

Kia Toipoto | Gender and Ethnic Pay Gap Action Plan Report 2022 - 2023

November 2022

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Preface

The Gender and Ethnic Pay Gap is the difference between groups of individuals and their earnings. It is a high-level indicator of ongoing workplace inequalities, driven by deeply embedded views, values and behaviours.

The 2018 Te Kawa Matahoo | Public Service Te Mahere Mahi Rereketanga Ira Tangata | Gender Pay Gap Action Plan 2018-2020 focused on addressing the major drivers of organisational gender pay gaps and what employers could do to adjust the internal drivers.

Earlier this year, Te Kawa Mataaho released Kia Toipoto | Closing Gender, Māori, Pacific and Ethnic Pay Gaps, Public Service Action Plan 2021-24. This new plan builds on the achievements of the Public Service Gender Pay Gap Action Plan 2018-2020 and sets new and more ambitious goals.

Kia Toipoto three-year goals:

- Making substantial progress toward closing gender, Māori, Pacific, and ethnic pay gaps.
- Accelerating progress for wahine Maori, Pacific wahine, and wahine from ethnic communities.
- Creating fairer workplaces for all, including disabled people and members of rainbow communities.

Te Manatū Waka's Gender & Ethnic Pay Action Plan focuses on Kia Toipoto's six milestones of:

- 1 Te Pono | Transparency
- 2 Ngā Hua Tōkeke mō te Utu | Equitable pay outcomes
- 3 Te whai kanohi tāunoa ngā taumata katoa | Leadership and representation
- 4 Te Whakawhanaketanga tāunoa te Aramahi | Effective career and leadership development
- 5 Te e whakakore taunoa te katoa o nga momo whakatoihara, haukume ano hoki | Eliminating all forms of bias and discrimination
- Te Tāunoa o te Mahi Pīngore | Flexible-work-by-default

Further information about the Te Kawa Mataaho Kia Toipoto and the milestones can be found

Overall, we are proud of our progress and what we have achieved to date. Our gender pay gap is the lowest we have recorded since 2015.

Our key achievements from the past year include:

- Improved reporting to leadership (gender pay data is reported quarterly).
- Flexible-by-default policies and working practices implemented, survey carried out.
- Related diversity and inclusion initiatives designed to increase cultural competence and mitigate bias include:
 - Training: Te Reo lessons and unconscious bias models
 - Continued support of the Tupu Toa Internship programme.

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- Implemented guidance to support our new step base remuneration system, including guidance for managers on setting starting salaries.
- Reduced bias in recruitment and selection: developed unconscious bias prompts for interview packs, continue to encourage diversity on interview panels.
- Introduced a learning and development policy and guidance outlining how to access development opportunities.
- Ran 'Inclusive Leadership' training for leaders.
- Updated new starter forms to self select multiple ethnicities and our payroll provider can now enter these in the system.
- Reduced manager visibility on candidate application information to decrease potential unconscious bias.
- Supported our Wāhine and Rainbow networks, including running panel discussions with women in leadership.
- Increased the diversity of graduates.

We will continue to drive initiatives to increase our cultural competence and become a more diverse and inclusive workplace through our wider diversity and inclusion programme and Hei Arataki.

This plan focuses on embedding and monitoring our gender pay gap achievements and working towards the broader Kia Toipoto goals. An important starting point for us, will be to improve our ethnicity data and link our Kia Toipoto goals and actions with our broader Diversity and Inclusion work programme. This will set our plans to become a more diverse and inclusive workplace that represents the diverse communities we serve.

Glossary of terms and abbreviations

GPG	Gender Pay Gap	
EPG	Ethnic Pay Gap	
GEPG	Gender and Ethnic Pay Gap	
TMW	Te Manatū Waka	
Т	Tāne Male	
W	Wāhine Female	
HIKA	He ira kē anō Another Gender	
MELAA	Middle Eastern, Latin America & African	
SSI	System, Strategy & Innovation	
SRD	System and Regulatory Design	
SPG	System Performance and Governance	
CS	Corporate Services	

All GEPGs relate to base salaries for Ministry employees unless otherwise specified.

For data to be displayed, it requires 20 individuals in each group.

