

# Pay Equity Claim Settlement Agreement

## Therapists' Pay Equity Claim

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### Introduction

1. This Pay Equity Claim Settlement Agreement (“Settlement Agreement”) is a pay equity claim settlement for the purposes of the Equal Pay Act 1972 (“the Act”) and records the agreement reached between Te Tumu Whakarae mō te Mātauranga | the Secretary for Education and the New Zealand Educational Institute Te Riu Roa to settle the Therapists' Pay Equity Claim (“the Claim”).
2. As a consequence of being covered by this Settlement Agreement, the Collective or Individual Employment Agreement of every employee who is covered by the Therapists' Pay Equity Claim Settlement<sup>1</sup> is automatically varied in accordance with section 13ZM of the Act.
3. The date on which this Settlement Agreement is signed by both parties will be the Settlement Date.

### Parties

4. The parties to the Settlement Agreement (“the parties”) are:
  - a) Te Tumu Whakarae mō te Mātauranga | the Secretary for Education (“the Secretary”);<sup>2</sup> and
  - b) the New Zealand Educational Institute Te Riu Roa (“NZEI Te Riu Roa”).

### Background

5. On 6 November 2020, NZEI Te Riu Roa raised a pay equity claim with the Secretary on behalf of Therapists employed in the education sector (the Claim). In January 2021, the Claim was agreed as arguable, and on 16 November 2021 the parties signed Terms of Reference to govern its resolution.
6. The parties worked collaboratively between February 2021 and August 2023 to investigate the Claim, including a gender-neutral work assessment of claimants and comparators.
7. The parties agreed to use the gender-neutral Pay Equity Aromatawai Mahi (“PEAM”) factor-scoring tool and corresponding interview guide as the method for factor-based data collection and data assessment.
8. Between November 2021 and April 2022, 48 interviews were carried out with a randomly selected sample of therapists and their supervisors that was broadly reflective of the covered workforce.

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<sup>1</sup> Covered by the Therapists' Pay Equity Claim Settlement, in relation to an employee, means the employee –

- (a) was covered by the Therapists' Pay Equity Claim at the time that the claim was settled; or
- (b) has accepted an offer of the benefit of the Therapists' Pay Equity Claim Settlement made under section 13ZL(2), (4), or (5) of the Act.

<sup>2</sup> The Secretary for Education is a party to the Settlement Agreement due to:

- her role as the employer of therapists by delegation from the Public Service Commissioner and in accordance with section 84 of the Public Service Act 2020; and
- being treated as the employer of employees of state and state-integrated schools by delegation from the Public Service Commissioner and in accordance with section 13ZZG of the Act.

The interview transcripts were then analysed and the key areas of responsibility and associated tasks and activities identified.

9. The work covered by the Claim was identified and described as:

Professional therapists covered by this settlement are speech language therapists, occupational therapists, physiotherapists, and music therapists. Therapists apply the scope of their professional practice as set by the applicable regulatory body. Therapists are registered, or eligible for registration, or eligible for membership of, and according to the relevant regulatory body.

Therapists are employed by school boards in state and state integrated schools, and the Ministry of Education/Te Tāhuhu o te Mātauranga to work in education settings including early childhood centres, schools, specialist schools, Kaupapa Māori and Māori Medium education to support ākonga, and tamariki who have an identified need for therapy due to their developmental or disability needs. Ākonga and tamariki may require therapy due to difficulties with communication, cognitive development, and/or the function or movement of the body.

Therapists lead or contribute to the assessment, design, and delivery of therapy or other therapeutic services for tamariki, individuals and/or groups of ākonga to enable them to access the curricula, and to participate and achieve at schools and ECE and in society. In some cases, therapy is provided in the home or wider community. Therapists may provide professional advice and training to whānau, caregivers, colleagues, and education provider staff members. They also provide support with assistive equipment or technology, learning environment modifications, and students' transitions between or out of education settings.

10. The parties identified and agreed to the comparator occupations listed below, which were used to assess and resolve the Claim.

