



Public Service Association  
Te Pūkenga Here Tikanga Mahi

## Briefing to the Incoming Minister for the Community Sector 2020

**Mā te whiritahi, ka whakatutuki**

**Ai ngā pūmanawa ā tāngata**

Together weaving the realisation of potential

November 2020

### **Congratulations**

Congratulations on your appointment as Minister for the Community and Voluntary Sector. We look forward to working with you to make a real difference for people living in New Zealand and the sector specifically. We would like to meet regularly with you to discuss the opportunities and challenges of the sector. **We invite you to meet with representatives on our governance structures** – our Community Public Services (CPS) Sector Committee. We can also arrange for you to meet with the PSA Deaf and Disabled network.

Given the interface between the Community and Voluntary Sector portfolio and that of Health and Disability Issues we appreciate your close working relationship with the Minister for Health and Minister of Disability Issues. We have prepared briefings for the Minister about issues in their respective area related to the community and voluntary sector.

### **About the PSA**

The Public Service Association (PSA) Te Pūkenga Here Tikanga Mahi is New Zealand's largest union with nearly 77,000 members. We have included a leaflet with information about the PSA, its purpose, strategic goals, governance and membership. We have over **9,200 members** employed by community and private organisations to deliver community-based services. Of those members the majority are women (7,760). Māori members account for 1,080. Most workers are between 36-59 (4,573). The second largest number of workers is over 60 years old (2,315). It is a fast-growing sector. Most of our members in this sector are

- care and support workers in home support and disability support services
- workers in mental health and addiction services in the NGO sector
- registered professionals, including social workers and health professionals such as occupational therapists
- workers working in the social services sector

The PSA is an affiliated union to the Council of Trade Unions (CTU) Te Kauae Kaimahi.



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### **One integrated, national, public system**

The PSA believes that there is a role for **not-for-profit, community-based organisations and iwi** in the design and delivery of public services to improve the wellbeing of communities where these organisations have connections with communities and a primary mission of service delivery. Community organisations and their workforce can ensure high engagement with clients to choose, access and use the services they need if well-funded and so long as they do not replicate corporate business models. The workers employed by these organisations want to make a real and sustainable difference to communities. To do so they need secure, safe and fairly paid decent work which enables them to continuously develop their skills to serve our communities. We support valuing and recognising our members' work through decent employment conditions (including equal pay) and increased funding to reduce workload.

An **integrated, national, public system of health, disability, care and support, social and voluntary services** of the future cannot afford to cut itself off from one of the most important sources of information, experience and innovation: its workforce. To implement plans to reduce inequities in access and outcome, the PSA recommends that the system draws on those who work towards better access and outcomes in the spirit of service every day. We suggest that **tripartism** is at the heart of the system.

Our expectation especially for the **health and disability system** is that of an integrated service and workforce across both the DHB and the community sector so that the health system operates as one whole of health system. The PSA supports any changes that will enhance national planning, national consistency and accessibility to services and allows for regional responsiveness to ensure local population needs are met. A national health workforce strategy across both the DHB and the community sector (and specifically a Māori workforce strategy) with worker representation is at the core of a well-functioning and sustainable health and disability system. Such an integrated workforce plan would include joint training plans and career pathways as well as common terms and conditions of employment across the whole sector.

This whole of system approach cannot rely on **for-profit organisations** to deliver services e.g. home support services. The PSA stands for publicly delivered, quality, universal healthcare and disability services that have decent working conditions. We recommend the introduction of a mechanism to ensure accountability for spending public money so that there is no lessening of service quality and funding flows through to workers to guarantee safe staffing, equal pay and secure work. All parts of healthcare should be considered important enough to be publicly delivered and controlled.

