Hon Carmel Sepuloni

Minimum Wage Supplementation Consultation

Ministry of Social Development

April 11th

Hey Ms Sepuloni,

My name is s 9(2)(a) and I'm a s 9(2)(a). I just wanted to get in touch about your proposed legislation changes on the Minimum Wage Exemption. In particular, I wanted to say something about equality. It's a topic you hear a lot about today, at least in the academic environment. There are problems with the way it is being talked about though. 'Equality' is often vaguely thrown around. Heads everywhere nod that it is a good thing, that there is not enough of it, and that in any situation where equality is in question, we should jump to the side that there needs to be more of it.

We need to become more sophisticated in our understanding of equality, for important reasons. I think the next step in our collective understanding of it is to separate it into two very separate ideas. The first is 'equality of opportunity'. This is a great thing. It has become a core cultural value in New Zealand, in the West, and in many other parts of the world. Everyone is different, and everyone should be entitled to pursue the goals they want to pursue, and to discover the things they are uniquely good at. I don't think I know anyone who disagrees with that, and I try to know as many people as I can. We should expect this in life today.

The second thing is 'equality of outcome'. This is a terrible thing. It is a bad thing to expect (not going to happen because everyone is different), a bad thing to enforce (which is the only way that it is going to happen), and a bad thing by which to assess ourselves by (we would not be 'better' if we had more equal outcomes). Anyone who presumes to separate people into categories (gender, sexuality, skin color, country of origin, city of origin, hair color, brand of cellphone… the list is literally infinite), judge them based on that one category, and then enforce the same outcome on all categories regardless of the situation, is making a big mistake. This is going to lead to terrible consequences.

I would like to share a personal example, which relates to your proposed law changes. My s 9(2) suffers from severe cognitive disabilities. He cannot understand a lot of things that the vast majority of people can understand (for example, s 9(2)(a)), and he also suffers from learning disabilities which prevent him from learning such tasks with any ease. He cannot even understand it if I ask him permission to tell his story for him like this. He works at the s 9(2)(a) company that employs disabled people, supervises them on their premises, supports them through that job, provides them activities and a community, and takes them on outings. This is a fantastic situation for him, because after his Mum s 9(2)(a) died, he suffered from severe, prolonged depression. This is no wonder, because not only had he lost both parents, but he had no contact with the outside world (apart from with s 9(2)(a)). Now he has a job which he loves, a community of friends he loves, and is always smiling when I see him (every six weeks when I visit s 9(2)(a)), and talks about his job and friends regularly.

Your proposed changes are absolutely likely to take this away from him, because what you are going to do is destroy the business model by which his company operates. They will not be able to provide the services they provide to him and give him the opportunities he is making use of, because if implemented, your changes would force the s 9(2)(a) to increase their profit margins, and the only way to do that would be to start laying off the least productive workers – in other words, the most disabled. The way I see the situation, my s 9(2), after a lot of hardship in his life, has finally found some good circumstances, which aren't hurting anyone, which you are attempting to take away from him. And for what? For an unsophisticated ideology, it seems to me, which is totally disconnected from the reality of the situation. I apologise if this seems harsh, but these consequences are very real, and I obviously feel very strongly about my s 9(2) wellbeing.

If you really care about the circumstances of people with disabilities, the best thing you can do is honestly to not do anything. Imposing an equality of outcome on these people would actually do them great harm, because their situation requires special considerations – which is in the form here of the disability benefit, which my s 9(2) receives, and the Minimum Wage Exemption.

Please feel free to share this correspondence with any number of people you please.

Yours sincerely,

s 9(2)(a)

Contact s 9(2)(k)

s 9(2)(k)
[redacted]

Hon Carmel Sepuloni
Minimum Wage Supplement Consultation
Ministry of Social Development

10 April 2019

Dear Ms Sepuloni

Discussion document on wage supplement as alternative to Minimum Wage Exemption permits

s 9(2)(a) is one of the 900 New Zealand workers currently working with a Minimum Wage Exemption (MWE). s receives less than $1.99 per hour of work, and relies on the Supported Living Payment. I write to represent s 9(2)(a) interests. s is incapable of understanding your proposed reforms and the likely implications. s intellectual and learning disabilities mean that s will never obtain a job on the open market. s requires constant supervision to stay on task and s productivity is low.

First and foremost, it is very important that you understand that s 9(2)(a) loves s job. s loves the opportunity to feel part of a community of similar people undertaking work together. Prior to connecting with s 9(2)(a) s remained at home with little to do, in the care of s 9(2)(a) . s has struggled with depression and finding meaning in s life. s job at s 9(2)(a) has now completely changed s outlook on life, and it provides s with immense enjoyment, companionship and a sense of purpose. The amount of money s earns is of little consequence s 9s 9(2)(a) is extremely happy with s job, and the terms and conditions under which s works. s is paid a fair wage for s day's work. s is certainly not being treated unfairly or exploited in any way. As his advocate, I would be the first to complain if I thought this were the case.

I believe that replacing the MWE with a wage supplement will threaten s 9(2)(a) employment and well-being. Key reasons include:

Training and support opportunities may be restricted	s 9(2)(a) has benefitted from extensive work training and support at s 9(2)(a) which operates as a not for profit business. Without the current MWE scheme the organisation may face pressure to operate exclusively on commercial terms, reducing time spent on

training and support in order to focus on increasing output via the more productive workers.

Inflationary wage pressure on business of not for profit employers

Replacing the MWE system will result in all workers, regardless of ability, being paid at least the minimum wage. As already noted [redacted] and his co-workers require a high level of supervision. There will be inflationary pressure on the wages of the supervisors so that a "fair" relativity is maintained. This in turn will increase the cost structure of the organisation, making it more difficult for the business to remain a going concern and ultimately leading to job losses.

Financial pressure on not for profit employers leads to employment of only the more productive workers

The first workers to be made redundant as the business faces financial pressure will be the least productive. Hence, s 9(2)(a) will be one of the first casualties. [redacted] will not understand why [redacted] losing [redacted] job and will have no other opportunities for re-employment. [redacted] will go home to a life of doing nothing once again. Minister, you will then have failed in your stated aim (page iii) to protect existing job opportunities.

The implied reduction or cessation of the Supported Living Payment removes the financial safety net

The implications of the proposed new system for the Supported Living Payment are such that vulnerable people like s 9(2)(a) may have to reapply for the benefit if circumstances suddenly change. This occurred last year when my s 9(2)(a) could not work for a period of time due to an unexpected and sudden health issue (now resolved). The continuation of the Supported Living Payment was essential during this period.

