

19 June 2025	
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#### OFFICIAL INFORMATION ACT REQUEST

I refer to your official information request of 7 May 2025 for:

- Copies of all correspondence, including letters, emails, text messages, Microsoft
  Teams messages, and WhatsApp messages, between the Ministry for Women and
  Hon Nicola Grigg regarding pay equity
- Copies of all correspondence, including letters, emails, text messages, Microsoft
  Teams messages, and WhatsApp messages, between the Ministry for Women and
  Hon Nicola Grigg regarding Pay Equity Act
- Copies of all correspondence, including letters, emails, text messages, Microsoft
  Teams messages, and WhatsApp messages, between the Ministry for Women and
  Hon Nicola Grigg regarding Hon Brooke van Velden's Cabinet Paper Reviewing
  Policy Settings found here
- Copies of all correspondence, including letters, emails, text messages, Microsoft
  Teams messages, and WhatsApp messages, between the Ministry for Women and
  the office of Hon Nicola Grigg regarding pay equity
- Copies of all correspondence, including letters, emails, text messages, Microsoft
  Teams messages, and WhatsApp messages, between the Ministry for Women and
  the office of Hon Nicola Grigg regarding Pay Equity Act
- Copies of all correspondence, including letters, emails, text messages, Microsoft
  Teams messages, and WhatsApp messages, between the Ministry for Women and
  the office of Hon Nicola Grigg regarding Hon Brooke van Velden's Cabinet Paper
  Reviewing Policy Settings found here
- Copies of all advice, briefings, memos, or any other documents regarding Hon Brooke van Velden's Cabinet Paper Reviewing Policy Settings found here

On 30 May 2025, we notified you of an extension of the time to make our decision, to 19 June 2025.

One email thread and three documents have been identified within scope of your request regarding all correspondence sent to Hon Nicola Grigg (see Appendix 1). The attached document schedule in Annex 1 lists these documents being released to you.

No documents have been identified as in scope of your request regarding Hon Brooke van Velden's Cabinet Paper Reviewing Policy Settings.

Some information has been withheld under the following sections of the Act:

Section of the Act	Reason to withhold		
9(2)(a)	To protect the privacy of natural persons.		
9(2)(g)(i)	To maintain the effective conduct of public affairs through the free and		
	frank expression of opinions by or between or to Ministers of the Crown or		
	members of an organisation or officers and employees of any department		
	or organisation in the course of their duty.		
9(2)(j)	To enable a Minister of the Crown or any public service agency or		
	organisation holding the information to carry on, without prejudice or		
	disadvantage, negotiations		

#### Official Information Act responses

Please note that this response, with your personal details redacted, may be published on the Ministry's website. If you have any concerns or comments related to this, please let us know by emailing <a href="mailto:ministerialservicing@women.govt.nz">ministerialservicing@women.govt.nz</a>, within two weeks of the date of this letter.

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at <a href="https://www.ombudsman.parliament.nz">www.ombudsman.parliament.nz</a> or freephone 0800 802 602.

Nāku noa, nā

**Anna Chalmers** 

**Deputy Secretary – Engagement, Policy and Delivery** 

#### **Annex 1: Document schedule**

Documents released				
	Date Document			
			Act applied	
1	6 December	Aide memoire – Meeting with NZEI, Wednesday 11 December	9(2)(a)	
	2024		9(2)(g)(i)	
			9(2)(j)	
2	21 August	Memo – Update on pay equity processes	9(2)(a)	
	2024		9(2)(g)(i)	
			9(2)(j)	
3	31 October	Aide memoire – Meeting with the Public Service Association	9(2)(a)	
	2024		9(2)(g)(i)	
4	7 May 2025	Email – Ministry for Women to the Office of the Minister for Women –	9(2)(a)	
		information on pay equity changes		

Document 1



# Hon Nicola Grigg Minister for Women

# AIDE MEMOIRE EVENT: Meeting with NZEI, Wednesday 11 December

Date:	6 December 2024	Priority:	High
Security classification:	In Confidence Reference: MW AM 24-25 0052		MW AM 24-25 0052
Proactive Release:	This document will be considered for proactive release within 3 months		
Contact	Anna Chalmers, Deputy Secretary, Policy Engagement and Delivery		
<b>Event Contact</b>	Stephanie Mills, NZEI Te Riu Roa National Secretary, withheld 9(2)(a)		

# **Event/Meeting details**

Location: In-person

Date: 11 December, 8.00am - 8.30am

**Key Attendees:** 

Stephanie Mills, NZEI Te Riu Roa National Secretary

Kirsty McCully, NZEI Te Riu Roa, Strategic Lead and Campaigns

#### Purpose

- The purpose of this Aide Memoire is to provide you with background information and talking points to support your meeting with NZEI Te Riu Roa (NZEI) on 11 December 2024.
- We expect that most of the conversation will focus on pay equity issues impacting the education sector – including the teachers claim, the Teacher Aides Pay Equity Review and pay parity in the ECE sector.
- 3. withheld 9(2)(g)(i)

# Key messages

- NZEI is likely to focus on pay equity and may seek your support in advocating for pay equity for the education sector.
- CONFIDENTIAL Cabinet is considering the need, and potential options for shifts in the approach to pay equity.

