

Joint Report: Gender Pay Gap and Pay Equity Progress Report September 2020

Date: 7 October 2020 **Security Level:** IN CONFIDENCE

Report No: 2020/165

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	Actions Sought	None
Hon Chris Hipkins, Minister of State Services	Note this Report	None
Hon Julie Anne Genter, Minister for Women	Note this Report	

Enclosure: Yes

Minister's Office Comments

Comments:	
Date returned to	
Te Kawa Mataaho:	

PROACTIVELY RELEASED BY TE KAWA MATAAHO PUBLIC SERVICE COMMISSION

Executive Summary

Gender Pay Gap work programme

- The Gender Pay Taskforce won the Impact Award in the 2020 Diversity Awards.
- We are finalising the Remuneration guidance, the last piece of guidance we are creating in collaboration with the Gender Pay Principles Working Group.
- 29 agencies have now published their action plans and the remaining four are publishing shortly.
- We continue to support and engage with the 11 agencies working to meet the equal pay milestone by the end of this year.

Pay Equity work programme

- The Commissioner has requested a single delegation instrument on negotiating pay equity claims and collective agreements which is issued together, and work on this is well underway.
- Te Kawa Mataaho, with input from agencies and the Public Service Association (PSA), is close to finalising the Terms of Reference for the Public Sector Administrative and Clerical claim. Good progress has been made in setting up the Programme Team to support agencies to progress this claim.
- Progress continues on other State sector pay equity claims and further detail is provided in this report.
- Pay Equity tools and resources are being drafted and revised with feedback from users, and the Ministry for Business, Innovation and Employment (MBIE), Crown Law Office and Ministry for Women, and we are aiming for publication in November. We are also supporting MBIE in the development of their tools and resources for the support of the wider economy.

Recommended Action

We recommend that you:

- note** the progress being made by the Gender Pay Taskforce
- agree** that Te Kawa Mataaho releases this briefing 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 Appendix One, and information related to pay equity in the Executive Summary and paragraphs 10 to 35 under section 9(2)(j) of the OIA, to enable agencies to carry on without prejudice or disadvantage negotiations.

Agree/disagree

Agree/disagree.



Hon Chris Hipkins

Minister of State Services

Hon Julie Anne Genter

Minister for Women

Joint Report: Gender Pay Gap and Pay Equity Taskforce Progress Report

Purpose of Report

1. This is the twenty-second monthly report on the progress of the Gender Pay Gap Action Plan (Action Plan) and Pay Equity in the State sector work programme.
2. A dashboard outlining progress against each of the Action Plan milestones is attached as Appendix One.

Public Service Gender Pay Gap Action Plans

Diversity Awards 2020

3. The Gender Pay Taskforce won the Impact Award in the 2020 Diversity Awards, announced on 16 September. The Impact Award is a new category, recognising organisations making a measurable impact on the diversity of New Zealand workplaces. The win generated several media articles and an opportunity to create some social media interest in our work programme. Diversity Award winners are regarded as exemplars, and a case study of our work, including a video, is on the Diversity Works website [here](#) (and attached as Appendix Two).
4. We intend to leverage this win to build awareness of our work and support the Ministry for Women's efforts to generate action in the private sector.

2020 Agency GPG Action Plans

5. All public service agencies have submitted individual action plans. Twenty-nine agencies have published their plans on their external websites so far and we are working with the remaining four agencies who are expected to publish shortly.

Equal pay milestone

6. Twenty-two agencies have met the equal pay milestone and we continue to support the 11 agencies working towards this milestone. We are especially working with the largest agencies in this group, for whom the work is most complex, and who have other significant related work underway, such as remuneration system changes. A number of these agencies have secured additional expertise to help with the analytical stages of their equal pay work. Te Kawa Mataaho Assistant Commissioners continue to facilitate our communication about the equal pay milestone with senior leaders in agencies.

Guidance on removing bias from HR policies and remuneration systems

Remuneration guidance

7. The remuneration guidance is now in final form and is due to be signed off by the Gender Pay Principles Working Group at its final meeting on 7 October. This is the last in the set of three pieces of guidance to support agencies to meet the bias milestone – the others being on recruitment and on career progression, breaks and leave.
8. Together with the PSA, we plan to hold workshops for agencies in late October/early November on both the guidance on remuneration, and on career progression, breaks and leave.

Final Gender Pay Principles Meeting 7 October

9. The final Gender Pay Principles Working Group meeting will be held on 7 October. This meeting will:
- consider the work of the Gender Pay Principles and what has been achieved
 - formally accept the suite of guidance developed in collaboration with the Gender Pay Taskforce
 - agree on future oversight of the Principles. The meeting will consider the proposal for oversight to sit with the Te Kawa Mataaho / CTU regular forums
 - celebrate the achievements of the Gender Pay Principles.

Pay Equity Work Programme

Public Service Act 2020 – new delegation instrument

10. The Public Service Act 2020 (the Act) provides a new role for the Public Service Commissioner (Commissioner) in respect of pay equity claims in the Public Service, similar to the Commissioner's existing role to negotiate collective agreements in the Public Service. The Commissioner has requested a single delegation instrument on negotiating pay equity claims and collective agreements which is to be issued together. Work on this is well underway.
11. Under the new Act the Commissioner will be responsible for negotiating pay equity claims as if the Commissioner were the employer. The Commissioner will be able to delegate his/her functions and powers for claims to Public Service chief executives and we expect the Commissioner to do this shortly.

