

**Reprint  
as at 30 September 2020**



## **Support Workers (Pay Equity) Settlements Act 2017**

Public Act      2017 No 24  
Date of assent      14 June 2017  
Commencement      see section 2

Act title: amended, on 7 August 2020, by section 4 of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

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**Note**

Changes authorised by subpart 2 of Part 2 of the Legislation Act 2012 have been made in this official reprint.  
Note 4 at the end of this reprint provides a list of the amendments incorporated.

**This Act is administered by the Ministry of Health.**

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**The Parliament of New Zealand enacts as follows:**

**1 Title**

This Act is the Support Workers (Pay Equity) Settlements Act 2017.

Section 1: amended, on 7 August 2020, by section 4 of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

## **2 Commencement**

This Act comes into force on 1 July 2017.

# **Part 1**

## **Preliminary provisions**

## **3 Purpose**

- (1) The purposes of this Act are—
  - (a) to implement the settlement agreements described in subsection (2); and
  - (b) to apply the terms of those agreements to employers and support workers who were not party to the agreements.
- (2) The settlement agreements are—
  - (a) the agreement in respect of care and support workers signed on 2 May 2017 by or on behalf of the Crown, ACC, the 20 DHBs, E tū Incorporated, the New Zealand Public Service Association Te Pūkenga Here Tikanga Mahi Incorporated, the New Zealand Nurses Organisation Incorporated, and the New Zealand Council of Trade Unions Te Kauae Kaimahi Incorporated; and
  - (b) the agreement in respect of vocational and disability support workers signed on 17 July 2017 by or on behalf of the Crown, E tū Incorporated, the New Zealand Public Service Association Te Pūkenga Here Tikanga Mahi Incorporated, and the New Zealand Council of Trade Unions Te Kauae Kaimahi Incorporated; and
  - (c) the agreement in respect of mental health and addiction support workers signed on 25 July 2018 by or on behalf of the Crown, the 20 DHBs, Platform Charitable Trust, E tū Incorporated, the New Zealand Public Service Association Te Pūkenga Here Tikanga Mahi Incorporated, and the New Zealand Council of Trade Unions Te Kauae Kaimahi Incorporated.

Section 3(1)(a): amended, on 7 August 2020, by section 5(1) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 3(1)(b): amended, on 7 August 2020, by section 5(2)(a) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 3(1)(b): amended, on 7 August 2020, by section 5(2)(b) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 3(1)(b): amended, on 7 August 2020, by section 5(2)(c) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 3(2): replaced, on 7 August 2020, by section 5(3) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

## **4 Overview**

To achieve its purposes, this Act—

- (a) extinguishes existing claims and bars future claims by support workers under the Equal Pay Act 1972; and
- (b) specifies minimum hourly wage rates payable by employers to support workers for work performed during the period starting on 1 July 2017 and ending on 30 June 2022; and
- (c) requires employers to provide support for support workers to attain qualifications; and
- (d) provides for the funders to pay additional funding to employers towards the cost of employers' obligations under this Act.

Section 4(a): amended, on 7 August 2020, by section 6(1) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 4(b): amended, on 7 August 2020, by section 6(1) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 4(c): amended, on 7 August 2020, by section 6(1) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 4(d): amended, on 7 August 2020, by section 6(2) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

## 5 Interpretation

In this Act, unless the context otherwise requires,—

**ACC** means the Accident Compensation Corporation continued by section 259 of the Accident Compensation Act 2001

**care and support services**—

- (a) means—
  - (i) services that are funded by the Ministry of Health, a DHB, or ACC under a funding agreement that are performed in a person's home (including residential care facilities, retirement villages, and rest homes) or workplace for the purpose of—
    - (A) assisting the person to continue to live in the person's home or in the community (such as personal care and household management services); or
    - (B) assisting a person who has a disability to work in the community; or
    - (C) in respect of a person with an injury covered by the Accident Compensation Act 2001, supporting the person's rehabilitation from the injury or supporting them to achieve and sustain their maximum level of participation in everyday life; and
  - (ii) long-term residential care in a hospital or a rest home that is assessed as required under section 137 of the Social Security Act 1964 or sections 27 to 29 of the Residential Care and Disability Support Services Act 2018; but

- (b) does not include mental health and addiction support services, vocational and disability support services, or services provided by a health practitioner

**care and support worker—**

- (a) means a person—
  - (i) who is an employee of an employer; and
  - (ii) whose work for that employer primarily involves providing care and support services; and
- (b) for the purposes of section 8, includes a person—
  - (i) who was previously an employee of an employer; and
  - (ii) whose work for that employer primarily involved providing care and support services

