



Joint Report: Gender Pay Gap and Pay Equity Taskforce Progress Report – August 2019

Date:	12 September 2019	Report No:	SSC2019/0257
Contact:	Alex Chadwick	Telephone:	9(2)(a) privacy

	Action Sought	Deadline
Minister of State Services Hon Chris Hipkins	Note this report	None
Minister for Women Hon Julie Anne Genter	Note this report	None

Enclosure: Appendix One (A3 on page 6)

Executive Summary

Since our last monthly report, notable developments include:

Gender Pay work programme

- In July we released guidance to agencies on ensuring that gender is not a factor in the salaries of employees in the same or similar roles. To support agencies to apply the guidance and meet the Public Service Gender Pay Gap Action Plan (Action Plan) equal pay milestone, we ran two tailored workshops with the Public Service Association (PSA) that were well attended by agency representatives and PSA members.
- First draft guidance on flexible-by-default work practices has been shared with flexible work pilot participants and the Gender Pay Principles Working Group (GPPWG).
- Work is underway on draft guidance on removing bias from remuneration systems and practices.
- All the Taskforce's guidance to date is now publicly available on our new webpage on the State Services Commission (SSC) website. This webpage also links to information on the Ministry for Women's website about the gender pay gap.

Pay Equity work programme

- 9(2)(f)(iv) confidentiality of advice

- The State Sector Pay Equity Oversight Committee met on 11 September 2019 to discuss the actions arising from the Ministerial State Sector Pay Equity Forum on 25 July 2019.
- Existing pay equity claims continue to progress.
- 9(2)(f)(iv) confidentiality of advice [REDACTED]
- The PSA has signalled its intention to raise a pay equity claim using the pay equity principles for administration and clerical workers employed in the Public Service.

Minister's Office Comments

Comments:	
Date returned to SSC	

Recommended Action

We recommend that you:

- a **note** the information in this report on progress being made by the Gender Pay Gap and Pay Equity Taskforce
- b **agree** that the SSC release 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 paragraphs 15 to 20 under the 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 report is the tenth monthly Taskforce progress report on the Action Plan and Pay Equity in the State sector work programme.

Public Service Gender Pay Gap Action Plan

- 2 Attached at Appendix One is the Taskforce dashboard which details our progress against each of the Action Plan milestones.
- 3 Since our last monthly report, we have also made the following progress.

Guidance Development

Ensuring gender is not a factor in the salaries of employees in the same or similar roles

- 4 We ran two workshops on 29 August and 6 September 2019 to support agencies apply the guidance in order to meet the equal pay milestone in the Action Plan, which is, that by the end of 2019, two thirds of agencies will have closed any gender pay gaps in the same roles, and by the end of 2020 all agencies will have closed these gaps.
- 5 The workshops, which were co-presented with the PSA, were well attended by both agency representative (37 and 54 attendees respectively) and PSA delegates (10 at each workshop).
- 6 Customs, Department of Internal Affairs and Land Information New Zealand provided short presentations outlining the process their agencies went through in determining how to:
 - group employees in the same or similar roles
 - deal with inconsistencies in job titles
 - determine the salary that people should be on.
- 7 Agencies asked technical questions and were keen to understand the approaches other agencies were taking in this space. The process is different for each agency depending on their organisational structure, size and various historical factors.

Recruitment processes that are free from gender bias

- 8 We published our *Recruitment Guidance: Implementing the Gender Pay Principles and removing gender bias in recruitment processes* on 23 August 2019. This guidance was developed by a subgroup of the GPPWG. It has been distributed to State sector organisations and to key stakeholders in the private sector who expressed an interest in the resource.

Flexible-by-default work practices

- 9 The Taskforce has requested feedback on the first draft of guidance on flexible-by-default work, from the GPPWG and the agencies piloting flexible-by-default.

The guidance is based on issues raised by pilot agencies and on the output of a workshop for agencies and unions held in May.

- 10 The draft provides advice on measuring existing flexible work uptake, developing a vision and plan for moving to flexible-by-default, working with managers and employees, and building the capability, culture and technology needed to embed flexible-by-default practices.

Removing bias from remuneration systems and practices

- 11 In August, the Taskforce, the GPPWG and agency representatives met to begin developing guidance on removing bias from remuneration systems and practices. Workshop input has been collated and will be reviewed by participants before drafting the guidance begins. There were 40 attendees (from agencies and unions) at the workshop and feedback on the workshop was positive, especially regarding the "cafe-style" design with attendees commenting that it was a good process with lots of discussion covering a lot of ground.

The Taskforce's online presence is now live on the SSC website

- 12 The Taskforce has a new page on the SSC website www.ssc.govt.nz/our-work/the-gender-pay-gap-and-pay-equity. The page provides public access to the guidance we have developed to date and links to information about the gender pay gap on the Ministry for Women website. The Ministry for Women are scoping work to socialise tools and resources developed by the Taskforce into the private sector to ensure it is on a similar pathway to the public sector.

Public Service Workforce Data due for release in late October or early November

- 13 SSC will release the Public Service Workforce Data 2019, which uses payroll data from 33 Public Service departments to report on trends in the workforce, including reporting on the gender pay gap. The Taskforce is preparing a communications plan to support messaging at a system and individual agency level around the release of this data.

Ethnic Pay Gap

- 14 SSC's Diversity and Inclusion (D&I) team is developing guidance to support more accurate calculation of ethnic pay gaps within agencies. This guidance uses the same pay gap calculation method as the gender pay gap guidance developed by StatsNZ, SSC and the Ministry for Women in 2018. Work will happen across September and October 2019 to determine and develop additional support needed to give full effect to the guidance. The D&I team is leading the development of the ethnic pay gap guidance and the Taskforce is working closely with them to ensure intersections between the gender pay gap and the ethnic pay gap are recognised.