Finally, I note your concern that the MWE conflicts with New Zealand's obligations under the United Nations Convention on the Rights of Persons with Disabilities (UNCRDP) "because people with a MWE do not have the same right to earn minimum wage as other people" (page 5 of the Discussion Document). I have read the UNCRPD and I presume you refer to Article 27 1 (b) which notes that States should:

> Protect the rights of persons with disabilities, on an equal basis with others, to just and favourable conditions of work, including equal opportunities and equal remuneration for work of equal value, safe and healthy working conditions, including protection from harassment, and the redress of grievances

I can find no reference to a requirement to pay minimum wages and suggest that you have misinterpreted your obligations. s 9(2)(a) 's wages reflect fair and equal compensation for the value of the work [redacted] does. A profit-making company would not employ a worker with a similar level of productivity as s 9(2)(a), or if they did employ such a worker, at minimum wage or more, that worker would not retain his or her job for very long. In other words, if you do not differentiate between s 9(2)(a)'s situation and a "normal" worker who is highly unproductive then like the normal unproductive worker s 9(2)(a) will lose s job. Perhaps that might achieve your aim of non-discrimination but in doing so you will fail in your obligation to "safeguard and promote the realization of the right to work" of disabled people like s 9(2)(a).

In summary, I do not see any good reason to change the current MWE system and I have grave concerns about the proposals in your discussion document. You note on page iii of your discussion document that your proposed alternative to the MWE was developed "in conjunction with people from the disability sector including workers". s 9(2)(a) was not consulted, nor were any of his 130 co-workers at s 9(2)(a). More importantly, given the cognitive difficulties of these workers, none of their families / advocates were consulted. I understand that the trustees and management of s 9(2)(a) were not consulted either. Before taking any further action on this matter, I urge you to undertake a targeted consultation exercise which encompasses the 900 affected people and their caregivers.

Please note that no part of this submission is confidential. I am happy for my submission to be made public, and in fact I would welcome publication. I am also happy to discuss any issues I have raised in person.

Yours sincerely

s 9(2)(a)

s 9(2)(a)
s 9(2)(k)

Paper for s 9(2)(a) [redacted]

[redacted]

[redacted]

From sheltered workshops to human rights: transition tensions

Article 27 - Work and employment

1. States Parties recognize the right of persons with disabilities to work, on an equal basis with others; this includes the right to the opportunity to gain a living by work freely chosen or accepted in a labour market and work environment that is open, inclusive and accessible to persons with disabilities.

United Nations Convention on the Rights of Persons with Disabilities, ratified by New Zealand 2008

I thought it was important to start with the principle expressed in the United Nations Convention on the Rights of Persons with Disabilities about the right to work on an equal basis with others. Article 27 goes on to outline specific conditions including the rights to career advancement, and pay and conditions including union membership that non disabled people have. The drafting of the Convention took several years and New Zealand and New Zealanders had a significant input into its development. The principles and words were carefully crafted to say what they mean.

So what does this mean for New Zealanders today with learning or intellectual impairments? In order to see more clearly how we got here and where we are going it can be useful to look at where we have come from. There is a Maori cultural perspective that we can borrow – of walking backwards into the future bringing with us those who went before. That way we can acknowledge and draw on all those diverse threads and tensions and see if there is something to be woven together and learned from them all.

Presentation outline

In this presentation I am going to look at some of the history about how we got to where we are now, acknowledging those who went before including the founders of the IHC. Why did sheltered workshops develop and why did we close them? What is the current situation and is it working for disabled adults today? s 9(2)(a) [redacted]. Would a Universal Basic Income be any better? Then look at how things could be. How can we draw the threads together to implement the principles of the Convention?

My standpoint

My standpoint is as a parent of an adult s 9(2)(a) [redacted] [redacted] has labels of s 9(2)(a) [redacted] But [redacted] is a unique individual and a much loved son s 9(2)(a) [redacted] and a citizen of his community. As parents we never know where our children will lead us. I have learned about disability and advocacy and the importance of social justice and human rights from parenting s 9(2)(a) [redacted] s 9(2)(a) [redacted]

History

Firstly for me it is important to acknowledge those parents of disabled children who fought the battles before us to ease our way today. s 9(2)(a) [redacted] attended mainstream school and had a part time job and is an active member of our local community - only because of earlier parental activism. Because of the battles of those earlier parents and their allies I was not advised to institutionalise [redacted] as a baby and forget about him, as they were. Because of those parents there was a law which came in just in time for us that said he could attend the local school just like any other child, something their own children didn't have.

The parents who, in 1949, founded what became the IHC – the host of this conference - wanted lifetime local support options, education and employment for their disabled children, rather than institutionalisation away from family and community.

Sheltered workshops

Those same parents went on to lobby politicians, in the 1950s, for sheltered workshops whereby disabled adults would spend their days in local enterprises in the community, rather than living an institutionalised life. In those workshops they may have done repetitive tasks, for no additional pay over welfare payments, but they remained in their communities. So in 1960 when the second Labour Government passed the Disabled Persons' Employment Promotion Act, providing legislation for sheltered workshops, that was progressive policy. I remember as a child going with my mother to a sheltered workshop in s 9(2)(a) where we sometimes bought wooden toys.

By the beginning of the 1970s the institutions had reached their peak and then rapidly started to empty due to a growing awareness of disability rights, and political changes. Soon there were more disabled adults looking for work.

In 1983 there was an employment act about minimum wages and what are known as General Minimum Wage Exemptions (MWE) date from that time whereby employers could seek an exemption for 'less productive' workers. These exemptions were used in sheltered workshops and in some other industries. Remember in those days of pretty much full employment there were also numerous low skilled jobs in the Railways, Post Office or factories.

However, there were many changes in the following two decades that would change the employment landscape. The neoliberal economic revolution saw many of the large government employers closed, manufacturing sent off shore and benefits cut. Meanwhile the self-advocacy movement rose in which disabled people themselves, including those with intellectual or learning disability, were at the forefront of lobbying for closure of sheltered workshops because of the exploitation of disabled people.

Sometimes parents and families were on the other side of the issue. Some parents saw the workshops as safe and secure places for their adult children, not having to experience them for themselves. I have a disabled friend who tried to unionise his local sheltered workshop, without success. It was a patronising, patriarchal model. So workers were not only denied proper wages, proper conditions but regular industrial democracy too. In many ways disabled workers were second class citizens.

My friend, the late s 9(2)(a), who became a medical ethicist at the University of Tasmania, found his earlier work in a sheltered workshop demeaning. s 9(2) wrote

"I was dismissed as not being capable of doing tertiary studies. The experience of packing cutlery for a fast-food chain in a sheltered workshop where workers with disability even ate at different tables from the non-disabled management, taught me much about life, *otherness* and our society. I now teach in the institution that once deemed me unable to undertake further study. Such an experience has taught me to think critically about the way in which society disables through attitudes." (Allies in emancipation p x)

Following a battle between sheltered workshop owners versus disability activists, with parents on both sides, the sheltered workshop legislation was finally repealed in 2007 under the Disabled People Employment Promotion Repeal Act. But Minimum Wage Exemptions remained and remain today.