**continuous employment**, in relation to a support worker,—

- (a) includes any period during which the worker is—
  - (i) on paid holidays or leave under the Holidays Act 2003; or
  - (ii) on parental leave under the Parental Leave and Employment Protection Act 1987; or
  - (iii) on volunteers leave (within the meaning of that term in section 2(1) of the Volunteers Employment Protection Act 1973); or
  - (iv) receiving weekly compensation under the Accident Compensation Act 2001 as well as, or instead of, payment from the employer; or
  - (v) on unpaid sick leave or unpaid bereavement leave; or
  - (vi) on unpaid leave for any other reason for a period of no more than 1 week; or
  - (vii) continuously employed by a previous employer, if—
    - (A) the worker transferred from the previous employer to the current employer; and
    - (B) the transfer was a result of restructuring (within the meaning of that term in section 69B of the Employment Relations Act 2000); but
- (b) unless otherwise agreed between the worker and the worker's employer, does not include unpaid leave that is not referred to in paragraph (a)(v) or (vi)

**Department of Corrections** means the department of the public service referred to by that name

**DHB** means an organisation established as a DHB (District Health Board) by or under section 19 of the New Zealand Public Health and Disability Act 2000

**employee** means a person who is an employee within the meaning of that term in section 6(1)(a) or (b)(i) of the Employment Relations Act 2000

**employer**—

- (a) means—
- (i) a person, trust, or partnership that receives funding from a funder to provide support services; and
  - (ii) the person or persons who have the legal authority to make decisions on behalf of an employer to which subparagraph (i) applies, if the employer does not itself have separate legal personality; and
  - (iii) a person, trust, or partnership that provides support services on behalf of an employer to which subparagraph (i) applies as a subsidiary or a subcontractor; and
  - (iv) Canterbury DHB, Hutt DHB, Nelson Marlborough DHB, Waikato DHB, Wairarapa DHB, and West Coast DHB (each established by section 19 of the New Zealand Public Health and Disability Act 2000); but
- (b) does not include a natural person who receives funding directly from the Ministry of Health, ACC, or a DHB towards the cost of care and support services for the person or a family member of the person

**funder** means the Department of Corrections, the Ministry of Health, the Ministry of Social Development, Oranga Tamariki—Ministry for Children, a DHB, or ACC

**funding agreement** means,—

- (a) in relation to funding agreements to which a funder other than ACC is a party, an agreement between the funder and an employer for the employer to provide support services in exchange for payments from the funder; and
- (b) in relation to funding agreements to which ACC is a party, an agreement between ACC and an employer that is titled—
- (i) Home and Community Support Services; or
  - (ii) Individual Residential Support Services; or
  - (iii) Residential Support Services

**health practitioner** has the same meaning as in section 5(1) of the Health Practitioners Competence Assurance Act 2003

**level 2 qualification** means—

- (a) a level 2 New Zealand Certificate in Health and Wellbeing issued by NZQA; or
- (b) a qualification (whether from New Zealand or overseas) that is recognised by the relevant workforce development council (as defined in sec-

tion 10(1) of the Education and Training Act 2020) as being equivalent to the qualification described in paragraph (a)

**level 3 qualification** means—

- (a) a level 3 New Zealand Certificate in Health and Wellbeing issued by NZQA; or
- (b) a qualification (whether from New Zealand or overseas) that is recognised by the relevant workforce development council (as defined in section 10(1) of the Education and Training Act 2020) as being equivalent to the qualification described in paragraph (a)

**level 4 qualification** means—

- (a) a level 4 New Zealand Certificate in Health and Wellbeing issued by NZQA; or
- (b) a qualification (whether from New Zealand or overseas) that is recognised by the relevant workforce development council (as defined in section 10(1) of the Education and Training Act 2020) as being equivalent to the qualification described in paragraph (a)

**mental health and addiction support services**—

- (a) means services that are funded under a funding agreement and that are provided to—
  - (i) a person who has a mental health need or an addiction need for the purpose of assisting them to—
    - (A) continue to live in their home or in the community (such as personal care and household management services); or
    - (B) work or volunteer in the community; or
    - (C) participate in activities in, and contribute to, their community; or
    - (D) learn new skills to manage their lives and achieve overall well-being; or
    - (E) maintain and develop social and support networks; or
  - (ii) a person with a mental injury covered by the Accident Compensation Act 2001 for the purpose of—
    - (A) supporting their rehabilitation from the injury; or
    - (B) supporting them to achieve and sustain their maximum level of participation in everyday life; but
- (b) does not include—
  - (i) care and support services; or
  - (ii) vocational and disability support services; or
  - (iii) services provided by a health practitioner; or

