent of total ordinary pay for the preceding 12 months;
- 4.165 per cent of total ordinary pay for the preceding 12 months for one person (other than a dependent child) who is dependent on the employee and receives a gross annual income of less than \$22,322;
- 8.33 per cent of total ordinary pay for the preceding 12 months for each dependent child of the employee.

These payments are regardless of length of service, but are conditional on employees finishing on an agreed date.

In addition to the above, if an employee has 12 months or more continuous service the employee will receive:

(ii)

- 8 per cent of total ordinary pay for the preceding 12 months; and
- 4 per cent of total ordinary pay for the preceding 12 months multiplied by the number of years of continuous service minus one, up to a maximum of 19 years; and
- 0.333 per cent of total ordinary pay for the preceding 12 months multiplied by the number of completed months in addition to completed years of continuous service, provided total service is less than 20 years.

Continuous service means service with the Department and service with

other departments of the Public Service and with the Parliamentary Service provided that the employee joined the Department within one month of leaving the service of the other organisation. Service will not be recognised if it ended with an employee accepting redundancy or enhanced early retirement under any restructuring/surplus staffing provisions of any department of the Public Service or Parliamentary Service. The maximum payment under (i) and (ii) above is \$50,000. Cessation leave is not included in this maximum payment.

(iii)

Cessation leave in accordance with the scales below will be paid, subject to the leave being reduced by the amount of paid anticipated retiring leave already taken.

If an employee has less than 20 years' service the following table applies.

Qualification required	Amount of retiring leave
Completion of 15 years' service and over	65 working days
Completion of 10 and under 15 years' service	44 working days
Completion of five and under 10 years' service	22 working days
Under five years' service	NIL

If an employee has 20 years' service or more the following table applies.

Months	0	2	4	6	8	10
Years	Amount of cessation leave (days)					
20-24	65					
25	65	66	66	67	68	69
26	69	70	71	71	72	73
27	74	74	75	76	76	77
28	78	79	79	80	81	81
29	82	83	84	84	85	86
30	86	87	88	89	89	90
31	91	91	92	93	94	94
32	95	96	96	97	98	99
33	99	100	101	101	102	103
34	104	104	105	106	106	107
35	108	109	109	110	111	111
36	112	113	114	114	115	116
37	116	117	118	119	119	120
38	121	121	122	123	124	125
39	125	126	126	127	128	129
40	131					

Outstanding annual leave and long service leave may be separately cashed up.

16.6.7 Sick leave and dependant leave

Sick leave

The purpose of sick leave is to protect staff when by reason of illness they are prevented from attending work. Sick leave is to be administered fairly by managers and used responsibly by staff.

An employee who abuses sick leave is guilty of misconduct and may become subject to the disciplinary procedures.

Employees intending to be absent from work on any day must advise their manager before the employee's normal start time.

- A permanent employee with less than two years' service is entitled to nine days' sick leave per year; and
- For permanent employees with more than two years' service, sick leave is provided as required while an employee is sick.

Provisions (A) to (C) below also apply.

(A) Care for spouse or dependant

Sick leave may be used in circumstances when an employee is required to be absent from work due to sickness or injury of their partner, spouse or other person dependent on them for care. The use of sick leave for the care of spouse or dependants will normally be restricted to a maximum of 10 days per employee per year. This entitlement forms part of the employee's sick leave entitlement and is not in addition to it.

The Ministry may require a medical certificate as proof of sickness or injury for any absence to care for a partner, spouse or other person dependent on the employee for care, where there are reasonable grounds to suspect that sick leave being taken is not genuine.

(B) Management of sick leave

Where there are concerns about the authenticity of an employee's absences on sick leave, the employee may be required to produce a medical certificate for each absence. Where a certificate is not produced or does not support the absence the Ministry may refuse payment for such absences.

Where absence is five or more consecutive days (including days off) an employee is required to provide a medical certificate at their own cost. If the manager requires a certificate for absence of less than five days, the Ministry will pay. Additionally, for absences of more than 10 days per annum, the manager and staff member (and their representative) will discuss the reason for the absences to ensure appropriate support for the staff member to assist a return to work and to allow the Ministry to manage the absences.

(C) Long-term or recurring illness

The Ministry will always do its best to provide continued employment when employees are prevented from attending work due to long-term or recurring illness or accident. However, there is a limit as to how long any position can be kept open in the event of physical or mental incapacity.

