

Health 'crisis', nurses and employment relations (b)

This study is about media coverage of employment relations issues concerning nurses in the NZ health sector. The study is focussed on coverage in the mainstream print media, in particular the *New Zealand Herald*, the *Dominion/ Dominion Post*, *The Press* and the *Sunday Star Times*. The period considered is from 1994 on, being the period for which media reports of employment relations in NZ are overviewed in the NZJIR (now NZJER) Chronicles. The prime source used for print media coverage is the 'Newztext Plus' database, which is accessible through The University of Auckland library website. This has full text articles for Fairfax newspapers from 1995 to the present, and for The NZ Herald from 1998 to the present. Abstracts are available prior to those dates. The key words 'nurses' and 'pay', 'contracts', 'shortage' and 'turnover' were used in the search. This study focuses on the period for which full text articles are available. It is noteworthy that the tempo of reporting on nurses' issues picked up from 1999. The study attempts to paint a picture of mainstream print media coverage of nurses' employment relations issues. However, it doesn't claim to be comprehensive. Although many articles have been considered, there are others that haven't and important ones may have been overlooked.

Shortages of nurses have been making the headlines regularly since late 1999. *The New Zealand Herald* ran an article titled 'Families do hospital washing job' (2 December 1999). This was about nursing shortages at North Shore and Waitakere Hospitals, which led to patients being washed by their families. The article reported the Ministry of Health had recently accepted that a shortage of nurses existed, and was studying the issue with nursing and hospital groups. *The Dominion* followed with an article titled 'Hospitals seek nurses' lure' (18 December 1999), which reported on a study 'to find out how non-practicing nurses can be enticed back into New Zealand hospitals to ease staff shortages'. Nursing shortages came to the fore again in April 2000. Both *The Press* and *The Dominion* ran articles in the middle of the month with the title 'Nursing shortage at crisis point' (14 April 2000). These were about the shortage of registered nurses at rest homes in NZ, and they noted that the Ministry of Health acknowledged shortages in some nursing areas. The headlines dramatized the situation, as the articles were primarily about shortages in rest homes rather than shortages more generally. However, *The Press* quickly followed with 'Nursing shortage a crisis, say doctors' (15 April 2000). This reported on senior hospital doctors echoing NZ Nurses Organisation concerns over nursing shortages in public hospitals. Claims were made that the shortages were the result of 'the failed attempt to commercialize public hospitals in the 1990s'. Late in the month *The Dominion* reported 'Nursing shortage forces halt to operations' (28 April 2000). This advised that more than 100 operations at Capital Coast Health had been cancelled that year because of a national shortage of theatre and intensive care nurses. The same newspaper returned to the crisis theme with 'Nurse shortage puts Wellington ICU in crisis' (12 May 2000), which reported that some patients were being flown to other hospitals and many elective operations were being postponed. The article stated that nursing shortages had been a problem for the past 18 months, but had intensified in the past two months. *The Sunday Star Times* picked up on the crisis theme with

‘Graduates leave with huge debt’ (4 June 2000). This article claimed the health system was facing a skills crisis as doctors and nurses left the country, and reported that the government’s new Health Workforce Advisory Committee was to address staff shortages. In a shift away from the crisis theme, *The Dominion* ran an article titled ‘Plan to halt nurse drain criticised’ (29 June 2000). This reported Nurses Organisation criticism that the Health Ministry’s recommendations to reduce the number of nurses leaving to work overseas were too narrow and under-researched.

Print media reporting of nurses’ pay issues has been ‘running hot’ since 2000. *The Dominion* ran a number of articles between July and December that year. In ‘No quick fix to nursing worries’ (15 July 2000) Capital Coast Health claimed, with regard to contract negotiations about to begin, it did not have enough money for a ‘quick fix’ to critical nursing shortages. The issue of pay for nurses at this DHB ran until December 2000. In response to the Nurses Organisation seeking a similar deal to doctors, ‘Nurses’ pay bid irks junior doctors’ (6 September 2000) discussed the junior doctors’ claim that their conditions of employment are radically different to those of nurses. One unspectacular headline was ‘Nurses’ pay talks’ (14 September 2000), but the article was just a very brief update on progress of pay talks with Capital Coast Health. ‘Nurses support call for strike’ (21 September 2000) covered the dispute with Capital Coast Health and noted nurses’ criticisms of their negotiating team. Interest in the issue of pay for nurses was also high in Canterbury, and in September 2000 *The Press* published several letters to the editor under the heading ‘Nurses’ Pay’. These letters generally supported nurses getting more pay, and some raised the problem of nurses going overseas. Returning to *The Dominion*, ‘Nurses’ contract’ (3 November 2000) reported that Wellington nurses were to meet to ratify a proposed contract settlement. The article ‘Nurses’ pay boosted, strike off’ (6 December 2000) was about averting a strike the following day at Wellington and Kenepuru Hospitals when 55 percent of nurses accepted a repackaged pay offer.