- (iv) services provided at a location other than the following:
  - (A) the person's home (including a residential care facility, a retirement village, and a rest home):
  - (B) the person's workplace:
  - (C) an employer facility:
  - (D) a community facility

**mental health and addiction support worker—**

- (a) means a person—
  - (i) who is an employee of an employer; and
  - (ii) whose work for that employer primarily involves providing support services; and
  - (iii) who, of the support services that the person provides, primarily provides mental health and addiction support services; and
- (b) for the purposes of Part 2 of Schedule 1, includes a person—
  - (i) who was previously an employee of an employer; and
  - (ii) whose work for that employer primarily involved providing support services; and
  - (iii) who, of the support services that the person provided, primarily provided mental health and addiction support services

**Ministry of Health** means the department of the public service referred to by that name

**Ministry of Social Development** means the department of the public service referred to by that name

**NZQA** means the New Zealand Qualifications Authority continued by section 430 of the Education and Training Act 2020

**Oranga Tamariki—Ministry for Children** means the department of the public service referred to by that name

**ordinary hourly wage**, in relation to a support worker,—

- (a) means the worker's wage for an hour's work in the worker's substantive position; and
- (b) does not include any other amounts paid, including an amount paid for working overtime, for working at night or on a weekend, or for acting in a position for which there is a higher hourly wage.

**relevant date**,—

- (a) in relation to a care and support worker, means 1 July 2017; and
- (b) in relation to all other support workers, means the date on which the Support Workers (Pay Equity) Settlements Amendment Act 2020 comes into force



**support services** means care and support services, mental health and addiction support services, or vocational and disability support services

**support worker**—

- (a) means an employee of an employer whose work for that employer primarily involves providing support services; and
- (b) for the purposes of section 8 and Part 2 of Schedule 1, includes a person who was previously an employee of an employer and whose work for that employer primarily involved providing support services

**vocational and disability support services**—

- (a) means services that are funded by the Ministry of Social Development or Oranga Tamariki—Ministry for Children under a funding agreement that are provided to a person with a disability for the purposes of assisting them to—
  - (i) continue to live in their home or in the community (such as personal care and household management services); or
  - (ii) work or volunteer in the community; or
  - (iii) participate in activities in, and contribute to, their community; or
  - (iv) learn new skills to manage their lives and achieve overall well-being; or
  - (v) maintain and develop social and support networks; but
- (b) does not include care and support services, mental health and addiction support services, or services provided by a health practitioner

**vocational and disability support worker**—

- (a) means a person—
  - (i) who is an employee of an employer; and
  - (ii) whose work for that employer primarily involves providing support services; and
  - (iii) who, of the support services that the person provides, primarily provides vocational and disability support services; and
- (b) for the purposes of Part 2 of Schedule 1, includes a person—
  - (i) who was previously an employee of an employer; and
  - (ii) whose work for that employer primarily involved providing support services; and
  - (iii) who, of the support services that the person provided, primarily provided vocational and disability support services.

Section 5 **care and support services** paragraph (a)(i): amended, on 7 August 2020, by section 7(1)(a) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 5 **care and support services** paragraph (a)(i)(C): replaced, on 7 August 2020, by section 7(1)(b) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 5 **care and support services** paragraph (a)(ii): amended, on 26 November 2018, by section 459 of the Social Security Act 2018 (2018 No 32).

Section 5 **care and support services** paragraph (b): replaced, on 7 August 2020, by section 7(1)(c) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 5 **continuous employment**: amended, on 7 August 2020, by section 7(2) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 5 **Department of Corrections**: inserted, on 7 August 2020, by section 7(3) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 5 **employer** paragraph (a)(i): replaced, on 7 August 2020, by section 7(4)(a) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 5 **employer** paragraph (a)(iii): amended, on 7 August 2020, by section 7(4)(b) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 5 **employer** paragraph (b): amended, on 30 September 2020, by section 5(2) of the New Zealand Public Health and Disability Amendment Act 2020 (2020 No 61).

Section 5 **funder**: replaced, on 7 August 2020, by section 7(5) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 5 **funding agreement** paragraph (a): amended, on 7 August 2020, by section 7(6)(a) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 5 **funding agreement** paragraph (a): amended, on 7 August 2020, by section 7(6)(b) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 5 **funding agreement** paragraph (a): amended, on 7 August 2020, by section 7(6)(c) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 5 **health practitioner**: inserted, on 7 August 2020, by section 7(3) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 5 **level 2 qualification** paragraph (b): amended, on 1 August 2020, by section 668 of the Education and Training Act 2020 (2020 No 38).