Data used is as at 30 September 2022.

Where a there is a positive % tāne/European are being paid higher compared to wāhine/non-European.

Te Manatū Waka Gender & Ethnic Pay Gap Summary

Gender Pay Gaps and Representation

Te Manatū Waka's overall gender pay gap (GPG) is 4.40% (mean) / 3.67% (median). Our mean gender pay gap is the lowest it has been since we began recording in 2015. As a relatively small agency, our pay gaps can fluctuate year on year, but overall, as shown in Figure 1, our trendline is reducing.

Our data shows that our mean gender pay gap reduces further when analysed by pay band or pay band groups (to a 'mean' of less than 3%), see the breakdown of statistics in Appendix 2.

Te Manatū Waka has 248 employees, (57% wāhine and 43% tāne). Currently we have identified themselves in our payroll system as he ira kē anō ('another gender'). Wāhine are currently overrepresented in the lowest four pay bands (12-15). Throughout the rest of the organisation we have balanced gender representation, including at leadership level.

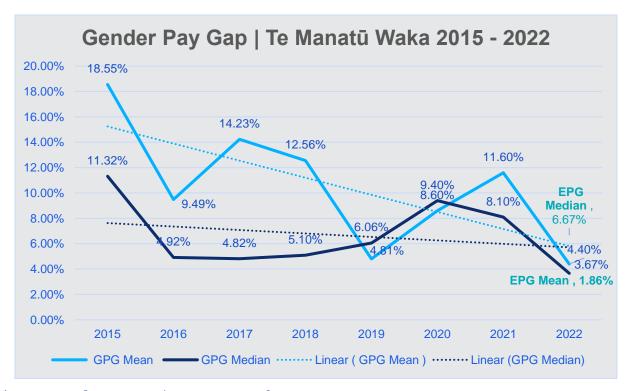


Figure 1 Gender Pay Gap | Te Manatu Waka 2015 - 2022

This graph shows our gender pay gap trend since 2015 and pinpoints our starting position for our ethnic pay gap reporting data.

Ethnic Pay Gaps and Representation

This is the first year we have reported on our ethnic pay gap (EPG), the overall EPG is 1.86% (mean) / 6.67% (median).

TE MANATŪ WAKA GENDER & ETHNIC PAY GAP SUMMARY

As a relatively small agency, and with gaps in our ethnicity data, we currently don't have enough people within ethnic groups to report pay gaps for Māori, Pacific People, Asian, Middle Eastern, Latin America & African (MELAA) and Other. To allow us to report on a high-level Ethnic Pay Gap, we have grouped ethnicities into two categories - 'European' (including NZ European) and 'Rest' (including all other ethnic groups and those 'Not Stated'). However, we have considered ethnicity when analysing pay gaps and have been able to produce a small number of comparisons (see breakdown in Appendix 2).

Currently, 74% of Te Manatū Waka employees have recorded their ethnic data. This is below the recommended level (90%) to provide quality data. We've been working on building our ethnic data in-line with Statistics NZ Ethnicity Standard Classification system. We've made some progress, increasing the number of employees who have shared their ethnic identity with us from 64% last year to 74%, and will continue to focus on building this towards the recommended level.

Based on the data we have (noting quality limitations), our organisation does not currently reflect the diverse communities we serve. We are currently under-represented in Māori, Pacific People and Asian compared with the NZ population.

Table 1 Employee Ethnic Data % Breakdown

Employee Ethnic Data %				
Asian	8.47%			
European (incl NZ European)	57.66%			
Māori	4.03%			
MELAA	1.21%			
Pacific People	1.61%			
Other	0.81%			
Not Stated	26.21%			

Overall Analysis

We've analysed our data in various ways to further breakdown our overall gender and ethnic pay gap (see Appendix 2 for detailed analysis) and have undertaken a line-by-line assessment in our recent remuneration review of individuals. Corrections have been made to a small number of individuals and we are confident that we have no unjustified gender & ethnic pay gaps for people performing the same or similar work. These adjustments would not show through in the analysis of this report, as adjustments were made after this data was taken.

