



## Administration Support Staff Pay Equity Claim **Settlement Implementation**

Translation point-to-point rules Specialist Residential Schools' Collective Agreement

Use this guide to understand how the point-to-point translation works

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# Administration support staff pay equity settlement

The pay equity claim settlement, negotiated between NZEI Te Riu Roa and the Ministry of Education and approved by employees covered by the claim, includes a new pay scale that will ensure employees are receiving equitable pay for the work they do. The claim settlement is a culmination of more than three years' work to investigate this claim raised under the Equal Pay Act 1972 and it recognises the historic sex-based under-valuation of the mahi done by administration support staff in schools and kura. This settlement seeks to correct this.

### What is point-to-point translation?

Point-to-point translation is the automatic transfer of an employee's current point on the pay scale to the equivalent point on the new pay equity pay scale as agreed in the Administration Support Staff Pay Equity Claim Settlement.

Those employees covered by the claim who are employed on the *Specialist Residential Schools' Collective Agreement* (SRSCA) or an individual employment agreement (IEA) based on that agreement, will be translated automatically. That is, schools and kura will not have to offer those on IEAs new employment agreements.

## Will Education Payroll just do this for us?

Education Payroll will look at existing employees' current grades and steps and convert them to the equivalent grades and steps on the new pay equity scale.

For this pay equity settlement, we do not anticipate that Education Payroll will be seeking information from you about the current grades and steps of your covered employees. There may be a few instances where Education Payroll will be in touch to clarify information. The most important thing right now is that your employees have the correct <u>designation codes</u>.

If your school does not use Education Payroll Limited as a payroll administrator/provider, you will need to manage the translation rates using your own payroll system.

#### Who funds the difference?

Translation to the new pay equity rate increases the pay rate of your employee, and you will be provided additional funding for this. See <u>Funding Guide 101.</u>



### Translation rules

Administration support staff employed under the SRSCA, or an IEA based on that collective agreement, will translate to the applicable pay equity rate based on the step held on 20 August 2021 as set out in the table below. The new pay rates will apply from 20 August 2021. See the new rates on page 10.

The pay equity translation is additional to, not a replacement for, annual progression.

Therefore, everyone translates to the new pay equity scale on 20 August 2021 or from their start date if after 20 August 2021. Employees will then progress within the new scale on their anniversary date after that point. This applies to an employee whose anniversary date is 20 August, just as it does to an employee whose anniversary date is 3 March. If no anniversary date is known, it is taken to be 12 months from the effective date of the new rates (20 August 2021), so the first progression for such an employee would be 20 August 2022.

Employers may agree a pay rate above the stated maximum rate for each grade specified in the pay rate table. Any agreement made between an employer and employee to pay a rate above the stated maximum rate for each grade will not be funded by the claim settlement.

Administration support staff whose pay rate prior to translation exceeds the applicable translated grade and step maximum pay rate will retain that higher rate. No employee will be disadvantaged through the pay equity translation process.

Examples of translations with annual progressions or salary loading are included in the case studies later in this guide.

Grade and step	Rate effective 10 August 2021	Grade and step	Annual rate effective 10 March 2022	Translation grade	Translation step	Translation rate
A1-3	\$44,000	A1	\$45,320	1	1	\$47,320
B4	\$44,200	B2	\$45,530	2	1	\$49,026
B5	\$44,400	B3	<b>\$45,550</b>	2	I	\$49,020
B6	\$44,600	B4	\$45,956	2	2	\$50,710
B7	\$44,800	B5	\$46,146	2	3	\$52,416
B8	\$45,000	B6	\$46,353	2	4	\$54,104
C9	\$45,850	C7	\$47,320	3	5	\$55,412
C10	\$47,255	C8	\$48,677	7	6	¢E6 720
C11	\$48,725	C9	\$50,187	3	6	\$56,720
C12	\$50,245	C10	\$51,757	3	7	\$58,029
C13	\$51,815	C11	\$53,377	3	8	\$59,337
D14	\$53,415	D12	\$55,022	4	11	\$64,735
D15	\$55,023	D13	\$56,678	4	12	\$66,535
D16	\$56,743	D14	\$58,446	5	_	\$73,611
D17	\$58,514	D15	\$60,274	5	2	
D18	\$59,996	D16	\$61,796	5	3	\$76,211



