Te Papa Atawhai Department of Conservation Gender, Māori and Ethnic Pay Gap Action Plan 2021



Te Papa Atawhai Department of Conservation Gender, Māori and Ethnic Pay Gap Action Plan 2021

© Copyright November 2021, New Zealand Department of Conservation

ISBN 978-1-99-115294-7

 $Published\ by\ Department\ of\ Conservation\ Te\ Papa\ Atawhai,\ PO\ Box\ 10420,\ Wellington\ 6143,\ New\ Zealand.$



This work is licensed under the Creative Commons Attribution 4.0 International licence. In essence, you are free to copy, distribute and adapt the work, as long as you attribute the work to the Crown and abide by the other licence terms. To view a copy of this licence, www.creativecommons.org/licenses/by/4.0/.

Please note that no departmental or governmental emblem, logo or Coat of Arms may be used in any way that infringes any provision of the Flags, Emblems, and Names Protection Act 1981. Use the wording 'Department of Conservation' in your attribution, not the Department of Conservation logo.

Contents

Executive summary	3
Context	5
Focus areas for the 2021/22 Action Plan	6
Progress update from the 2020 GPG Action Plan	7
Overall gender pay gap	9
Gender pay gap by business group	10
Trend analysis for gender and representation measurements	11
Māori and ethnicity pay gaps	20
Agency, union and employee involvement	22
Analysis information	22

Executive summary

Inclusion and diversity are key priorities for Te Papa Atawhai Department of Conservation (DOC), which is committed to both improving the diversity of its workforce to reflect the communities it serves and creating an inclusive culture where differences are recognised, respected and embraced.

Work on gender, Māori and ethnic pay gaps sits under DOC's broader Inclusion and Diversity work programme.

Gender pay gap

The gender pay gap (GPG) is calculated by subtracting the median female salary from the median male salary and then dividing by the median male salary. A positive GPG indicates that males are being paid more on average than females, while a negative GPG indicates that females are being paid more on average than males.

DOC's overall GPG is 2%, which is lower than the national public sector GPG of 9.6% (as at 31 March 2021). There is currently no reason to believe that this low GPG is due to unjustified factors, such as bias.

While some business groups have an overall GPG of more than 10%, these pay gaps are most likely attributable to the under-representation of females in leadership positions in these groups rather than females being unjustifiably paid less than males for similar levels of work. (Note: a detailed like-for-like analysis undertaken by DOC last year indicated that gender was not an important explanatory variable for an employee's salary.)

The current proportion of females in senior leadership (Tier 2 and Tier 3) roles is 36%. This issue was identified as the priority focus for DOC's GPG work in last year's Action Plan, and DOC has committed to gender balance across its leadership roles by the end of 2022. This is aligned with the public service-wide milestones in the GPG 2018–20 Action Plan and will continue to be a focus for this year's Action Plan.

A Women in Leadership research project was undertaken in 2020 to understand the aspirations, motivations and barriers for females moving into senior leadership roles. The findings of this research have been made available to employees and used to inform a new work programme to specifically address this issue. DOC will continue to develop and embed the initiatives agreed as part of the Women in Leadership work programme.

Māori and ethnic pay gaps

This year's Action Plan also required public service agencies to report on the Māori pay gap and ethnic pay gap (EPG) for the first time. Data have been analysed for DOC's Māori, Asian and Pacific Peoples' populations, which showed that, as at 31

March 2021, 12% of DOC employees identify as Māori, 3% as Asian and 1% as Pacific Peoples.

The Māori pay gap at DOC is 7% using average salaries, which is lower than the public service figure of 9.3%. When we use position in range figures, which account for the level of work by considering the position of an individual's salary within the relevant band, the Māori pay gap decreases to 3%. Consequently, we believe that the higher pay gap may be due to Māori being under-represented in certain roles.

