



Courtesy of The New Zealand Professional Firefighters Union

Pay Equity in the State Sector: Tools and Resources

Pay Equity Claimant and Comparator Process Guide



Te Kawa Mataaho
Public Service Commission



Manatū Wāhine
Ministry for Women

Te Kāwanatanga o Aotearoa
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These tools and resources do not constitute legal advice. Parties must seek their own legal advice in respect of this guide and how it applies to the pay equity claim being raised.

Email pay.equity@publicservice.govt.nz if you would like a Word version of this document.

Purpose

Robust and gender-neutral comparison of work assessment, terms and conditions of employment and remuneration of the claimant and appropriate comparators is critical to the pay equity claims process (13ZD and 13ZE of the [Equal Pay Act 1972](#) (the Act)). This process allows the parties to establish if the work of claimants and comparators is of equal value.

This Pay Equity Claimant and Comparator Process Guide (Process Guide) provides information, practical tips and templates to help parties to:

- identify and select appropriate comparators¹
- obtain information on the work and the remuneration of comparators
- compare the work of the claimant and the comparators
- compare the remuneration of the claimant and the comparators.²

Structure of tools and resources

This guide is part of a suite of tools and resources developed by the Te Kawa Mataaho Public Service Commission (Commission). The following pay equity tools and resources also relate to pay equity work assessment and should be read with this document:

- **Pay Equity Work Assessment Factor Plan**
- **Pay Equity Work Assessment Process Guide** – gives more detail on how to use the PEWA Factor Plan effectively
- **Pay Equity Work Assessment Factor Plan Questionnaire** – guides the gender-neutral work assessment interview and must be used in conjunction with this PEWA Factor Plan

The structure of the tools and resources is set out in the pay equity arrow diagram below to help users navigate and find the components they need.

The tools and resources are designed to enable the parties to pay equity claims in the State sector to progress claims consistently with the Act, which is informed by the [Pay Equity Principles](#), and ultimately to achieve pay equity. The tools and resources support the parties throughout the process, from raising a claim to pay equity negotiations/settlement.

The process that is used to put the tools and resources into practice is just as important as the tools themselves. It is the process used between the parties that will determine the robustness, internal integrity, and validity of the outcomes

¹ The Equal Pay Act 1972, section 13ZE, sets out the criteria for identifying appropriate comparators

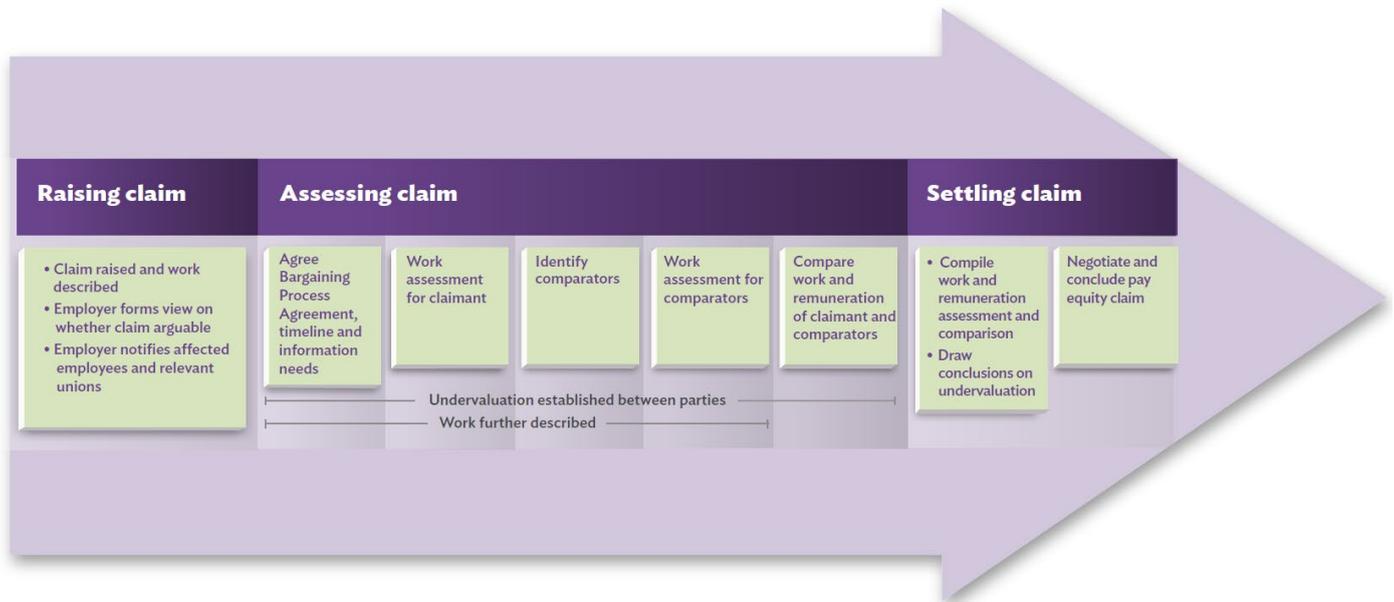
² This process guide covers the processes under Assessing the claim. It does not address the overall examination and comparison of both the claimant and appropriate comparator work assessment and the determination as to whether the work and remuneration of the claimant has been historically undervalued and continues to be undervalued.

