



9 December 2022

Bella.Pardoe@nzei.org.nz

Attention: Bella Pardoe

Tēnā koe Bella

The Secretary for Education's offer for the settlement of the Primary Principals' Collective Agreement under the Public Sector Pay Adjustment process

I am pleased to present the Secretary for Education's offer to settle the Primary Principals' Collective Agreement.

Public Sector Pay Adjustment (PSPA)

As you are aware, Government and the CTU have continued discussions about the PSPA process in recent weeks to work towards an agreeable framework that allows for revised offers.

The central aim of the PSPA process has been to work towards an aligned increase to remuneration across Public Sector collective agreements. Discussions have intentionally focused on increasing remuneration as a priority, to recognise the uncertain economic times we are in, where many working in the public sector have been impacted by high rates of inflation.

In making this offer, I note the recent significant Government investments in a number of initiatives that contribute towards a highly trained and continuously supported workforce.

For example, the additional one-off funding to first time principals with less than three-years' experience, to support them through the impact of COVID-19; and the development of principals' eligibility criteria to help ensure people have the necessary skills and expertise to be successful within these critical roles.

Work is also still being done on the design and functions of Te Mahau and Te Poutāhū, and support provided to the sector will evolve over time with your input.

A Well Paid Career

Remuneration is a central component to our revised offer under the PSPA. We are proposing to provide an increase of at least \$7,000 over a twenty-four month term for all principals, with an increase of \$4,000 from the date of ratification and a further increase of 3% from 12 months after ratification.

This translates to rates that include a 7.2% increase for principals employed in U1 and U2 grade schools equating to a base salary of \$105,031 in year 2; a 6% increase for those employed in U8 grade schools (\$145,712 in year 2); and a 5.4% increase for principals employed at the very top of the scale (\$180,518 in year 2).

It means that on the implementation of the initial \$4000 increase, the minimum base salary for a primary principal – excluding units, allowances, and lump sum payments – will be more than \$100,000 for the first time.

The proposal put forward today builds on previous settlements, where we have seen the base salary scale for primary principals increase by between 20.2% and 11.5% between 2017 and 2021, a period when the CPI increased by 8.2%.

The offer I am making will go towards assisting with the increase in cost-of-living pressures all New Zealanders including principals are currently facing, while acknowledging the critical leadership role principals play in their schools and communities.

Base salary changes are set out in the table below and provided in further detail in Appendix A:

U-Grade	Roll size	Current Rates	Rates in Year 2	\$	%
				Change (cumulative)	Change (cumulative)
U1 & U2	1-100	\$98,031	\$105,092	\$7,061	7.2%
U3	101-150	\$106,170	\$113,475	\$7,305	6.9%
U4	151-300	\$114,489	\$122,044	\$7,555	6.6%
U5	301-500	\$122,808	\$130,612	\$7,804	6.4%
U6	501-675	\$127,564	\$135,511	\$7,947	6.2%
U7	676-850	\$132,515	\$140,610	\$8,095	6.1%
U8	851-1025	\$137,468	\$145,712	\$8,244	6.0%
U9	1026-1200	\$140,835	\$149,180	\$8,345	5.9%
U10	1201-1400	\$144,201	\$152,647	\$8,446	5.9%
U11	1401-1600	\$149,114	\$157,707	\$8,593	5.8%
U12	1601-1800	\$154,028	\$162,769	\$8,741	5.7%
U13	1801-2000	\$158,621	\$167,500	\$8,879	5.6%
U14	2001-2200	\$163,216	\$172,232	\$9,016	5.5%
U15	2201-2400	\$167,237	\$176,374	\$9,137	5.5%
U16	2401+	\$171,260	\$180,518	\$9,258	5.4%

Support for wellbeing

Beyond core remuneration, the Ministry has heard that support for principal wellbeing is a critical component to any settlement for your members to alleviate wellbeing and hauora pressures for your school leaders.

