



Education Report: Continuation of emergency payments for casual workers in State and State-Integrated schools and kura, and options for future financial support for the casual schooling workforce

To:	Hon Grant Robertson, Minister of Finance Hon Chris Hipkins, Minister of Education		
Date:	10 November 2021	Priority:	High
Security Level:	In confidence	METIS No:	1276429
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Messaging seen by Communications team:	No	Round Robin:	Yes

Purpose of Report

1. This paper seeks your approval to draw down a further \$4.200 million from the tagged contingency established by Cabinet to provide a continuation of emergency financial support to casual workers in State and State-Integrated schools and kura, in response to the COVID-19 resurgence. It also seeks your agreement to cease automatic emergency payments to eligible workers when the country moves to managing cases of COVID-19 through the COVID-19 Protection Framework.

Summary

1. Due to the COVID-19 resurgence in late August 2021, the Emergency Payment Scheme was re-established for day relief staff and casual workers in State and State-Integrated schools and kura who are paid by timesheet, and who would have their income significantly disrupted due to school and kura closures at COVID-19 Alert Levels 4 and 3.
2. The emergency payment is only intended to compensate for the average hours worked each week and is calculated by offsetting the hours worked at a school and paid by timesheet during the Alert Level 4 and 3 period.
3. To date support has been provided to casual workers of State and State-Integrated schools and kura as follows:
 - a. Approximately \$10.800 million was re-prioritised from non-departmental appropriations for primary, secondary and learning support to enable the Ministry to make these payments, which initially covered the period of 18 to 24 August.

- b. On 24 August, the COVID-19 Ministerial Group agreed that this support should continue up to 7 September and provided a further \$10.800 million for this purpose. On 8 September, emergency payments were made to eligible casual workers for the period 18 August to 7 September.
- c. Additional funding was also provided in the *Emergency Support for Casual Workers in State and State-Integrated Schools and Kura* tagged operating contingency for further emergency support for casual schooling workers as required, and you were jointly authorised to approve the drawdown of this funding [CMG-21-MIN-0005 refers]. Subsequently you have agreed to the following payments.
 - o a further \$3.850 million up to 21 September while Auckland remained at Alert Level 4 and the rest of country moved to Alert Level 2 [12 September METIS 1270900 refers]. Emergency payments were made to casual Auckland staff for this period on 22 September.
 - o \$3.600 million up to 5 October, while the Auckland region was at Alert Level 3 and the rest of the country at Alert Level 2 [28 September METIS 1272148 refers].
 - o a further \$4.700 million up to 2 November, while parts of the Waikato and the Auckland regions were at Alert Level 3 and the rest of the country at Alert Level 2 [29 October METIS 1273863 refers].
4. The emergency payment scheme has supported around 15,000 casual staff across the country each pay period, while the whole of the country was at Alert Level 3 or 4 in August and early September, and around 4, 700 casual staff in Auckland and other regions when they were at Alert Level 3 and the rest of the county at Alert Level 2.
5. This support is summarised below:

Emergency support for casual schooling workers beyond 2 November

	PP11	PP12	PP13	PP14	PP15	PP16
	11/08/2021 — 24/08/2021	25/08/2021 — 07/09/2021	08/09/2021 — 21/09/2021	22/09/2021 — 05/10/2021	06/10/2021 — 19/10/2021	20/10/2021 — 02/11/2021
Total workers receiving payment	13,898	16,658	7,938	3,891	781	4,710
Cost (\$million)	6.668	11.649	4.283	3.511	0.355	4.145
Average payment per worker	\$480	\$699	\$540	\$902	\$455	\$880

