

MEMO TO:	
FROM:	
DATE:	
PRIORITY:	
RE:	Environmental Scan – September 2022

The following report was tabled for the NZDSN Board last week (20 October).

Political – The most recent 1News Kantar political poll has National steady on 37 percent and Labour up one point to 34 per cent. With the Act party on 9 percent, National/Act could govern alone with 61 seats, while Labour, Greens and Māori Party would only secure 59 seats, based on these poll results.

What would a change in government mean for NZDSN members? A National-led government would be more focussed on fiscal management, reducing the deficit and responding to the rapid increase in cost of living. Similar to Labour, it is unlikely disability support providers would see any great funding advantage from a change in the Treasury benches, although for different political reasons.

Local election – results came out over the weekend and new mayors have been elected in most major centres around New Zealand as voters overwhelmingly opted for a change of direction. The success of right-leaning mayors in Auckland, Christchurch, Rotorua and other regions has been deemed to signal a broader mood for change ahead of next year's general election.

In the domain of disability, the new CEO for Whaikaha has been announced. The disability sector is encouraged by the appointment of Paula Tesoriero in this role. Leadership will be crucial to achieving the Ministry's potential as well as better outcomes for disabled people. We believe that Ms Tesoriero has the capability to provide the vision and people-centred style needed. As expected, disability providers have great hopes for the new Ministry of Disabled People. A major challenge for Whaikaha is addressing the level of expectation, politically as well as socially. This will be made all-the-more challenging in an environment with limited funding.

Accessibility for all New Zealanders Bill – was introduced into Parliament a while ago. Public submissions on the Bill are being accepted now and the closing date is on the 7th of November. Although this Bill is a step forward to make society more accessible and inclusive, many in the disability community believe the bill does not go far enough. There is no mandate, accessibility standards, or implementation and enforcement mechanism in the Bill. Considering the significance of the Bill, we have decided to collaborate with Platform (peak body for Mental Health and Addictions providers) and prepare a joint submission on behalf of our members.

Economic – New Zealand recorded a \$9.7 billion deficit over the past financial year, more than double that of 2021, but lower than what was projected in Budget Economic and Fiscal Update in May 2022. The deficit covers a period of significant spending by the Government on combatting the Delta and Omicron COVID-19 outbreaks, as well as spending on business support, the wage subsidy, leave support and New Zealand's vaccination rollout.

The Reserve Bank increased the Official Cash (OCR) Rate by 50 points last week to fight soaring inflation, currently sitting at 7.3% - highest since June 1990. Earlier this year, economists had forecasted the OCR will be increased to 3.5 percent in the next 12 months. It only took six months for the OCR to catch up to the forecasted 3.5%. With no sign of relief at least for another year, the inflation and the prices are expected to rise even further.

In terms of the impact on providers, inflation and the increases in other costs will drive up the cost of business. So, some members – especially those with insufficient cash flow – might find it increasingly difficult to sustain a viable business without funding adjustments for increased costs.

COVID-19 – The government removed the last remaining restrictions of the COVID_19 protection framework that had been in place since the pandemic began in early 2020. The mask mandate was removed on the 17th of September, with masks only remaining mandatory at hospitals, GPs, urgent care, pharmacies, aged residential care and disability-related residential care. COVID_19 cases still have to isolate for seven days from when they first start showing symptoms, but household contacts no longer have to stay home.

While welcomed by many, the disability community has voiced its concerns, dismay and anxiety over this move. The disability community and those who live with long-term health conditions, including people who are immunocompromised, are concerned about the increased chances of catching COVID_19. Some people from the disability community would prefer the mandates to stay for some places including supermarkets, airports, public transport and all public buildings, and for people visiting supported residential and other services for disabled people. NZDSN commented on this and stated that people will be concerned about the removal of restrictions; they will see it as the removal of protections.

