ILO findings misinterpreted

BusinessNZ says the findings by the ILO regarding the New Zealand Government's planned Fair Pay Agreements legislation have been misinterpreted by some commentators.

The <u>Conclusion</u> reached by the ILO's Committee on the Application of Standards requested the New Zealand Government to reconsider its Fair Pay Agreements Bill to ensure it is compliant with ILO Convention 98.

The ILO's Conclusion urged the Government "to consider the impact of the proposed legislation and to ensure compliance with the Convention."

This means the proposed Fair Pay Agreements Bill in its current form is not compliant with ILO Convention 98 and requires amendment to achieve compliance.

Should the Fair Pay Agreements Bill be passed into law in its current form, the ensuing Act of Parliament would be seen as non-compliant with Convention 98, making the New Zealand Government vulnerable to further complaints to the ILO.

BusinessNZ Chief Executive Kirk Hope said the ILO's Conclusion has allowed the New Zealand Government the time to amend the policy and the Fair Pay Agreements Bill before being passed by Parliament.

"We are pleased that the Government has an opportunity to make changes to ensure the Bill complies with international law," Mr Hope said.