Section 5 **level 2 qualification** paragraph (b): amended, on 1 April 2020, by section 78(1) of the Education (Vocational Education and Training Reform) Amendment Act 2020 (2020 No 1).

Section 5 **level 3 qualification** paragraph (b): amended, on 1 August 2020, by section 668 of the Education and Training Act 2020 (2020 No 38).

Section 5 **level 3 qualification** paragraph (b): amended, on 1 April 2020, by section 78(1) of the Education (Vocational Education and Training Reform) Amendment Act 2020 (2020 No 1).

Section 5 **level 4 qualification** paragraph (b): amended, on 1 August 2020, by section 668 of the Education and Training Act 2020 (2020 No 38).

Section 5 **level 4 qualification** paragraph (b): amended, on 1 April 2020, by section 78(1) of the Education (Vocational Education and Training Reform) Amendment Act 2020 (2020 No 1).

Section 5 **mental health and addiction support services**: inserted, on 7 August 2020, by section 7(3) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 5 **mental health and addiction support worker**: inserted, on 7 August 2020, by section 7(3) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 5 **Ministry of Health**: amended, on 7 August 2020, by section 135 of the Public Service Act 2020 (2020 No 40).

Section 5 **Ministry of Social Development**: inserted, on 7 August 2020, by section 7(3) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 5 **NZQA**: amended, on 1 August 2020, by section 668 of the Education and Training Act 2020 (2020 No 38).

Section 5 **Oranga Tamariki—Ministry for Children**: inserted, on 7 August 2020, by section 7(3) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 5 **ordinary hourly wage**: amended, on 7 August 2020, by section 7(7) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 5 **relevant date**: inserted, on 7 August 2020, by section 7(3) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 5 **support services**: inserted, on 7 August 2020, by section 7(3) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 5 **support worker**: inserted, on 7 August 2020, by section 7(3) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 5 **vocational and disability support services**: inserted, on 7 August 2020, by section 7(3) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 5 **vocational and disability support worker**: inserted, on 7 August 2020, by section 7(3) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

## **6 Transitional, savings, and related provisions**

The transitional, savings, and related provisions (if any) set out in Schedule 1 have effect according to their terms.

## **7 Act binds the Crown**

This Act binds the Crown.

# **Part 2**

## **Support entitlements and employer obligations**

Part 2 heading: amended, on 7 August 2020, by section 8 of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

### *Extinguishing and barring claims under Equal Pay Act 1972 by support workers*

Heading: amended, on 7 August 2020, by section 9 of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

## **8 Existing claims extinguished and potential claims barred**

- (1) This section applies to—
  - (a) any claim by or on behalf of a support worker under the Equal Pay Act 1972 relating to the provision of support services that was lodged but not determined before the relevant date; and
  - (b) any potential claim by or on behalf of a support worker under the Equal Pay Act 1972 relating to the provision of support services during the period starting on 1 July 2011 and ending on 30 June 2022 (or any part of that period).
- (2) The claim or potential claim cannot be pursued and must be treated as if it had been withdrawn or is incapable of being lodged.
- (3) To avoid doubt, this section does not affect—
  - (a) any claim or potential claim under the Equal Pay Act 1972 relating to the provision of support services after 30 June 2022; or

- (b) any claim or potential claim under the Equal Pay Act 1972 that does not relate to the provision of support services.

Section 8(1)(a): replaced, on 7 August 2020, by section 10(1) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 8(1)(b): amended, on 7 August 2020, by section 10(2) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 8(3)(a): amended, on 7 August 2020, by section 10(2) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 8(3)(b): amended, on 7 August 2020, by section 10(2) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

### *Wage rates*

## 9 Minimum hourly wage rates

- (1) An employer must pay a support worker no less than the greater of—
- (a) the applicable hourly wage set out in Schedule 2; and
  - (b) the ordinary hourly wage that the employer was required to pay the worker under the terms and conditions of employment in place between the employer and the worker immediately before the relevant date.
- (2) This section does not apply in respect of—
- (a) time spent by the worker in providing excluded services; or
  - (b) time spent by the worker in travel between clients within the meaning of that term in section 4 of the Home and Community Support (Payment for Travel Between Clients) Settlement Act 2016; or
  - (c) a period of time spent by a worker overnight during which the worker, under the terms of the worker's employment agreement, is—
    - (i) required to be at the worker's workplace; and
    - (ii) allowed to sleep at the workplace while on duty; and
    - (iii) required to be available to attend to the worker's duties during the course of the night as necessary.
- (3) In this section,—
- excluded services** means—
- (a) *[Repealed]*
  - (b) services for which the employer receives funding from a funder other than funding under a funding agreement or under section 18
  - (c) *[Repealed]*
- workplace** has the same meaning as in section 5 of the Employment Relations Act 2000.

