


APPENDIX 1

Our Stories

s 9(2)(a) OIA



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From: s 9(2)(a) OIA
To: [wage supplement consultation \(MSD\)](#)
Subject: re: Wage supplement approach
Date: Wednesday, 3 April 2019 11:15:23 PM

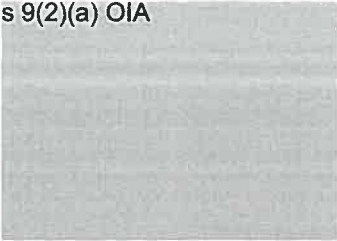
To whom it may concern at the Office for Disability Issues :

I am writing this e-mail as feedback on your proposed "Wage Supplement Approach" Vs "MWE"

Before I make any comment I want to state plainly that I **do not think that the "Wage Supplement Approach" is a good idea and that it should be scrapped.**

My name is s 9(2)(a) OIA and I have a close friend who is involved with and benefited by an "MWE" company.

s 9(2)(a) OIA



Feedback:

1. If the "Wage Supplement Approach" is implemented many of the "MWE" companies will be forced out of business, because they cannot compete, financially, eliminating jobs for disabled people.

As much as we would like for it not to be true, the fact is that many disabled people are not able to function/compete in the regular workplace market. They need the specialised environment of the "MWE".

i. Safe work environment - Many disabled people are not able to function or even understand the hazards of many, normal work environments. Many companies are not equipped to provide the safe work environment necessary for most disabled people. "MWE"'s provide that safe work environment.

ii. Many disabled people function best and feel most confident with repetitious/routine (mundane) jobs. "MWE"'s are able to provide those types of jobs when competitive companies are not able to. But because they provide those kinds of jobs for disabled people, many "MWE" companies are not able to turn a large enough profit to pay minimum wage.

iii. As stated in the Minister's Forward, *"Participating in the labour market is one way that people are able to contribute to their communities and develop their skills and abilities."* "MWE" companies provide jobs that enable disabled people to work, contribute and feel pride in their accomplishments. If "MWE" companies are forced to pay minimum wages, many of those jobs will be lost. [My friend is very proud of the job he does s 9(2)(a) OIA . It would be a great shame for him to lose that job.]

iii. Through the jobs that "MWE"'s provide, they also provide opportunity for social interaction. Many competitive marketplace companies emphasize productivity and would minimise opportunity for socialisation on

the job. [My friend gets great pleasure telling about birthday parties and outings with his work friends.]

iv. If the "MWE" companies are forced out of business and those jobs are eliminated many disabled people will be without regular social contact outside their families.

2. Wages should not be the focus

a. I was actually offended to read the wording in the Minister's Forward, referring to "MWE" as, *"...discriminatory and unfair practice against disabled people..."* Even though this language is quite emotive, it is not true!

i. My exposure to "MWE" companies evidenced neither discrimination or unfairness. On the contrary, they exhibit caring, understanding, and graciousness. They want to help disabled people, otherwise they would not bother.

ii. "MWE"s are not taking advantage of the disabled, but rather are giving them an opportunity to work, gain self-esteem and confidence. The "MWE" is **giving** to the disabled, not taking advantage of them!

b. The issue is not money:

i. Even though it may sound good, the reality is that minimum wage is not going to *"...provides the opportunity to earn sufficient income to live independently, enjoy a good standard of living, and pursue their goals in life."* as stated in the Minister's forward.

ii. Most disabled people have, in addition to their wages, financial support from a benefit or family, or both.

iii. The real benefit of the "MWE" jobs are:

1) A safe work environment for disabled people.

2) Work that they can do and enjoy doing.

3) They have purpose in going to work and accomplishing something each workday.

4) Pride in what they do.

5) Social interaction at the job, outside the family.

6) Pay, even a small amount, that they can be proud that they have earned for themselves, even if it is not enough to live on.

If this change is enacted it will eliminate many jobs that are currently available to disabled people. It will actually be a detriment to our disabled community, rather than a help.

Please **do not** make this change!

A few comments:

1. I tried to submit this feedback online as per your web address, but it was not available.

2. Having 14 April as the cut-off date for feedback does not allow enough time for adequate feedback.

Because the window of opportunity is so narrow, much legitimate feedback will not reach you. Please extend the time for feedback!

Respectfully,

s 9(2)(a) OIA

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From: s 9(2)(a)
To: wage_supplement_consultation (MSD)
Subject: RE: Wage Supplement as Alternative to MWE
Date: Monday, 25 March 2019 4:46:12 PM

Thanks for your response s 9(2)

Yes that clearly is the main point.

What I tried to outline was how flexible everybody needs to be when coping with someone like s 9(2)(a)

It is simply not possible to maintain clear and accurate records of what he is doing, what it is worth, and how it should be supplemented. He lives in the moment and everyone around him needs to too.

My view is that inevitably the overhead and complexity of satisfying the system's accountability requirements will make it too much of a challenge for places like s 9(2)(a) to comply. They will give up and folks like s 9(2)(a) will suffer.

If you can design a system that is sufficiently flexible for accountability to be met but NGOs are not continually jumping through hoops to do paperwork or justify how they manage folks like s 9(2)(a) then that will go a long way to mitigate my concerns. As I say the more spontaneous and impulsive s 9(2)(a) is the more the system needs to be flexible to accommodate it. Hope that helps.

Sent from Mail for Windows 10

From: wage_supplement_consultation (MSD)

Sent: Monday, 25 March 2019 9:25 AM

To: s 9(2)(a)

Subject: RE: Wage Supplement as Alternative to MWE

Thank you for your feedback – we appreciate you taking the time to read the discussion document and provide feedback to us on your thoughts. It would greatly assist us when we provide advice to ministers to know why you think a wage supplement would result in disabled people like s 9(2)(a) losing their jobs. It is important to us also that disabled people do not lose their job opportunities – we have tried to design the wage supplement to prevent this (by having the government meet the cost of the wage increases rather than employers) but we may have overlooked something else that will result in job losses, so understanding this in particular would be most helpful for us.

