



## Administration Support Staff Pay Equity Claim Settlement Implementation

Translation point-to-point rules Support Staff in Schools' Collective Agreement

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

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**Te Kāwanatanga o Aotearoa** New Zealand Government



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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 that 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 undervaluation of the mahi done by administration support staff in schools and kura. This claim 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 *Support Staff in Schools' Collective Agreement* 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 who are 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 *Support Staff in Schools' Collective Agreement*, or an IEA based on that collective agreement, will translate to the applicable pay equity rate based on the step they 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 rate 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. 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 (salary loading) 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 their higher pay rate. No employee will be disadvantaged through the pay equity translation process.

Current grade and step	Current hourly rate	Translation grade	Translation step	Translation rate
A1	\$21.78	1	1	\$22.75
B1	\$21.78	2	2	\$24.38
B2	\$21.95	2	4	\$26.01
C2	\$21.95	3	5	\$26.64
C3	\$22.72	3	6	\$27.27
C4	\$23.59	3	7	\$27.90
C5	\$24.46	3	8	\$28.53
C6	\$25.33	4	10	\$30.26
C7	\$26.20	4	12	\$31.99
D7	\$26.20	5	1	\$34.13

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

	above \$26.20 up to and including \$28.82	5	2	\$35.39
	\$28.83 up to and including \$29.56	5	3	\$36.64
D-RR	\$29.57 up to and including \$30.52	5	4	\$37.89
	\$30.53 up to and including \$31.34	5	5	\$39.14
	\$31.35 up to and including \$32.73	5	6	\$40.39
	\$32.74 up to \$35.72	5	7	\$41.64
D8	\$35.72	5	7	\$41.64

Notes:

- i. To calculate the indicative annual salary rate for a 40-hour/week, 52-week/year employee, the hourly rate will be multiplied by 2,080.
- ii. To calculate the indicative annual salary rate for a 37.5-hour/week 52-week/year employee, the hourly rate will be multiplied by 1,950.
- iii. 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 on the current entry step of \$79,567, will translate to Grade 6, step 4; an annual rate of \$94,661 per annum.

Executive Managers who, prior to 20 August 2021, are paid above \$79,567 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 as set out in the table in the <u>Administration Support Staff Pay Equity Claim</u> <u>Settlement Agreement</u>.

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 translate 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.

#### **Case Study 1**

Sally | Grade B, step 2 >> will translate to Grade 2, step 4.

Prior to the Administration Support Staff Pay Equity Claim Settlement, Sally was on Grade B, step 2 at \$21.95 per hour. Following the pay equity claim settlement, her grade will be automatically translated to Grade 2, step 4 and she will be earning \$26.01 per hour from 20 August 2021.

Current grade and step	Current hourly rate	Translation grade	Translation step	Translation rate
B1	\$21.78	2	2	\$24.38
B2	\$21.95	2	4	\$26.01
C2	\$21.95	3	5	\$26.64

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

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

Teresa | Grade C, step 6 at \$25.33 per hour >> will translate to Grade 4, step 10.

Teresa is an administrative assistant who works 35 hours per week but only in term time, or 40 weeks of the year. She works as a teacher aide every week for 10 out of her 35 hours. She is currently on an hourly rate of \$25.33 for her administrative role. Teresa will translate to Grade 4, step 10 (\$30.26) for the 25 hours per week in that role.

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

Current grade and step	Current hourly rate	Translation grade	Translation step	Translation rate
C5	\$24.46	3	8	\$28.53
C6	\$25.33	4	10	\$30.26
C7	\$26.20	4	12	\$31.99

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

#### Case Study 3

Mia | Grade D-RR at \$31.00 per hour >> will translate to Grade 5, step 5.

In the range of rates in the old scale, employees within Grade D-RR will translate to a step in the new Grade 5.

Any employee currently employed on Grade D-RR range of rates with an hourly rate between \$30.53 up to and including \$31.34 will automatically translate to Grade 5, step 5 of the new pay equity scale. This is the range Mia is currently in, hence her translation to Grade 5, step 5 at a new hourly rate of \$39.14.

Current grade and step	Current hourly rate	Translation grade	Translation step	Translation rate
D-RR	above \$26.20 up to and including \$28.82	5	2	\$35.39
	\$28.83 up to and including \$29.56	5	3	\$36.64
	\$29.57 up to and including \$30.52	5	4	\$37.89
	\$30.53 up to and including \$31.34	5	5	\$39.14
	\$31.35 up to and including \$32.73	5	6	\$40.39

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

#### **Case Study 4**

Ngaio is an Executive Manager who works full-time and is paid \$100,256 per annum based on a 40-hour week/52-week year. This works out at an indicative hourly rate of \$48.20 for Ngaio.

Employees in the Executive Management Group, who are paid above \$79,567 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.

In Ngaio's case, this means she will automatically translate to Grade 7, step 2 at the nearest higher rate of \$48.88 per hour.

Current grade and step	Ngaio's current indicative hourly rate	Translation grade	Translation step	Translation rate
		6	3	\$44.54
Executive	\$48.20 per hour		4	\$45.51
Management		7	1	\$47.19
Group			2	\$48.88
			3	\$50.56

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

#### Case Study 5

Nancy is an Executive Manager currently earning \$79,567 per annum, which is the minimum salary entry point for the Executive Management group.

Employees paid on the current minimum entry step for the Executive Management group, at \$79,567 per annum, will translate to Grade 6, step 4.

