



Joint Report: Gender Pay Gap and Pay Equity Taskforce Progress Report for December 2019 and January 2020

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|-----------------|-----------------|-------------------|-----------------|
| Date: | 5 February 2020 | Report No: | SSC2019/0002 |
| 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 7)

Executive Summary

- As the first report of the year, this monthly report focuses on our priorities for 2020:

Gender Pay Gap work programme

- Our key focus for 2020 is to support agencies to meet the remaining Action Plan milestones.
- We will also prioritise working with the Ministry for Women to leverage the Action plan and the resources we have created, to support change in the wider State and private sectors. The report that has been commissioned on the GPG Action Plan Progress is an important part of this work.

Pay Equity work programme

- Priorities for 2020 include:
 - implementing the new Framework for the Governance and Oversight of State Sector Pay Equity Claims, and developing advice for MOGSSER 9(2)(f)(iv) confidentiality of advice
 - publication of tools for the "raising" and "settling" phases of pay equity claims processes (note tools on the "work assessment" phase have already been published)
 - input to policy advice on pay equity including for the Equal Pay Amendment Bill 2018 and the Public Service Legislation Bill 2019

- o completing the Tri-partite Oversight work programme including the establishment of the central data repository in the Ministry of Business, Innovation and Employment ("MBIE"), mapping female dominated 9(2)(f)(iv) confidentiality of advice and expediting pay equity claims
- o 9(2)(f)(iv) confidentiality of advice

Minister's Office Comments

| | |
|-----------------------------|--|
| Comments: | |
| Date returned to SSC | |

Recommended Action

We recommend that you:

- a **note** the progress being made by the Gender Pay Gap and Pay Equity Taskforce
- b **agree** that 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 the Executive Summary and paragraphs 16 to 21 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

5. This is the fourteenth monthly report on the progress of the Gender Pay Gap Action Plan (Action Plan) and Pay Equity in the State sector work programme.
6. A dashboard outlining progress against each of the Action Plan milestones is attached as Appendix One.
7. As the first report of this year, we have included an outline of the Taskforce's priorities for 2020.

Public Service Gender Pay Gap Action Plan

8. Our key focus for 2020 is to meet the remaining Action Plan milestones by:
 - supporting the final one third of agencies to close any gender pay gaps with the same or similar roles
 - completing and publishing the remainder of our guidance on removing bias from human resources and remuneration policies and practices, to support agencies to review their existing policies and practices by mid-2020 (see 'Completing guidance for agencies' below)
 - supporting all agencies to become flexible-by-default by the end of 2020
 - supporting all agencies to meet the target of 50% of all leadership positions being held by women.
9. We will also prioritise working with the Ministry for Women to leverage the Action Plan and the many resources we have created, to support change in the wider State and private sectors.

GPG Action Plan Progress Report

10. Work is underway on the report commissioned on progress since the launch of the Action Plan in July 2018.
11. An outline of the intended content of the report was tested with your offices and includes an overview of progress to date, the importance of the Action Plan framework, the wider contributing context and the challenges to further progress. The report will be completed by the end of March and we anticipate that a first draft will be sent to your offices in the week beginning 24 February.

2020 Agency GPG Action Plans

12. The Taskforce published our revised Agency GPG Action Plan Guidance for 2020, and our 'Guidance on Measuring and Analysing Gender Pay Gaps and Gender Representation in Public Service Agencies' in early December. These resources were sent to all Public Service agencies and are available on our online Hub. They will help agencies to complete their 2020 gender pay gap action plans, which are due to the Taskforce by 31 March 2020.

13. We are developing a plan and timeframe for reviewing of the action plans and briefing you on our findings. We will update you on this plan and timing in our next monthly report.

Equal pay milestone

14. Supporting the 12 agencies who aim to meet the 2020 equal pay milestone is a key focus of the gender pay gap work programme. This group of 12 includes many larger Public Service agencies, two of which are changing their remuneration systems this year. Given these system changes, and the numbers of staff involved, these agencies will need to carefully plan their equal pay processes to ensure completion within the timeframe. We are working closely with these agencies and will keep you updated on progress.