After the repeal of the DPEP some workshops became day programmes or vocational centres. Some became social enterprises using the Minimum Wage Exemption, claiming lack of economic viability without the exemptions.

Over 800 Minimum Wage Exemption permits remain in New Zealand. Each represents a disabled worker receiving less than the minimum wage for their labour. These exemptions contradict the Government's latest Disability Action Plan which is based on a modern rights framework including Article 27 of the CRPD which promotes regular wages and employment conditions. Exemptions are remnants of an era when disabled people were not considered valuable workers so employers were rewarded for taking them on. So there is a clear philosophical problem here.

Like those early IHC pioneers, parents continue to fight and work hard for their children's employment. There are alternatives to MWEs that promote sustainable employment such as wage subsidies, employment supports, apprenticeship and training schemes, or seed funding for cooperatives, and I will later talk about some good models.

Our experience

Many adults, particularly those with learning disability or autism, know first-hand that quality jobs are rare. The barriers are high to create sustainable jobs and a great deal of goodwill, support and resourcing is needed. My [redacted] and [redacted] friends are all keen to work. They absorb government messages about bludging beneficiaries but the reality of getting into employment is very hard. Even for those who have jobs they are often insecure and poorly paid. One of my [redacted] worked at the same supermarket full time for over a decade. [redacted] remains on the minimum wage, never has two days off together and the only time [redacted] has a day off in the weekend is when it is a statutory holiday.

My s 9(2)(a) has experienced employment success and this is how it happened. It happened due to luck. s 9(2) was lucky to go to mainstream school and even luckier to have access to careers advice and work experience. s 9(2)(a) teachers believed in inclusion and over several years and with much extra help he managed to get NCEA Level 1. But I was horrified when s 9(2) was offered a local sheltered workshop as s 9(2) post school option. I heard stories about the bullying and boredom at that establishment from some of s 9(2) older peers. But we were lucky again. s 9(2)(a) . But at the end of the year only two of the small class had employment – s 9(2)(a)

Now this didn't come about but chance. Several things came together. The Government's Mainstream Supported Employment Programme had by then been going for over a decade. It was a two year supported and wage subsidised programme run by the State Services Commission for jobs in government agencies. It was well resourced and promoted and had recently been extended to s 9(2)(a)

So for two years my s 9(2)(a) had a skilled supported employment worker who s 9(2)(a) and guided him into the employee role. s 9(2)(a) wages were subsidised by government and he went to training courses. s 9(2) was lucky to be kept on after the wage subsidy finished when he transitioned into a permanent part time staff member. Many other employers let their workers go when the wage subsidy finished.

But over the years the s 9(2)(a)

[redacted] lost most of its funding and status and after [redacted] years there was the inevitable conversation –this isn't working for him or us. And it wasn't. For 10 years [redacted] had been a loyal employee and done [redacted] best. [redacted] hated taking a day off even when he was sick. But [redacted] remained a person with learning disability and when people forgot to communicate with him in the most effective way – with simple instructions, a physical demonstration reinforced with a written list of bullet points – [redacted] became anxious and confused and mistakes happened. [redacted] needed one dedicated person to keep an eye on [redacted], keep [redacted] informed about what was going on, and be available for [redacted] questions.

For people with [redacted] predictability is important. Once a role is learned any changes need to be flagged and explained. Unexpected changes can cause anxiety. That is why a dedicated member of staff on hand to act as mentor and guide is important. Things started to go wrong when that role disappeared.

Throughout all these years it remained a part time job and [redacted] earnings were topped up by a partial Invalid's Benefit. Abatement rates are a highly discriminatory tax on the poorest New Zealander, those on benefits, so the take home pay was never great.

But apart from the chaos during the Novopay debacle things generally went smoothly. However, Work and Income did their annual review at the end of each calendar year and the school finances and IRD worked on different financial years – so aligning the earnings data – which the beneficiary has to do - always came when all the school staff were away on holiday. But I became [redacted] agent and managed to get all the paperwork in on time. But that was about to change.

Dealing with Work and Income

Dealing with Work and Income can be a grim activity. You know you are being punished for being unemployed, poor, disabled, widowed, or a single parent. For a start you can't just go in to the office. Two security men guard the locked doors. Even they are on minimum wage and insecure contracts, reflective of an oppressive system.

To get an appointment with W and I you have to ring the 0800 number and wait. Sometimes for several minutes. Sometimes you are cut off and you need to ring several times before you talk to someone. People are usually nice but often not well informed. I am my s 9(2)(a) official agent but it is not unusual for that to be challenged. Then you get an appointment in a couple of weeks' time. On that day you go along, through the secure doors, check in and wait. Eventually you see someone who you haven't seen before. Hopefully you have brought all the extensive paper work you need including a passport, several pieces of identification and a letter showing your address. They have a reputation for losing documentation. But hopefully, the problem can be sorted out.

This year we have had numerous letters and phone calls from Work and Income about my s 9(2)(a) basic Supported Living Benefit of $262 a week. It appears that they are centralising all their information, retrospectively. But if they are missing some information for any reason (even though you have always provided what was requested) they fire off a letter saying provide it, and on official letterhead, or your benefit will be cut. Sometimes the information requested is obscure data from several years ago so very hard to locate. So we go in, sort it all out, and then a couple of weeks later get another letter about providing another bit of obscure data, within two weeks, or another threat of benefit cut. And with mail less frequent these days delays are inevitable.

Alternatively you are required to communicate with government via Real Me. This is a very complicated IT tool for which you need an internet connection, a working paid up cell phone, considerable IT literacy skills and a great deal of patience. Then of course, how can you survive on $262 a week and pay rent, buy food, top up your cellphone, wear clothes and travel around the city job hunting. Getting into debt is inevitable. Life as a beneficiary is tough when you are poor and harder when you are disabled.

If you get casual or part time work then every week you have to report to Work and Income about what you have earned that week or intend to earn next week. Even if you get full time work the 90 day rule means lay offs are common, then a stand down and applying for the benefit all over again.

This system thrives on distrust, is cumbersome, punitive and bureaucratic and keeps people in poverty. I just don't know how people with learning disability without advocates (such as mothers) cope. Recent Victoria University research has shown that a percentage just fall off the system.

There is so much wrong with our welfare system. My experiences with W and I have caused me to think whether there is a better way. There is. Is it time for new inclusive policies such as a Universal Basic Income where community contribution and participation can be multifaceted and not dependent on minimal wages or punitive accountability requirements by state welfare agencies?