In December 2000, there was contrasting coverage of an Auckland Healthcare settlement, in response to the shortage of nurses. *The New Zealand Herald* ran an article with the headline ‘Nurses’ hefty rise will blow out hospital wages budget’ (14 December 2000). In the article, Auckland Healthcare claimed the settlement was ‘forced on it by the shortage of nurses’ and that overseas poaching was an issue. *The Dominion* was also interested in the Auckland settlement and ran an article titled ‘Auckland nurses get two-step pay rise’ (14 December 2000). This claimed that Auckland Healthcare was way over its wages budget and could not afford both doctors’ and nurses’ pay rises. Meanwhile, *The Press* ran an article titled ‘Pay rise likely for nurses’ (16 December 2000). This article referred to Auckland Healthcare settling that week, and saying it could not afford the increase but had no option because of a huge shortage of nurses. The article quoted the Nurses Organisation as saying the serious recruitment and retention issue for nursing staff should help secure a reasonable pay increase for Canterbury nurses the following year.

The national shortage of nurses was in the spotlight from August 2001. *The New Zealand Herald* ran an article with the attention-grabbing headline ‘Shortage of 2,000 nurses puts

surgery in jeopardy' (10 August 2001). The article discussed the nationwide shortage of nurses, the rate at which they were going overseas which had increased two and a half times in the past decade, the Nurses Organisation estimate of the number of vacancies, nurses' pay, and claims of a lack of workforce planning. *The Press* was not to be left out, with 'Canterbury hospitals on strike alert' (11 August 2001) as industrial action loomed at Canterbury hospitals. *The Dominion* also ran an article with an attention-grabbing headline, namely 'Nursing crisis to delay operations' (18 August 2001). This article referred to a national shortage of 2,000 hospital nurses, and claimed that nurses' pay did not reflect the training and skills needed for the job. The nursing shortage was also raised in a *Herald* article in September titled 'Tauranga nurses vote to strike' (22 September 2001). This article referred to the failure of contract negotiations, with sick leave being the main issue but pay parity with other nurses also an issue.

Canterbury was a focus for nurses' pay issues from late 2001, with strike action at Canterbury DHB hospitals in November triggering much coverage in *The Press*. The article 'Patients as pawns' (13 November 2001) was about this strike. Many letters to the editor were also published in the period September 2001 to February 2002. These suggested a high level of public concern in the Canterbury area regarding nurses' pay, which concern was presumably triggered by the industrial action. However, a number of the letters were written by nurses. In the latter part of this period more letters 'anti' the nurses started to appear. The nurses' pay issue featured strongly in *The Press* through to January 2002. The article '13% claim would add \$637 million to costs' (1 December 2001) covered an emergency meeting of the Canterbury DHB and impacts of the nurses' pay claim on the national health budget and the Canterbury DHB deficit. This article included coverage of clinicians writing to the Minister of Health, asking her to intervene in the industrial dispute between the DHB and striking health workers. 'Crises plague health' (28 December 2001) discussed health system staffing problems, including health workers going overseas and those left taking industrial action. It referred to the 48 hour strike in December by 3,000 nurses at Canterbury public hospitals, and mentioned that many DHBs had blown their budgets.