Pay equity process

The arrow diagram below was developed to demonstrate the steps involved when working through the pay equity process.

The pay equity arrow diagram does not describe a linear process where one step must be completed before another is started.

Based on the experience of the parties to date, the process is flexible enough for some steps to be done in parallel or slightly overlapping as appropriate. The main underpinning is for the parties to be working together through a process of engagement.



Comparing the claimant and comparators

The Act (Sections 13ZD and 13ZE) requires an assessment of the work of the claimant and appropriate comparators to establish if the work is of equal value.

The Act (section 13ZD(2)(a)) is clear that the comparison of work and work value between the claimant and comparators is to be free of assumptions based on sex. It is therefore essential that the pay equity claims process is gender neutral.

Obtaining work assessment information, as well as detail on terms and conditions of employment and remuneration about appropriate comparators, helps enable a robust examination of the work and remuneration. This is critical to a claim process that is consistent with the Act.

It is necessary to seek the participation and cooperation of employers of the potential appropriate comparators. At the conclusion of the comparator assessment process, the claimant organisation should invite comparators to validate the information collected.

The Commission has developed a template Comparator Protocol for State sector agencies and relevant unions/representatives (see Appendix 1). The purpose of the Protocol is to facilitate the participation of employers (of both the potential comparators and of the claimant), encourage the sharing of information, and provide confidence that the information will be used only for the purposes of the pay equity claim and that confidentiality will be maintained.

The Protocol is likely to include requests for information from one State sector agency to another. Information may need to be requested from private sector companies and organisations.

The following steps of the process are covered in this process guide:

- identifying appropriate comparators
- obtaining information on the work and the remuneration of comparators
- assessing the work of the claimant and of the comparators
- comparing the remuneration of the claimant and of the comparators.

Central Agency Pay Equity Governance Group framework

Under the Central Agency Pay Equity Governance Group (Governance Group) framework³, State sector agencies are required to present to the Governance Group at Milestone 3 and Milestone 4 as follows:

- **Milestone 3** – the agency provides evidence that the work assessment (outcomes) is representative and gender neutral. The Governance Group will also test the agency’s rationale for potential comparators is supported by sound evidence and analysis (refer also to the Pay Equity Work Assessment Process Guide).
- **Milestone 4** – the agency provides evidence that the conclusions drawn on the existence and extent of sex-based undervaluation are supported by a thorough comparison of remuneration information, terms and conditions of employment, and work assessments of the claimant and comparators.

Agencies can present the information in a way that works for the organisation, rather than following the template, as long as the information the Governance Group needs to see is covered. The Gender Pay Taskforce (Taskforce) is available to support agencies with this work and it is recommended that agencies engage with their Taskforce contact regularly throughout the pay equity claim process.

Agencies will need to submit their Milestones 3 and 4 papers to their Taskforce contact at the Commission prior to presenting it to the Governance Group as the Taskforce will need to produce advice for the Governance Group.

It is important to submit all material one week prior to a meeting of the Governance Group to ensure all information is considered.

³ The Framework for the Governance and Oversight of State Sector Pay Equity Claims (the Framework) was endorsed by Cabinet in December 2019 [CAB-MIN-19-0678 refers]. The Governance Group consists of representatives of the central agencies and representatives of the sector whose claim they are considering at the time, e.g. health, education or Public Service.

