Kia Toipoto
Gender and Ethnic
Pay Gap Action Plan

Chief Executive Foreword

Kia ora tātou

I want the Tertiary Education Commission to be a great place to work. A place that people are proud to be part of and would encourage others to join. One where we all go home at the end of the week knowing we've helped improve the lives of New Zealanders.

Knowing you are being remunerated and rewarded fairly is one of the things that make people feel good about where they work. We have good systems in place to make sure we treat our people fairly during employment and assessment processes, and are remunerated and rewarded appropriately. We can think we are doing everything right, but we also have to check the outcomes, to make sure our systems are working as intended, and provide reassurance to staff and stakeholders.

Measuring pay equity is a key test. Our Gender and Ethnic Pay Gap Action Plan (GEPGAP) (2022–2024) has activities designed to better understand our data, ensure that our analysis is robust and address any inequities we have found. The GEPGAP also has a focus on inclusive leadership, career pathways, flexible work and creating a fair place to work.

The aim is that, regardless of a person's gender, ethnicity and other personal attributes, we recognise and reward competencies, experience and performance equitably.

We recently analysed our workforce and payroll data. It showed some gender and ethnic pay gaps. Our overall average gender pay gap is 11.7 percent. This is slightly above the Public Service average gender pay gap of 8.6 percent (2021).

That shows that there is still work to be done in this area and I, as chief executive, along with the rest of the leadership team, need to stay focused on this area to ensure we continue to be a thriving organisation, where people are valued and can realise their potential.

We also need to take into account that we are a relatively small agency. That means our data can be significantly impacted by small changes in organisational design and structure, or attrition.

This is the first GEPGAP report we have published and I hope it provides confidence that not only do we have robust systems in place to manage the issue, we are conscious of and committed to transparency and fairness to TEC staff around decisions that influence pay and pay progression.

I am confident that the GEPGAP, together with strategic work already underway as part of 'Mā tātou, Mō tātou' and 'He Marae Tangata', will support our efforts to minimising gaps within TEC.

Ngā mihi

Tim Fowler
Chief Executive

Pay gap information, 30 June 2022

Context

Te Kawa Mataaho Public Service Commission released Kia Toipoto – the Public Service Pay Gap Action Plan in November 2021. It is a three-year plan to help public service departments and Crown entities close their gender, Māori, Pacific and other ethnic pay gaps. It builds on the Gender Pay Action Plan 2018–2020, which helped close the public service gender pay gap from 12.2 percent in 2018 to 8.6 percent in 2021.

