

THE NEW ZEALAND PAY AND EMPLOYMENT EQUITY PLAN OF ACTION 2004-2009

Summary

There have been 67 public sector workplace/sector pay and employment equity self-reviews, covering 13.5% of all New Zealand employees. Another 18 are underway.

Reviews have provided extensive qualitative and quantitative information and analysis about gender equity issues and developed solutions agreed by employers and unions and chief executives. Much of this information was not previously available.

The review process has been a significant education and awareness raising exercise for employers, unions, human resources practitioners and others, and hundreds of people have been directly involved in review committees and many thousands involved in reviews in various ways.

Implementation of review response plans is in the early stages as most review coverage was achieved after June 2008.

Substantial progress was made on developing tools for gender-neutral job evaluation and skills analysis and there has been some use of the tools. Developing the tools also involved significant engagement with job evaluation providers and human resources practitioners, raising awareness of gender bias in job evaluation.

Background

The five-year Pay and Employment Equity Plan of Action operated in the New Zealand public sector 2004-2009. It was developed and implemented by Government decisions following the 2003-2004 Tripartite Pay and Employment Equity Taskforce. The Taskforce identified the factors contributing to the gender pay gap as the types and levels of work women do, the way women's work is valued and the fit between paid work and the unpaid work of caring. The five-year goal of the Plan of Action was that remuneration and job opportunities in the Public Service, public health and public education would not be affected by gender.

The Taskforce saw the public sector programme as a model for the wider public sector and the private sector. Public sector organisations covered by the Plan were required by Government policy to conduct pay and employment equity reviews. Some other public sector organisations (tertiary institutions, crown entities and local government¹) were also encouraged to participate on a voluntary basis.

The mechanisms established to implement the Plan of Action were:

- a dedicated seven person Pay and Employment Equity Unit (PEEU) in the Department of Labour (the overall leader of the Plan) to develop tools and provide advice and support for the programme
- a one million dollar annual Contestable Fund to resource pay and employment equity projects (in the event, primarily used to resource organisations conducting pay and employment equity reviews)
- a tripartite Steering Group comprising employers and unions for the Public Service, public health and public education, the EEO Commissioner, the Director of the PEEU and an independent Chair, to lead and monitor the programme.

The Plan also drew on sector leaders (the State Services Commission, the Ministry of Health and the Ministry of Education) to plan, support, monitor and report on activities in their sectors, including holding chief executives accountable for the quality of what was done.

A Chief Executives Committee was established to oversee and support the programme and an annual tripartite forum (of relevant Ministers, chief executives, other employers and unions) was established to provide advice if need be for the budget process on prioritising bids for remedial pay settlements arising from pay investigations in female-dominated occupations².

The Plan of Action adopted two main strategies: pay and employment equity reviews in organisations and sectors to diagnose gender pay and employment equity issues and agree on responses to them; and pay investigations using gender-neutral job evaluation to address possible gender-related undervaluation in female-dominated occupations.

Expenditure on the program over the five years was \$3.5m in the Contestable Fund and \$4.9m in the Pay and Employment Equity Unit budget, a total of \$8.4m.

The greater part of activity to date has been in the review process, which is covered in section one of this paper, while section two deals with other activities under the Plan of Action, particularly in relation to gender neutral job evaluation and skills analysis, section three outlines the educational activities undertaken, section four deals with policy development, followed by conclusions about the programme overall.

Section One The Pay and Employment Equity Review Process

This section covers the design of the pay and employment equity review process, the resources and roles, progress to date, and issues and responses identified. The pay and employment equity review was a self-review process carried out in organisations and sectors by joint union, employer and employee committees, using tools, education and training courses and information resources developed by the PEEU (available on the Department of Labour website). The pay and employment equity review tool was structured around three indicators of gender equity in employment – equity between women and men in rewards, in participation in all areas and levels of the organisation, and in experiences of being treated with respect and fairness. Each indicator had four key questions and a further range of prompt questions to guide investigations if the review committee decided to pursue specific key questions. Following the identification of any significant gender differences, the review committee considered whether the gender differences were explainable and/or justifiable, using guides provided to possible and common justifiable and unjustifiable reasons for the gender differences.

