Pay Equity changes - FAQs

What was the pay equity claim about?

Pay equity is about people being paid the same for work that has the same value – i.e. that requires the same or substantially similar levels of skills, responsibilities, demands, and working conditions. The teachers' pay equity claim was about ensuring that teachers' pay was free from gender-based discrimination.

What is the difference between pay equity and equal pay?

Equal pay is the same pay for the same work, regardless of gender.

Pay equity is the same pay for work that is different but has the same or substantially similar level of skills, responsibility and degrees of effort.

The pay equity process seeks to correct undervaluation of work in female-dominated professions and industries, due to gender-based discrimination.

Why did we have a claim - don't female teachers get paid the same as male teachers anyway?

The base pay scales ensure that there is equal pay for secondary teachers – the same pay for the same work. There is also currently pay parity for teachers across kindergarten, primary and secondary (due to the unified base trained scale).

However, as education is a female-dominated profession, the work of all teachers is almost certainly undervalued due to gender-based discrimination of 'women's work'. This is called pay inequity and is what the teachers' pay equity claim sought to resolve.

When was secondary teaching not female dominated?

In 1991 secondary teaching was 50% male and 50% female.

It is now about 36% male and 64% female.

What are the changes to the law around pay equity claims?

<u>A higher bar to enter a claim</u>: to raise a claim, you now need to provide substantial evidence to prove that those covered by the claim are a workforce that has been at least 70% female for 10 consecutive years, and that the work is both historically and currently undervalued.

<u>More power to employers</u>: employers can now take longer to respond to a claim being raised. An employer can pull out of a multi-employer claim without having to provide a genuine reason (removing their employees from the claim). They can discontinue a claim that *they* decide does not have merit, or if *they* decide that some of the people covered by the claim are doing work that isn't 'the same or substantially similar', or if *they* decide that there are no appropriate comparators.

<u>A comparator hierarchy</u>: the new law prevents cross-sector comparison. Comparators now must be male-dominated workers performing 'the same or substantially similar work' for the same employer, for a similar employer, or from the same industry or sector. Settled claims can be used – but only

those settled after 2025 (so the settlements for the education sector, e.g. school therapists, school librarians, teacher aides etc. cannot be used).

These changes mean that PPTA Te Wehengarua cannot raise a claim for secondary teachers. They also mean that unions have to spend significantly more time, money and effort to raise a claim. There is far greater risk of an employer discontinuing a claim. Because the education sector is female dominated, it is extremely unlikely that any appropriate comparators for teachers exist under the new law.

The amended law also discontinues all current claims and removes all review clauses linked to settled claims.

What is the impact on PPTA's pay equity claim?

The teachers' pay equity claim, led collaboratively by PPTA Te Wehengarua and NZEI Te Riu Roa, has been discontinued by the legislation change.

Does the equal pay legislation still apply?

The original purpose of the Equal Pay Act 1972 was to prevent discrimination against women, where they were being paid different rates for doing the same work as men – which is the concept of equal pay. This aspect of the amended Act still applies.

However, in 2017, care and support workers won the first ever pay equity settlement thanks to Kristine Bartlett's court case against her employer. The court agreed that care and support workers were underpaid compared to men performing work that required a similar level of skill, effort, and responsibility. In 2020, the Equal Pay Act was amended to include pay equity as well as equal pay.

The 2020 amendment allowed over 100,000 low-paid workers in female-dominated industries to receive pay equity settlements. This is the aspect of the Equal Pay Act that has been drastically amended by the government and has caused the discontinuation of the teachers' pay equity claim.

How far had our claim got?

We had worked collaboratively with NZEI Te Riu Roa and the Ministry of Education to interview over 300 teachers and their supervisors. This initial data had been analysed, collated and shared with teachers for feedback. Where gaps in the data were identified, we had conducted further interviews. We had also interviewed several new potential comparator roles. We were preparing to start factor scoring – where a work assessment tool is used to turn the qualitative transcript data into quantitative scores, to be used to compare with scores from male-dominated professions. We were also preparing to complete another round of new comparator interviews.

We were expecting to be ready to bargain a pay equity settlement in 2026.

How can you compare teachers to fisheries officers?

