

# BPW NZ: Support Workers (Pay Equity) Settlements Amendment Bill

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18 July 2019

To the attention of:  
Health Committee  
Parliament Buildings  
Wellington  
[he@parliament.govt.nz](mailto:he@parliament.govt.nz)

## Re: Support Workers (Pay Equity) Settlements Amendment Bill

Thank you for the opportunity to provide comments on the Support Workers (Pay Equity) Settlements Bill and providing specific recommendations. This bill gives effect to two pay equity settlement agreements between the Crown and vocational and disability support workers and mental health and addiction support workers. It amends the Care and Support Workers (Pay Equity) Settlement Act 2017 with fair reward for their effort and expertise and that this shall be back retrospectively to 1st July 2017.

***Our interest in this submission is because we advocate for the elimination of all discrimination against women and we work for women's financial independence. We advocate for proper valuation of caring work which has traditionally been minimum wage and performed predominantly by women. We seek to address historical inequalities.***

Members of BPW NZ have their voices heard at the local club, national and international levels of our organisation.

## General Comments

1. BPW NZ supports the inclusion of vocational and disability support workers and mental health and addiction support workers under the provisions of this Bill. As front line staff in roles essential to societal well-being it is vital that their skills are recognized and paid accordingly to grow a capable and sustainable caring workforce. We applaud the Government and all parties for the consensus in bringing this Bill to select committee.
2. BPW NZ agrees with the linkage of the two settlements (Vocational and disability support workers in July 2017 and Mental Health and Addiction Support Workers in July 2018) to the Terra Nova settlement and sees that the mechanism of amending the 2017 Act provides the speediest means of reaching settlement given that there is employer, union and community support on the agreements.



3. We note that the Terra Nova settlement resulted in the 2017 Act and pay settlement of \$2.3 billion for 55,000 workers predominantly in the aged care sector<sup>1</sup>. The agreement on the two settlements covered in this Bill are consistent with the principles of the Terra Nova Settlement which followed a pay equity claim in the Employment Court that stated that care and support workers were systematically underpaid because the work is predominately performed by women. Thus, the primary purposes of the agreements are to address historical inequities and achieve pay equity in a consistent manner across the support services sector. The agreements establish a matrix of pay rates, linked to qualifications, to be phased in until 30 June 2022.
4. It was agreed by the parties to the settlement agreements that mental health and addiction support workers and vocational and disability support workers form workforces that are analogous to the care and support workers to which the TerraNova Settlement and the principal Act apply. Consequently, those workers should be treated in a manner that is consistent with the terms of the TerraNova Settlement and the principal Act.
5. The provisions around qualifications in the Bill are problematic and need to be made relevant to fit particular workforces (such as mental health). Level 4 qualifications, with a higher pay scale, should not be generic or more fitted to an aged care workforce. A review of qualifications and graduate outcomes is needed.
6. BPW NZ supports the provision of back pay retrospectively to 1<sup>st</sup> July 2017.
7. Further work is needed on definitions to ensure there is clarity on what is not covered by this Bill. Development of generic, agreed sector wide job descriptions would be helpful.
8. BPW NZ's questions whether sufficient funding has been allocated to implement this Bill and to ensure that there are no unintended negative consequences for both providers and support workers. We note the findings of the NZ Work Research Institute in the "Value of Care"<sup>2</sup> on the impact of the 2017 Pay Equity Settlements. The documented negative consequences included:
  - a) the unfunded relativity between the wages of support workers and their supervisors and managers
  - b) reduction in hours of Level 3 and Level 4 support workers to decrease costs at the expense of quality of the service
  - c) quality of care being impacted by an increase in the workloads and duties of support workers
9. Transparent and consistent funding models are required.

### **BPW NZ Policy:**

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<sup>1</sup> <https://www.beehive.govt.nz/release/2-billion-pay-equity-settlement-55000-health-care-workers>

<sup>2</sup> <https://workresearch.aut.ac.nz/news-and-events2/events/the-value-of-care-understanding-the-impact-of-the-2017-pay-equity-settlement>

## Support for Pay Equity

THAT the New Zealand Federation of Business and Professional Women (BPW NZ) Inc. strongly supports the continuing steps Government is taking to support the pay equity issue and urge the Government to fast track it and urge its implementation. (2004)



## Sustainable Development Goals

Achieving gender equality and empowering all women and girls (SDG 5) is an enabler of other developmental goals in the 2030 Sustainable Development Goals. These include SDG 1 on eradicating poverty; SDG 8 on promoting economic growth and jobs; and SDG 10 on reducing inequality.

Through recognition of the value of caring work SDG 3 on promoting health and well-being is moved forward.

## UN Global Compact

BPW New Zealand joined the UN Global Compact in 2017 and supports the ten underlying principles particularly Principle 6: “the elimination of discrimination in respect of employment and occupation.”

## UN Women’s Empowerment Principles

BPW NZ promotes and administers the UN Women’s Empowerment Principles (WEPs) in New Zealand in collaboration with UN Women Aotearoa New Zealand, the Human Rights Commission and Zonta International District 16. Principle 2 of the WEPs is “treat all women and men fairly at work – respect and support human rights and non-discrimination.”

## BPW International Policy

BPW International upholds the outcomes of the **Convention for the Elimination of All Forms of Discrimination Against Women (CEDAW)** which came into force in 1981. In it, Article 11 provides that States:

*Shall take all appropriate measures to eliminate discrimination against women in the field of employment in order to ensure, on a basis of equality of men and women, the same rights, in particular:*

- (a) The right to equal remuneration, including benefits, and to equal treatment in respect of work of equal value, as well as equality of treatment in the evaluation of the quality of work*

## Conclusion:

BPW NZ supports this legislation and looks to a fast implementation of the settlement to provide front-line support workers in the vocational and disability field and in mental health and addiction services with fair reward for their effort and expertise.

We look for further refinement of the Bill through the select committee process to ensure that unintended negative consequences are mitigated and that government funding of the Bill is adequate to cover relativity issues and to ensure quality of service does not suffer through reduction in hours or level of staff employed.

BPW NZ welcomes the opportunity to speak to this submission, to provide advice to this select committee and to advance women's rights in New Zealand.

### **Our Organisation**

BPW NZ is an affiliate of BPW International. BPW International is one of the most influential international networks of business and professional women with affiliates in 95 countries in five continents.

Our organisation's aims are to link professional and business women throughout the world, to provide support, to lobby for change and to promote the ongoing advancement of women. We work for equal opportunities and status for all women in economic, civil and political life and the removal of discrimination in all countries. We promote our aims and organise our operating structure without distinction as to race, language or religion.

### **International Status:**

BPW International has General Consultative Status at the United Nations through the UN Economic & Social Council (ECOSOC). This enables BPW International to appoint official representatives to UN agencies worldwide and to accredit members to attend specific UN meetings.

BPW New Zealand speaks strongly for women in international forums and works hard in relation to the advancement to the status of women.

We request the New Zealand Government to consider the noted recommendations on further steps that can be taken to improve our human rights situation and offer advice and guidance on effective implementation.

Thank you for the opportunity to provide our suggestions and we hope that our comments are of use to you.

On behalf of  
New Zealand Federation of Business and Professional Women Inc.



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