



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

Date:	7 August 2019	Report No:	SSC2019/0242
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	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: No

Executive Summary

Since our last monthly report, notable developments include:

Gender Pay work programme

- Guidance on ensuring that gender is not a factor in the salaries of employees in the same or similar roles was released to agencies on 30 July 2019. This guidance will support agencies to meet the Public Service Gender Pay Gap Action Plan (Action Plan) milestone of closing gender pay gaps within the same roles.
- Guidance on flexible-by-default work practices is under development. The first draft will be circulated for consultation with flexible work pilot participants and the Gender Pay Principles Working Group (GPPWG) representatives mid-August.
- Work will begin on developing guidance on removing bias from remuneration systems and practices at a workshop for stakeholders on 20 August 2019.
- The Taskforce's Online Hub, which is a "one-stop-shop" for agencies and unions to access the Taskforce's guidance and tools, will go live soon. We have begun talking to the Ministry for Women (MfW) about how to make our guidance more widely available.
- Our second-stage review of agency gender pay gap action plans has confirmed the initial findings and identified some further common themes. The focus of the second-stage review was to address agencies' ongoing capability needs. We have summarised the high-level findings of the review at paragraph 16 below.

Pay Equity work programme

- 9(2)(f)(iv) confidentiality of advice, 9(2)(j) prejudice to negotiations
[Redacted]
- On 25 July 2019 the Ministerial State Sector Pay Equity Forum (Ministerial Forum) discussed the three sector plans that were presented by sector co-leads.
- An additional pay equity claim has been filed in the Employment Relations Authority by 36 employees of Te Whakaruruhau 2013 Incorporated. 9(2)(f)(iv) confidentiality of advice
[Redacted]

Minister's Office Comments

Comments:	
Date returned to SSC	

Recommended Action

We recommend that you:

- note** the information in this report on progress being made by the Gender Pay Gap and Pay Equity Taskforce
- 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), and information related to pay equity in paragraphs 18 to 32 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 ninth 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 Since our last monthly report, we have made the following progress to reach the milestones in the Action Plan.

Guidance Development

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

- 3 On 30 July 2019 the Taskforce issued guidance to agencies on ensuring gender is not a factor in salaries for the same or similar roles. This guidance supports achievement of the milestones that:
 - by the end of 2019, two thirds of agencies will have closed any gender pay gaps within the same roles
 - by the end of 2020 all agencies will have closed these gaps.
- 4 The Taskforce will be supporting agencies to meet the above milestones by running workshops on this guidance on 29 August and 6 September 2019.

Recruitment processes that are free from gender bias

- 5 Feedback from Māori and Pacific reviewers on the guidance for recruitment processes that are free from gender bias has been received and incorporated.
- 6 Following feedback from unions this week on the draft lay-out, we hope to proceed to editing and design and to publish the guidance in mid to late August.

Flex-by-default work practices

- 7 The first draft of the flexible-by-default toolkit will be circulated for consultation with flexible work pilot participants and the GPPWG representatives in mid-August.

Removing bias from remuneration systems and practices

- 8 The Taskforce has begun work with the GPPWG to develop guidance on removing bias from remuneration systems and practices. A workshop on 20 August 2019 with the Taskforce, GPPWG and human resources and remuneration experts from agencies will discuss the main issues that need to be addressed in the guidance.
- 9 The Taskforce will use the results of this workshop as a basis for drafting the guidance.

The Taskforce Online Hub will 'go live' shortly

- 10 Preparation is underway for the Hub to 'go live' shortly. The purpose of the Hub is to provide a 'one-stop-shop' for agencies and unions to access the Taskforce's guidance and tools, which are designed to:
- assist parties involved in State sector pay equity claims
 - support agencies to achieve the milestones in the Action Plan.
- 11 Agencies and unions will be invited to access the Hub material. The Hub also contains a resource library that houses useful relevant websites and content to assist agencies with their gender pay work.

Making guidance and tools available more widely

- 12 Through the development of the Hub and following interest from outside groups, the Taskforce has given thought to making our guidance available to a wider audience via our external website.
- 13 The Action Plan guidance has a public sector focus, so the Taskforce has asked MfW to advise on whether the guidance needs any adjustment to be used by the private sector and how best to make it available to a wider audience. MfW is leading on this and will include an update in its briefing to Minister Genter on 20 August 2019 on the GPG in the private sector.
- 14 MfW has been working with Global Women on a gender pay gap reporting pilot for its Champions for Change member organisations. The report template is based on and acknowledges the guidance: [Organisational gender pay gaps: Measurement and analysis guidelines](#) developed by the State Services Commission (SSC), MfW and Stats NZ. Once tested, gender pay gap reporting will be integrated into the wider Champions for Change Diversity Reporting Framework.