6. On 8 November the Government confirmed that the Auckland region would move to Alert Level 3, Step 2 at 11:59pm on 9 November. Parts of the Waikato region also remain at Alert Level 3, Step 2. Settings for Auckland and parts of Waikato will be next reviewed on Monday 15 November.
7. On 2 November, the Government announced that parts of the Northland region (geographically, the Far North area of Northland around Taipā) would move to Alert Level 3, effective from 11:59pm 2 November. Northland will move to Alert Level 2 at 11:59pm on Thursday 11 November. The rest of the country remains at Alert Level 2.
8. We recommend that emergency payments are continued for Alert Level 3 regions for the full fortnightly pay period of restrictions, that is, until 16 November 2021. For the Northland region we recommend that emergency payments are made for this pay period only if the region remains in Alert Level 3 for at least half of the pay period i.e. until 9 November. The amount of the payment made to each casual worker will continue to be offset by any casual work that is paid to a worker by a State or State-Integrated school or kura in this pay period.
9. We expect costs for a continuation of the emergency payment scheme in the Alert Level 3 regions beyond 2 November to be approximately \$4.200 million per fortnight. This estimate is based on the actual cost of emergency payments for schools and kura in the Auckland and Waikato regional council areas remaining at Alert Level 3 in the previous pay period.
10. The Government has signalled that as vaccination rates increase across the country, we will be moving away from the Alert Levels structure to manage our COVID-19 response. The COVID-19 Protection Framework will replace the Alert Level system to manage cases of COVID-19 in communities. The Protection Framework introduces a 3-level 'traffic light' system divided into Green, Orange and Red levels. Schools and kura are open at all levels, with additional health measures in place at the Orange and Red levels.
11. Furthermore, the Government has now revised the Public Health measures required at Alert Level 3 and has categorised restrictions into three steps. At Step 1 of the Alert Level 3 setting, senior students in Years 11, 12 and 13 are able to return to learning onsite. In turn, staff can return to teaching onsite where senior students are returning in Alert Level 3 regions. Students in Years 1 to 10 in Alert Level 3 regions continue to learn from home, unless their parents or careers need to go to work and appropriate caregiving options are unavailable.
12. We expect as a result of revisions to COVID-19 Public Health measures and settings, demand for relievers and other casual staff will grow over the next fortnight. However, as day relief teachers will continue to be able to work only at one school, and the resumption of teaching to all year levels will continue to take some time, we expect that many casual workers will continue to rely on these payments at this time.
13. Accordingly, we recommend that automatic emergency financial support is ceased when the country moves to the COVID-19 Protection Framework.

15

9(2)(j)

Recommended Actions

The Ministry of Education recommends you:

A. **Note** that on 24 August 2021, the COVID-19 Ministerial Group [CMG-21-MIN-0005 refers]:

- i. Agreed to the provision of emergency support for casual workers who had worked on at least one occasion for a State or State-integrated school or kura in the 90 days leading up to 17 August when the country moved to Alert Level 4, the extent of which will be heavily influenced by the period over which COVID-19 Alert Level 2, Alert Level 3, or Alert Level 4 restrictions remain in place
- ii. Set funding aside in a tagged operating contingency for this purpose
- iii. Authorised you to jointly approve the drawdown of the tagged operating contingency

Noted

Noted

B. **Note** that on 2 November, you jointly [METIS 1273863 refers]:

- i. Noted that automatic emergency payments were made on 20 October to casual workers who are paid during the term break, for the period covering the Term 3 school holidays from 2 to 17 October.
- ii. Agreed that emergency support was continued for the next payroll period (20 October to 2 November) while parts of the Waikato and the Auckland region remained at Alert Level 3
- iii. Noted that the scheme would be available on application at Alert Level 2 for the rest of the country
- iv. Approved changes to appropriations to provide up to \$4.700 million for these payments
- v. Noted that the Ministry would provide further advice about the future of the Emergency Payment Scheme in light of the anticipated move from the COVID-19 Alert Levels Structure to the COVID-19 Protection Framework

Noted

Noted

C. **Agree** that, as parts of the Waikato and the Auckland region remain at Alert Level 3, this support is continued for the next education payroll pay period (from 3 November to 16 November)