Although the Canterbury nurses' pay dispute appeared to be heading for resolution in January, *The Press* ran an article with the headline 'Health crisis far from over' (18 January 2002). This article claimed that the nurses' pay offer may not spell the end to the industrial dispute plaguing Canterbury. *The Dominion* ran an article supportive of Canterbury nurses with the headline 'Catch-up claim behind nurses' pay demands' (26 January 2002). This article stated that 'Canterbury nurses' pay packets have fallen behind other areas', for example the Auckland settlement 13 months before (December 2000). It also referred to the significantly increased rate at which nurses were leaving New Zealand. *The Press* provided detailed analysis of the issue a few days later, with an article titled 'Nurses' pay rates a complex issue' (30 January 2002). This article claimed that: 'Basic wage rates for Canterbury nurses are lower than for the rest of New Zealand but the bigger picture is complicated by penal rates and other payments'. The article stated that the pay dispute had implications for the recruitment of nursing students in Canterbury. It also noted that other South Island nurses had signed a MECA the previous month. However although Canterbury nurses were trying to catch up, it appeared

Auckland nurses were not satisfied. *The New Zealand Herald* ran an article in February with the emotive headline ‘Nurses walking on a minefield’ (22 February 2002). This article, the final in a series on ‘struggling hospitals’, said that Auckland nurses and doctors claimed to be short-staffed and overworked. The article referred to the increase granted to Auckland radiation therapists and the rise given to Canterbury nurses, and said the 5,500 nurses at three Auckland DHBs were seeking double-digit pay rises. It also referred to a worldwide shortage of nurses, which resulted in nurses being ‘lured overseas by higher salaries’.

The Dominion ran an article in March 2002 on the operating deficits of DHBs. Attention was attracted to the issue by the headline ‘Hospital debt climbs to record \$53 million’ (2 March 2002). The article claimed this was the seventh consecutive quarter in which health boards had recorded operating deficits. It noted the Canterbury DHB had settled its nurses pay round, and that Auckland, Waitemata, Counties-Manukau and lower North Island hospitals were negotiating. *The Dominion* ran an article with an unspectacular headline to report a positive outcome in June. ‘Nurses’ pay settlement’ (14 June 2002) reported that nurses from the lower North Island’s seven DHBs reached settlement in a new MECA. The DHBs involved were Hawke’s Bay, Hutt Valley, Mid Central (Palmerston North), Taranaki, Wairarapa, Whanganui and Capital & Coast. Meanwhile, the upper North Island situation was unsettled. *The New Zealand Herald* reported ‘Hospital strikers harden resolve’ (19 July 2002). This article was about a strike by food staff and orderlies at four Auckland hospitals, following pay rises to 4,500 nurses at three Auckland DHBs. Separately *The New Zealand Herald* reported ‘Nurses’ pay talks break down’ (29 August 2002). This concerned 5,000 nurses in the upper North Island, at the Northland, Waikato, Tairāwhiti, Lakes and Bay of Plenty DHBs.

Having achieved MECAs with a number of DHBs, the industrial relations situation regarding nurses appeared to settle down. However, the subject of nurses’ pay remained of interest in Canterbury. *The Press* published a letter titled ‘The mystery of how they work out nurses’ pay’ (3 October 2002), which questioned why rugby players and health administrators are paid more than nurses. *The Press* then ran an article ‘Union bonuses’ (10 December 2002), which was about the payment of bonuses to join a union, and ‘no money left for positive spending, as in health with nurses’ pay’. The subject of pay levels for nurses remained not far beneath the surface. *The New Zealand Herald* examined the issue in an article ‘Nurses use research to push for extra pay’ (26 March 2003), which referred to Nurses Organisation research that found nurses earn substantially less than necessary to stop many leaving for overseas. The article noted that New Zealand produces only 1,000 new nursing graduates each year, whereas there is an estimated shortage of 2,000 public sector nurses. *The Press* looked at how pay rises for nurses would be funded in ‘Who liked Dr Cullen’s Budget medicine?’ (17 May 2003). With regard to the Canterbury DHB, the article stated that a ‘shift to a population-based funding system will mean that it could face a lean year.’ As to the nurses’ pay round, the article noted Canterbury would be first up and ‘any increase must be funded from within existing budget levels’. Returning to *The New Zealand Herald*, ‘Rest-home nurses pay row’ (7 May 2003) looked at a pay dispute involving nurses and workers at three large North Island private rest-homes. ‘Cancer care delayed by nursing cuts’ (27 August 2003)

stated that Auckland Hospital had cut the capacity of its intensive care unit to save money.