11. Comparator Groups:

- a) Senior Scientist
- b) Fishery and Senior Fishery Officer
- c) Cadastral Surveyor
- d) School Librarian
- e) School Science Technician
- f) School Administration Staff

12. The work assessment and investigation process identified a sex-based undervaluation.

13. On 20 December 2023, following negotiation, the parties agreed in-principle to settle the Claim and draft this Settlement Agreement to offer to 'proposed settlement employees'<sup>3</sup> for consideration and mandate as required under s13ZF of the Act for the union to enter into a pay equity claim settlement.

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<sup>3</sup> Proposed settlement employee means each employee who is covered by the Therapists' Pay Equity Claim.

### Agreed terms of settlement

14. The parties have agreed the Claim is settled and that the remuneration provided for in this Settlement Agreement does not differentiate between male and female employees in the manner set out in section 2AAC(b) of the Act, and any historical undervaluation is resolved.
15. The purpose of this Settlement Agreement is to:
  - a) settle the Claim and record the agreed outcome of settlement negotiations in writing to fulfil the requirements of sections 2AAC(b) and 13ZH(3) of the Act; and
  - b) record the process for reviewing and maintaining pay equity for employees covered by the Settlement Agreement; and
  - c) detail the frequency of those reviews, which must be aligned with any applicable collective bargaining rounds or if no collective bargaining round applies, at least every three years; and
  - d) include a summary of the method used to assess the Claim and a description of the comparators that were considered by the parties; and
  - e) provide certainty for the parties that this Settlement Agreement is a full and final settlement of all matters relating to the Claim from the date this Settlement Agreement comes into force (section 13ZH of the Act).
16. This Settlement Agreement applies to employees who are covered by the Claim.<sup>4</sup>
17. Additionally, all employees employed by the Secretary or by a state or state-integrated school (as defined in section 10(1) of the Education and Training Act 2020) who were not covered by the Claim, but who perform the same, or substantially similar work as the work to which this Settlement Agreement relates, and who are not barred from raising their own claim under the Act, will be offered the full benefit of this Settlement Agreement, in accordance with section 13ZL of the Act.

### Settlement Agreement detail

#### Remuneration

18. The parties have reached agreement on remuneration for employees covered by the Claim that the parties agree does not differentiate between male and female employees in the manner set out in section 2AAC(b) of the Act. The remuneration rates agreed to achieve pay equity are set out in the table below. How this remuneration is applied as a salary scale depends upon which employment agreement the Therapist is employed pursuant to as set out in clause 19 below.

Level	Pay equity remuneration
1	\$71,848
2	\$76,013
3	\$80,178
4	\$84,342
5	\$88,507
6	\$92,672
7	\$96,837
8	\$101,001

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<sup>4</sup> Covered by the Therapists' Pay Equity Claim, in relation to an employee, means the employee –  
(a) is covered by the Therapists' Pay Equity Claim in accordance with section 13W of the Act; and  
(b) has not opted out under section 13Y of the Act.

9	\$105,166
10	\$109,166

19. The remuneration rates set out in the table at clause 18 will be applied depending upon the employment agreement the Therapist is employed pursuant to, as follows:
- a) For Therapists employed pursuant to the terms and conditions of the Primary Teachers' Collective Agreement or an IEA based on that collective agreement, the applicable salary scale will be a 9-step salary scale made up of the first 9 steps in the table above (\$71,848 – \$105,166). On the completion of 12 months continuous service on the maximum step of that new salary scale (Step 9), Therapists employed pursuant to the terms and conditions of the Primary Teachers' Collective Agreement or an IEA based on that collective agreement, receive a unit paid on top of base salary in accordance with clauses 3.6.1(c) and 3.9.2 of their employment agreement. The application of the 'unit' meets the requirement for pay equity remuneration at level 10 as set out in the table at clause 18 and will be paid instead of the application of a step 10 in the salary scale.
  - b) For Therapists employed pursuant to the terms and conditions of the Kaiārahi i te Reo and Therapists' Collective Agreement or an IEA based on that collective agreement, the applicable salary scale will be a 10-step salary scale from \$71,848 – \$109,166 as set out in the table above.
  - c) Remuneration for the majority of Therapists employed pursuant to the terms and conditions of the Field Staff Collective Agreement or an IEA based on that collective agreement is already equivalent to or greater than the pay equity remuneration set out in the table at clause 18. These Therapists will therefore remain on their existing salary scale with, existing step F11 increasing to \$109,166 for Therapists.