The tool involved a structured six-step process of progressively collecting qualitative and quantitative information and data, and refining analysis and prioritisation including through validation of provisional findings with employees generally, and concluding with a response plan. The main information used in the reviews has been payroll and other human resources information and staff surveys and other consultations with staff. A strong focus on the evidence base for the responses

recommended has contributed to the reviews resulting in agreed recommendations by review committees, which have been signed off by chief executives.

The tool was focused on outcomes – the current employment situation and experiences of women – not just on whether particular policies or processes are in place. The review included identification of what the organisation was currently doing well and most reviews reported on that.

An important feature of the approach was that organisations would carry out their own reviews and develop their own response plans, as part of implementing sustainable change. Mainstream HR and management processes were to be made more gender-inclusive, including recruitment and selection, job evaluation, training and development, remuneration planning and management, and performance management and reward. While organisations were required to provide their review reports and response plans to the PEEU, the Unit had no direct supervision or authority in relation to the conduct of reviews or implementation of response plans. The Unit provided tools, education and training and advice and support during the review process.

The Plan of Action was developed within existing employment arrangements, including legislation, and fiscal and other management practices. That included the existing “good employer” obligations under the State Sector Act 1988 and the Public Health and Disability Act 2000 (including the EEO programme and reporting requirements), the collective bargaining and other provisions of the Employment Relations Act, the Equal Pay Act, and the Human Rights Act. Where necessary, specific amendments were to be made to existing instruments, policies and practices, to reflect and accommodate pay and employment equity (including the Government’s public sector Bargaining Parameters, inclusion of pay and employment equity objectives in agencies’ Statements of Intent, the Minister’s letters of expectation to District Health Boards, and the Operating Policy Framework for District Health Boards and so on)³. In New Zealand’s devolved public sector management framework, chief executives have substantial autonomy in relation to employment relations.

The approach was also based on sector leaders in the Public Service, public health and public education monitoring the conduct and quality of reviews and implementation of action arising from them. Sector leaders play a lead role in employment relations for their sector through delegated legislative authority, policy mandates and influence exercised in a range of ways.

In the light of experience of the Public Service reviews, further models have been developed. A specific model was developed for the schools review, since many schools are small; for the health sector; and for the tertiary sector. As the reviews concluded in the Public Service, public health and public education, an overall review and revision of the tools was undertaken. The new four-step review process replaced the original six-step process, resulting in a more streamlined and less expensive and time-consuming review process based on analysis of the review elements that had proven to be of most value. The main elements of the revised package included an

automated spreadsheet-based data analysis tool (the Pay and Employment Equity Analysis tool); an automated staff survey; a template for the review report and response plan; and an education course and information resources to support participants.

The pay and employment equity review tools were also adapted for the private sector through a project commissioned by the National Advisory Committee on the Employment of Women. Those tools have been delivered through the Human Resources Institute of New Zealand website (www.hrinz.co.nz) and have attracted significant interest – several hundred hits in some months.

Progress in Organisations and Sectors

The State Services Commission in consultation with agencies set the timetable for undertaking Public Service reviews. Sector leaders – the SSC, the Ministry of Education, the Ministry of Health – and the Department of Labour and the Ministry of Women’s Affairs, were in the earliest group of agencies and commenced their reviews in the second half of 2005. Early participation was seen as providing useful experience for guidance to organisations in their sectors. The earliest participants applied for and were allocated significant funding from the Contestable Fund, which had the effect of providing a fairly fully-articulated model for later projects and setting expectations about the cost and time reviews required and about the remuneration level required to attract suitable project managers. The remaining agencies undertook their reviews over the following two years, with Public Service reviews being largely complete by the end of 2007/08.

In the health sector, an in-depth review was undertaken in five District Health Boards (DHBs) (hospitals) in 2007 followed by a verification process in the remaining DHBs. Through a project manager, the coordinating body District Health Boards of New Zealand (DHBNZ) facilitated and managed funding from the Contestable Fund and coordinated the review projects in consultation with the DHBs and unions. The project manager assisted in training and support of project managers for the reviews and in brokering connections among them. A sector response plan was developed involving both DHB level actions and sector level responses to be implemented and monitored by sector level bodies and processes. The health sector review report and response plan were provided to the Minister of Health in the second half of 2008.