I look forward to hearing from you again,

s 9(2)

From: s 9(2)(a)

Sent: Sunday, 24 March 2019 1:39 PM

To: wage_supplement_consultation (MSD)

Cc: s 9(2)(a)

Subject: Wage Supplement as Alternative to MWE

Good afternoon. I have read your document and oppose what it proposes.

I do this with regard to the situation of s 9(2)(a) who is s 9(2)(a) and has Downs Syndrome.

s 9(2)(a) resides within a house provided by an NGO s 9(2)(a). Each day he travels to s 9(2)(a) to attend another NGO called s 9(2)(a) where he does basic repetitive tasks and for that receives a small amount in remuneration.

s 9(2)(a)'s mental capacity is such that he spends no time assessing the meaning of life, whether time travel is possible or why there are colours.

His life revolves around the basic routines of getting up, getting ready for the day, whats for lunch and whats on TV.

He is not concerned with his rights, or his wages, but only his routines and the basic needs of life. We s 9(2)(a) love to see the enthusiasm and pride with which he talks of his working day. We know from our own experience that his "applied time" will be limited and punctuated by breaks, wandering off, and the occasional bout of bad behaviour.

We know also that if he did not do this work he would sit around in the supported accommodation at which he lives with some other older gents, getting more and more sedentary, and even more obsessive with respect to food, TV and "colouring in".

In short for people in s category the wages are not the point. As his s 9(2) we would not be concerned if he earned nothing. In fact I'd go further and say we'd probably be prepared to pay a little for him to work (theoretically at least) for someone's else's benefit. Because as I say above the real value is about him getting out and doing stuff.

Now I know that for people with more capacity than s 9(2)(a), the world may look a little different. But I also know that the public sector has an endless capacity to spawn programmes in which one size is expected to fit all, and which have unintended consequences.

I have not the slightest doubt that if introduced as currently intended your changes will instead of resulting in people like s 9(2)(a) being given an actual right to better pay, result in them being denied the privilege of work.

This is because you think in categories, criteria and consistency. s world is randomness, flexibility and "real time". No employer is going to be able to cope with managing the bureaucratic procedures which will arise to assess what he does, how long he should do it, whether it is worthwhile and so on.

So my plea to you is this. Remember that for those at s level these debates are not about money but the ability for him to be able to get out and do something each day. It's a tonic for him, it makes life a smidgen easier for the NGO with whom he resides, and it makes his family grateful that he is stimulated day to day.

Dont deny him this by turning his rights into a burden which ultimately will deny him what he currently has.

Kind regards and good luck

s 9(2)(a)

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Hon. Carmel Sepuloni
Minimum Wage Supplement Consultation
Ministry of Social Development

11 April 2019

Alternative to Minimum Wage Exemption permits discussion document

Dear Ms Sepuloni,

I have a s 9(2)(a) as one of the 900 New Zealand workers currently working with a Minimum Wage Exemption (MWE). I write to represent his interests, since he is incapable of understanding your proposed reforms and the likely implications. His intellectual and learning disabilities mean that he will never obtain a job on the open market. He requires constant supervision to stay on task and his productivity is low.

This intellectually challenged man loves his job, as any of his family can attest. He loves the opportunity to feel part of a community of similar people undertaking work together. Prior to being employed with s 9(2)(a) he spent all his time at home with little to do, until s 9(2)(a). Since then he has struggled with depression and finding meaning in his life. When he was given a job at s 9(2)(a) his outlook on life changed significantly. This job provides him with immense enjoyment, companionship and a sense of purpose.

Most importantly for you to understand, the amount of money he earns is of little consequence to him. He is extremely happy with his job, and the terms and conditions under which he works. He is paid a fair wage for his day's work. He is certainly not being treated unfairly or exploited in any way.

Please understand that replacing the MWE with a wage supplement will be likely to threaten s 9(2)(a) employment and well-being for the following reasons.

(i) He has benefitted from extensive work training and support at s 9(2)(a) which operates as a non-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.

(ii) Replacing the MWE system will result in all workers, regardless of ability, being paid at least the minimum wage. But current MWE workers typically

require a high level of supervision. Thus if these workers are no longer exempt from the minimum wage, 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 that will primarily victimise disabled 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. He will not understand why he is losing his job and will have no other opportunities for re-employment. He will go home to a life of doing nothing once again. This likely result is contradictory to the discussion document's stated aim (p. iii) to protect existing job opportunities.

(iii) The implications of the proposed new system for the Supported Living Payment are such that vulnerable disabled people would have to reapply for the benefit if circumstances suddenly change for the kind of reason given above, or owing to other changes in circumstance. For people of this kind, dealing with government bureaucracy is extremely traumatic, and involves extensive assistance from others, which is time-consuming and expensive in itself. By contrast last year s 9(2)(a) could not work for a period of time due to an unexpected and sudden health problem which required s 9(2)(a). The continuation of the Supported Living Payment was essential during this period, as he was in no condition to apply for a grant at the time, but lives hand to mouth on the SLP. This is a much better approach than replacing the MWE and his SLP with a subsidised wage that would stop in such a case.

In the discussion document it is claimed that the MWE conflicts with New Zealand's obligations under the United Nations Convention on the Rights of Persons with Disabilities, in your words, "because people with a MWE do not have the same right to earn minimum wage as other people" (p. 5). This is presumably a reference to Article 27 1 (b) of the Convention which promotes an obligation to protect disabled people's right to just and favorable conditions of work, with, among other things, equal remuneration for work of equal value. But the basis of the MWE is an evaluation that such people cannot produce work of equal value (i.e. economic value to the employer) to the work of a fully-able employee. The UN convention does not create a requirement to pay minimum wages and the claim that it does in the discussion document is clearly mistaken. There is no question of fairness here. s 9(2)(a) wages reflect fair and equal compensation for the economic value of the work he does.

Consider the following comparison. A profit-making company would not deliberately employ a fully-able worker with a similar level of productivity to his, and if they did so unknowingly, at minimum wage or more, that worker would not retain their job for very long. The implication, unless you differentiate between a disabled worker and a fully-able but very unproductive worker, is

that, like the fully-able but unproductive worker, the disabled worker would lose their job. Perhaps that might achieve your aim of non-discrimination, but it does not fulfill your obligation to "safeguard and promote the realization of the right to work" of disabled people.