The number of employees at DOC who identify as Asian or Pacific Peoples is low, making it difficult to undertake detailed analysis to understand whether there are pay gap issues with these groups. However, the Asian pay gap at DOC is currently negative (-10%) when using average salaries, which indicates that the average Asian salary is 10% higher than the average non-Asian salary, while the Pacific Peoples pay gap is 1% using average salaries.

Programmes of work

One of DOC's focus areas for the coming year is to attract a more diverse pool of employees to the organisation. Developing an Attraction Strategy that focuses on attracting, recruiting and retaining Māori staff across the organisation at all levels is part of this year's work programme, and a 2-year roadmap is being progressed to ensure a strong focus on increasing the representation of Māori candidates in recruitment.

Joint work initiatives are also underway across Kahui Kaupapa Atawhai, the People Group and through the Public Service Association (PSA)/DOC Rūnanga to understand and address any unjustified barriers DOC staff face. This includes the:

- 'More than Meets the Eye' storytelling series, which showcases the breadth/diversity of the work of our people but also provides insights into our workforce demographic
- Māori Network, which was initiated in October 2021 and aims to connect our people to strengthen DOC's competence as a Treaty partner
- Whāinga Amorangi work programme, which includes learning conversations on how we address institutional racism.

Annual analysis of key gender, Māori and ethnic pay gap measurements will be completed to ensure that DOC continues to make progress to identify and address the underlying causes of pay gaps in these areas.

Context

Inclusion and diversity are key priorities for Te Papa Atawhai Department of Conservation (DOC). The Gender, Māori and Ethnic Pay Gap Action Plan sits under this work programme.

Agencies have been creating GPG action plans since 2019 under the <u>Te Mahere Mahi Rerekētanga Ira Tangata | Public Service Gender Pay Gap Action Plan</u>. The Public Service GPG Action Plan covered the period 2018–20, but agencies are continuing to work on its milestones, and the 2021 Action Plan will make this continuing progress transparent.

Agencies have been asked to include data analysis for all employment arrangements. This includes self-employed individuals, independent contractors and third-party organisations supplying goods or services. This analysis has not been included in this year's plan as sufficient data are not currently held by DOC to undertake it robustly.

A working group, formed in partnership with the Public Service Association (PSA), reviewed the analysis undertaken of DOC's salary data to formulate the 2020 GPG Action Plan, and the same process has been undertaken for the 2021 Gender, Māori and Ethnic Pay Gap Action Plan.

This year's plan is focused on the key next steps to improve gender, Māori and ethnic pay gap outcomes in DOC. It provides:

- the focus areas for DOC in 2021/22
- an update on how we are tracking against priorities made in the <u>2020 GPG</u>
 <u>Action Plan</u>
- trend analysis for gender data and representation measurements
- Māori and ethnicity data.

Focus areas for the 2021/22 Action Plan

Gender pay gap

Continue to embed the nine initiatives that emerged from the Women in Leadership research findings.

Māori and ethnic pay gaps

Attract a more diverse pool of employees to DOC.

Developing an Attraction Strategy that focuses on attracting, recruiting and retaining Māori staff across the organisation at all levels is part of DOC's 2021/22 work programme.

Initiatives are also underway to understand and address some of the cultural barriers our staff face. Examples include the:

- 'More than Meets the Eye' storytelling series, which not only showcases the breadth/diversity of the work of our people but also provides insights into our workforce demographic
- Māori Network, which was initiated in October 2021
- Whāinga Amorangi work programme, which includes conversations on how we address institutional racism.

Progress update from the 2020 GPG Action Plan

In 2020, public service agencies were asked to accelerate progress in addressing the GPG, with a focus on four key areas. These focus areas and the progress made against each are outlined below.

1. Gender-balanced leadership (females hold 50% of roles across the Public Service's top 3 leadership levels and each agency has a target date for achieving balance in their own leadership roles)

As at 31 March 2021, 43% of DOC's Tier 2 leaders and 35% of its Tier 3 leaders are female. DOC is aiming for gender balance across its leadership roles (ie females represented in 50% of leadership roles across Tiers 2 and 3) by the end of 2022.