Application of new pay scale

20. The parties have reached agreement on how the new remuneration will apply from 25 May 2023. The application of the new pay scale is dependent on the pay rates table included in the Therapist's current employment agreement. The details of the application of the new pay scale applicable to each collective agreement, or individual employment agreement based on that collective agreement, are set out in Appendix 1.
21. Therapists whose existing remuneration exceeds the new applicable remuneration will retain that higher remuneration.

Progression

22. Progression through the steps of the new pay scale will be in accordance with the therapist's existing terms and conditions of employment, with any additional details applicable to each collective agreement, or individual employment agreement based on that collective agreement, as set out in Appendix 1.

Placement on Appointment

23. The existing placement on appointment rules will continue to apply, with any additional details applicable to each collective agreement, or individual employment agreement based on that collective agreement, as set out in Appendix 1.

Out year increases to pay rates

24. The parties agree that the out year increases in pay rates for Therapists occurring on or after 1 December 2023 agreed in the Primary Teachers' Collective Agreement 2023-2025, the Kaiārahi i

te Reo and Therapists' Collective Agreement 2022-2024, and the Field Staff Collective Agreement 2023-2025 will be applied as percentage increases on top of the pay equity rates for Therapists set out in this Agreement in accordance with the tables set out in Appendix 2. The parties agree that these increases to the pay equity rates set out in this Agreement are not a part of settling the pay equity claim but are additional applications of the relevant collective bargaining outcomes.

#### Parental payment

25. The parties have agreed to introduce a parental payment for therapists who do not currently have access to such a payment. The parties agree that therapists who currently have access to such a payment include therapists employed pursuant to the Primary Teachers' Collective Agreement and the Field Staff Collective Agreement (or an individual employment agreement based on either of those collective agreements).
26. The parental payment will apply from the Settlement Date for Therapists who return to work for six months following a period of primary carer leave (as defined in section 2 of the Parental Leave and Employment Protection Act 1987). The terms of the parental payment will be as follows:

Where an employee, who takes primary carer leave (as defined in section 2 of the Parental Leave and Employment Protection Act 1987) after the Settlement Date, returns to duty before or at the expiration of their parental leave and completes a further six months' service, they qualify for a payment equivalent to six weeks' pay, at the rate applying for the six weeks immediately prior to the commencement of parental leave.

Provided that, if both parents are employed in the school or Ministry of Education, or the employee's partner is employed in the Education Service or Public Service, and are both eligible for payment, then they are entitled to one and only one payment, and they may choose (after they have qualified) who will receive it.

Any adjustments to the salary scale that are backdated into the period covered will apply.

An employee who is absent on parental leave for less than six weeks will have their payment prorated based on the period of absence on parental leave.

Any payment is to be based on the percentage rate of employment prior to absence on parental leave. However, an employee who works less than their normal hours for a short period only, prior to their commencing parental leave, may have their case for full payment considered by the employer.

#### Reimbursement of professional fees

27. The parties agree that, where an employee covered by this Settlement Agreement is required by law or by their employer to hold an annual practicing certificate and / or membership of a professional body relating to their employment as a Therapist, the cost of that annual practicing certificate and / or professional body membership will be reimbursed by the employer upon provision of a receipt and completion of any necessary reimbursement form.
28. The parties agree that clause 27 applies to payments made for annual practicing certificates and / or professional body memberships from the Settlement Date.

## **Implementation**

### Date of settlement

29. This Settlement Agreement will come into effect on the Settlement Date.

### Payment of pay equity rates

30. The new remuneration agreed as part of this Settlement Agreement and set out in clauses 18-19 above will come into effect on 25 May 2023. Payment of the new pay equity remuneration is planned to occur by the end of October ("the implementation date").