Establishing undervaluation – practical guide

Purpose	Establishing sex-based undervaluation is a key part of the case for pay equity. Establishing the pay equity evidence base for the claimant’s work is covered by sections 2AAC, 13F(3) and 13ZD of the Act.		
Historical or current undervaluation considerations	Origins and evolution of work	<p>Things to consider:</p> <ul style="list-style-type: none"> • Where and when the work originated, including: <ul style="list-style-type: none"> ○ changes from unpaid to paid work ○ changes from male dominated to female dominated • Any social/historical advances or changes that have impacted on the work • How the work may have evolved • Historical and current perceptions of the work. 	<p>Where to look – possible options:</p> <ul style="list-style-type: none"> • NZ history literature • International literature where there is no NZ literature • Professional bodies (if applicable) records and archives • Retired employees who have institutional and or occupational knowledge.
	Women's work	<p>Things to consider:</p> <ul style="list-style-type: none"> • The presence of skills seen as inherent in women • The social/historical context that has given rise to the label women’s work • If the work is seen as an extension to women's work in the home and to their traditional caring roles • Whether the nature of work is perceived as more suitable for women • Any impact of volunteer or charitable history associated with the work • Sources of funding for the work • Any features of the market that have enabled gender discrimination. 	<p>Where to look – possible options:</p> <ul style="list-style-type: none"> • Whether there is a single buyer (source of funding) • History of charities in New Zealand • The perception of the value of what may be classed as soft skills
	Remuneration history	<p>Things to consider:</p> <ul style="list-style-type: none"> • market undervaluation • long-term impact of low start rates • limited career pathways • casualisation • impact of changes in the pay-setting framework (centralised/decentralised) • the market that has been used to measure the value of the work • perceptions of the job relative to others • application of measures (of work value) that are not gender neutral • lack of adjustment of pay over time • lack of formal training and qualifications to recognise the work. 	<p>Where to look – possible options:</p> <ul style="list-style-type: none"> • how claimant work has been valued/sized (if at all) and in relation to what other roles • history of what has happened with pay for this work • information on career pathways and any training and qualifications associated with the work (or lack of).

Identifying and selecting appropriate comparators practical guide

Step 1: Developing criteria and selecting comparators

The first step is for the parties to agree criteria to identify potential comparators. Following that, the process entails research into sources of information such as, but not limited to, Australia and New Zealand Standard Classification of Occupations. Section 13ZE of the Act prescribes the identification of one or more appropriate comparators against which to assess a pay equity claim as required by section 13ZD of the Act.

<p>Purpose</p>	<p>To identify appropriate comparators against which to compare claimant work and remuneration. In relation to comparators, the parties need to:</p> <ul style="list-style-type: none"> • set agreed criteria to identify appropriate comparators • identify and select appropriate comparators • obtain information about selected appropriate comparators. 	
<p>Establishing criteria</p>	<p>Setting agreed criteria:</p> <ul style="list-style-type: none"> • it is important for the parties to set agreed criteria to use as the basis to identify appropriate comparators • the criteria will inform the sifting and sorting of potential comparators and help to narrow and finalise the selection of appropriate comparators • there is no set number of criteria required • we do however recommend that one of the criteria be a set number of employees in the comparator role • locate the claimant group in the relevant skill classification, for example ANZSCO major group and skill level, as a point of comparison to help with the process of setting criteria and identifying potential comparators. 	<p>The following are examples of criteria used to identify appropriate comparators:</p> <ul style="list-style-type: none"> • the role is currently male dominated or the role has been historically male dominated • there is a reasonable sample size (dependent on the size of the total cohort) • the role is covered by a collective agreement or data about remuneration and allowances is easy to access • the role sits within the broader State sector • there is an ability to easily (relative) access the comparator role information • similar qualifications and/or skills level grouping • similar entry criteria for role (refer to template on page 10) <p>Once parties have agreed the criteria they can start searching for appropriate comparators.</p>

<p>Identifying and selecting comparators</p>	<p>Process - identifying comparators</p> <p>Once the agreed criteria have been established, a starting point for identifying potential comparators is ANZSCO⁴.</p> <ul style="list-style-type: none"> • ANZSCO is a skills-based classification system used to classify all occupations and jobs in the Australian and New Zealand labour markets, based on a combination of skill level and skill specialisation. • ANZSCO provides a useful framework and starting point for identifying appropriate comparators. • However, ANZSCO does not provide information on the gender of the unit groups or occupations. It will therefore be necessary to use in parallel another data set. One possible source for high-level gender information by occupation is the Census. • It is preferable to identify several appropriate comparators, with enough employees, to generate reliable information (work assessment and remuneration) to establish if the work of the claimant is of equal value to that of comparators. • Note: Normally a unit group at the four-digit level, or an occupation at the six-digit level (ANZSCO) will be suitable for comparators. However, it is important to note that ANZSCO information is a reference point only to identify comparators worthy of investigation and should be used flexibly. This is part of an open process of discovery by the parties. 	<p>Process - selection of comparators</p> <ul style="list-style-type: none"> • If the agreed criteria produce too many results and parties need to narrow the field, it is useful to run a collaborative sense check over the groups. Additional considerations can be factored in by agreement, such as entry criteria or those with the closest (inverse) gender occupancy to the claimant group. Other criteria can be used by agreement. • Once parties have finalised the criteria, select several potential appropriate comparators (between 4 and 6 if possible). • Note: When identifying comparators, parties need to be satisfied that the selected comparators have not been distorted by systemic undervaluation of women's work and are therefore appropriate to use as comparators (section 13ZE of the Act).
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⁴ [StatsNZ Classification Code Finder](#)