In 2020, DOC undertook a research piece to understand why women are underrepresented in senior leadership roles. This included conducting interviews and surveys to understand the aspirations, motivations and barriers for women moving into senior leadership roles. The research findings provided insights into the factors that are driving DOC's current state, which can be separated into five overarching themes.

- High workload: We need to ensure our leaders have manageable and achievable workloads.
- Focus on technical skills and crisis leadership: We need to design our senior leadership roles so that they are attractive to a diverse range of talent.
- Limited or no career pathway: We need to develop clear career pathways.
- Mental models re. networks and development opportunities: We need to select and grow leaders with strong interpersonal capabilities and emotional intelligence.
- The way we work as on organisation: We need to ensure robust and transparent selection for recruitment and development opportunities.

A 12-month work programme has been developed to help alleviate these barriers to recruitment and progression. The work programme is made up of nine initiatives, four of which are already underway and five of which are new initiatives. For example, maturing DOC's talent mapping and succession planning activities (below Director level) is an initiative that is already underway to address the career pathways theme, while using stories and symbols to show DOC is a family and children-friendly organisation will address the way we work theme.

2. Flexible work by default (all roles to be treated as flexible unless there is a good business reason for a role not to be)

The core systems are in place for flexible-by-default and DOC is now working towards an 'embedded' maturity level for flexible-by-default over the 2021/22 financial year. The nationwide COVID-19 pandemic response saw DOC's workforce transition to working from home during Alert Levels 3 and 4, which required a rapid acceleration of new work practices, equipment and technology to enable people to work remotely and online.

This experience has resulted in a heightened interest in working in more agile and flexible ways and has led to a wider discussion on how we can leverage flexible work practices to support improved wellbeing, engagement, a lighter carbon footprint, and the attraction and retention of a more diverse workforce.

Key achievements to date include:

- the development and implementation of consistent and transparent policies, process and systems that enable and support flexible working
- a shift in the mindsets and culture towards reflecting on work as 'what we do, not where we go' and how we can work together as a flexible and agile organisation.

DOC's focus for the coming year is to:

- continue to implement flexible work principles with the lens that it is an enabler for improving wellbeing, inclusion, diversity and carbon footprint outcomes
- continue to implement the DOC Digital Strategy, which reflects our desire to have fit-for-purpose tools that support connection and collaboration and remove barriers to working in more flexible and agile ways
- continue to build the capability of people leaders to recruit, manage, connect and support high-performing flexible and often distributed teams, with a refreshed recruitment system, manager induction and leadership development modules
- apply the lessons from two pilot projects on how office environments and cultures can support flexible and agile ways of working across the organisation.

3. No bias or discrimination in remuneration systems or human resources practices (systems and practices are designed to remove bias, including no gaps in starting salaries and managers being equipped to address bias)

A remuneration system has been developed in a joint union/management working group to identify how to reduce bias or discrimination. If the new collective agreement is ratified in November, DOC will move to a step-based progression system. To support the introduction of this remuneration system, a policy will be developed to ensure that starting salaries are set in a manner which is free from gender bias.

Separating pay progression from performance conversations removes subjectivity and therefore bias relating to salary movement. Management discretion/bias is eliminated by having in place clearly defined progression steps and policies in relation to starting salaries that are equitable and transparent.

A step-based pay system means that employees and management will know salary movement outcomes so that budgeting is predictable and transparent. Flexible or part-time working arrangements or parental leave will not impact on salary progression.

DOC follows the principles that the pay system:

• is transparent, in that employees understand how the system works and generally how their salaries relate to each other

- is fair and equitable to all employees
- supports a diverse workforce
- is sustainable, affordable, simple and easily administered
- has regard to internal relativities and the external labour market
- supports career development.