Thus changing the current MWE system will be very likely to harm the interests of disabled workers, and the proposals in your discussion document will cause more problems than they will solve, and moreover depend on a clearly faulty interpretation of our UN Convention requirements.

Finally, the discussion document claims (p. iii) that the 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 many co-workers at s 9(2)(a). More importantly, given the cognitive difficulties of these workers, nobody from their families or advocates was consulted, nor were the s 9(2)(a) and management of s 9(2)(a) 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.

Yours sincerely

s 9(2)(a)

s 9(2)(k)

s 9(2)(a)

s 9(2)(k)

14 April 2019

Submission
Minimum Wage Exemption
Via email
wage supplement consultation@msd.govt.nz

s 9(2)(a)


submission Minimum Wage Exemption

- 1 This is an individual submission on the proposal to abolish the Minimum Wage Exemption. s 9(2)(a)
- 2 When I was a youngster in the s 9(2)(a) introduced me to s 9(2)(a) who founded the s 9(2)(ba)(i) in the early 1960s. s 9(2) later became s 9(2)(ba)(i). s 9(2)(a) I grew up alongside the sheltered workshops at the Foundation of the Blind which were closed in 1990. I have some institutional knowledge of the best and the worst of business enterprises which support people with major learning impairments.
- 3 I accept the need to abolish the Minimum Wage Exemption (MWE) permits in accordance with the recommendation of the UN Committee on the Convention on the Rights of Persons with Disabilities.
- 4 I am very concerned about a number of potentially damaging consequences which may impact on the more than one thousand disabled people currently eligible for the MWE.
- 5 The importance of work in New Zealand society cannot be over-stated. Most people when meeting someone new ask "so what do you do for a living?" In my experience, MWE employees at s 9(2) are mostly able to realise they are employed. They come to work each day and say they enjoy what they do. They enjoy contacts with other employees. They go home with a sense of worth, of being useful.
- 6 While every effort is made to train MWE employees to move into mainstream employment, the chances of mainstream employers taking them on are not great. At s 9(2) just s % of employees can read and write, and most who can are at a low level of literacy. Often instructions have to be repeated frequently as attention spans or levels of understanding are not great. It is therefore understandable to me at least why mainstream employers are likely to take on just a handful of our seriously disabled employees.
- 7 New Zealand has an unacceptably bad record of life expectancy for those with learning impairments. At best the life expectancy for learning disabled is 13 years

less than the general population. Contrast this with the number of s 9(2)(a) employees who have worked for s 9(2) for more than a decade, with a couple of employees who have been with s 9(2) for over 40 years. Some say we have trapped our employees and are failing to upskill them for mainstream employment. I argue most of our employees would struggle in a mainstream environment. Because they feel valued they have a reason to stay well in order to come to work for us.

- 8 A proposal is to replace the MWE with a subsidy to business enterprise employers. There are a number of business related consequences that must be thought through to ensure the enterprises can continue to be commercially viable and effective employers of disabled people.
- 9 If the employer is to receive a wage subsidy for each employee with a major learning impairment, each person who receives the subsidy should be assessed and their eligibility formally acknowledged. The MWE assessment tool needs to be totally revised. The professionally revised assessment tool should ensure that only eligible employees can attract the wage subsidy to be paid to the employers.
- 10 While I acknowledge the need to abolish the MWE, I urge that great care is taken to ensure business enterprises supporting those with major learning impairments are allowed to retain commercial viability and that those who are eligible for the wage subsidy are professionally assessed by a properly validated tool.

s 9(2)(a)



29th April 2019

Wage Supplement Consultation

s 9(2)(k)

Re: Submission on proposed Wage Supplement Approach

I am writing to express my views on the new wage supplement proposal. I strongly oppose this current recommendation and feel that there is not enough detail in the proposal to make an informed decision. The proposal is lacking any dept about how the wage supplement will work for employers without the employers being confident with the detail it could result in disabled workers being out of a job and current business enterprises shut down. This would cause discrimination against current disabled workers who have a right to employment.

In 2007 s 9(2)(a) and s 9(2)(b) closed down most of their 'sheltered workshops' and many disabled people were put out of work despite being promised otherwise. Disabled workers were told that these organisations would concentrate on finding jobs for them in the open market. These jobs never eventuated, and the majority of disabled workers were without work. We do not want to see a repeat of this with the current proposal.

In an 'ideal world' no-one would be disadvantaged due to a disability. But in the current economic environment companies are not encouraged enough through subsidies to take on disabled workers. It would be 'ideal' to pay these disabled workers the same as able bodied workers even though many are different in their work habits, speed and ability. Being different is not a negative. We are all different in some way or another and that is why there are different roles for different abilities in any workplace. But social conscience is no longer enough for companies to take on disabled employees. There needs to be a strong incentive by government for companies to employ disabled workers and the reality is there are more government cuts within the disability sector than increases. I feel strongly that any decision made by government which may jeopardise disabled employees jobs is discrimination of their human rights.

This proposal will make vulnerable people suffer for the sake of discrimination. If the minimum wage exception is cancelled 900 disabled workers nationwide will be under threat of losing their jobs.

s 9(2)(a) has an intellectual disability and is very slow to process information, he was in a special school during his younger years. He has spent many years in and out of employment. He would often only spend a few months in each job before he would be asked to leave and he was always receiving negative comments to try better, work faster etc. He spent a lot of time on the unemployment benefit and he also spent years volunteering for various organisations. s 9(2)(a) were unable to find him any employment in the open market.

Two years ago I found out about s 9(2)(a) who employ disabled workers. I work for s 9(2)(a) and s 9(2) is one of our suppliers that create s 9(2)(a).

§ 9(2) need to be commercially competitive in the marketplace for our company to use them as a supplier.