Template for recording potential comparators

Record potential comparators and compare against the criteria (by ticking for yes or no). Set out below is a simple template for recording potential appropriate comparators against criteria (examples only). Select the comparators that best meet the criteria.

Template for recording potential comparators			
Criteria	Comparator		
	1	2	3
Male dominated			
Historically male dominated			
Sample size e.g. >/< 100			
Covered by a collective agreement			
In broader State sector			
Information accessible			
Similar qualifications and/or skills level grouping			
Similar entry criteria for role			

Obtaining Information about comparators practical guide

Step 2: Data gathering for comparators and work assessment

Once comparators are identified, information needs to be gathered on both work and remuneration. The first step is engagement with the comparator organisation and the agreement for the protocols for undertaking the pay equity process. The practical guide below deals with work information that needs to be gathered.

<p>Obtaining information about selected comparators</p>	<ul style="list-style-type: none"> • Obtaining work assessment information about the identified appropriate comparators to enable a robust examination of the work is critical to comply with sections 13ZD and 13ZE of the Act. • It is necessary and important to seek the participation and cooperation of employers, and their unions/representatives of the potential appropriate comparators. 		
	<p>Work assessment information</p> <p>Information to assess the work of appropriate comparators is collected in the same way as the information about the work of the claimant group, e.g. using the same questionnaire and data-gathering processes including, interviews and the gathering of relevant work information. The parties need to plan the process and work in conjunction with the comparator organisations to implement it.</p> <p>Validation process</p> <p>Prior to the data-gathering, it is important to agree on the validation process for work assessment. This will need to include validation by the comparators.</p>	<p>Data gathering- comparators</p> <p>Data gathering for comparators needs to be carried out in the same rigorous manner as the data gathering for claimant work (refer to PEWA Process Guide).</p> <p>This entails primary research using a gender-neutral questionnaire to interview employees of the comparators organisation(s).</p> <p>Note: the Commission has developed a <i>Pay Equity Work Assessment Questionnaire (PEWA Questionnaire)</i> and accompanying <i>Pay Equity Work Assessment Factor Plan (PEWA Factor Plan)</i> – these can be found on the Commission website.</p>	<p>Work assessment- comparators</p> <p>The work assessment process for comparators needs to be carried out in the same rigorous manner as the work assessment for claimant work.</p> <p>This entails the use of a gender-neutral work assessment tool.</p> <p>Note: There are three available gender-neutral tools in New Zealand: the PEWA Factor Plan, the Equitable Job Evaluation Factor Plan (EJE) and the Pay Equity Aromatawai Mahi (PEAM).</p> <p>To use the PEWA Factor Plan please refer to the PEWA Factor Plan and the PEWA Process Guide.</p>

Comparing the work of claimant and comparators

The following template allows parties to see the scores across claimant and a range of comparators at a glance. It provides the basis for initial analysis and comparing across factor levels.

Factor group: skills	Claimant	Comparator 1	Comparator 2	Comparator 3
The skills factor grouping measures the responsibilities or accountabilities for the work. It reflects the leadership responsibilities of jobs, as well as responsibility for resources, service outcomes and delivery of services to people.	Factor level	Factor level	Factor level	Factor level
F1 – Knowledge and Understanding: Assesses the combination of knowledge and experience required by the work. It covers the nature, depth and breadth of the knowledge required, regardless of how the knowledge may have been acquired. It does not refer to specific qualifications but to types of knowledge.				
F2 – Problem-solving: Assesses the level of reasoning, analysis, judgement, creativity, innovation, planning, coordination needed to make decisions and find solutions. It considers the variety and complexity of problems, the accessibility and complexity of the information/data needed and the degree of autonomy to make decisions. In addition to commonly recognised skills, this factor takes account of planning and coordination skill often found in women’s work.				
F3 – Interpersonal: Assesses the level of communication and interpersonal skills needed to interact with other people. The purpose, complexity, criticality and contentiousness of the interactions are considered. The factor levels do not necessarily reflect traditional organisational hierarchies. There is also acknowledgement that some roles require multi-cultural skills beyond those expected of everyone who lives and works in a diverse community.				
F4 – Physical: Assesses the use of physical or fine motor skills required by the work and also recognises the level of training required. Considers the skill (including speed and/or precision) not the frequency or effort required. This factor is commonly overlooked. The higher levels are to recognise work where physical skills (dexterity, eye/hand and limb coordination) are key to the performance of the role.				