Section 9(1): amended, on 7 August 2020, by section 11(1) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 9(1)(b): amended, on 7 August 2020, by section 11(2) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 9(3) **excluded services** paragraph (a): repealed, on 7 August 2020, by section 11(3) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 9(3) **excluded services** paragraph (c): repealed, on 7 August 2020, by section 11(3) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 9(3) **Ministry for Vulnerable Children, Oranga Tamariki**: repealed, on 7 August 2020 (after being amended by section 135 of the Public Service Act 2020 (2020 No 40) on that date), by section 11(4) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 9(3) **Ministry of Social Development**: repealed (after being amended by section 135 of the Public Service Act 2020 (2020 No 40) on that date), on 7 August 2020, by section 11(4) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

## **9A Minimum hourly wage rates for mental health and addiction support services provided to individual clients**

- (1) This section applies to a person (an **individually funded client**) who—
  - (a) receives funding directly from a funder towards the cost of mental health and addiction support services for that person; and
  - (b) employs a person (a **worker**) to provide the services.
- (2) The individually funded client must pay the worker, for the provision of the services, no less than the greater of—
  - (a) the applicable hourly wage set out in Schedule 2; and
  - (b) the ordinary hourly wage that the client was required to pay the worker under the terms and conditions of employment in place between the client and the worker immediately before the commencement of the Support Workers (Pay Equity) Settlements Amendment Act 2020.
- (3) *[Repealed]*
- (4) This section does not apply in respect of a period of time spent by a worker overnight during which the worker, under the terms of the worker's employment agreement, is—
  - (a) required to be at the worker's workplace; and
  - (b) allowed to sleep at the workplace while on duty; and
  - (c) required to be available to attend to the worker's duties during the course of the night as necessary.

Section 9A: inserted, on 7 August 2020, by section 12 of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 9A(3): repealed, on 30 September 2020, by section 5(3) of the New Zealand Public Health and Disability Amendment Act 2020 (2020 No 61).

## **10 Weekend and night penal rates**

- (1) This section applies to a term or condition of an employment agreement that—

- (a) was agreed before the relevant date; and
  - (b) requires an employer to pay a support worker an allowance, based on the worker's hourly wage, for working on a Saturday or a Sunday, or after 5 pm on any day.
- (2) For work to which section 9 applies performed on or after the relevant date, the term or condition must be read as requiring the employer to pay the allowance at the same dollar value, per hour, as would be required to be paid based on the worker's ordinary hourly wage immediately before the relevant date.

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### Example

Before the relevant date, Alice is a care and support worker whose employment agreement provides that her wage is \$18 an hour and that she will be paid an extra 50% of her hourly wage for work she performs on a Sunday (an additional \$9 an hour).

On and from the relevant date, Alice's wage is \$21 an hour. Alice's employer must pay Alice an allowance of \$9 an hour for work she performs on a Sunday. This is the same dollar value as the allowance Alice was entitled to before the relevant date, rather than 50% of Alice's new hourly wage rate.

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Section 10(1)(a): amended, on 7 August 2020, by section 13(1) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 10(1)(b): amended, on 7 August 2020, by section 13(2) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 10(2): amended, on 7 August 2020, by section 13(1) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 10(2) example: amended, on 7 August 2020, by section 13(1) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

## 11 Previous agreements that require allowances for service or qualifications unenforceable

- (1) This section applies to a term or condition of an employment agreement that—
- (a) was agreed before the relevant date; and
  - (b) requires an employer to pay a support worker an allowance to recognise the worker's length of service or level of qualifications.
- (2) To the extent that the term or condition applies to work to which section 9 applies, the term or condition has no effect and is not enforceable.

Section 11(1)(a): amended, on 7 August 2020, by section 14(1) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 11(1)(b): amended, on 7 August 2020, by section 14(2) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

### *Support for training*

## 12 Employers must ensure support workers are able to gain qualifications

- (1) An employer must take all reasonably practicable steps to ensure that a support worker is able to attain—

- (a) a level 2 qualification within the first 12 months of the worker's continuous employment with the employer; and
  - (b) a level 3 qualification within the first 36 months of the worker's continuous employment with the employer; and
  - (c) a level 4 qualification within the first 72 months of the worker's continuous employment with the employer.
- (2) If a support worker is not able to attain a qualification within the time required by subsection (1), the employer must take all reasonably practicable steps to ensure that the worker is able to attain the qualification as soon as is reasonably practicable.

