



Te Kawa Mataaho
Public Service Commission

Report: Equal Pay Taskforce Progress Report for August and September 2022

Date: 7 October 2022 **Security Level:** UNCLASSIFIED
Report No: 2022/0222
Contact: Nardine Sleeman, Manager - Gender, Māori, Pacific, and Ethnic Pay
Telephone: 9(2)(a) privacy

	Actions Sought	Due Date
Hon Priyanca Radhakrishnan, Minister for Diversity, Inclusion and Ethnic Communities	Note	None

Enclosure: None

Minister's Office Comments

Comments:	
Date returned to Te Kawa Mataaho:	

Purpose of this report

As noted in the Status Report, Minister for Diversity, Inclusion and Ethnic Communities for 17 September to 30 September 2022, the Equal Pay Taskforce will now provide this bi-monthly report to your office as a matter of course. This report contains information regarding Kia Toipoto, the Public Service Pay Gaps Action Plan 2021-24, as provided to the Minister for Women, and which her office forwards to the Minister for the Public Service for their information.

Executive Summary

Public Service Pay Gaps Work Programme

- 1 The Equal Pay Taskforce (the Taskforce) is part of a stakeholder working group, Te Whakapiri,¹ that developed Kia Toipoto. Over the last two months Te Whakapiri has:
 - released new guidance to support agencies and Crown entities (entities) to meet the Te whai kanohi I ngā taumata katoa | Leadership and Representation milestone of Kia Toipoto and held workshops on applying the guidance
 - supported a small agencies and entities Q&A session on Kia Toipoto, organised by the Retirement Commission and the Social Wellbeing Agency.
- 2 The 2022 Public Service Workforce Data shows progress in closing pay gaps and increasing workforce and leadership representation. It also shows areas where focused action is needed to make more progress, including through Kia Toipoto.
- 3 Despite good progress by agencies and entities, staff sickness levels this year have left some agencies and entities unsure about whether they will meet all of this year's Kia Toipoto milestones. In addition, decisions made across the system in the human resources and remuneration space will place further time pressures on the teams implementing Kia Toipoto.
- 4 We therefore recommend that we provide guidance on which milestones agencies and entities should prioritise and recognise pressures this year and the ambitious and challenging expectation this year, especially for entities. Extensions to some timelines will give agencies and entities time to meet these milestones in a considered manner.
- 5 Over the next two months Te Whakapiri will:
 - continue to develop the recruitment and career development guidance
 - complete a review of activities across the system to build Māori, Pacific and ethnic communities' workforce, and professional capability
 - meet in person to celebrate the successes of its first year
 - use new communications pieces to promote awareness of Kia Toipoto.

¹ Te Whakapiri is made up of the Taskforce, Te Kawa Mataaho Diversity and Inclusion team, Te Runanga o Ngā Toa Āwhina (the PSA Māori Network), the PSA, Manatū Wāhine, Te Puni Kōkiri, the Ministry for Ethnic Communities and the Ministry for Pacific Peoples, and members of rainbow, disabled and pan-Asian employee-led networks.

Recommended Action

We recommend that you:

Note the contents of this report.

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). Information related to current pay equity claims is withheld under section 9(2)(j) of the OIA to enable agencies to carry on negotiations without prejudice or disadvantage, and legally privileged information is withheld under section 9(2)(h).

Agree disagree.



Hon Priyanka Radhakrishnan

**Minister for Diversity, Inclusion and
Ethnic Communities**

Report: Equal Pay Taskforce Progress Report for August and September 2022

Kia Toipoto – Public Service Pay Gaps Action Plan

Responding to capacity pressures within agencies and Crown entities

- 6 Kia Toipoto includes the following challenging and ambitious milestones, especially for entities:
 - Equitable pay: by the end of 2022 entities ensure that starting salaries and salaries for the same or similar roles are not influenced by bias, and agencies monitor starting salaries and salaries for the same or similar roles to ensure gender and ethnic pay gaps do not reopen
 - Transparency: agencies and entities publish annual action plans based on gender and ethnicity data and union/employee feedback
 - Leadership and representation: by the end of 2022 agencies/entities have plans and targets in place to improve gender and ethnic representation in their workforce and leadership.

- 7 Meeting Kia Toipoto milestones falls largely on Human Resources teams. Heads of HR of both agencies and entities have told us they are making good progress on Kia Toipoto. However, a substantial proportion also say that high staff sickness rates resulting from Covid and other winter illness, and other system pressures in the human resources and remuneration space, mean they may not meet all of this year's milestones.

- 8 To recognise the pressures agencies and entities are under this year, the challenging nature of the Kia Toipoto milestones, especially for entities, we recommend that we provide proactive guidance to agencies and entities on prioritising this year's Kia Toipoto milestones. Proactive advice on priorities will:
 - ensure that agencies and entities focus on the most important aspects of this year's milestones, especially the equitable pay milestones and publishing their gender and ethnic pay gaps
 - ensure that entities and agencies have the time needed to develop well-considered plans and targets to improve workforce representation and leadership
 - mitigate the risk that agencies/entities will disengage from this work if they are unable to meet all aspects of the milestones.