Factor group: responsibility	Claimant	Comparator 1	Comparator 2	Comparator 3
<p>The responsibility factor grouping measures the responsibilities or accountabilities for the work. It reflects the leadership responsibilities of jobs, as well as responsibility for resources, service outcomes and delivery of services to people.</p>	Factor level	Factor level	Factor level	Factor level
<p>F5 – People leadership: Assesses leadership requirements for the role. Numbers of reporting staff are also taken into account. It recognises the management/ supervision factor common to most approaches to measurement and also recognises non-line leadership where there is no formal management responsibility.</p>				
<p>F6 – Resources: Includes the use, care, control, allocation, acquisition and security of resources, including data, information, financial, tools, equipment, buildings, land and flora/fauna. It covers the nature and complexity of the responsibility and the nature, extent and value of the resources. This factor includes the processing or maintenance of significant amounts of confidential information common to a number of public sector roles.</p>				
<p>F7 – Organisational outcomes: Assesses the nature of the work’s impact on the achievement of the organisation’s mission, delivery of services or other outcomes. It considers the nature of the service outcomes and the span of influence in achieving the outcomes. This factor is commonly recognised in assessment tools.</p>				
<p>F8 – Services to people: Assesses the responsibility for the direct provision of services to people or groups of people. This factor is not commonly recognised in assessment tools. It reflects the proximity of the position to the front-line service delivery of services to clients, the nature of the service or intervention and the impact of the service on people’s needs or wellbeing. It does not measure the higher levels of account ability for the design or funding of the service (this is measured under Organisational outcomes).</p>				

Factor group: conditions and/or demands	Claimant	Comparator 1	Comparator 2	Comparator 3
<p>The factor group on conditions and/or demands measures the demands and working conditions that are intrinsic to the work. It reflects the work context and interactions of the job, as well as the different stresses and the working environment that jobholders typically encounter. It assumes all health and safety requirements are met.</p>	Factor level	Factor level	Factor level	Factor level
<p>F9 – Emotional: Assesses the emotional demands arising from contact or work with people or situations that are intrinsically stressful, upsetting or traumatic. This factor is not commonly recognised in other assessment systems. Where other systems do measure demands they have generally been limited to physical demands. This factor takes into account roles that involve emotional work and considers the frequency and intensity of demand and the nature of the demand or the situation of the people.</p>				
<p>F10 – Sensory: Assesses the demands for sensory attention i.e. the concentration, alertness or focused attention required. This factor is not commonly recognised as a separate demand – it is often incorporated into problem-solving. It is about demand for focused mental concentration in a challenging environment. It considers intensity, impact of interruptions, multiple areas of focus or rapid shifts in concentration, frequency and duration of exposure to the demand.</p>				
<p>F11 – Physical: Assesses the level of physical exertion the work requires. It considers strength and/or stamina required, strenuous or repetitive muscle movements, activities such as lifting, carrying, pushing and working in confined or constrained positions. This factor is often recognised as part of physical skills. This is, however, not recognising skill, but the physical demand or effort required to carry out the work.</p>				
<p>F12 – Working conditions: Assesses exposure to recognised disagreeable, unpleasant or uncomfortable conditions or hazards arising from the work environment. It includes conditions inherent to getting the work done, recognising the risk of injury from other people such as clients or patients. Working conditions are more commonly associated with physical hazards of manual work. This factor ensures that recognition is also given to the range of exposure to disagreeable or uncomfortable conditions in other types of work as well as potential hazards.</p>				

Template for factor analysis overview

The purpose of the factor analysis overview is to create a structured, consistent way to undertake a work assessment for both claimant and for comparators. Initially it is helpful to create an overview across the factor levels for the work of claimant and comparators. Below is a summary template to assist collecting this data.