Expanding gender and ethnic pay considerations to include other working arrangements

Our Gender & Ethnic Pay Action Plan predominately relates to employees (permanent and fixed term) of Te Manatū Waka. Te Kawa Mataaho is also interested in gender & ethnic pay gaps across

independent contractors and temporary workers. While this is challenging with the small number of contractors we engage in varied roles, we will continue to monitor it. As at 30 September 2022 we had engaged 24 contractors in a diverse range of roles (9 wāhine :15 tāne).

Gender & ethnic pay is also something that procurement considers as part of implementing the wider All-of-Government Broader Outcomes. We look at including questions relating to gender and ethnic pay on tenders for designated contract areas such as cleaning services and security services.

Drivers of Our Pay Gap

We are confident that we are paying wāhine and tāne equitably for the same or substantially similar work. Our data shows that our mean gender pay gap reduces further when analysed by pay band groups (to a 'mean' of less than 3%) see Table 3 in Appendix 2. We have two pay bands with enough people to calculate and report pay gaps. The average gaps in these reported bands are under 2%, see Table 2 in Appendix 2. We also investigated the pay band mid-point by ethnicity and gender. This showed very little difference between the position in range of wāhine and tāne (mean of -0.87% and median of 2.34%) and for different ethnicities (mean of -3.98% and median 0.00%).

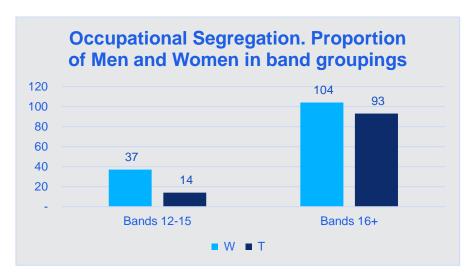


Figure 2 Occupational Segregation. Proportion of Men and Women in band groupings

The primary reason for the overall gender pay gap continues to be occupational segregation – we have fewer tane in our lower pay bands (administration and grad roles) see Figure 2 above which shows the split. Our proportion of tane in these roles has increased since last year, and some of the wahine graduates from previous years have progressed into higher pay bands. 67% of our graduates and 71% of our advisor progression pool is currently wahine. These wahine will progress through the pay bands, and assuming we maintain or improve the numbers of tane in administrative and graduate roles, we expect the impact of occupational segregation to reduce.

The gender split across pay bands from band 16 up favours wahine, showing that wahine are being appointed and progressing into higher level roles.

OUR ACTION PLAN AND NEXT STEPS

An area we have been focusing on improving is our starting salaries pay gap. The gender starting salary pay gap has reduced hugely compared to last year, from a mean of 11.8% to 2.5% shown in Figure 3 below. We attribute this to our new step-based remuneration system, guidance for managers and process improvements.



Figure 3 Starting Salary Pay Gaps 2021 - 2022

Ethnic Pay Gap Drivers

We are pleased to be able to extend our analysis this year to include preliminary ethnic pay gap data. It is difficult to comment on the drivers of our ethnic pay gap given the gaps in our data and the small grouping sizes. We plan to improve our ethnic data by March 2023 to enable us to better understand our workforce and possible drivers.

Our Action Plan and Next Steps

Our detailed action plan is provided in Appendix 1.

It was developed by the Human Resources Team and our Gender & Ethnic pay working group (with engagement from the Public Service Association and members of our Wāhine network). The working group is made up of diverse individuals from across the organisation.

The working group reviewed and discussed the analysis, reviewed our progress against the Kia Toipoto pay milestones and our 2021/2022 Gender Pay Action Plan and contributed to actions.

Now that our plan has been updated we will engage with people across the organisation to help us implement our plans and monitor progress. Our plan will be released on Discover (internal intranet) and our external website. Our pay gaps are reporting quarterly to the Senior Leadership Team and managers and will be regularly reviewed and discussed by our Diversity and Inclusion Working Group. Our progress will be determined by our data, progress against our actions, and general feedback and discussion about people's experiences.

