



**TEU**

**TERTIARY EDUCATION UNION**  
**TE HAUTŪ KAHURANGI**

Submission of  
**Te Hautū Kahurangi | Tertiary Education  
Union**

to the  
**Ministry of Business, Innovation, and  
Employment**

on  
***A New Zealand Income Insurance Scheme:  
Our Proposals***

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## 1. Te Tīmatanga | Introduction

- 1.1. Te Hautū Kahurangi | Tertiary Education Union (TEU) welcomes this opportunity to respond to Ministry of Business, Innovation, and Employment (MBIE) on *A New Zealand Income Insurance Scheme: Our Proposals*.
- 1.2. The TEU is the largest union and professional association representing 10,000 academic and general/allied staff in the tertiary education sector (in universities, institutes of technology/polytechnics, wānanga, private training establishments, and rural education activities programmes).
- 1.3. The TEU actively acknowledges Te Tiriti o Waitangi as the foundation for the relationship between Māori and the Crown. We recognise the significance of specific reference to Te Tiriti in the Education Act and the emergent discourse resulting from this. We also accept the responsibilities and actions that result from our nation's signing of the UN Declaration on the Rights of Indigenous Peoples.
- 1.4. The TEU expresses its commitment to Te Tiriti by working to apply the four whāinga (values) from our *Te Koeke Tiriti* framework as a means to advance our TEU Te Tiriti relationship in all our work and decision-making – with members and when engaging on broader issues within the tertiary sector and beyond – such as our response to *A New Zealand Income Insurance Scheme: Our Proposals*.

*Tū kotahi, tū kaha:* We are strong and unified; we are committed to actions which will leave no-one behind; we create spaces where all people can fully participate, are fairly represented, and that foster good relationships between people.

*Ngā piki, ngā heke:* We endure through good times and bad; we work to minimise our impact on the environment; we foster ahikā – the interrelationship of people and the land, including supporting tūrangawaewae – a place where each has the right to stand and belong.

*Awhi atu, awhi mai:* We take actions that seek to improve the lives of the most vulnerable; we give and receive, acknowledging that reciprocity is fundamental to strong and equitable relationships; and we work to advance approaches that ensure quality public tertiary education for all.

*Tātou, tātou e:* We reach our goals through our collective strength and shared sense of purpose, which are supported through

participatory democratic decision-making processes and structures.

- 1.5. Our response to the *A New Zealand Income Insurance Scheme: Our Proposals* stems from our commitment to the whāinga expressed above and our wish to see these enacted in the tertiary education sector and in our society and communities.
- 1.6. We would like to thank the TEU members and staff that provided input on the development of this submission.

## **2. TEU submission**

- 2.1. TEU supports the proposed Income Insurance Scheme. However, our support is contingent on the issues outlined in this submission. Additionally, as TEU is an affiliate of Te Kauae Kaimahi | New Zealand Council of Trade Unions (NZCTU), we support the NZCTU's position on *A New Zealand Income Insurance Scheme: Our Proposals*.

## **3. Most workers will be covered by income insurance**

- 3.1. TEU supports the proposal to extend eligibility to a broad range of working arrangements.
- 3.2. The tertiary education sector has become an increasingly precarious space within which to work (Sedgwick and Proctor-Thomson 2019; Simpson et al. 2022). The effects of fixed-term and casual contracts within our sector include decreased employee motivation levels, decreased organisational commitment levels, and diminished quality of life relative to the lives of employees' outside of their occupations. These factors result in high staff turnover and dissatisfying student experiences (McKendry 2021) – outcomes that are antithetical to the quality education system that TEU envisages and strives for (see Grey and Sedgwick 2013).
- 3.3. Furthermore, research illustrates that academic precarity – both within Aotearoa New Zealand and abroad – is gendered, with academic women typically over-represented in precarious academic employment and under-represented in continuing positions, and vice versa for academic men (Stringer et al. 2018). The detrimental impacts of precarious work within our sector are also being felt by Māori and Pasifika, early-career researchers, and international students (Simpson et al. 2022), as well as those staff living with disabilities and/or employed in roles such as cleaners, porters, tea attendants, housekeepers, and security personnel

– many of whom are forced to take on multiple part-time positions in order to make ends meet. Added to this, the effects of COVID have only exacerbated the pressures and stressors that staff throughout the tertiary education sector continue to endure (Sedgwick 2020a, 2020b, 2021; Controller and Auditor-General 2022, 33).

- 3.4. It will be essential to ensure that the true needs of those employed in precarious positions are understood and met by the Income Insurance Scheme. Our support for this aspect of the Scheme is linked to its alignment with the TEU whāinga *awhi atu, awhi mai* – *we take actions that seek to improve the lives of the most vulnerable*.

