



Written feedback to Immigration New Zealand on the

Immigration Re-Balance: Care Workforce Sector

At the New Zealand Disability Support Network (NZDSN), we would like to thank you for the opportunity to provide written feedback on the “*Immigration Re-balance: Care Workforce Sector*” policy. NZDSN supports the objective of the policy to move towards a higher skilled migrant workforce. We agree that the proposed policy will encourage and support some sectors to transition to more productive and resilient ways of operating, instead of relying on lower-skilled migrant workers. However, we believe the “*Immigration Re-balance: Care Workforce Sector*” policy is not comprehensive and will create issues for disability service providers and the disability support workforce. NZDSN would like to emphasise the fact that the government sets the minimum wage rates for support workers, and allocates funding/contracts to providers on that basis. Hence, it is simply not possible for many service providers to increase the wage rates for immigrant support workers or train support workers (migrant or domestic) if the government has not allocated the required funding. We have structured our feedback in four sections:

- 1) requirements of being an Accredited Employer,
- 2) qualifications,
- 3) training, and
- 4) potentially unfair treatment of the migrant disability workforce.

We will first start with a brief introduction of the New Zealand Disability Support Network (NZDSN) and some context about the current shortage of support workers throughout our sector.

About NZDSN

NZDSN is the national peak body representing over 160 disability support organisations and providers that provide support services to disabled people, mainly through contracts with government. As a membership-based organisation, we lead and influence changes required to support an inclusive life for disabled people in Aotearoa New Zealand. We represent the Disability Support providers in discussions with various government Ministries and Agencies. We also

represent/advocate for Disability Support providers in pay equity negotiations and other relevant issues.

Current Support Worker Shortage

NZDSN would like to highlight the historical staff shortage in the disability support/care sector. Exacerbated by the COVID-19 pandemic, the staff shortage is currently at a crisis level; workload has increased because of infection prevention and control protocols, monitoring and surveillance of care recipients for COVID-19, increased psychosocial needs, and caring for those ill with COVID-19. The chronic pay gap between support/care workers and DHBs employees in same or similar roles has also contributed to the staff shortage. To alleviate some of the pressure, the sector has traditionally relied on migrant workers. While we support the proposed policy's intention to implement a framework for migrant care workforce, we believe the policy will fail in resolving the staff shortage in mid- to long-term. Resolving the staff shortage issue requires a holistic approach and a policy toolkit to simultaneously address various contributing factors including pay, qualifications, and training.

1. Requirements of being an Accredited Employer

While we acknowledge the necessity of having a framework to govern the migrant care workforce, the current Accredited Employer scheme will create issues for disability service providers. The Disability Support Sector is large and complex, with services delivered through a broad network of organisations¹. The size of the workforce in organisations is extremely varied. There are a handful of large organisations that employ over two thirds of the disability support workforce, and there are many small organisations that employ less than eight percent of the workforce². The Disability Support Sector has a very high staff turnover rate (35%)³ with the highest turnover rates among support workers. In addition, more than half of the disability workforce is employed part-time.

The existing requirements for Accredited Employers exclude smaller providers and even potentially the larger providers (for instance, because of the requirements to have at least 15% of employees guaranteed at least 30 hours work each week). While the larger providers might be eligible and have resources to become Accredited Employers, smaller providers will most likely not be eligible or not have the resources to become an Accredited Employer.

¹ The New Zealand Health and Disability System: Handbook of Organisations and Responsibilities. (2017) https://www.beehive.govt.nz/sites/default/files/2017-12/Health%20-%20Organisations%20and%20Responsibilities_0.pdf

² Te Pou o te Whakaaro Nui & New Zealand Disability Support Network. (2016) The New Zealand disability support workforce: 2015 survey of NZDSN member organisations – A summary report. Auckland: Te Pou o te Whakaaro Nui. <https://nzdsn.org.nz/wp-content/uploads/2021/05/Workforce-Survey-Summary-Report.pdf>

³ Developing a workforce to support disabled people and they whānau. (2018) https://nzdsn.org.nz/wp-content/uploads/2021/05/Workforce-Report-FINAL-PDF_Careerforce.pdf

In addition, those disabled people who hire their support workers through Individualised Funding or personal budget arrangements will also be excluded. These arrangements are becoming more and more prevalent with the national rollout of the government's "Enabling Good Lives" (EGL) strategy. The principles of EGL aim to give disabled people more choice and control over the support services they use. So, the current requirements for Accredited Employers will disproportionately disadvantage disability service providers, and especially the growing number of disabled people who hire their own support workers.

