

**IN THE EMPLOYMENT RELATIONS AUTHORITY  
WELLINGTON**

**I TE RATONGA AHUMANA TAIMAHI  
TE WHANGANUI-A-TARA ROHE**

[2025] NZERA Recommendation 4

BETWEEN	THE ASSOCIATION OF PROFESSIONAL AND EXECUTIVE EMPLOYEES (APEX) Applicant
AND	CANTERBURY SCL LIMITED, SOUTHERN COMMUNITY LABORATORIES LIMITED, MEDLAB SOUTH LIMITED, SCL OTAGO SOUTHLAND CODE SERVICES LIMITED, SCL OTAGO SOUTHLAND SERVICES LIMITED, WELLINGTON SCL LIMITED, SOUTHERN COMMUNITY LABORATORIES HAWKE'S BAY LIMITED, TARANAKI PATHOLOGY SERVICES LIMITED, NORTHLAND PATHOLOGY LABORATORY LIMITED Respondents

Members of Authority: Sarah Kennedy-Martin, Facilitator with Shane Kinley

Representatives: Omar Hamed, advocate for the Applicant  
Diana Hudson, counsel for the Respondents

Date: 4 July 2025

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**SECOND RECOMMENDATION OF THE AUTHORITY**

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[1] The Association of Professionals and Executive Employees (APEX) are a union representing medical laboratory workers in New Zealand. APEX's members include medical laboratory scientists, medical laboratory technicians, pre-analytical

technicians, medical laboratory assistants and associated laboratory staff including information technology and courier drivers.

[2] The Respondents are a group of private sector employers providing laboratory services in the health sector in various locations across New Zealand. Collectively they are referred to as the Awanui Group (Awanui). Awanui and Health New Zealand:Te Whatu Ora (HNZ) have a contracting relationship for the laboratory services provided by Awanui.

[3] The parties have been engaged in bargaining to renew their collective agreement. On 10 March 2025, APEX was successful with its application under s 50(1)(c) of the Employment Relations Act 2000 (the Act) to have bargaining referred to facilitation by the Authority. The parties have been in facilitated bargaining since then.

### **Impediments to settlement**

[4] A significant impediment to settlement is the difference in wages for directly comparable positions in the public sector for laboratory workers employed by HNZ. A pay equity settlement in 2023 delivered pay increases to public sector laboratory workers of between 25 to 30 per-cent from 1 June 2023. APEX's members do the same work as their public sector counterparts.

[5] APEX also seek a MECA whereas Awanui seeks separate agreements with a single common pay scale across the three documents. The term of the agreement has also been in dispute.

### **The First Recommendation**

[6] On 7 April 2025 the Authority issued the First Recommendation:<sup>1</sup>

Increase 3% on 1 April 2025 and 3% on 1 October with a term up to 31 March 2026.

Payment of a lump sum of \$500.00 payable on ratification.

A common pay scale in each separate collective.

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<sup>1</sup> *The Association of Professional and Executive Employees (APEX) v Canterbury SCL Limited and Ors* [2025] Recommendation 1.

[7] On 8 April 2025, APEX members rejected an offer from Awanui based on the First Recommendation. On 10 April 2025, APEX submitted a proposal to Awanui to advance matters that was unsuccessful:

Increase 4.5% on 1 April 2025, 3.5% or Pathlab rate, whichever is greater on 1 October 2025 (or in the alternative 1 December 2025) for a term to 30 June 2026 (or in the alternative 30 September 2026).

### **Further facilitation**

[8] Further facilitation took place on 16 April and 5 May 2025. On 17 April 2025 Awanui repeated its offer made on 8 April 2025 and made a further offer to APEX:

Increase 3% on 7 April 2025, 3% on 6 October 2025 and 2% on 29 June 2026 for a term to 31 March 2027.

[9] APEX members rejected both offers with feedback from members that the rate of salary increases over the time proposed, and if continued, meant that pay parity would only be fully addressed after five years or more.

[10] APEX requested a second recommendation and Awanui agreed this was an appropriate step. Both parties have made further submissions to the Authority. In light of that being the position, and the bargaining impasse reached by the parties, the Authority has resolved to make a second recommendation under s 50H of the Act to assist the parties in concluding the collective employment agreement in dispute and to assist with settlement of the expired collective agreement.

### **The parties' submissions**

[11] APEX takes the position that a wage increase for its members must be at a level that addresses the gap between the public and private sector workers and provides a clear pathway to parity. APEX submits the settlement achieved by APEX with Pathlab should flow through to Awanui. Awanui rejects this comparison saying they are private businesses that are not directly comparable.