The Universal Basic Income and its implications for citizenship

The suggestion about a possible Universal Basic Income (UBI) for all citizens of all ages is one suggestions to come out of Labour's Future of Work initiative. This is not a new idea, even in New Zealand. Gareth Morgan and Sue Bradford both promoted the idea, from the right and the left respectively, in response to the Welfare Working Group in 2010. They agreed that it was a simpler and fairer way to distribute money to those at the bottom. However the WWG report in 2011 led instead to the streamlined benefit system we have today with an increasingly punitive system for our poorest citizens which includes many disabled people – and which I have just described.

However, once you get to 65 your status changes, your basic benefit entitlement increases and there is universality of National Superannuation for all the over 65s. National Super cannot be considered a UBI because it is not universal across the whole citizenry, but it shows that a government could implement a UBI if it was so inclined.

A suggestion of $200 a week could be a possible starting point. Some beneficiaries dismiss the idea as not enough to live on. A figure of $200 a week or about $11,000 is currently less (although not that much less) than many welfare benefits. But the UBI is about universality. A system needs to start with universality of an amount, however small, for every person, including children, and then some universal and fair assessment system tops that up according to need, if required.

Professor Guy Standing spoke in Wellington a few months ago about the concept. He from the University of London, and is mainly known for coining the term 'the Precariat' to describe the modern situation of widespread insecure low paid work.

At his Wellington meeting Professor Standing talked about trials of UBIs in various countries, with some even set up as Randomised Control Trials, the scientific 'gold standard'. He described a pilot in India funded by UNICEF whereby everyone, of all ages, living there at a certain point in time, got the same token regular amount of money. Even with a small amount people soon started to act communally, putting aside some of their UBI towards community facilities. This illustrates that social benefits multiply from an UBI, whereas capitalism tends to divide.

How could a UBI be funded?

Prof Standing advocated that a UBI should start small, be piloted and brought in incrementally. It can be paid by taxing capital, currently undertaxed in most countries, and was shocked to learn that New Zealand has no death duties. He says we tend to give subsidies to those who are better off such as the accommodation supplement which beneficiaries have to apply for but which goes straight to landlords.

He also used the terms 'plundering the commons' to explain the privatisation of assets built up by citizens or of natural resources. Such privatisation denies an income stream for the citizens, and also leaves them to clean up any mess (even literally such as pollution) while private interests profit. The privatisation of our electricity resources and the export of our water are two obvious examples. Norway kept state control of its oil industry and now both the citizens and society are wealthy. So if we taxed the bottled water industry, at say, $1 a litre we could afford a generous UBI.

How could a UBI work in New Zealand?

I will use my s 9(2)(a) case as an example. If we had a UBI he would get the first, say, $200 no questions asked as [redacted] right as a citizen just as every other New Zealander regardless of age would get. [redacted] currently gets about $50 more than that a week, and other beneficiaries get more in various supplements which currently involve a large amount of time and paperwork. But [redacted] has friends without the resources to even start providing the paperwork.

The next issue is how to create a simple system to assess need above what is provided by a UBI - a system that is not means-tested or ring-fenced, and would work for everyone whatever their circumstances. It would need to be one simple person-centred needs-based system, based on respect, justice and trust. There would no longer be divisions in disability support between ACC and MoH. But our current disability support Needs Assessment Service Coordination model is not the right one as it is ring fenced with strict eligibility requirements.

Instead we need a system that asks people what they need to participate in and contribute to the community if they do not have paid work to top up their UBI.

With taxes on housing and land, property speculation would no longer be lucrative, and the power of the state could then provide housing security through social housing (with Universal Design of course), income related rents and other policies, so many people might not need much of a top up to their UBI.

Those who say a UBI can't be done or is too expensive should look at history when earlier New Zealand governments managed such great jumps forward. In 1938 the first Labour government brought in the 'cradle to grave' welfare state, financed by a fair tax system. It included disability pensions in a limited form and an accessible public health system. A Family Benefit for children paid to mothers was another form of universal financial support.

With political and public will we could create a UBI plus a simple, trust based person-centred top up system. It could be funded by a fairer tax system and investment in our income earning public assets. Savings on a number of fronts could be made. A UBI would replace the expensive to run, bureaucratic and demeaning WINZ system. Much of the detail such as a fair needs assessment system could be developed by public discussion in partnership with the best public servant minds. Just imagine the enthusiasm and expertise disabled people and beneficiaries could bring to that project!

Most importantly, a UBI would value all the citizens and their contributions including all that voluntary work my s 9(2)(a) and other beneficiaries do, such as helping with community activities, pet feeding, or even giving blood. Every human would be equally valued. We could broaden our ideas of what constitutes work.

Here are some examples of work

Employment options

This is not to say that there is not a role for employment. There is and there are some great examples out there. One of the most famous is Specialisterne (the Specialists), a Danish-based but now international franchise whereby people with autism are employed in IT and electronics development and testing. Thorkill Sonne is the father of a boy with autism who realised that many people with autism had strengths in detailed repetitive technological work. So he developed a plan to employ a million people with autism throughout the world in technology testing by organisations franchising his idea of autism-friendly workplaces. There are now several such organisations around the world. Even though his hasn't come to NZ I recently heard of a collaboration between electricity supplier Power Shop and Altogether Autism to offer some training in technology testing for autistic adults.

Another employment model is the DAL café in Geelong, Australia which has been going for about 20 years. Initially set up by a parent of a young adult with intellectual impairment from an old catering company (Dial a Lunch) it is now a successful café and training establishment for young people with learning disabilities. The staff participate in ongoing evaluation, and the young people involved, many who have gone into mainstream food businesses, have addressed conferences and workshops around Australia and overseas about their enterprise.

There has also been a lot of news lately about seasonal work. So what about some kind of travelling enterprise to employ people with ID in seasonal industries, with the proper support, including accommodation and training?

Repetitive predictable outdoors work would actually suit many with neurodiverse conditions such as autism.

I will finish with a vision of how things could be.

Vision: Aspie cafe and enterprise centre

This café and enterprise centre is located in the central city near a busy public transport hub as few of the staff drive. It is open from six am to midnight and is staffed by a roster of people, most of whom are on the autistic spectrum. Most previously survived on welfare benefits and some still receive a partial benefit, as full time work in the neurotypical world can be very stressful for the neurodiverse. The café is low sensory with carpets, a mixture of dim and natural lighting, soft chairs and sofas and quiet alcoves. The staff are rostered for shifts that suit them. Some work a couple of hours a week, some everyday. They work in the areas they feel comfortable with such as cooking, cleaning, clearing tables, serving, washing-up, dealing with money, computer orders, barista, delivery and website maintenance. The rosters are done weeks in advance and simple and clear rules are displayed on the walls. Variations, such as closure for holidays, are negotiated and agreed to well in advance. The secrets to this successful business are good support for the staff, rosters and jobs to suit interests and abilities, and time out spaces. There are agreed procedures to follow if any problems arise, such as staff incompatibility or sensory overload. People initially come to support the café as a good cause and keep coming back as both the environment and the food are good.