The Schools Education Group undertook a sector review comprising reviews in a sample of schools, a principals’ focus group, a staff survey and a principals’ survey, and analysis of centrally managed payroll and other data. The schools review report and response plan were provided to the Minister of Education in the second half of 2008.

A review was undertaken of the teaching workforce in kindergartens. Other staff were not covered as they were not employees of the Ministry of Education. The review mainly dealt with employment conditions teachers thought could be improved and did have a specific effect for women, although there could not be comparative

analysis since almost 99% of the teachers are women. Its report was provided to the Minister of Education in September 2008.

Three Crown Research Institutes collaboratively undertook a review and in 2009 a report was produced by each as well as an overview report for referral to other CRIs. One autonomous Crown entity undertook a review for completion in 2009.

Two local government bodies have completed reviews and response plans in 2008/09.

Reviews commenced in 2008 in 16 polytechnics and institutes of technology, and in one wānanga⁴ for completion in 2009 and one university is undertaking its review in 2009. Each polytechnic has undertaken its own review and there has been contact among the organisations especially through the tertiary sector facilitator engaged by the Ministry of Education. There will be a sector report providing an overview across the polytechnic reviews.

By end June 2009, 214 470 employees were covered by 67 completed reviews, around 13.5% of employees (almost one in seven) in New Zealand⁵. A substantial part of that coverage was achieved after June 2008 (only 2.3% of the workforce was covered by end June 2008 with the remaining 11.2% achieved after June 2008). A small number of organisations (covering .44% of employed people) had completed their reviews by June 2007, which would have enabled them to incorporate their significant projects in their business plans for 2007/08 and to have begun to make progress on implementation⁶. When the reviews underway are completed, there will be 85 New Zealand workplace studies of gender pay and employment equity with response plans for addressing the issues identified.

Resources for Reviews

The time taken to complete reviews using the 6-step process varied between three months and three years. Six months was the most common time taken. The process generally involved around six committee meetings of half a day, while some committees held more meetings. Some organisations that took longer periods to complete their reviews were well-satisfied with what they accomplished. Delays often occurred after the review report and response plan were completed, in the process of chief executive sign-off.

The review process took varying amounts of staff time, especially for staff members who served on review committees. Committee sizes varied between 5 and 11, with most committees in the 6-10 range, and fairly equal proportions of committees having 6, 8 or 10 members. Most but not all reviews were assisted by money from the Contestable Fund. Some did not apply, while others applied but were unsuccessful. Those organisations that did not receive funding were nevertheless obliged to conduct reviews. Several of the organisations that did not receive funding nevertheless undertook very comprehensive reviews. Consistent with the Steering Group's guidelines, allocations from the Fund were typically based on funding a project manager for six months at an annual rate of \$70 000 although there was variation over time and across organizations.

The re-designed review process can be conducted over three months, for \$20 000, and involving four half-day meetings of the review committee.

The State Services Commission's consultations with agencies found that organisations reported that the contribution from the Contestable Fund was critical for their ability to undertake the review, and that reviews could not have been completed within the required timeframe within existing resources. Many organisations reported that their HR capacity was already stretched in meeting existing central agency requirements and their own organisational strategies and projects.

Issues and Responses in Reviews: Summary⁷

All Public Service reviews except one found gender pay gaps in median equivalent full-time earnings. These varied in size from 3% to 35%. Common findings included:

- Women and men received unequal starting salaries for the same job
- Female-dominated jobs were lower paid than male-dominated jobs
- Gender inequalities were found in pay progression and performance pay
- Women predominated in the lowest paid staff and were a minority of those in the best paid jobs, and
- Women had a smaller share of additional rewards, such as employer-funded superannuation, premiums and bonuses.

Where there were gender differences in starting rates within occupations, in most cases they were not considered justifiable, and seen as likely to be produced by gender differences in negotiating capacity and previous employment experiences.

There were also significant gender differences in opportunities to participate in all roles and at all levels. These included:

- Women were often under-represented at senior management levels
- Women were over-represented in lower job bands and levels
- High levels of occupational segregation by gender
- Female staff had less access to training and development opportunities
- Women were less likely to apply for more senior roles
- Female-dominated roles had fewer career steps
- Women were less likely to believe that they would be supported by their manager to apply for a more senior role.

Most part-timers were women. Many reviews found that part-timers were disadvantaged in terms of training, development and career progression. Women were also more likely to be employed on temporary contracts.