Completing guidance for agencies

15. The first draft of guidance on removing bias from remuneration policies and practices has been distributed to agency and union stakeholders for comment by 20 February. A final draft will be circulated for final feedback in early March and we aim to release this guidance in late April.
16. The final draft of guidance on flexible-work-by-default has been distributed to agency and union stakeholders for feedback by 13 February. We aim to release this guidance in March.
17. The final guidance in this series is on removing bias from career progression, career breaks and leave policies and practices. This is being drafted and we aim to circulate it to stakeholders for comment in February.
18. As is our normal practice, we will run workshops for agencies after each piece of guidance has been released.

Supporting the development of an Ethnic Pay Gap Action Plan

19. In addition to our core work progressing the Gender Pay Gap Action Plan the Taskforce is supporting the Diversity and Inclusion team in the State Services Commission to develop a parallel Ethnic Pay Gap Action Plan.
20. Our support includes:
 - sharing what we have learned in the last 18 months
 - ensuring a close alignment between the two Plans, which recognises how gender and ethnic biases combine to create a double barrier for Māori, Pacific and Asian women and women from other ethnic groups.

Pay Equity in the State Sector Work Programme

22. The Taskforce's priorities for pay equity in 2020 are outlined below.

Governance of State Sector Pay Equity Claims

23. The Taskforce is implementing the new Framework for the Governance and Oversight of State Sector Pay Equity Claims (the Framework). The Framework was endorsed by Cabinet in December 2019 [CAB-MIN-19-0678 refers]. This work includes:

- designing and communicating the process for:
 - how agencies will interact with the Central Agency Governance Group, including timelines and templates
 - Central Agencies' interaction with each other on Governance Group matters
 - the Governance Group's consultation with the Ministry for Women before providing advice to agencies at each milestone
- designing and maintaining a new standalone progress report from the Central Agency Governance Group for MOGSSER
- ongoing advice to the Governance Group on agencies' application of the Reconvened/Joint Working Group Pay Equity Principles (Principles) to claims' processes
- 9(2)(f)(iv) confidentiality of advice 
- developing and maintaining a new A3 report for Cabinet on the status of State sector pay equity claims and the intersect between claims and collective bargaining.

Support for pay equity claims processes

24. The Taskforce will continue to provide ongoing advice for State sector agencies with claims to support the consistent application of the Principles and to support agencies' engagement with the Governance Group.

25. The Taskforce will continue to develop tools and guidance to assist parties to apply the Principles to pay equity claims. The focus of the tools currently under development is on the "raising" a claim and "settling" a claim phases of claim management. We have already published tools and guidance focused on the "work assessment" phase of pay equity bargaining.

26. We will run workshops on the tools for agencies in the early stages of a pay equity claim and seek to establish a practitioners' network that will be run and owned by agencies. The purpose of the network will be to enable people directly involved

in pay equity bargaining to share experiences and learn from each other, particularly on how to apply the tools and resources developed by the Taskforce.

Tri-partite Oversight of State sector pay equity claims

27. The Taskforce will continue to participate in and support the tri-partite oversight of State sector pay equity claims. This work includes:

- providing substantive and secretariat support for the Oversight Committee and Ministerial Forum – a date is currently being arranged for the next Ministerial Forum in late June and an Oversight Committee meeting will be scheduled prior to that
- providing input into the establishment of a pay equity claims data repository in MBIE and the convening of a repository Governance Group. This meeting has been scheduled for 13 February 2020
- identifying data on female-dominated **9(2)(f)(iv) confidentiality of advice** on the work of the Sector Working Committees
- **9(2)(f)(iv) confidentiality of advice, 9(2)(j) prejudice to negotiations**

Input to policy advice on pay equity

28. The Taskforce will continue to provide input into the policy development on:

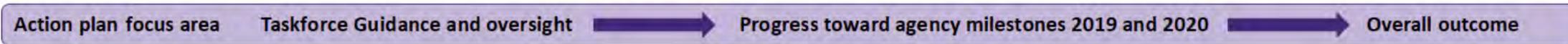
- Equal Pay Amendment Bill – most recently, **9(2)(f)(iv) confidentiality of advice**
- Public Service Legislation Bill – particularly on the State Services Commissioner’s role in pay equity bargaining in the Public Service.