31. The parties acknowledge that there are practical constraints to implementation and understand and accept that implementation cannot be immediate.

## **Review**

32. As required by section 13ZH(3)(viii) of the Act, the parties have agreed a process for reviewing remuneration to ensure pay equity is maintained. Ensuring pay equity is maintained involves reviewing remuneration to determine whether there is differentiation on the basis of sex as set out in s2AAC(b) of the Act present in the workforce and, if there is, taking steps to remove the differentiation.

33. Reviews will apply to all employees in roles covered by this pay equity claim settlement. The union agrees that the interests of all employees covered by this pay equity claim settlement will be advanced in the review process.

34. The process for reviewing the remuneration to ensure pay equity is maintained will be:

- a) Reviews will align with the bargaining round of each relevant collective agreement (Field Staff Collective Agreement, the Kaiārahi i te Reo and Therapists' Collective Agreement, and the Primary Teachers' Collective Agreement).
- b) However, if two or more relevant collective agreements are due to expire no more than 6 months apart, one review will be undertaken aligned with the collective bargaining round of the first expiring relevant collective agreement.
- c) The parties will meet six months prior to the expiry of each collective agreement (or if (b) applies, six months prior to the expiry date of the first expiring collective agreement) to commence the review.
- d) The parties will review and analyse any changes in the comparator remuneration that have occurred since the pay equity claim settlement and/or since the last review, as well as any other matters they consider relevant, such as changes to the Labour Cost Index and Consumer Price Index, and Treasury forecast of labour movement.
- e) The parties will jointly determine if there is differentiation on the basis of sex present in the workforce, and if there is, what is required to remove the differentiation and ensure that pay equity is maintained. This includes, but it is not limited to, the remuneration adjustment (if any) to ensure pay equity is maintained.
- f) The parties will formally record in writing what is required to ensure that pay equity is maintained. This completes the review.
- g) The parties will fully cooperate and will address all issues in a timely manner.

35. If the parties disagree on what is required to maintain pay equity and/or as to whether an adjustment is required, or agree that an adjustment is required but do not agree as to the value of the adjustment, then the following process will occur:
- a) The parties will provide each other with proposed pay equity rate(s), along with an explanation as to what is proposed and why.
  - b) The parties will meet promptly to attempt to reach agreement.
  - c) In the event of no agreement, the parties agree to attend mediation in good faith using their best endeavours to resolve the outstanding matters between them. Should mediation not result in an agreement the parties may have recourse to any applicable processes provided by law to resolve their dispute.
36. The parties will cooperate to ensure that all employees covered by this Settlement Agreement have the opportunity to be involved in the review process. This may include, to the extent permissible by law: facilitating communications, or sharing information with the union.
37. This review process may be assessed and adjusted by agreement in writing between the parties from time to time.

#### **Union mandate**

38. NZEI Te Riu Roa confirms that:
- a) It owes a duty of good faith to each employee covered by the Claim; and
  - b) It has the mandate to sign this Settlement Agreement on behalf of employees covered by the Claim pursuant to section 13ZF(5) of the Act.

#### **Good Faith**

39. The parties will deal with each other in good faith on all matters under, or associated with, this Settlement Agreement in accordance with section 13C of the Act.

#### **Costs**

40. The parties agree to bear their own costs of negotiating and entering into this Settlement Agreement.


#### **Counterparts and entire agreement**

41. This Settlement Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.
42. This Settlement Agreement is made up of all of its parts including appendices, and supersedes and extinguishes all previous drafts, agreements, arrangements, and understandings between the parties.

#### **Legal advice**

43. The parties agree they have had the opportunity to seek independent legal advice on the meaning and effect of this Settlement Agreement.

Signatories

	15/02/2024
Iona Holsted Secretary for Education	Date

[NAME] [ROLE] For NZEI Te Riu Roa	Date

Witnessed by:

[NAME] [ROLE] For New Zealand School Trustees Association	Date



## Appendix 1 – Application of new pay scale

As stated in clauses 20, 22 and 23, Appendix 1 sets out how the agreed pay equity remuneration will be applied to each collective agreement, or individual employment agreement based on that collective agreement and any additional details relating to progression and / or placement on appointment that will apply.