Reviews found that women were more likely than men to report fairness and respect issues and to lack confidence that the organisation would effectively address them. Fairness and respect issues took various forms:

- Bullying and (to a lesser extent) sexual harassment
- Rudeness and disrespectful behaviour to some groups of women staff.

Many reviews found organisations lacked effective policies and procedures to deal with fairness and respect issues.

Examples of responses

Reviews produced a range of responses to address gender pay gaps. Examples included:

- Improved clarity and transparency about pay scales
- Guidelines for managers on setting equitable starting salaries
- Reductions in manager discretion in salary setting
- Checklists for appointment panels
- Clearer, competence-based pay progression systems
- Formal evaluation of some jobs for the first time
- Speedy rectification of anomalies affecting particular occupations and individuals
- Ensuring job evaluation systems are free of gender bias
- Equitable job evaluation for some or all occupational groups, and
- Recommendation of pay investigations.

Proposals to address gender differences in levels of positions in organisations included:

- Addressing potential bias in recruitment procedures
- Mentoring
- Training and development
- Career progression systems.

Responses to part-time staff issues included making part-time work available at more senior levels and including part-timers in development opportunities. Other response plans aimed to make flexible working arrangements more easily available, especially in reviews carried out following the passage of the Employment Relations (Flexible Working) Amendment Act 2008.

Responses to fairness and respect issues included:

- Promoting information about policies to all staff
- Updating, reviewing and clarifying the policies on bullying and/or harassment
- Information for managers on addressing and resolving complaints
- Training for managers, staff and new inductees
- New systems for reporting incidents that staff are comfortable using
- A 'zero tolerance' policy towards disrespectful behaviour and discrimination, with disciplinary consequences for breaches.

Conclusions about reviews

The reviews produced a great deal of information about gender equity in New Zealand public sector workplaces and resulted in agreed response plans to address those issues. They raised awareness among unions, human resources practitioners and managers and in workplaces more widely about how gender can affect employment without anyone necessarily intending it to have those effects. The participatory process used was seen as contributing to the sustainability of the results of the reviews through ongoing engagement and ownership of the responses. Participating in the reviews was generally reported to be a positive experience, in developing participants' skills and knowledge, engaging in positive employment relations and involving a wide range of employees in various ways. The reviews

provided a voice for people including those from lower levels of organizations who are not always heard.

The dedicated Pay and Employment Equity Unit supported reviews by providing tools for reviews and for gender inclusive job evaluation and skills analysis, education and training courses, information resources, and advice and support. The Unit has prepared a range of overview papers on various aspects of the Plan of Action including an extensive overview paper dealing with reviews, responses, and outcomes. Few organisations have published their entire reports and some have provided limited information to employees, in part because of concerns about risks to their reputations so public information about the reviews and their outcomes has been limited, especially since many were completed in the last year. The level of accountability for implementing results was also affected by the level of open communication about the project. Many organisations had not expected to find the issues they found.

The quality of reviews and responses varied greatly. Many organisations were challenged by the data requirements to carry out the reviews and some could carry out only some of the recommended analyses. Most organizations agreed to improve their data collection and analysis in various ways. Levels of capacity to undertake the data analysis and the gender equity analysis varied greatly, reflecting that the reviews were carried out by workplace participants rather than by experts. The complexities of the issues involved in the gender analysis and the analysis of the operation of human resources and management systems were also challenging for participants, and sometimes led to frustration and delays as well as on occasion to reviews that did not deal with important issues and/or come to appropriate responses. A few key indicators were reported on by almost all organisations, including the gender pay gap for full-time equivalent employees, and women's share of senior management jobs.

Section Two Gender Neutral Job Evaluation and Skills Recognition

The Unit developed a range of tools to address the gender-related undervaluation of some female-dominated occupations, as the Taskforce had identified how women's work has been valued as a significant factor in the gender pay gap. This section describes those tools, their key design features and the uses made of them to date. Development of the tools was based on analyses of job evaluation systems (including the large-scale projects in the United Kingdom, in the health sector, local government, universities and the civil service, which will cover a fifth of working women in the UK when their implementation is complete), and of pay equity and sex discrimination cases. The tools were:

