

B22 Pay Parity Rate Setting

Request Summary:

Rate-setting calculator to distribute funds appropriated through Budget 2022 into opt-in pay parity rates for Education and Care.

Due Date: 12th May 2022

Modeler and team contact information

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Forecasting and Modelling Team, ARE, EDK, Te Mahau

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Correspondence or Request Template

04/04/22 Subject: Question about the B22 pay parity initiative

Hi 9(2)(g)

I'm not sure who I should contact about this in the FAM team – could you let me know who will be taking this over when you go? I have the following questions/concerns about the B22 initiative, and I'm not sure who I should direct these to:

The initiative should (a) top up the current pay parity rates to account for Step 6 coming in on 1 Jan 2023, and (b) introduce a new set of pay parity opt in rates for steps 1-6 and partial steps 7-11. When will the new individual rates for these be set? Who is doing this?

How do the new rates interact with the cost adjustment? I assume the existing pay parity rates will be increased by the cost adjustment + the step 6 adjustment?

Who is thinking about the bargaining flow ons for education and care services and kōhanga? Who do we need to link up with re how that will work/how that is costed?

Thanks

9(2)(g)(ii)

| Pouwhakahaere kaupapahere | ECE Policy

Te Puna Kaupapahere | Policy

05/04/22 Subject: RE: Question about the B22 pay parity initiative

Hi 9(2)(g)(ii),

Thanks very much for your response 9(2)(g). I'm just reading through 9(2)(g)'s draft comms messages for the Budget 2022 initiative and I have the following questions:

I'd like to be able to say how much (ie a %) the current opt in rates will increase by to accommodate step 6 as part of the comms. Is this something you're able to provide this week sometime? Would also be good to know the logic behind the increase also (eg the more accurate data from the 2021 survey allowed us to better calculate the gap between the current opt in rates and the additional required for step 6)

I'd also like to say how much more (ie a %) the new set of opt in rates (ie step 1-partial step 11) will be than the current set of opt in rates. Is this something you're able to provide this week sometime?

What are your timeframes for calculating the actual funding rates that will be published in the funding handbook? Would be good to have these done as soon as possible after Budget Day (which is 19 May).

Thanks

9(2)(g)(ii)

11/05/22 RE: Opt-in assumption for Extended Parity

9(2)(g)(ii)

Reply Reply All Forward ...

Wed 11/05/2022 6:44 pm

Hi 9(2)(g)(ii)

Great email – sets out the issues really clearly. Based on the information below, I would prefer a lower, more realistic assumption for opt in. Would suggest 65% or at most 70% as the starting point. Perhaps a profile like this:

Extended Parity Rate	1-Jan-23	1-Jul-23	1-Jan-24	1-Jul-24	1-Jan-25	1-Jul-25	1-Jan-26
	65%	75%	89%	100%	100%	100%	100%

9(2)(f)(iv)

| There may be a labour market incentive (ie attracting and retaining certificated teachers) for more services to opt in at Jul 23, which is my rationale for increasing it there. These are my thoughts, happy to discuss.

9(2)(g)(ii)

9(2)(g)(ii) Pouwhakahaere kaupapahere | ECE Policy

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9(2)(g)(ii)

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