4. Equal pay (eliminating GPGs within the same roles¹ and progressing any pay equity claims)

The pay equity claim raised by the PSA for administrative and clerical work is now at the phase of interviewing employees across all 43 agencies covered by this claim. These interviews will provide a greater understanding of work undertaken by employees and the information collected will be used to guide the claim in achieving a consistent approach across the Public Service. Following the completion of interviews across all agencies, the claim will progress towards the Comparator Process phase.

At the conclusion of all agency interviews, the Programme Team will undertake a comparator process whereby the findings from the interview process will be compared with other organisations within the Aotearoa New Zealand employment context. This process is likely to be lengthy, as non-public service agencies need to be identified and consent to being part of the claim process.

There is no agreed timeline for this claim due to its complexity. However, it was agreed with the PSA that settlement would not occur in an election year (2024). Therefore, it will likely be the year before.

Overall gender pay gap

DOC's overall GPG is 2% (based on average salary), which is low. DOC has a slightly higher representation of female employees than males (52% versus 48%, respectively), and while its Tier 3 Director roles continue to be held largely by males (65%), this number is lower than in 2020, when the percentage was 71%.

¹ This analysis was undertaken in 2020 and the results showed no concern that gender was a factor for pay differences within the same or similar roles. DOC's focus continues to be on the areas we consider to be of concern.

Gender pay gap by business group

There is an overall GPG of more than 10% in some business groups. However, these pay gaps are most likely attributable to the under-representation of females in leadership positions in these business groups rather than females being paid less than males for similar types of work that require similar levels of skill and experience. (Note: DOC's detailed like-for-like analysis undertaken last year indicated that gender was not an important explanatory variable for an employee's salary.)

Females are under-represented at Director level (Tier 3) in the Corporate Services, Kahui Kaupapa Atawhai, Operations and Partnerships groups. Furthermore, while there is an even distribution of males and females represented at Director level in the Policy and Visitors group, females are under-represented at Manager level.

When looking at the GPG using position in range (PIR),² which is less influenced by the vertical segregation of the genders, the gaps across all business groups are much lower.

The tables below show the GPG and the percentages of females and males in each management tier by business group.

Group	% females	% males	GPG using average salaries	GPG using median salaries	GPG using average PIR	GPG using median PIR
Biodiversity [373]	61%	39%	8%	6%	1%	3%
Corporate Services [430]	65%	35%	24%	32%	3%	3%
Kahui Kaupapa Atawhai [78]	47%	53%	-3%	-10%	-4%	-7%
Operations [2036]	45%	55%	2%	-1%	1%	2%
Partnerships [99]	65%	35%	16%	20%	3%	1%
People [94]	69%	31%	-2%	-3%	-2%	-2%
Policy and Visitors [140]	61%	39%	13%	8%	-1%	-2%

² The average of Māori employees' salaries relative to the median point of their pay band compared with the average of non-Māori employees' salaries relative to the median point of their pay band.

Group	Total Group	Tier 2	Tier 3	Tier 4	Tier 5
	(females: males)				
Biodiversity [373]	61% : 39%	0%:100%	67% : 33%	58% : 42%	61% : 39%
Corporate Services [430]	65% : 35%	100%:0%	0%:100%	52% : 48%	67% : 33%
Kahui Kaupapa Atawhai [78]	47% : 53%	100% : 0%	20% : 80%	0%:100%	51%:49%
Operations [2036]	45%:55%	0%:100%	27%:73%	43% : 58%	45%:55%
Partnerships [99]	65% : 35%	Vacancy	38% : 63%	57% : 43%	70% : 30%
People [94]	69% : 31%	100%:0%	50%:50%	69% : 31%	70%:30%
Policy and Visitors [140]	61% : 39%	0%:100%	67% : 33%	44% : 56%	66% : 34%

Trend analysis for gender and representation measurements

This is the third year that public service agencies have been required to produce a GPG Action Plan. Trend analysis from 2019 to 2021 has been captured in the following sections for:

- gender representation by tier
- gender representation by business group
- gender representation by pay quartile
- GPG using median and average salaries
- the percentage of full-time versus part-time employees.