Agree / Disagree

Agree / Disagree

D. **Agree** that, support is also continued for the affected areas of Northland for the next education payroll pay period (from 3 November to 16 November) should restrictions continue for at least half of the pay period i.e., remain in place till at least 9 November

☒ Agree / ☐ Disagree

☒ Agree / ☐ Disagree

- E. **Note** that the Ministry of Education will continue to make Alert Level 2 support available on application for casual workers in State and State-Integrated schools and kura whose ability to gain employment has been directly affected by COVID-19

Noted

Noted

- F. **Approve** the following changes to appropriations to give effect to the policy decision in recommendation D above, with a corresponding impact on the operating balance and net core Crown debt:

	\$m - increase/(decrease)				
Vote Education Minister of Education	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Multi-Category Expenses and Capital Expenditure: Outcomes for Target Student Groups MCA					
<i>Non-Departmental Output Expense:</i>					
Learning Support and Alternative Education	0.232	-	-		-
Primary and Secondary Education MCA					
<i>Departmental Output Expense:</i>					
Support and Resources for Education Providers (funded by Revenue Crown)	0.065	-	-	-	-
<i>Non-Departmental Output Expenses:</i>					
Primary Education	2.340	-	-	-	-
Secondary Education	1.563	-	-	-	-
Total Operating	4.200	-	-	-	-

☒ Approved / ☐ Not approved

☒ Approved / ☐ Not approved

- G. **Agree** that the proposed changes to appropriations for 2021/22 above be included in the 2021/22 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply

☒ Agree / ☐ Disagree

☒ Agree / ☐ Disagree

H.

9(2)(j)

9(2)(j)

☒ Agree / Disagree

☐ Agree / Disagree

I. **Agree** that the *Emergency Support for Casual Workers in State and State-integrated Schools and Kura* contingency will remain available until the scheme is no longer required

☒ Agree / Disagree

☐ Agree / Disagree

J. **Agree** that automatic emergency financial support is ceased when the COVID-19 Protection Framework replaces the current Alert Level structure.

☒ Agree / Disagree

☐ Agree / Disagree

K. **Note** that if the Protection Framework is not in place by 16 November, we will provide further advice regarding if payments should be provided for the period 17 to 30 November

☒ Agree / Disagree

☐ Agree / Disagree

- L. **Agree** that this Report be released as part of the Government's proactive release of information relating to the COVID-19 response.

