

Kia Toipoto

Closing gender, Māori, Pacific and ethnic pay gaps | Pinea ngā āputa utu ā-ira, ā-Māori, ā-Pasifika

2023



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New Zealand Government



Document purpose | Te whāinga

This document summarises the plan Te Tāhū Hauora Health Quality & Safety Commission will use to close gender, Māori, Pacific and ethnic pay gaps.

It aligns with Kia Toipoto – Mahere Mahi Āputa Utu Ratonga Tūmatanui 2021–24 | Kia Toipoto – Public Service Pay Gaps Action Plan 2021–24, which requires public service organisations to meet several goals between 2022–2024 including setting up plans and targets to improve gender and ethnic representation in their workforce and leadership.

Kia Toipoto is a Te Kawa Mataaho Public Service Commission initiative. More information is available at: www.publicservice.govt.nz/system/public-service-people/pay-gaps-and-pay-equity/kia-toipoto.

Background | He kupu takamuri

Launched in late 2021, Kia Toipoto is the public service's action plan for closing gender, Māori, Pacific and ethnic pay gaps.

Its 3-year goals are to:

- make substantial progress towards closing gender, Māori, Pacific and ethnic pay gaps
- accelerate progress for w\u00e5hine M\u00e5ori, Pacific women and women from ethnic communities
- create fairer workplaces for all, including disabled people and members of rainbow communities.

Kia Toipoto focus areas

Kia Toipoto comprises six focus areas, around which this plan is structured:

- 1. Te pono | Transparency
- 2. Ngā hua tōkeke mō te utu | Equitable pay outcomes
- 3. Te whai kanohi i ngā taumata katoa | Leadership and representation
- 4. Te whakawhanaketanga i te aramahi | Effective career and leadership development
- 5. Te whakakore i te katoa o ngā momo whakatoihara, haukume anō hoki | Eliminating all forms of bias and discrimination
- 6. Te taunoa o te mahi pīngore | Flexible-work-by-default.

About us | Mō mātou

Te Tāhū Hauora Health Quality & Safety Commission (Te Tāhū Hauora) was established as a Crown entity in 2010. We are the only dedicated national health quality and safety agency, working with clinicians, the wider health workforce, and consumers and whānau to improve health quality and safety, and avoid harm.

As set out in the Pae Ora (Healthy Futures) Act 2022, we:

- monitor and report on quality of care in the health system
- promote safer, better-quality services through quality improvement initiatives and recommendations
- support engagement with consumers and whānau, ensuring they are involved in the design, delivery and evaluation of services
- provide advice to government on quality and safety in the health system.

Our people

At 30 June 2023, we had 115 employees at Te Tāhū Hauora, with 105 full-time equivalents. Of these:

- 65 percent were female, 33 percent male and 2 percent gender diverse
- the average age was 46 years old
- 52 percent identified as New Zealand European/Pākehā, 15 percent Māori, 10 percent Asian, 7 percent Pacific peoples and 16 percent other ethnicities
- 9 percent disclosed they have a disability.

Our strategic context | Tā mātou rautaki

As set out in our Statement of Intent 2023-27,¹ our enduring priorities of embedding and enacting Te Tiriti o Waitangi and pursuing health equity underpin how we work and what we do.

We have strong partnerships and actively collaborate with other agencies and key stakeholders (involve) to measure, analyse, share and advise (inform); to influence thinking and action (influence); and to coordinate, support and facilitate measurable improvement (improve). This is our mission and defines the way we work across our five strategic priorities, which are:

- improving experience for consumers and whānau
- enabling the workforce as improvers
- strengthening systems for quality services
- leading health quality intelligence
- guiding improvement to prevent early mortality.

We work in pursuit of our vision of 'Quality health for all | Hauora kounga mo te katoa'.

¹ Te Tāhū Hauora Health Quality & Safety Commission. 2023. *Tauākī Koronga* | *Statement of Intent 2023–27*. Wellington: Te Tāhū Hauora Health Quality & Safety Commission. URL: www.hqsc.govt.nz/resources/resource-library/tauaki-koronga-statement-of-intent-202327.



Our operating context | Te taha whakahaere

As a Crown entity, we are committed to the long-term goals of reducing inequitable pay gaps by gender, ethnicity and age, and growing the diversity of the public service workforce, in alignment with the Crown Entities Act 2004.