- In the meantime, you may wish to emphasise that the Government remains committed to pay equity and meeting its obligations under the Equal Pay Act 1972, while managing within present fiscal constraints.
- The Teacher Aides Pay Equity Review is currently underway. NZEI are likely to raise concerns about delays in progressing the Review. You may wish to encourage NZEI to continue engaging constructively with the Ministry for Education.
- Pay parity in the ECE sector is currently an opt-in system where employers who
  agree to pay parity receive a higher rate of funding. NZEI are likely to raise their
  concerns about relievers being excluded from this agreement, and about the
  potential for the current Regulatory Review to impact negatively on pay parity.

#### **Background**

- 4. NZEI are the largest education sector union in New Zealand, with a membership of approximately 50,000 people covering principals, teachers and support staff, and specialist staff working across primary, area and secondary schools, early childhood centres, learning support, and school advisory services.
- 5. This will be your first formal meeting with NZEI. They have indicated they would like to discuss issues facing women in the education sector, including pay equity.
- 6. It is likely that the meeting will primarily focus on the following:
  - Pay equity, including the Teacher Aides Pay Equity Review and the Teachers' Pay Equity claim.
  - Early Childhood Education (ECE) pay parity, including the relationship to current ECE sector regulatory reform.
- 7. Background on these topics is provided below for your information. Note that the Pay Equity context section includes confidential information about current Cabinet-level discussions and other updates are negotiation sensitive activities.

# Pay Equity context – for Minister's information only

- 8. General background on pay equity is provided in Appendix 2 for your information.
- 9. Earlier this year, Cabinet agreed to a "Pay Equity Reset". The Reset provides that the funding for pay equity claims will now be managed through the Budget process (CAB-24-MIN-0026 refers). Prior to this, settlements were funded outside of the regular Budget process, meaning that agencies did not necessarily have to balance pay equity against their other spending priorities.
- 10. The Reset also included bringing an end to the Pay Equity Taskforce that had previously sat within the Public Service Commission. While the Taskforce was only

- ever funded out to June 2024, the closure of the Taskforce, alongside the funding changes made through the Reset, is likely to have reinforced union concerns about the importance the government places on pay equity.
- 11. More recently, the increasing costs of pay equity settlements to the government and how they are currently funded has been the subject of discussion at the Ministerial Employment Relations Forum. A range of options were developed for Ministers to consider, ranging from keeping the status quo through to repealing the pay equity provisions, and the possible effect on costs of each option.
- 12. Officials understand that advice on potential options (for practice, fiscal and legislative) was prepared for the Cabinet Strategy Committee on 3 December 2024. We understand that you attended this meeting.

# **Teacher Aides Pay Equity Review**

- 13. The Teacher Aides Pay Equity Review (the Review) was undertaken by the Ministry of Education and NZEI ahead of the commencement of collective bargaining, which is now underway. The Review follows the pay equity settlement for teacher aides that was concluded in 2020.
- 14. Pay equity reviews are a statutory requirement that aim to ensure that pay equity is not eroded over time. Broadly, they involve the Ministry of Education and NZEI assessing whether pay equity has been maintained with consideration of pay changes across comparators, the labour cost index and consumers price index.
- 15. The Teacher Aides Pay Equity Review is one of several currently underway across education and health. withheld 9(2)(q)(i)
- 16. NZEI may seek your support in advocating for their view of the Review process. Ministers generally do not comment on active bargaining or pay equity claims as the statutory framework for these processes requires the parties to negotiate in good faith between themselves.

# **Teachers' Pay Equity Claim**

- 17. NZEI is one of the two unions (the other is the New Zealand Post Primary Teachers' Association) that are party to the Teachers' Pay Equity Claim (the Claim), which was initially raised in November 2020. The two claims were consolidated.
- 18. The Teachers' Pay Equity Claim covers several workforces within the teaching workforce, including school principals, and covers about 95,000 employees.