This analysis supports the intended focus for work in this period – ie removing barriers to females moving into management roles and improving flexible work arrangements.

Gender representation by tier

Figure 1 shows the representation of females and males over the 3 years of Action Plan analysis. It should be noted that Tier 2 is a very small population so a change of one or two roles will impact the percentages considerably. There is a small trend of increasing female representation at Tier 3 from a starting point of a predominantly male population. The populations at Tier 4 and especially Tier 5 have typically remained evenly spread between both genders but show similar trends of increasing female representation.

Gender representation by business group

Figure 2 shows the representation of females and males by business group over the 3 years of Action Plan analysis.

Note: during this time there have been changes to some of the group titles and the units within.

Gender representation by pay quartile

Identifying gender representation by pay quartile allows us to see if either gender is over- or under-represented in any segment. Figure 3 shows that across all years there were only minor differences between female and male employees and between the proportion each gender represented for the whole population versus a specific quartile.

In 2019, females represented 47% of the total population. However, they made up more than 47% of the two middle quartiles but only 43% of the group of top earners (the upper or 4th quartile). In 2020, the overall gender split was 50:50 but males were over-represented (55%) in the top quartile whereas females were over-represented in the 2nd and 3rd quartiles.

In 2021, females and males each make up 50% of the top quartile. However, this is against a backdrop of females representing 52% of the total population.

Gender Representation by Tier

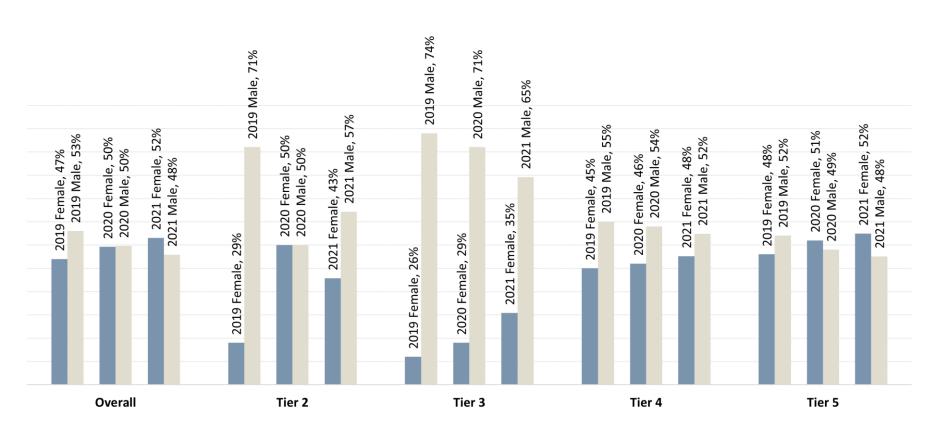


Figure 1

Gender Representation by Pay Quartile

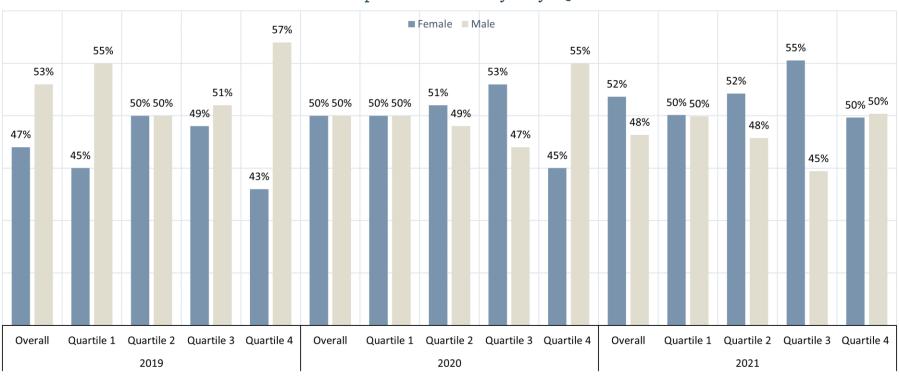


Figure 2

Gender Representation by Business Group

* indicates changes in Group Name and/or Units included in the Group over the three years

