



**Joint Report: Equal Pay Taskforce Progress Report December 2021-January 2022**

**Date:** 3 February 2022 **Security Level:** IN CONFIDENCE

**Report No:** 2022/0006

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	<b>Actions Sought</b>	<b>Due Date</b>
<b>Hon Chris Hipkins, Minister for the Public Service</b>		<b>None</b>
<b>Hon Jan Tinetti, Minister for Women</b>		<b>None</b>

Enclosure: Appendix One: Pay Equity Dashboard

**Minister's Office Comments**

<b>Comments:</b>	
<b>Date returned to Te Kawa Mataaho:</b>	

## Executive Summary

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### Pay Gaps Work Programme

- 1 Agencies have published their gender pay gap action plans for 2021, with one agency publishing an update on progress as they are still consulting with unions on their final plan.
- 2 The Equal Pay Taskforce (The Taskforce) are developing guidance with our stakeholder working group Te Whakapiri to help Crown entities meet the Kia Toipoto milestone “By the end of 2022 entities ensure that starting salaries and salaries for the same or similar roles are not influenced by bias”.
- 3 We plan to release this guidance at the end of February and hold on-line workshops during March to introduce entities to this guidance.

### Pay Equity Work Programme

- 4 There are currently 23 pay equity claims progressing through the system. The Central Agencies Governance Group is meeting fortnightly from mid-February, and more often as required, to ensure the progress of these claims remains timely and efficient. Three claims in the DHB health sector and two in the education sector are moving towards “agreement in principle” for settlement and preparing for ratification processes.
- 5 Interest in Te Orowaru continues to increase, and the tool is being used in five current pay equity claims. We have received expressions of interest in the tool from the private sector and requests for further training and information on the tool.
- 6 We will shortly be releasing two further educational videos, including a Pay Equity 101 and an explanatory video on what it means to be a comparator in the pay equity process.
- 7 The amendments to the Framework for Oversight and Support of Pay Equity in the Funded Sector have begun to be utilised by existing pay equity claims, the most advanced of these being the NGO social worker claim. The Taskforce is working with Oranga Tamariki, as the primary funding agency, and parties to this claim to plan how the work assessment undertaken by the parties may be tested with the broader sector.

### Recommended Action

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We recommend that you:

**Note** the progress being made by the Gender Pay Taskforce.

**Agree** that Te Kawa Mataaho releases this report once it has been considered by you, with matters under active consideration withheld under section 9(2)(f)(iv) of the Official Information Act (OIA), including the attached Pay Equity Dashboard at Appendix One, and information related to the pay

equity in the Executive Summary under section 9(2)(j) of the OIA, to enable agencies to carry on negotiations without prejudice or disadvantage.

*Agree/disagree.*

*Agree*/disagree.

A handwritten signature in black ink, appearing to read "Jan Tinetti". The signature is written in a cursive style with a large initial "J".

Hon Chris Hipkins  
**Minister for the Public Service**

Hon Jan Tinetti  
**Minister for Women**

## Joint Report: Equal Pay Taskforce Progress Report December 2021 - January 2022

### Purpose of Report

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- 8 This report provides a high-level overview of progress on the Kia Toipoto and Pay Equity work programmes.

### Public Service Pay Gaps Action Plan

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#### 2021 Agency Gender Pay Gap Action Plans

- 9 Agencies have published their gender pay gap action plans for 2021, with one agency publishing an update on progress as they are still consulting with unions on their final plan. Links to all published plans are on the Ministry for Women website at <https://women.govt.nz/work-skills/income/gender-pay-gap/public-sector-gpg-action-plans>
- 10 In general, agencies found it challenging to meet the timeframe for developing and publishing their action plans due to COVID-19 related priorities, and associated difficulties in engaging with employees and unions who report being stretched.