Section 12 heading: amended, on 7 August 2020, by section 15(1) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 12(1): amended, on 7 August 2020, by section 15(2) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 12(2): amended, on 7 August 2020, by section 15(2) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

### *Enforcement*

#### **13 Compliance dispute is employment relationship problem**

A dispute about whether an employer is complying, or has complied, with this Act—

- (a) is an employment relationship problem within the meaning of that term in section 5 of the Employment Relations Act 2000; and
- (b) must be resolved in accordance with that Act.

#### **14 Support worker may recover unpaid or underpaid wages**

An employer's failure to pay a support worker an amount required by this Act, either in whole or in part, constitutes payment of wages or other money at a rate lower than that legally payable for the purposes of section 131 of the Employment Relations Act 2000.

Section 14 heading: amended, on 7 August 2020, by section 16(1) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 14: amended, on 7 August 2020, by section 16(2) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

#### **15 Failure to comply with training obligations constitutes grounds for personal grievance**

An employer's failure to comply with section 12 constitutes grounds for a personal grievance under section 103(1)(b) of the Employment Relations Act 2000.

*Relationship between this Act and employment agreements***16 This Act overrides terms and conditions of employment agreements**

- (1) An employment agreement that contains a term or condition that excludes, restricts, or reduces a support worker's entitlements under this Act—
- (a) has no effect to the extent that it does so, regardless of whether the term or condition was agreed before or after the relevant date; but
  - (b) is not an illegal contract under the Illegal Contracts Act 1970 or the Contract and Commercial Law Act 2017.
- (2) Each employment agreement between an employer and a support worker that was agreed before the relevant date is deemed to be varied in accordance with sections 9 to 12.

Section 16(1): amended, on 7 August 2020, by section 17(1) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 16(1)(a): amended, on 7 August 2020, by section 17(2) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 16(2): amended, on 7 August 2020, by section 17(1) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 16(2): amended, on 7 August 2020, by section 17(2) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

**17 Employer and support worker may negotiate more favourable terms and conditions**

Nothing in this Act prevents an employer and a support worker from agreeing to a term or condition in an employment agreement that requires the employer to—

- (a) pay the worker more than is required under this Act; or
- (b) provide more support for the worker to gain a qualification than is required by this Act.

Section 17 heading: amended, on 7 August 2020, by section 18(1) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 17: amended, on 7 August 2020, by section 18(2) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

**Part 3****Funding of employers and miscellaneous provisions****Subpart 1—Funding of employers****18 Funding amounts increased**

- (1) A funder must pay an employer with whom the funder has a funding agreement additional amounts over and above the amounts required by the funding agree-



ment towards offsetting the additional costs faced by the employer as a result of this Act.

- (2) The funder must determine the additional amounts, taking into account—
  - (a) the increased wage costs faced by the employer as a result of this Act; and
  - (b) the increased training costs faced by the employer as a result of this Act; and
  - (c) any other matter that the funder considers appropriate.
- (3) The funder’s determination of the additional amounts is final.
- (4) This section applies only in respect of funding agreements entered into before,—
  - (a) in relation to care and support services and vocational and disability support services, 1 July 2017; and
  - (b) in relation to mental health and addiction support services, 1 July 2018.

Section 18(4): replaced, on 7 August 2020, by section 19 of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

## **19 Records to support additional funding**

- (1) An employer must keep a record, for each support worker employed by the employer, of—
  - (a) the qualifications, if any, held by the worker; and
  - (b) the length of time that the worker has been continuously employed by the employer.
- (2) An employer must, on the request of a funder with whom the employer has a funding agreement, provide to the funder—
  - (a) the records kept under subsection (1); and
  - (b) the wages and time record kept by the employer for each support worker under section 130 of the Employment Relations Act 2000.
- (3) An employer who fails to comply with subsection (1) or (2)(a) is liable to a penalty imposed by the Employment Relations Authority under the Employment Relations Act 2000.

Section 19(1): amended, on 7 August 2020, by section 20 of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Section 19(2)(b): amended, on 7 August 2020, by section 20 of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

## **Subpart 2—Consequential amendments and repeal of this Act**

### **20 Amendments to Employment Relations Act 2000**

- (1) This section amends the Employment Relations Act 2000.

- (2) In section 148A(3), replace “or the Home and Community Support (Payment for Travel Between Clients) Settlement Act 2016” with “the Home and Community Support (Payment for Travel Between Clients) Settlement Act 2016, or the Care and Support Workers (Pay Equity) Settlement Act 2017”.
- (3) After section 161(1)(m)(ii), insert:
  - (iia) under the Care and Support Workers (Pay Equity) Settlement Act 2017:
- (4) After section 223(1)(a), insert:
  - (ab) the Care and Support Workers (Pay Equity) Settlement Act 2017; and
- (5) After section 236(4)(b), insert:
  - (ba) the Care and Support Workers (Pay Equity) Settlement Act 2017:

## **21 Repeal of this Act**

- (1) Sections 9 to 20 and Schedule 2 are repealed on 1 July 2022.
- (2) The remainder of this Act is repealed on 1 July 2028.

