

4 March 2021



Ph: (09) 630-9943 ext: 22342 Email: ailsac@adhb.govt.nz



Re: Official Information Act request – Living wage

I refer to your Official Information Act request dated 19 February 2021 requesting the following information:

The living wage movement is a global campaign to ensure workers have the necessities of life and can participate as active citizens in the communities they work, play and love. The living wage covers the basics such as food, shelter, utilities, transport, health care and childcare with a small buffer for unforeseen events. The calculation assumes two adults working for 60 hours per week with two children. In Aotearoa the living wage is calculated independently each year by the New Zealand Family Centre Social Policy Unit. Our Living Wage hourly rate for 2020/21 is \$22.10.

Please supply the following information under the [Official Information Act (OIA):

1. Is your DHB currently a registered living wage employer?

No, Auckland DHB is not a registered living wage employer.

For context, Auckland DHB employs 11,201 people (excluding casual employees and contractors) of which 10,984 receive a base salary that is higher than or equal to the living wage. 217 people receive a base salary that is lower than the living wage but on or over minimum wage rates. This represents 1.93% of Auckland DHB's total headcount and does not take into account the allowances, penal rates and other payments that are routinely made to these employees under their employment terms and conditions.

We note that the minimum wage will increase to \$20 per hour on 1 April 2021, meaning that the small percentage of Auckland DHB who are currently receiving a pay rate of below \$20 per hour, will be moved to the new minimum wage and closer to the Living Wage.

If yes what factors influenced that decision.

Not applicable - see above.

2. Are your contractors/sub-contractors currently living wage employers?

Do you require them to be?

Auckland DHB does not require contractors/sub-contractors to be living wage employers, although some may be through their own policies.

3. Does your DHB currently have plans to become a living wage employer?

Auckland DHB acknowledges the importance of ensuring that all employees are paid fairly and equitably for the work that they do, but is not pursuing living wage accreditation at this point in time.

Auckland DHB notes that 93% of its employees are covered by national or regional multiemployer collective agreements to which all or a number of other DHBs are also parties. As such, any discussions about the living wage would progress in line with government expectations and through national discussions with health sector unions.

For further context, at present a key focus is the work happening nationally (involving all DHBs) on pay equity. This involves working with unions representing various employee groups that may have been historically underpaid (as a result of being female-dominated workforces).

If so can you describe how far you have progressed?

Not applicable – see above.

4. What do you see as the obstacles to becoming a living wage employer?

Under the Official Information Act, Auckland DHB is not required to form an opinion in response to questions and therefore we are declining to respond to this question as it is outside of the scope of the Act.

You are entitled to seek a review of the response by the Ombudsman under section 28(3) of the Official Information Act. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

Please note that this response, or an edited version of this response, may be published on the Auckland DHB website.

Yours faithfully

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Ailsa Claire, OBE

Chief Executive of Te Toka Tumai (Auckland District Health Board)