Appendix 1 : Te Manatū Waka | Ministry of Transport Gender & Ethnic Pay Action Plan 2022/2023

Te Kawa Mataaho	Our Current State	Our Future
Kia Toipoto Milestones	(Actions taken in 2021/2022, achievements and outcomes)	(Our future actions to be taken in 2022/2023)
 Milestone 1 Te Pono Transparency Agencies and entities publish annual action plans based on gender and ethnicity data and union/employee feedback. Agencies and entities ensure easy access to HR and remuneration policies, including salary bands. 	 ACHIEVED: Quarterly Report to SLT and managers showcasing gender pay gap. We have improved our ethnicity data by 10%. Updated new starter forms to include self select multiple ethnicities. Payroll provider started recording up to 3 ethnicities per person. Displayed salary banding on job adverts. Updated remuneration guidelines with the new salary step base system, pay bands are displayed on the internal intranet. Updated our payroll system to Stats NZ Standard Classification of Gender. 	 OUR FOCUS: Improve our ethnic reporting data. Our goal is to have ethnic data for 90% of employees (from our current state of 74%) by March 2023. Workforce data collection - launch a campaign to collect individuals' ethnic data (February 2023), and refresh gender data with the new option to select 'he ira kē anō'. Share the Manatū Waka Gender and Ethnic Pay Gap Action Plan with the organisation to educate and engage discussion on results and actions. Expand analysis in career progression to include ethnicities (if numbers allow). Continue to display salary banding on job adverts.
 Milestone 2 Ngā Hua Tōkeke mō te Utu Equitable pay outcomes By the end of 2022 entities ensure that starting salaries and salaries for the same or similar roles are not influenced by bias. Agencies monitor starting salaries and salaries for the same or similar roles to ensure gender and ethnic pay gaps do not reopen. Pay equity processes are used to address claims and reduce the impact of occupational segregation. 	 ACHIEVED: Admin and Clerical Pay Equity – we have several roles subject to the claim and will continue to support Te Kawa Mataaho as required with this process. Recent 2022 Remuneration Review adjusted salary bands inline with market movement. This exercise also incorporated a line-by-line analysis and looked at internal relativities for those in same or similar roles. Continue to review gender pay data when each offer is made (HR confirm before approval to appoint is finalised). Improved guidance for managers setting salaries. Reviewed gender pay data when each offer is made (HR confirm approval before appointment). 	 OUR FOCUS: Continuing to support the Admin and Clerical pay equity claim. Review guidance on recruitment salary negotiations. Continue to include a line-by-line internal relativities exercise in remuneration reviews. Extend the starting salary review to incorporate ethnic pay data when each offer is made. Review guidance for managers and see if there are further improvements can be made in line with Kia Toipoto guidance. Monitor starting salaries on gender and ethnic pay gaps in the Quarterly Report. As our ethnic data improves, we will be able to increase our understanding of this area and take action as required.
 Milestone 3 Te whai kanohi I ngā taumata katoa Leadership and representation By the end of April 2023 agencies/entities have plans and targets to improve gender and ethnic representation in their work force and leadership. By the end of 2024 the Public Service workforce and leadership are substantially more representative of society. 	 ACHIEVED: Goal from 2021 was to have 50/50 W:T representation in the leadership tier (3+), currently it is 57% wāhine, 43% tāne. 50/50 W:T were shortlisted for roles over the past year. Continued our relationship with the Tupu Toa Programme and had one intern join Te Manatū Waka in 2021. 	 OUR FOCUS: Launch ethnic data campaign, we will further understand our workforce and its diversity, actions will be put in place to increase diversity as required. Review job advertisements to ensure they: Use inclusive language Are accessible and translated (as required) Showcase how Te Manatū Waka's work links to Te Tiriti o Waitangi. Monitor and report our recruitment statistics, to identify and bias and recruiting trends. Explore how we can be more attractive to Māori, Pasifika and Asian candidates. Provide these trends in the SLT Quarterly report. Continue and maintain our relationship with the Tupu Toa Programme. Explore mentoring options for established and inspiring leaders from wāhine and ethnic groups, for example I Māori Network, linking with other agencies that have a relationship with rangatahi. Maintain 60/40 gender representation shortlist for roles over the year.