- the Equitable Job Evaluation System, comprising the Factor Plan, the User Guide and the Questionnaire
- the Gender-inclusive Job Evaluation Standard (NZS8007-2006) (the Standard), developed by Standards New Zealand in consultation with job evaluation experts, gender equity experts, representatives of employers and unions and their organisations, and the Human Resources Institute of New Zealand
- guides to the Standard – Gender Bias in Job Evaluation: A Resource Collection; A Guide to the Gender-inclusive Job Evaluation Standard; and Dorfox Meets the Standard: Gender-inclusive Job Evaluation
- Spotlight: A Skills Identification Tool, comprising four booklets on using the tool in human resources processes (including writing position descriptions, learning and development, recruitment) and a resource package for using the tools; and a background research report on concepts and measures of skills

The EJE was developed by consultants with expertise in job evaluation and gender equity and tested in New Zealand public sector workplaces during 2005 and 2006. The tool was issued in a beta (testing) release version in 2006, on the basis that users enter into an agreement to provide their evaluations to a monitoring committee and to ensure that participants in EJE job evaluation projects are appropriately skilled and trained, among other things. A comprehensive training package was developed, tested, and delivered several times, to public and private sector job evaluation and human resources management consultants and others.

The tool has been used in evaluations of the jobs of community support workers, conservation workers, education support workers, hospital orderlies and corrections officers. The evaluations conducted of education support worker jobs involved comparison of the relativities among their jobs and those of two identified comparators, from using EJE, and another major job evaluation system (carried out by the company owning that scheme). The evaluations came to results that were similar for both systems, and different from the relativities reflected in current remuneration. The results are currently the subject of collective bargaining. The evaluations of community support worker jobs and two identified comparators produced relativities different from those reflected in current remuneration. These results are part of funding negotiations in the sector.

The Gender-inclusive Job Evaluation Standard (NZ8007/2006) was developed during 2006, adopted by the New Zealand Standards Council, and published by Standards New Zealand in December 2006⁸. The job evaluation providers on the standards development committee (Hay, Mercer, Strategic Pay) included the major providers of job evaluation services in New Zealand, who have all undertaken to meet the Standard as have a range of other providers. The companies have provided statements as to how their schemes meet the Standard and where clients request it, statements on how the processes for particular evaluation projects meet the Standard. These statements provide valuable input for clients. As the Standard is a voluntary one, responsibility for demonstrating how the Standard is met lies with those who claim to meet it, and responsibility for assessing their claims by those to whom they make the claim. Some job evaluation providers have advised that they now provide training and/or briefing on gender-neutral job evaluation for their own consultants and for participants in job evaluation projects.

During the pay and employment equity reviews, there was widespread interest in whether organisations could be confident their job evaluation processes were free of gender bias. In 2/3 of the Public Service reviews, it was recommended that EJE or the Standard be used as reference points in assessing whether job evaluations were gender-inclusive.

The Spotlight: A Skills Recognition Tool was developed and tested in New Zealand public sector workplaces by an Australian and New Zealand team led by Dr Anne Junor, University of New South Wales. The tool is to improve recognition of skills, especially those in service sector occupations, and to inform a range of human resources management processes including recruitment, writing position descriptions, learning and development, and job evaluation. It complements other skills and job description and job analysis instruments, and focuses specifically on the types of skills that are often overlooked, especially in human services work and in jobs in the lower levels of organizational hierarchies. The main types of skills often overlooked are the skills of combining activities in work streams and those involved

in the sensitive, responsive, and integrated delivery of appropriate services to people. Briefings on the tool have been provided and its application is being explored in some community sector occupations.

Spotlight provides a taxonomy of three sets of under-recognised tacit work process skills, each subdivided into three skill elements, and five experience-based skill levels at which each skill element is used. It can be used to describe the performance of work in any job at any functional level. It has a set of pre-classified empirically-derived work activity descriptors through which the skill elements and levels can be recognised. Based on this set of descriptors, it provides a job analysis questionnaire for use in identifying the implicit demand for these skills in any job and a skills audit questionnaire for use by individuals and teams to identify their level of proficiency in using these skills. It includes a cross-referencing system whereby personal attributes and employability skills can be defined more precisely and at different levels of workplace learning (the skills of “experience”), specifically focusing on “attributes”, customer focus, problem-solving, teamwork, and leadership. It also incorporates a succinct graphical technique for representing the combination of tacit work process skills and levels required by a job and/or within an individual’s capabilities at a point in time.

