

For immediate release

Friday 5 June 2020



Campaign highlights pay inequity for aged care nurses

The New Zealand Aged Care Association today launched a public campaign calling on government to address underfunding that means aged care nurses earn less than nurses working in public hospitals.

New Zealand Aged Care Association (NZACA) Chief Executive Simon Wallace says registered nurses working in aged care earn on average at least \$10,000 a year less than those who work in public hospitals because of the way the sector is funded.

“This absurd disparity is a symptom of historic underfunding by successive governments of the aged residential care sector, undervaluing our aged care nurses and in turn our older people,

“Covid-19 has turned the spotlight on the essential role our 5,000 aged care nurses make to New Zealand’s public healthcare system, fronting the extraordinary challenge of keeping more than 36,000 of New Zealand’s most high-risk people safe.

“Thanks to their expertise, leadership and dedication, more than 99% of aged care facilities in New Zealand have had no Covid-19 cases. It is time for Government to recognise their contribution.”

The campaign calls on New Zealanders to support pay parity for aged care nurses, by visiting www.fairpay.org.nz to sign a petition addressed to the Hon. Dr David Clark, Minister of Health to fund the sector to match the salary packages received by nurses working in public hospitals.

Mr Wallace says the amount of pay aged care nurses receive is directly related to the amount of funding rest homes receive from District Health Boards – a per bed, per day rate based on the level of care each resident is assessed for and covering a range of costs – including nurses’ pay.

“This funding undervalues the incredible skill and dedication of aged care nurses. They are in charge of multiple complex health conditions, as well as palliative and end of life care. They do not have the support of expert clinical teams available in hospitals. And they lead teams of health care workers who tend to the needs of our most fragile

“They also bring humanity to healthcare, building genuinely loving relationships with the people in their care and friendships with their whanau.”



Mr Wallace says the pay gap widened in 2018 when nurses working in public hospitals were recognised for their significant contribution to our healthcare system with improved pay and conditions.

“Not only were our nurses ignored, but as a result District Health Boards have since been actively poaching nurses from rest homes with attractive salary packages, a situation rest homes cannot control simply because they are not funded to match District Health Board rates.

“Those providers that can and do pay their nurses more generally have a retirement village to cross-subsidise their rest home offering, but most rely wholly or largely on capped government funding and run on the smell of an oily rag.

“Indeed, the sector is a broad church with a range of ownership structures, from corporate and private to trust, religious, welfare-run organisations and not-for-profit entities.”

The cost to Government of funding the sector to ensure pay parity for aged care nurses – an increase of at least \$10,000 per annum per nurse - would be around \$70 million.

“Given Budget 2020 has injected \$4.37 billion into District Health Boards there is plenty to go round and no excuse not to invest in aged care nurses and older New Zealanders.”

Mr Wallace says the NZACA will be advocating for pay parity funding as part of the current annual Aged Related Residential Care (ARRC) funding negotiations.

ENDS

www.fairpay.org.nz

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