

Social Service Workers Pay Equity Claim

Background paper - November 2023

Pay equity is about women and men being paid the same for jobs that are different but require similar levels of skill, responsibility and effort.

Work in social services has historically been done mainly by women and paid lower rates of pay than jobs done by men requiring similar levels of skill and responsibility.

To redress this inequity, in 2019 the PSA union lodged two pay equity claims with five representative NGO social service and iwi providers*: one for social workers; the other for social service workers. This was done under the Equal Pay Act 1972 . It provides for pay equity claims if at least 60 percent of the workforce is female and the work is currently or historically undervalued.

Proving work is undervalued is a lengthy and onerous process, reliant on extensive research and job assessments, data collection and detailed analysis. Given the size of the task, the providers and the PSA agreed to pursue the social workers' pay equity claim as the first stage.

The NGO and iwi social workers' claim was finally settled in 2022. It meant significant pay increases, with additional government funding for service providers to meet the additional costs. The pay increase has since been extended to all government-funded NGO and iwi social service providers.

With the social workers' pay equity claim settled, the union and providers are now pursuing the social service workers' pay equity claim.

*Representative social service providers pursuing the pay equity claims: Barnardos, Christchurch Methodist Mission, Ngāpuhi Iwi Social Services, Stand Tū Māia and Wellington Sexual Abuse HELP.

A pay equity claim for social service workers is now underway with the first hurdles overcome.

Social service workers is a broad term covering a range of occupations and professions (except social workers). For example, counsellors, residential service providers, administrative and oversight roles.

The first hurdle has been overcome with social service providers agreeing the case for the social service workers' pay equity claim is, "arguable", that is, in terms of the Act it merits further investigation. This is a more complex and lengthier task than the social worker claim because of the wide range of roles it encompasses.



Steps to Pay Equity

The PSA union lodged pay equity claims in 2019 for social workers and for social service workers employed by NGO and iwi social service providers.

Social worker pay equity claim

The success this year of the pay equity settlement for social workers across the NGO and iwi government-funded sector was an historic win for fair pay and a fitting valuation of their work.

Social service workers pay equity claim

The focus is now on achieving pay equity for the many other social service workers.

The eight representative social service providers have agreed the case for pay equity has merit and should be investigated.



Since the original claim under the Equal Pay Act, the government has introduced the Pay Equity Funded Framework. This sets out new government processes for NGO pay equity claims. It's meant having to increase the number of representative providers from five to eight*. As the PSA is a party to the claim, providers must have a union membership base amongst their employees.

* Representative social service providers pursuing the pay equity claim: Barnardos, Christchurch Methodist Mission, Ngāpuhi Iwi Social Services, Stand Tū Māia, Wellington Sexual Abuse HELP, Anglican Trust for Women and Children, Open Home Foundation of NZ, Salvation Army NZ.

Next steps

Scope of Claim: Work is underway to identify which jobs are undervalued within the definition of pay equity. Given the extensive number of positions, work is also being done to see where jobs can be grouped together based on their commonalities. The results will go to the oversight group for feedback — that is, Oranga Tamariki representing funders, and Te Kawa Mataaho, the Public Service Commission providing technical advice.

Job Assessments. The next stage is to identify the skills, responsibilities and effort required for each role, based on analysis of data and interviews with providers and employees. This is a lengthy but essential process in proving sex-based pay inequities.

The evidence supporting the pay equity claim will be subject to intense scrutiny because of the costs for government agencies that fund the services. But there can be no pay equity settlement without government funding to cover pay increases. Cabinet will have to approve and fund the extension of any settlement to the wider sector.

Every stage of the process presents challenges and the change of government raises further questions. Te Pai Ora SSPA will brief the new government on why pay equity is important to the ongoing quality and availability of social services.

Te Pai Ora SSPA is taking a lead for pay equity. Members and the wider sector have an important role to play.

Te Pai Ora SSPA is not a party to the claim but is a coordinator and lead advocate for social service providers. We have contracted Brenda Pilott – a former head of SSPA – to provide support and expertise in navigating the pay equity claim, as she did for the social workers' claim.

A strong and united voice from the sector will be critical to the success of the social service workers' pay equity claim.

Once pay equity is activated, government-funded social service providers will have a vital role in providing data so the necessary funding can be made available for employee pay increases.

In the meantime, keep an eye on the website—sspa.org.nz—and our weekly updates for progress reports.

Work is underway on defining the scope of the claim—who it will cover—and grouping together jobs with commonalities, 'job families'. The Oversight Group —Oranga Tamariki and major funders, and Te Kawa Maataho Public Service Commission—will oversee progress and provide technical advice.

Next steps

Job assessments based on data and interviews to identify levels of skill, responsibility and effort for each role.

Comparators of similar-sized jobs done mainly by men to be identified and rates of pay compared.

Extensive research, data collection and analysis required to present the case for pay equity and to calculate the costs of a settlement.

Pay equity will require Cabinet to approve and fund pay equity increases for NGO and iwi social service workers.

Social
Service
Providers

Te Pai
Ora o
Aotearoa



www.sspa.org.nz

office@sspa.org.nz

PO Box 12 114, Thorndon,
Te Whanganui-a-Tara,
Wellington 6144