Stats NZ guidance² states that we cannot publish pay gap statistics for groups with less than 20 people. This means that, as a relatively small agency, we can publish gender pay gap statistics, but not ethnicity or age pay gap statistics. Any changes in our staffing (even small, and particularly at a leadership level) can significantly impact our pay gap statistics.

Our plan largely focuses on actions to improve remuneration policies and practices. These improvements include increasing transparency of pay bands and position in salary range, ensuring our policies and processes are free from bias, supporting people leaders with clear and consistent guidance about remuneration and increasing the diversity of our workforce, at all levels of the organisation.

Our data shows that, at Te Tāhū Hauora:

- males are paid, on average, 8.35 percent more than females. When excluding those in leadership roles, females are on average paid 1.35 percent more than males
- most of our people leaders are female and identify as New Zealand European, reflecting the overall demographic of our employees
- few of our people leaders identify as Māori, Pacific and Asian
- Māori and Pacific employees are generally recruited into specialist rather than general roles
- in pay bands where there are more than five employees:
 - o most men and women are paid on average at similar points in the pay band
 - \circ $\,$ most men and women are paid at or below the mid-point of the pay band
- employees in their 20s are more likely to be paid less than the mid-point of the pay band, compared with those in other age groups
- employees of Asian ethnicity are more likely to be paid less than the mid-point of the pay band, compared with those of other ethnicities.

Our actions in the plan do not explicitly address younger people being paid below the midpoint of the pay band. We expect to improve human resource policies and practices over the coming year to begin to address this. Our executive leadership team is also discussing the relationship between age, experience and remuneration, and how the organisation values younger employees. We are committed to having equitable pay for all age groups and will include more concrete actions in our next Kia Toipoto plan once broader policies are in place.

We will investigate why employees of Asian ethnicity are paid below the mid-point of the pay band compared with those of other ethnicities and consider ways to address this over the next 12–18 months.

² Stats NZ. 2020. Organisational gender pay gaps: Measurement and analysis guidelines (second edition). Wellington: Stats NZ. URL: <u>www.stats.govt.nz/assets/Uploads/Methods/Organisational-gender-pay-gaps-measurement-and-analysis-guidelines/organisational-gender-pay-gaps-measurement-analysis-guidelines.pdf</u>.

This is our first year of examining and reporting detailed data on pay equity and developing an action plan. We know there is more work to do and will continue to examine our data closely while monitoring our actions so we make meaningful progress.

Our approach to developing our action plan | Te tukanga

Our Kia Toipoto action plan was developed jointly by our chief executive, executive leadership team and employees. We will continue to work in partnership as we implement it.

We are a small agency with time and resource constraints, so we know we cannot achieve everything at once. Our plan prioritises areas where we think we need to do the most work.

Our executive leadership team is committed to reducing gender, Māori, Pacific and ethnic pay gaps.



ACTION PLAN | MAHERE MAHI

Te pono | Transparency

Entities will publish annual action plans based on gender and ethnicity data and union/employee feedback.

Current state	Future state	Activities over the next 12–18 months	How will we measure success
We include job bands on position descriptions and adverts, but we do not disclose the range of the band. If an employee asks for their band and position in the band we give it to them, but this information is not openly accessible to them. Remuneration policy is available to employees as part of the human resource policy manual but is focused on the annual remuneration review process. We report on gender pay gaps in our annual report, but at a high level and without detailed analysis.	We will disclose the range of salary bands on all job adverts. When providing an offer of employment, we will inform people of their position in the salary range. We will publish our Kia Toipoto action plan on our website and share it with all staff. All action plans will include specific actions relating to equitable remuneration outcomes for Māori and other groups experiencing inequity.	We will strengthen the transparency of our human resource policies to include detailed information. This will include how remuneration is calculated, job bands, how to progress through bands and any changes to bands. Employees will be informed when this information is available. People leaders will be supported to actively have conversations with their employees about remuneration. Employees will have the opportunity to meet with the People, Culture and Capability group to discuss how their own remuneration is calculated. All action plans will be developed with employees based on data and feedback. There will be an intentional focus on engaging with Māori employees.	Employees know where to find detailed information on remuneration within the organisation and how to apply it to their own remuneration. Employees have a clear understanding of how their remuneration is determined, and the process for it to be reviewed.

Ngā hua tōkeke mō te utu | Equitable pay outcomes

By the end of 2022, agencies and entities have starting salaries and salaries for the same and similar roles that are not influenced by bias.