Pay Equity in the State Sector Work Programme

Governance of State Sector Pay Equity Claims

- 15 Please see Item 1: Employment Relations Strategy and Context – Central Agencies update to Ministers [SSC2019/0271. This paper advises on progress to implement the actions commissioned by Ministers at the special pay equity meeting (29 August), including a new Framework for the governance and fiscal management of State sector pay equity claims.
- 16 Item 1 also includes an update on new pay equity claims, future claims that have been indicated by unions, and progress with existing claims. This paper notes the heightened interest in pay equity as the number of claims grows significantly,
9(2)(f)(iv) confidentiality of advice
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- 17 The PSA has also signalled its intention to make a pay equity claim using the pay equity principles for administration and clerical workers employed in the Public Service.
- 18 Actions commissioned by Ministers at a special pay equity meeting on 29 August
9(2)(f)(iv) confidentiality of advice

Pay Equity Tripartite Oversight Mechanisms

- 19 The State Sector Pay Equity Oversight Committee (Oversight Committee) met on 11 September 2019. It confirmed the Committee's work programme arising from the actions commissioned by the Ministerial Pay Equity Forum (Ministerial Forum) on 25 July 2019. Those actions were:
- Comparator Sub-Group to provide recommendations to the Ministerial Forum about where claimant and comparator data and information could be held and maintained centrally as well as recommendations on maintaining currency of data and information held and security considerations for the data and information
 - Oversight Committee to co-ordinate work on how claims from similar workforces across sectors could be expedited
 - 9(2)(f)(iv) confidentiality of advice

- 20 The date for the next Ministerial Forum meeting is 5 December 2019, 4.00-5.00pm in the Ministerial Meeting room, 2.1 EW, The Beehive.

RELEASED BY SSC UNDER OUR COMMITMENT TO OPEN GOVERNMENT

Public Service Gender Pay Gap Action Plan – 2018-2020

September 2019



Agency level action and accountability

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

Equal pay

- Guidance: Starting salaries ✓
- Guidance: Salaries for the same or similar roles ✓
- Agency workshops ✓

No bias and discrimination in remuneration and human resources

- Guidance: Recruitment ✓
- Guidance: Remuneration (in development)
- Guidance: Career progression (planned)
- Guidance: Leave and career breaks (planned)
- Unconscious bias training module released ✓

Flexible work by default

- Pilots: first group established ✓
- Guidance: Flexible-work-by-default (in development)
- 14 Core Public service and two non-core Public Service agencies

Influence State sector and private sector

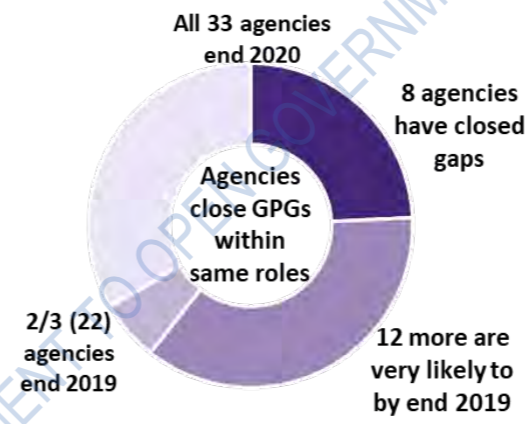
- Collaboration with Ministry for Women on influencing plan (in development)
- Publishing guidance on SSC website ✓
- Communications strategy and Minister's events (ongoing)

Gender balanced leadership

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

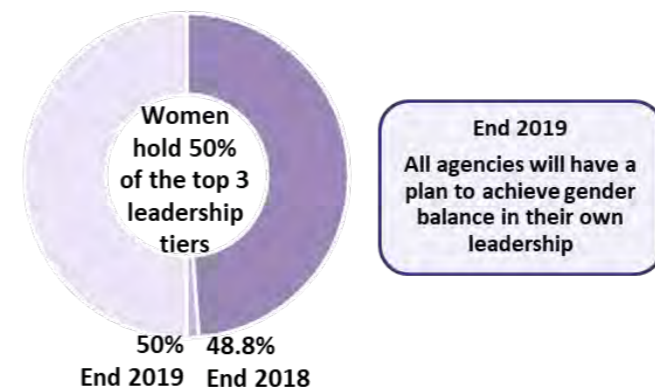
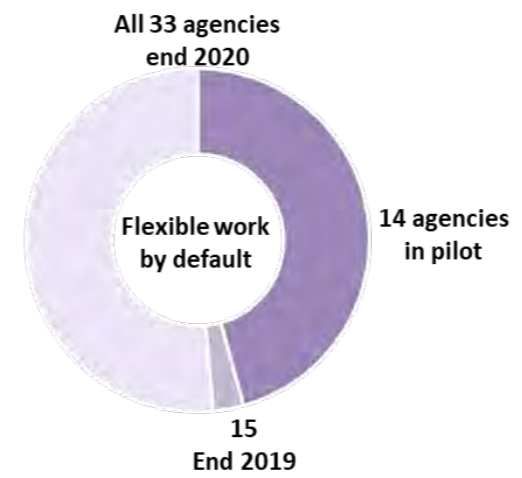
Feb 2019: All agencies develop action plans and publish internally ✓

Feb 2020: All agencies refresh action plans and publish externally



Mid 2020: All agencies have rem & HR practices free of bias

Mid 2020: All managers understand bias, and can address it



9(2)(f)(iv) confidentiality of advice

reduction in Public Service GPG by end 2020