As a Crown entity, the Tertiary Education Commission Te Amorangi Mātauranga Matua (TEC) is required to publish our pay gap information on our website by 31 December 2022, and publish an action plan to address any inequities found in our analysis of our pay information by 28 April 2023.
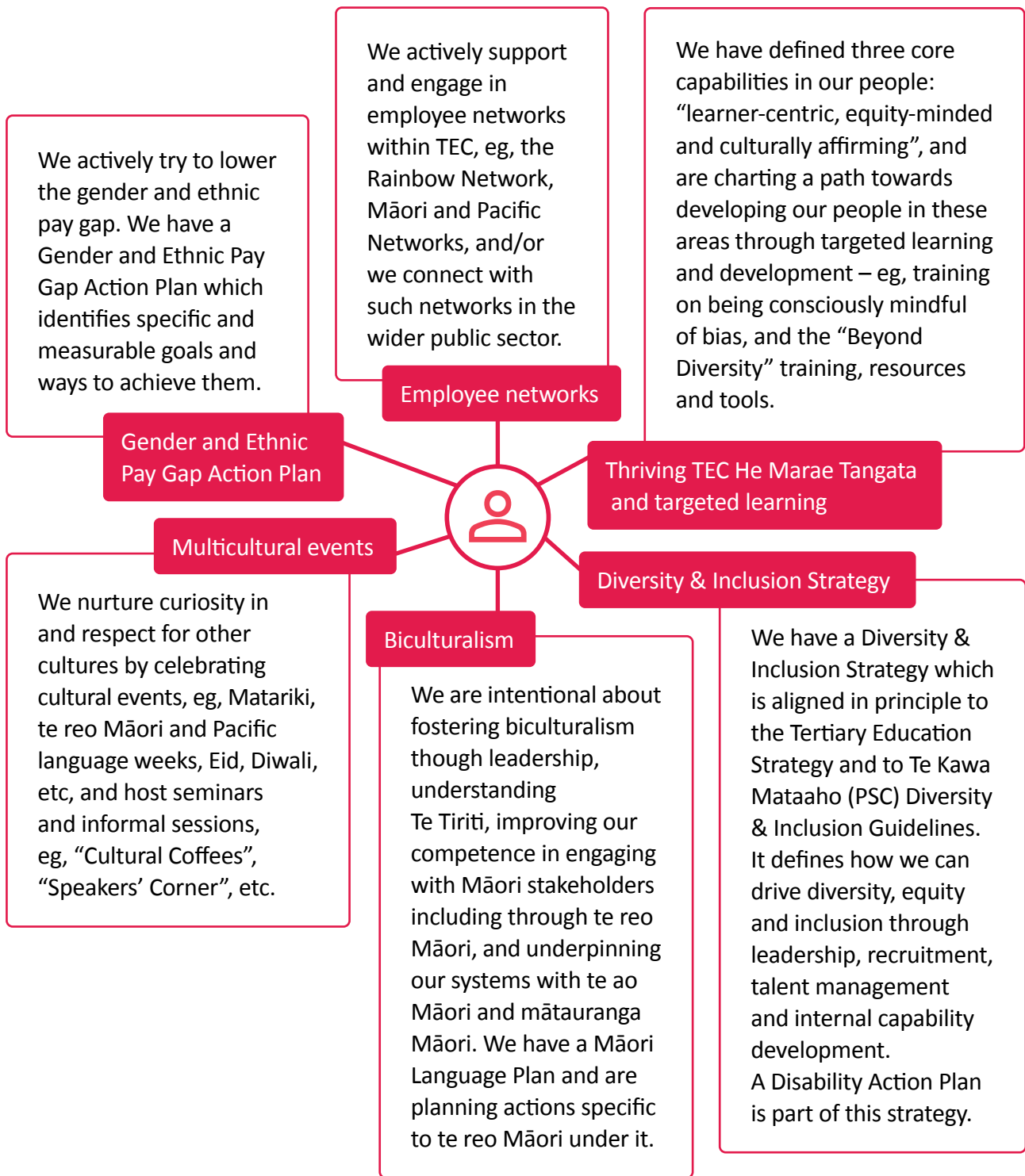
This document is the complete Gender and Ethnic Pay Gap Action Plan (GEPGAP). It provides information about TEC's workforce profile and pay gap information (where we have been able to do so) for gender and Māori, Pacific and other ethnicities, and our planned activities to address the data and pay equity issues we identified in our analysis. The plan spans the timeframe 2022–2024.

Our commitment

We strive to be an inclusive, equity-minded and diverse organisation. Pay equity is a key indicator that we are achieving our strategic intent. We are committed to implementing our Kia Toipoto GEPGAP to address inequities at the TEC and to contribute to closing the gender and ethnicity pay gap across the wider public-sector workforce.

Strategic alignment

Our GEPGAP is strategically aligned and embedded with other initiatives to develop TEC's inclusive, equity-minded and diverse organisational culture. The GEPGAP will benefit from, and contribute to, lifting TEC performance and cultural capability across a range of strategic initiatives.

We actively try to lower the gender and ethnic pay gap. We have a Gender and Ethnic Pay Gap Action Plan which identifies specific and measurable goals and ways to achieve them.

We actively support and engage in employee networks within TEC, eg, the Rainbow Network, Māori and Pacific Networks, and/or we connect with such networks in the wider public sector.

We have defined three core capabilities in our people: "learner-centric, equity-minded and culturally affirming", and are charting a path towards developing our people in these areas through targeted learning and development – eg, training on being consciously mindful of bias, and the "Beyond Diversity" training, resources and tools.

Gender and Ethnic Pay Gap Action Plan

Employee networks

Thriving TEC He Marae Tangata and targeted learning

Multicultural events

Diversity & Inclusion Strategy

Biculturalism

We nurture curiosity in and respect for other cultures by celebrating cultural events, eg, Matariki, te reo Māori and Pacific language weeks, Eid, Diwali, etc, and host seminars and informal sessions, eg, "Cultural Coffees", "Speakers' Corner", etc.