Second-stage review of Agency Gender Pay Gap Action Plans

- 15 In April 2019 you received a summary of the findings of our initial review of agencies' Gender Pay Gap Action Plans [SSC2019/0104 refers]. Our second-stage review has confirmed the initial findings and identified some further common themes. As the focus of the second-stage review was to address agencies' ongoing capability needs, we do not anticipate providing a further full briefing.
- 16 However, for your interest the high-level issues identified in our review, and our proposed responses are as follows:
- Many plans contain multi-level data analysis, following the approach recommended in our data tool. However not many agencies have analysed the intersection of gender, ethnicity and pay and we are encouraging them to do so where they have sufficient numbers of staff.
 - Agencies commonly identified occupational segregation as a driver of their gaps, but there was less consideration of what can be done to mitigate its effects. The Taskforce and PSA plan to hold a workshop in October on what agencies can do to address occupational segregation.

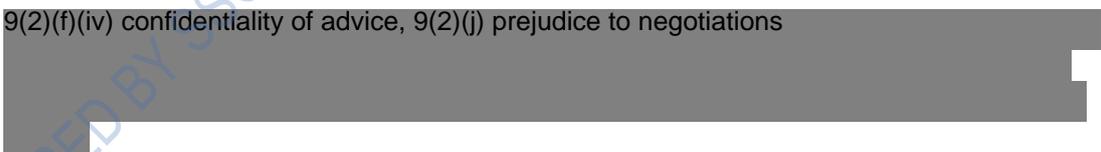
- The plans responded to the priorities in the Action Plan, but a number indicated they needed to develop an approach to analysing and addressing gender pay gaps within the same roles. The Taskforce has released guidance to assist agencies with this and is holding two workshops with the PSA to help agencies apply the guidance.
- Many plans show a high level of sophistication, and overall there is a good foundation for further development. The Taskforce will revise the template for agencies' action plans to recommend that, if they do not already do so, agencies' 2020 action plans include:
 - actions which are closely linked to data interpretation, going beyond the priorities in the action plans
 - a comprehensive picture of their gender pay work programme
 - how they plan to address gender pay gaps which favour women
 - genuine employee and union engagement throughout the development of the plans.
- The Taskforce recommended to agencies that they share their plans with the PSA and our understanding is that most agencies have done so. Some agencies responded that they do not have any PSA members and of these, some preferred not to share their plans.

Ethnic Pay Gap

17 Led by SSC's Diversity and Inclusion team, more targeted work has commenced on closing the ethnic pay gap. The Manager of the Diversity and Inclusion team will attend the next fortnightly catch up with your offices to provide a high-level briefing on what this work entails.

Pay Equity in the State Sector Work Programme

Equal Pay Amendment Bill 2018 (the Bill)

18 9(2)(f)(iv) confidentiality of advice, 9(2)(j) prejudice to negotiations


19


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21 9(2)(f)(iv) confidentiality of advice, 9(2)(j) prejudice to negotiations

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

22 9(2)(g)(i) free and frank

[REDACTED]

Pay Equity Tripartite oversight mechanisms

23 The State Sector Pay Equity Oversight Committee (Oversight Committee) met on 10 July 2019, primarily to discuss and provide feedback on the three draft sector plans as well as giving feedback to the Comparator Sub-Group on their proposals for gaining efficiencies in claims processes with the use of comparators and comparator data and information.

24 On 25 July 2019 the three sector working committees for Health, Education and the Public Service presented their sector plans to the Ministerial Forum.

25 9(2)(f)(iv) confidentiality of advice [Redacted]

[Redacted]

- Comparator Sub-Group to provide recommendations to the Ministerial Forum about where claimant and comparator data could be held and maintained centrally as well as recommendations on security considerations for the data.
- Oversight Committee to coordinate work as to how claims from similar workforces across sectors could be expedited.

26 Dates for the next meetings of both the Oversight Committee and Ministerial Forum will be determined soon.

9(2)(g)(i) free and frank [Redacted]

27 [Redacted]

28 [Redacted]

