

BRIEFING: PAY EQUITY FOR CARE AND SUPPORT WORKERS

Introduction

The New Zealand Public Service Association Te Pūkenga Here Tikanga Mahi (the PSA) is the largest trade union in New Zealand with over 85,000 members. The PSA represents nearly 10,000 in the funded sector, most of these are Care & Support workers. There are about 65,000 Care & Support Workers nationwide. These care and support workers provide support for clients across Aotearoa across a wide range of sectors including Home Support, Disability, Aged Residential Care and Mental Health and Addictions. Their work is highly skilled, often unseen and currently not valued. Care and support workers are providing intimate support that enables people to live in their own homes or in the community with dignity.

About Pay Equity

Pay Equity is about people in female dominated professions and people in male dominated professions receiving the same pay for doing jobs that are different, but of equal value. That is, jobs that require similar levels of skills, responsibility, and effort. Pay Equity claims can cover people of any gender working in occupations that have traditionally been female dominated.

About Pay Equity for Care and Support Workers.

In 2017, the Support Workers (Pay Equity) Settlements Act lifted Care and Support Workers working across disability, residential aged care and home and community support above the minimum wage (then \$15.75), to an hourly rate of between \$19 - \$23.50. 1 year later after proving that mental health and addictions support workers did the same or substantially similar work they were also included in the settlement and received the new rates plus back pay. This settlement was seen as a significant step towards pay equity.

The 2017 settlement specifically excluded the ability to raise a pay equity claim until it expired in 2022.

In July 2022 these workers only received a 3% wage increase, despite a much higher cost of living. On 1 April 2023, the minimum rate for Care and Support Workers increased to the current minimum wage, whereas in 2017 the minimum rate was significantly above the minimum wage.

The Support Workers (Pay Equity) Settlements Act (2017) provided for pay rates for Care and Support Workers until 30 June 2022, and was subsequently extended until 31 December 2023. The PSA, Etu and NZNO raised a new Pay Equity claim 1 July 2022, and will subsequently seek for this to be extended to the entire sector.

The issues for care and support workers

The low pay rates are putting this vital sector at risk. Experienced, skilled and passionate support workers are leaving the profession in droves to seek higher paid work.

With an aging population and an increase of clients requiring complex supports, this creates a risk that will put significant pressure on the wider health system. We often hear stories of clients not receiving support due to lack of staff, or of workers needing to work double shifts and on their days off to ensure clients are receiving the support they need.

What needs to happen:

- 1. Interim Pay Increase:** The Government must amend the Support Workers (Pay Equity) Settlements Act (2017) to provide a pay increase from the 1st of July while negotiations for a new Pay Equity settlement are taking place. This could be seen as a down payment on a subsequent Pay Equity settlement and is similar to what has been agreed for other Pay Equity claims in the health sector. There are over 1000 employers in the care and support sector, some of which has collective bargaining others don't. implementing a pay increase needs to occur across the entire sector at the same time. Funding levels are insufficient for employers to be able to do this without additional funding.
- 2. Fully funded settlement:** The Government must commit to fully funding the upcoming Pay Equity settlement, based on evidence of undervaluation collected through the Pay Equity assessment process.

3. Extending support workers settlement act: the government must extend the support workers settlement act to include the new pay equity settlement. This will ensure that all workers in the sector receive the same terms as those workers who work for the named employers of the claim. This will also give the ability for all workers to be able to legally enforce the pay equity settlement. All workers in the sector have been receiving the same pay rates and increases for the last 6 years and we are keen for this to remain.

Our ask of you!

The Care and support sector needs to keep skilled, trained, and experienced care and support workers. There are already staffing shortages in many regions, and the situation grows more dire every day.

As our elected representative, we are asking you to support us and speak to Minister of Health and Ayesha Verrall and Minister for Disability Issues Priyanca Radhakrishnan to deliver an interim pay increase and to implement the final pay equity settlement by way of updating existing legislation.

PSA MEMBERS ON WHAT A PAY EQUITY SETTLEMENT WOULD MEAN:

“More family time. Means we can say no to shifts. Means we know we can have time off work because there’s enough to cover bills. Have extra money to save. Not have to live pay day to pay day. Can pay for car supply and insurance.

– Jean from Dunedin

“Acknowledging the dignity of my clients. My clients are disproportionately old, disabled, and poor. They’re a group who are already devalued and frequently stigmatised. If people like me who provide their care are underpaid, then it says to those clients that their needs are not valued. It reinforces the message my clients are already receiving.

- Jackie from Invercargill

“Being valued for what I do. Time out. Being with my whānau more. Going to get some dental care. Going to my home town. Giving my clients the best of me. Not worrying about running out of gas.”

- Tammie from Nelson

PSA Overview- funded sector - community support workers pay increases

Purpose of the document: To show that the pay increases in the funded sector for Support workers covered under the Pay equity settlement act (Terranova case) that step towards pay equity was staggered and the extension to the act for 18 months provided for a 3% increase effective 1 July 2022 the act expires Dec 23 with no further increases

Care and Support workers - Mental health and additions , Disability , Home Support and aged care residential.