Current grade and step	Nancy's current rate	Translation grade	Translation step	Translation rate
	Minimum entry point: \$79,567 per annum	oint: \$79,567 7	2	\$43.58
			3	\$44.54
Executive			4	\$45.51
Management			1	\$47.19
Group			2	\$48.88
			3	\$50.56

This means Nancy will automatically translate to Grade 6, Step 4 at a new hourly rate of \$45.51.

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

#### **Case Study 6: Anniversary progression**

Any anniversary date that falls after 20 August 2021 and before the payment date will be taken into account when calculating the money due to the employee.

Maia | Grade C, step 2 at \$21.95 per hour.

As at 20 August 2021, Maia was employed on the SSSCA Grade C2. Her anniversary date was 30 April 2022. Maia's performance was assessed by her employer against the job description and she was found to be meeting standards of performance. She therefore progressed to Grade C3 as of 30 April 2022.

However, Maia must be translated to the new pay scale from 20 August 2021. Her grade at that point was C2 so, for pay equity purposes, she translates to new Grade 3, step 5 for the period 20 August 2021 until her anniversary date of 30 April 2022. On her anniversary date of 30 April 2022, she progresses to the next step in the new scale i.e., Grade 3, step 6.

Date	Current grade and step	Current hourly rate	Reason for change	Translation grade and step	Translation rate	Paid
20 August 2021 - 29 April 2022	C2	\$21.95	Pay equity translation	Grade 3, step 5	\$26.64	Difference paid by 30 November 2022
From 30 April 2022	C3	\$22.72	Annual progression with pay equity translation	Grade 3, step 6	\$27.27	Difference paid by 30 November 2022



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

Maia's current step is now Grade 3, step 6. She will progress to Grade 3, step 7 on her next anniversary date of 30 April 2023 (provided she meets the progression requirements).

# 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 and the associated new pay rate and grade as agreed in the Administration Support Staff Pay Equity Claim Settlement.

If, however, both parties agree that the automatic point-to-point translation does not reflect the routine and ongoing skills, demands and 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. Employers can apply using the new <u>pay equity regrading online application form</u>, 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 after 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 <u>Pay Equity Regrading Guide</u> for further details.

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

NZEI members can seek further advice from NZEI Te Riu Roa. Non-NZEI members can speak to their employer (schools/kura and principals).



### 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 SSSCA. 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

Jenny is currently on Grade C7, pay rate \$26.20 per hour and receives a SALLO of \$6.80 per hour, which means her total agreed pay rate is \$33 per hour. She will translate to her new pay equity Grade 4, step 12, which is a pay rate of \$31.99 per hour. This means her employer is required to pay the \$1.01 difference so that Jenny still maintains her pay rate of \$33 per hour. SALLO has been adjusted and Jenny will not receive an increase in her rate of pay as she is already paid higher than the pay equity rate.

#### Example 2

Margaret is currently on Grade C7 pay rate \$26.20 per hour and receives a SALLO of \$6.80 per hour, which means her total pay rate is \$33 per hour. She will translate to her new pay equity Grade 4, step 12, of \$31.99 per hour. The result of renewed negotiations between employer and employee means that Margaret continues to receive a SALLO of \$6.80 per hour in full, which means that her new pay rate is \$38.79 per hour. The cost of the \$6.80 SALLO which is paid above the pay equity rate falls to her employer and is not funded by the settlement.

### Example 3

Kaia is currently on Grade B2 pay rate \$21.95 per hour and receives a SALLO of \$4 per hour, which means her total pay rate is \$25.95 per hour. She will translate to her new pay equity Grade 2, step 4, which is pay rate \$26.01. As SALLO is 'absorbed' within the new pay equity rate, Kaia will experience a pay rise of \$0.06 per hour. As the new pay equity rate is higher than Kaia's previous total rate (salary + SALLO), her employer pays only the new pay equity rate.

### 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 through the grades and steps happens 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 code to ensure that they will translate correctly to the correct new grade and step on the 'pay equity' 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 regrade applications must be completed on the <u>new pay equity regrading 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 <u>ohumahi.support@education.govt.nz</u>, log an enquiry on your Taku portal at <u>education.govt.nz/taku</u>, or call 0800 114 117
- » NZSTA (for employers), email to <u>eradvice@nzsta.co.nz</u>, or call **0800 782 435 (#2)**
- » NZEI Te Riu Roa (for NZEI members), email: nzei@nzei.org.nz, or call 0800 693 443
- » Citizens Advice Bureau, call 0800 367 222
- » Employment advocate of your choice.



### New pay equity rates

Grade	Step	Annual rate	
1	1	\$22.75	
	1	\$23.57	
2	2	\$24.38	
2	3	\$25.20	
	4	\$26.01	
	5	\$26.64	
3	6	\$27.27	
5	7	\$27.90	
	8	\$28.53	
	9	\$29.39	
	10	\$30.26	
4	11	\$31.12	
	12	\$31.99	
	13	\$32.88	
	1	\$34.13	
	2	\$35.39	
	3	\$36.64	
5	4	\$37.89	
	5	\$39.14	
	6	\$40.39	
	7	\$41.64	
	1	\$42.61	
c	2	\$43.58	
6	3	\$44.54	
	4	\$45.51	
	1	\$47.19	
	2	\$48.88	
-	3	\$50.56	
7	4	\$52.25	
	5	\$53.93	
	6	\$55.62	





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