§ 9(2)(a) had never heard of business enterprises like § 9(2) from all the years that we had been involved with work & income (myself as an advocate for him) and § 9(2)(a). He has now worked at § 9(2) for over 2 years and it has been a 'life changer' for him. He feels valued, does a variety of different tasks that are meaningful, receives regular reviews where he is praised for his efforts and has had wage increases since he has been employed. § 9(2) provide courses during work time on money, numeracy & literacy, safety & goal setting which he has been involved with. He also loves the social interaction, being accepted and has made some wonderful friends. He earns well under the minimum wage but that does 'not phase him' as he looks at his total wage from § 9(2) & Work and income as a complete package and is able to live independently with this income close to us in a 1 bedroom flat. He would be devastated if he lost his job as it has given his life meaning and he is happy. He loves going to work each day. § 9(2) also provide a job club where employees can develop transferable work and life skills that may help them transition into open employment, this is encouraged.

I have spoken to a few business enterprises recently in Auckland and the South Island and they are all concerned that they would have to shut down if this new wage supplement went ahead. There is very little information available about how this wage supplement would work for them and they have no confidence in this solution. They operate on small margins and any extra wage costs would put a huge strain on them and most likely make it commercial unviable for them to continue to operate. It would be devastating if this change by government caused 900 disabled workers to be put out of work and I'm sure the public would agree. It is very easy to 'point the finger' at these businesses full of vulnerable workers without knowing all the facts unless you have a disabled person in your family or are closely connected to one. I have heard the other side of the argument, but I have tried for many many years to get § into employment without success as have many other disabled families that I know. Business enterprises have not seen any cost increases for many years to the government subsidy that they currently receive which is terrible and this has never been enough to supplement wages sufficiently.

In this document there is no guarantee that employers would not be affected financially. It only states that "A bottom line requirement for government is that nobody should be worse off as a result of any changes to the MWE scheme" (question 22 page 7). But this contradicts itself when it states in question 35 (page 13) "There is a risk that the wage assessment tool could increase wage costs for employers who are already employing disabled people with a MWE". Also question 41 (page 14) "It would also be difficult to reach agreement with employers as to what is a fair rate to pay, which is affordable both for the government and to meet the additional costs employers face when employing disabled staff" These documents are quite confusing and contradictory for the 'able minded' to understand let alone a disabled person. They are also very biased towards the wage supplement approach while virtually ignoring the benefits of the current Minimum wage exemption.

I also feel this document lacks real examples of how the wage supplement would work. Both examples are where a disabled person lives at home as is not independent, this is not the reality for a lot of disabled people. The examples shown are that 'Gina' and 'Jeremy' would still need the Supported living payment each week and they would be better off financially. So, in effect the government could be paying the cost difference between the MWE and

minimum wage and also the cost of the SLP. How can the government afford this significant extra cost which will affect all taxpayers?

Please reconsider this discussion document and provide more information so we are able to make an informed choice. Disabled people and their employers do not want to be disadvantaged by this change.

I am happy to speak publicly about my submission if you would like.

Yours sincerely

s 9(2)(a)

Contact phone – s 9(2)(k)

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

30 April 2019

I wish to make a submission in my capacity as a tertiary educator with a specialism in teaching adults with a learning (intellectual) disability.

My disability education experience spans 16 years within s 9(2)(a), disability support providers, a school for s 9(2)(a) together with direct workplace education. In 2017 I founded a company that delivers training for workers who learn differently. Our programme was highly commended at the 2018 diversity awards. The company's clients include business enterprises as well as disability support providers.

Currently I am working with s 9(2)(a) learners who have minimum wage exemptions. We study reading, writing, speaking, listening, critical thinking, numeracy and employment skills.

The Easy Read version of the consultation document is sadly still not accessible to the majority of the learners from a literacy point of view. Most of the learners are working at Starting Points or Step 1 of the Tertiary Education Commission's Learning progressions for adult literacy (<https://ako.ac.nz/assets/Knowledge-centre/ALNACC-Resources/Learning-progressions/9cd65f48d5/ALNACC-Background-Learning-Progressions-for-Adult-Literacy.pdf>)

Additionally, the critical thinking skills required to understand the document and complexities of issues involved are a barrier.

There is a danger that only those with physical disability can make a submission, or those with a learning disability who have strong support networks. For example, family or friends who can take time exploring the issues with them and advocate on their behalf (without bias). In my experience, a huge proportion of the workers do not have that kind of support network.

I would like to urge that the people directly affected be consulted in person, especially those with a learning disability. As far as I am aware, none of the employees I work with have been visited.

Many of the people I teach are older. Multiple people have said they were placed in state care before institutions were closed down. Some are likely to be candidates for the investigation into abuse in state care. For example; they have shared stories of running away, being denied food and of physical abuse. Others share stories of this happening at the hands of individuals closer to home who they should have been able to trust.

It would be an enormous disservice to these extraordinary people if there is even a remote chance that they might eventually lose their jobs through the introduction of the supplement.

They have already lost so much. Losing meaningful employment as part of a caring, accepting, safe and secure community would simply be wrong.

As part of our time with learners, we include "next steps" discussions towards course end. Part of that discussion includes helping learners explore and apply for further work and study options in the community, should they chose to. However, nearly every worker we speak to loves their job and does not wish to move on. It is not about the money.

Thank you for considering my submission.

Yours sincerely,

s 9(2)(a)

s 9(2)(k)

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Submission for the Proposed Wage Supplement as an Alternative to Minimum Wage Exemption Permits.

I am not in favour of the proposed changes to the Minimum Wage Exemption Permits (MWE) as there are no proposed safeguards in place for current or future organisations employing people with disabilities. The proposed changes have the potential to increase the wage costs of these organisations due to increased Kiwisaver obligations and a possible increase in the portion of wages payable by them. This could ultimately result in closure for these not-for-profit organisations and therefore people with certain disabilities will no longer have anywhere to work.

My understanding is that this proposal has been made as the government believes that the current MWE conflicts with New Zealand's obligations under the United Nations Convention on the rights of persons with disabilities. On reading the convention it states that "disabled people have equal job rights and rules and pay" (United Nations Enable, 2012). However, it also states that they "have a right to work, equal with others" (United Nations Enable, 2012). The agreement also states that countries need to "do more to get disabled people work" (United Nations Enable, 2012). I believe the proposal to replace the MWE does not provide safeguards to protect the jobs available to disabled people who are unable to work in mainstream workplaces due to their disabilities.