OUR ACTION PLAN AND NEXT STEPS

Te Kawa Mataaho Our Current State		Our Future
Kia Toipoto Milestones	(Actions taken in 2021/2022, achievements and outcomes)	(Our future actions to be taken in 2022/2023)
		 Maintain 60/40 gender representation in the leadership tier (3+). Increase ethnic diversity in leadership tier (3+).
Milestone 4 Te Whakawhanaketanga I te Aramahi Effective career and leadership development • By mid 2023 agencies/entities have career pathways and equitable progression opportunities that support wāhine, Māori, Pacific and ethnic employees to achieve their career aspirations.	 ACHIEVED: Supported our Wāhine and Rainbow networks, including running panel discussions with wāhine in leadership. Māori Capability – we have and are increasing our resourcing to drive Hei Arataki – the Ministry's Māori strategy. In the past year we appointed a second Senior Adviser Hei Arataki and have begun recruitment for a Pou Arataki. Progressed or promoted was favourably wāhine 74% and 26% tāne. Formalised 'Acting Up' arrangements were reasonably split 53% wāhine and 47% tāne. Continue to encourage diversity on interview panels. 	 OUR FOCUS: Recently a Talent Management Framework has been introduced to ensure every employee has at least 1 quality career conversation each year, and their aspirations are visible to our leadership. This process will support more collective development planning. Encourage managers with new starters to access internal and external support networks. Incorporate inclusive leadership into our Leadership Development Strategy and the Leadership Expectations Framework. Reviewing and expanding our progression model to create more opportunities for people to progress. A diversity & inclusion lens will be incorporated and highlighted in the recommendations. Recruit into the Pou Arataki role.
 Milestone 5 Te whakakore I te katoa o ngā momo whakatoihara, haukume anō hoki Eliminating all forms of bias and discrimination By the end of 2023 entities have remuneration and HR systems, policies and practices designed to remove all forms of bias and discrimination. Agencies embed and monitor the impact of bias-free HR and remuneration policies and practices. Agencies/entities ensure leaders and employees learn about and demonstrate cultural competence. 	ACHIEVED: Introduced a learning and development policy and guidance outlining how to access development opportunities. Included unconscious bias prompts in interview packs and performance moderation processes. Ran 'Inclusive Leadership' training for leaders. Reduced hiring manager visibility on candidate applications to limit unconscious bias. Continuing to include unconscious bias modules in induction material. Continue to monitor and report on potential bias: training participation progression and promotions pay gaps.	 OUR FOCUS: As HR policies come up for review this is to be carried out with a D&I lens and remove any potential bias and use inclusive language. As roles are advertised review the job description to ensure: Only essential skills listed are required (i.e., qualifications). Language is inclusive and contains no stereotypes with support from the Diversity & Inclusion working group. Recruitment screening tool review to encourage improving our diversity i.e., weighting on transferable skills, Te Tiriti o Waitangi and Tikanga capability. Look for other processes/practices where unconscious bias material or prompts could be beneficial. Following our recent "How We Are Travelling" engagement survey it showed we need to explore bias and discrimination occurring within the organisation further. A deeper dive into this will be done through a survey and actions will be undertaken by the D&I Working Group. Continue to embed our Hei Arataki, Māori Strategy, including improving our capability. Newly established role – Pou Arataki will lead the Hei Arataki and work programme, part of this is to build the organisations Māori capability. Our Diversity & Inclusion Working Group will build a programme to raise awareness and build diverse cultural capability. Review of Unconscious Bias training and prompt material in items such as recruitment packs for managers.
Milestone 6 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.	 ACHIEVED: Recent engagement survey asked whether the people agree with the hybrid working model. Unfortunately, there was a glitch, and it was sent to a small group of participants, of that 84% agree it does work. Flexible by default policies and working practices implemented i.e., hot desking, Microsoft Team's status messages set. 	 OUR FOCUS: We have a workstream reviewing Flexible Working and how we can make improvements on our inclusive environment while working remotely and include offices outside of Wellington. IT improvements are scheduled for Wellington Office meeting rooms to improve sound and microphones.