- 19. The Claim also includes Early Childhood Education teachers, which is a funded workforce, and this adds complexity to the claim process with over 500 providers.
- 20. In the main, the relationship between the Ministry and the NZEI has been positive and productive.
- 21. Currently the parties are completing the work assessment for the claimants and identifying potential comparators to use. When the work assessment is complete by about Quarter 2 in 2025, the parties will progress to assessment of remuneration and non-remuneration terms and conditions, analysis and then conclusions about undervaluation. If it is agreed that sex-based undervaluation has been evidenced, then the parties will move into settlement negotiations.
- 22. This claim makes up a large component of the two Pay Equity contingencies.

# **Early Childhood Education pay parity**

- 23. NZEI may also wish to discuss pay parity for the ECE sector, and their concerns about the potential impact of recent and potential future regulatory changes.
- 24. Pay parity for ECE teachers refers to these workers receiving the same rate of pay as kindergarten, primary, and secondary teachers. Since 2022, an "opt-in" system has operated whereby early learning services that agree to pay their qualified teachers the same as kindergarten and school teachers qualify for a higher rate of government subsidy.
- 25. Earlier this year, a change was made so that pay parity under the opt-in scheme would only apply to permanent staff, not relievers. NZEI oppose this change.
- 26. NZEI has also expressed concern about the potential changes emerging from the regulatory review of the ECE sector currently being led by the Ministry for Regulation. They have previously expressed concern that the review potentially threatens to undo work toward pay parity.

**Anna Chalmers** 

**Deputy Secretary, Policy Engagement and Delivery** 

4 December 2024



# **Appendix 2: Pay Equity**

- 1. The Equal Pay Act 1972 prohibits discrimination in pay on the basis of sex. Pay equity means that even if two jobs are very different, if they require the same or similar levels of skill, responsibility, experience and effort, they should be paid the same. This allows for the comparison of male- and female-dominated workforces from different organisations and across different sectors.
- 2. The Act was updated in 2020 to provide a process to test whether female-dominated occupations are free from sex-based undervaluation. This process encourages parties to work together and use evidence-based decision making to address pay inequity, rather than relying on the courts.
- 3. Anyone can raise a pay equity claim but only for the work they are doing themselves. This is called an individual claim. A union can raise a claim on behalf of a group of workers. In this situation, the union acts on behalf of all employees affected by the claim, whether they are union members or not.
- 4. There have been 15 pay equity settlements and one extension to date, correcting the pay of 175,804 employees by an average of 30%. There are 26 active claims.

#### Anticipated future claims

5. withheld 9(2)(j)

The most

significant claims in each sector are:

- teachers in the public sector
- · care and support workers in the funded sector.

#### Pay Equity Taskforce

- 6. A dedicated Taskforce was previously established within the Public Service Commission with time limited funding (until 30 June 2024) to provide the public and funded sectors with additional advice, support and facilitation.
- 7. The Taskforce's work has now been concluded, and having lifted capability across the system, the expectation now is that public sector employers (working with their employees and unions) will continue to meet their pay equity obligations. This is in the same way that we expect these employers to progress all employment relations activity that occurs with employees and unions.



# Hon Nicola Grigg Minister for Women

# MEMO: Update on pay equity processes

Date:	21 August 2024	Priority:	Low
Security classification:	In Confidence	Reference:	MW MM 24-25 0044
Proactive Release:	This document will not be considered for proactive release		
Contact	Riripeti Reedy, Policy Manager, withheld 9(2)(a)		

#### **Purpose**

- 1. This paper provides you with an update on pay equity processes and the changes announced by the Minister for Public Service
- 2. An overview of the progress of pay equity claims across the public and funded sectors is included in **Appendix 1**.

# Key messages

- 3. On Thursday 2 May 2024, the Minister for the Public Service announced a pay equity reset and changes to the Government's approach to pay equity.
- 4. The reset changes the governance, support and financing arrangements for pay equity settlements. This means that the period of intense support for public sector agencies that were the first to receive large scale claims has come to an end. The changes include:
  - The Public Service Commission will revert to its core statutory role based on the pay equity provisions of the Public Service Act 2020 and the Equal Pay Act 1972 (the Act, as amended in 2020).
  - The work of the Pay Equity Taskforce was discontinued on 30 June 2024.
  - The governance frameworks for pay equity bargaining in both the public and funded sectors have been disestablished.
- 5. Historically, women have been paid less than men. In some sectors the workforce has been dominated by women, and as a result wages have been low, and people employed in these sectors have not always been paid fairly.