The issue of nurses' pay was again to the fore from mid 2003, with *The Press* running several articles in June. 'Gagging speech' (21 June 2003) expressed the opinion that the Canterbury DHB should be more forthcoming. The article claimed: "How the board tackles the likely deficit at Christchurch Hospital, how it is managing its waiting lists, and how it deals with the imminent nurses' pay round are issues of enormous and legitimate public interest." Pay parity continued to be a concern, and 'Nurses seek parity with Auckland' (23 June 2003) reported that Canterbury nurses were warned that the DHB cannot afford a substantial rise. The start of negotiations by Canterbury nurses to aim for pay parity with North Island colleagues was reported in 'Nursing contract talks begin' (27 June 2003). In depth analysis was provided in the article 'Cashing up' (28 June 2003). With regard to Canterbury nurses seeking pay parity with Auckland, the article reported: 'The NZNO has identified pay parity as one of its key claims in a national remuneration package.' However, the issue was now broader than just pay parity. The article reported: "The package also looks for pay rates comparable to those of grassroots workers in other public service sectors, namely law enforcement and education." The article also referred to nursing graduates 'going overseas to pay off student loans and earn big money'. *The Dominion Post* joined the increasing tempo of reporting with articles in July and August. 'Shortage blamed on pay' (15 July 2003) was prompted by the situation in Wellington Hospital's emergency department, but referred to the NZNO's view of the underlying problem of a national nursing shortage (2,000 more needed), and their claim that recruitment and retention problems would remain until nurses won fair pay. The issue was examined in depth in 'Nursing in crisis' (2 August 2003). The article referred to a Health Ministry pilot study that found 'nursing turnover in New Zealand has reached 24%'. Some nurses go elsewhere in the health sector or overseas, but many choose not to work as nurses. NZ doesn't lack trained nurses- it suffers a shortage of nurses who WANT to practice in the health system. The need is to entice non-active nurses back into the work force. The NZ College of Nurses held the view that, of nurses' concerns, diminished job satisfaction and fears for patient safety were ahead of pay. It claimed that the crisis has been growing over the last three or four years. More letters to the editor of *The Press* were published in July and August. A letter in July under the heading 'Health budget' (28 July 2003) quoted Ministry of Health estimates that nursing turnover costs \$100 million per year. Articles in *The Press* included 'Nurses' pay talks' (19 August 2003), which reported that pay negotiations between nurses and midwives and the Canterbury DHB go to mediation after they failed to reach settlement. An article also titled 'Nurses' pay talks' (23 August 2003) reported the continuation of mediation talks. Another was 'Nurses seal pay parity deal' (19 September 2003), which reported that the deal with the DHB will give Canterbury nurses pay parity with their Auckland colleagues.

The issue of 'fair pay' was gathering headway. *The Dominion Post* ran an article 'Veteran joins nurses' pay push' (19 September 2003). This article reported the launch by the Nurses Organisation of their national campaign to bring nurses' pay into line with other professions with similar skills and training, such as teachers and police. Another

article by that newspaper, regarding the national fair pay claim for nurses, was titled 'Nurses pay claim could cost an extra \$200 million a year' (24 September 2003). *The New Zealand Herald* also reported on the public campaign by nurses seeking support for 'fair pay' with an article titled 'Nurses launch fair-pay drive' (19 September 2003). A subsequent article by the same newspaper, 'Disruption likely over nurses' pay' (20 November 2003), was about the large pay rises sought by nurses to bring them into line with police and teachers, and noted that nurses will seek a national pay equity settlement in June 2004. Meanwhile, the *Sunday Star Times* reported on the union's campaign to lift nurses' pay rates with the attention-grabbing headline 'Underpaid nurses in dire need of a cash injection' (12 October 2003). Later that month, it ran an article with the title 'Ministerial pay increase baffles hard working nurses' (26 October 2003), which was about the Nurses Organisation lobbying government for a substantial pay rise. *The Dominion Post* returned to the fray with 'Unions fear Government holiday over annual leave' (30 October 2003). This article included the nurses' call to funnel extra cash into nurses' pay, rather than relying on DHBs to use extra funding for that purpose. Returning to the pay parity issue, the same newspaper used the headline 'Nurses' pay talks' (16 December 2003). This article reported that more than 4,000 nurses, midwives and care assistants from seven lower North Island health boards were discussing progress on talks seeking equal pay with Auckland nurses. An article a few months later was titled 'Union doesn't work for me' (20 April 2004). This article claimed that a Nurses Organisation recommendation to accept a pay offer equates, for many, to a pay cut because of a reduction in penal rates.