### Part 1 – Application details for therapists employed pursuant to the Primary Teachers' Collective Agreement, or an individual employment agreement based on that collective agreement

#### Translation

Therapists employed pursuant to the Primary Teachers' Collective Agreement, or an individual employment agreement based on that collective agreement, will translate to the applicable pay equity rate based on the step or steps held from 25 May 2023, as set out in the table below:

Annual rates as at 25 May 2023		Annual rates as at 3 July 2023		New pay equity rates	
Step	Rate	Step	Rate	Step	Rate
1	\$51,358	1	\$56,757	1	\$71,848
2	\$53,544				
3	\$55,948				
4	\$58,133	2	\$59,948	2	\$76,013
5	\$61,794	3	\$62,133	3	\$80,178
6	\$65,776	4	\$65,794	4	\$84,342
7	\$70,040	5	\$69,776	5	\$88,507
8	\$75,190	6	\$74,243	6	\$92,672
9	\$79,413	7	\$79,702	7	\$96,837
10	\$85,490	8	\$84,178	8	\$101,001
11	\$90,000	9	\$90,620	9	\$105,166
		10	\$95,400		

#### Qualification maximum

For therapists employed pursuant to the Primary Teachers' Collective Agreement, or an individual employment agreement based on that collective agreement, the qualification maximum is new Step 9.

#### Placement on appointment

For therapists employed pursuant to the Primary Teachers' Collective Agreement, or an individual employment agreement based on that collective agreement, the entry point for the new pay scale will be as follows:

Q3 / Q3+	Step 1
Q4	Step 2
Q5	Step 3

**Part 2 – Application details for therapists employed pursuant to the Kaiārahi i te Reo and Therapists’ Collective Agreement, or an individual employment agreement based on that collective agreement**

**Translation**

Therapists employed pursuant to the Kaiārahi i te Reo and Therapists’ Collective Agreement, or an individual employment agreement based on that collective agreement, will translate to the applicable pay equity rate based on the step or steps held from 25 May 2023, as set out in the minimum rates table below:

Annual rates as at 25 May 2023		Annual rates as at 2 June 2023		Annual rates as at 1 December 2023		New pay equity rates	
Step	Rate	Step	Rate	Step	Rate	Step	Rate
1	\$55,633	1	\$57,331	1	\$60,484	1	\$71,848
2	\$58,484	2	\$58,484			2	\$76,013
3	\$61,270	3	\$61,270	2	\$63,270	3	\$80,178
4	\$64,085	4	\$64,085	3	\$66,085	4	\$84,342
5	\$67,048	5	\$67,048	4	\$69,059	5	\$88,507
6	\$69,899	6	\$69,899	5	\$71,996	6	\$92,672
7	\$72,724	7	\$72,724	6	\$74,906	7	\$96,837
8	\$75,732	8	\$75,732	7	\$78,004	8	\$101,001
9	\$78,582	9	\$78,582	8	\$80,939	9	\$105,166
10	\$81,452	10	\$81,452	9	\$83,896	10	\$109,166
11	\$84,962	11	\$84,962	10	\$87,511		
12	\$88,233	12	\$88,233	11	\$90,880		

**Part 3 – Application details for therapists employed pursuant to the Field Staff Collective Agreement, or an individual employment agreement based on that collective agreement**

**Translation**

The majority of therapists employed pursuant to the Field Staff Collective Agreement, or an individual employment agreement based on that collective agreement, already receive remuneration equivalent to or greater than the applicable pay equity remuneration. The parties agree that the following changes are necessary to apply the new pay equity remuneration to the Field Staff Collective Agreement:

- Any therapists currently employed on step F1 will move to step F2 from 25 May 2023.
- Step F2 will become the minimum entry step for placement on appointment for therapists.
- The pay rate at step F11 increases to \$109,166 (from \$109,000) for therapists, effective from 25 May 2023.