In the (now discontinued) pay equity process, comparisons were made between female-dominated and male-dominated professions by following a robust process.

First, interviews were conducted to fully scope the female-dominated profession's work (e.g. teachers), considering factors such as the skills, qualifications, responsibilities, working conditions, demands and degrees of effort required. Then, the same process is followed to assess the work of male-dominated professions.

Then the data gathered is 'factor scored' using a work assessment tool to give quantitative scores, so that those professions can be compared, looking for work that is 'the same or substantially similar'. Only jobs with similar levels across the factors were able to be used as comparators.

A similar process is used to determine what MPs in Aotearoa should be paid relative to other jobs. They used comparators both from other Westminster-style governments AND those from the public and private sectors in New Zealand, comparing factors such as skills and responsibilities. This 'pay equity' process for MPs has led to their most recent pay increases.

What male-dominated groups were we going to be compared with?

While we had completed interviews with potential new comparators and considered comparator data that had been collected and stored from previous pay equity settlements, we had not finalised any comparators for the teachers' pay equity claim.

This is because it was difficult to confirm appropriate comparators before scoring the teachers' data, as you need to ensure that the work could be considered to be the same or substantially similar. Also, the teachers' claim included a wide scope of roles (from untrained teachers up to principals, across ECE, primary and secondary), so we needed to ensure that we had a wide range of comparators.

We were looking at roles with similar requirements around qualifications and/or training; knowledge, planning, problem-solving, communication and bi-cultural skills; responsibilities for services to people and organisational outcomes; and emotional and sensory demands. We also considered pay and conditions of potential comparator roles.

What increase would we have got if the process had been allowed to finish?

We were expecting to have an understanding of the degree of undervaluation towards the end of 2025, once scoring of teacher and comparator data had been done and the assessment had been completed.

Other pay equity settlements have included increases of between 4.5% and 79%, depending on the degree of undervaluation and how low-paid the roles were. Some settlements also received significant lump-sum payments, and many included several years of backdating.

Can we raise another pay equity claim?

Secondary teachers are prevented from raising a new claim under the amended Act. This is because we do not meet the 70% threshold.

What will happen to the data that was gathered through the teachers' pay equity claim?

The data gathered is shared between the parties. It will remain anonymised. We are working through a process to ensure that we have ongoing access to this data. We are currently unsure

whether this data could be used in a future claim (e.g. if a government decided to repeal the amendments.)

Could a pay equity settlement for primary teachers be passed on to secondary?

Potentially. However, the amendments to the Act also make the chance of primary teachers achieving a fair settlement highly unlikely – especially due to the comparator amendments described in the 'what are the changes' section.

Extending the coverage of a settlement also relies on the employer agreeing that the work of secondary teachers is 'the same or substantially similar', and/or the ongoing retention of a unified base pay scale.

What is PPTA doing about pay equity now?

PPTA Te Wehengarua and other unions representing affected workers are protesting and organising against the changes. There is an investigation of the legality of the government's actions to see if there is a legal challenge to be mounted.

PPTA is proposing the addition of an additional claim for negotiations to reflect the unilateral removal of the right to participation in the pay equity review process.

Why can't we strike in response to this change to the pay equity process?

It is illegal in New Zealand to strike about anything except:

- 1. Our own collective agreement negotiations
- 2. Health and Safety matters

Why are we seeking to add a new claim around pay equity for negotiations?

The PPTA Te Wehengarua Vision for Secondary Teaching includes a vision and target where teacher returns to and maintains a relativity of 1.74 to the median wage (i.e. 74% more than the median wage) which ensures appropriate recruitment and retention. We were anticipating a pay equity settlement that would help us to move closer towards that target.

Our pay equity claim has been discontinued, and we are actively prevented from raising a new claim, under the amended Act. Therefore, we are adding an extra claim to acknowledge the removed access to pay equity, which would have helped us achieve our vision for a well-paid secondary teaching profession.

Would this new claim in collective negotiations prevent us from raising a future pay equity claim?

Claiming for a recognition of teachers' removed access to a pay equity claim (under the amended Act) would not prevent us from a future pay equity claim (if the amendments were repealed). A future claim would consider whether teachers' pay was undervalued in relation to comparators' pay at the time of the conclusion of the assessment of that claim.