

April 2017

Frequently Asked Questions about the Care and Support Proposed Settlement

What is the proposed settlement?

- This proposed settlement has been negotiated by government and unions over the past 20 months.
- The proposal features a 5-year set of pay increases linked to experience and qualifications
- It will apply to approximately 55,000 working people in residential aged care, disability support services and home support services.
- From 1 July 2017, existing staff would be paid between \$19.00 and \$23.50 an hour. Currently these workers earn an average of just over \$16.00 an hour, with many on the minimum wage
- By July 2021, there would be an entry level pay rate of \$21.50 an hour with a top rate of \$27.00.
- The proposed settlement is worth just over \$2 billion over five years

How did we get here?

In 2012, aged care worker and E tū ^[1] member Kristine Bartlett brought an Equal Pay Act case against her employer, Terranova Homes. She argued she had spent 20 years on very low pay because aged care is largely performed by women. Kristine Bartlett's case went all the way to the Supreme Court – with Courts agreeing with her that she had been underpaid because of gender discrimination.

The case was referred to the Employment Court to set a fair rate for Kristine. Before this happened, the government intervened, asking E tū, the NZNO, the PSA and the CTU to instead work on a negotiated settlement with them to avoid further court action, and extend coverage of the negotiations to include all care and support workers in aged care, disability and home support. The outcome of those talks is today's proposed settlement.

Today's historic moment comes after decades of activism in support of equal pay for work of equal value from women's organisations, community groups and unions, and follows campaigns to raise the profile of the undervalued work that care workers do, such as the Human Rights Commission's Caring Counts report the E tū and NZNO Fair Share for Aged Care campaign, the PSA and E tū Up Where We Belong campaign raising the status of disability support work, and the PSA and E tū campaign Time to Care for home support workers.

What happens now?

Hundreds of workplace meetings will get underway in the coming weeks for workers in the sector to hear the results of the negotiations and vote on whether to accept the offer. It's

important that all care and support workers attend these meetings to have a say. If it is endorsed, the rates of pay will come in to effect on 1 July this year.

How does this relate to other equal pay cases?

Each case is different and treated on its own circumstances. A separate process to these negotiations for care and support workers has taken place, called the Joint Working Group on Pay Equity Principles. The group, made up of union, business and government negotiators, came up with principles to guide equal pay negotiations. See: <http://www.ssc.govt.nz/pay-equity-working-group>.