

# Gender Pay Gap Action Plan 2020

To be read in conjunction with the Data Analysis 2020 document.



## Acknowledgements

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In developing this plan, we referred to the two foundational gender pay documents recommended - the Gender Pay Principles and the Public Service Gender Pay Gap Action Plan. Our plan follows the high-level template provided by SSC and the measurements and actions in the plan are aligned with the key areas of focus outlined in the Public Service Gender Pay Gap Action Plan.

All percentages referenced in this plan are based on Gap Mean, with this year's supporting data found in the enclosed Data Analysis document. Further to this, all data is based on full time equivalent (FTE) salary.

### Disclaimer

Please note that some data is not included in our Data Analysis as it does not meet the robustness threshold advised by Stats NZ; The data below this threshold is referenced in this plan as "indicative only".

A data disclaimer is included in the Data Analysis 2020 document.

### Publication status

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# Gender Pay Gap Measurements

## Equal pay

The social workers pay equity settlement has had a positive impact on the overall gender pay gap, reducing from 0.20% at 31/10/18 to -2.62% when we factor in the first phase of the pay equity implementation on 1/12/18. This has further decreased after the second phase on 31/12/19 to -3.11%<sup>i</sup>.

There is evidence of a gender pay gap within some ANZSCO groupings, specifically with Managers (10.88%), Clerical and Administrative (5.38%), Information Professionals (1.16%) and Legal, HR and Financial Professionals (4.92%)<sup>ii</sup>.

There has been an encouraging decrease over the last year in gender pay gaps between some 'like for like' roles, specifically Social Workers (from 1.44% to -0.07%) and Coordinators (from 1.36 to -1.25%)<sup>iii</sup>; please note that inconsistencies have been found in the ANZSCO groupings over the last two years and previous data is no longer available.

There is still evidence of a gender pay gap in some 'like for like' roles, including Site Managers (1.97%), General/Regional Managers (6.57%), Night Staff (1.43%), Youth Workers (2.05%) and Senior Practitioners (0.78%)<sup>iv</sup>.

## Flexible work by default

Our internal engagement survey (Korero mai) results show kaimahi ora as a priority; our people need to prioritize their personal priorities alongside their work life – flexible working enables this to happen.

The uptake of formal part time work arrangements is relatively low (11.23% for women and 4.25% for men) with 9.69% for the whole organisation<sup>v</sup>.

## Leadership

In tiers two to three, the representation of women to men is 62.3% (women) compared to 37.7% (men) - less than their overall representation in the organisation (74.9% women compared to 24.9% men).

Evidence of a gender pay gap in tiers two to three (indicative only).

## No bias or discrimination in remuneration systems and human resources practices

There is evidence of a gender pay gap for:

- New starts between 1 July 2019 and 31 December 2019 of 1.70%. Over the preceding 6 months (1 January 2019 to 30 June 2019) the gender pay gap was 3.59% showing a consistent improvement from last year (5.51% between 1 July 2018 and 30 October 2018)<sup>vi</sup>.
- In the age group spanning 40 to 50 (2.21%), suggesting time out of the workforce caring for children is impacting on women as they return to the workforce<sup>vii</sup>.
- In tenure for employees with between 15 and 20 years (4.44%) and for those with 20+ years (2.36%). This suggests that there may be more career progression opportunities for men than for women, or that there are higher promotion rates for men than for women<sup>viii</sup>.
- The average pay for Pacific women compared to non-Pacific women is close for both Social Workers and Youth Workers, however Pacific women are paid less on average across the board<sup>ix</sup>.
- The average pay for Pacific men compared to non-Pacific men fluctuates between groups, with Pacific men being paid more on average in both Social Worker and Coordinator roles (indicative only); however, there are no Pacific men in Site Manager roles or in tiers two to three<sup>x</sup>.
- The average pay for Māori women compared to non-Māori women shows that, in most cases, Māori women are paid less across the board; however, Māori women are paid more on average in Site Manager roles (indicative only)<sup>xi</sup>.
- The average pay for Māori men compared to non-Māori men is lower in most areas with Māori men being paid more on average in both Social Worker roles and in tiers two and three (indicative only)<sup>xii</sup>.

# Drivers of The Gender Pay Gap

The following section outlines what we understand to be the drivers of gender pay gaps identified through our data analysis.

## **Occupational segregation**

This formed the basis of the social workers pay equity claim and is a factor in other gender pay gaps such as in clerical and administrative groups. Settling the social workers pay equity claim, a key action in the 2018 gender pay gap action plan, has reduced the organisation-wide gender pay gap (from 0.20% at 31/10/18 to -3.11% at 31/12/19). Working on the social workers claim has highlighted for us the extent to which knowledge and skills can be hidden and/or undervalued when applying remuneration ranges to roles. We are examining ways to limit this undervaluation from happening in the future, starting with the way we describe roles within job descriptions.

## **Flexible work opportunities**

Flexible working is organization-wide and supported by policy and guidance to support conversations and increase the uptake of various flexible arrangements. An ageing workforce and the focus of millennials has added further impetus to moving to a culture of flexible working. Over the last year we have implemented Digital Workplace which allows staff to work more flexibly; we expect this to make a significant impact over the coming year with an increase of informal arrangements taking place (i.e. starting late/leaving early and making up the hours later in the week). We currently only monitor permanent arrangements and are encouraging informal arrangements in suitable situations. Over the next year we are continuing to develop and support innovative approaches to working flexibly.

## **Career Progression**

This an area of focus in light of the impact of women taking long periods of leave from the workforce (often to care for children or dependents) and often returning to a similar role and/or remuneration position to that which they left. This is highlighted by the persistent gender pay gap for managers (The management occupational group were identified as having a gender pay gap in the last two GPG action plans). Career development will form part of the strategic review of performance development and remuneration frameworks.