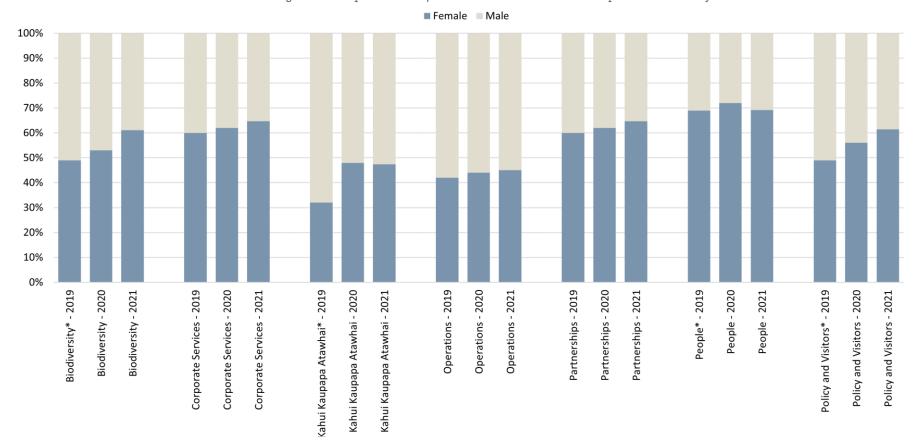


Figure 3

Gender pay gap using median and average salaries

The two graphs below show the GPG trends for the entire organisation and for the two tiers with sufficiently large populations to calculate the GPG. The gaps have been calculated using both median and average salaries for each gender.

Average salaries comparison

Comparison of the average salaries shows that the overall average salary has been higher for males than females in all years, with a 4% difference in 2019 and 2020 and a 2% difference in 2021.

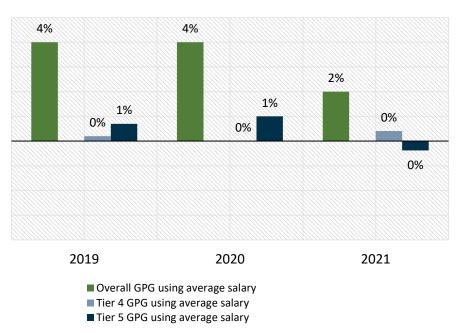
For Tier 4, the difference between the average male and female salary has sat below 1% in all years. For Tier 5, the average male salary was marginally higher than the average female salary in 2019 and 2020, whereas the reverse is true in 2021.

Data are not shown for Tiers 2 and 3 as the population sizes are too small.

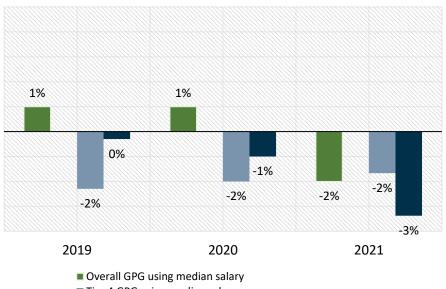
Median salaries comparison

The GPG calculated using median salaries is consistently lower than that calculated using average salaries and indicates that the Tier 4 and Tier 5 median salary has been higher for females than males in all years. However, in 2019 and 2020, the overall median male salary was 1% higher than the overall female median salary.

Gender Pay Gap using Average Salaries



Gender Pay Gap using Median Salaries



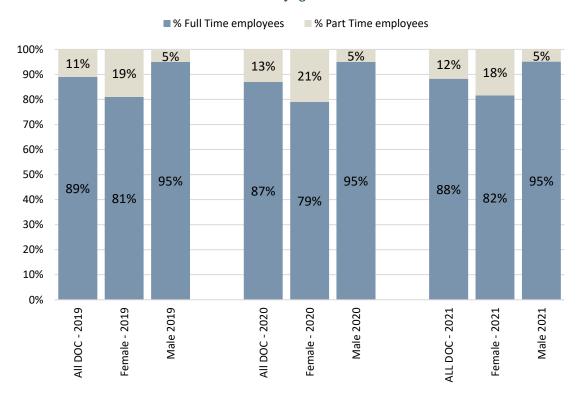
- Tier 4 GPG using median salary
- Tier 5 GPG using median salary