Executive Managers	Annual rate effective 10 March 2022	Translation grade	Translation step	Translation rate
	from \$70,000 and up to and including \$71,981	6	1	\$88,629
	from \$71,982 and up to and including \$75,770	6	2	\$90,646
	from \$75,771 and up to and including \$78,856	6	3	\$92,643
Executive Managers	from \$78,857 and up to and including \$94,660	6	4	\$94,661
	from \$94,661 and up to and including \$98,154	7	1	\$98,155
	from \$98,155 and up to and including \$101,669	7	2	\$101,670
	from \$101,670 and up to and including \$105,164	7	3	\$105,165
	from \$105,165 and up to and including \$108,679	7	4	\$108,680
	from \$108,680 and up to and including \$112,173	7	5	\$112,174
	from \$112,174 and up to and including \$115,688	7	6	\$115,688

#### Notes:

- i. To calculate the indicative hourly rate for a 40-hour/week, 52-week/year employee, the annual rate will be divided by 2,080.
- ii. The minimum step for a new employee placed in any of the Work Matrix grades is step 1 of that grade.

Executive Managers who, prior to 20 August 2021, are paid:

- » the current entry step of \$70,000 and up to \$71,981 will translate to Grade 6, step 1, an annual rate of \$88,629 per annum; or
- » an annual rate that is \$71,982 and up to \$75,770 will translate to Grade 6, step 2, an annual rate of \$90,646 per annum; or
- » an annual rate that is \$75,771 and up to \$78,856 will translate to Grade 6, step 3, an annual rate of \$92,643 per annum; or
- » an annual rate that is \$78,857 and up to \$115,688 per annum will translate to the nearest higher step on the pay scale between Grade 6, step 4 and Grade 7, step 6.

There is no pay equity correction required for Executive Managers who, prior to 20 August 2021, are paid above \$115,688 per annum.



## Examples of how the current grades and steps map to the new rates

The following case studies are intended to describe common scenarios that will apply to many employees and how they will be translated to their new pay equity rate. Those employees employed under the SRSCA, or an IEA based on the collective agreement, will receive their pay equity translation rates calculated in two parts. This is a result of the one-off salary increment effective from 10 March 2022.

The two-part calculation for translation is:

- » the rate effective from 20 August 2021 to 9 March 2022
- » the rate effective from 10 March 2022

The combined payment would be made by 30 November 2022.

#### **Case Study 1**

Sally | Grade B 5 (previous B7) >> will translate to Grade 2, step 3.

Prior to the Administration Support Staff Pay Equity Claim Settlement, Sally was on an annual rate of \$44,800. Pursuant to the SRSCA, Sally's annual rate increased to \$46,146 on 10 March 2022. Following the pay equity claim settlement, her grade will be translated to Grade 2, step 3 and she will be earning a new annual rate of \$52,416 effective from 20 August 2021.

Date	Current grade and step	Annual rate	Reason for change	Translation grade and step	New annual rate	Paid
20 August 2021 - 9 March 2022	Previous B7	\$44,800	Pay equity translation	Grade 2, step 3	\$52,416	Difference paid by 30 November 2022
From 10 March 2022	Grade B5	\$46,146	SRSCA increment with pay equity translation	Grade 2, step 3	\$52,416	Difference paid by 30 November 2022

Note: These rates are base rates and do not include any salary loading.

#### Case Study 2: Employee has two roles

Teresa | Grade C8 (previous C10) >> will translate to Grade 3, step 6.

Teresa is an administrative assistant who works 35 hours per week but only in term time, 40 weeks of the year. She works as a teacher aide every week for 10 of her 35 hours.

For her administrative role, Teresa was on a pro-rated annual rate of \$47,255 from 20 August 2021. Pursuant to the provision in the SRSCA, Teresa's annual rate increased to \$48,677 on 10 March 2022.



Teresa will translate to Grade 3, step 6 for the 25 hours per week in her administrative role.

The 10 hours she works as a teacher aide ought to have been assessed against the Teacher Aide Work Matrix guide to place her in the appropriate grade and step for that role. If this has not already occurred, it should happen now.

Date	Current grade and step	Annual rate	Reason for change	Translation grade and step	New annual rate	Paid
20 August 2021 - 9 March 2022	Previous C10	\$47,255	Pay equity translation	Grade 3, step 6	\$56,720	Difference paid by 30 November 2022
From 10 March 2022	Grade C8	\$48,677	SRSCA increment with pay equity translation	Grade 3, step 6	\$56,720	Difference paid by 30 November 2022

Note: These rates are base rates and do not include any salary loading.