- 6. Pay equity challenges the fact that women in female-dominated industries tend to get paid less than men doing work of similar value in male-dominated industries. Ensuring women and men get the same pay for doing jobs that are different but require the same or similar levels of skill, responsibility, experience, and effort.
- 7. As of July 2024, 175,804 people have had their pay corrected in 15 settlements and one extension. There are 26 active claims. So far in 2024, one pay equity claim has been settled: Therapists employed in schools and in the Ministry of Education.

# **Background**

- 8. The Equal Pay Act 1972 prohibits discrimination in pay on the basis of sex. Pay equity means that even if two jobs are very different, if they require the same or similar levels of skill, responsibility, experience and effort, they should be paid the same. This allows for the comparison of male- and female-dominated workforces from different organisations and across different sectors.
- 9. The Act was updated in 2020 to provide a process to test whether female-dominated occupations are free from sex-based undervaluation. This process encourages parties to work together and use evidence-based decision making to address pay inequity, rather than relying on the courts.
- 10. Pay equity is both a legal obligation and a significant fiscal pressure for the Crown. Costs of all settlements to date have reached \$6.2 billion over the forecast period and withheld 9(2)(j)
- 11. Pay equity settlement costs have been previously managed outside of Budget allowances. The approach has meant that agencies were not required to trade off settlement costs against other Government priorities through the Budget process, which differed to how the Government manages other pay bargaining costs.
- 12. Anyone can raise a pay equity claim but only for the work they are doing themselves. This is called an individual claim. A union can raise a claim on behalf of a group of workers. In this situation, the union acts on behalf of all employees affected by the claim, whether they are union members or not.
- A dedicated Taskforce was established within the Public Service Commission with time limited funding (until 30 June 2024) to provide the public and funded sectors with additional advice, support and facilitation.
- 14. Three years since the Act was amended, having lifted capability across the system, the expectation now is that public sector employers, working with their employees and unions, will continue to meet their pay equity obligations.

#### How claims will progress

- 15. Nothing will change for employees and unions claims can still be raised in the public sector, and the same legal obligations continue for both parties. Employers will be responsible for ensuring compliance with the Act and providing that assurance to Government in connection with any request for funding of claim settlements.
- 16. Claims in the funded sector will continue to progress through the pay equity process. Employers will need to work with their funders on the funding implications of claims and funding decisions will be made by Cabinet. The dissolution of the funded framework gives agencies more flexibility in how they manage their contracted providers.

#### There is a new approach to fiscal management

- 17. Most pay equity costs will continue to be managed out-of-cycle from the new pay equity contingencies. However, for larger claims, agencies may be required to reprioritise existing budget or seek additional budget funding for settlements.
- 18. Agencies with public sector claims will be required to seek a bargaining contingency sooner under this new approach than under the previous approach. The new approach will require more work up front to demonstrate to Cabinet that the bargaining strategy is consistent with the intent of the Act.
- 19. Under the new approach there is flexibility for funded sector claims a bargaining contingency is not necessarily required (funding for Government contribution can be directly appropriated) but any decisions with financial implications must be taken to Cabinet.

#### Future pay equity claims

- 20. There are a number of pay equity claims on the horizon over the next 18 months. Of the upcoming claims, the teachers and care and support workers are expected to be largest by cost and workforce size in the respective public and funded sectors.
- 21. Settled claims with existing tagged contingencies for the public sector include the allied and technical health workers, midwives, and education therapists claims.

  They are expected be coming to Cabinet in the near future.

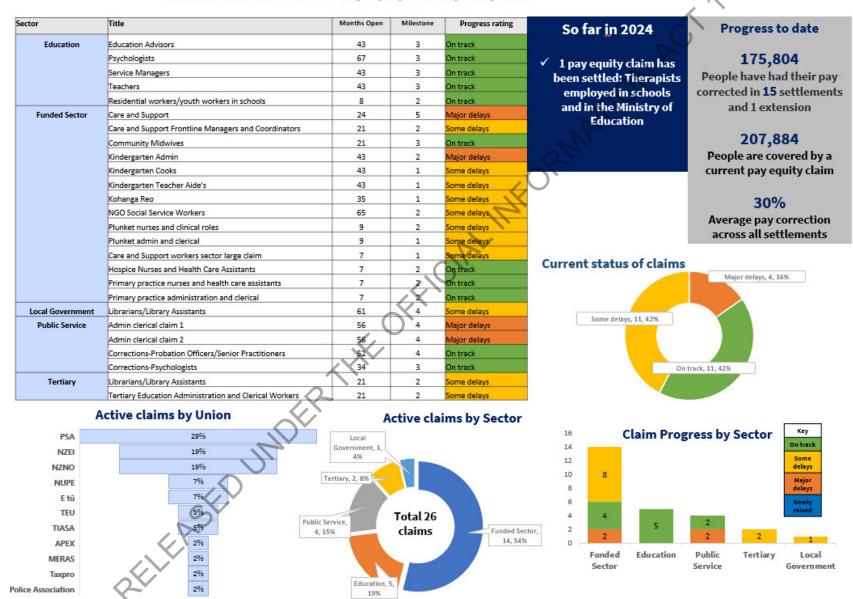
# Responsibilities of Government agencies