#### Kia Toipoto: the Gender, Māori and Ethnic Pay Gaps Action Plan 2021-24 for the core Public Service and Crown Entities

- 11 The Taskforce are working with Te Whakapiri, our stakeholder working group<sup>1</sup> on an agreed three-month work programme to the end of March 2022, prioritising the support Crown entities will need to implement Kia Toipoto and achieve its 2022 milestones.
- 12 Our highest priority for this three-month period is developing guidance to help Crown entities meet the Kia Toipoto milestone: “By the end of 2022 entities ensure that starting salaries and salaries for the same or similar roles are not influenced by bias”.
- 13 This guidance, including agency case studies, will be released by the end of February. We will deliver on-line workshops for Crown Entities on this guidance in March.
- 14 Our next priority is developing guidance to help agencies and entities create their 2022 annual Pay Gap Action Plans. This will enable them to meet the Kia Toipoto milestone of: “Agencies and entities publish annual actions plans based on gender and ethnicity data and employee/union feedback”.
- 15 Alongside developing the above guidance, Te Whakapiri is:
  - collecting and analysing existing gender, Māori, Pacific and ethnic pay and representation data for Crown entities. This will enable us to establish baselines for

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<sup>1</sup> Te Whakapiri is made up of the Taskforce, Te Kawa Mataaho Leadership Development, Te Runanga o Ngā Toa Āwhina (the PSA Māori Network), PSA Pacific and Pan-Asian networks, Te Puni Kōkiri, the Ministry for Ethnic Communities and the Ministry for Pacific Peoples, and members of the Rainbow, Disabled and Pan-Asian employee-led networks.

monitoring progress against the milestones of Kia Toipoto and to identify data gaps that we need to fill.

- developing workshops for Public Service agencies on how to embed and strengthen the gains they have made to date.

### **Impact of COVID-19 on implementing Kia Toipoto**

- 16 The continuing impact of COVID-19 on agency and entity work programme priorities and on the Public Service workforce may affect the ability of agencies and entities to implement Kia Toipoto as planned this year. If necessary, we will work with Te Whakapiri, agencies, and entities to prioritise actions which will have the greatest positive impact for women, Māori, Pacific, and ethnic employees in 2022. We anticipate that COVID-19 may have an impact on entities developing their first annual pay gap action plans.

### **Pay Equity Work Programme**

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#### **Increasing volume of claims moving through the Central Agencies Governance Group (Governance Group)**

- 17 In 2022 the Governance Group will meet fortnightly, and more often if required in response to the large number of claims progressing through the system.
- 18 The first quarter Governance Group meeting dates have been set for Thursdays 10am-11.30am on the following dates:
  - 17 February
  - 3 March
  - 17 March
  - 31 March
- 19 The pay equity Dashboard (Appendix 1) provides a snapshot of the 23<sup>2</sup> current claims and includes a high-level estimate of timing of claims through to September 2023

#### **Te Orowaru work assessment tool**

- 20 After the successful November 2021 launch of Te Orowaru interest in this tool has continued to increase and Te Orowaru is being used in five current pay equity claims. We have received expressions of interest in the tool from the private sector and requests for further training and information on the tool. Planning for this is well under way and will be rolled out in early 2022.
- 21 The Taskforce is working to proactively approach 30-40 male dominated occupations throughout the Public and Private sectors and interview them using Te Orowaru. This information could then be accessed by parties to a pay equity claim, significantly reducing the time and cost involved in the pay equity process. It will also assist in consistent and high-quality information being obtained from across the economy.

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<sup>2</sup> This includes a private sector claim for Local Government Library Assistants. Private sector claims do not go to the Central Agencies Governance Group.

### **Pay Equity education resources**

- 22 Our webpage [Tōkeke ā-utu | Pay Equity | Te Kawa Mataaho Public Service Commission](#) has two videos specific for interviewees and interviewers in a pay equity process. These videos have been well-received.
- 23 Our next educational resources to be published includes a Pay Equity 101 video and an explanatory video on what it means to be a comparator in the pay equity process. We expect these videos to be live on our webpage in February.