#### **Case Study 3**

Ngaio | Annual salary \$90,000 >> will translate to Grade 6, step 4.

Ngaio is an Executive Manager who works full-time hours of 40 hours per week, 52 weeks per year and has a current salary of \$90,000.

Current Executive Management salaries placed between \$78,857 and up to and including \$94,660 are translated to Grade 6, step 4.

This means Ngaio's new annual salary will be \$94,661.

Current grade and step	Current annual rate	Translation grade	Translation step	Translation rate
Executive Manager	from \$75,771 and up to and including \$78,856	6	3	\$92,643
Executive Manager	from \$78,857 and up to and including \$94,660	6	4	\$94,661
Executive Manager	from \$94,661 and up to and including \$98,154	7	1	\$98,155

Note: These rates are base rates and do not include any salary loading.

#### Case Study 4

Nancy is an Executive Manager currently on a salary of \$115,700.

There is no pay equity correction for Executive Managers who, at the date prior to the pay equity rates coming into effect, are paid above \$115,688.



#### **Case Study 5: Anniversary progression**

Ana | Grade C, step 12 at \$50,245 >> will translate to Grade 3, step 7 at \$58,029, and then Grade 3, step 8 at \$59,337 on her work anniversary.

Ana's salary rose on 10 March 2022 pursuant to the provision in the SRSCA. Her work anniversary is 11 July 2022 and her employer had assessed that her performance was more than satisfactory. Ana is eligible for an annual salary progression.

Date	Current grade and step	Current annual rate	Reason for change	Translation grade and step	New annual rate	Paid
20 August 2021 – 9 March 2022	Previous C12	\$50,245	Pay equity translation	Grade 3, step 7	\$58,029	Difference paid by 30 November 2022
From 10 March 2022 – 10 July 2022	Grade C10	\$51,757	SRSCA salary increment with pay equity translation	Grade 3, step 7	\$58,029	Difference paid by 30 November 2022
From 11 July 2022 – 10 July 2023	Grade C11	\$53,377	Annual progression with pay equity translation	Grade 3, step 8	\$59,337	Difference paid by 30 November 2022 for the period from 11 July 2022 to date of payment

Note: These rates are base rates and do not include any salary loading.

If no anniversary date is known, it is taken to be 12 months from the effective date of the new rates, 20 August 2021. So, the first progression for such an employee would be 20 August 2022.



## Leading into implementation of a pay equity settlement

It is important that all employment documents - specifically for those on IEAs - are current and the employee has had regular appraisals including an annually reviewed and updated signed job description. This includes ensuring that the employee's designation code is correct. This is business as usual.

# How new employees will know what grade they will be on

Many schools and kura will not have to do anything as most employees will be translated automatically by Education Payroll from their old grade to the new applicable grade, step and pay equity pay rate as outlined in the settlement agreement.

If, however, both parties agree that the automatic point-to-point translation does not reflect the routine and ongoing skills/demands/responsibilities of the role that the employee is performing, and most of the employee's role sits within a different grade on the new Work Matrix, then the employer can submit an application for pay equity regrading after the implementation of the pay equity claim settlement. Employers can apply using the new pay equity regrading online application form, and not the Novopay form (NOVO2nt) normally used to change the grade of an employee.

The regrading process associated with the pay equity claim settlement is only intended to provide for those employees who feel they have been incorrectly placed on the new Work Matrix in the automatic point-to-point translation. An application to regrade in this circumstance can be submitted between the start of **Term 3, 2022** and **15 March 2023**. See Pay Equity Regrading Guide for further details.

Note: Historic employment errors will not be covered by the pay equity regrading funding.

Public Service Association members can seek further advice from the PSA.



## Salary loading and paying above the printed rate in the collective agreement

Some employees are paid a SALLO (salary loading). This is a private arrangement between the employer and employee. It allows the employee to be paid above the rate stated in the SRSCA. As the collective agreement is a minimum-rates document this means employees cannot be paid below any minimum rate but can be paid above it.

Upon the settlement of the pay equity claim, Education Payroll will automatically adjust any SALLOs to the employee's new pay rate. In some cases, the new pay equity rate may be higher than the previous rate (salary + SALLO), which will result in the SALLO being 'absorbed' into the new pay equity rate.

Where the new pay equity rate is not higher than the previous rate (salary + SALLO), the SALLO is adjusted so that the total remains the same as the employee currently receives.

Any payment or SALLO above the maximum rate in any grade is for discussion and agreement between the employee and employer. SALLO payments are not covered by the pay equity funding.

