
NZEI SUBMISSION

to the

**TRANSPORT AND INDUSTRIAL
RELATIONS SELECT COMMITTEE**

on the

**INJURY PREVENTION,
REHABILITATION, AND
COMPENSATION AMENDMENT BILL**

November 2009

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Introduction

- 1 NZEI Te Riu Roa (“NZEI”) is the professional organisation and industrial union that represents the industrial and professional interests of its 49,500 members. Our members are employed as teachers and principals in the early childhood and primary sectors (including Kura Kaupapa Māori, Wharekura, intermediate and area schools), support staff in the primary, intermediate, and secondary sectors, advisers employed by Colleges of Education and Universities, and special education staff employed by the Ministry of Education.
- 2 The main objective of NZEI is to advance the cause of education generally while upholding and maintaining the just claims of its members individually and collectively.
- 3 NZEI is one of the largest unions and professional bodies in the country and has a long history of playing a positive role in the education sector in particular, but also on wider social issues that might affect our members.

NZEI’s Position on the Bill

- 4 NZEI’s position is structured around the following contentions.
 - There is no need for the “reform” contemplated by this Bill.
 - The ACC scheme has been recently evaluated as performing outstandingly well.
 - The so-called “crisis” in the current ACC scheme is generated by the unnecessary adoption of a fully funded model. This should be abandoned in favour of a Pay As You Go Scheme with prudent levels of reserves.
 - The proposals in this Bill will have a significant impact on a vulnerable section of NZEI’s membership.

The CTU Submission

- 5 NZEI is an affiliate of the New Zealand Council of Trade Unions (“CTU”). NZEI has been consulted in the formulation of the CTU submission on this Bill to this Select Committee and concurs with those submissions.
- 6 NZEI will therefore not waste this Select Committee’s time rehearsing the submissions contained in the CTU submission, but will concentrate on the significant impact on a particular section of NZEI’s membership: namely, support staff in schools.

Support Staff in Schools

- 7 Support staff in schools cover a large variety of occupations that are vital to the proper functioning of schools. Support staff include occupations such as School Secretaries, Principals' Personal Assistants, Teachers' Aides (including Aides who work with children with special needs), Librarians, Science Technicians and Sports Co-ordinators.
- 8 The majority of support staff are part-time workers who work between five and twenty hours per week (a few will work over twenty five hours per week). Most do not get paid during the school term breaks and the average annual earnings of support staff is between \$12,000 and \$16,000 per annum.
- 9 NZEI represents 13,050 of these workers. 95% of them are women.
- 10 In 2008 a Pay and Employment Review of support staff was completed and sent to the Minister of Education. This report had a large number of recommendations one of which was for a pay investigation to take place for teacher aides. The report and its recommendations have never been released by the Minister, but NZEI understands that if the recommendations were adopted by the government, pay for support staff would improve significantly. Putting aside the government's opposition to pay investigations, there is still a number of other recommendations in the report that could be addressed: however, the government is refusing to address other matters by not releasing the report.
- 11 The Collective Agreement covering support staff expired in March 2009, and in spite of the fact NZEI submitted its claims in November 2008, a new agreement has still not been settled. On behalf of the Government, the Ministry of Education has offered a nil wage increase for 2009 and some insignificant "tinkering" with the bottom steps of the pay scale in January 2010. For these important jobs at the frontline of education, school support staff can be paid as little as \$12.94 an hour-(or 44 cents above the minimum wage). The Government's zero percent pay "offer" not only undervalues school support staff, It undervalues the children they work with.
- 12 The majority of support staff workers received no benefit from the tax changes which came into effect in April this year because they did not earn enough to qualify for tax cuts.
- 13 At the same time as the tax changes came into effect, ACC levies increased meaning that these workers have actually suffered a decrease in their take home pay during 2009.
- 14 To add insult to injury, the Prime Minister made insensitive remarks about support staff at the recent CTU Conference. To suggest that teachers should give up some of their pay increase for support staff is both insulting to support staff and belittles the office of Prime Minister. School support staff have the right to negotiate terms and conditions that stand on their own merits. The Prime Minister should not be suggesting "we rob Peter to pay Paul"
- 15 All of the matters listed in paragraphs 10 through 14 above have impacted negatively on a group of important but lowly paid workers whose role within schools contributes to
 - effective teaching and learning

- general student well being
- assistance to special needs pupils
- pastoral care
- health and safety of students
- toileting and cleaning of students
- Good running of the school administration
- Better outcomes for Student Learning

thereby helping make New Zealand's school system something this nation should be proud of.

- 16 Now, coming on top of the negative impacts described in paragraphs 10 through 14 above, clauses 33 to 42 of schedule 1 of this Bill propose to reduce the injury compensation of most of this group. The reason for this reduction in compensation is that they do not earn over a full 52 week year. They are only paid during term time and are therefore not paid for 25% of the year.
- 17 Currently, the long term weekly compensation rate for all employees is calculated by taking employee income over the 52 weeks period immediately prior to incapacity, and dividing that figure by the number of weeks during which the employee actually earned that income.
- 18 Prior to 2008, our members had their compensation calculated by taking the amount earned in the 52 weeks prior to incapacity, and then dividing that figure by 52 – regardless of how many weeks it actually took the employee to earn the amount in the question. This is the position which the Bill seeks to reinstate.
- 19 This represents a significant impact on a group of poorly paid workers who have already suffered a number of blows as outlined in paragraph 8 above. There will be situations as the CTU points out, where compensation will actually be calculated at a rate lower than a welfare benefit.

Conclusion

- 20 This is a fundamentally flawed Bill which, if passed as drafted, will lead to significant damage to a world leading scheme.
- 21 The Bill's proposals represent a significant impact on a group of poorly paid workers who have already suffered a number of blows as outlined in paragraph 8 above.

Paul Goulter
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NZEI Te Riu Roa