Autistic artists, craftspeople and techies occupy adjoining rooms and their work is on display and for sale. A health clinic operates from the premises with staff who understand the clinical and mental health issues around autism, and are also qualified to sign documentation. An advocacy service is provided for those needing help with student loans or benefit processes. The centre also employs neurotypical staff as required, mainly for their organisational skills, or to act as social interpreters for appointments with various agencies.

As this centre is known for its autistic expertise, there are frequent requests from educationalists or clinicians wanting professional development around autism, or government agencies wanting autism representation on advisory groups. There are also job opportunities such as IT companies looking for technology testers, schools looking for teacher aides or families looking for mentors for their autistic children. Centre staff act as agents for these jobs.

There is a partnership between the university, local IT start ups and the centre. Projects developing computer games and artificial intelligence are popular.

In order to develop the business the staff have partnered with the local university for ongoing evaluation. Each month those involved with the centre have a two hour meeting facilitated by staff on a rostered basis to discuss their group work, suggest improvements and new workplans. Those who do not use words to communicate use their usual communication devices. Suggestions could include such things as facilities or skills development.

Representatives of the café and enterprise's staff sit on government taskforces, write submissions, speak at select committees and at conferences to inspire and inform others about their successful model. A newly elected MP found his first job at the centre. Staff and volunteers can train for NZQA qualifications from the local tertiary provider for the work they do. The government is very supportive, with politicians as regular visitors, particularly pleased because this successful venture has saved the government a large amount of money in welfare payments and provides a world-leading model of employment support. The staff of this enterprise are in demand for their technical, business, creative, IT and cooking skills, and the centre has become a bit of an incubator.

Conclusion

So how do we get from the remnants of sheltered workshops and MWE to an environment where all contributions are valued whether paid or now and the Convention is realised?

How can we also value those workers with learning or other impairments keen to work but still on MWEs? Or those who are desperate to work but are devalued at every turn by Work and Income. So they survive, just, in poverty. They so easily drop off the system and end up with mental health issues and/or begging on the streets. No wonder the life expectancy for those with ID is more than 20 years less than for people without. Many of our disability community are never going to reach the age to claim the UBI of National Super.

So back to the UN Convention and what do we need to do as a society.

As the economist Shamubeel Eaqub says we need to accept that capitalism has been a bit of a catastrophe. There is no trickle down. Instead we need regulation to distribute income, and more industrial democracy. Basically we need to share what we have more equitably, with less waste, value everyone, and see that and all of us and the planet as interconnected.

Let us turn our attention back once again to those who came before us including the parents, but more importantly those people with ID and LD who were denied access to valued work and even citizenship. I'm sure they would be heartened by the Convention and the rights agenda and they will be cheering us on.

And we all need to be involved, interdependently, as we move into the future.

……………………………

States Parties shall safeguard and promote the realization of the right to work, including for those who acquire a disability during the course of employment, by taking appropriate steps, including through legislation, to, inter alia:

a. Prohibit discrimination on the basis of disability with regard to all matters concerning all forms of employment, including conditions of recruitment, hiring and employment, continuance of employment, career advancement and safe and healthy working conditions;

b. Protect the rights of persons with disabilities, on an equal basis with others, to just and favourable conditions of work, including equal opportunities and equal remuneration for work of equal value, safe and healthy working conditions, including protection from harassment, and the redress of grievances;
c. Ensure that persons with disabilities are able to exercise their labour and trade union rights on an equal basis with others;
d. Enable persons with disabilities to have effective access to general technical and vocational guidance programmes, placement services and vocational and continuing training;
e. Promote employment opportunities and career advancement for persons with disabilities in the labour market, as well as assistance in finding, obtaining, maintaining and returning to employment;
f. Promote opportunities for self-employment, entrepreneurship, the development of cooperatives and starting one's own business;
g. Employ persons with disabilities in the public sector;
h. Promote the employment of persons with disabilities in the private sector through appropriate policies and measures, which may include affirmative action programmes, incentives and other measures;
i. Ensure that reasonable accommodation is provided to persons with disabilities in the workplace;
j. Promote the acquisition by persons with disabilities of work experience in the open labour market;
k. Promote vocational and professional rehabilitation, job retention and return-to-work programmes for persons with disabilities.

2. States Parties shall ensure that persons with disabilities are not held in slavery or in servitude, and are protected, on an equal basis with others, from forced or compulsory labour.

……………………………………

Abstract More than 800 Minimum Wage Exemption permits remain in New Zealand. Each represents a disabled worker receiving less than the minimum wage for their labour. These exemptions contradict the Government's latest Disability Action Plan that is based on a modern rights framework including Article 27 of the United Nations Convention on the Rights of Persons with Disabilities promoting regular wages and employment conditions. Exemptions are remnants of an era when disabled people were not considered valuable so employers were rewarded for taking them on.

But many adults, particularly those with learning disability or autism, know first-hand that quality jobs are rare. Is it now time for new inclusive policies such as a Universal Basic Income where community contribution and participation can be multifaceted and not dependent on minimal wages or punitive accountability requirements by state welfare agencies?

Disabled people, their organisations and families need to be at the forefront of these discussions.

Submission re implementation of a Wage Supplement as an alternative to the Minimum Wage Exemption Permit

12 April 2019

We are a group of people who are either disabled, caregivers and/or closely related to disabled persons and involved with their lives. Therefore, the discussions are important to us and affect us. We wish our views to be considered seriously.

We have read the Discussion document and the Cabinet paper. We note that the lead agencies for this work have been considering and discussing the issues since 2016, yet most of those affected by the decision-making have only been informed in recent weeks.

We ask that there is a full and thorough review of the feedback given by those affected. There are 900 disabled persons affected by the MWE and it seems unreasonable that so little time has been given to receive their views. We appreciate there are agencies involved in the decisions but the persons at the centre should be the disabled persons directly affected and their support/family members.

We note that the discussion documents seem to pre-suppose the implementation of a wage supplement as all the questions are slanted towards this.