The main nurses' pay issue in 2004 has been 'fair pay'. *The New Zealand Herald* ran an article by Laila Harre: 'Problems with leaving pay equality to the market' (20 January 2004). The article referred to a July 2003 nationwide UMR poll that showed most New Zealanders agree nurses are underpaid and argued for increased pay to match teachers, police and junior doctors. *The Press* analysed nursing numbers with 'Fewer nurses spark fears' (28 January 2004). The title was rather misleading in that the Canterbury DHB was reported as having few vacancies and the lowest staff turnover in years, however this could change in three years with nursing school numbers down. Nationally, Nursing Council figures showed nursing graduate numbers have fallen each year for the past five years. The Nurses Organisation says the number of registered nurses and midwives working in NZ last year was down 1.3 percent from 2002. Enrolled nurse numbers dropped 3.7% in the same period. *The Dominion Post* looked at nurses' turnover with 'One in five nurses quit job last year' (20 February 2004). This article stated: 'New figures show a 23.9 per cent turnover of nurses and midwives at Capital and Coast DHB in the year to June 2003', which was more than four times the turnover of medical staff. However, the DHB's Director of Nursing said this turnover had not changed significantly in about ten years. Furthermore: 'Most of the turnover happened in the first three to four years, but many returned after going overseas or having children'. A nurse advocate argued a different view, but didn't produce facts and figures to refute the DHB's position.

The Dominion Post reported on the pay issue with an article titled 'Nurses to vote over national deal' (10 May 2004). This article reported that 'nurses begin voting on plans to create a national pay agreement to add weight to their fair pay claim.' This claim is

expected to cost \$200 million a year if successful. The article noted that the Nurses Organisation recently achieved standardisation of pay rates around the country. Two days later the same newspaper reported on the Nurses Organisation push for 'fair pay' with an article titled 'THE NUMBERS' (12 May 2004). *The New Zealand Herald* reported 'Nurses first in pay-equity line' (14 May 2004), which was about the Government embracing pay equity in the state sector. *The Dominion Post* continued to report on the issue with 'TO THE POINT' (26 May 2004), which included an item regarding the comparison of nurses' pay with police and teachers. The same newspaper reported on the Budget with '\$10 billion put in health account' (28 May 2004). This amount, up from \$9.5 billion, is to be spent on health in the coming year. The Budget mentions the potential effect of health sector wage bargaining on financial projections. *The Press* took a narrower view of health funding issues with 'Region's gains small' (28 May 2004). The article stated that the Canterbury DHB faces a tightening budget over the next three to four years as the new population-based funding formula allocates more of the health pie to other regions.

The New Zealand Herald analysed the nurses' fair pay argument with 'Nurses ready to fight for big pay boost' (29 May 2004). The article reported that about 20,000 nurses and midwives are preparing to push for salary rises to lift them closer to police pay rates and stem staff losses. The article claimed that it 'could be one of the most significant pay fights since the 2002 secondary teachers strikes', and noted this would be the first national state nursing pay deal in 13 years. The article referred to long hours, bad pay rates, staff shortages (of at least 2,000 nurses nationally) and unsociable shift hours. *The Dominion Post* reported 'Nurses to decide final pay claim' (14 June 2004). This article reported on nurses beginning meetings to decide the final shape of their pay claim in preparation for national negotiations set down for July, and aimed at bringing nurses' pay into line with similar professions. *The New Zealand Herald* returned to the issue with 'Hope high on nurses' pay claim' (30 June 2004). The article reported that the 'Nurses' union is confident the government will agree to settlement of its pay equity claim that may cost about \$300 million'. It referred to the 125,000-strong petition being handed to MPs, and noted the 'nurses' union has branded its campaign a "fair pay" drive'. The same newspaper reported on pending negotiations to 'end pay discrimination against the female-dominated profession' with 'Nurses chasing huge pay rises' (12 July 2004). In the article union officials hint at possible strike action by September if their claims are not met. The article noted that the union also wants compulsory nurse-patient ratios written into the planned national agreement. *The Dominion Post* reported with the more specific headline of 'National pay talks start for 20,000 nurses' (13 July 2004). The article provided useful background by noting that, if successful, it would be the 'first time in 13 years nurses from the 21 DHBs have been covered by one agreement', and the claim if met would cost the Government \$300 million a year. The article quoted a DHB spokesman as saying the 'negotiations were the result of more than a year of planning by both sides', and went on to note that the work required to standardise national conditions is facilitated by the introduction of the four regional agreements.