Current state	Future state	Activities over the next 12–18 months	How will we measure success
There has been no overall evaluation of existing position descriptions since Te Tāhū Hauora was first established in 2010, although remuneration experts Korn Ferry ³ has provided updated salary band information in previous years. However, previous evaluations are unlikely to represent current market value.	We will regularly review internal relativities ⁴ based on tenure, knowledge, skills and position in range. We will carry out an external review of position descriptions every 3–4 years in accordance with human resources good practice. We will continue to have an intentional focus on equitable pay for Māori.	We will review position descriptions and have them re-evaluated by an external remuneration specialist to ensure market relativity by the end of quarter 3 2023/24. We will benchmark job 'families' (ie, similar roles paid on the same band) by the end of quarter 3 2023/24 to ensure internal relativity. People leaders will have guidance on pay bands and how to determine where to place new employees on a band. While all employees are expected to embed Te Tiriti o Waitangi principles into their work in pursuit of improved Māori health outcomes, we will explore a remuneration framework that recognises specialised skills beyond those set out in job descriptions, such as strong knowledge in tikanga, te ao Māori, te reo Māori and Te Tiriti o Waitangi. ⁵	Employees have a clear understanding of how their starting salary was determined and what their position in the salary range is (eg, lower end, mid-point or higher end of the pay band) and why. Employees understand how they can progress through their pay band and into higher pay bands, such as career progression. Salaries are consistent and equitable, with most employees paid around 100 percent of the pay band. Employees in positions where they have been evaluated to have more specialist skills are generally employed at around 100 percent of the pay band, but positions are increasingly being paid higher in the salary scale.

³ Korn Ferry is a global organisational consulting firm. See: <u>https://www.kornferry.com/</u>.

⁴ Positions with similar accountabilities that are paid on the same or similar band. See: <u>https://focus.kornferry.com/4-steps-to-address-internal-and-external-pay-inequity/</u>.

⁵ The diversity and richness of skills and knowledge in employees are an asset to our organisation, as they shape the perspective through which staff approach their work.



Te whai kanohi i ngā taumata katoa | Leadership and representation

By the end of April 2023, agencies and entities have plans and targets to improve gender and ethnic representation in leadership.

Current state	Future state	Activities over the next 12–18 months	How will we measure success
Most people leaders at Te Tāhū Hauora are female and identify as New Zealand European. Few people leaders identify as Māori, Pacific peoples and Asian.	In 2 years, we aim to have a people leadership group that includes Māori, Pacific and Asian leaders who are influential at all levels of the organisation, reflecting our enduring priorities.	We will develop a learning and development strategy that prioritises leadership capability, internal capability- building and cultural competencies. All new and existing people leaders will have access to appropriate leadership support, coaching and development to succeed in their role, including but not limited to training in having courageous conversations. We will make safe spaces available for continuous development and learning in tikanga, te ao Māori, te reo Māori and Te Tiriti o Waitangi. Employees will be expected to engage with this learning, regardless of their existing knowledge. We will support employees to ensure workload and time constraints are not a barrier to development and learning. We will have a safe learning environment for Māori employees to develop their own knowledge and skills in tikanga, te ao Māori, te reo Māori and Te Tiriti o Waitangi.	Ethnic representation is measurable across our workforce. Māori and Pacific employees are represented at all levels of the organisation. Pay gaps reduce across genders, ethnicities and ages.

Te whakawhanaketanga i te aramahi | Effective career and leadership development

By mid-2023, agencies and entities have career pathways and equitable progression opportunities that support women, Māori, Pacific and ethnic employees to achieve their career aspirations.