Oversight of funded sector pay equity claims

12. The Funded Framework was confirmed by Cabinet in August to provide oversight and support for pay equity claims from private sector organisations who receive Government funding to deliver public services. The Funded Framework is being socialised with Funding agencies, employers in the community sector, unions and peak bodies. There has been a positive response from all parties so far. The Taskforce continues to provide education and support for pay equity claims in the Funded sector.

State sector pay equity claims

Public Sector Administrative and Clerical Work (PSA)

9(2)(j) prejudice to negotiations



Administration support workers and Kaiārahi i te Reo in schools (NZEI)

9(2)(j) prejudice to negotiations



9(2)(j) prejudice to negotiations

DHB Nurses and Midwives (MERAS, NZNO, PSA)

9(2)(j) prejudice to negotiations

DHB Administrative and Clerical (PSA)

9(2)(j) prejudice to negotiations

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9(2)(j) prejudice to negotiations

System-level support for pay equity claims

Tools and resources to support pay equity claims

31. The Taskforce is finalising new tools and revising the existing published tools in conjunction with key stakeholders to support the implementation of the Equal Pay Act 1972 and are working to ensure they are ready when the new legislation comes into force on 7 November 2020.
32. The Taskforce is also revising the tools and resources to reflect the requirements of agencies for the State Sector Governance Framework process as well as for the new central claims data repository. We have sought feedback from practitioners that have been using our tools and resources for their claims processes and have updated the documents where appropriate.
33. The Taskforce is supporting MBIE in its implementation of the Equal Pay Act 1972, including with development/adaption of tools and resources for the wider economy.

Tri-partite oversight of State sector pay equity claims

9(2)(j) prejudice to negotiations

Upcoming Events

Date	Details	Location
7 October	Gender Pay Principles working Group final meeting	Te Kawa Mataaho

Public Service Gender Pay Gap Action Plan – 2018-2020

October 2020



Agency level action and accountability

- Guidance: Measuring organisational GPGs ✓
- Agency workshops 2019 ✓
- 2020 Action Plan workshops ✓
- 2020 Action Plans reviewed by Taskforce and PSA ✓
- Feedback and support for agencies (ongoing)
- Taskforce online HUB for agencies (ongoing)

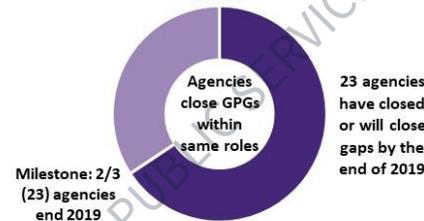
Feb 2019: All agencies develop action plans and publish internally ✓

By July: All agencies refresh and publish 2020 action plans and publish externally

All 34 agencies end 2020

Equal pay

- Milestone: 2/3 agencies closed gaps in same or similar roles by the end of 2019 ✓
- Guidance: Starting salaries ✓
- Guidance: Salaries for the same or similar roles ✓
- Agency workshops ✓
- Working with 1/3 agencies meeting deadlines end 2020 (ongoing)



Substantial reduction in Public Service GPG by end 2020

No bias and discrimination in remuneration and human resources

- Guidance: Recruitment ✓
- Guidance: Remuneration (near completion)
- Guidance: Career progression and leave and career breaks ✓
- Agency Workshops on this guidance (planned)

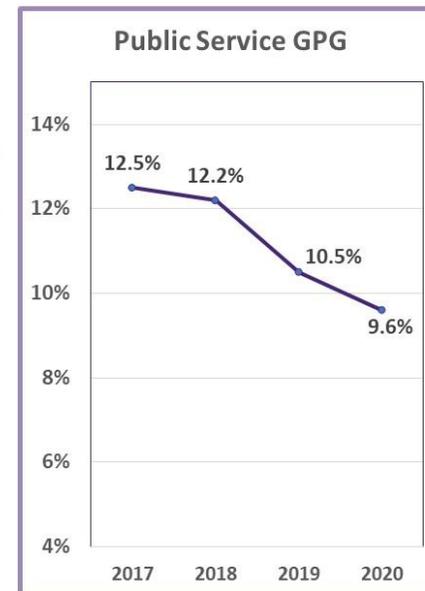
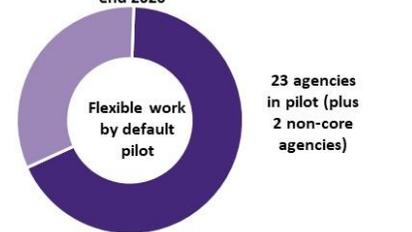
End 2020 All agencies have engaged with the Taskforce and have a plan for completing their review

End 2020 All managers understand bias, and can address it

All 34 agencies end 2020

Flexible work by default

- Pilots: Pilot group established ✓
- Guidance: Flexible-work-by-default ✓
- Milestone: at least 15 agencies in pilot by the end 2019 ✓
- Working with remaining 23 agencies currently in pilot (ongoing)



Influence State sector and private sector

- Collaboration with Ministry for Women on influencing plan (planned)
- Publishing all guidance on the Taskforce webpage ✓
- Communications strategy and Minister's events (ongoing)

Gender balanced leadership

- More diverse and stronger pipeline of women leaders (planned)
- Targeted support to agencies with low female representation (planned)