Percentage of full-time versus part-time employees

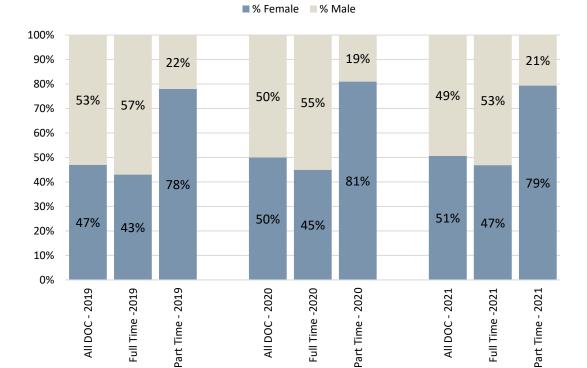
In the 3 years of Action Plan analysis, the percentage of DOC employees who work part time has remained relatively static.

In all years, more female employees and fewer male employees worked part time compared with the 'DOC average'.

Proportion of employees who are full time versus part time by gender



Proportion of each gender who are full time or part time



Māori and ethnicity pay gaps

Public service agencies are required to report on Māori and ethnic pay gaps for the first time this year.

The percentage of DOC employees who identify as non-European is low and data have only been analysed for DOC's Māori, Asian and Pacific Peoples populations.

Following the guidance from the Public Service Commission, employees can identify three ethnicities with which they identify. When calculating the pay gap for each ethnicity, the salaries of those employees who identify as that ethnicity in any of their three options are compared with the salaries of those employees who do not identify as that ethnicity in any of their options. Thus, should an employee identify as Māori, Japanese and Samoan, for example, the employee would be considered as Māori for the Māori pay gap analysis, Asian for the Asian pay gap analysis and Pacific for the Pacific Peoples pay gap analysis.

One of DOC's focus areas for the coming year is to attract a more diverse pool of employees to the organisation, which may or may not impact pay gaps but will make the comparison of these groups of employees more robust.

To facilitate this, the development of an Attraction Strategy that focuses on attracting, recruiting and retaining Māori staff across the organisation at all levels is being prioritised as part of this year's work programme and a 2-year roadmap is being progressed to ensure a strong recruitment focus on Māori candidates.

As at 31 March 2021, the percentage of DOC employees who identify as Māori is 12%, Asian is 3% and Pacific Peoples is 1%. The overall pay gap data for these ethnicities are captured in the tables below.

The Māori pay gap at DOC is 7% using average salaries, compared with 9.3% across the Public Service (December 2020 data). However, the Māori pay gap decreases to 3% when PIR is used, indicating that the difference between Māori employees' earnings and non-Māori employees' earnings is not as great when the level of work is taken into account rather than simply comparing average salaries in isolation. Therefore, we believe that the Māori pay gap may be impacted by underrepresentation of Māori in certain roles.

The Asian pay gap at DOC is negative (-10%) when using average salaries, indicating that the average Asian salary is 10% higher than the average non-Asian salary. By contrast, the Pacific Peoples pay gap at DOC is 1% using average salaries.

The number of employees at DOC who identify as Asian or Pacific Peoples is too low to understand whether there are pay gap issues. Therefore, our focus over the coming year is to attract a more diverse pool of employees, and work has already begun to implement fair recruitment and remuneration systems that ensure future employees receive a fair salary for the work they are doing.

The three tables below provide a high-level overview of the pay gap percentages for these ethnic groups.