Before deciding to withdraw sick leave on pay or terminate employment, the Ministry will discuss the situation with the employee (and their representative if desired). The Ministry will give reasonable notice of their intention to hold such a meeting, and will give due consideration to the member's views. Factors to be considered in the decision are:

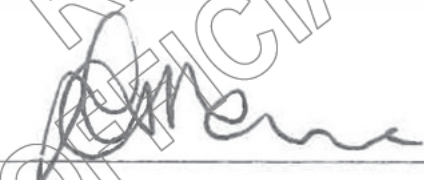
- Sick leave taken and length of service;
- Prospect of and timeline for recovery;
- Rehabilitation prospects, including suitable alternative duties;
- Employee's personal circumstances, hardship and impact on their career; and
- Reasonableness of cost for the Ministry.

Following discussions with the employee (and their representative) the Ministry may withdraw sick leave on pay, or terminate the employee's employment by giving appropriate notice if the Ministry is of the opinion that the employee is incapable of the proper performance of their duties as a result of incapacity due to illness or accident.

Additionally an employee may be required to produce a medical certificate or report from a registered medical practitioner or specialist nominated by the Ministry.

17. Signatory parties

Signed for and on behalf of
The Ministry of Social Development
Te Manatū Whakahiato Ora



Debbie Power
Chief Executive

10/3/26.

Dated

Signed for and on behalf of
Public Service Association
Te Pūkenga Here Tikanga Mahi
Inc



Fleur Fitzsimons
PSA

12 March 2026

Dated

18. Schedules

18.1 MSD Bands and Salary Ranges

These salary ranges are based on an 8 hour working day and 40 hour working week.

The following core bands and salary ranges are effective from 1 July 2025:

Core Salary Ranges								
Step	B01	B02	B03	B04	B05	B06	B07	B08
1			\$61,466	\$69,519	\$ 79,200	\$ 90,743	\$103,815	\$118,288
2		\$56,812	\$63,004	\$71,335	\$ 81,285	\$ 93,147	\$106,582	\$121,457
3		\$58,183	\$64,543	\$73,150	\$ 83,369	\$ 95,552	\$109,350	\$124,628
4		\$59,554	\$66,081	\$74,965	\$ 85,453	\$ 97,957	\$112,119	\$127,797
5		\$60,926	\$67,620	\$76,779	\$ 87,537	\$100,363	\$114,886	\$130,967
6		\$61,748	\$68,544	\$77,870	\$ 88,788	\$101,804	\$116,546	\$132,870
7	\$57,672	\$62,571	\$69,467	\$78,958	\$ 90,038	\$103,248	\$118,208	\$134,770
8	\$58,425	\$63,393	\$70,416	\$80,047	\$ 91,289	\$104,690	\$119,868	\$136,673
9	\$59,176	\$64,216	\$71,367	\$81,136	\$ 92,538	\$106,134	\$121,528	\$138,575
10	\$59,677	\$64,765	\$72,001	\$81,862	\$ 93,372	\$107,095	\$122,636	\$139,843
11	\$60,177	\$65,313	\$72,635	\$82,588	\$ 94,206	\$108,057	\$123,743	\$141,112
12	\$60,679	\$65,862	\$73,269	\$83,314	\$ 95,039	\$109,019	\$124,850	\$142,378
13	\$61,180	\$66,410	\$73,903	\$84,041	\$ 95,873	\$109,980	\$125,958	\$143,647

No employee will be paid less than the Living Wage.

18.2 MSD Premium Salary Ranges

These salary ranges are based on an 8 hour working day and 40 hour working week.

The following premium bands and salary ranges are effective from 3 April 2024:

Premium Band Salary Ranges									
Step	2IT	3IT	4IT	5IT	6IT	6IT+	7IT	7IT+	8IT
13	\$74,506	\$78,898	\$90,803	\$105,107	\$124,750	\$127,930	\$143,797	\$155,008	\$168,404
12	\$73,866	\$78,219	\$90,015	\$104,189	\$123,653	\$126,804	\$142,527	\$153,636	\$166,911
11	\$73,226	\$77,539	\$89,227	\$103,271	\$122,557	\$125,678	\$141,257	\$152,264	\$165,417