According to the Ministry of Social Development, this proposal "affects approximately 900 disabled workers in New Zealand every year" (Ministry of Social Development, 2019). However, the 2013 Disability Survey reported that 416,000 disabled people were in full or part-time employment (Statistics New Zealand 2014; Ministry of Social Development, 2019). It is implausible that such a low proportion of people with disabilities require an MWE permit. Instead, it is likely there are many disabled people that are unable to work in mainstream employment due to their disabilities. It is also likely that there are many disabled people who are unable to obtain employment due to a shortage of places such as s 9(2)(a) that provide employment suitable for their needs. This surely is a huge discrimination for disabled people and goes against the United Nations Convention which says that countries should "make sure that disabled people have suitable places to work" (United Nations Enable, 2012). The convention also says that countries should "help disabled people find and keep jobs" (United Nations Enable, 2012) and "develop their skills and abilities and take their place in the world" (United Nations Enable, 2012). As such, every effort should be made to ensure these employment opportunities are accessible and open to those who require them.

Places like s 9(2)(a) are very supportive to their disabled employees. They give their employees a normal life, work experience and essential life skills. The employees enjoy their work and enjoy the social interaction with other employees. This is very good for the disabled employees' mental health and gives them routine in their life which is very important. The prospect of places like s 9(2) closing down would have a major effect on the mental health of these employees. This is a possible scenario if increased costs are forced on these places, something which could occur with the proposed wage supplement in its current form. It is therefore very important for your proposal to include robust safeguards for these disabled people's workplaces now and in the future. I cannot stress this enough.

Most of the employees at places like s 9(2)(a) do not understand all of the rules and regulations of government, or what MWE is, due to their disabilities. They rely heavily on their families to fill out any necessary paperwork required by WINZ or other organisations. The United Nations Convention says that "all countries should involve disabled people in making new laws and policies" (United Nations Enable, 2012). As these employees will be hugely impacted by this proposal and they are not able to understand them then the government has an obligation under the United Nations Convention to consult with the families and caregivers of these employees directly. This has not happened.

In conclusion, the proposal to replace the MWE permits with a wage supplement does not go far enough to protect the rights of the affected disabled employees as per the United Nations Convention. Please do not rush this new legislation without fully consulting directly with the affected parties and making sure that it protects the rights of disabled people. Appropriate safeguards must be in place.

Signed by

s 9(2)(a)

s 9(2)(a)

Date: 10 April 2019

References:

Ministry of Social Development (2019). Discussion document. Retrieved from <https://www.msd.govt.nz/documents/about-msd-and-our-work/newsroom/discussion-document.html>

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Submission in response to the Discussion Document,

A Wage Supplement as an alternative to Minimum Wage Exemption permits

April 2019

I have forty years plus experience of working in Health, Mental Health and Intellectual Disability support services both here and Australia. I have worked in a number of positions for NGO's offering a variety community based supports as well as Government/DHB run institutions and community service. I hold a Certificate in Effective Teaching People with Special Needs, a Diploma in Supported Employment and Diploma in Employment Support.

My main draw has always been towards working with people with an intellectual disability. This is a group of New Zealand citizens who all too often get looked past, ignored, and left behind and this seems especially so whenever there are discussions or planning around supports for people with disabilities in general.

It is something of an umbrella term for a group of people who at any one time make up about 2.5% of our population. People who are diagnosed as having an intellectual disability can be so for a variety of reasons. It is often due to where they fall on the spectrum of a syndrome such as Williams syndrome, Klinefelters syndrome, Down syndrome, Fragile X, Prader-Willi syndrome, Autistic Disorder or Foetal Alcohol syndrome. All are due to having brain impairment from such syndromes or damage from pre-natal harm, birth complications, illness or injury during childhood.

To meet criteria for such a diagnosis they must have a tested IQ of 70 or less and have problems in daily living. These problems are due to having significant limitations in intellectual functioning leaving them with poor memory, learning difficulties and impaired adaptive behaviour. These need be noticeable pre 18 years of age. Because of these features their ability to prioritise, plan, organise, use initiative and problem solve are all compromised. They tend to be disorganised, random and reactionary to what is occurring about them which leaves them with poor coping skills and vulnerable. They are dependent on others for support to varying degrees so to help plan, organise and manage their lives. They are all too often easily influenced, manipulated and taken advantage off so require a degree of protection as part of their ongoing support structure.

The supports required are different than needed for most other people with a disability who do not have a cognitive impairment. It is not a matter of putting some modifications or technology in place to accommodate their needs then leave them to get on with life. It is the lifelong limitation on intellectual function that creates the barriers to be able to fully and safely access the community. Typically the most necessary accommodations and supports needing to be put in are around planning, organising and providing timely cues and directions to encourage people into doing the necessary or right things at the appropriate times and then provide oversight and monitoring so to be able to step in to redirect or problem solve

when or should it be needed. This support is typically needed on a daily basis and is needed lifelong. People with an intellectual disability fare best when they have a strong, loyal, competent and trustworthy advocate that can regularly devote time and energy in an ongoing manner to organise and manage things on their behalf. Many people with an intellectual disability do not have the luxury of this from a natural support and even less have it reliably lifelong. Most require some form of benevolent, welfare support and guidance provided by funded services to comfortably and safely navigate and live a good life in the general community.

There are some vocal activists in the disability sector who argue that people with a disability and this is any disability, should never congregate together for any sporting, recreational, educational and social or employment activities purely due to their common denominator being their disability. This is their own philosophical view and standpoint and they are welcome to hold them however they only ever seem to publically espouse these views on issues pertaining to people with an intellectual disability. They seem less willing to say so publically about other disability groups who do similar collective activities but are well able to advocate for themselves. They oppose Special Olympics and other disability specific sporting activities, Special Schools/Education, residential supports with shared homes and flats and employment through disability enterprise workplaces via Business Enterprise contracts as well the use of any form of subsidies or enticements to encourage employers to employ someone with a disability. They oppose grouped occupation and activity such as centre based day services and also social occasions such as the Shine Ball and disability service run discos, celebrations etc. Yet these are all activities that people with an intellectual disability have so often shown to either need, want or enjoy engaging in so to live as full a life as possible in our communities.