Factors		Claimant	Comparator 1	Comparator 2	Comparator 3
		Factor level	Factor level	Factor level	Factor level
F1	Knowledge and understanding				
F2	Problem-solving				
F3	Interpersonal				
F4	Physical				
F5	People leadership				
F6	Information and resources				
F7	Organisational outcome				
F8	Services to people				
F9	Emotional demand				
F10	Sensory demand				
F11	Physical demand				
F12	Working conditions				

Step 3: Qualitative analysis of work

Using the overview of claimant work and the work of comparators from Step 2 above, together with the information gathered, the parties have the basis for qualitative comparison of the claimant and comparator's work. The analysis should be supported by:

- interview material from the PEWA Questionnaire for claimant work and for the work of comparators
- relevant position descriptions, delegations, task lists, standard operating procedures, health and safety procedures, industry standards, information from collective agreements, information from registration bodies, and any legislative requirements related to claimant work and the work of comparators
- the factor analysis overview from Step 3 above (if undertaken).

Step 4: Quantitative analysis of work

The parties may agree to test outcomes of work assessment through the points provided in the PEWA Factor Plan scoring tables (provided in the PEWA Factor Plan). The possible benefits of using points include that:

- it may help the parties to confirm differences/degree of comparability between claimant work and the work of comparators
- for some participants/audiences it is important to be able to verify/validate through using a clear points and weightings system.

If points and weightings are to be used, this should occur after a comprehensive work assessment process where:

- the PEWA Factor Plan tool has been applied to claimant work and to the work of comparators
- there has been some initial consideration of the respective factor levels for the work across claimant and comparators
- the parties have a set of outcomes that reflect a qualitative assessment of the claimant and comparators work through consideration of both the factor level outcomes and the comparative analysis of foundation material including job descriptions, job histories, interview material, and any legislative requirements for the respective roles, etc.

Scoring and use of points is intended to be a last step, if agreed by the parties, to test conclusions. If, for example, there are a number of comparators, this process could help to confirm which were the closest to the claimant work.

A possible template for recording scoring is provided on the next page. It is important to note that this scoring mechanism is solely for the purpose of supporting the pay equity claims- based process. Like any of the tools and resources to support the pay equity claims process, it is critical that it is used in the context of a joint process so that it is consistent with and can contribute towards the next steps in the wider pay equity bargaining process.

Template for pay equity work assessment scoringpoints

This template summarises the points allocated through the process of allocating factor levels to the work of the claimant and comparators.

	Factor	Claimant	Comparator 1	Comparator 2	Comparator 3			
Skills	1 Knowledge and understanding							
	2 Problem-solving							
	3 Interpersonal skills							
	4 Physical skills							
Responsibilities	Total points	Total points	Total points	%	Total points	%	Total points	%
	5 People leadership							
	6 Information and resources							
	7 Organisational outcomes							
	8 Services to people							
Conditions and/or demands	Total points	Total points	Total points	%	Total points	%	Total points	%
	9 Emotional demands							
	10 Sensory demands							
	11 Physical demands							
	12 Working conditions							
		Total points	Total points	%	Total points	%	Total points	%
	TOTALS	TOTAL	TOTAL	%	TOTAL	%	TOTAL	%

KEY

This table can also reflect percentages in terms of closeness of the comparator scores to claimant scores. Colour coding can be added to reflect the agreement by the parties on how close the scores are for claimant and comparator work. For example, as in the following key.

Not at all comparable	50% or more
Small areas of comparability	Within 50%
Some comparability	Within 30%
Significant comparability	Within 20%
Broadly comparable	Within 10%

Obtaining information about comparators

Step 5: Data gathering for comparators remuneration

Once the qualitative and quantitative analysis the work of the claimant and comparators is done, information needs to be gathered on comparator remuneration. The practical guide below deals with the collection of remuneration information.

<p>Obtaining information about selected comparators</p>	<ul style="list-style-type: none"> • Obtaining work remuneration information about the identified comparator(s) to enable a robust examination is critical to applying the Act and Principles to pay equity claims. It is necessary and important to seek the participation and cooperation of employers of the comparator(s). • A template letter requesting the participation/information from comparator employers is provided below. • A template comparator protocol is in Appendix 1 of this Process Guide. The protocol sets out the understanding between the claimant employer, comparator employer and relevant unions regarding the data collection, and use and storage for the purposes of assessing a pay equity claim. Whilst the template is targeted at State sector agencies, it can be adapted for use by any employer. 	
	<p>Remuneration information</p> <p>Remuneration information on appropriate comparators will need to be obtained from both collective agreements and be provided by the employer:</p> <ul style="list-style-type: none"> • average base salary • median base salary • average total remuneration • salary range (minimum, midpoint and maximum) • starting rate • hours worked per week • hourly rate • total number of employees for appropriate comparators • gender breakdown of appropriate comparators • key components of remuneration other than base salary, e.g. allowances • superannuation • collective agreements • information on job-sizing • information on progression • general overview of remuneration history. 	<p>Develop a common list of data</p> <p>It is not always possible to get the same remuneration and occupational information for the claimant and the comparators.</p> <p>For this reason, it is recommended that a common list of data is developed that the parties aim to collect. This should include both historical <u>and</u> current occupational and pay data.</p>