We **strongly oppose a Wage Supplement replacing the Minimum Wage Exemption Permit** for the following reasons:

- The MWE permit provides extra payment for work carried out by disabled persons while concurrently protecting their right to a disability benefit should their ability to work be interrupted.
  The Wage Supplement proposal replaces the disability benefit so a person receiving this who became unable to work or had to reduce work hours would then need to apply for a benefit. This is a significant change and would disadvantage those affected. These people are already vulnerable and this change brings additional risk and worry to them and those supporting them.
- The current MWE permits allow companies such as s 9(2)(a) Shore to run a viable business model while providing suitable work to disabled staff and some who are not disabled.
- As well as providing work, s 9(2)(a) offers a supportive family-type environment in the workplace. The workers who are vulnerable in many circumstances, feel safe and are well catered for regarding their employment.
- Employed disabled persons are making a valuable contribution and feel that they are making a valuable contribution through their work, though some of the work they do is less than would be expected of a fully functioning person.
- Some of the tasks being done would be deemed too repetitive or basic in a business required to pay minimum or higher wages, yet staff who are disabled are proud to be engaged.
- The current business model utilising MWEs would be unlikely to survive if this was replaced by the Wage Supplement. It is highly unlikely that other similar businesses would be able to start up if the current model ceased working.
- There is greater security of tenure in businesses operating with the MWE permits as they can provide suitable operations on a big enough scale to be sustainable.
- There are a number of similar business operations in Australia successfully operating using the MWE permits.

Other comments

The MWE scheme was put in place in 2007 to ensure that disabled people received sick pay and holiday entitlements which previously they did not. This is fair and reasonable given that the disabled persons involved are working and should receive such entitlements.
We do not agree that the MWE conflicts with UN Conventions rights for Persons with Disabilities. Disabled persons are aware that they are not able to provide the same level of work as other persons. If they can, then they are able to work in a normal environment and should not be designated disabled in regards to their work capability.

The MWE is for those persons who need specific consideration. Their wage rate is agreed upon by the disabled person who, in our experience, can have a support person present and the employer while understanding that there is a difference between their competencies and those of other people who are fully functioning. To pay the disabled persons the minimum wage compromises their likelihood for secure tenure given that there is no provision for the government supplementing the company employing them.

Where wage assessment tools are identified as variable and disadvantaging to a disabled person, there should be a complaints procedure to address this. To assume this disadvantage or variable is the norm is not our first-hand experience.

Similarly, there should be measures in place with the MWE so employees are not disadvantaged for their benefit entitlements as a result of their earnings. The group of 900 involved is small enough for suitable monitoring to be in place.

Persons with disabilities are not all the same and the group is small enough for personalisation where appropriate.

The general system needs to be simple for the persons affected to access and to be assessed.

Work is important for self esteem and to feeling valued in the community. The most significant factors for those with disabilities are being confident that they have secure, safe and appropriate employment and access to a benefit if the employment disappears or the person is unable to continue to work. At present there is no provision/consideration in the proposal for dealing with the disabled person who needs to move from WS employment to a benefit. The WS proposal does not automatically allow for a person who is no longer employed under this scheme to automatically qualify for a benefit. The disabled person is not in a position to manage such a transition so there is no safety net.

The work our disabled persons are currently engaged in has holistic benefits and provides more than a job. It builds their self-esteem in an environment where they feel valued and worthwhile. They look forward to going to work and are provided with routines that offer security and satisfaction. There is a sense of community that comes from working with other disabled people and also some who are not. We and they enjoy the sense of pride and place that emanates from being accepted for being disabled. The effects of the proposal for the Wage Supplement is likely to eliminate these things.

We look forward to hearing from you regarding the points we have raised in this letter.

Sincerely

s 9(2)(a)
[redacted]

s 9(2)(a)
[redacted]

From: s 9(2)(k)
To: wage supplement consultation (MSD)
Subject: Fw: Wage Supplement Consultation.
Date: Wednesday, 10 April 2019 3:18:23 PM

From: s 9(2)(k)
Sent: Wednesday, April 10, 2019 3:08 PM

FAMILY RESPONSE TO THE PROPOSED IMPLEMENTATION OF A WAGE SUPPLEMENT AS AN ALTERNATIVE TO THE MINIMUM WAGE EXEMPTION PERMIT (MWEP)

We are a group of families and caregivers for people with disabilities that are currently s 9(2)(a) .

We have read and attended a presentation on the proposed change, and we want to voice our opinion to say that we strongly oppose the Wage Supplement as a replacement for the MWEP based on the following reasons:

- ➢ The MWEP permit allows our disabled loved ones to keep their disability benefit should their work be interrupted. The Wage Supplement replaces the disability benefit which could result in the person who is unable to work to have to reapply for the benefit. This could make their situation worse as a result of not having a safety net to protect an already vulnerable population.
- ➢ The current MWEP model allows several organizations that employ a sizeable number of people with disabilities to run viable businesses that offer support and training that may not be available to them in a for profit setting.
- ➢ The new model may have the unintended consequence of making it difficult for these businesses to remain viable resulting in the possibility of them having to close their doors. Additionally, if a business has to pay the person with a disability minimum wage, they will need to pay the able bodied person higher wages to compensate for their greater productivity. This may not be sustainable for businesses, and subsequently they may opt out of hiring people with disabilities because of higher wage costs.
- ➢ Disabled employees in most cases are not working for the money. The social aspects of interacting with their co-workers and the pride they feel in doing a good job are what motivates most of our loved ones. We do not believe that they are being taken advantage of through the MWEP scheme.

In conclusion, we the undersigned support keeping the current MWEP arrangement in place until a suitable alternative is offered for all involved. We implore the government decision makers to conduct a full and thorough review of the feedback, and in doing so ensure that families/caregivers and businesses are consulted. There are 900 disabled people impacted by this issue, and it seems unreasonable that so little time has been given to receive feedback from them and their families and/or caregivers. We are the ones most impacted and have not had a voice in this process.

Thank you. s 9(2)(a) .
s 9(2)(k)

From: s 9(2)(a)
To: wage supplement consultation (MSD)
Subject: Minimum wage exemption s 9(2)(a)
Date: Friday, 1 March 2019 10:12:46 AM

For your consideration:

I am one of the trustees of s 9(2)(a). The Trust was formed s 9(2)(a) and since then has provided employment, support and accommodation for disabled people in s 9(2)(a) on a not for profit basis.

The main funding for the Trust is subsidies from the Ministry of Health and the Ministry of Social Development. In recent years the Trust has had increasing difficulty in keeping a sound financial footing because of the increasing cost of providing its services, without a corresponding increase in the subsidy from the Ministry of Social Development. The increased cost includes the costs incurred in implementing "Pathways to Inclusion" and sleepover payments over and above the subsidies provided for those programmes. The Trust Board will be providing a separate submission giving further details of the above.

I have no wish to dispute that all disabled people must be treated fairly. However, I believe that, in the case of our Trust, the implementation of the MWE repeal will have a detrimental effect on disabled people unless it is accompanied by an increase in subsidy that will cover the full cost to our Trust of implementing that repeal.