We are intentional about fostering biculturalism though leadership, understanding Te Tiriti, improving our competence in engaging with Māori stakeholders including through te reo Māori, and underpinning our systems with te ao Māori and mātauranga Māori. We have a Māori Language Plan and are planning actions specific to te reo Māori under it.

We have a Diversity & Inclusion Strategy which is aligned in principle to the Tertiary Education Strategy and to Te Kawa Mataaho (PSC) Diversity & Inclusion Guidelines. It defines how we can drive diversity, equity and inclusion through leadership, recruitment, talent management and internal capability development. A Disability Action Plan is part of this strategy.

Developing the plan

We completed our analysis of pay data from 30 June 2022 and discussed the initial findings with the Executive Leadership Team (ELT), senior management and Public Service Association (PSA) delegates. The Chief Executive advised staff about the Plan's development and shared high-level findings. This information was published on our internet and intranet on 19 December 2022. We have since developed our action plan with activities to progress our pay equity work programme. Staff and PSA representatives were invited to provide feedback and input to the action plan.

Our workforce profile

	Women	Men
All staff *(Total 384)*	63%	37%
Tiers 1–3 staff *(Total 29)*	45%	55%
Average age *(All staff 43 years)*	44 years	42 years
Length of service *(All staff 4.4 years)*	4.2 years	4.7 years

Ethnicity	Percentage
European	57
Māori	6
Asian	6
Indian	4
Pacific	4
Other ethnic minority	3
Not advised	20

Our pay system

Our pay structure comprises:

» 16 pay grades for general staff roles

» 11 pay grades for IT staff

» an Executive pay band for Deputy Chief Executives.

Salary grades are linked to public-sector market midpoints and each grade ranges from 85 percent to 115 percent of these midpoints. We provide a base salary (exclusive of KiwiSaver). We review the market and pay grades against the public-sector market annually, and review salaries annually.

Appointment salaries, salary movement and job evaluations are undertaken with HR oversight. One-up approval is required for salary-related decisions, and decisions that are exceptions to remuneration policy need Deputy Chief Executive or Chief Executive approval (in consultation with the HR Manager).

Initial findings

Analysis of the employee and pay data (for permanent and fixed-term staff) showed:

» There is an organisational pay gap of 11.7 percent.

» We cannot readily identify potential pay gaps in starting salaries or salary progression.

» Women make up around 80 percent of the workforce in the general staff pay grades 11 to 17.

» Women represent approximately 65 percent of mid to senior roles (pay grades 18 to 26).

» Women are slightly under-represented among Tier 1 to 3 managers.

» Women make up 48 percent of the IT workforce but only 15 percent of the highest pay grades (IT pay grades 20 to 25).

» Of the 153 staff who are paid over the midpoint for their grade, 60 percent are women.

» Thirteen of the 16 general staff pay grades and all the IT staff pay grades have fewer than 20 employees.

» There is significant under-representation (when compared to the wider public sector) of Māori and Pacific people in the organisation, in leadership roles and at the highest pay grades.

» Approximately 20 percent of staff at TEC have not provided ethnicity data.

» Ethnic groups with fewer than 20 employees who have declared their ethnicity include Indian, Pacific and other ethnic minorities.

Our pay data

We have an overall gender pay gap of 11.7 percent. The data tables below provide information on the pay gap by gender, ethnicity and role. We have fewer than 20 employees in many sections of our analysis so we have been unable to publish all of our findings.

Note: A positive pay gap indicates men are paid (on average) more than women. A negative pay gap indicates women are paid (on average) more than men.

Gender pay data

General staff grades	Women (average salary)	Men (average salary)	Pay gap
11–16	$75,650	$76,823	1.5%
17	$88,426	$84,463	-4.7%
18–19	$102,880	$105,012	2.0%
20–22	$135,023	$131,615	-2.6%
23–26 + Deputy CE grades	$183,810	$182,739	-0.6%

IT grades	Women (average salary)	Men (average salary)	Pay gap
12–19	$93,287	$97,293	4.1%
20–25	$134,786	$140,808	4.3%
All grades			
11–Deputy CE + IT grades	$106,228	$120,291	11.7%

We have clustered pay grades in order to provide pay gap data for groups of more than 20 employees. This has resulted in a smoothing of pay gap numbers across the clustered grades. We have provided average pay information across these clusters and will aim to provide average and median pay information next year.