Upcoming Events

| Date | Details | Location |
|--------------------------|--|------------|
| March 2020 (date tbc) | Minister to speak at PSA Event to recognise the achievements to date of the Public Service Gender Pay Gap Action plan milestones | Wellington |

Public Service Gender Pay Gap Action Plan – 2018-2020

January 2020

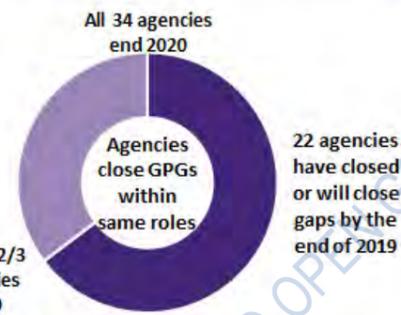


Agency level action and accountability

- Guidance: Measuring organisational GPGs ✓
- Agency workshops 2019 ✓
- 2020 Action Plan workshops ✓
- 2019 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 ✓

March 2020: All agencies refresh action plans and publish externally



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

reduction in Public Service GPG by end 2020

Equal pay

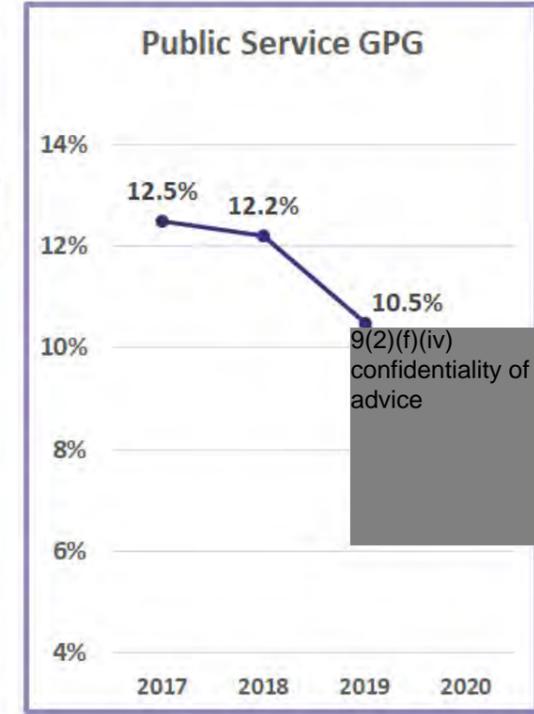
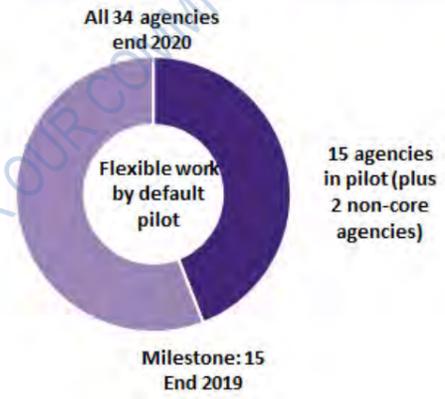
- Milestone: 2/3 agencies closed gaps in same or similar roles by the end of 2019 ✓
- Guidance: Starting salaries ✓
- Guidance: Salaries for the same or similar roles ✓
- Agency workshops ✓
- Working with 1/3 agencies meeting deadlines end 2020 (ongoing)

No bias and discrimination in remuneration and human resources

- Guidance: Recruitment ✓
- Guidance: Remuneration (in development)
- Guidance: Career progression and leave and career breaks (in development)
- Unconscious bias training module released ✓
- Agency Workshops 2020 (planned)

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

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



Flexible work by default

- Pilots: first group established ✓
- Guidance: Flexible-work-by-default (in development)
- Milestone: at least 15 agencies in pilot by the end 2019 ✓
- Working with remaining 19 agencies (ongoing)

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)