The detrimental effects will arise from the inability of the Trust to continue to provide its services without restructuring and a consequent loss of jobs for disabled clients. The Trust is already involved in a restructuring involving job loss in order to meet its obligations to its Bank.

In order to ensure that we don't have to go through the painful process of job loss again, I ask that the Ministry provides a subsidy that will meet all additional outgoings such as holiday pay and ACC payments in addition to increased wages.

s 9(2)(a)

1 March 2019

Hon Carmel Sepuloni
Minimum Wage Supplement Consultation
Ministry of Social Development
20th April 2019

Dear Ms Sepuloni,

Discussion document on wage supplement as alternative to Minimum Wage Exemption (MWE) permits

Minimum Wage Exemption has provide intellectual disabled adults who are not able to work at the same capacity as an able-bodied adult. My brother, s 9(2)(a) who has learning disabilities s 9(2)(a) is unlikely to get a job in the open market. He requires constant supervision to stay and complete on task, therefore his productivity is low.

He has a job at s 9(2)(a) which provides him joy and meaning to his life. He has a place to go routinely, and enjoy the companionship at the workplace. In the past, he had s 9(2)(a) which debilitate him from participating in daily activities. There is no meaning in life without having something to look forward to. At present, my brother looks forward to go to his job and finding sense of purpose in his life. Without a job to go to, my brother with these medical history will impose more financial and economic burden to the society.

By replacing MWE with a wage supplement, this will threaten my brother's employment and consequently his well-being. s 9(2)(a) is a non-profit organisation, this will impose financial pressure and possibly losing the job opportunities for intellectual disable people like my brother. Families of individual adults who are intellectual disabled like myself, want a fair view of this proposal. Have the working party of minimum wage supplement consider the repercussion to the affected individuals and the organisation who are supporting them? I would like this proposal to take into the concerns mentioned above.

Please put in consideration of the detailed submission from the s 9(2)(a) .
We emphasized that status quo is the best way forward, as it works well as it is now for these groups individuals.

Kind regards,

s 9(2)(a)

Email address: s 9(2)(k)
Phone number: s 9(2)(k)

A Wage Supplement as an alternative to Minimum Wage Exemption Permits 2019 – Discussion Document.

Submission from s 9(2)(ba)(i) OIA : April 2019

Key Points:

- **We represent 200 plus intellectually disabled adults - the most vulnerable and largely voiceless group in the disability sector**
- **We have over 6000 years of experience surviving failures in delivery from the education and health systems**
- **We want the status quo to remain, there is no problem to fix. There is no extra cost to Government**
- **We want to keep the MWE regime but strengthen it to make it fairer, transparent, more robust, and standardised nationally**
- **The alternative will be costly to Government. Great ideology but our reality will be grim**
- **The alternative will be complicated and impossible to understand and manoeuvre through.**
- **Change will magnify our anxiety and produce greater health problems for our vulnerable people**
- **The alternative will reduce our opportunities not enhance them**
- **Reforms will take away our individual control and put it in the hands of employers**
- **Subsidising businesses is not the answer**
- **We can't work full time – what will happen to our benefits**
- **We love working where we are – it's safe and free from discrimination and bullying**

Background: who we are

This submission is prepared by an informal group representing experienced and committed parents, carers of and individual adults who are intellectually disabled. We represent the views of some 207 intellectually disabled adult workers that are the recipients of the Minimum Wage Exemptions (MWE). That amounts to 20% of the sector affected by this Discussion Paper.

The majority of whom are unable to read or write and have limited legal capacity (using the legal test). Some are nonverbal. Some combine intellectual and learning disabilities with mental health issues that have resulted from their disability exacerbated by failures in the education system and welfare support over many years.

We know and believe our people are some of the most vulnerable and voiceless group in the disability sector and in the wider community. Please see the Appendix 1. This is who we are and who we represent. We have shared a few of our stories of discrimination, mainstream failures and hope with you. Please read them. The stories for all 200 are similar.

We want it noted that we do not feel represented or supported by the various Charities and government funded bodies, many of whom you have consulted, that purport to represent and look after the interests of the intellectually disabled adults. They do not represent us nor our views. As consequence, we refute any suggestion that they speak for us and the intellectually disabled adult sector.

Submission from s 9(2)(ba)(i) OIA : April 2019

We want it noted that our group were not targeted nor included in the consultation process over the formation of this government policy and approach. Nevertheless, we hope that our voice and our stories will be heard and that it is now not too late to provide some useful commentary and alternatives. This government discussion document and proposal is definitely "about us but not with us".

What we want

We are unclear as to what is the exact nature of problem that is being addressed here. What is the problem that needs to be fixed by such complex and costly reform? We think the status quo is a godsend for us. We don't accept there is a problem. If it is not broken what needs to be fixed and why? The human rights /anti-discrimination aspects that might form part of the underlying drivers for this Discussion Paper are dealt with below.

We are happy to appear before or attend any Select Committee. We are happy to meet with Ministers. We ask that the personal profiles we have shared with you as appendix 1 are treated with dignity, respect, confidentiality and not published.

Ideology versus Reality.

It is extremely difficult, on the face of it, to argue against an ideology and policy formation that calls for equality, equal rights, the end of discrimination and fair pay for a day's work. The ideology is compelling but the true reality for us is less than compelling and grim.

We totally endorse the Government's 2015 commitment to the ensuring and improving employment outcomes for disabled people. But to treat the disabled sector as one homogeneous conglomerate is unfair to our small, vulnerable and voiceless group of intellectually disabled adults. It does us a dis-service. The disabled sector is a disparate group with very different needs. There is no one right course for all.

We all want to be able to live independently with dignity and have a reasonable standard of living. We know these well-rehearsed ideological arguments so well already. But we want you to take a leap of faith as we share some frank realties with you. We have walked the walk and we continue to.

There are serious unintended consequences associated with this reform. These are complex and life changing. We acknowledge our realities don't fit neatly into the ideology underpinning the Discussion Paper nevertheless, here are some of these realities.

Our realities and why we want the status quo to remain

1. Our group of intellectually disabled adults are not able to work at the same capacity and speed as able-bodied adults, the physically disabled and people without cognitive and sensory disfunctions. Our group have lower levels of productivity. This is reflected in the minimal and negligible numbers of intellectually disabled adults in paid employment currently. They are invisible because they are not employed. Business is not geared up for or interested in employing them.

2. The reality is that the MWE regime allows employers to provide opportunities for our severely disabled people when they didn't exist before and who otherwise would not be given an opportunity to be part of the workforce. The numbers speak for themselves.

3. We aren't equal we have special needs. Equality is not achievable and is unrealistic without a huge amount of active positive treatment, funding and support. This has not been delivered in the past so there is some scepticism that it will be delivered in the future under the suggested reform.