## Schedule 1 Transitional, savings, and related provisions

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### Part 1 Provisions relating to this Act as enacted

There are no transitional, savings, or related provisions relating to this Act as enacted.

### Part 2 Provisions relating to Support Workers (Pay Equity) Settlements Amendment Act 2020

Schedule 1 Part 2: inserted, on 7 August 2020, by section 21 of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

#### 1 References to previous Title

Every reference in any enactment and in any document to the Care and Support Workers (Pay Equity) Settlement Act 2017 must, unless the context provides otherwise, be read as a reference to the Support Workers (Pay Equity) Settlements Act 2017.

Schedule 1 clause 1: inserted, on 7 August 2020, by section 21 of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

#### 2 Employers to pay back pay

- (1) This clause applies if—
- (a) a support worker other than a care and support worker provided support services during the applicable period; and
  - (b) the worker's employer paid the worker for those services at a rate that is less than the rate that the employer would have been required to pay if the Support Workers (Pay Equity) Settlements Amendment Act 2020 had applied in respect of the worker during the applicable period.
- (2) The employer must, on the commencement of the Support Workers (Pay Equity) Settlements Amendment Act 2020, pay the worker an amount calculated as follows:

$$a - b$$

where—

- a is the amount that the employer would have been required to pay the worker for the provision of support services if the Support Workers (Pay Equity) Settlements Amendment Act 2020 had applied in respect of the worker during the applicable period

- b is the amount that the employer actually paid the worker for the provision of support services during the applicable period.
- (3) The calculation must take into account all applicable entitlements and deductions required by law, those specified in the worker's employment agreement, and any other term or condition otherwise agreed to between the worker and their employer.
- (4) In this clause, **applicable period** means the period starting on 1 July 2017 and ending on the day before the date on which the Support Workers (Pay Equity) Settlements Amendment Act 2020 comes into force.

Schedule 1 clause 2: inserted, on 7 August 2020, by section 21 of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

### 3 Individually funded clients to pay back pay for mental health and addiction support services

- (1) This clause applies if—
- (a) a person (an **individually funded client**) received funding directly from a funder towards the cost of mental health and addiction support services for that person during the applicable period; and
- (b) the individually funded client employed a person (a **worker**) to provide the services; and
- (c) the individually funded client paid the worker for those services at a rate that is less than the rate that the client would have been required to pay if the Support Workers (Pay Equity) Settlements Amendment Act 2020 had applied in respect of the worker during the applicable period.
- (2) The individually funded client must, on the commencement of the Support Workers (Pay Equity) Settlements Amendment Act 2020, pay the worker an amount calculated as follows:

$$a - b$$

where—

- a is the amount that the individually funded client would have been required to pay the worker for the provision of the services if the Support Workers (Pay Equity) Settlements Amendment Act 2020 had applied in respect of the worker during the applicable period
- b is the amount that the individually funded client actually paid the worker for the provision of the services during the applicable period.
- (3) The calculation must take into account all applicable entitlements and deductions required by law, those specified in the worker's employment agreement, and any other term or condition otherwise agreed to between the worker and the individually funded client.

- (4) In this clause, **applicable period** means the period starting on 1 July 2017 and ending on the day before the date on which the Support Workers (Pay Equity) Settlements Amendment Act 2020 comes into force.

Schedule 1 clause 3: inserted, on 7 August 2020, by section 21 of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

**4 Continuous employment for mental health and addiction support workers**

- (1) This clause applies to a mental health and addiction support worker who was employed by an employer—

- (a) immediately before and on 1 July 2017; and
- (b) on 1 July 2018.

- (2) For the purpose of clause 1 of Schedule 2 of this Act, the worker's length of service includes the time, during the period beginning on 1 July 2017 and ending on 30 June 2018, that the worker was—

- (a) employed by any employer and was providing support services; or
- (b) employed by any employer but was not providing support services; or
- (c) employed outside of the support services sector.

