

## Pay Equity Claim Update Stakeholder Update #6 – June 2023

### Care and Support Workers' Pay Equity Claim

**Claim Progress Update:** The focus during June was to complete Milestone 5 report – the employer bargaining strategy which was submitted to the Oversight Group. This outlined the elements to be addressed for the Care and support worker claim during bargaining including the parameters for bargaining.

As we have previously let you know the parameters include multiple employers and four sub-sectors, scope, remuneration, other terms and conditions, qualifications, maintaining pay equity, funding of the settlement, and implementation.

Following initial feedback from the Oversight Group, some revisions are now underway. Work is progressing to finalise the information and evidence necessary to inform Government decisions on funding provision that will enable and ensure bargaining proceeds. The timing of these Cabinet decisions now means that bargaining will likely occur during August.

In addition, significant work is underway to scope implementation processes and what might be required for any settlement to be implemented across the four sectors.

The peak bodies (NZACA, NZDSN, HCHA & Platform) met with the Public Service Commission to discuss current thinking and planning on how the benefits of a settlement will be extended to the four sectors. As an outcome of that meeting the peak bodies wrote to the Minister of Health (and related Ministers) seeking an urgent decision to be made about the proposed sector extension of settlement terms and conditions. This contained strong recommendations that any sector solution must be delivered at the same time as any claim settlement implementation.

The Minister of Health responded, signaling that the Public Service Commission is responsible for undertaking a validation process for claims seeking to progress through the extension process once a claim has progressed through Milestone 3 of the Funded Sector Framework. The peak bodies will be following this up with the Public Service Commission.

**Funding Uplift:** As reported last week, the Home and Community Health Association attended a meeting on Friday, 30 June, with key funders, stakeholders, and other Peak Body colleagues. Constructive discussions continue with funders about the discretion of employers to increase wages for support workers using the 5% CPI contract funding increases provided by Te Whatu Ora for 2023/24.

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All parties recognise the value of consistency and the need to deliver a pay rise to low paid workers. All parties are doing their best to resolve this as soon as possible. We will provide an update to HCHA members on the progress and outcome of these discussions as soon as we can.

We have consistently indicated that this funding increase is also needed to address provider cost pressures due to the increased cost of living in addition to wage increases. In this instance, we have pointed out that each provider needs to make business decisions to meet their needs and requirements. However, in this instance using this funding to increase support worker wages may have unintended consequences in the future as this will become an unfunded cost to providers when a pay equity settlement is rolled out and extended to the sector.

We will keep you updated as and when we get more information.

### **Frontline manager / service co-ordinator claim**

Discussion between funders, employers and unions including peak bodies continue about project management resources to support this claim which have been approved, and how these are going to be allocated and managed.

Employers and unions have established a joint working group. This group will develop a Bargaining Process Agreement (BPA) and is working towards the completion of the Milestone #2 report. This will require us to consolidate the scope and coverage of the claim, establish what will be required to complete work assessments, identify criteria for selecting comparators and establish the project timelines.

We will keep you abreast of progress as things continue to develop.