



A PROMISING POLICY:

New Zealand Government

Payment for Home Support Worker travel between clients

This Promising Policy brief outlines the New Zealand Government's decision to pay support workers caring for older persons living in their own homes for travel between clients. The Government provided significant *additional* funding for this purpose: \$36.2 million in 2015/2016 and \$38.6 million in 2016/17.¹ It continues to fund home support providers for between client travel time and travel costs.

This commitment by the NZ Government addresses what remains a contentious issue in many countries. In Australia the award provides for reimbursement of in-between client travel mileage, but there is no provision for paid travel *time* between clients. In the UK, while a 2013 Employment Tribunal case found between client travel was indeed work time payable at the minimum wage,² no additional government funding was provided to cover these costs. Government payment and legislative recognition of travel time between clients at work is directly linked to decent working conditions for aged care workers.

Background

More than 22,000 workers provide care and support to older persons in New Zealand.³ The vast majority are women who use their own cars to travel between clients' homes. The lack of recognition that workers' travel time between clients is 'work' was identified in the New Zealand Human Rights Commission's 2012 *Caring Counts Tautiaki tika* Report,⁴ which examined the low pay and undervaluing of aged care work. In 2015 the Public Service Association (PSA) lodged a case on behalf of home support worker, Jenny Goodman, with the Employment Relations Authority.⁵ This led to formal negotiations involving funders: Ministry of Health/District Health Boards, home and community support providers and unions resulting in the In-Between Travel (IBT) Agreement, which was passed into legislation.⁶ The parties agreed on a model of payment that was 'simple and easy' to administer and would ensure workers and any of the settlement parties would not be financially disadvantaged overall by this new arrangement.

The In-Between Travel (IBT) Policy Legislation

In New Zealand support workers are now paid for travel time between their clients and for associated fuel costs. The *Home and Community Support (Payment for Travel between Clients) Settlement Act (2016)*⁷ outlines the eligibility and calculation for this payment. The legislation and accompanying Ministry of Health IBT policy sets out how employees are compensated for their travel between clients including mileage reimbursement for distance travelled and wages for time spent travelling. The MOH policy identifies the qualifying distances for banded travel and exceptional travel.

Key features

- Workers' travel time is paid at the national minimum wage, currently NZ \$17.7;⁸
- The tax-free mileage reimbursement for travel between clients is 50 cents per km;
- Workers who walk, cycle or catch the bus are paid the same way as workers using cars;
- Between client travel time is based on an average, calculated at 8.5 minutes and 3.7 km, for travel of up to 15 km;
- Over 15 km the payment is based on actual distance travelled and time spent travelling;
- Exceptional travel may apply for travel to the first visit and from the last visit of the day as well as in-between travel;
- The legislation provides for an annual review of IBT payments (excluding wage rates).

Achieving policy reform

2012	NZ Human Rights Commission Te Kāhui Tika Tangata recommended the payment of travel time and travel costs for home support workers.
2014	The PSA lodged a case with the Employment Relations Authority arguing that time spent travelling between clients was 'work'.
2014	Parties signed the 'In-Between Travel Agreement'
2015	Interim travel time and travel cost payments commenced so workers received them while the agreement proceeded through the legislative process.
2015	First reading of Bill in Parliament - Referred to Health Committee.
2016	<i>Home and Community Support (Payment for Travel Between Clients) Settlement Bill</i> became an Act of Parliament on 24 February 2016.

Implementation challenges

Decent Work Good Care case studies identified several implementation challenges:

- Some home care providers have found their payroll software is unable to automatically calculate the travel payments for workers;
- Providers are required to schedule workers' travel as efficiently as possible which has impacted on client choice and the continuity of care for clients;
- Traffic congestion, particularly in larger cities, means it can take workers longer than the average 8.5 minutes allocated where travel is less than 15 kms; and
- The IBT mileage reimbursement rate of 50 cents per km is less than the Inland Revenue Department rate of 76 cents per km where private vehicles are used for work.

¹ [Settlement Agreement -Ministry of Health](#), at Clause 5.1. cited on 2 April 2019

<https://www.health.govt.nz/system/files/documents/pages/final-settlement-agreement-dec14.pdf>

² [Whittlestone v BJP Home Support Limited \[2013\] UKEAT 0128/13/1907](#),

<https://www.lrdpublications.org.uk/publications.php?pub=LR&iss=1705&id=idm7223928>

³ [Home & Community Health Association, Briefing to Ministers Nov 2017](#) cited on 2 April 2019

<http://www.hcha.org.nz/assets/Uploads/Briefing-to-Ministers-2017-5.pdf>

⁴ [Human Rights Commission \(2012\), *Caring Counts Tautiaki Tika*, Wellington.](#)

⁵ PSA, 'In-between-travel-legislation-makes-its-way-through-parliament' 7 Dec 2015, cited 2/4/19

<https://www.psa.org.nz/media/news/in-between-travel-legislation-makes-its-way-through-parliament/>

⁶ Ministry of Health, Information for providers and funders about in between travel payments <https://www.health.govt.nz/new-zealand-health-system/claims-provider-payments-and-entitlements/between-travel-settlement/between-travel-time-and-distance/information-employees-between-travel-changes>

⁷ Home and Community Support (Payment for Travel between Clients) Settlement Act 2016

<http://www.legislation.govt.nz/act/public/2016/0002/latest/DLM6600910.html>

⁸ Ministry of Business, Innovation and Employment cited 21/3/19 www.mbie.govt.nz/about/news/minimum-wage-going-up-to-17-70/