



19<sup>th</sup> June 2026

The Registrar

New Zealand Commerce Commission

registrar@comcom.govt.nz

**Re: NZGA Application for Authorisation – Collective Bargaining with Southern Cross Health Insurance**

**Dear Commissioners,**

I write as President of the Australian Gynaecological Endoscopy & Surgery Society (AGES), the peak professional body representing more than 1,000 gynaecological surgeons across Australia and New Zealand. AGES appreciates the opportunity to comment on the New Zealand Gynaecology Association's (NZGA) application for authorisation to bargain collectively with Southern Cross Health Insurance (SCHI). We confirm our support for both the substantive and interim authorisation requests.

I wish to formally declare my conflict of interest as a New Zealand-based gynaecologist in private practice and a member of the NZGA.

**1. AGES Supports the Introduction of an APS Model — But Not the Process to Date**

AGES recognises the potential benefits of an Affiliated Provider Scheme (APS) for patients, clinicians, and funders. When developed collaboratively, APS-style arrangements can streamline the patient journey, reduce administrative burden, and improve transparency around costs and care pathways. We support these objectives and agree that a well-designed APS could significantly enhance the patient experience.

However, we are concerned that SCHI's proposed APS has been progressed without genuine, clinically informed engagement with the gynaecology workforce. The absence of structured consultation has created uncertainty, eroded trust, and increased the risk that the final model will not adequately reflect the realities of complex surgical practice.

Our experience across Australia demonstrates that insurer- and funder-led reform initiatives are only successful when clinicians are meaningfully involved from the

outset. Without this, frameworks risk failing to recognise clinical complexity, distorting care pathways, and undermining workforce sustainability.

For these reasons, AGES supports the NZGA's application for authorisation as a necessary mechanism to ensure that the APS is developed in a way that is clinically safe, economically sustainable, and aligned with patient interests.

## 2. Why Collective Bargaining Is Necessary

The APS represents a fundamental shift in how private gynaecology services would be funded and delivered. Collective bargaining is essential to ensure that this transition occurs in a clinically appropriate and sustainable manner.

Without collective bargaining:

- **Clinicians lack a realistic ability to negotiate fair terms**, given SCHI's market position and the inherent information asymmetry.
- **Complexity-based care risks being undervalued**, particularly in advanced laparoscopic surgery, endometriosis, urogynaecology, and gynaecological oncology. These areas frequently involve high-risk patients, multi-organ disease, and intraoperative decision-making that cannot be adequately captured by standardised or flat fee structures.
- **Gender equity concerns are likely to be exacerbated.** Gynaecology is a predominantly female workforce, and there is well-established evidence that individualised negotiation environments contribute to gender pay disparities. A collective bargaining framework would provide a more transparent and equitable structure, helping to mitigate these effects. This is particularly relevant in a specialty where female clinicians make up the majority of the workforce and, on average, spend more time per patient, manage greater communication burden, and achieve strong clinical outcomes.
- **Patient pathways may be altered for administrative rather than clinical reasons**, including the potential staging of procedures that are currently safely performed in a single operation.
- **Regional access is at risk.** In many smaller centres across New Zealand—such as Whangārei, Rotorua, New Plymouth, Whanganui, Timaru, and Invercargill—private gynaecology services are delivered by one or two clinicians. These practitioners have extremely limited capacity to negotiate individually with a large insurer, despite providing essential services to their communities. Without collective representation, these regions are particularly vulnerable to unfavourable contractual terms and potential service withdrawal.
- **Workforce retention and recruitment may be compromised**, particularly for subspecialists and internationally trained surgeons.

Collective bargaining provides a structured, efficient, and transparent forum to address these issues. It is the only practical mechanism through which SCHI can access the clinical expertise needed to design an APS that genuinely supports safe, effective, and equitable patient care.

### 3. Public Benefits of Authorisation

AGES considers that the public benefits of authorisation are substantial and consistent with the Commission's framework under section 58 of the Commerce Act:

- **Improved patient outcomes**, supported by clinically informed funding models.
- **A more sustainable and equitable workforce**, including mitigation of gender-based disparities and support for clinicians in regional and underserved areas.
- **Greater system efficiency**, with collective negotiation reducing duplication and transaction costs.
- **Preservation of competition**, as clinicians retain the choice to contract individually and providers continue to compete on quality, facilities, and service delivery.

These benefits significantly outweigh any theoretical reduction in competition arising from collective bargaining.

### 4. Support for Interim Authorisation

Given SCHI's contracting timelines and the risk that material and potentially irreversible changes may be implemented prior to meaningful consultation, AGES supports the request for interim authorisation. A temporary standstill is a proportionate and necessary measure to ensure that negotiations occur on a fair, informed, and balanced basis.

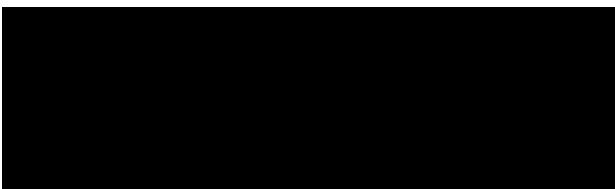
### Conclusion

AGES supports the introduction of an APS model in New Zealand, provided it is developed through genuine, collaborative engagement with the clinical workforce. The NZGA's application for authorisation is essential to achieving this outcome.

We therefore support both the substantive and interim authorisation requests.

AGES would be pleased to provide further information or participate in any Commission process that may assist your assessment.

Yours sincerely,



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President, Australian Gynaecological Endoscopy & Surgery Society (AGES)