



Analysis of Health New Zealand's Offer of 31 July 2025

The following provides our analysis of the key terms of Health New Zealand's offer to settle – with a page reference for each from the original document for each. You can link to a copy the full offer to settle on our website [here](#). This analysis covers the following areas:

- Term
- Base Pay Movement
- Retention Payments
- SMO Remuneration Projects
- Te Mauri o Rongo
- Workforce Planning
- New Employees and Job Offers
- Progression
- Job Descriptions
- Continuing Medical Education Policy
- Personal Grievances

Term (Page 1)

With an expiry date of 28 February 2027 this is effectively a 30-month term and locks members into sub-CPI pay increases (real pay cuts) for almost 3 years.

Base Pay Movement (Page 4)

For 90 per cent of members the base pay offer represents a 3.7% nominal increase over a 30-month period. This is equivalent to a **1.16 per cent** per annum. This is significantly below the current CPI rate of 2.7% so will impose a **real pay cut** over the term of the agreement.

There is a significant increase in salary for members on Step 1 and, to a lesser extent, Steps 2 and 3.

While ASMS agreed with lifting the value of Step 1– to address RMO relativity issues – our claim also proposes to lift all other steps proportionately to avoid creating an inequity between salary step and years of service (as experienced by some members following a similar change in 2012).

The fellow rate (previously based on Step 1) has become disconnected from Step 1 in this offer and is clearly inadequate.

Retention Payments (Page 5)

This creates a \$17m annual fund (for two financial years) that is effectively a retrospective bonding arrangement – those employed on 30 June 2025 and on 30 June 2026 will be paid a one-off lump sum amount (pro rated by FTE and pro rated by service if employment commenced during the relevant financial year).

The value of the lump sum for each individual employee will be determined by two separate vacancy factors – the vacancy rate in the service itself, and the vacancy rate for the relevant district as a whole.

Employees in urban centres are not eligible for the district factor but are for the service factor.

The base value of the lump sum cannot be determined until the factors are determined, but the total fund is capped at \$17m.

Existing recruitment and retention allowances (individual or service) will be offset against any lump sum retention payments.

SMO Remuneration Project (Page 7)

This is just a recommitment from HNZ to do something they already agreed to do in the last bargaining round.

Te Mauri o Rongo | The New Zealand Health Charter (Page 2)

The employer has agreed to include the principles from [Te Mauri o Rongo New Zealand Health Charter](#) in the SECA.

However, the current government intends to abolish the Charter through its [proposed amendments](#) to the Pae Ora (Healthy Futures) Act currently before Parliament.

Workforce Planning (Page 1)

This proposed new clause establishes joint workforce planning committees at district, regional and national levels to allow members to monitor recruitment processes and service sizing.

New Employees and Job Offers (Page 3)

Requires superannuation and orientation information to be included in job offers.

Progression (Page 3)

This clarifies that changes made in last SECA were not intended to retrospectively recalculate everyone's anniversary date.

Job Descriptions (Page 3)

This will mean every employee has a recognised base hospital/workplace and any outreach arrangements will need to be reasonable, fair and based on a coherent service plan.

Continuing Medical Education Policy (Page 7)

A commitment that HNZ and ASMS will jointly develop a national CME policy during the term of this agreement.

Personal Grievances (Absent from Offer to Settle)

HNZ has refused to include a clause contracting out of the Government's proposed removal of the right to challenge terminations or dismissals for employees earning more than \$180k.