

Reducing pay disparities for nurses and kaiāwhina in community settings – information for workers

What is pay disparities?

Pay disparities refers to a pay gap between workforces who are performing comparable work. Some nurses and kaiāwhina working in community settings earn less than their Te Whatu Ora employed peers working in hospitals.

This funding is intended to reduce the wage gap for eligible workforces. It will not result in pay parity, which is when there are similar terms and conditions for a workforce.

It is also not pay equity, which is where women and men receive the same pay for doing jobs that are different, but of equal value. Pay equity requires a claim be submitted under the Equal Pay Act 1972.

Am I an eligible employee for this funding?

The funding is targeted towards nurses working in roles that require someone to be a registered or enrolled nurse, or a kaiāwhina who has a role similar to a healthcare assistant employed in a hospital.

If you are part of a workforce that has a pay equity claim or settlement, you are not eligible for a pay increase under this initiative. This could include the 1 July 2022 Support Workers claim or the Social Workers Pay Equity claim.

How can I find out if my organisation has received funding?

You will need to speak with your employer to confirm if they are eligible for the funding and have accepted the offer.

I am an employee of an organisation that has received funding. When can I expect to receive a pay increase?

If your employer is eligible and has accepted the offer from Te Whatu Ora, they will have funding available to increase wages from 1 April 2023. The setting of wages is the responsibility of your employer.

I am an eligible employee, who can I contact for more information?

Please contact your employer or union for information about whether you may receive a pay increase as a result of this initiative.

How much money will I receive?

Each employer and employee have different things to consider. If you have any questions relating to your employment, please contact your employer in the first instance. If your issue remains unresolved you can contact your union or someone who can give you advice and represent you if needed

Who can I ask for support?

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In brief

Many nurses and kaiāwhina working in the community earn less than their colleagues working in Te Whatu Ora hospitals and health settings.

Government funding has been set aside to reduce the pay gap, with:

- \$40 million in 2022/23
- Up to \$200 million from 2023/4

Priority is given to services at greatest risk of service failures and equity challenges.

Initial priority funding (\$40 million) will be made as an initial payment to reduce pay disparities for nursing and eligible kaiāwhina workforces in:

- Kaupapa Māori providers
- Pasifika providers
- Aged residential care (ARC)
- Home and community support services (HCSS)
- Hospice

Further funding (up to \$200 million) will follow, and will include providers in other health-funded sectors, subject to approval from the Minister of Health and Minister of Finance.

These sectors include , but are not limited to:

- Mental health and addictions
- Plunket
- Family Planning
- School Based Health Services
- Rural Hospitals
- National Telehealth Service
- General practice nurses

represent you if needed. You can also contact your local Citizens Advice Bureau or Employment New Zealand.

Why am I not getting the same pay as a Te Whatu Ora employed nurse?

Te Whatu Ora nurses' wages are subject to the agreed settlement between New Zealand Nurses Organisation and Te Whatu Ora. If you have a different employer, there may be different workforce, working and pay agreements.

Other useful information

Working for Families Tax Credits

Any increase to your wages may have affected payments for Working for Families tax credits. You should check your family income estimate and let Inland Revenue know if it needs to be changed. This will help make sure you get paid the right Working for Families tax credits and avoid an overpayment.

You can make changes online anytime through myIR or call 0800 227 773.

Student loans and KiwiSaver

If your pay increased, you may notice your student loan repayments and KiwiSaver contributions changed too. An increase in wages is likely to see the amount deducted increase.

If you have exceeded the threshold of \$439 per week or \$878 if you are paid fortnightly for student loan repayment, you may see deductions. Please ensure you are using the correct tax code.