4. What we do want and need is equal chance, equal protection, equal opportunity and extra assistance and affirmative action to just work. However, before any of that in reality we need a real business to employ us.

5. We need real businesses that can operate this model and not businesses who take on the odd token person with an intellectual disability. Appendix 1 sets out some heart-breaking examples of tokenism and experimentation gone wrong for our people and the long-term knock-on effects of this. Paying a minimum wage is not a help and not enough to encourage businesses to employ us.

6. We don't think we are discriminated against in respect to the operation of the MWE regime. For our group it is not about the money. Ask one of our group if they would like to earn $500 a week and it will always be greeted with yes please, yet the reality is that few have the capacity to understand and operate their finances and even a bank account. Yes, some can use an ATM machine but they struggle with financial concepts and constraints.

7. It is not about the wages. It is about first and foremost being, often for the first time, a valued contributor and participant in society, after years of isolation and exclusion. It's about the value and opportunity businesses like s 9(2)(a) OIA provide us, namely:

   - Giving us a job
   - Being of value in the community
   - Having a meaningful purpose
   - Being part of a caring and supportive community of people like ourselves free from bullying and discrimination
   - Dignity and pride in the goods and service we provide– we love providing a sustainable resource s 9(2)(a) OIA
   - A reason to get out bed, off the couch and watching endless TV and internet
   - An end to isolation and loneliness
   - A place to chat and be part of the chat
   - An end to always being the odd one out
   - Being the majority not a minority or single worker in a group of able bodies workers.
   - A sense of achievement and self-worth
   - Independence – if we get to work on the bus and train we can do anything and go anywhere
   - A safe place to be
   - Protection and legal rights against exploitation and abuse
   - Security through adulthood and life journey
   - Friends

   Without the MWE and s 9(2)(a) OIA and similar businesses we would have nowhere to go and nothing to do. There are few inclusive employment opportunities for intellectually disabled people. Paying a minimum wage is not a help and not enough. That is a one for all course of action.

8. The status quo works well. So well in fact the Government should consider raising the moratorium on the creation of MWEs and allow more severely intellectually disabled adults to come under the scheme. There is such a need and considerable demand especially in the regions. There is no extra cost to government.

9. We want equal/ fair remuneration for the real value we provide. An effective and better supported MWE scheme could establish what this equal remuneration might look like for our people. Taking into account our lower productivity means we just don't deliver the economic return required for efficient businesses to operate. (We exclude volunteer schemes and training schemes.)

10. Rather than abolish the MWE and replace with a hugely complex and costly alternative perhaps put resources into making the MWE regime consistent, fair and transparent with a national standardised productivity assessment that includes the requirement for support, assistance and best workplace practices for intellectually disabled adults whose productivity is affected. Those whose productivity is not affected are likely to already be paid the minimum wage or more depending on skill and ability and don't need this exemption.

11. Subsidisation/ supplementation of wage costs would in reality put our people and their ability to be employed at greater risk. It increases a level of complexity and compliance and tax costs (that current business employing people with MWE) are not geared up for. This will reduce opportunities and flexibility and put the livelihood of those workplaces at risk.

12. At present these business operate with a minimal amount of government cost and regulation and the individual worker is protected from exploitation by unscrupulous employees by the MWE regime administered by a government watch dog as it should be. Supplementation of wage costs for our group would still require a certification process to accessibility. It is not clear that it changes anything.

13. It is not clear whether the wrap round benefits and services, some paid directly, like travel costs, ACC payments, independent housing costs, medical cost will still be accessible to our group who have them now. The modelling examples provided in the Discussion Document are simplistic and not reflective of who we are. Many of our group do not live at home and/or will not be able to live at home in the future as our parents age. Many require far more support and assistance than a minimum wage for a 40-hour week could deliver. The reality also is that many of our group, because of their intellectual disabilities and mental health issues, can only work part-time. The modelling set out in the Discussion Paper does not reflect the complexity of issues and housing arrangements we as a group face.

14. Subsidisation / supplementation of wage costs provided to employees removes the control from our people. It places that power in the hands of employers. Employees will become locked into one employer. Currently if, for example, they have a disagreement with a co-worker and /or if they feel that the employer is unfair or they become ill and unable to work then they can leave. Benefits continue and our people don't have to endure the hardship of a stand-down period. They don't have the cognitive or verbal skills to advocate for re-instatement with WINZ or MSD. We feel these proposals are too complicated and linked to an employer which will decrease an individual's choice, flexibility and increase the vulnerability of our people to potential work place issues and abuses.

15. The intellectually disabled have vastly different problems from the physically disabled. The assisted living allowance and other assistance packages provide the disabled with a secure financial base not dependant on their work place situation. Any change to this would magnify their anxiety and produce greater health problems for the most vulnerable people in the country.

16. It will add an addition layer of discrimination and disincentivise businesses from employing severely disabled people over less severely disabled people. This will distort the market and create a bias away from employing our people who are the most vulnerable.

17. Subsidisation of industry makes it economically sluggish and uncompetitive. History in NZ has shown that subsidisation of industry sectors distorts investment decisions and reduces competitiveness. It becomes the death knell of business. It will also attract different criticism from commercial competitors.

18. At present, under the status quo, businesses that employ our people are competitive and well-run businesses – not Charities. They provide real goods and services to NZ businesses and are efficient operations with minimal government support. They are social enterprises hungry for business yet able to maintain their altruistic focus. They should be protected and encouraged to thrive.

19. The wage supplement would be a new cost for government which we know would be eroded over time or come under attack from Officials seeking to find soft targets to reduce government spending. We have long memories. The cost of wage supplementing will become a future target to be played around with by successive cost cutting governments, based on the argument that businesses can absorb the reduction in supplement. This will disadvantage our people and erode their future standard of living.

20. If you want disabled people to have a better standard of living, simply increase the benefits and support paid to the disabled. It would be cheaper than the introduction of this proposed complex and costly supplement. This would address the human rights implications and address alleged discrimination against people with disabilities. The problem however is that our people, in reality, will have nowhere to go to work and may revert back to sitting on the couch, watching TV and eating junk food, in isolation from their peers and friends. Mental health issues will become more prevalent.

Conclusion

We feel the government has taken a sledge hammer to crack a nut and the unintended consequences will be disastrous for the vulnerable intellectually disabled adults. We would contend that the MWE regime with further work should remain for the intellectually disabled adult sector and that further consideration and work needs to be done to make it more acceptable to the UN Committee on the Rights of Persons with Disabilities.

If the status quo cannot be maintained, then we ask that intellectual disabled adults be exempt and that the MWE continue for our people and the industries that employ us.

s 9(2)(a) OIA [redacted]