10	\$72,587	\$76,859	\$88,438	\$102,353	\$121,460	\$124,552	\$139,988	\$150,892	\$163,924
9	\$71,946	\$76,179	\$87,650	\$101,435	\$120,363	\$123,427	\$138,718	\$149,521	\$162,430
8	\$70,987	\$75,160	\$86,469	\$100,058	\$118,718	\$121,738	\$136,813	\$147,464	\$160,190
7	\$70,027	\$74,140	\$85,287	\$98,681	\$117,073	\$120,050	\$134,908	\$145,406	\$157,950
6	\$69,067	\$73,120	\$84,105	\$97,304	\$115,428	\$118,362	\$133,003	\$143,349	\$155,710
5	\$68,123	\$72,100	\$82,923	\$95,926	\$113,784	\$116,674	\$131,099	\$141,291	\$153,469
4	\$66,570	\$70,401	\$80,952	\$93,632	\$111,042	\$113,860	\$127,924	\$137,862	\$149,736
3	\$65,017	\$68,701	\$78,983	\$91,336	\$108,301	\$111,046	\$124,750	\$134,432	\$146,002
2	\$63,464	\$67,050	\$77,013	\$89,041	\$105,559	\$108,232	\$121,576	\$131,003	\$142,268
1	\$61,911	\$65,400	\$75,042	\$86,746	\$102,817	\$105,419	\$118,401	\$127,574	\$138,534

Step	Premium Band Salary Ranges		
	7E	7P	8+P
13	\$130,416	\$136,429	\$152,776
12	\$129,268	\$135,226	\$151,424
11	\$128,120	\$134,023	\$150,073
10	\$126,972	\$132,820	\$148,721
9	\$125,823	\$131,618	\$147,370
8	\$124,101	\$129,813	\$145,343
7	\$122,379	\$128,009	\$143,316
6	\$120,657	\$126,205	\$141,289
5	\$118,935	\$124,401	\$139,262
4	\$116,064	\$121,394	\$135,883
3	\$113,194	\$118,387	\$132,505
2	\$110,324	\$115,380	\$129,126
1	\$107,453	\$112,372	\$125,748

19. Definitions

A week – means the agreed number of days worked between Monday and Saturday. For a full-time employee this may mean 4 or 5 days, for a part-time employee this will be what has been agreed in their written working arrangements.

Employment relationships – are those between:

- MSD and an employee employed by MSD;
- The PSA and MSD; and
- The PSA and a member of the PSA.

Employment relationships are defined in section 4(2) of the Employment Relations Act 2000.

Employment relationship problem – includes a personal grievance, a dispute and any other problem relating to or arising out of an employment relationship between:

- MSD and an employee bound by this agreement; and/or
- MSD and the PSA.

An employment relationship problem does not include any problem with the fixing of new terms and conditions of employment.

Full pay – means the relevant pay calculation as per the Holidays Act 2003

Full-time employee – means an employee engaged to perform the standard weekly hours of work applicable to their workplace.

Metropolitan area – means: Auckland North, Auckland Central, Auckland South, Waikato Metro, Wellington Metro, Canterbury Metro or Southern Metro.

Ministry or MSD – means the Ministry of Social Development: Te Manatū Whakahiato Ora

Ngā Kaitūhono – means PSA members in MSD who identify as Māori

Ordinary pay – means basic taxable salary, plus regular taxable allowances paid on a continuous basis that either attract overtime or penal payments or are paid on an hourly basis for all hours worked.

Overtime – means additional hours worked in excess of the employee's ordinary hours of work.

Part-time employee – means an employee engaged to perform less than the standard hours of work applicable to their equivalent full-time position.

Permanent employee – means an employee engaged in ongoing work of an indefinite period.

Personal grievance – means any grievance that an employee may have against MSD because of a claim:

- That the employee has been unjustifiably dismissed; or
- That the employee's employment, or one or more conditions of the employee's employment (including any condition that survives termination of the employment), is or are or was (during employment that has since been terminated) affected to the employee's disadvantage by some unjustifiable action by MSD; or
- That the employee has been discriminated against in the employee's employment; or
- That the employee has been sexually harassed in the employee's employment; or
- That the employee has been racially harassed in the employee's employment; or
- That the employee has been subject to duress in the employee's employment in relation to membership or non-membership of a union or employees' organisation.

PSA – means the New Zealand Public Service Association Te Pūkenga Here Tikanga Mahi Inc.

Relationship Agreement – means a signed written agreement between MSD and PSA. This includes: High Performance High Engagement (HPHE), and Ngā Kaitūhono Relationship Agreement and includes any additional agreed supporting documents such as the MIPP toolkit, and the HPHE Resource Kit.

Retire – means leaving your job and ceasing to work (public or private sector).

Temporary employee – means an employee engaged for a defined task or project for a fixed term or limited period usually of no more than 12 months' duration.

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