Ethnicity pay data

Ethnicity	Women (average salary)	Men (average salary)	Pay gap
European	$113,860	$118,494	3.9%

We have provided average pay data for ethnic groups that include more than 20 employees. We can only give a gender breakdown for employees who identified as European (NZ European and non-NZ European) as there are fewer than 20 employees of each gender in all other ethnic groups (Māori, Pacific, Indian, Asian and Other Ethnic Minority). Pay data for employees who have not advised their ethnicity is not provided.

Role pay data

Role	Women (average salary)	Men (average salary)	Pay gap
Support staff	$88,104	$106,456	17.2%
Information systems	$104,084	$116,444	10.6%
Analyst	$102,382	$113,788	10%
Manager	$177,155	$161,575	-9.6%
National advisor	$106,691	$112,465	5.1%

We have provided average pay data for roles with more than 20 employees. There are not enough employees in administration and area advisor roles to publish gender pay gaps for these roles. We intend reviewing occupational groups and role classifications next year to confirm that our findings are robust.

Drivers of pay inequity

While women are represented across the organisation, they are over-represented in the lower-paid grades. Women are well represented in the higher general staff grades but significantly under-represented in the higher IT pay grades. These two factors appear to be the key drivers in TEC's overall gender pay inequity of 11.7 percent.

Pay inequity for women is evident within some ANZSCO defined roles. We need to further examine the data to understand the drivers for this, as women are well represented in all occupational groups other than information systems. Men are under-represented in national advisor and support staff roles. Role pay inequity may be impacting on the ethnicity pay gaps that are also evident. We need further analysis of ethnic representation within roles to establish whether there is a link between roles and ethnic pay gaps.

Men were paid more than women in some pay grades and pay grade "clusters", while women were paid more than men in others. This is partly explained by the gender representation balance within each pay grade.

Length of service for both women and men is similar and relatively low, which suggests that employees leave TEC to develop their careers and potentially earn higher pay. At this stage, we do not know whether decisions about starting salaries are driving pay inequities in the organisation.

Strategic interventions

At a strategic level TEC needs to focus on improving representation of:

» women in senior IT roles

» men in advisory and support roles, and

» Māori and Pacific people in the organisation.

We need to investigate further to understand the drivers of pay differences between women and men when calculated by role. It would also be worth further investigating the gender pay differences of more than 2 percent that we found in some of the clustered pay grades and individual salary grades.

Gender and Ethnic Pay Gap Action Plan

Focus Area: Te Pono Transparency

Milestones

› By 31 Dec 2022 entities will publish their gender and ethnic pay gaps on their public-facing websites.

› By 28 April 2023 entities will publish full Kia Toipoto Action Plans on their public-facing websites.

› Entities ensure easy access to HR and remuneration policies, including salary bands.

Planned Actions 2022	Progress
Extract and analyse mean pay gap data for gender, Māori, Pacific and ethnic employees.	Completed
Extract and analyse mean pay gap data for salary grades, top tiers and occupational groups.	Completed
Communicate development of Pay Gap Action Plan to Board, Executive, senior management, PSA and employees and invite feedback/discussion.	Completed
By 31 Dec 22 produce and publish TEC's Gender and Ethnic Pay Gap information on website.	Completed
Confirm that employees have easy access to HR and remuneration policies, including salary bands (excluding management salaries).	Completed
Planned Actions 2023	**Progress**
Extract, calculate and analyse mean and median pay gap data for gender, Māori, Pacific and ethnic employees.	Yet to do
Extract, calculate and analyse mean and median pay gap data for salary grades, top tiers and occupational groups.	Yet to do
Develop draft Pay Gap Action Plan.	Completed
Promote draft Pay Gap Action Plan to employees at all levels and engage through presentations and consultation.	Completed
Collect qualitative data about staff experiences and views at TEC regarding remuneration decisions, career pathways and progression, equitable work practices, etc.	Underway
Review draft Pay Gap Action Plan considering employee consultation findings.	Completed