The problem of a shortage of nurses in New Zealand has been receiving national coverage on an ongoing basis since late 1999. The relationship between the nursing

shortage and nurses' pay has been prominent since mid 2000. Media coverage has focussed on the retention of nurses, highlighting the increased rate at which they are attracted by the bigger pay on offer overseas. A worldwide shortage of nurses is a problem, though in NZ there are also issues related to student loans. Publicity regarding nurses' pay and associated industrial action appeared to impact on recruiting. This was apparent firstly in Canterbury, where there was widespread acceptance that nurses' pay had fallen behind other areas, but it has subsequently become a national issue. The media portrayed a sense of crisis in the health sector, which was understandable noting that DHBs such as Auckland were compelled by a huge shortage of nurses to grant pay increases their budgets could not afford. By 2002 there was a trend whereby groups of DHBs were agreeing to MECAs with their nurses. Nevertheless, pay parity among DHBs, especially between Canterbury and Auckland, continued to be an issue in 2003. Rather than having the different regions chase each other, from mid 2003 there was a steady move back to a national agreement until national pay talks started in July 2004. This move is consistent with the 'fair pay' agenda of the Nurses Organisation, which is arguing for pay rates in line with police and teachers.

Reporting of the issues has been varied. Coverage in *The Press* suggested a high level of interest in the Canterbury region, consistent with the industrial unrest in late 2001 which was triggered by low pay rates of the nurses there. This paper published many letters to the editor, most supportive of the nurses though nurses had written a number of letters themselves. As the dispute dragged on, 'anti' letters started to appear. Overall, the highest level of coverage identified in this study has been in *The Dominion/ Dominion Post*, especially in 2000 leading up to threatened strike action at the end of that year, but also from 2003. *The New Zealand Herald* came in third just behind *The Press*, but the level of coverage in *The Herald* increased from 2003 as nurses' pay became a national issue. Coverage in the *Sunday Star Times* has been very limited, though there was more interest from 2003. Media coverage is consistent with problems in particular DHBs being primarily of local interest, though on occasion a wider view was taken. Many media headlines have been 'matter-of-fact', perhaps more so in *The Dominion/ Dominion Post*, though the majority of headlines have been designed to 'grab attention'. The latter is understandable, given that editors presumably believe their articles contain important and relevant information they want read by people who skim-read newspapers. More generally, a few headlines have been emotive and on occasion they don't accurately reflect the tenor of the article that follows.

Once an issue had been running for a while, the media normally published articles that provided more detailed analysis. This applied to shortages of nurses, and more recently to 'pay parity' and 'fair pay'. Nevertheless, the Nurses Organisation, led by Laila Harre, appears to be using the media very effectively to get the public 'on-side' with their argument for 'fair pay'. However, they were starting from a supportive base and were able to refer to research that showed most New Zealanders agree nurses are underpaid, notwithstanding the significant rises granted by DHBs in recent years. Figures that compare pay rates for nurses with those of teachers and police have been regularly published, and these figures suggest the top pay rates for nurses are not very high. Nevertheless, the more detailed media articles didn't necessarily engage in critical

analysis and often accepted the Nurses' Organisation arguments at face value. For example, the articles didn't appear to examine the rationale behind arguments for pay rises that would cost \$200 million to \$300 million a year to solve a nursing turnover problem that was reportedly costing \$100 million a year. With regard to turnover, one DHB's argument that turnover had not changed significantly in the past ten years didn't appear to receive any further analysis. Neither did that DHB's claim that most turnover occurred in the first three to four years, which figure may well be consistent with the desire for many young New Zealanders to travel overseas at about that stage in their lives.

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