Employment status	% Māori	% non- Māori	Māori pay gap using average salaries	Māori pay gap using median salaries	Māori pay gap using average PIR	Māori pay gap using median PIR
All employees (permanent, fixed term and casual)	12%	88%	7%	11%	3%	4%
Permanent and fixed-term employees	12%	88%	6%	8%	4%	4%
Permanent employees only	11%	89%	3%	3%	3%	3%
Fixed-term employees only	13%	87%	13%	13%	6%	7%
Casual employees	12%	88%	15%	7%	3%	3%

Employment status	% Asian	% non- Asian	Asian pay gap using average salaries	Asian pay gap using median salaries	Asian pay gap using average PIR	Asian pay gap using median PIR
All employees (permanent, fixed term and casual)	3%	97%	-10%	-17%	-1%	-1%
Permanent and fixed-term employees	4%	96%	-7%	-11%	-1%	-1%
Permanent employees only	3%	96%	-5%	-10%	-1%	-1%
Fixed-term employees only	4%	96%	-21%	-34%	-2%	-1%
Casual employees	1%	99%				

Employment status	% Pasifika	% non- Pasifika	Pasifika pay gap using average salaries	Pasifika pay gap using median salaries	Pasifika pay gap using average PIR	Pasifika pay gap using median PIR
All employees (permanent, fixed term and casual)	1%	99%	1%	6%	-1%	-2%
Permanent and fixed-term employees	1%	99%	2%	11%	-2%	-2%
Permanent employees only	1%	99%	1%	13%	-3%	-3%
Fixed-term employees only						
Casual employees						

Agency, union and employee involvement

Reflecting commitments in the <u>Gender Pay Principles</u> and the Public Service GPG Action Plan, as well as the High-Performance Engagement relationship, a joint DOC/PSA working group was set up to analyse GPG data and to contribute towards the development of this Action Plan.

This Action Plan will also be shared with both the PSA and the wider organisation once it has been approved.

Analysis information

Data used for this analysis are correct as at 31 March 2021.

The full data set includes permanent, fixed-term and casual employees as at this date. Where any group has been excluded from a specific piece of analysis, this is noted.

Statistics New Zealand has provided <u>guidance on how organisations should</u> <u>measure GPGs</u>. It is important to note the following key points.

- There are advantages and disadvantages to using either the mean (average)
 or median for analysis. Using both is recommended, as is the use of
 quartiles.
- Where there are groups that do not have a minimum of 20 men and 20 women, the measures used may not be robust. Therefore, we have not shown any pay gap information where these minimums are not met.
- The base unit of measurement used for this analysis is hourly pay.
- An alternative unit of measurement, PIR, is also provided. PIR is calculated by comparing an employee's salary with the midpoint of their salary range and will (to some degree) reduce the influence of an employee's level of work on pay gap analysis.

Only a small number of employees have identified as gender diverse or have chosen not to respond to questions about gender identity. Therefore, these individuals have been excluded from detailed analysis.

An additional 13 employees who are in unique roles or are the subject of data queries have also been excluded from those analyses that reference their salary band but are included in all other analyses.

GPGs are calculated as [(average or median male salary – average or median female salary)/average or median male salary]. A negative result indicates that the average or median female salary is higher, whereas a positive result indicates that the average or median male salary is higher.

Pay gaps between full-time and part-time employees are calculated as [(average or median full-time employee salary – average or median part-time employee

salary)/average or median full-time salary]. A negative result indicates that the average or median part-time salary is higher, whereas a positive result indicates that the average or median full-time salary is higher.

For the purposes of this and previous years' analyses, a part-time employee is identified as an employee who is employed at less than 1 full-time equivalent (FTE). For most employees, 1 FTE = 40 hours per week.

The information presented in this report consists of results specific to March 2021, followed by information showing year-on-year trends over the last 3 years of GPG Action Plan analysis. However, due to the requirements of external deadlines, the data sets do not represent exact year-on-year dates. Thus, the information presented in the Action Plans is as at September 2019 for the 2019 Action Plan, November 2019 for the 2020 Action Plan and March 2021 for this 2021 Action Plan.