Schedule 1 clause 4: inserted, on 7 August 2020, by section 21 of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

## Schedule 2

### Minimum hourly wages

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#### 1 Hourly wage rates for workers employed before 1 July 2017

- (1) The hourly wage for a support worker who is employed by an employer immediately before 1 July 2017 is the greater of the worker's hourly wage under clause 2 and the applicable amount in the following table:

Worker's length of service with employer	1 July 2017 to 30 June 2018	1 July 2018 to 30 June 2019	1 July 2019 to 30 June 2021	1 July 2021 to 30 June 2022
Less than 3 years	\$19.00	\$19.80	\$20.50	\$21.50
3 years or more but less than 8 years	\$20.00	\$21.00	\$21.50	\$23.00
8 years or more but less than 12 years	\$21.00	\$22.50	\$23.00	\$25.00
12 years or more, if subclause (2) applies	\$22.50	\$23.50	\$24.50	\$26.00
12 years or more, if subclause (2) does not apply	\$23.50	\$24.50	\$25.50	\$27.00

- (2) This subclause applies to a support worker if—
- (a) the worker commenced employment with the employer on or after 1 July 2005; and
  - (b) the worker has not attained a level 4 qualification; and
  - (c) the worker's employer has provided the support necessary for the worker to attain a level 4 qualification.
- (3) In this clause, a support worker's **length of service** is the length of time that the worker has been continuously employed by the worker's current employer (but, if paragraph (a)(vii) of the definition of continuous employment in section 5 applies, includes the length of time that the worker was continuously employed by the worker's previous employer).

Schedule 2 clause 1(1): amended, on 7 August 2020, by section 22(1) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Schedule 2 clause 1(2): amended, on 7 August 2020, by section 22(1) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Schedule 2 clause 1(3): amended, on 7 August 2020, by section 22(1) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

## 2 Hourly wage rates for workers employed on or after 1 July 2017

The hourly wage for a support worker who commences employment with an employer on or after 1 July 2017 is the applicable amount in the following table:

Worker's level of qualification	1 July 2017 to 30 June 2018	1 July 2018 to 30 June 2019	1 July 2019 to 30 June 2021	1 July 2021 to 30 June 2022
No relevant qualification	\$19.00	\$19.80	\$20.50	\$21.50
Level 2 qualification	\$20.00	\$21.00	\$21.50	\$23.00
Level 3 qualification	\$21.00	\$22.50	\$23.00	\$25.00
Level 4 qualification	\$23.50	\$24.50	\$25.50	\$27.00

Schedule 2 clause 2: amended, on 7 August 2020, by section 22(1) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

## 3 Adjustment for year ending 30 June 2022

- (1) This clause applies if the compound annual growth rate for the Labour Cost Index for the period starting on 1 July 2017 and ending on 30 June 2021 is more than 1.7%, in which case the result of the following formula will be greater than 0.017:

$$(a \div b)^{0.25} - 1$$

where—

a is the Labour Cost Index at 30 June 2021

b is the Labour Cost Index at 30 June 2017.

- (2) If this clause applies, the hourly wage for a support worker for the period beginning on 1 July 2021 and ending on 30 June 2022 is calculated as follows:

$$a \times (((b \div c) - 1.017^4) + 1)$$

where—

a is the worker's hourly wage under clause 1 or 2

b is the Labour Cost Index at 30 June 2021

c is the Labour Cost Index at 30 June 2017.

- (3) In this clause, **Labour Cost Index** means the Labour Cost Index (all sectors, salary and wage rates, including overtime) published by Statistics New Zealand.

Schedule 2 clause 3(2): amended, on 7 August 2020, by section 22(1) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

Schedule 2 clause 3(2) formula: amended, on 7 August 2020, by section 22(2) of the Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50).

## Reprints notes

### 1 *General*

This is a reprint of the Support Workers (Pay Equity) Settlements Act 2017 that incorporates all the amendments to that Act as at the date of the last amendment to it.

### 2 *Legal status*

Reprints are presumed to correctly state, as at the date of the reprint, the law enacted by the principal enactment and by any amendments to that enactment. Section 18 of the Legislation Act 2012 provides that this reprint, published in electronic form, has the status of an official version under section 17 of that Act. A printed version of the reprint produced directly from this official electronic version also has official status.

### 3 *Editorial and format changes*

Editorial and format changes to reprints are made using the powers under sections 24 to 26 of the Legislation Act 2012. See also <http://www.pco.parliament.govt.nz/editorial-conventions/>.

### 4 *Amendments incorporated in this reprint*

New Zealand Public Health and Disability Amendment Act 2020 (2020 No 61): section 5

Support Workers (Pay Equity) Settlements Amendment Act 2020 (2020 No 50)

Public Service Act 2020 (2020 No 40): section 135

Education and Training Act 2020 (2020 No 38): section 668

Education (Vocational Education and Training Reform) Amendment Act 2020 (2020 No 1): section 78(1)

Social Security Act 2018 (2018 No 32): section 459