Section Three Education, Training, and Awareness Raising

A range of specific and general education, training, and information resources have been published and disseminated. This section describes those courses and resources and how they were used to build capacity for improving gender equity. A list of resources as at June 2009 is on the Department of Labour’s website. The education and training courses developed to support particular tools were:

- pay and employment equity review education and training courses. This was initially in three modules - Introduction (half day), Review Committee Course (one day), and Project Manager Course (one day)). Subsequently the introduction and review committee courses were combined as a one day course, and the project manager course delivered as briefings on an ad hoc basis.
- briefings and training on the Equitable Job Evaluation System and the Gender-inclusive Job Evaluation Standard. The training course for the Equitable Job Evaluation System includes modules for data gatherers and for job evaluation review committees and is customisable according to existing and required knowledge and skills of participants in the job evaluation project.

The PEEU has also held annual well-attended forums introducing new tools and resources and incorporating reports and discussion of projects undertaken by organisations and other participants in the Plan of Action.

Reviews used project managers to carry out reviews in conjunction with the committees, in undertaking data analysis, writing reports, and carrying out consultations. The PEEU provided training courses and briefings for the project managers, and ongoing advice and support.

As the programme developed, a review project managers’ network was facilitated by the PEEU, which provided a useful forum for problem-solving and building knowledge. Some project managers were external contractors and others internal HR

or other staff. Project managers brought varied skills for data analysis, gender analysis and project management, reflected in strengths and weaknesses of completed projects. There was considerable preparedness of project managers to share their experiences frankly and contribute to mutual problem-solving. Participation in the network was confined to (past and present) project managers to protect confidentiality. Chief executives agreed to the ongoing participation of project managers from their staff after the organisation's own review was completed, as a contribution to capacity-building in the sector. In some cases, PEEU negotiated with project managers to share their resources with specific other organisations and in others provided de-identified resources directly or through the PEEU website. The network contributed significantly to building capacity for undertaking the reviews. As time passed, some project managers (at least eight) undertook multiple reviews which has also had a capacity-building effect.

Section Four Ongoing Policy Development

An important aspect of the Plan of Action was its ongoing development as the issues that needed to be addressed and managed came more clearly into view, and were re-visited in the light of experience. The main areas were:

- the effectiveness of the accountabilities framework
- the mechanisms for managing claims for remedial pay settlements
- guidelines for carrying out pay investigations [of female-dominated occupations] including the use of the gender-neutral job evaluation tool
- the means of extending the coverage of the Plan of Action to the wider public sector (Crown entities and local bodies)
- the use of Government contracting in support of pay and employment equity (initially in relation to hospitals purchasing services).

Policy development involved collaboration among Public Service departments and involved extensive consultation with stakeholders including employers and unions.

Section Five Conclusions

While some stakeholders have expected that the main yardstick of progress in the Plan of Action would be an early reduction in the gender pay gap, there are many reasons that is too blunt a measure. The proportion of employed people covered by reviews by June 2009 is around 13.5%. Most – perhaps 80% - of the gender pay gap reflects occupational segregation, and changes in occupational segregation are inevitably slow since the existing stock of workers in highly segregated occupations is large and even if new entrants did enter different occupations it would take a long time for workforce composition to change. This is especially so where entry to occupations is through acquiring qualifications which can take some years and is in turn related to choices of subjects and vocational orientations at school. Sustainable change in complex HR, management and employment relations processes is not quickly or easily made.

Many factors affect the size of the gender pay gap on a permanent or transitory basis, including the occupational and industry composition of the economy and the

gender composition of industries and occupations, labour supply and demand generally and in specific occupations and industries (both jobs and hours), collective bargaining processes, coverage and cycles, and the levels and distribution of wages and salaries. These and other factors can cause year by year fluctuations and what is significant is longer term trends. Remuneration movements in one sector can take time to flow into other sectors, which can affect the gender pay gap. The following table shows movements in the gender pay gap from the Statistics New Zealand Quarterly Employment Survey for the period June 2004 – June 2008 for all employees, and from the SSC’s Human Resources Capability Survey for the Public Service.

