



Public Service Association
Te Pūkenga Here Tikanga Mahi

Briefing to the Incoming Minister for Women 2020

Naku te rourou nau te rourou ka ora ai te iwi

Congratulations!

Congratulations on your appointment as Minister for Women. We look forward to working with you to make a difference for women in New Zealand.

About the PSA

Membership is diverse, reflecting the public and community PSA members serve. Of the 77,000 members, 72% of whom are women, 10% are Māori and 6% are Pasifika. Our three most common member occupations are Administrators, Customer Service (including Contact Centres) and Social Workers.

We have an active women's network with over 7,000 members that promotes women's interests across the coverage of the PSA and encourages and supports women's participation in PSA representative structures at all levels. The network campaigns on equal pay and changes needed to make workplaces work better for women and families.

We have included a leaflet with information about the PSA, its purpose, strategic goals, governance and membership.

Key people

The new president of the PSA is **Benedict Ferguson** who was elected at the biennial congress held in November 2020. **Erin Polaczuk** and **Kerry Davies** are the **PSA national secretaries**.

Key priorities for the PSA

The PSA's key priorities for change within the scope of your portfolio are:

- **Equal pay for women employed by and contracted by the public sector**
- **Better workplaces for women and for families**
- **Equality in the COVID recovery**
- **A just transition for women and children in response to climate change**

Equal pay for women employed by and contracted by the public sector

Considerable progress has been made to achieve pay equality in the term of the last government, but we still have a way to go. According to Stats NZ the current gender pay gap (GPG) is 10%. This statistic compares the mean hourly pay of all women with that of all men. The GPG for wāhine Māori compared to all men is 17.9% and for Pasifika women it is 21.5%. Comparisons with Pākehā men highlight ethnic pay disparities even further.

Two Pay equity claims made by PSA have been settled in the term of the previous government: Mental Health and Addiction Support Workers; and Oranga Tamariki Social Workers.



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There are eight current claims still outstanding across local government, community public services, DHBs and the public service. We look forward to your support in expediting claims and have prepared an Equal Pay Delivery Plan across the directly employed and funded public sector which will be presented to the next State Sector Equal Pay Ministerial Forum.

Transparency and accessibility are essential to remedy deep inequalities faced by women, ethnic minorities and disabled people and to eliminate discrimination. We are keen to work with you to improve legislation for greater pay transparency so that all workers can be confident that they are being paid fairly, without discrimination. To that end **we propose mandatory annual reporting by agencies and organisations of their gender pay gap (GPG) and ethnic pay gaps, alongside a plan to remove gender and ethnic pay disparities.** The PSA also seeks to work with you to establish mechanisms that ensure all workers have access to pay information so identified inequities can be resolved.

A comprehensive framework within which gender equity can be advanced now exists through the Gender Pay Principles (GPP), guidance to support these principles and the Gender Pay Gap Action (GPGA) Plan. **PSA continues to advocate for full implementation of the GPP in the broader public sector and to widen the reach of the principles across the economy.** We look forward to more detailed discussion about what is needed to make the principles reality.

Agencies frequently identify occupational segregation as the key driver of their GPG – that is women being much more likely to work in low paid occupations and the reverse for men. To date the response has mainly been to encourage more women into higher paid occupations, and occasionally for more men into lower paid occupations. The PSA does not believe this is the solution to dealing with the undervaluing of some jobs within NZ society. **PSA seeks your support for accelerating pay equity through settling claims and through bargaining across the sectors through Fair Pay Agreements or Multi – Employer Collective Agreements for example.**

PSA has a claim in the Waitangi Tribunal Mana Wāhine Kaupapa Inquiry arguing a failure by the Crown to honour te Tiriti responsibilities for ensuring equality in employment for wāhine Māori.

Better workplaces for women and for families

Quality flexible work arrangements will contribute to reducing the gender pay gap as well as provide a better workplace that recognises the other demands in people's lives. We appreciate the flexible by default goal of the GPGA plan, as it seeks to eliminate the pay penalty experienced mainly by women when they seek flexible work arrangements. **The PSA seeks your support in making flexible by default a reality for all workers** in the economy and ensures that uptake of flexible arrangements is not a barrier to progress or to pay.

The PSA women's network has advocated for better workplace support for women escaping family violence and acknowledges the legislative changes made to support this. Violence against women and children continues to be a national shame and we look forward to working with you to continue efforts to reduce and eventually eliminate domestic violence, including continuing to increase funding for violence and prevention and victim support services.



