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Media statement for immediate release

Te Whatu Ora review delays pay equity for care and support workers

Te Whatu Ora is delaying the urgent pay equity claim for care and support workers by insisting on an extra ad hoc review. The last-minute demand is an excuse to interrupt the process and reduce the pay for our sector's most vulnerable workers.

Te Whatu Ora is seeking to overturn the findings made by investigations into gender-based undervaluation, under the Equal Pay Act.

The peak bodies that represent the employers in the claim, the Home and Community Health Association, Aged Care Association, New Zealand Disability Support Network and Atamira Platform are urging Te Whatu Ora to stop wasting time with its review and trust the work that has been done using methods that have been developed over several years by the Public Service Commission.

"Unions and employers have been working since 1 July 2022 to see pay equity for 65,000 workers, including people working in aged residential care, disability support, home and community support and mental health and addictions," explains Katherine Rich.

"Not liking the result of a pay equity process is not a reason to stop the process. It seems to us that Te Whatu Ora, despite all the evidence to the contrary, just don't want to believe how underpaid the care and support workforce is," says Carmela Petagna, "They are turning their back on support workers and the hundreds of thousands of people they care for."

Memo Musa says, "All the parties to the pay equity claim are ready to negotiate the details of how to address the pay gaps. It is so disappointing that Te Whatu Ora is holding up the process and allowing this group of workers to fall further and further behind in terms of fair pay."

"Pay equity is what these workers deserve. We are seeking an urgent commitment from government to honour the process it worked so hard to set up, to disallow Te Whatu Ora's attempts to overturn the results, and to resource the roll out of pay equity to the whole care and support workforce," says Peter Reynolds

ENDS

Notes for editors overleaf.

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Background

In July 2022 a Pay Equity Claim for Care and Support Workers ('the Claim') was filed by three unions: E tū Incorporated (E tū), New Zealand Public Service Association Te Pūkenga Here Tikanga Mahi (NZPSA) Incorporated and NZNO Tōpōtanga Taphui Kaitiaki O Aoteroa (NZNO) against 15 named employers.

These employers were chosen as a representative group from the wider health and disability sector. The purpose of this approach was to enable the established pay equity process to proceed more efficiently. From the beginning, unions and employers aimed to form an agreement that could immediately be extended to all care and support workers outside of the named parties using the funded framework. This is called a 'representative claim'.

Four peak bodies were invited to represent some of the 15 employers in the process and ensure sector-wide implications were considered in the Agreement. The peak bodies are Home and Community Health Association (HCHA), New Zealand Aged Care Association (NZACA), New Zealand Disability Support Network (NZDSN) and Platform.

The 2022 Claim followed a pay equity deal reached in 2017 between the Crown, Funders and union representatives. This applied to all care and support workers in the Aged Residential Care, Disability

Support Sector and Home and Community Support Sector. In 2018 it was extended to the Mental Health and Addiction sector.

Unlike most workers, pay rates for care and support workers are mandated in legislation. Due to inflationary pressures and a rise in the cost of living, in real terms pay rates have now regressed back to minimum wage for many workers. This is why unions needed to file a new claim and introduce a maintenance mechanism to ensure care and support workers continue to receive fair pay.

The existing legislation relating to the earlier 2017 pay equity settlements is set to continue until 31 December 2023. Despite indicating an intention to resolve the Claim, the Government is yet to determine whether this legislation will continue past that date.

Parties to the 2022 claim

Three groups have worked together to form an Agreement on the Claim. These are:

Unions

- E tū Incorporated
- New Zealand Public Service Association Te Pūkenga Here Tikanga Mahi Incorporated
- NZNO Tōpūtanga Taphui Kaitiaki O Aotearoa

Employers

- BUPA
- CCS Disability Action Incorporated (CCS Disability Action Northland Inc; CCS Disability Action Auckland Inc; CCS Disability Action Waikato Inc; CCS Disability Action Bay of Plenty Inc; CCS Disability Action Manawatu-Horowhenua Inc; CCS Disability Action Wairarapa Inc; CCS Disability Action North Taranaki Inc; CCS Disability Action South and Central Taranaki Inc; CCS Disability Action Tairāwhiti Hawkes Bay Inc; CCS Disability Action Wellington Inc; CCS Disability Action Nelson Marlborough Inc; CCS Disability Action Canterbury and West Coast Inc; CCS Disability Action South Canterbury Inc; CCS Disability Action Waitaki Inc; CCS Disability Action Otago Inc; CCS Disability Action Southland Inc; CCS Disability Action Whanganui Inc)
- Dunedin Community Care Trust
- Emerge Aotearoa Limited
- Geneva Healthcare Limited
- Healthcare of NZ Limited
- NZ Community Living Limited
- Pacific Island Homecare Services Trust
- Pathways Health Limited
- Presbyterian Support Central
- Spectrum Care Limited
- Te Roopu Taurima O Manukau Trust
- The Lifewise Trust
- Toucan Taranaki 2004 Limited
- VisionWest Community Trust (Employers)

Funding agencies

- The Chief Executive of Te Whatu Ora (as funder of the Employers)

- The Chief Executive of Te Aka Whai Ora (as funder of the Employers)
- The Chief Executive of the Ministry of Social Development – Te Manatu Whakahiato ora (as a funder of Employers)
- The Chief Executive of Oranga Tamariki - Ministry for Children (as a funder of Employers)
- The Chief Executive of the Department of Corrections – Ara Poutama Aotearoa (as a funder of Employers)
- The Chief Executive of Ministry of Education (as a funder of Employers)
- The Chief Executive of Ministry of Housing and Urban Development – Te Tuapapa Kura Kainga (as a funder of Employers)
- The Chief Executive of the Ministry of Disabled People - Whaikaha (as a funder of Employers)
- Accident Compensation Corporation (as a funder of Employers)