Current state	Future state	Activities over the next 12–18 months	How will we measure success
The current policy on professional development is neither consistently applied across the organisation nor accessible to all positions and teams. We actively advertise on recruitment websites such as Kumara Vine ⁶ to attract Māori as well as using Māori-owned recruitment agencies such as Niche Recruitment. ⁷ All Māori job applicants who have the appropriate skills, knowledge and experience for the role for which they are applying are interviewed.	We will have a professional development policy with clear and consistent guidelines that can be consistently applied throughout the organisation. It will also contain a learning and development workplan that supports equitable growth for Māori, Pacific, ethnic, women, disabled and rainbow employees. People leaders will support and encourage development of Māori, Pacific, ethnic, women, disabled and rainbow employees so they can achieve their career aspirations. People leaders and employees will discuss potential development opportunities throughout the year in performance conversations. People leaders will ensure that workload is not a barrier to employee participation in development opportunities.	We will build the leadership capability of employees not in leadership roles with a specific focus on Māori and Pacific employees. We will support those in senior leadership roles to move into executive roles, where possible. We will explore opportunities to create career pathways within the organisation. We will develop a clear 'attraction plan' and employee value proposition that will attract diverse talent, with a particular focus on attracting Māori and Pacific employees. When leadership roles become vacant, we will first look to internal talent, but where this is not feasible, we will include Māori and Pacific recruitment agencies and websites as part of our recruitment approach. We will explore non-traditional methods of advertising, such as using Māori and	Employee engagement surveys occur annually. Quarterly and annual reporting measures the diversity of those in leadership roles. People leaders continue to support employees in their professional development and growth, and this is reflected through clear annual progression by employees within salary bands.

⁶ Kumara Vine is a job website in Aotearoa New Zealand that specialises in marketing job openings to Māori and Pacific communities. See: <u>www.kumaravine.com</u>.

⁷ Niche Recruitment is a Māori-owned recruitment consultancy, focused on matching clients and individuals in private and public sector positions. It features on the All-of-Government panel for recruitment. See: <u>https://nicherecruitment.co.nz</u>.



ACTION PLAN | MAHERE MAHI

Pacific networks through existing
employees, while adhering to fair and
good employer practices.
We will develop a rainbow strategy plan
so we can accurately portray an
organisational culture likely to attract the
rainbow community.

Te whakakore i te katoa o ngā momo whakatoihara, haukume anō hoki | *Eliminating all forms of bias and discrimination*

By the end of 2023, agencies and entities will have remuneration and human resource systems, policies and practices designed to remove all forms of bias and discrimination.

Current state	Future state	Activities over the next 12–18 months	How will we measure success
Some processes are in place to attempt to remove discrimination (eg, Māori representation on interview panels). Māori and Pacific employees are currently mostly recruited into specialist roles, rather than general roles. Employees in their 20s and those who identify as Asian are more likely to be paid less than the mid-point of the pay band, compared with those of other groups.	Our human resource policies and practices include proactive steps to remove bias in decision- making. Processes for decisions related to people, culture and capability will be transparent. We will continue to enhance the data we collect from our employees to identify areas where we can strengthen policies, systems and practices.	 We will carry out a full review of human resource policies with a focus on removing bias and discrimination, and engage Māori and Māori expertise during these reviews. Revised human resource policies will be accessible to all employees. Human resource policies will outline the process for annual salary reviews and out-of-cycle salary reviews, including the difference between them. We will investigate why many employees who identify as Asian are paid below the mid-point of the pay band compared with those of other ethnicities and consider how to address this. We will increase diversity across all levels of the organisation. This includes an increase in the number of Māori employees and their distribution across the organisation. We will roll out an anonymised recruitment tool. We will explore options to efficiently monitor recruitment choices to ensure there is no age, gender or ethnic discrimination. 	Employees feel confident that Te Tāhū Hauora has human resource policies, systems and practices in place to remove bias and discrimination. Recruitment choices show no age, gender or ethnic discrimination. Employee engagement survey scores increase across all areas.

Te taunoa o te mahi pīngore | Flexible-work-by-default

By the end of 2024, agencies and entities offer equitable access to flexible-by-default working and ensure it does not undermine career progression or pay.

Current state	Future state	Activities over the next 12–18 months	How will we measure success
Te Tāhū Hauora supports flexible work arrangements for all employees in accordance with the Employment Relations Act 2000. Flexible work arrangements may include changes to hours of work, part-time work and working from home.	Our position descriptions will include specific areas where employees can negotiate flexible working arrangements (eg, hours of work, working patterns and location of work). Our policies, practices and employment documentation will reflect a flexible-work-by-default approach. Our employees will be aware of our flexible-work-by-default approach and be able to negotiate this with their people leader without fear it may affect their career progression and pay.	We will include flexible working options and negotiations on all position descriptions. Job adverts will be updated and developed to include specific information about flexible working and the opportunities for this that specific positions may present. Employees will be encouraged to discuss flexible working options with their people leader as their situation changes. People leaders will be supported to enable their employees to work flexibly.	The number of employees adopting flexible working arrangements will increase over time.