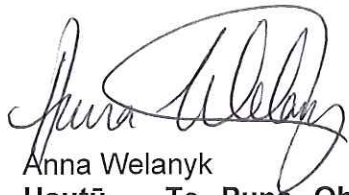
Agree / Disagree

☒ Agree / ☐ Disagree



Hon Grant Robertson
Minister of Finance

14/11/2021



Anna Welanyk
**Hautū – Te Puna Ohumahi Mātauranga |
Education Workforce**

10/11/2021



Hon Chris Hipkins
Minister of Education

11/11/2021

Proactively Released

Background

1. On 19 August 2021, you agreed to the re-establishment of emergency payments for casual workers of State and State-Integrated schools and kura [METIS 1269399 refers], following discovery of COVID-19 cases in the community and the resulting shift to Alert Level 4 at 11:59pm on 17 August.
2. Support has been provided to casual workers of State and State-Integrated schools and kura as follows:
 - a. Approximately \$10.800 million was re-prioritised from non-departmental appropriations for primary, secondary and learning support to enable the Ministry to make these payments, which initially covered the period of 18 to 24 August.
 - b. On 24 August, the COVID-19 Ministerial Group agreed that this support should continue up to 7 September and provided a further \$10.800 million for this purpose. Funding was also held in the *Emergency Support for Casual Workers in State and State-Integrated Schools and Kura* tagged operating contingency to provide for further emergency support for casual schooling workers, and you were jointly authorised to approve the drawdown of this funding [CMG-21-MIN-0005 refers]. On 8 September, emergency payments were made to eligible casual workers for the period 18 August to 7 September.
 - c. On 12 September, you agreed that a further \$3.850 million be provided for further support up to 21 September while Auckland remained at Alert Level 4 and the rest of country moved to Alert Level 2 [METIS 1270900 refers]. Emergency payments were made to casual Auckland staff for this period on 22 September.
 - d. On 28 September, you agreed that a further \$3.600 million be provided to fund further support up to 5 October, while the Auckland region was at Alert Level 3 and the rest of the country at Alert Level 2 [METIS 1272148 refers].
 - e. On 2 November, you agreed that a further \$4.700 million be provided to fund further support up to 2 November, while parts of the Waikato and the Auckland regions were at Alert Level 3 and the rest of the country at Alert Level 2 [29 October METIS 1273863 refers].

Emergency support for casual schooling workers beyond 2 November

1. On 8 November the Government confirmed that the Auckland region would move to Alert Level 3, Step 2 at 11:59pm on 9 November. Parts of the Waikato region also remain at Alert Level 3, Step 2. Settings for Auckland and parts of Waikato will be next reviewed on Monday 15 November.
2. On 2 November, the Government announced that parts of the Northland region (geographically, the Far North area of Northland around Taipā) would move to Alert Level 3, effective from 11:59pm 2 November. Northland will move to Alert Level 2 at 11:59pm on Thursday 11 November. The rest of the country remains at Alert Level 2.
3. Accordingly, we recommend that emergency payments are continued for the next pay period (3 – 16 November).

4. We expect costs for a continuation of the emergency payment scheme in the Alert Level 3 regions beyond 2 November to be approximately \$4.200 million per fortnight. This estimate is based on the actual cost of emergency payments for schools and kura in the Auckland and Waikato regional council areas remaining at Alert Level 3 in the previous pay period.
5. The amount of the payment made to each casual worker will continue to be offset by any casual work that is paid to a worker by a State or State-Integrated school or kura in this pay period.

Support at Alert Level 2

6. As we have previously advised, at Alert Levels 1 and 2, it is expected that relievers and non-teaching specialist and support staff who normally work across multiple schools and kura will be able to return to their usual patterns of work. Support is provided on application for those casual workers in State and State-Integrated schools and kura whose ability to gain employment has been directly affected by COVID-19.
7. We have made this support available and as we have previously advised, to date only two workers have applied for support.

The future of the emergency payment scheme and the introduction of the COVID-19 Protection Framework

10. The intention of the emergency payment scheme was to provide emergency income support to day relievers, and casual non-teaching staff who are paid by timesheet and who would have had their usual income significantly disrupted.
8. The Government has now revised the Public Health measures required at Alert Level 3 and has categorised restrictions into three steps. At Step 1 of the Alert Level 3 setting, senior students in Years 11, 12 and 13 are able to return to learning onsite. In turn, staff can return to teaching onsite where senior students are returning in Alert Level 3 regions. Students in Years 1 to 10 in Alert Level 3 regions continue to learn from home, unless their parents or careers need to go to work and appropriate caregiving options are unavailable.
9. We anticipate that as these year groups return to learning onsite, the demand for relievers will follow suit. Furthermore, the demand for relievers and other casual staff is likely to be higher than under normal settings where schools are working through the implications of the extended COVID-19 Public Health Response (Vaccinations) Amendment Order 2021, and testing requirements.
10. For those relievers and casual staff who have been able to gain work during Alert Level 3, we have advised that these staff should work with one school only, to limit the number of additional people outside the individual's immediate household who they may come into close contact with.
11. We have heard from a number of schools who have staff members that have indicated they will not be vaccinated, and we anticipate the need for relievers will be higher than usual to ensure levels of staffing are sufficient to deliver learning programmes.
12. There is a risk that as demand for relievers and casual staff grows, continuation of automatic emergency payments may inadvertently provide a disincentive to engage in relief work and a corresponding impact on the supply of relievers.