We acknowledge and welcome the increased **funding** especially for health services by the government during its previous term. However, the PSA recommends that for both disability services

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and home support services, the funding model as well as the level of funding is significantly changed. There is currently a **lack of paid breaks for home support workers** because they are not funded and not factored into work schedules. The **lack of safe rostering practices and standard shifts of work**, along with the **lack of guaranteed hours of work** for home support workers means that workers are facing insecure work arrangements and schedules (and consequently insecure pay) every week, sometimes every day. Competitive tendering supports the undercutting of pay and terms and conditions and is a flawed model. Delivering a high standard of service requires valuing and recognising both the needs of those receiving services as well as the skills and knowledge required to deliver these services. This requires decent employment conditions (including equal pay) and the protection of health and safety through e.g. safe staffing levels. Regular training and engagement with workers in the design and delivery of services will assist with recruitment and retention. The PSA recommends including criteria in funding contracts for decent terms and conditions of work, secure work, training and equal pay.

**We believe significant improvements in the delivery of public health services will be achieved through workplace relations which are based on principles of industrial democracy and implemented through a high-performance/high-engagement (HPHE) workplace culture which maximises worker voice.**

### **Our priorities for change**

- **An integrated, national, public health and disability system, services and workforce** across both the DHB and community sector
- Promotion of **tripartism in the health and community sector** e.g. through the Health Sector Relationship Agreement (HSRA). Utilisation of the HSRA Oversight Group to assist and facilitate system change arising from the Review
- Commitment to **the participation of workers through their unions** in the design and implementation of the Mental Health Inquiry He Ara Oranga recommendations and the Health and Disability System Review recommendations
- Implementation of **equal pay settlements** across the health and disability sector, including the **renewal of care and support equal pay**
- Attend to the current **workforce issues prior to any further roll-out of Disability Transformation**
- Commitment to **secure and decent work across the health and disability system**, including guaranteed hours of work for home support workers, paid breaks and proper shifts of work
- **Investment in social services, disability sector and home support services** to address years of underfunding and flawed funding models
- **Prioritising the removal of for-profit service delivery** from home support services.



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Below we explain our priorities according to their relevance to the community sector. We also added a section on social services, disability, and Māori services.

### Community public services

Community and voluntary organisations add to the public good and enhance opportunities for people to live in dignity by building strong and resilient communities and solidarity through direct and close connections to the communities they serve. The PSA believes that 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 people living in New Zealand as whole ensuring we can deal with economic, social and demographic challenges ahead.

### Promotion of tripartism in the community sector

The PSA recommends that tripartism is at the heart of the community sector.

A specific example of effective tripartite discussions was the **COVID-19 Sector Leadership Response Group** established promptly when lockdown was announced earlier in 2020. Despite the current shortcomings of the health and disability system COVID-19 has exposed, the system has also shown its ability to learn, adapt and improve on a continuous basis. A complex system of drivers, enablers, risks and opportunities across the health and disability sectors, requires effective national leadership. The COVID-19 Sector Leadership Response Group has enabled stakeholders including unions, providers, the funder and others to contribute to national discussions and the identification of solutions. For instance, COVID-19 required constant changes to the existing guidelines for the distribution and use of PPE which were discussed and agreed. Although there were still shortcomings in publishing the information in a timely manner, it demonstrated that better outcomes can be achieved when working together. Once these groups were established during Alert level 4 and 3, it was easy and quick to reconvene these tripartite groups when Auckland moved up to Alert level 3. This lesson of effective and meaningful tripartism, and worker participation, is an integral part of the system of the future.

### Settle equal pay claims and renew equal pay for care and support workers

A priority for the PSA is to settle our two **PSA equal pay claims** for social workers and all other workers in social services including for instance administrative workers, support workers and counsellors.

It is a priority for the PSA **to renew equal pay for care and support workers**. The Care and Support Workers (Pay Equity) Settlement Act 2017 expires on 1 July 2022. There are different avenues to renew equal pay for care and support workers. One of them is the introduction of a **Fair Pay Agreement (FPA)**. The benefit of using an FPA is that it goes beyond pay and thereby ensures the sector becomes and remains attractive to workers, keeps up-to date with developments and service standards. FPAs also help with anticipating and planning for the future workforce needs of the sector



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such as workers' training needs and the development of career pathways, ensuring health, safety and wellbeing of workers, users and communities. Secure hours of work are a fundamental component of equal pay implementation. FPAs can provide an important mechanism for workforce planning across the sector. The PSA suggests that FPAs could cover equal pay, safe and secure hours of work, training, career pathway progression, superannuation, redundancy provisions, overtime and leave arrangements. The multi-employer collective agreement (MECA) for DHBs could serve as a basis for negotiations of an integrated sector (including community-based services).