- 22. The Ministry of Business, Innovation and Employment is the administrator of the legislation and is responsible for providing guidance and information to all employers on the provisions of the Equal Pay Act 1972.
- 23. The Treasury implements the fiscal approach to managing the cost of pay equity settlements.

- 24. The Public Service Commission will continue in its statutory role of providing advice and oversight to Ministers of the risks around pay equity bargaining or settlements in Government departments and the Education Service; it will also support agencies with claims in a similar way to how collective agreement bargaining in the sector is supported.
- equity.s in the page of the Crank of the Cra 25. The Ministry for Women has no legislative or fiscal responsibilities for pay equity. However, the Ministry has received directly to support women claimants in the past

# Appendix 1: Overview of pay equity claims across the public and funded sectors

#### Public Service Commission - Pay equity landscape July 2024



MW MM 24-25 0044

IN CONFIDENCE



# Hon Nicola Grigg Minister for Women

# AIDE MEMOIRE EVENT: Meeting with the Public Service Association

Date:	31 October 2024	Priority:	High
Security classification:	In Confidence Reference: MW AM 24-25 0071		
Proactive Release:	This document will not be considered for proactive release		
Contact	Anna Chalmers, Deputy Secretary Engagement, Policy and Delivery		
<b>Event Contact</b>	Liz Byron, Executive Assistant to National Secretaries, withheld 9(2)(a)		

#### Meeting details

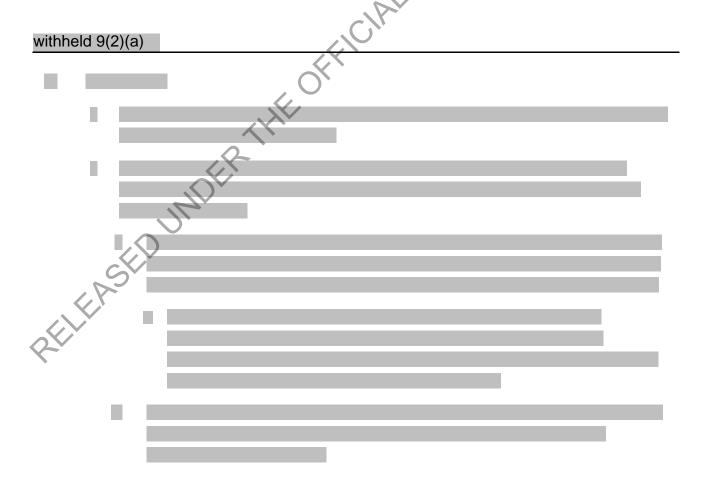
**Location:** Minister Grigg's office, Parliament Buildings **Date:** Tuesday 5 November at 3.15pm to 3.45pm **Key Attendees:** PSA National Secretary Kerry Davies

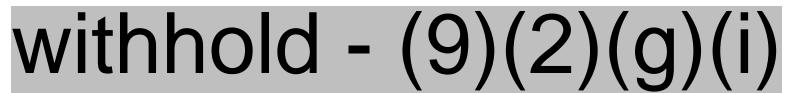
# **Purpose**

- 1. You are meeting with the PSA National Secretary, Ms Kerry Davies, at 3:15pm on Tuesday 5 November. This will be your first meeting with Ms Davies in your capacity as Minister.
- 2. The PSA have provided the following list of topics for discussion:
  - Pay Equity for Care and Support Workers and Social Workers
  - Kia Toipoto Public Service Pay Gaps Action Plan
  - Pay-Gap reporting systems
  - An invitation to meet with the PSA Women's Network
- withhold (9)(2)(g)(i) , along with more detailed background information, attached as **Appendix 1** for your information.
- 4. Officials are available to talk through any issues, prior to your meeting, if you wish.