In terms of the impact on providers, COVID_19 continues to negatively impact providers mainly through increased costs and worsened or erratic staff shortages. Other related concerns include the expectation that, with the removal of the Mandatory Orders, providers are now responsible for the health and safety of staff and disabled clients under the Health and Safety at Work Act. There is mixed understanding of this across the provider community and a concern about the risk of prosecution based on wider health and safety experiences. Secondly, knowing that COVID_19 is a cold-weather virus and seeing evidence of this emerging as the Northern Hemisphere approaches winter and infection numbers start to increase, NZDSN has expressed concern that now is the time to plan for another wave.

Machinery of Government – *Disability Survey 2023* – there was an update from Statistics New Zealand regarding the Disability Survey 2023. Traditionally the “Disability Survey” had two different components: 1) the Household Disability Survey (HDS) and 2) the Disability Survey of Residential Facilities (DSRF). Statistics New Zealand has decided not to run the Disability Survey of Residential Facilities (DSRF) in 2023. They have provided a number of reasons for their decision, including the

small sample size of the DSRF, the coverage of some residential facilities by the HDS, and lack of resources and trained staff.

In response to this proposal, NZDSN wrote to the Statistics Minister, Dr David Clark. We raised our concerns about the exclusion of some of the most vulnerable members of the disability community in the Disability Survey 2023. We believed the proposal did not provide strong justification for the removal of the DSRF from the 2023 Disability Survey. In response to this, NZDSN has been meeting with Statistics NZ officials to work out tactics to ensure appropriate data collection. Statistics NZ have reinforced that disabled people in residential services will be captured under the household survey. The department is further working to increase its understanding of disability issues.

NZ Sign Language Act – submissions are currently open for the NZSL Act. This Act would be changed to strengthen the Deaf community leadership of the maintenance, promotion, and acquisition of NZSL. This change will be better aligned with UNCRPD, the establishment of the NZSL Board in 2015, and the development of the NZSL Strategy 2018-2023. There are three proposals and ideas to change the NZSL Act. NZDSN believes this change will not adversely impact the disability service providers, hence NZDSN supports the change and will make a submission to the Ministry for Social Development (MSD) and the Office for Disability Issues (ODI).

Proposed amendment to the transport provisions of Auckland's Unitary Plan – the Auckland Council has proposed changes to the Unitary Plan (AUP) to allow for greater building heights and densities in urban Auckland (known as Proposed Plan Change 78 – Intensification). In addition, the Auckland Council has proposed amendments to the AUP's transport provisions in relation to parking, vehicle and pedestrian access, and lighting (known as Proposed Plan Change 79 – Amendments to transport provisions). The parking proposal has provisions for the number, type, and design of accessible parking spaces as well as accessible drop off/pick up spaces. We provided the Auckland Council with our feedback in support of the provisions of the proposal, as we believe the collective impact of new provisions will benefit the disability community. In saying that, we asked for relevant stakeholders – the disability community including disability service providers in Auckland – to be actively consulted with and engaged during the next stages of designing and implementing the proposed changes.

United Nations Committee Report on the Rights of Persons with Disabilities – The United Nations Committee has reviewed New Zealand reports and published a range of concluding observations around the implementation of the UNCRPD in New Zealand. While the report acknowledges the measures taken to implement the Convention, welcomes the establishment of Whaikaha – the Ministry of Disabled People in July 2022, and the national rollout of Enabling Good Lives, the Committee has raised a number of concerns and provided recommendations accordingly. Of particular interest to both disability support providers and the disabled people and their families/whānau is the UN recommendation to “a comprehensive deinstitutionalisation strategy to close all residential institutions, including group homes and residential specialist schools, and the lack of choice and control over living arrangements.” The reports had several recommendations around partnership and better engagement with disability organisations to realise various aspects of the Convention.

NZDSN welcomed the opportunity to work alongside the Government and relevant agencies in order to facilitate the implementation of the Convention and prepare the response to the United Nations Committee and is in the early stages of discussions with Whaikaha officials over the intended course of action regarding the proposal for deinstitutionalisation. Clearly, we do not support deinstitutionalisation for the sake of it as this is counter-intuitive to maintaining a range of choices for disabled people. There are opportunities within the system, however, to strengthen the voice of disabled people and to ensure choice and control over living arrangements is enhanced.