Pay Equity Claims

Education sector

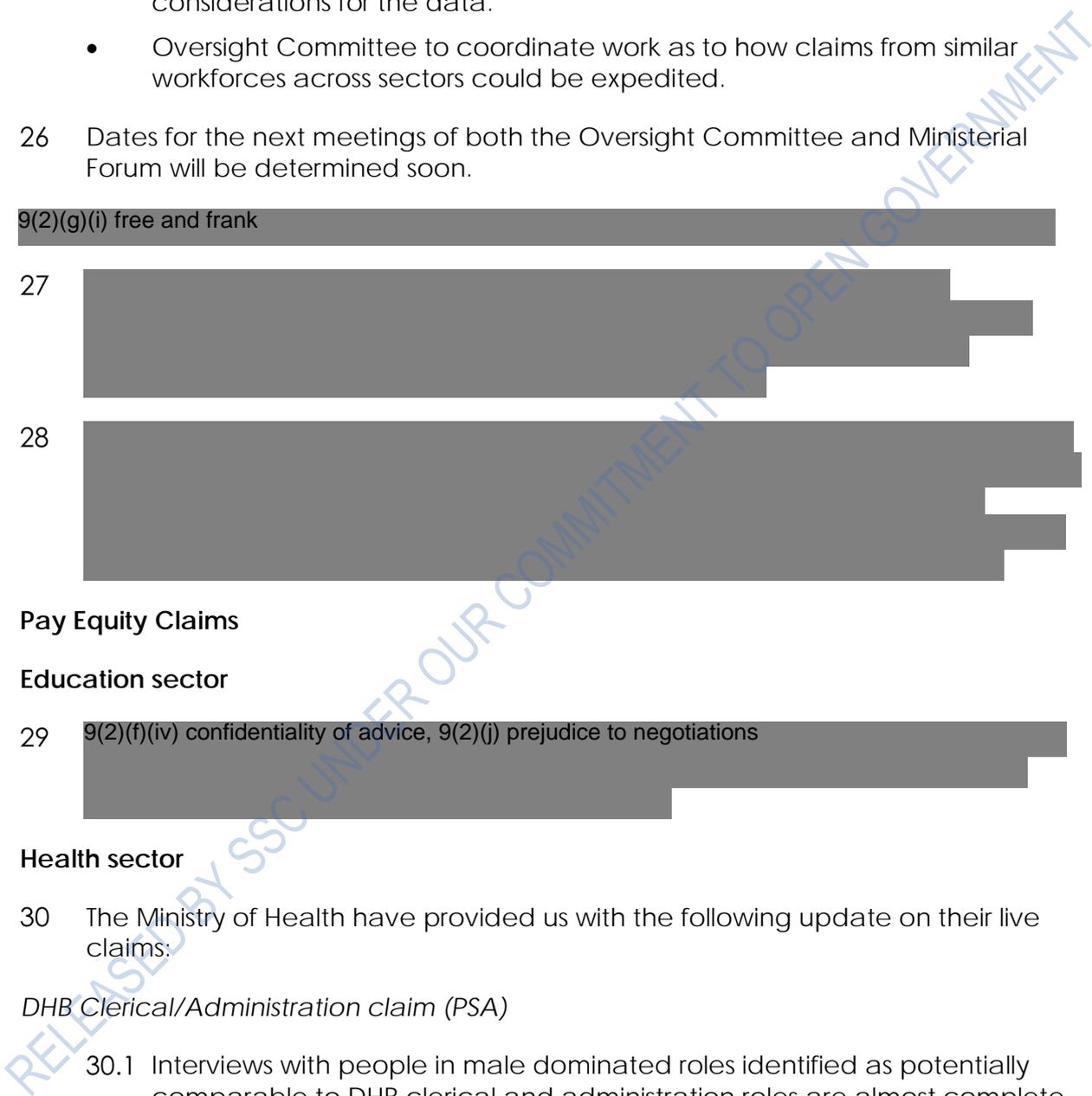
29 9(2)(f)(iv) confidentiality of advice, 9(2)(j) prejudice to negotiations [Redacted]

Health sector

30 The Ministry of Health have provided us with the following update on their live claims:

DHB Clerical/Administration claim (PSA)

30.1 Interviews with people in male dominated roles identified as potentially comparable to DHB clerical and administration roles are almost complete at the four organisations that agreed to participate in the process. Parties have approached an additional organisation and they have agreed to participate. The National DHB and PSA teams are scheduled to meet next on 30 and 31 July 2019.



DHB Nurses claim (NZNO and PSA)

30.2 The parties are continuing to meet weekly. They have reached agreement on the number of roles (200) for interviewing employees to fully understand the different nursing and health care assistant roles. Discussions are also occurring on the criteria and process for identifying potentially male dominated comparable roles in other organisations.

Midwives claim (MERAS and NZNO)

30.3 The parties are continuing to meet weekly and have finalised the proposed roles (57) and locations (8 DHBs) for conducting interviews to fully understand the midwifery role and have agreed the criteria and process for identifying potential male comparator groups.

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

31 A pay equity claim has been filed in the Employment Relations Authority by 36 employees of Te Whakaruruhau 2013 Incorporated, 9(2)(j) prejudice to negotiations

[Redacted]

32

[Redacted]

RELEASED BY SSC UNDER OUR COMMITMENT TO OPEN GOVERNMENT