#### Context

- 5. The PSA will be interested to understand your perspectives and insights on:
  - supporting women workforces, particularly those who they consider are 'doing it tough';
  - pay equity claims and pay equity reviews; and
  - · continuing work on reducing the gender pay gap.
- 6. It may be appropriate for you to discuss your priorities for the Ministry of Women, and how you will approach supporting women's economic empowerment and wellbeing. (9)(2)(g)(i)
- 7. An invitation will be extended to you to meet with the Women's Network. The Women's Network's objective is to promote the interests of women within the PSA, facilitate the sharing of information and experiences and encourage and support women's participation in PSA representative structures at all levels.
- 8. You may wish to request further information be forwarded to you, and let Ms Davies know that your office will confirm whether a meeting will be possible.





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# withheld 9(2)(g)(i)

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# **Next steps**

You might offer to meet with the PSA again in the new year. Your office can confirm 14. RELEASED UNDER THE OFFICIAL NEOR MATION ACT ADORD arrangements closer to the date.

# **Appendix 1: Background Information on Key Topics**

#### **PAY EQUITY**

Public Service Commission contact: withheld 9(2)(a)

#### Care and Support Workers' pay equity claims and ERA proceedings

- There is no update on the Employment Relations Authority proceedings (filed in June 2024) for the first of the three pay equity claims.
  - There are 3 pay equity claims for Care and Support Workers (CSWs) the one raised earliest is the most progressed.
  - The parties agreed there was undervaluation in 2023. Health NZ as the major funder
    of CSWs did not agree with the parties' view of the undervaluation and decided to
    commission a review of the process. The review indicated there may have been an
    overestimation of the undervaluation. The unions objected to what they saw as
    interference in the process by the funder and filed in the ERA earlier this year just for
    the first claim which is 7 employers.
  - A few months ago, Cabinet approved a process for progressing the 3 claims (which
    cover 80% of the workforce) and extending the settlement, if there is one, to the other
    20% of the workforce.
- In the meantime, the case for the first claim remains in the ERA, but there has been no substantive progress and it could be 12 18 months before there is. The union is seeking determination of remuneration, consideration of backpay and a review clause.
- Funders, led by Health NZ, are progressing the Cabinet approved process for progressing the three pay equity claims (covering 80% of the workforce) and extending any settlement across the remainder of the workforce.
- Strategic Pay (a consultancy firm that undertakes remuneration assessments) has
  completed a desktop analysis using their job evaluation (sizing) tool of a range of Care and
  Support Worker role descriptions along with role descriptions of seven potential
  comparators. The comparators used include: Mental Health Assistant, Health Care
  Assistant, Allied Health Assistant, Category 3 Social Worker (performed by unregistered
  workers undertaking social worker type work) and Teacher Aide Grades A, B and C. It is
  pleasing to note that several potential comparators have now being assessed not just one
  which will provide more comprehensive comparative data and context.
- Overall, the job evaluation analysis suggests the comparators are appropriate and reinforces that there is more than one work profile for care and support workers. The analysis indicates there are three role groupings within the workforce: entry, experienced and advanced. A fourth role grouping has been identified which indicates there is an overlap with the management profile – the content of this role is sometimes support work and supervisory and sometimes just supervisory. Health NZ is considering the implications of this fourth role on the Care and Support Worker claims as well as on the Funded Sector pay equity claim for Front line Managers and Coordinators.
- Strategic Pay has also completed a comparison of the claimant remuneration with relevant remuneration market data from their database (this comparison has excluded penal rates and other Terms and Conditions). Health NZ will be undertaking further remuneration analysis of the claimant and comparators.
- Preliminary indications are that the percentage of undervaluation agreed between the parties was likely overestimated which supports the findings of the Secondary

- Review. However, it should be noted that the parties' conclusions of undervaluation were based on work assessment interviews (not just a paper exercise) and remuneration data that is now at least 18 months old.
- Health NZ continues to work with employers and PEAK bodies to gather workforce data in order to provide detail of the numbers of employees within each of the defined role groupings. Data collection from the approximately 1,000 employers has not progressed as anticipated and the Minister of Health has been notified there will be a delay in reporting on this till February 2025.
- Central agencies have been discussing possible options for providing additional support to Health NZ and the other funders to progress these claims and Treasury intends briefing the Minister of Finance on these.