15. The Government has signalled that as vaccination rates increase across the country, we will be moving away from the Alert Levels structure to manage our COVID-19 response and the COVID-19 Protection Framework will be introduced to manage cases of COVID-19 in communities. The Protection Framework introduces a 3-level 'traffic light' system divided into Green, Orange and Red levels. Schools and kura will be open at all levels, with additional health measures in place at the Orange and Red levels.
16. The introduction of the COVID-19 Protection Framework will impact the way we assess and provide emergency financial support, as the criteria for support is based on schools and kura being closed at Alert Levels 4 and 3.
17. In light of these changes, and considering the expected increase in demand for relievers, we recommend that automatic emergency financial support is ceased when the country or areas of the country move to the COVID-19 Protection Framework.
18. Where ongoing financial support may be needed, other forms of Government support are available to casual workers through Work and Income.

Financial Implications

19. Your agreement is sought to the provision of \$4.200 million in additional funding to:
 - a. Extend the emergency payment scheme for the fortnightly pay period of 3 to 16 November for the Auckland region and parts of the Waikato and Northland regions at Alert Level 3.
 - b. Continue to provide support on application for casual workers who are directly affected by COVID-19 during Alert Level 2.
20. To mitigate the risk of overpayments, the amount of the payment made to each casual worker will continue to be offset by any casual work that is paid to a worker by a State or State-Integrated school or kura in the pay period in which the emergency payment is made.
21. As the length of time that restrictions will be required is not yet known, we continue to recommend that the balance of funding held in the *Emergency Support for Casual Workers in State and State-Integrated Schools and Kura* tagged operating contingency continues to be held in contingency until such time as the country shifts to the COVID-19 Protection Framework and the emergency payment scheme is no longer required.

Risks

22. As we have previously advised, while these measures will continue to significantly reassure many vulnerable schooling workers in the affected regions, they will not fully mitigate the impact of COVID-19 for these employees and the amount of support provided to each individual will vary. This could create a perception of inequity between those who receive different support depending on their circumstances, or people who receive other COVID-19 assistance payments from Government.
23. Some contingent workers may also be eligible for other Government assistance depending on their circumstances. For example, they may work at a non-schooling sector part-time job as well as undertaking relief teaching work.
24. The emergency payment scheme provides direct income support to casual State and State-integrated schooling sector employees. This may be considered more beneficial than

the support that has been provided to casual employees in other sectors where different funding and employment settings apply, e.g., employees in the early learning sector.

25. By continuing to provide financial support through the emergency payments as Alert Level 3 restrictions are eased through the step system, there is a risk of providing a disincentive for relief staff to make themselves available to schools. We have heard anecdotally of relief teachers refusing to engage in work for schools and kura at Alert Level 3 on the basis that they will receive an automatic emergency payment.
26. It is not yet known the extent to which schools will engage day relievers and other casual staff beyond 16 November, therefore there may be relievers who perceive automatic emergency payment support should continue for a longer period.

Consultation

27. The Treasury and the Public Service Commission have been consulted in the development of this Report.

Next Steps

28. Updated detailed communications of the emergency payment scheme proposed in this paper and how this can be accessed by eligible schooling workers will continue to be made available via online channels and the Bulletin for School Leaders.
29. These communications will include details about the emergency payment scheme ceasing when the country or areas of the country move from the Alert Level structure to the COVID-19 Protection Framework.
30. These communications will help provide confidence to casual workers, their families and whānau, and the schooling sector about the supports being put in place to minimise disruption to learning progress and look after the wellbeing of those directly involved in delivering teaching and learning.

Proactive Release

31. We recommend that this paper is proactively released in line with the Government's commitment to the release of such information and advice.

Proactively Released