



NEW ZEALAND

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David Cunliffe
Minister of Health
Parliament Buildings
Wellington

By Email: dcunliffe@ministers.govt.nz

3rd July 2008

Dear Minister,

Re: DHB RMO MECA Dispute

Please find attached a recent decision of the Employment Relations Authority regarding the actions of the DHBs during the above bargaining.

In essence the issue revolves around the refusal of DHBs to provide evidence to substantiate their claim that the offer in settlement of our MECA is consistent with other health sector settlements and specifically that of the SMOs. Across the bargaining table, and subsequently under provisions of the Employment Relations Act, NZRDA sought to have the DHBs disclose information that would support their claim and allow NZRDA to respond to it. The DHBs have steadfastly refused to provide any information.

The same claim of consistency was also made repeatedly by you both in Parliament and again publicly. We must assume that such statements were made on the basis of advice provided to you by the Ministry and/or the DHBs.

What has emerged so far from the DHBs' own evidence in the proceeding before the Employment Relations Authority is that:

- The cost of the DHBs' offer to RMOs is not consistent with the cost of other settlements in the sector.
- The difference between the cost of the DHBs' offer to RMOs and the cost of at least some of those other settlements – the SMOs at least – is a funding “top up” provided by government, which had not previously been disclosed.

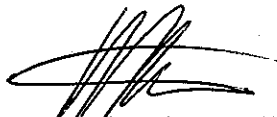
NZRDA considers that:

1. The statements made publicly by you (and Mr Meates) about the consistency of the offer with other settlements, were seriously misleading.
2. The proper course is for both you and the DHBs to take steps immediately to retract such statements, and to explain the true position.

3. If the government was prepared to provide top-up funding to secure settlement of other collective agreements, particularly that of the SMOs, in principle there is no reason why it should not provide at least the same level of top-up funding to achieve settlement of the RMOs' agreement.

We look forward to your response on these issues and as always are available to discuss with you further, at your convenience.

Yours sincerely



PP Dr Deborah Powell
General Secretary