The PSA supports that FPAs apply to everyone, both employers and workers, in an industry or sector. It ensures decent pay and working conditions cover all workers, whether they are classed as employees or contractors. The FPAs could be referred to in the commissioning and contracting policies (recommended by Health and Disability System Review's final report). FPAs ensure sector wide ownership of outcomes (as the FPAs are not imposed but negotiated).

### **Commitment to secure and decent work including guaranteed hours of work for home support workers, paid breaks and proper shifts of work**

Regarding the home and disability support workforce, the PSA supports the implementation of the following recommendations. Urgency is warranted because these have been ongoing issues for some years now and recommendations and agreements to address them have not been enacted. Home support workers are still not enjoying guaranteed hours and paid rest breaks in large areas of the sector. They are also prone to workplace violence and assaults. Both, workers delivering services and users of services suffer. We propose these recommendations form the basis of the future direction for the **Home and Community Support Services (HCSS) Sector**:

- Stakeholders including the unions develop a **national agreement** to become the foundation for HCSS provision
- **Funding** for HCSS must be appropriate, adequate and sustainable to ensure safe and effective services. The current tripartite work underway on the pricing model needs to be completed.
- The PSA proposes that the '**regularisation**' of work forms an integral part of the national agreement. This includes
  - Paid training for all support workers to level 4 is fully funded and at the usual hourly rate of the worker
  - Provisions covering employment status, guaranteed hours, and changes to hours of work are included in the employment agreement and move to a shift model of guaranteed hours that allows for travel time to be paid at normal hourly rate, paid breaks are paid and travel cost payments are increased
- The tripartite **Settlement Party Action Group (SPAG)** has been established and has a work programme associated with the above bullet points. We support that these recommendations when complete are endorsed and funded to be implemented

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### Funding and commissioning of services

Due to historic underfunding, shortfalls remain. Therefore, we recommend the following:

- Fully restore the **health funding shortfall** and ensure ongoing funding is sustainable to ensure strong, equitable public health, disability support and care and support services. Regular funding adjustment for CPI and statutory increases such as the minimum wage, annual leave and Kiwisaver are required
- The PSA supports that funding is **tagged for training** to ensure accountability for funding flows through to workers in community services such as home support workers
- Review the Ministry of Health's **individualised funding** arrangements to ensure employment protection for all workers is guaranteed alongside client autonomy and control over services
- The abolition of the **competitive tendering model** which supports the undercutting of pay and terms and conditions. We recommend including criteria in funding contracts (such as cooperation and decent terms and conditions) to ensure accountability for intended funding outcomes.
- Develop a transparent **pricing model** which covers the actual costs and the delivery of high-quality services
- Increase investment in **capability and infrastructure** across the sector (in particular in IT and system development) to support, among other things, adequate rostering systems and effective staff allocation of suitably skilled staff to people with specific needs
- The PSA strongly supports action on **inequities between support through ACC** and the employment, social support, welfare and health system for disabled people and people with health conditions

### Social services

Our **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. As such it helps address existing inequities of women, families, the elderly, disabled people, the poor and homeless, victims of violence, Māori and Pacific people and migrants. Social infrastructure includes social services such as:

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



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It is expected there will be an increased demand for these services due to COVID-19. Social infrastructure often relies on unpaid work of women. The PSA recommends that **state support for active labour market policies** and approaches is directed to job maintenance and creation within the social services sector to deliver for the increased demand for services. Jobs created through social infrastructure investment will target the female workforce and ensure maintaining the high female participation rate in the labour market. Therefore, it is an opportunity to contribute significantly to gender equality in an economic and social sense.

At the same time the investment in the female workforce should consider lifting wages (for instance through the existing equal pay claims) as it is often a low paid workforce. The PSA recommends the creation of a **workforce development fund** to build capacity in the new skills that will be required to support iwi and communities to rebuild. We also propose funding is made available to address gender and ethnic inequities in employment

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. 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. The PSA recommends that the funding model for social services is re-considered and significantly changed.