For many years these opponents have been active and vocal in their opposition of the Minimum Wage Exemption permit scheme. They tried to have Sheltered Workshops all close down and were agitated when some transitioned into operating under Business Enterprise contracts offering paid employment to people with an Intellectual Disability. Many of the early practitioners of Supported Employment were among these voices and took every opportunity to denigrate workshop style supports and any other employer subsidies in an attempt to promote their new concept. A quarter of a century on and Business Enterprise contracts still offer what many people with an intellectual disability want in their lives and supported employment, as originally promoted, is near defunct. Though it was based on good intent and it works well for some, it just did not provide the full solution it had promised and especially not for people with an intellectual disability. I do not believe that these opponents will be placated by the Wage Subsidy scheme suggested as they will still see it as an employer enticement which they have always opposed.

I believe the Minimum Wage Exemption Permits have their valid place as they help provide real and proven opportunities to intellectually disabled people to be employed. They provide the fairest manner of ensuring pay relativity to their employed peers/ colleagues and to the typical employee in entry level or unqualified work in the open workplace. The majority of the permits are awarded to people with an Intellectual Disability and who are working in

disability enterprises operating with Business Enterprise contracts. It is basically an issue for these people with intellectual disability, their advocates and employers. It does not impact on disabled others in our community or others people not directly involved, yet many people and groups seem to presume that they have a right to impose their views and ideologies onto or speak on behalf of intellectually disabled people without any mandate to do so. It is the people actually working in and attending disability enterprises and making use of MWE permits that need to be canvassed and listened to on this issue as well as those of their closest supports and employers. Most of the people assessed under the MWE scheme will struggle to respond to the discussion document and those that do will be helped and no doubt be influenced to varying degrees by whoever assists them to complete the questions. The responses to the discussion document will not give a full or true picture of what people using the MWE scheme believe or understand to be the issues. Effort needs to be made by MSD & MBIE to approach these people and gain their unbiased and uninfluenced views, in person rather than rely on document feedback.

The contention that MWE permits contravene New Zealand's obligations under the UN Convention is simply a personal opinion held by some. It seems to have been handed on by word of mouth and is now presented as if it is a legal fact. It is not and many people hold opposing views for good reason. Article 27 states that disabled people must receive "equal remuneration for work of equal value". What a MWE assessment does is give some good evidence to the value of someone's work/productivity so that they can be remunerated equivalent to the value of that work.

As a sector we need to always be looking forward and striving to improve but we also need to take time to look back at, reflect on and evaluate changes made to see if they did actually improve people's lives. With so many new introduced programmes, projects and schemes that are voluntary to opt into, such as Individualised Funding and Enabling Good Lives for example, there is typically only about a 25 – 30% uptake. However when new ideas are introduced to supposedly enhance the lives of people with an intellectual disability, such as closing the sheltered workshops and now doing away with MWE, they get foisted on them. There is no opt in or opt out choice available to them, it is as if they and their views and wants are being disregarded. If we look at the rather recent history of things such as closing the workshops, Individualised Funding, Enabling Good Lives, Community Participation, Local Area Coordination the System Transformation and so on we will find that there has been little if anything ever done to measure their impact on people with an intellectual disability as a distinct group with their own particular set of needs. All too often they and their needs are lost in or ignored under the banner of "disabled people".

As far as I am aware the Ministry of Social Development, Business Enterprise contracts were introduced to support those sheltered workshops that wanted to continue to provide their style of disability support, to remain in operation. These organisations tended to be set up in a benevolent, welfare mode so to give people with a disability meaningful daily activities, occupation and social connections. The nature of the work they did and the environment most suited people with an intellectual disability. They never intended being commercial, profit making undertakings that compete in the open market as they knew this would be

impossible to do when employing people with an intellectual disability. However this need to be near fully commercial is now the reality. It is an unintended consequence of decisions made many years ago that were never reviewed or measured to ascertain their success or otherwise. They may have been made in good intent but were at times ill-advised or not thought out fully. I fear that moving from MWE to a Wage Supplement is just another step in this direction. As already stated, it will remove fair and equitable pay relativity and it will negatively impact on the disability enterprises and their ability to achieve the social goals they have. This will in turn negatively impact on the employees and service users. At the end of the day people with an intellectual disability could well be worse off rather than benefit from the move.

All commercial businesses spend good time and money screening potential staff so to get the most productive person for any particular position. This is an acceptable and advisable business practice. Productivity is not just about the amount of physical work done/ objects produced but it is about those people that can show good initiative, be self-directed by planning and organising their work, learn new tasks quickly, take responsibility for work quality, communicate clearly and fit in as a member of the work team. These are not the strong traits of someone diagnosed as having an intellectual disability hence they very rarely get employed in open employment. Those few that do get jobs all too often tend to be so in token positions and typically for just a few hours a week.

Disability enterprises operating under Business Enterprise contracts and using the MWE permit scheme actively target those very people that no one else in business or industry employs and offers them employment and meaningful and enjoyable occupation for the full working week. Their whole purpose of existing is to give some meaning to disabled peoples and in particular intellectually disabled people's lives to allow them to experience many of the benefit of working that most of the rest of society accept as normal and their right.

We need to think very carefully about, for whose benefit we are looking doing away with the MWE? It is not a movement being led by the people with intellectual disabilities working in disability enterprises or their families yet these are the very people to be affected by any decisions made. It is a call mostly being made by some articulate activists, academics and lobbyists based on their own ideologies. They have some support from a few other disability and union groups however these all too often have little or nothing to do with the intellectual disability sector and have done little in the past that's practical to improve intellectually disabled people lot in life. They look to be speaking from their own perspective and life experiences rather than from those that use and benefit from MWE permits.

The proposed Wage Supplement ideas will leave us with very much the same as we now have but under a different name and it will come with added complications in managing. Instead of their wage being topped up by their Supported Living Benefit it will now be topped up by something called a Wage Supplement. It is just a play on words, a pretence and may well turn out to be rather pointless.

