

# NEW ZEALAND EDUCATIONAL INSTITUTE (INC)

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Please email [resolutions@nzei.org.nz](mailto:resolutions@nzei.org.nz)

## RESOLUTION TO AMEND INSTITUTE POLICY

Branch/Aronui Tomua/Komiti Pasifika/Area Council: Counties Manukau  
Area Council

Adopted by Meeting on: 21<sup>st</sup> June 2019

### RESOLUTION:

That the Gross Fortnightly Income Ranges for the January 2020 to January 2021 New Zealand Educational Institute Te Riu Roa membership subscriptions be as follows:

Band	Gross Fortnightly Income
1	Up to \$443.49
2	\$443.50 to \$886.99
3	\$887.00 to \$1,330.48
4	\$1,330.49 to \$1,844.93
5	\$1,844.94+

### PART 2 ARGUMENTS:

*The table above shows increases to the current income ranges for bands 1-4 by 25% and for band 5 by 30%*

*It is the outcome of the ongoing work of the Fees Working Party (FWP) since 2017. The FWP considered many different options for change keeping in mind both the need to provide meaningful benefits for those who might be impacted and that any change should not significantly impact on the work of members and their union.*

*A significant contributor to higher fees for many members is the fact that the gross income bands in the fee schedule have not increased since their inception in 2008.*

*The effect of this is that as member's gross incomes have increased over time, many have 'crept' into higher subscription bands in the same way getting a pay increase can be negated by 'creeping' into a higher tax bracket.*

*The resolution remedies this by substantially increasing the gross income bands for each fee level. Whilst fees are set based on fortnightly gross income, it helps to be visualise the change in “gross annual income terms”. It looks like this:-*

<b>Band</b>	<b>Old Annual Income</b>	<b>New Annual Income</b>
<b>1</b>	<b>\$9,249.88</b>	<b>\$11,562.35</b>
<b>2</b>	<b>\$18,500.03</b>	<b>\$23,125.03</b>
<b>3</b>	<b>\$27,749.91</b>	<b>\$34,687.38</b>
<b>4</b>	<b>\$37,000.05</b>	<b>\$48,100.07</b>
<b>5</b>	<b>\$37,000.06+</b>	<b>\$48,100.08+</b>

*The effect of the change would be to entitle in excess of 3,000 members to move to a lower fee band, with fee reductions of up to \$6.15 per fortnight.*

*The resolution works in conjunction with the proposed rule change requiring that the Gross Fortnightly Income thresholds be adjusted at the same time and by the same amount as the membership subscriptions themselves annually. This would ensure that the ‘threshold creep’ problem is minimised in the future.*

### **PART 3 COSTING:**

*Because the Institute does not have income data for each member, we have had to estimate the range of potential income loss for the Institute from this proposal. This has been done by applying varying assumptions on the number of members who would fall into a lower bands and the estimated income loss is within a range of \$389,056 and \$835,748 per annum.*

Date: 21<sup>st</sup> June 2019

**Secretary:** Zara Jackson

**Chair:** Julie-Anne Roberts

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### **Notes:**

1. All resolutions to amend Institute policy must have the sanction of the National Executive or a meeting of an Area Council or Branch.
2. Resolutions must be in the form of an amendment to established policy and if applicable to the current policy document. Policy may be added to, rescinded or amended and any new section inserted.
3. All resolutions must be supported by relevant argument.
4. Resolutions may be forwarded at any time throughout the year but shall reach the National Secretary no later than **3** months prior to the Annual Meeting at which they shall be considered.