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While there have been recent improvements to paid parental leave, New Zealand still has a long way to go before we match provisions with other OECD countries. We look forward to progress on improved parental leave entitlement such as partner leave, job protection, and return to work policies as well as addressing the anomaly of accruing unpaid annual leave while on parental leave. Access to free quality early childhood education and after school care will also support gender equality.

The PSA supports the campaign for increasing sick leave entitlement from five days to ten to enable people to access paid leave and stay home when they are sick for their own sake and that of their colleagues. We also urge you to include to paid leave entitlement to care for sick dependents when reforming leave entitlements; an area currently missing in legislation.

Equality in the COVID recovery

We appreciate the statement of expectations given to the public service given by the previous government that progress on achieving gender equality was not to be slowed or reversed in the recovery. **The PSA suggests you require gender analysis of all measures being considered to support the COVID recovery.**

Trades training / apprenticeships are a male dominated sector, with 65% of trainees and apprentices being male. **More thought is needed to ensure pathways to sustainable well-paying employment are available to women too.** We are encouraged by the commitment to reinstate the Training Incentive Allowance which focusses on sole parents, disabled people and carers.

We suggest that the recovery must focus on investment in social infrastructure and not just physical infrastructure. Support for women as both recipients and providers of social services is a core element of rebuilding and recovering from the pandemic. We have appended the PSA's Social Infrastructure Investment paper.

Investment and job creation in the social infrastructure sector would support female dominated occupations, build community wellbeing and provide significantly to gender equality particularly if jobs in the sector are fairly paid. Currently social infrastructure entities such as NGOs are part-funded to deliver public services. The shortfall is met through other means including co-payment by clients, public donations, philanthropic grants and through the expectation that workers (mainly women) providing these services will fill the gap despite being unpaid or underpaid for the work they do **It is essential to continue the previous government's reassessment of the funding model in this sector to prevent job losses and to resolve outstanding issues** such as guaranteed hours of work; and paid breaks for home support workers.

A just transition for women and children in response to climate change

The PSA women's network observe that women and their families are financially vulnerable to the effects of climate change and urge that you also **require gender analysis of the effects of climate change and the responses being developed to mitigate the risks** facing the planet.



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In conclusion

“The PSA has a long and proud history of advancing women’s rights and a current membership that is over 70% female. As such, the PSA women’s network believe we have a moral and ethical responsibility to use our collective voice for the betterment of our women members and, indeed, all women and children living in this country.

We are appreciative of the opportunity to provide you with this briefing paper and eager to engage with you further on the issues and proposals we have raised in this briefing.”

Nancy McShane and Reremoana Sinclair
Co-convenors PSA Women’s Network

Appendix: Social infrastructure investment

We need to rebuild, maintain and then enhance New Zealand's investment in its Social Infrastructure. There can be no economic recovery without strong social infrastructure.

What?

Social infrastructure is the bedrock upon which physical and economic infrastructure rests. It underpins the wellbeing of the community as a whole. Its focus is keeping us healthy, nurtured, and able to reach our potential as human beings. [It enhances our human and social capital. It includes:

- Family support
- Childcare
- Family violence services
- General social services
- Community development
- Public spaces such as libraries, pools and museums etc.

Why?

It directly lifts wellbeing across society by providing everyone with the opportunity to fulfil their potential as human beings. As such it helps address existing inequities as those who were already disadvantaged prior to COVID-19: women, families, the elderly, disabled people, the poor and homeless, victims of violence, Māori and Pacific people.

Why now?

It is expected there will be an increased demand for these services post COVID-19.

Social infrastructure often relies on unpaid work of women. For many years most social infrastructure entities such as NGOs have been part-funded to deliver public services for example in the aged care sector, family violence services, family support and child welfare services as well as childcare. The shortfall is met through co-payment by clients, donations from the public, philanthropic grants and through the expectations that workers (mainly women) providing these services will go the extra mile despite being unpaid or underpaid for the work they do. In fact, Social Service Providers Aotearoa (SSPA) estimated the annual amount of 'free' labour to be \$300 million annually, which is well beyond going the extra mile.