A key principle is that no employee will be paid less post-settlement.

#### **Example 1**

As at 20 August 2021, Alice is on Grade B8 with an annual salary of \$45,000 (an indicative hourly rate of \$21.63). Her employer pays her an additional \$4 per hour SALLO, which makes her hourly rate \$25.63. After the automatic translation, her new annual salary is \$54,104 (an indicative hourly rate of \$26.01). As SALLO is 'absorbed' within the new pay equity rate, Alice will experience a pay rise of \$0.38 per hour. As the new pay equity rate is higher than Alice's previous total rate (salary + SALLO), her employer pays only the new pay equity rate.

#### **Example 2**

Manaia is on Grade B8 with an annual salary (as at 20 August 2021) of \$45,000 (an indicative hourly rate of \$21.63). Her employer pays her an additional \$6.50 per hour SALLO, which makes her hourly rate \$28.13. After translation her new annual salary is \$54,104 (an indicative hourly rate of \$26.01). This means her employer is required to pay the \$2.12 per hour difference so that Manaia maintains her pay rate of \$28.13 per hour. SALLO has been adjusted and Manaia will not receive an increase in her rate of pay as she is already paid higher than the pay equity rate.



#### **Example 3**

Shelly is on Grade B8 with an annual salary (as at 20 August 2021) of \$45,000 (an indicative hourly rate of \$21.63). Her employer pays her an additional \$3 per hour SALLO, which makes her hourly rate \$24.63. After translation, Shelly's new annual salary is \$54,104 (an indicative hourly rate of \$26.01). The result of renewed negotiations between employer and employee means that Shelly continues to receive the SALLO of \$3 per hour in full, which means that her new pay rate is \$29.01 per hour. The cost of the \$3 SALLO which is paid above the pay equity rate falls to her employer and is not funded by the settlement.

### Key takeaways

- » Point-to-point translation to the employee's new grade and step under the pay equity claim settlement will occur automatically through Education Payroll.
- » Progression occurs on the anniversary date of when each employee started, or where no anniversary date is established, 12 calendar months from the effective date of the new rates (20 August 2021).
- » Employers should ensure that the employees are on the correct designation to ensure that they will translate automatically to the correct new grade and step on the pay equity pay scale.
- » If an employee finds they are translated to a grade that does not accurately describe their current work on the Work Matrix, and the employer agrees the grading is too low, the employer can submit an application for pay equity regrading. Additional funding is available on an application basis if specific criteria are met. Not all application requests will be approved.
- » Pay equity regrading applications must be completed on the <u>new pay equity regrading</u> <u>online application form</u>, and not the Novopay form (NOVO2nt).
- » Employees covered by the claim settlement who are on IEAs will be automatically translated to the new pay equity scale. Schools and kura do not have to change IEAs, nor do employees need to sign them.
- » No employee will be paid less post-settlement.

### Who to contact for further advice

- » Ministry of Education Ohumahi Support Team, email <a href="mailto:ohumahi.support@education.govt.nz">ohumahi.support@education.govt.nz</a>; log an enquiry on your Taku portal at education.govt.nz/taku, or call **0800 114 117**
- » NZSTA (for employers), email to <a href="mailto:eradvice@nzsta.org.nz">eradvice@nzsta.org.nz</a>, or call **0800 782 435 (#2)**
- » PSA (for PSA members), call **0508 367 772**, or email from **their support page**
- » Citizens Advice Bureau, call 0800 367 222
- » Employment advocate of your choice.



## New pay equity rates

Grade	Step	Annual rate
1	1	\$47,320
	1	\$49,026
2	2	\$50,710
_ Z	3	\$52,416
	4	\$54,104
	5	\$55,412
3	6	\$56,720
3	7	\$58,029
	8	\$59,337
	9	\$61,136
	10	\$62,936
4	11	\$64,735
	12	\$66,535
	13	\$68,397
	1	\$70,990
	2	\$73,611
	3	\$76,211
5	4	\$78,811
	5	\$81,411
	6	\$84,011
	7	\$86,616
	1	\$88,629
6	2	\$90,646
O	3	\$92,643
	4	\$94,661
	1	\$98,155
	2	\$101,670
7	3	\$105,165
,	4	\$108,680
	5	\$112,174
	6	\$115,688



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He mea **tārai** e mātou te **mātauranga** kia **rangatira** ai, kia **mana taurite** ai ōna **huanga**