#### **4. Financial support is provided for most job losses**

- 4.1. TEU supports the proposal that the Scheme provides up to six months of support at 80 percent of a person’s normal salary, particularly given that the Scheme allows for people to work part-time in order to cover the remaining 20 percent of their normal income. However, we think that if a worker was receiving the minimum wage (or was within 20% of it), their support under the Scheme should be constituted by 100 percent of their normal salary. Additionally, our support for this aspect of the Scheme is contingent on our recommendation for extending the duration of support for those who choose to re-train (see 5.3-5.4).
- 4.2. The 1.39 percent levy seems reasonable and the general principle of implementing a levy for employers and employees to fund the Scheme aligns with the TEU whāinga *awhi atu, awhi mai* – *we give and receive, acknowledging that reciprocity is fundamental to strong and equitable relationships*. Additionally, we support the figure of 1.39 per cent being reviewed after two years.

#### **5. Claimants will be offered support to get back to work**

- 5.1. Thoughtful career development opportunities with trained career consultants should be offered and encouraged to those on the scheme. Examples of career development opportunities might include 1-3 one-on-one meetings with a career consultant; group career development workshops (e.g., how to write a “career changer” C.V.; modern approaches to professional recruitment; etc.).
- 5.2. It is fair that there are obligations associated with receiving support from the Scheme. However, it will be critical that these obligations do not interfere with an individual’s ability to use the time on the scheme to build and develop towards mahi tūturu (see below) – i.e., we should not require claimants to use up too much

time going to case manager/worker meetings, checking in, documenting job searches, or completing required career development tasks.

- 5.3. It is encouraging to see that the Scheme recognises the significance of not only ensuring people are able to find work, but that they are able to secure *good* jobs that align with their life ambitions and pre-existing skills.
- 5.4. TEU defines good work as *mahi tūturu*. The word 'tūturu' has multiple meanings, such as permanent, real, actual, authentic, and legitimate. Within the context of the quality of work, *mahi tūturu* means secure and legitimate mahi – i.e., mahi that is permanent – whether part- or full-time – and meaningful to the person undertaking such mahi.
- 5.5. With influences such as climate change and increasing use of technology on employment, access to education for those losing employment is essential. For just transitions, all claimants should be eligible for fees free, or fees reduced education, as well as financial support to enable them to refresh or upskill their capability, or to retrain. For example, in industries affected by climate change or technological change, retraining may be the only option for new employment that is mahi tūturu.
- 5.6. Given that claimants' needs will vary significantly – and if the Scheme is to realise its ambition to ensure people enter mahi tūturu – there may be cases where people require more than 12 months to retrain in their desired area of work or complete their health and disability rehabilitation. This means that some people will be inclined to undertake more extensive retraining – for example, a diploma, degree, honours, or master's qualification – in order to secure mahi tūturu.
- 5.7. In order to ensure claimants benefit fully from the Scheme and are well-placed to secure mahi tūturu, TEU recommends ensuring supported access to education is a major feature of the support offered and that financial assistance to support this is extended to beyond 12 months by negotiation and in order to enable mahi tūturu that benefits not only the individual but also society.

## **6. The scheme will be managed by ACC, which will also collect the levy**

- 6.1. TEU strongly supports the principles of *kāwanatanga*, *tino rangatiratanga*, and *rite tahi* as being integrated within the Scheme in a way that honours Te Tiriti o Waitangi.
- 6.2. Given ACC has the pre-existing infrastructure and ability to deliver the Scheme, TEU supports this aspect of the proposed Scheme. However, a concern for TEU

members is the entrenched racism and sexism that exists within the operations of ACC (see Duncan 2019; Bradley 2021). If ACC and the Income Insurance Scheme are to truly meet the needs of all, inherent biases and discriminatory practices regarding, among others, Māori, Pasifika, and women, need to be considered as integral factors when determining ACC's role in the implementation of the Scheme.

- 6.3. Additionally, ACC's historical practices of limiting access to protect the fund balance sheet, needs to be changed to a view that acknowledges the wider and long-term benefits to society of people being supported and encouraged back into education and employment.

## 7. Additional comments

- 7.1. Aotearoa New Zealand needs the Income Insurance Scheme. For many workers – particularly in the private sector – they have no redundancy provisions whatsoever. In the tertiary sector, most of our existing collective agreements include redundancy provisions that members have fought to achieve over many years.
- 7.2. Our support for the Income Insurance Scheme is on the basis that there is explicit protection against the Scheme undermining pre-existing redundancy provisions negotiated within collective agreements, and that access to the Scheme is separate and additional to collectively agreed redundancy provisions. In other words, the Income Insurance Scheme should not transpire as a substitute for redundancy provisions.
- 7.3. The scheme will enable a significant proportion of the working population to have access to an income which provides for some financial security while they consider options that are best for them and their whānau. It should also provide opportunities and access to education, training, and upskilling that may not have been previously available to ensure that an improved career pathway is open to them.
- 7.4. TEU strongly contends that support and access to education, training, and upskilling provisions need to be strengthened in the current Scheme proposals and made integral to the whole scheme.
- 7.5. While this scheme has the potential of creating two types of beneficiaries: those who are receiving Jobseeker support who have been long-term unemployed, and those having access to the insurance scheme who had been made redundant, the scheme should not take away resource from the Work and Income benefit

systems that exist at present. Indeed, anyone receiving support through Work and Income should have access to the same educational provisions that have been mentioned above.

## 8. References

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