[12] Awanui has settled a number of collective agreements across the group with other unions for a similar workforce at increases of around the CPI of 2.25. APEX says the context is different for APEX members because other unions with members in Awanui's workforce raised pay equity claims and they were comparatively relatively small collective agreements.

[13] Since the parties last met for facilitated bargaining the changes to pay equity in the Equal Pay Amendment Act 2020 have had an impact. APEX's position is that the changes to pay equity mean the issue of pay parity for its members will not be able to be solved by way of further funding and it continues to seek to settle a new collective agreement with Awanui that advances the pay parity issue for its members.

[14] Awanui's position is that it remains fully committed to addressing pay equity for its workforce and would welcome such a claim from APEX members. Nonetheless Awanui has proposed the following revised offer in its submissions to the Authority as follows:

An increase of 6% to all salary rates payable from ratification date to those members employed on 23 June 2025; and

A further increase of 3% to all salary rates payable on 1 July 2026; and

Terms ending 31 December 2026 - based on retaining separate documents:

SCL 27 months

TPL 25 months

NPL 24 months

### **Industrial action**

[15] There has been a significant amount of industrial action and APEX had been very clear that industrial action will continue until an increase of at least the first third of the parity difference between Awanui HNZ employed laboratory professionals is agreed.

[16] APEX withdrew all strike notices prior to resuming facilitated bargaining on 5 May. Facilitation on 5 May 2025 was unsuccessful. Apex requested a second recommendation and submissions were timetabled.

[17] Since agreeing to a second recommendation Awanui says it has received 148 partial strike notices, with some expressed to be of a duration until settlement of the bargaining is concluded. APEX refers to 27 further partial strike notices being issued on 21 May 2025 and a further 33 issued on 27 May 2025 with further partial strike ballots being issued by APEX member each week.

[18] Awanui says it is now in the process of lodging an application in the Authority for a breach of good faith by APEX due to issues regarding what it says were failures by APEX members to provide life preserving services on 12 June 2025.

[19] APEX has consistently conveyed its members concerns regarding the gap in wages between the public and private laboratories and their views this is unsustainable. In light of the impasse reached by the parties APEX members have endorsed and committed to a strategy of ongoing industrial action.

### **Other issues**

[20] Awanui's position has been consistent throughout the bargaining process in maintaining that without a funding uplift from HNZ it is unable to meet APEX's claims. The offer it has made is at the upper limit of funds available. APEX has taken issue with this position and provided advice it received from a chartered forensic accountant. Awanui disputes the advice APEX has received.

[21] The parties have been engaged in the process under ss32(1)(e) and s 34 of the Act to ensure the provision of information in good faith during bargaining. If the parties are not able to conclude their bargaining and settle the new collective agreements it is anticipated an independent reviewer would need to be appointed to consider whether information should be treated as confidential in order for APEX's requests for further information to be fully resolved.

### **Recommendation**

[22] Ultimately the parties have to settle their differences and move forward. Anything less than that will prolong impact with the resulting effect on the parties' relationships. Having considered the parties' submissions and noting Awanui's revised offer, the recommendation is structured with two increases one on ratification and a second one on 1 July 2026 with a lump sum payment payable on ratification.

[23] The Authority has not recommended a MECA because it was not satisfied there had been sufficient bargaining on this claim for it to be in a position to make a recommendation. The recommendation does provide APEX members the benefit of common pay scales across all three Collective Agreements.

[24] Under s 50H of the Act the Authority recommends that the renewal of the existing collective agreements on a full and final basis provide for:

- (a) Terms up to 30 October 2026;
- (b) An increase of 6.0 per-cent to all salary rates payable from ratification date to those members employed on 23 June 2025;
- (c) A further increase of 3.0 per-cent to all salary rates payable on 1 July 2026; and
- (d) Payment of a lump sum of \$750.00 (pro rata on FTE) payable on ratification to all members employed on 4 July 2025;
- (e) Common pay scales in each separate collective.

[25] The Authority also recommends the parties take an interest-based approach prior to commencing collective bargaining in 2026 to address any remaining pay gap issues between the public and private sectors and whether it is practical and reasonable to conclude a MECA.

[26] The Authority is of the view there is a public interest in this recommendation being published given the context of the dispute and because the First Recommendation was published on the Authority's website. The Authority will make the Second Recommendation publicly available under s 50H(2) of the Act three working days after the recommendation is issued.

Sarah Kennedy-Martin  
Member of the Employment Relations Authority/Facilitator

with

Shane Kinley  
Member of the Employment Relations Authority