The offer provides an entitlement to a maximum of \$5,000 per annum for each principal to access professional coaching and support from appropriately qualified and approved providers for the term of this agreement.

I propose a joint working group to develop a programme of providers and support, including details of how principals will be able to access a professional supervisor or coach, over Term 1, 2023.

Additional payments

NZEI Members

To acknowledge the benefits of a collective agreement and the benefits arising from our relationship, a one-off gross payment of \$750 will be made to NZEI members employed as at 3 March 2023. This will be pro-rated for part-time principals.

All principals

In year two of the collective agreement, a one-off gross payment of \$500 is made to all primary principals employed as at 1 December 2023. This will be pro-rated for part-time principals.

Sabbaticals

The Ministry appreciates the value placed by principals on the opportunity to take sabbatical leave, and its positive impact on mitigating workload and burnout concerns for school leaders. I propose to increase the number of sabbatical leave positions available annually to primary principals from 105 to 145. I also offer to work with you to streamline the application form for principals accessing sabbaticals, specifically the requirements around the programme outline, time commitments and reporting intentions. Additionally, I offer to explore changes to the way the sabbatical report operates, to reduce and simplify its requirements.

Sick leave

I have proposed changes to sick leave to ensure compliance with the Holidays Act while providing increased sick leave benefits go over and above the Act so those working in schools can access sick leave when it is most needed.

Secondments

I support ensuring principals can take up opportunities to be seconded to Te Māhau, Te Tāhuhu o te Mātauranga and other agencies as part of their service to education. I propose that enabling provisions are added to the *Primary Principals' Collective Agreement* that apply when a principal is seconded in these circumstances.

Equity Index payment

I propose that each principal whose school falls within the top 40% of the Equity Index receive a payment based on the equity index number of their school multiplied by nine which would be calculated annually. This payment will replace the payment currently made to principals in deciles 1 – 4 schools.

The Ministry remains open to discussions to re-shaping this offer.

Nāku noa, nā



Bronwyn Heenan
Advocate for the Secretary for Education

Appendix A: Terms of Settlement

This section sets out the components of the settlement of the *Primary Principals' Collective Agreement (PPCA) 2022 – 2024*.

This agreement has been settled between the Secretary for Education and the NZEI Te Riu Roa. It shall be subject to ratification by NZEI members pursuant to section 52 of the Employment Relations Act 2000.

The terms outlined in this document are valid for ratification by NZEI provided ratification is confirmed and the new collective agreement is signed no later than 5pm on 6 March 2023.

1. Term of agreement

The Primary Principals' Collective Agreement (PPCA) 2022 – 2024 shall be effective for 24 months from 1 December 2022, provided this agreement is ratified by 6 March 2023.

2. Remuneration for principals

The parties agree that the Unified Pay System (UPS) for principals will be renewed for the term of the agreement.

The parties agree that the school roll-based salary (U-grade) component of principals' remuneration will provide two annual increases: (\$4,000 in year 1 and 3% in year 2) to each grade of the scale as shown below:

School roll-based salary component

U-Grade	Roll size	Current Rates	Rates effective from 1 December 2022 (+\$4,000)	Rates from 1 December 2023 (+3%)	\$	%
					Change (cumulative)	Change (cumulative)
U1 & U2	1-100	\$98,031	\$102,031	\$105,092	\$7,061	7.2%
U3	101-150	\$106,170	\$110,170	\$113,475	\$7,305	6.9%
U4	151-300	\$114,489	\$118,489	\$122,044	\$7,555	6.6%
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U15	2201-2400	\$167,237	\$171,237	\$176,374	\$9,137	5.5%
U16	2401+	\$171,260	\$175,260	\$180,518	\$9,258	5.4%

3. Support for wellbeing

The parties agree to introduce an entitlement of \$5,000 per annum for each principal to access professional coaching and support from the beginning of Term 2, 2023 for the term of the collective agreement. This is intended to support ongoing coaching, professional learning and development and other opportunities that assist with principals' leadership capability.