What I believe is needed is:

- If MSD/Government really wants a true and accurate picture of the understanding of what people with an intellectual disability who are employed under MWE believe the situation is and if wanting their true views of what their employment means to them, then they need to be approached and listened to in person by an independent third party.
- Retain but make some improvements to the current MWE assessment process so that it is more robust and equitable across differing organisation and regions of NZ.
- That the disability enterprises employing people with an intellectual disability are funded at a just rate so that they can continue offering employment type activities and supports to the people that most need them. These being the people that typically do not get employed in any other industry or sector. The MSD Business Enterprise contract funding needs to be at a level where disability enterprises can not only comfortably operate but allows them to grow so to offer their supports to a greater number of intellectually disabled people who are wanting employment style day programme supports.
- Ensure that whenever planning or revamping disability supports, that people with an intellectual disability be seen as a particular and distinct group with their own distinct set of needs and therefore responses needed.
- New Zealand needs sometime along the lines of a Ministry for Vulnerable Adults. Something that has some good legal backing and ability will look out for the safety of and protect people such as those with intellectual disabilities who are some of our most at risk citizens.

With regards

s 9(2)(a)

s 9(2)(k)

From: s 9(2)(a)
To: [wage supplement consultation \(MSD\)](#)
Subject: wage supplement discussion document
Date: Friday, 26 April 2019 3:05:31 PM

To whom it may concern.

We are writing this submission on behalf of s 9(2)(a) who are employed at s 9(2)(a) under the MWE scheme. Whilst it would be great for them to receive better wages we are concerned that if the MWE is replaced by the wage supplement this could lead to major changes for the worst for s 9(2)(a) and others employed by s 9(2)(a).

In your discussion paper on the supplement you state that nobody will be worse off (point 22 page 7)

s 9(2)(a) is a not for profit organisation that provides work for adults with disabilities both physical and intellectual, we believe that s 9(2)(a) is not in a position to pay its employees to much more than they receive at present. If the wage supplement that is envisaged is implemented then s 9(2)(a) may be forced to close and s 9(2)(a) and many others employment would be lost. This would cause major detrimental affects on s 9(2)(a) financial situation, sense of worth, well being, social skills and loss of the camaraderie they share with their co-workers which is so important to their continuing development. s 9(2)(a) are not able to sustain the volume of work that a person without a disability could and we are concerned that this may also cause them to loose their employment.

Thank you for the opportunity to put our views on this document to you

Yours sincerely s 9(2)(a)

April 2019

OUR RESPONSE TO THE PROPOSED WAGE SUPPLEMENT TO REPLACE THE
MINIMUM WAGE EXEMPTION PERMITS

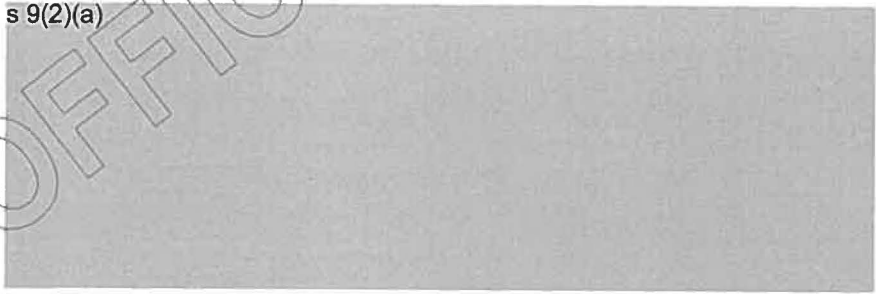
As parents of a s 9(2)(a) young s 9(2)(a) working five days a week at s 9(2)(a) we have very real concerns about the proposed changes to replace the MWE Permits.

Whilst on paper putting these people currently covered by MWE Permits onto minimum wage does sound great, but there are so many pitfalls and uncertainties. The businesses that do a great job giving these people a secure job and a reason to get up each morning, and parents/caregivers have not been consulted in this process.

We think this is something that should not be rushed through and should have a long and thorough period of investigation, consultation and thoughtful consideration. We will not always be around to be spokespeople for our s 9(2)(a) so consequently we would like to think that the future is a secure one for him.

Here's hoping we are listened to!

s 9(2)(a)



From: s 9(2)(a)
To: [wage supplement consultation \(MSD\)](#); s
Subject: Wage Supplement Consultation
Date: Sunday, 14 April 2019 1:16:59 PM

Good afternoon,

I am writing in relation to the Governments proposed changes to the Wage Supplement as an Alternative to Minimum Wage Exemption permits.

I believe this is open until today for consultation.

Our names are s 9(2)(a) . We are the parents of s 9(2)(a) , who is currently employed at s 9(2)(a) .

Our son has been employed by s 9(2)(a) and this is his first job. s 9(2)(a) . It was very difficult to find any kind of employment for s 9(2) especially in the s 9(2)(a) area due to these conditions. As his parents, the purpose of finding s 9(2) employment was never financial but a social and purposeful activity to try and normalize a life style for s 9(2) .

We have read the discussion documents regarding this proposal and fear that the changes proposed will cause companies such as s 9(2)(a) difficulties financially to support people such as our son in the long term. We are opposed to any change to the current format. We believe this will inevitably close down companies like s 9(2)(a) in the future, as has happened overseas. This could also possibly stop any future companies employing people with disabilities like s 9(2) and all the other staff that work with him.

The current situation for s 9(2) is that he receives a benefit from the government and earns a small wage from working. Depending on the amount of money s 9(2) earns at work, this is balanced out from his benefit. However, if s 9(2) is unable to work for any reason for a length of time, his benefit does not decrease and still covers his living expenses. If the benefit is cut and the minimum wage is imposed this will cause issues later down the track if s 9(2) needs time off. Previously he has had long periods of not working due to health reasons and did not have enough sick leave to cover this. Most companies would not employ staff who have so much time off and we don't believe many businesses would keep jobs open for them.

The document states that this change will only affect approximately 900 employees with disabilities such as s 9(2) . With this small amount of affected employees we believe that we should be able to have an open public meeting to discuss our concerns as the discussion document did not allow for the people who are opposed to this change the opportunity to make their views known. The document allowed for people who agreed with this the opportunity to voice the reasons why but if opposed you were directed to the next question.

I look forward to a response to my email.