## **Inequalities in starting salaries**

Although over the last year this has started to decrease, we are still showing a gender pay gap. Starting salary guidelines have been developed and will be implemented by mid-2020 to provide managers with advice on the recruitment process and hiring employees at an appropriate level without gender bias. We will continue to monitor this by actively tracking starting salary data.

## **Inconsistency in our recruitment practices**

Specifically found in shortlisting and appointment decisions, this has led to pockets where the gender pay gap is greater in some roles and/or directorates than others. We will be reviewing our recruitment practice in 2020 to identify where improvements in the process could improve outcomes.

## **Legacy remuneration progression systems**

Current remuneration and progression systems that are in place at Oranga Tamariki are carryover from MSD. There are two separate systems that rely on an annual review and provide limited ability to reflect or adjust remuneration outside of strict parameters. There is a commitment to progress a strategic review of performance, remuneration and development frameworks which is currently in progress and is due for completion by July 2021. This work will be informed by the gender pay principles and will be undertaken in conjunction with our union partners.

# Agency Actions to Close the Gender Pay Gap

## Equal Pay

- As part of our on-going work to review and update job descriptions, ensure that skills commonly under-specified in job descriptions are identified and articulated.
- Examine the job sizing process and explore a review of internal relativities of positions as part of the wider review of the remuneration system and progression framework. We expect this project to be completed by mid-2021.
- Actively monitor the gender pay gap against the public service milestones, focusing on identified 'like for like' roles.
- Perform a line by line review of each employee's remuneration by the end of 2020 to identify any inconsistencies between salaries of similarly skilled and experienced employees who perform the same or similar roles. This will be undertaken as part of the review of the current remuneration system.

## Flexible Work by Default

- Implement the Flexible Working Guidelines by mid-2020 designed to:
  - increase staff awareness of what flexible working looks like;
  - support staff to seek ways of working flexibly;
  - provide managers with the confidence to lead conversation on flexible working and kaimahi ora (wellbeing).
- Examine viability of implementing careers workshops by 2021 which assists people to:
  - review where their career has come from and what is important to them;
  - consider their strengths, skills, career drivers and values;
  - develop an understanding of the types of careers and the possible options for the future;
  - draft a career action plan.
- Scrutinise the workforce to identify any roles that have barriers/limitations to flexibility and explore options for these roles.

## **Gender Balanced Leadership**

- As we are a new ministry, and still in our implementation phase (i.e. currently at year 3 of a 5 year plan), we are expecting to achieve gender balance in our top three leadership tiers that better reflects the gender balance in the organisation (74.9% women to 24.9% men) by replacing managers when they leave with appropriate applicants of the necessary gender where possible.

## **No Bias or Discrimination in Remuneration Systems or Human Resources Practices**

- Implement the starting salary guidelines by mid-2020 for Social Workers based on the professional career pathway, i.e. from supported practice through to senior practitioner as agreed in the Pay Equity Terms of Settlement 2018.
- As part of the work on the new remuneration, performance and development frameworks deliver clear guidelines for managers on starting salaries in general by mid-2020.
- Ensure the gender pay principles inform the design and implementation of the new remuneration progression framework.
- Any employees found during this project to have inequities will be notified by letter by December 2020 and receive backdated pay to 1 January 2021.
- Ensure that any recommendations supporting a review of recruitment and selection policies and practices are underpinned by the gender pay principles.
- Introduce a program of training on unconscious bias by the end of 2020, focusing on recruitment initially.
- Actively monitor and analyse the employment data of Māori and Pacific women, particularly in leadership positions, to inform a plan for addressing the gender and ethnic pay gaps.
- Explore how HR technology and systems can reinforce and enable inclusive policies and practices through collection and treatment of demographic information. Delivered on-going and through change projects.

# Agency, Union and Employee Involvement

Oranga Tamariki and the PSA have worked constructively together since Oranga Tamariki was established in 2017. The relationship has strengthened since the establishment as we have worked together to achieve change and address some of the longstanding legacy issues present since the days of CYF. In particular, the way we worked together on the social workers pay equity claim, has established a strong base for future employment relations.

Working collaboratively on this plan further reflects our commitment to developing interventions and solutions collectively, guided by the principles that underpin our relationship.

Oranga Tamariki and the PSA will continue to meet quarterly to review progress, continue momentum and revise timeframes if necessary.

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<sup>i</sup> Gender Pay Gap Data Analysis, Table 1. All Org

<sup>ii</sup> Gender Pay Gap Data Analysis, Table 6. By Occupational Group (ANZSCO codes)

<sup>iii</sup> Gender Pay Gap Data Analysis, Table 8. By Salary Range

<sup>iv</sup> Gender Pay Gap Data Analysis, Table 7. Other Groups and Table 8. By Salary Range

<sup>v</sup> Gender Pay Gap Data Analysis, Table 3. By FTE

<sup>vi</sup> Gender Pay Gap Data Analysis, Table 2. New Starters

<sup>vii</sup> Gender Pay Gap Data Analysis, Table 4. By Age

<sup>viii</sup> Gender Pay Gap Data Analysis, Table 5. By Tenure

<sup>ix</sup> Gender Pay Gap Data Analysis, Table 9. Pacific peoples compared to Non-Pacific peoples

<sup>x</sup> Gender Pay Gap Data Analysis, Table 9. Pacific peoples compared to Non-Pacific peoples

<sup>xi</sup> Gender Pay Gap Data Analysis, Table 10. Māori people compared to Non-Māori people

<sup>xii</sup> Gender Pay Gap Data Analysis, Table 10. Māori people compared to Non-Māori people