12 December 2023

Hon Louise Upston

Minister for Social Development and Employment

Executive Wing

Parliament Buildings

Wellington

Tēnā koe Hon Upston

**Congratulations**

Congratulations on your appointment as Minister for Social Development and Employment. We look forward to working with you to make a real difference for people living in New Zealand. We have met regularly with each of your predecessors and would like to put arrangements in place to meet with you for constructive discussion of the issues and challenges facing our members working at MSD. To arrange a time for the meeting, your staff can contact our assistant Liz Byron: [liz.byron@psa.org.nz](mailto:liz.byron@psa.org.nz) .

**About the PSA**

The Public Service Association has over 90, 000 members working across public and community services, over 5000 of whom work for the Ministry of Social Development (MSD), in all areas of the organisation. The PSA also has members working in the Social Wellbeing Agency. We have included a leaflet with information about the PSA, its purpose, strategic goals, governance and membership.

PSA has a strong democratic structure within MSD including workplace delegates, national delegates, national delegate convenors who comprise the PSA Leadership Team (PSALT) in MSD, all overseen by the PSALT convenor. The PSALT convenor is a fulltime role focused on PSA-MSD business. They work with delegates and members across all areas and engage with MSD on both a strategic and operational level.

**PSA expectations for social development and employment**

Social development and employment are an essential pillar of public services and of the economy. For people to live with dignity and to enjoy full social and economic participation (regardless of their employment status) a fair and compassionate social security system has to be created and maintained. This includes the provision of financial security and a decent standard of living which enables people to achieve their full potential for learning, caring, volunteering and working. It is of particular relevance for the country’s resilience in the face of increased weather events and other catastrophic events such as earthquakes and the Christchurch massacre.

People working in the design, administration and implementation of a fair and compassionate social security system must be well supported in their work, empowered to be innovative, and to have their voices heard at all levels of the organisation.

**Our priorities for change**

Our priorities for change are:

* An effective social safety net for workers and their families and communities impacted by change. This is a significant gap in our current system.
* Implementation of the Welfare Expert Advisory Group’s (WEAG) recommendations.
* Ensuring both physical and mental health & safety of staff especially for frontline workers who are often exposed to abuse.
* Eliminating pay gaps.
* High worker and union engagement in Te Pae Tawhiti, MSD’s business transformation work programme.

**Our priorities for change explained**

***An effective social safety net for workers and their families and communities impacted by change, illness and disability.***

Demographic shifts including an aging population and shifts in skills and employment driven by technology and climate change, mean that more people are being displaced from work more often. Our current social safety net (including the welfare system, active labour market measures, labour standards such as redundancy compensation, and ACC) contains too many gaps. It needs to evolve to give displaced workers income security and space to retrain, upskill and transition into good quality, sustainable jobs. This is necessary to support better industry level workforce and skills coordination and planning, which will also benefit businesses and regional and the national economy.

Similarly, workers who have had to reduce hours of leave work because of illness or disability are poorly served by the current system. Just putting people on a benefit is not enough. We supported the previous government’s social insurance proposal because it went some way to meeting these needs. We understand that your government does not support this approach, however action is still needed to address these increasingly pressing challenges.

***Implementation of the Welfare Expert Advisory Group’s (WEAG) recommendations***

The current social security system needs to respond to the needs of people living in New Zealand in 2023 and beyond. WEAG’s recommendations seek to embed a new basis for social security, restoring trust in the system and enabling whakamana tāngata, to ensure people can live in dignity. In order to lift outcomes for Māori and others who are particularly adversely affected under the current system these changes are essential. The social security system needs to recognise that most New Zealanders are willing to engage, participate, contribute and do their fair share for their communities. This must be reflected by creating an empowering system rather than a punitive one. The key recommendations of the WEAG have to be considered seriously and implemented as a package such as the measures on:

* Improving outcomes for Māori
* Rebalancing the social contract to improve the operations of the welfare system
* Increasing income support
* Moving away from sanctions-based regimes
* Supporting people without driving them into debt that becomes a poverty trap
* Addressing housing need
* Improving access to employment supports and work
* Better supporting people with health conditions and disabilities and carers
* Enhancing the capacity and capability of community organisations.

**Eliminating pay gaps**

MSD workers are professionals who deserve respect, dignity and the right to be valued and protected through decent pay and working conditions.

We are making good progress towards eliminating discriminatory pay gaps by working with MSD on its Kia Toipoto pay gaps action plans. We look forward to your strong support for continuing and completing this important work.

***Ensuring health & safety of staff especially for frontline workers who are often exposed to abuse***

People who work at MSD especially those in frontline services, including both face to face and on phones, are vulnerable to aggression, abuse, assault and harassment and extreme distress, such as suicide calls. Abuse of staff is rising. Their mental and physical health and safety must be taken seriously and workers need to be protected to deliver high-quality services to those who need them.

The health and safety of our members across MSD remains a priority. Our key concerns relate to workload, the exposure of our members to unacceptably high levels of aggression, verbal assault, and the ever-present risk of physical harm. While structures and practices are in place to involve our members and delegates in health and safety forums, we are always looking for improvements in terms of genuine information sharing, consultation, and participation in decision-making processes about health and safety improvements in such a complex work environment.

We have expressed to managers at MSD our strong preference that security services should be provided “in-house” rather than contracted out to external providers. Direct employment of security guards would enable better integration of security guards into teams, the consistent deployment of the same guard(s) to an office, and training that is fit for purpose.

**High worker and union engagement in Te Pae Tawhiti**

Demands on our welfare system and therefore MSD are increasing. This has led the Ministry to speed up the development and implementation of Te Pae Tawhiti their business transformation work programme.

This is both a significant opportunity and risk for PSA members in MSD as their work is changing regularly and at pace. There is opportunity to implement changes that have long been needed as well as risk that the pace of change will mean there is insufficient engagement with those doing the work.

To ensure sustainable changes to the Ministry are achieved strong worker voice must be integral to work of this scale and PSA is working with the Ministry to establish how this can best be achieved. It will require significant resource and investment throughout the work programme.

We look forward to meeting with you to further discuss the opportunities and challenges in this portfolio.

Yours sincerely

A signature on a white background

Description automatically generated

Kerry Davies Duane Leo

**PSA national secretaries**