Immigration – Immigration NZ announced that the Government is taking steps to provide immediate relief to businesses hit hardest by the global worker and skill shortage. The Government announced ‘Working Holiday Scheme’ measures to extend visas for onshore working holiday makers that are expiring between 26 August 2022 and 31 May 2023 by six months from date of expiry. The Government also doubled the Working Holiday Scheme caps with a one-off increase to recognise the spots that were unused last year due to the border closure. This will mean around 12,000 more working holiday makers can come to New Zealand over the next six months or so.

Sector agreements were also announced for key sectors of the economy that are struggling to find workers. These agreements provide limited exemptions to the median wage requirement for hiring migrant workers on an Accredited Employer Work Visa (AEWV) in specific occupations and sectors (including disability support workers), in exchange for ongoing improvements.

NZDSN provided feedback on the proposal and hosted a webinar for members with a guest presenter from Immigration NZ. While this was highly informative, it became quickly clear that only larger organisations were likely to benefit from the changes and that Immigration NZ’s policy proposal had ignored the fact that vast majority of disability support providers struggling to find staff.

Meeting with Hon Poto Williams Minister for Disability Issues – Sean Stowers (NZDSN Chair) and I met the new Minister for Disability Issues and we spoke about a range of issues. We told the Minister that immigration policy changes are not particularly helpful in assisting with the staff shortage. We emphasised the funding issues faced by the sector and talked about funding equity and funding sustainability specifically. We also spoke about housing, and Kainga Ora’s 15% target of home accessibility; while the Labour Party’s own manifesto mentions 25%, NZDSN is calling for 85%, and the UN observed that 100% is not unrealistic. We also expressed our interest in working with the Minister and officials on the issues that are very important to our members.

NZDSN has confirmed a regular schedule of meetings with the Minister to ensure provider issues are well canvassed. Officials have expressed an interest in working closely with NZDSN on the issues of greatest import to providers. Discussions with officials are yet to be set up.

Care and Support Worker Pay Equity Claim – work to advance the claim continues. A draft Bargaining Process Agreement (BPA) is with the unions along with employer feedback. A draft Memorandum of Understanding with the government’s Oversight Group (incl. funders) including employer feedback, is with that Group for consideration. We have been advised by MoH officials that the resource/funding allocation to employers and unions will cover an overall project manager, two project co-ordinators, funding for legal advice and an analyst.

Manager and Supervisor Pay Equity Claim – this second pay equity claim has been lodged with six employers representing an estimated 350 managers and supervisors. Under the Equal Pay Act, for unions to lodge a claim it has to be on behalf of 10% of the relevant workforce who are union members. This claim has two issues: one is scope; the description of the roles is vague and unclear. This needs to be tightened up. The second issue is that the unions have lodged the claim before making sure it is representative of 10% of the workforce or 1,000 workers, all of whom must be union members, and who fit the role description contained in the scope of the claim. It is likely that the number of employers in the Claim will need to increase, and the scope will require revision.

To further complicate the second claim is the matter of identifying comparators. These are other roles in other sectors that are predominantly male dominated. These roles are to be used as comparison to the group that the pay equity claim concerns, so managers and supervisors in the disability field. There are no comparators available currently to draw upon, as no one has ever done any work in this space. So, a lot of work needs to be done to identify potential comparators, analyse their roles, interview, and complete an analysis in order to decide which comparator/s group to select for the claim to proceed. So, this second claim will take around three years or longer.

Care and Support Worker Claim – NZDSN is a member of the Steering Group and provides close support to a small number of NZDSN members who are named employers in the claim.

Managers and Supervisors Claim – Like many, NZDSN is watching how the unions address the issues around the validity of the claim. We have met with the small number of named employers who are NZDSN members and will continue to provide support.

NZDSN AGM – The AGM was held on the 22nd September via Zoom. We hosted Paula Tesoriero, newly appointed CEO of Whaikaha. She talked about challenges and opportunities to work with the disability sector. She hoped to work with disability providers to achieve better outcomes for the disabled people.

Three Board members stepped down: Mike Brummitt, Laurie Hilsgen, and Vicki Stewart. We have three new Board members Samantha Lee, Tony Marsden, and Colene Herbert. Welcome onboard!