Philanthropic funding is relied on by some 80% of providers, to fill the gap left by part-funding. It is however **unsuitable to be relied on as core funding**. A provider affiliated with SSPA has forecasted they will have a 30% reduction in budgeted income in this financial year as they are unable to run planned fundraising campaigns. They receive 60% of their funding from government contracts, with the remaining 40% raised from grants, fundraising and interest income. They are forecasting a



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\$135,000 loss of income over the 3 months period between April-June 2020. A [report by MartinJenkins \(2019\)](#) found the government is underfunding social service providers delivering services that are essential to the wellbeing of New Zealand children, families, whānau and communities by an estimated \$630 million a year.

We are aware that Ministers have initiated a reassessment of this funding model (Social Sector Commissioning Project). It is essential this work also looks at the level of funding required to prevent job losses within the sector at a time when demand for services is expected to grow. In the interim an infrastructure funding pool could be established by government as part of the COVID-19 recovery response.

SSPA has highlighted in a briefing paper to social sector Ministers at the beginning of April 2020 that 'additional staffing and related organisational costs, beyond those factored into current service contracts, are the problem.' We acknowledge that some costs, mainly relating to increased service demand driven by Covid-19, have been funded and this immediate response during the crisis was welcomed. However, we expect that costs will increase in the recovery and providers are unable to cover them without further funding investment.

State support for active labour market policies and approaches could be usefully directed to **job maintenance and creation** within the social services sector. Costs such as those mentioned by SSPA could be covered to maintain work and create new jobs to deliver for the increased demand for services. While investment into economic infrastructure often creates jobs in the construction of roads, housing, hospitals, schools, those industries are male dominated. Jobs created through social infrastructure investment will target the female workforce and ensure maintaining the high female participation rate in the labour market. At the same time the investment in the female workforce should consider lifting wages as it is often a low paid workforce. Therefore, it is an opportunity to contribute significantly to **gender equality** in an economic and social sense.

The expansion of services to these areas also contributes to the **economic recovery** both through enabling people (especially women and those under considerable economic strain) to engage in paid work as well as providing services for others to reach their potential as human beings. Support for women as both recipients and providers of social services is a core element to support our rebuilding and recovery. This lifts both the human capital of the people receiving and providing these services as well as the social capital of New Zealand as a whole. This goes hand in hand with the state's primary role as protector of citizens.

Investment into the social infrastructure is also significantly **less costly than investment into the construction sector**. While investing into one FTE (all costs considered) in the social sector is around



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\$90,000 and \$120,000 (or up to \$140,000 total costs for a social worker), in the construction sector investing into one FTE is around \$200,000 plus.

Medium to long term, maintaining decent work in community and social services will contribute to a better functioning and accessible **health and social system** which underpins the wellbeing of New Zealanders as whole ensuring we can deal with economic, social and demographic challenges ahead.

Community organisations add to the public good and enhance human and social capital by building strong and resilient communities and solidarity through direct and close connections to the communities they serve.

How?

We suggest that the current focus in physical infrastructure is expanded to include investment in social infrastructure. Immediate social infrastructure investment in the following areas is proposed:

- An active labour market policy approach to job creation and maintenance within the social services also intended to enhance sector pay and ethnic equity
- Workforce development fund to build capacity in the new skills that will be required to support iwi and communities to rebuild
- Additional capacity for existing community providers to respond to increased and different forms of demand
- Additional capacity for iwi/Māori to respond to demand in their communities.
- Community development fund to support local initiatives
- Funding for research and policy development with an emphasis on a sector-wide programme and structure
- Funding to address gender and ethnic inequities in employment and settle the two PSA equal pay claims for this workforce

We propose that a tripartite approach is embedded into the decision-making process coordinated and oversight by Ministers.

We recommend that a fund of \$2 billion be established for social infrastructure investment be. We propose the ringfencing of the fund to ensure it genuinely contributes to social infrastructure investment. This fund should be managed and monitored by a tripartite group to report back to the public and to change direction when needed.

Social infrastructure investment would ideally be made conditional upon the compliance with decent work, gender pay principles and fair pay to have the desirable effects as well as to be long-



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lasting and sustainable. It is crucial to maintain the workforce benefiting from social infrastructure investment as increases in demand especially in certain areas can be expected

How do we want to use the fund?

In order to support all community and social services who need investment a staged approach might be useful to prioritise services. Criteria should be developed to decide at which stage services receive the required funded. These criteria should include:

- immediate need for specific services
- population groups in specific need for services
- regions (urban and rural) in specific need for services (and job creation)
- immediate provider and iwi/Māori workforce capacity to respond to immediate needs
- medium to long term workforce needs
- multiplier effects of social determinants to wellbeing