Other than these changes, the pay scale for therapists employed pursuant to the Field Staff Collective Agreement, or an individual employment agreement based on that collective agreement, remains in its current form.

**Placement on appointment**

The entry step for therapists employed pursuant to the Field Staff Collective Agreement, or an individual employment agreement based on that collective agreement, will be as follows:

<b>Relevant academic or professional qualification(s)</b>	<b>Entry step</b>
<ul style="list-style-type: none"><li>• A three-year (360 credit) Bachelor Degree</li><li>• A four-year (480 credit) Bachelor Degree</li><li>• A three-year (360 credit) Bachelor Degree plus a one-year (120 credit) Graduate Diploma (level 7)</li></ul>	F2
<ul style="list-style-type: none"><li>• A Bachelor Degree plus a one-year (120 credit) Post-Graduate Diploma (level 8)</li></ul>	F3
<ul style="list-style-type: none"><li>• A Masters Degree</li></ul>	F4
<ul style="list-style-type: none"><li>• A Masters Degree plus a one-year (120 credit) Post-Graduate Diploma (level 8 or higher)</li></ul>	F5

## Appendix 2 – out year increases

As stated in clause 24, Appendix 2 sets out how the out year increases in pay rates for Therapists occurring on or after 1 December 2023 agreed in the Primary Teachers’ Collective Agreement 2023-2025, the Kaiārahi i te Reo and Therapists’ Collective Agreement 2022-2024, and the Field Staff Collective Agreement 2023-2025 will be applied as percentage increases on top of the pay equity rates set out in this Agreement.

### Part 1 – the Primary Teachers’ Collective Agreement 2023-2025

The following table will apply to Therapists employed pursuant to the Primary Teachers’ Collective Agreement 2023-2025, or an individual employment agreement based on that collective agreement:

Current rates	New step	New pay equity rates	Rates as at 3/04/2024	Rates as at 2/12/2024
\$ 56,757	1	\$ 71,848	\$ 73,922	\$ 76,805
\$ 59,948				
\$ 62,133	2	\$ 76,013	\$ 78,403	\$ 81,462
\$ 65,794	3	\$ 80,178	\$ 83,015	\$ 86,253
\$ 69,776	4	\$ 84,342	\$ 87,650	\$ 91,069
\$ 74,243	5	\$ 88,507	\$ 92,048	\$ 95,638
\$ 79,702	6	\$ 92,672	\$ 96,379	\$ 100,139
\$ 84,178	7	\$ 96,837	\$ 100,711	\$ 104,640
\$ 90,620	8	\$ 101,001	\$ 105,042	\$ 109,139
\$ 95,400	9	\$ 105,166	\$ 109,373	\$ 113,640

**Part 2 – the Kaiārahi i te Reo and Therapists’ Collective Agreement 2022-2024**

The following table will apply to Therapists employed pursuant to the Kaiārahi i te Reo and Therapists’ Collective Agreement 2022-2024, or an individual employment agreement based on that collective agreement:

Current rates	New Step	New pay equity rates	Rates as at 1 Dec 2023
\$60,484	1	\$ 71,848	\$ 75,800
	2	\$ 76,013	\$ 78,613
\$63,270	3	\$ 80,178	\$ 82,796
\$66,085	4	\$ 84,342	\$ 86,975
\$69,059	5	\$ 88,507	\$ 91,162
\$71,996	6	\$ 92,672	\$ 95,453
\$74,906	7	\$ 96,837	\$ 99,743
\$78,004	8	\$ 101,001	\$ 104,032
\$80,939	9	\$ 105,166	\$ 108,321
\$83,896	10	\$109,166	\$112,442
\$87,511			
\$90,880			

**Part 3 – the Field Staff Collective Agreement 2023-2025**

The following table will apply to Therapists employed pursuant to the Field Staff Collective Agreement 2023-2025, or an individual employment agreement based on that collective agreement:

Current rate	Step	New pay equity rate	Rate as at 03 April 2024
\$109,000	F11	\$109,166	\$112,441