Template letter from claimant's employer to employer of comparators

Dear [name of chief executive] and [name of union],

Pay Equity Claim

I am writing to ask for your help with an important aspect of the Pay Equity claim that has been made by [name of union/employee] for [name of occupation/s/description of work] employed by [name of employer]. Specifically, I'm asking for your insight in understanding the role of [comparator occupation] as a potential comparator for this claim.

Background

[name of employer] has confirmed that the [title of claim] has an arguable case to progress as a pay equity claim. We have agreed to work together with [union/employee] to fully assess the claim.

We are working closely with the Te Kawa Mataaho Public Service Commission to ensure the approach followed is consistent with the Equal Pay Act 1972.

What does this mean?

In accordance with sections 13ZD and 13ZE of the Act we must assess the work, remuneration, and terms and conditions of employment of [name of occupation/s/description of work] and the appropriate comparator groups(s) and identify if the work is comparable. Through our work with [name of union/employee], we've identified the role of [name of comparator occupation] as a potential comparator role.

We're not looking to say the work for [name of occupation/s/description of work] and the comparator occupational group is the same – we're looking to confirm that the level of knowledge, skills, responsibilities, conditions of work, effort, and experience of the roles are comparable. We will also be undertaking an examination of the remuneration paid for the role.

What we would like from you?

We would like your help providing background information on the [name of comparator occupation] role and to identify up to [number] job holders willing to complete a confidential questionnaire interview to help us gain a better understanding of the role. At the end of the comparator work and remuneration assessment process we will invite you to validate the information we have.

Next steps

Pay equity is a high interest issue, and it's important that we get this right.

I assure you the information gathered on the role will be shared with you. I appreciate this work is sensitive, and I guarantee that the work undertaken by the working group will be confidential.

If you can support this important work, I'll arrange for [name and title] to contact the relevant general manager in your organisation to discuss this further.

I look forward to your response and thank you in advance for your co-operation in this important work. Please don't hesitate to call me if you'd like to discuss this further.

Yours sincerely

[Name and title]⁵

⁵ Name, title and signature of union/representative is co-writing letter.

Step 6: Comparing remuneration

The next step is to analyse and compare the information on the remuneration of the claimant and comparators. The practical guide below deals with how to analyse and compare the remuneration information.

<p>Purpose</p>	<p>To compare the remuneration of claimant and comparators, which entails identifying all relevant factors in the remuneration to enable a comparison of apples with apples.</p>	
<p>Analysis of remuneration information (including casual or part-time employees)</p>	<ul style="list-style-type: none"> • Differences between the average base salaries of claimant and comparator roles • Gap between the average base salary and total remuneration • Analysis of key components of total remuneration other than base salary, e.g. what are the allowances in place? Have there been allowances in the past that are now incorporated into the pay rate? • The key features of the respective superannuation schemes (and the reasons for any difference) • Analysis of range, i.e. is it job-sized with annual market reviews or bargained • How progression systems operate, e.g. tenure, competency based, or career pathways • Recognition of training/qualifications, e.g. are there additional levels of pay that are attained through qualification completion? • Analysis of how shift work is treated if relevant, i.e. is it part of base salary or paid as an allowance? • Employment factors, e.g. single/multiple employers or public/private sector • Union structure in the sector/occupation, i.e. how it operates, single or multiple unions, industry or multi-industry? • Market features, e.g. dominant source of funding for the industry • Recruitment and retention challenges. 	
<p>Comparing remuneration data and information</p>	<ul style="list-style-type: none"> • Compare the data and information on claimant and comparators • Discuss and review all the information gathered (including information on undervaluation) to ensure sound understanding and basis for analysis <p>In addition to the above the parties may agree to:</p> <ul style="list-style-type: none"> • Consider and understand the wider context (economic, social and political) that may have influenced the similarities, differences and histories of remuneration between the claimant and appropriate comparators • Bring together the wider context, history, data, information, and analysis as part of the write-up of the work undertaken to assess the claim. 	
<p>Recording and validating the information</p>	<ul style="list-style-type: none"> • It is good practice to have a structured way of recording remuneration data and information relating to claimant and appropriate comparators. 	<ul style="list-style-type: none"> • It is important that the parties have an agreed validation process for the remuneration data and information • It is in the hands of the parties to determine process. At this point in the process, the parties may decide to start meeting separately as part of preparation for negotiations for a settlement if the assessment to date indicates that undervaluation is likely. This can occur in parallel with the remainder of the joint work to assess the remuneration of the claimant and comparators.

