



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

<b>Date:</b>	3 July 2019	<b>Report No:</b>	SSC2019/0210
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	<b>Action Sought</b>	<b>Deadline</b>
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 will be released to agencies within the next fortnight. This guidance will support agencies to meet the Action Plan milestone of closing gender pay gaps within the same roles.
- Following our successful workshop with union and agency representatives, development of guidance and tools on flexible-by-default work practices is underway.
- Planning is progressing for the development of guidance on removing bias in remuneration policies and a workshop with unions and agencies is planned for 20 August.
- The Social Services and Community Select Committee for the Vote Women Estimates hearing expressed an interest in seeing examples of agency Gender Pay Gap Action Plans.
- The Taskforce hosted a stand at the Women in Public Sector Summit event to promote our work programme and encourage women to seek information about their organisation's gender pay gap and agency action plan.

### Pay Equity work programme

- 9(2)(f)(iv) confidentiality of advice  
[REDACTED]
- Preparation is underway for the next meetings of the State Sector Pay Equity Oversight Committee (Oversight Committee) on 10 July, and the Ministerial State Sector Pay Equity Forum on 25 July (the latter which you are attending).
- Work is progressing on the three sector plans (Health, Education and Public Service) and the Sector Working Committees will report on their plans at the next Oversight Committee meeting. The Taskforce will be providing separate advice to Ministers on the sector plans in advance of the Ministerial Forum.
- There is no change to report in respect of the eight live pay equity claims in the Health and Education sectors.

### 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 13 to 16 withheld 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

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- 1 This report is the eighth monthly Taskforce progress report on the Public Service Gender Pay Gap Action Plan and Pay Equity in the State sector work programme.

### Public Service Gender Pay Gap Action Plan

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- 2 Since our last monthly report, we have made the following progress to reach the milestones in the Action Plan.

#### Guidance on ensuring that gender is not a factor in the salaries of employees in the same or similar roles (like-for-like)

- 3 This guidance, which will be sent to agencies within the next fortnight, will support achievement of the following major Action Plan milestones:
  - by the end of 2019 two thirds of agencies will have closed any gaps within the same roles
  - by the end of 2020 all agencies will have closed any gaps within the same roles.
- 4 The guidance has been developed with the PSA and agencies and recommends that agencies review all employees' salaries to decide whether they are:
  - justifiable and reasonable in line with an agency's gender-neutral salary criteria, such as skills, responsibility, knowledge, and experience
  - consistent with the salaries of similarly skilled and experienced employees performing the same or similar roles.
- 5 The guidance recommends agencies correct any employee salaries that do not meet the above criteria.
- 6 The primary purpose of the guidance is to close gender pay gaps, however in carrying out this work, agencies may also identify and correct employee salaries which are lower than they should be due to:
  - ethnic or other forms of bias, or
  - erroneous aspects of salary systems or practices (such as placing internal hires lower in bands than external hires, or groups of employees that have been placed in the wrong band).

#### Guidance and tools for agencies on flexible-by-default work practices

- 7 Drafting guidance and tools for agencies on flexible-by-default work is underway. Following on from the May workshop with unions and agencies, the guidance will focus on three areas:
  - a base toolkit for agencies implementing flexible work practices
  - resources on communication and engagement about flexible work

- resources on establishing the necessary workplace culture to support flexible work.

### **Guidance on removing bias in remuneration**

- 8 Planning for the workshop with agencies and unions to develop guidance on removing bias in remuneration practices is underway. The planning group consists of Taskforce members, two union representatives from the Gender Pay Principles Working Group and representatives from the Employment Relations team at the SSC and New Zealand Customs. The workshop is scheduled to take place on 20 August.

### **Social Services and Community Select Committee for the Vote Women Estimates hearing expressed interest in Action Plans**

- 9 The Social Services and Community Select Committee expressed an interest in seeing examples of Gender Pay Gap Action Plans, particularly that of the Ministry of Defence as an agency, which has historically had a large gender pay gap.
- 10 The following agencies made their plans available to the Select Committee: New Zealand Customs, Government Communications Security Bureau, Ministry for Culture and Heritage, Ministry for Women, and the State Services Commission. The Ministry of Defence provided information on the drivers of its gender pay gap and the actions the Ministry is taking to address its gap.

### **Woman in Public Sector Summit 2019 (WIPS) 25 June**

- 11 The Taskforce hosted a stand at the WIPS event to promote our work programme and encourage women to seek information about their organisation's gender pay gap and agency action plan. The stand generated good conversations and provided information to women about how to engage with their organisations on the issue of gender pay.
- 12 The State Services Commissioner, Peter Hughes, delivered a keynote speech in the afternoon about the progress made so far at a system level.

### **Pay Equity in the State Sector Work Programme**

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

### **Pay Equity Tripartite oversight mechanisms**

- 14 The three Sector Working Committees (Health, Education and Public Service) have been working on their sector plans in preparation for presenting drafts to the Oversight Committee at its meeting on 10 July 2019. To support the Sector

Working Committees to progress their plans, the Taskforce convened a workshop for the three sets of sector co-leads on 18 June 2019 which was well-attended and received.

- 15 Planning is also underway for the next meeting of the Ministerial State Sector Pay Equity Forum on 25 July 2019, which you are attending. The Taskforce is preparing advice for Ministers on the sector plans in advance of the Ministerial Forum. As agreed with your offices, a first draft of this advice will be provided for your feedback on 3 July 2019.

### **Pay Equity Claims**

- 16 There is no change since our last monthly report on the progress of the eight Health and Education sector pay equity claims.

RELEASED BY SSC UNDER OUR COMMITMENT TO OPEN GOVERNMENT