Kind regards,

s 9(2)(a)

From: s 9(2)(a)
To: [wage supplement consultation \(MSD\)](#)
Subject: Submission to proposal
Date: Monday, 8 April 2019 12:12:46 PM

Hello

I am the parent of an of an moderately severe autistic s 9(2)(a) who works at s 9(2)(a) which was a sheltered workshop. He has been there for s 9(2)(a) years and works 5 days a week from s 9(2)(a). He is one of s 9(2)(a) people employed at s 9(2)(a) which has a wide spectrum of Intellectual and Physically disabled people working there.

The discussion document refers to 900 MWE permits so s 9(2)(a) represents 9.2% of those affected and I assume nearly all of the others are in the few remaining ex Sheltered workshops that survived the repeal of The Disabled persons Employment Promotion Act.

Before the repeal of this act the intent of all of the workshops was to provide training, a work environment than meant staff were actively engaged during the day doing meaningful work and able to have the self esteem of working like every one else. The income was not an issue for the great majority and is not now what they currently earn does not push them over the abatement allowance of \$5,100 per year

The statement on page 1 of the discussion document that the "disabled community should expect a fair days wage for a fair days work" is the point. It is currently not discriminatory or unfair as the staff are being assessed now under the MWE as to what is a fair day output for that person and paid accordingly.

It also has to be taken into account that there are quite different support needs of different types of disabilities particularly between those with a physical disability and those with an intellectual one. For example one job done at s 9(2)(a) is assembling pens for s 9(2)(a)

This may involve a s 9(2)(a). They all do the same job. The s 9(2)(a) person needs their space organised to access components but can otherwise work at a high rate. The s 9(2)(a) needs supervision to have the right s 9(2)(a) to assemble and to have components placed to the same place and order, the progress is slower as s 9(2)(a). s 9(2)(a) needs far more supervision and direction to ensure the assembly is done correctly and to keep at the task and has a much lower output. So all three doing the same task have quite different support requirements and ability to complete is fully taken into account in the two yearly assessment.

There are three main obstacles to people with disabilities working in a non supported workplace. First why would an employer employ a minimum waged employee with a disability when a non disabled person with a higher output could be employed. Secondly how does an employer deal with OSH requirements in the workplace for a disabled employee; very few disabled persons would not incur some form of OSH consideration for their work space. Thirdly employers generally (given that the majority of businesses in NZ are SME's) cannot be expected to allocate extra resources in supervision or ongoing assistance, or particularly with an Intellectually disabled person have the skill set available to be able to fully deal with the nature of the disability.

The disability centres such as s 9(2)(a) deal with all of these considerations on a daily basis. The present scheme allows for work to be sought for staff at a contact rate taking into account the reduced output capacities of individuals doing this work. Otherwise the work

could not be done competitively. The workplace also works with a small ratio of supervisors to staff and with supervisors who are experienced in handling a wide range of disabilities

When the 2007 act was repealed I think from memory there were 73 workshop or supported employment providers which in the years following dropped to 17, including organisations such as ^{s 9(2)(a)} closing their own so how many disabled people lost their work opportunity then. The question of what they were or were not earning is irrelevant when you have lost it anyway and are only left the SLP benefit.

The crucial element of changing to a wage supplement approach which is not in the discussion paper is if this was to be put in place to raise staff to a minimum wage, what would be the level of support given in compensation to the work place provider. The statement on page 3 under Why we are Proposing...." says **"we are mindful of the need to ensure the protection of all job opportunities that the current scheme provides for disabled people"** The next paragraph says that in return employers would be able to receive a wage supplement from the government to assist with some of the costs of disabled persons wages. Places like ^{s 9(2)(a)} are only just breaking even financially and cannot absorb just "some" of these extra costs. A cynic may feel if they are all in this situation and are forced to close then the government achieves its objectives as the minimum wage will be applied but no-one will be employed to earn it.

A wage assessment tool is the better option as you cannot apply a single rate across the diverse range of disabilities. It will not increase wage cost for providers as this cost is incurred already under the MWE scheme and will merely change the way assessments are carried out. The issue of higher costs to the governments is also not going to change from one from to another. The advantage listed for the single rate that no disabled person would be waged assessed is too simplistic as it does not take into account the differences the employer needs to look at in terms of supervision requirement for each employee and for the widely varying output for each, this cost has to be assessed in order to work out the price the work can be quoted for.

We saw the affect that the repeal of the Disabled Persons Employment Promotion Act had in reducing work opportunities for disabled people despite its well meaning intent, this proposal needs to be considered carefully to ensure no further places are lost because similar well meaning intent leaves work place providers unable to financially survive.

The government also needs to consider the social costs if places like ^{s 9(2)(a)} were not there providing work for its ^{s 9(2)(a)} staff. I for one would have to give up work to look after my son full time and would be applying for full care giver support funding. Others would consume time and costs on other organisations such as ^{s 9(2)(ba)(i)} IHC, ^{s 9(2)(ba)(i)} etc as people need to be doing something during the day. Funding for each individual in respect of supported living hours, Workbridge and Accessibility costs may also be incurred and there are one or two at ^{s 9(2)(a)} who if not there during the day under close supervision potentially would be socially disruptive incurring costs on other govt agencies such as the justice system.

Regards
^{s 9(2)(a)}
^{s 9(2)(k)}

From: s 9(2)(a)
To: [wage supplement consultation \(MSD\)](#)
Subject: Wage supplement
Date: Sunday, 24 February 2019 3:54:29 PM

If increasing wages to disabled people means that ultimately they will lose their job ,then NO! No wages increase!!

Most often they are on an invalid benefit, so at the end of the day they need enough money to live a happy and healthy life. They need to be able to afford medical and dental services. Good healthy food.

If they can do the job as well as an able bodied or brained person it stands to reason they should be paid appropriately, but let's not make this like the closing of the "sheltered workshops" which gave our guys no where to go and no sense of purpose.

My s 9(2)(a) only has a "job" because he does not have to be paid minimum wage. He doesn't "do" the work to a standard to be paid that much. Please don't take that away from him.

s 9(2)(a)

Sent from my Samsung Galaxy smartphone.