Te Kawa Mataaho	Our Current State	Our Future
Kia Toipoto Milestones	(Actions taken in 2021/2022, achievements and outcomes)	(Our future actions to be taken in 2022/2023)
	 IT improvements in meeting rooms to improve user experience. 13 % of the Te Manatū Waka work part-time, 75% of this group are wāhine. All roles are flexible-by-default. 	 Long-term leave – review how easy it is to come back and what tools are in place to stay connected with the employee and potential opportunities. Review recent Te Kawa Mataaho Hybrid Working Guidance for potential actions.

We recognise that a lot of these actions interlink with multiple milestones and support one another towards achieving Kia Toipoto three overall goals. These actions connect to our Diversity and Inclusion Strategy and Action Plan and thus Papa Pounamu. This Action Plan will be a live document and actively updated as we work through it, continuing to improve as we go.

Appendix 2 - Breakdown of Gender & Ethnic Pay Gap Analysis

Gender Pay Gaps

Table 2 Gender and Pay Band Individual

Pay Band	12	13	14	15	16	17	18	19	20	21+	Total
Mean	х	х	х	х	х	-0.2%	1.9%	x	x	х	
Median	х	х	х	х	х	-0.9%	0.8%	х	х	х	
No. Women	7	4	13	13	10	42	31	1	15	5	141
No. Men	1	0	6	7	6	41	32	0	10	4	107

X = not enough people in this group to report

Table 3 Gender and Pay Band Groupings

	15-17	16-18	16+	18+
Mean	0.24%	-0.44%	-2.82%	-2.76%
Median	-2.08%	-0.52%	-1.91%	-3.28%

Table 4 Gender and Policy vs non-Policy within pay band 15-17

	Policy (15-17)	non-Policy (15-17)
Mean	-3.00%	X
Median	0.00%	Х

Table 5 Gender and Business Groups

	SSI	SRD	cs	SPG
Mean	-2.87%	2.79%	x	5.59%
Median	2.25%	5.91%	Х	3.22%

Table 6 Gender and Policy vs. non-Policy within Business Groups

	Policy (SS&I & SRD)	Non-Policy (CS & SPG)
Mean	0.03%	5.91%
Median	9.34%	2.05%

OUR ACTION PLAN AND NEXT STEPS

Table 7 Gender and Age Groups

	20-29	30-39	40-49
Mean	11.26%	4.10%	-3.56%
Median	-2.07%	1.67%	-3.49%

Table 8 Gender and Organisational Tenure

	<2yrs
Mean	4.21%
Median	3.88%

Ethnic Pay Gaps

Table 9 Ethnic European vs. Rest

	Base Salary
Mean	1.86%
Median	6.67%

Table 10 Ethnicity and Gender

	Wāhine	Tāne
Mean	-1.09%	4.63%
Median	2.57%	8.00%

Table 11 Ethnicity and Age Groups

	20-29	30-39
Mean	-5.32%	8.35%
Median	11.55%	6.91%

Table 12 Ethnicity and Organisational Tenure

	Less than 2 years	2-4.99 years	
Mean	0.56%	-5.28%	
Median	3.85%	-1.53%	

Leadership Representation

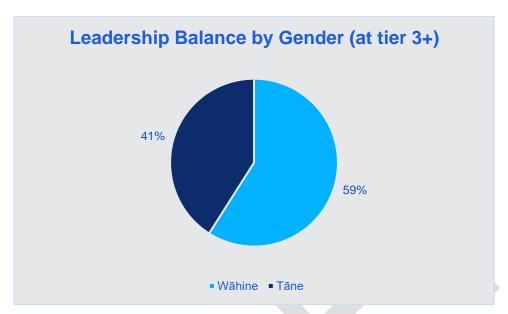


Figure 4 Leadership Balance by Gender (at tier 3+)

Full Time / Part Time Analysis

Table 13 Full Time/Part Time Analysis

	No.	% of wāhine	No.	% of Tāne
Full-time	117	82.9%	99	92.5%
Part-time	24	17.1%	8	7.5%

13% of the organisation work part time. This is broken down to 75% of wāhine working part time versus 25% of tāne working part time. The numbers are too small to analyse and report pay gaps.

Progressions and Promotions

The number of people progressed or promoted were in favour of wāhine with 71% and 29% tāne. Formalised acting up arrangements were also reasonably split 53% wāhine and 47% tāne.

Kia Toipoto

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