This fund will be held by the School Board and be accessed by the principal for the purposes of accessing professional coaching and support in their leadership role. Guidelines, including the details of how the programme will operate, and criteria for providers, will be developed by the parties prior to 6 April 2023.

4. Secondments

The parties agree to include provisions that ensure the process of seconding principals into sector roles outside of their schools is easier, more accessible, and does not disadvantage those undertaking secondments. The agreed clause wording is included in the attached Annexe.

5. Paid Sabbatical Leave

The parties agree to increase the number of annual sabbatical leave positions available to primary principals from 105 to 145, applicable from the start the school year 2024.

The parties also agree to streamline the application form for principals accessing sabbaticals, specifically the requirements around programme outline, time commitments and reporting intentions. The parties will also explore changes to the way the sabbatical report operates to reduce and simplify reporting requirements.

This work will be completed by the end of Term 1, 2023 in order to be implemented before the subsequent round of applications open.

6. Sick Leave

The parties agree to improve the existing sick leave entitlements. The agreed clause wording is included in the attached Annexe.

7. Additional payments

Partnership with NZEI - \$750 Lump sum to members employed as at 3 March 2023

The parties recognise the value in their ongoing and productive relationship, including their joint efforts to build an environment in which the teaching profession is highly regarded, sustainable, and is fit for now and the future of learning and that collective bargaining is a key part of those joint efforts.

In recognition of the benefits arising out of the parties' relationship, including NZEI's role in negotiating terms and conditions for primary principals, and the contribution of NZEI and its members to the ongoing COVID-19 pandemic response, the parties agree that all full-time principals who are members of NZEI Te Riu Roa as at 3 March 2023 and are bound by the PPCA are entitled to receive a one-off gross payment of \$750. The payment will be pro-rated for part-time principals based on their full-time teacher equivalent (FTTE) as at 3 March 2023.

Members of NZEI Te Riu Roa who are bound by the PPCA as at 3 March 2023 and on that day were on approved leave under Part 4 of this collective agreement are entitled, upon application, to receive the one-off gross payment of \$750 on their return providing that they return to their position on or before Term 2, 2023, or on or before the end of Term 4, 2023 for those on parental leave.

The minimum payment for any eligible principal, regardless of FTTE, will be \$75, and no principal shall receive more than gross \$750 in total. Clause wording is included in the attached Annexe. This clause wording will be removed in subsequent collective agreements.

\$500 Lump sum for principals employed as at 1 December 2023

The parties agree that an additional one-off gross lump sum of \$500 be paid to all primary principals employed as at 1 December 2023. This will be pro-rated according to FTTE for part-time principals.

The minimum payment for any eligible principal, regardless of FTTE, will be \$50, and no principal shall receive more than gross \$500 in total.

Guidance on the lump sums is included in the attached Annexe.

This clause wording will be removed in subsequent collective agreements.

8. Replacement of decile based payments with an Equity Index based payment

Principals in a school that falls within the top 40% of the equity index when it is calculated each year shall receive a payment based on the equity index number of the school multiplied by nine. This payment will replace the decile based component of each principals remuneration. Transitional arrangements for this change are set out in the attached Annexe.

9. Related matters

We note that this settlement will be implemented by the Education Payroll by 31 May 2023, providing it is ratified by 6 March 2023.

The parties agree that the terms and conditions in the collective agreement, bar the union only benefit, will be passed on to non-union staff.

10. Technical changes

The parties agree to make any technical changes that are mutually agreed prior to the going out for ratification.

The parties on signing this document acknowledge, subject to any subsequent agreed editorial and technical changes, that this reflects the agreements reached in the settlement of the *Primary Principals' Collective Agreement 2022-2024*.

Signed in Wellington on ____ 2022 by:

Bella Pardoe
Advocate for NZEI Te Riu Roa

Bronwyn Heenan
Advocate for the Secretary for Education

Witnessed:
Kate Lethbridge / Carla Palmer
for NZ School Trustees Association