### **Pay equity in the Funded sector**

- 24 The amendments to the Framework for Oversight and Support of Pay Equity in the Funded Sector [CAB MIN 29-0391 refers] have begun to be utilised by existing pay equity claims in the sector. The most advanced of these is the NGO social worker claim. The Taskforce has worked with Oranga Tamariki (primary funding agency) and the parties to the claim to plan how the work assessment undertaken by the parties may be tested with the broader sector.
- 25 This is a significant programme of work and at this stage the results of the validation process are scheduled to be completed and written up for Cabinet by July/August 2022. This work will need to continue to be responsive to the COVID environment to ensure that sector engagement is held safely and is primarily virtual.

### **Teachers' Claim (NZIE/PPTA)**

- 26 Since we last reported on this claim in November 2021, the multi-employer process agreement (MEPA) has now been signed by all employers, as per requirements set out in section 13K of the Equal Pay Act 1972. This is a significant achievement given the volume of employers and the lack of precedent for a MEPA.
- 27 The MEPA requires the agreement of all employers about how the claim will be progressed and how decisions will be made. This is a complex claim which involves a significant number of employers (524 employers for the Early Childhood Education alone).
- 28 The Ministry aims to report to the Governance Group in the first quarter of 2022 for milestone 2, which is the Initial Bargaining Strategy and Terms of Reference.

### **DHB claims for Administration and Clerical and Nurses and Midwives (MERAS/NZNO/PSA)**

- 29 The Taskforce continues to work intensely with the Ministry of Health (the Ministry) and TAS on the three DHB pay equity claims, which are all nearing settlement, albeit with some delays.
- 30 In late December 2021 parties agreed to “in principle agreements” for both the Administration and Clerical and the Nurses claims. The employer is drafting settlement agreements in consultation with unions in preparation for ratification processes.
- 31 Settlement negotiations commenced for the Midwives claim on 26 January and 1 February 2022. The employer is preparing to present an offer to the unions.

**DHB Allied Technical Claim (PSA/APEX)**

- 32 This claim is complex as it covers 130 distinct occupations. The work assessment phase has commenced with a first trial of the online survey/benchmarking methodology proposed in their initial strategy. This involved using an initial online version of the Te Orowaru questionnaire with pharmacists, one of the 130 occupations covered by the claim. This will be followed up with in-person interviews of benchmark roles once identified. This methodology is being trialled to cater for the range of different occupations covered by the claim. If successful in initial application, it will be used to assess all the work covered by the claim.
- 33 The Governance Group asked TAS to work closely with the Taskforce to navigate the complexities of this work and to report back to the Governance Group after conducting their first trial of the online survey/benchmarking methodology in the first quarter of 2022.

**Administration workers in schools (NZEI) and Kaiārahi i te reo (NZEI)**

- 34 These two claims, which are progressing in parallel resumed settlement bargaining on 2, 3 and 4 February 2022.

**Probation officers and senior practitioners' claim (PSA/NUPE) and psychologists in the Department of Corrections (PSA)**

- 35 At the end of 2021 the Taskforce met with Corrections, the PSA and NUPE to discuss the next stages in the process for these claims. Corrections will come to the Governance Group in the first quarter of 2022 for milestone 2 (Initial Bargaining Strategy and Terms of Reference) for these claims, which are progressing in parallel at this stage.
- 36 Corrections and the unions intend to use Te Orowaru as the work assessment tool. They are also interested in the Taskforce's proposal of providing access to a pool of potential comparators interviews for these claims.

**Upcoming consultation and engagement**

Date	Details	Location
February 23rd	Kia Toipoto orientation and Q&A for Crown entity monitors	Via Teams / virtual
March dates TBC	Workshops for Crown entities on guidance to ensure bias is not a factor in salaries for the same or similar roles.	Via Teams / virtual

# Appendix One