#### Social Workers

- Oranga Tamariki (OT) social workers (SWs) settled their pay equity claim in 2018 which
  was prior to the Act being amended. At that stage there was less known about a
  requirement to review the pay equity remuneration.
- OT is currently in discussions with the union about undertaking a formal review of the pay equity remuneration for their employed SWs.
- This is nothing to do with the SWs in the funded sector. Social workers in the funded sector have their own review in the future being undertaken by funders to ensure the pay equity remuneration is sustained post extension.
- Over 5,000 employees are covered by the extension and employed by a wide range of community and iwi organisations across social, health, Kaupapa Māori, education support and disability services.
- The extension provided on average a 27% pay correction addressing the sex-based undervaluation of this workforce
- The effective date for the new pay rates was 1 July 2023. The process to deliver funding to employers and employees was extensive due to the sheer number of employers and a plethora of funding arrangements and contracts and was not completed by this date. However, funding and rates of pay were backdated to 1 July 2023.
- The extension also provides employees guaranteed access to professional support such as professional registration fees, professional association fees, supervision, cultural supervision, and professional development.
- To implement the extension, government funding agencies (funders) varied contracts (up to approximately 1,000) with employers to deliver the additional funding.
- Employers are then required to pass this additional funding on, in full, to workers through updating employment agreements.
- Employers were required to provide a report to funding agencies to ensure all the additional funding is being passed on to employees.
- Funders are required to review the funding they provide in contracts to ensure employers can maintain the new pay equity rates for social work. This review will happen:
  - at the point of renewing/renegotiating contracts
  - o when negotiating new contracts; or
  - o at least every three years for longer-term existing contracts.

- The extension has predominantly been implemented across sectors, with some outstanding employers still to implement it in the health sector.
- The Commission continues to clarify information for funders, employers and employees as required.
- One of the PSA Networks is the Social Workers Action Network "A forum for social work members to come together and organise around the issues facing our community". C1/082

#### KIA TOIPOTO – Diversity, Equity and Inclusion priorities

Public Service Commission contact: withheld 9(2)(a)

- Excellent progress is being made toward closing public service gender and Māori pay gaps and increasing gender and Māori representation in leadership. However, deliberate action and targeted efforts are required to close pay gaps for Pacific, Asian and MELAA public servants and increase leadership representation for these groups. This is especially true for women from each of these ethnic groups.
- The Commission is working with Public Service leaders, PSA and Employee-led networks to develop the Diversity, Equity and Inclusion strategy and work programme for Māori, Pacific and Ethnic communities. This work includes addressing occupational segregation, a major driver of pay gaps for Pacific and Asian public servants, especially for Pacific and Asian women.

#### PAY GAP REPORTING SYSTEMS

#### Public Service Pay Gap Reporting

Public Service Commission contact: withheld 9(2)(a)

- Through the Public Service pay gap reporting system there is a high degree of pay and representation transparency. The Public Service has published gender and ethnic pay gap and representation data since 2000. The data provides important insights into the pay and composition of the Public Service, showing long-term trends, as well as changes year on vear.
- The information is collected from staff payroll data in all Public Service departments, as at 30 June 2024. It includes information that support Diversity Equity and Inclusion (DEI) work across the public service e.g. on staff numbers, age, gender, ethnicity, occupation, salaries and pay.
- Comprehensive action to close pay gaps in the Public Service is working.
  - The number of women in Public Service senior leadership roles continues to increase and is now at a record high of 56.7 percent.
  - In the last 6 years the Public Service gender pay gap has halved (from 12.2 percent in 2018) to a new low of 6.1 percent.
  - The Public Service GPG is measured using averages (means).
  - The Public Service also calculate a median GPG so we can compare Public Service results with national results. In 2024, the Public Service gender pay gap using median pay was 4.3 percent. This is down from 5.8 percent in 2023 and is the lowest figure since measurement began in 2000.
  - The national median GPG is 8.2 percent.

- The Public Service Māori pay gap is also at a record low of 4.8 percent.
- Women of all ethnicities continue to be highly represented in the Public Service workforce, with over 60 percent of Public Service positions held by women.

#### **Private Sector Voluntary Gender Pay Gap Reporting**

Ministry for Women contact: withheld 9(2)(a)