- 9 We therefore recommend extending the timelines for entities to publish their full pay gaps action plans from 31 December 2022 to 30 April 2023. However, in order to emphasise the value of pay transparency we would retain the expectation that entity pay gap data is published by the end of the year. This would:
 - recognise that Kia Toipoto expectations on entities are particularly challenging this year
 - provide additional time to ensure that entities complete their first annual pay gap action plan in a thorough way
 - retain the most important aspect of the transparency milestone by publishing pay gaps by the end of the year.

- 10 We also propose that we extend the timelines for agencies and entities to publish their leadership targets and plans from 15 November 2022 (agencies) and 31 December 2022 (entities) to 30 April 2023 (both agencies and entities). Again, this will support agencies and entities to take a considered approach to setting their first set of leadership targets.
- 11 We propose that all other milestones remain unchanged. These include the:
 - equitable pay milestone for both agencies and entities, as meeting these milestones ensures that they comply with the requirements of the Equal Pay Act 1972
 - expectation that agencies publish pay gap data and their action plans by 15 November. We consider this a reasonable expectation as agencies can build from the gender pay gap action plans, they have published annually since 2019.

Continuing to work with Te Whakapiri to support agencies and entities to meet the Kia Toipoto milestones

- 12 On 22 August, Te Whakapiri released new guidance to support agencies and entities to meet the Te whai kanohi I ngā taumata katoa | Leadership and Representation milestone of Kia Toipoto: that by the end of 2022 agencies/entities have plans and targets to improve gender and ethnic representation in their workforce and leadership.
- 13 To support the release of the guidance, Te Whakapiri held three workshops for agencies and entities on applying the guidance, including a tailored workshop for small agencies and entities. 164 agency and entity officials and union representatives attended these workshops.
- 14 On 14 September, the Taskforce supported a Q&A session on Kia Toipoto for small agencies and entities, organised by the Retirement Commission and the Social Wellbeing Agency (SWA). About 15 organisations attended. The purpose was for small entities in particular to learn from SWA's experience of implementing the Gender Pay Gap Action Plan, and to apply this to their work on Kia Toipoto in their own contexts.
- 15 We are conducting a system review to understand all current activities and investment to build Māori, Pacific and ethnic communities' workforce, and professional capability. We aim to identify programmes that have been successful and leverage these more widely across the Public Service.
- 16 Te Whakapiri has agreed to a work programme through to the end of 2023. This plan includes developing the guidance and support agencies and entities need to meet the remaining Kia Toipoto milestones:
 - Te Whakawhanaketanga i te Aramahi | Effective career and leadership development (milestone: mid-2023)
 - Te whakakore i te katoa o ngā mono whakatoihara, haukume anō hoki | Eliminating all forms of bias and discrimination (milestone: end-2023)
 - Te Taunoa o te Mahi Pīngore | Flexible work by default (milestone: end-2024).
- 17 A subgroup of Te Whakapiri is developing guidance to support agencies and entities to meet the Effective career and leadership development milestone that, by mid-2023, agencies/entities will have career pathways and equitable progression opportunities that support women, Māori, Pacific and ethnic employees to achieve their career aspirations.

The subgroup will consult more widely, including with employee-led networks, agencies, and entities, on the new guidance.

- 18 Another subgroup of Te Whakapiri is currently reviewing the recruitment guidance released under the Gender Pay Gap Action Plan to align it with Kia Toipoto. This guidance will support agencies and entities to achieve the Eliminating all forms of bias and discrimination milestone. This subgroup will also consult widely.
- 19 Both pieces of guidance will be released in February 2023, allowing agencies and entities good lead in time to the respective milestones.
- 20 Te Whakapiri has developed a suite of communication pieces to raise awareness of Kia Toipoto across the Public Service and encourage staff to contribute to the development of their agency's or entity's action plan. The messages include promoting the progress reflected in the 2022 workforce data. These pieces will be used by members of Te Whakapiri across their agency and union channels to promote awareness of Kia Toipoto, starting in early to mid-October.
- 21 The Equal Pay Taskforce will support the Ministry of Business Innovation and Employment and the Ministry for Women to develop advice for Government on pay transparency in the wider economy.
- 22 The OECD Secretariat has asked to meet with the Taskforce, MBIE and Ministry for Women to learn more about pay transparency and about Kia Toipoto in particular as a good example of an intersectional approach. Their request follows information provided for an OECD questionnaire on pay transparency.

Next Steps

- 23 Over the next two months, Te Whakapiri will also:
 - on 25 October, meet in person for the first time since its inaugural meeting in August 2021. This hui will celebrate and reflect on the achievements and successes of the first year, look forward to 2023, and acknowledge the contribution of members who are leaving the group
 - continue to support agencies and entities to develop their first Kia Toipoto action plans and meet the milestones of Kia Toipoto.

Ends