2. Qualifications

The proposed policy frequently mentions the lower wage threshold of \$25.39 being aligned with the pay level for support workers qualified at Level three. It should be noted that only a quarter of disability support workers have a level three qualification⁴. In addition, the policy seems to be assuming the domestic disability support workforce needs upskilling. While there are a range of qualifications that a support worker may select from, if they wish, it is optional and not mandatory for the sector to have qualified staff. In fact, 45% of workers do not have any qualification, 11% have a level two qualification, 25% a level three, and 19% a level four qualification⁵; so, only 44 % of the current workforce have a level three or above qualification. While we disagree with Immigration NZ's assumption that the care workforce needs to upskill and obtain higher qualifications, this upskilling is not achievable without additional funding (as the sector is government funded), and we believe the proposed policy does not encourage the sector to train support workers (migrant or domestic).

3. Training

The proposed policy implies that Immigration NZ expects the disability support sector to hire more domestic workforce, so the providers who receive limited government funding are thus unable to spend money on the training and development of the migrant workforce. The expectation of the policy seems contradictory given the earlier view of Immigration NZ that the sector needs upskilling.

As mentioned earlier, the disability support sector is reliant on government funding. Any removal of the unified funding scheme for training will place an added financial burden on employers, who will need to provide relevant training to their workforce at their own cost, if at all possible. Considering the increasing costs to service providers, it is unrealistic to assume providers will be able to bear additional costs of training and improvements to reduce the reliance on migrant workers.

⁴ Care and Support Workforce Qualification Attainment. (2019)
https://www.health.govt.nz/system/files/documents/publications/care-and-support-workforce-qualification-attainment-17dec2019_1.pdf

⁵ Ibid.

4. Potentially unfair treatment of the migrant disability support workforce

At the NZDSN, we believe the proposed policy can potentially result in unfair treatment of some migrant support workers. While the below-median wage of \$25.39 is not unfair per se, it can – alongside other provisions of the proposed policy – create different “classes” of migrant support workers who do the same job but are being treated differently based on their visas; those who are deemed “skilled” will have a pathway to residency, but those covered by the proposed policy do not have a clear pathway to residency. In addition, migrants hired on a wage rate below the median wage will be required to leave New Zealand for 12 months after being in that role for two years. Considering the realities of the disability support sector and limitations of being on an Accredited Employer Work Visa, it is unreasonable to expect these migrant workers to be able to upskill or earn above the median wage before their two-year period is up so they can remain in New Zealand. On top of not having resources for training, there are no incentives for employers to train these migrant workers or increase their wages. And the sector can also hire from migrant workers with Working Holiday Visas or other visa categories that provide open work rights who are not subject to a wage threshold. So, any expectation about upskilling, training, or wage increase is unrealistic.

Final comments

The proposed policy does not explicitly cover support workers engaged in “sleepovers”. A “sleepover” is a support service element that sees the support worker spend the night in the same location as the disabled person (usually the latter’s place of residence) in order to provide essential cares through the night. While sleepovers constitute “work” under the Minimum Wage Act because of significant responsibility and restrictions on support workers while providing a sleepover service, these support workers have traditionally been paid at lower hourly rates for the “sleepover hours”. The reason for this is that the support workers is not engaged in “work” throughout the evening, but rather “on-call” to provide support when required. The inclusion of the sleepover rate (for instance, in Essential Skills or Skilled Migrant Category work visas) brings down the support worker’s average pay rate so they cannot meet the remuneration requirements of various visa categories. While we acknowledge the regulation change effective from 24 May that allows essential skilled migrants to work their sleepover shifts as long as they are guaranteed a minimum of 30 hours of work outside of that at or above the required hourly rate, we seek clarification about support workers providing “sleepovers” in the proposed policy. We regard the requirement to be guaranteed 30 hours of work outside of the sleepover service provision prohibitive and unrealistic. For many disability support services, the provision of sleepovers is so frequent as to make adherence to the 30-hour requirement impossible. Many disability support providers utilise part-time hours for their support workers because of these factors – it makes rostering and ensuring support workers are available to meet the needs of multiple disabled people much more manageable.

NZDSN would also like to emphasise the disability support sector is a government-funded sector and the ability to make some of these changes is limited for employers. In addition, working as a disability support worker is not simply a matter of qualifications, but also reflects a desire to work in a sector that is immensely rewarding

and can frequently be driven by the support worker's personal experience of disability, either their own or a close associate or family member. The funding of wages in the sector is driven by government policy and funding, and hence, we believe providers should not be vilified or otherwise disadvantaged for being limited by the government's funding and immigration policies.

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