- The national gender pay gap is currently sitting at 8.2%. It has steadily reduced from 16.3% in 1998 but has fluctuated over the past decade.
- There is no consistent method used for calculating the gender pay gap. Consistent
  methods and comparable pay gap data is important because it allows organisations to
  understand their performance in relation to others, supports sectors to work together, and it
  enables greater business to business learning about how to measure pay gaps and what
  has worked to close the gap.
- The Ministry for Women is developing a gender pay gap reporting toolkit for launch in mid-November. This includes:
  - An online gender pay gap calculator, which can be placed on websites to calculate organisation-wide gender pay gaps.
  - A downloadable worksheet that organisations can use to calculate their organisation-wide median gender pay gap along with further data breakdowns to support analysis.
  - Supporting guidance that includes information on calculating their gender pay gap, what data to include, the importance of stating the context around their gender pay gap and options for action plans
- All three parts of the package rely on a common methodology to calculate gender pay gaps.
- Our engagement approach has seen us gain input from organisations across a wide variety
  of industries, business types, and sizes (ranging from 30 to 1000+ employees). The
  Ministry has met with industry bodies, payroll and HR specialists and sector groups,
  including NZCTU, to get their insights on what actions businesses are already taking to
  record their gender pay gaps and feedback on the proposed calculation and guidance.
- We have also undertaken qualitative interviews with representatives (often HR or Diversity and Inclusion leads) from a range of organisations.
- While the focus of this engagement has been on testing the key components of the calculation methodology, other feedback from businesses through this engagement has reinforced that:
  - Developing a consistent approach for measuring gender pay gaps is an important first step
  - The important part of calculating gender pay gaps is the analysis and action that can result
  - To create a constructive environment for businesses to openly publish their gender pay gaps, there needs to be ongoing education around what is means to report on and reduce gender pay gaps.
- We heard from NZCTU that employees and their representatives should be involved in the development of an action plan, this advice has been reflected in the guidance.



Kia ora again withheld 9(2)(a

Here's some content from the website that talks to the relationship between achieving equal pay and addressing the gender pay gap (https://www.women.govt.nz/news/new-zealanders-deserve-equal-pay-its-only-fair):

Achieving equal pay is one factor that would contribute to the elimination of the gender pay gap. The gender pay gap is an official statistical measure, both in New Zealand and around the world, that compares the average earnings of men with that earned by women.

There have been some solid gains made to reduce the gender pay gap since the Act passed 50 years ago. These include landmark pay equity settlements in the health, education, and services sectors, and public and private organisations taking initiative to report on and address their gender pay gap.

Recent improvements came in 2020 when the Government updated the Equal Pay Act to replace the court-based approach to pay equity claims with an accessible process based on the existing bargaining framework in the Employment Relations Act.

Currently there are 27 pay equity claims in progress covering over 200,000 New Zealanders. More claims are raised as the pay equity process becomes better understood. For those whose workforces are amid a claims process, it can seem slow, but we are making progress. So far there have been seven pay equity settlements in Aotearoa, which have led to pay corrections for more than 104,000 people.

Eliminating the gender pay gap and achieving equal pay for all New Zealanders is not just good for women, it is good for everyone. Settlements can increase wages, improve workplace conditions, and open up training opportunities for all employees.

Manatū Wāhine Ministry for Women is partnering with other agencies including the Public Service Commission's Pay Equity Taskforce and the Ministry of Business, Innovation, and Employment, to progress initiatives to improve the employment conditions for men and women, including policy and action around equal pay.

# withheld 9(2)(a)

From: Ministry for Women - Ministerial Servicing <ministerialservicing@women.govt.nz>

Sent: Wednesday, 7 May 2025 11:52 am

To: withheld 9(2)(a)

Subject: RE: Commissioning by 11:45am FW: Oral Questions Wednesday 7 May

Kia ora withheld 9(2)(a)

#### GPG tool kit stats:

- Over 20,0000 views of GPG toolkit (across all pages) since launch on 13 Nov
- Number one viewed page across the Ministry website
- Over 920 downloads of workbook designed to support businesses to prepare pay data
- Most viewed pages are the landing page, methodology, drivers, resources, and news item launching toolkit.

We are looking through the site at the moment re pay equity and will come back to you shortly.

Ngā mihi



From: Ministry for Women - Ministerial Servicing < ministerial ervicing@women.govt.nz>

Sent: Wednesday, 7 May 2025 10:56 AM

To: withheld 9(2)(a)

Subject: RE: Commissioning by 11:45am FW: Oral Questions Wednesday 7 May

Thanks Maddy

will most likely be the Official coming across at 12:45pm. Confirming this is underway

Ngā mihi



From: withheld 9(2)(a)

Sent: Wednesday, 7 May 2025 10:53 am

To: withheld 9(2)(a)

Subject: Commissioning by 11:45am FW: Oral Questions Wednesday 7 May

Hello,

The Minister has Question 4 today in question time. The Office is taking the lead in drafting a response to the

primary and supps that may come re Pay Equity.

Can the Ministry please

- provide latest facts and figures around uptake of the GPG toolkit and suggested talking points in relation to that work?
- scan the women.govt.nz website for mentions of pay equity (in addition to this page: Pay equity and equal pay | Ministry for Women) and flag anything that might be used as a basis for supps.

The Minister has asked for Officials to brief - so can I have someone across for 12:45pm please?

