

New Zealand medical laboratory workers strike

Tom Peters
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About 900 medical laboratory workers at private companies across New Zealand went on strike for two days last week, February 5 and 7, over abysmally low wages. Pickets were established at Hamilton, Dunedin, Wellington, Christchurch and Whakatane.

The workers, employed by Pathlab, Awanui Labs and Medlab Central, are paid 28-32 percent less than those working directly for the public health system, Health NZ, who perform the same tasks.

The private laboratories are responsible for processing blood and other tests for patients in public hospitals as well as community providers. These are essential for diagnosing cancer and numerous other conditions and illnesses. The staff are highly skilled, but an entry-level position pays little more than the legal minimum wage.

Negotiations between all three employers and the APEX trade union broke down after the companies rejected calls for pay parity with Health NZ workers. The WSWS understands some workers were offered a two-year increase significantly below the cost of living.

According to official statistics, household living costs increased by 3 percent during 2024, which is more than the 2.2 percent rate of inflation. Costs are being driven largely by interest payments, which have risen 104 percent since December 2021. Rents increased by 4.2 percent in the past year and by about 13 percent since late 2021.

A worker at Awanui Labs told the WSWS that a previous pay dispute, which dragged on for almost a year and involved several strikes in 2023, under the previous Labour Party-led government, ended with a meagre pay settlement that did not address the cost of living. Workers were persuaded to accept the deal, she said, “on the understanding that they would try really

hard to address pay parity or get more funding [from the government] to pay us more,” but nothing has changed.

She said the company claims they “don’t have the money” to meet pay parity demands, despite spending a large amount on new uniforms and a rebranding exercise. She explained that workforce shortages are an issue at laboratories around the country, with experienced staff leaving to work in the public sector or overseas.

The worker said, “I’ve given up on the Labour Party and the Green Party,” after the last government starved the health system of funding. She said she felt “completely dismayed” by the lack of fightback from the unions against the current National Party-led government, despite the brutal austerity measures that are making the crisis worse than ever.

“We see people in horrible pain waiting for surgeries on hips and other things,” the worker said. People often wait “months or years” in the public system and many are forced to pay for private treatment if they can afford it.

The lab workers’ strikes follow partial strike action in December by more than 30,000 nurses and other healthcare workers who received an insulting pay offer that amounted to 1.5 percent over a two-year period—a significant pay cut relative to rising living costs. The New Zealand Nurses Organisation has not publicly announced any counter-claim and has remained silent on the unresolved dispute for the past month-and-a-half.

The government is seeking to impose the full cost of New Zealand’s recession on working people through deep attacks on public services. Last month Simeon Brown, an anti-abortion zealot, was appointed as the new health minister, signalling an escalation in the

austerity drive at the expense of workers and patients.

Brown's installation was followed by the resignation of Health NZ's chief executive Margie Apa. The country's Director of Public Health, Dr Nicholas Jones, also announced his resignation this month, after about 360 jobs were disestablished at the National Public Health Service, the agency that monitors health-related regulations and is tasked with preventing the spread of infectious diseases.

Health NZ is currently planning 1,100 job cuts in its data and digital division, which manages the run-down computer systems. The Public Service Association, which has done nothing to mobilise workers against thousands of public sector job cuts, asked the Privacy Commissioner to investigate the impact of Health NZ's cuts on patient safety and records.

Meanwhile, the far-right ACT Party, which plays a major role in the government, has called for more privatisations. Leader David Seymour declared last month that people could be incentivised to "give up their right to the public healthcare system." This would serve to further drive down wages, reduce access to services, atomise the workforce and extract profit for private shareholders, as can be seen at the medical laboratories.

The Labour Party has postured as an opponent of such measures, but the privatisation of medical laboratories began under the 1999-2008 Labour government. Laboratory services were outsourced in Dunedin and Southland in 2007, and in Rotorua, Gisborne, Whanganui and Nelson in 2008, and more were privatised under the next National Party government. Nothing was done by the 2017-2023 Labour government to return the services to public ownership.

For decades the trade union bureaucracy has collaborated with these attacks and prevented any effective, coordinated response by the working class. While jobs and pay are under attack across all sections of the health workforce—including doctors, nurses, lab technicians and healthcare assistants—as well as for teachers, transport workers, manufacturing workers and the entire public service, the unions have kept each dispute separate and prevented any combined action by workers.

As was the case in 2023, laboratory workers now face the prospect of another drawn-out dispute, aimed at

wearing down their resistance and convincing them that there is no alternative but to accept an effective pay cut. To avoid such an outcome and wage a real fight, workers must take matters into their own hands by building rank-and-file committees controlled by workers themselves. This will enable them to break the straitjacket imposed by the union apparatus and provide the basis for uniting with nurses and other workers in a joint campaign against austerity and privatisation.



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