Comparing remuneration

Once the parties have obtained the information on remuneration, it needs to be compared in a structured way. A structured comparison will support the parties' engagement at this critical point in the process and ensure that they have the same facts and figures and starting point for analysis and interpretation. The categories for comparison below can be adapted to reflect what the parties have determined prior to obtaining the remuneration information.

Template for remuneration data and information

Category	Claimant	Comparator 1	Comparator 2	Comparator 3
Average base salary				
Median base salary				
Average total remuneration including superannuation				
Salary range (minimum, midpoint and maximum)				
Number of hours worked per week (full-time, part-time, variable)				
Hourly rate				
Employment type (permanent, fixed-term, casual)				
Total number of employees				
Gender break down				
Key components of remuneration (other than base salary, e.g. allowances)				
Superannuation				
Collective bargaining agreements				
Information on job sizing				

Information on progression				
General overview of remuneration history				
% difference between average base of comparators/claimant				
Gap between average base salary and total remuneration				
Employment factors				
Unions				

The last four rows may need to be analysed separately as part of the preparation for bargaining.

Appendix 1: Template comparator protocol for State sector agencies

[Letter head of both employers and unions]

This protocol sets out the understanding between the claimant employer, [name] and [union/s], and the comparator employer [name] and [union/s], regarding data collection, use, and storage for the purposes of assessing a pay equity claim.

Introduction

It is necessary and important to identify and seek the participation and cooperation of the potential appropriate comparators against which to assess a pay equity claim (sections 13ZD and 13ZE of the Act).

Information sharing principles

Information shared between agencies/companies/unions/employees for the purposes of examination of the work, remuneration, and terms and conditions of employment of the claimant and appropriate comparators should be:

- confined to the information fields recommended and required for this purpose
- anonymised and not contain unique/personal identifiers or names
- at a high enough granular level so that individuals cannot be identified by role, e.g. one-off roles.

Interview information

If face-to-face interviews are required, the interviewer must:

- explain the purpose of the interview and the use and storage of the information
- obtain the permission of the interviewee for the use and storage of the information
- remove unique/personal identifiers from the summary of the interview.

Contributing comparator information to the central pay equity data repository once it has been gathered

A central repository for pay equity data and information for claimants and comparators was implemented in 2020 (administratorpayequitydata@mbie.govt.nz) with the agreement and support of Ministers. The repository is located at the Ministry of Business, Innovation and Employment and is governed by a tripartite governance group.

Signing this protocol means you agree to the contribution of your comparator data into the repository on the understanding that you can withdraw your data from the repository at any time.

Data to be used for the work assessment

Data collected for the work assessment includes:

- qualitative interview material
- position descriptions
- delegations
- task lists
- standard operating procedures
- health and safety procedures

- industry standards
- information from collective employment agreements
- information from relevant registration bodies
- any legislative requirements related to claimant work and the work of comparator
- the factor analysis overview
- other data as agreed between the parties.

Data required for remuneration assessment

Data collected for the remuneration assessment would be obtained from both collective employment agreements (if present) and from the employer and would include:

- average base salary
- median base salary
- average total remuneration
- salary range (minimum, midpoint, and maximum)
- starting rate
- hours worked per week
- hourly rate
- total number of employees for appropriate comparators
- gender break down of appropriate comparators
- key components of remuneration other than base salary, e.g., allowances
- superannuation
- collective employment agreements
- information on job sizing
- information on progression
- general overview of remuneration history.

Additional data required

[Insert as appropriate]

Signatures

Title of claimant employer representative⁶ _____

Signature of claimant employer representative _____

Date _____

⁶ This may be signed by the relevant employee representatives too or in the case of multiple employers and unions by the lead employer and lead union.

Title of claimant union/representative _____

Signature of claimant union/representative _____

Date _____

Title of comparator employer representative _____

Signature of comparator employer _____

Date _____

Title of comparator union/representative _____

Signature of comparator union/representative _____

Date _____