We propose that a **tripartite approach** (government/funder, provider and union) is embedded into the decision-making process coordinated and overseen by the Minister. Social infrastructure investment would ideally be made conditional upon the **compliance with decent and secure work, gender pay principles and fair pay** to have the desirable effects as well as to be long-lasting and sustainable.

### Disability services

#### **Attend to the current workforce issues prior to any further roll-out of Disability Transformation**

Significant reform of government-funded disability services is currently under way. For the **Disability Support System Transformation**, a tripartite Workforce Working Group was established three years ago to ensure workforce issues were discussed and resolved and opportunities were used effectively. This working group has been disestablished about a year ago without a

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replacement. Items that Ministers Sepuloni, Clark, Genter and Lees-Galloway raised in December 2018 to be attended to by the working group have been left largely unresolved:

- The overarching agreed objective is that “disabled people, providers and workers have safe, sustainable, mana enhancing working relationships”. To achieve this, it was agreed that greater choice and control of disabled people must be balanced with respecting the rights of all people and maintain and enhance the working conditions and security of support workers.
- Ensure MidCentral providers are offered a Flexible Disability Support contract to enable them to provide individualised support
- Develop flexible service specifications
- Develop a clause in the MidCentral funding agreement that personal budgets cannot be used to undercut industry-standard terms and conditions. This includes the development of guidance to help parties to work out what this means in their specific circumstances
- Establish a mechanism for central employment support
- Monitor and adjust the system to deal with any anticipated negative impacts for the workforce

The PSA recommends to urgently attend to the current workforce issues prior to any further roll-out of the Disability Support System Transformation. Workers’ rights are complementary with clients’ rights. We suggest that collective bargaining and workers’ rights to basic employment protection is an integral part of the reform process to ensure the delivery of the best possible services to the public.

### **Additional disability related recommendations are**

- Regarding the Health and Disability System Review’s recommendations the PSA sees a risk in **funding for most disability services to be devolved to DHBs**. We recommend that careful consideration is given to where the primary funding of disability support sits to ensure that funding is ringfenced and regularly increased to ensure it supports both health and social needs, as well as support for new clients coming into the system
- The PSA supports the recognition of **paid family carers** through equal pay rates comparable with care and support workers
- The PSA supports the **employment of more disabled people** with community organisations to reflect their communities better. The **minimum wage exemptions** for disabled people have to be disestablished to ensure disabled people are paid at least the minimum wage.
- Workbridge’s Job Support Fund available to employers to **accommodate disabled people at work** must be increased to ensure that more disabled people will be employed and retained. An expression of insufficient funding is the shortage in transcribers and sign language interpreters (especially bi-lingual ones) across the community sector

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- Being represented through a union in the workplace raises the voice of disabled workers. The PSA proposes that particular funding is available for disabled people to be involved in **union activities**. Barriers exist for some disabled people to participate in a simple activity such as a meeting.
- We support an **Accessibility Act** to provide accessibility for disabled people in terms of information and physical access

### **Māori services**

The PSA supports a strong focus on eliminating **health inequity and improving outcomes for Māori**. The participation of Māori workers is essential to making progress on this objective from the workplace level up to national discussions about the health and disability system. The PSA has established Māori structures such as Te Tira Hauora and Te Rūnanga which represent workers across DHBs and CPS. These groups would welcome a discussion with the Minister to share further insight into Māori community workers' conditions, the services they provide and the needs of Māori receiving services.

Culturally appropriate and holistic service delivery requires strong partnerships with iwi. The PSA supports efforts to ensure consistency of **Kaupapa Māori services** in terms of funding and quality. If services are commissioned locally, the PSA suggests that workers and community (including iwi and users) are included and part of procurement standards.

The PSA recommends the incorporation of **mātauranga Māori** (Māori knowledge) into all aspects of the health and disability system including the community and voluntary sector. It requires training of staff to enact this. Training and development are an investment into the future of the health system. Cultural competency is an indispensable skill for community and voluntary workers. It can be achieved through employing more Māori and Pacific workers (but also through increased training programmes). The PSA proposes that the development and implementation of the Māori workforce strategy and workforce plans are done with involvement of the PSA.