	QES Average total weekly remuneration GPG full time %	QES Average total hourly remuneration GPG%	HRC Survey Average full time equivalent annual remuneration GPG%
June 2004	23.1	14.2	17
June 2005	22.2	13.4	16.4
June 2006	22.4	14	16.1
June 2007	21.2	13.6	16
June 2008	20.4	12.6	15.4

The table shows that the gender pay gap fell by around 1.6% in the workforce as a whole and by around 1.7% in the Public Service. It also shows fluctuations year by year, sometimes reflecting the progress of bargaining rounds.

Addressing the proportion of the gender pay gap that relates to gender-related undervaluation⁹ is also complex. Not all female-dominated occupations are affected by gender-related undervaluation. Collective bargaining and labour market mechanisms have addressed some instances of historic or recent gender-related undervaluation. In some sectors (notably teaching and nursing) there are high levels of collective bargaining, while in others, there is limited bargaining about pay. For reasons outlined elsewhere in this paper it has proven difficult to establish the case for and to negotiate the cross-organisation pay investigations that would be needed to assess and address the undervaluation of an entire occupation. Within-organisation assessments of the relative pay and size of jobs cannot address the overall evaluation of the occupation. Establishing that an undervaluation is gender-related is likely to be very difficult to the extent to which it depends on identifying appropriate male comparators within the organisation, since organisations often are structured to carry out a limited range of activities and so have a limited range of occupations. Overall the public sector is more female dominated than the workforce as a whole, and many of the occupations in it are female dominated, with relatively fewer male-dominated occupations. The male-dominated and female-dominated occupations also tend to be concentrated in different agencies because of the nature of the work the organisation undertakes.

Specific advances were made through the reviews in improving some aspects of gender pay and employment equity¹⁰ and in agreeing on plans for future improvements. Robust diagnostic and analytic tools were produced and used. Substantial work was done on developing and testing tools addressing key pay equity issues including evaluating jobs and analysing skills and some use has been made of those tools. A significant public education programme was delivered, in which many people participated, including education and training courses and a wide variety of publications and resources.

Ultimately, the level of implementation of the response plans, and how evaluation of female-dominated occupations is approached, will continue to affect the level of improvement in gender equity in New Zealand public sector workplaces, and implementation is in its early stages.

¹ There are 91 Crown entities and 86 local bodies.

² "Female-dominated" is defined as 70% female.

³ Some implications of this approach are explored in Hall, P. (2007) *New Zealand's Pay and Employment Equity Story – Building Capacity, Working Together to Make Gender Equity Ordinary, and Transforming Workplaces*, presented at the Gender, Work and Organisation Conference, Keele University, Staffordshire, England, 27 – 29 June 2007

<http://www.dol.govt.nz/services/PayAndEmploymentEquity/resources/briefing-notice.asp>; and in Hall, P. (2007) *Pay Equity Strategies: Notes from New Zealand and New South Wales*, Labour and Industry, Vol.18, No.2, December (accessible through http://www.accessmylibrary.com/coms2/summary_0286-34827294_ITM)

⁴ A tertiary institution catering for Maori learning needs.

⁵ The Statistics New Zealand Quarterly Employment Survey March 2009 shows a total of 1,588,800 part- and full-time employees in New Zealand.

⁶ The numbers reported in the table are taken from the review reports received by the Pay and Employment Equity Unit and include full- and part-time employees in the total number reported. The Public Service review coverage amounts to 2.9% of NZ employed people, the public health coverage is 5.4% and the public education coverage (public schools and kindergarten teachers) is 5% of NZ employed people.

⁷ Details are provided in the Department of Labour's paper (2009) *Public Sector Pay and Employment Equity Reviews: Overview Report June 2009*.

⁸ There was no existing Standard on gender bias and job evaluation, and the Standard has since attracted some interest in South Africa, Australia, Spain and the United Kingdom.

⁹ The concept of gender-related undervaluation is explored by Jill Rubery and Damian Grimshaw (2007), *Undervaluing Women's Work*, Equal Opportunities Commission, United Kingdom; and in the New South Wales Pay Equity Inquiry report NSWIRC [New South Wales Industrial Relations Commission] (1998) *Pay Equity Inquiry Matter no. IRC63200 of 1997*.

¹⁰ Details are provided in the Department of Labour's paper (2009) *Public Sector Pay and Employment Equity Reviews: Overview Report June 2009*.