Planned Actions 2023	Progress
Produce and publish a complete Pay Gap Action Plan, including progress, by 28 April 23.	Completed
Produce updated gender and ethnic pay gap data, using 30 Jun 23 data and a revised Pay Gap Action Plan, by Dec 23.	Yet to do

Planned Actions 2024	
Continue to refine Pay Gap Action Plan and communicate updates, findings and progress.	
Produce updated gender and ethnic pay gap data using 30 Jun 24 data and a revised Pay Gap Action Plan by Dec 24.	

Focus Area: Ngā Hua Tōkeke mō te Utu Equitable pay outcomes

Milestones

› By the end of 2022 entities ensure that starting salaries and salaries for the same or similar roles are not influenced by bias.

› Pay equity processes are used to address claims and reduce the impact of occupational segregation.

Planned Actions 2022	Progress
Investigate opportunities for raising awareness amongst managers of the influence bias has in decision-making.	Underway
Confirm that employees can request a review of salary at any time and that out-of-cycle remuneration adjustments can be made where relativity and equity issues have been identified.	Completed

Planned Actions 2023	Progress
Determine process for recording and comparing starting salaries for similar roles centrally.	Yet to do
Implement process for recording and comparing starting salaries for similar roles centrally.	Yet to do
Ensure hiring managers are informed of any relativity issues.	Yet to do
Invest in 'unconscious bias' training.	Yet to do
Implement guidance for managers to recognise potential for bias in decision-making and use of mitigation strategies in recruitment and appointment processes.	Yet to do
Investigate current pay gaps within similar roles and adjust salaries where relativity and equity issues have been identified.	Yet to do

Planned Actions 2023	Progress
Continue to respond to requests for salary reviews based on relativity and equity.	Ongoing
Review classifications of occupational groups and roles, and verify employee information is correct.	Yet to do

Planned Actions 2024	
Embed process for recording and comparing starting salaries for similar roles centrally.	
Analyse and report findings in Pay Gap Action Plan.	
Continue to reinforce the importance of managing potential bias in decision-making in recruitment and appointment processes.	

Focus Area: Te whai kanohi i ngā taumata katoa Leadership and representation

Milestones

› By 28 April 2023 entities include plans and targets to improve gender and ethnic representation in their workforce and leadership in their full Kia Toipoto Action Plans.

› By the end of 2024 the Public Service workforce and leadership are substantially more representative of society.

Planned Actions 2022	Progress
Investigate opportunities to influence workforce and recruitment plans to include focus on improving ethnic representation.	Ongoing
Set targets for ethnic representation.	Completed
Develop job description and advertisement templates that include te reo Māori and are culturally affirming and welcoming.	Completed
Seek opportunities for getting a wider cultural reach for advertising in the recruitment market.	Ongoing
Target Māori and candidates from other ethnic groups for refreshed Graduate Programme 2023.	Completed

Planned Actions 2023	Progress
Improve representation of Māori from 6% to 10%. (Representation in the Public service was 16.7% in 2022.)	Ongoing
Improve representation of Pacific people from 4% to 6%. (Representation in the Public service was 10.6% in 2022.)	Ongoing
Integrate plans and targets to improve gender and ethnic representation in the workforce and leadership by 28 April 23.	Underway

Planned Actions 2023	Progress
Improve voluntary ethnicity data take-up rates from employees from 80% to 95%.	Ongoing
Ensure new job description and advertising templates are being used consistently.	Ongoing
Provide hiring managers with advice about advertising forums with wider cultural reach.	Yet to do
Engage with the Māori and Pacific networks to design and develop a Māori and Pacific leadership programme.	Yet to do
Planned Actions 2024	
Review and set revised targets for ethnic representation.	
Continue to focus on encouraging voluntary disclosure of ethnicity.	
Keep abreast of recruitment and marketing opportunities to reach different cultures.	
Continue to evaluate the Graduate Programme.	
Implement the Māori and Pacific leadership programme.	

Focus Area: Te Whakawhanaketanga i te Aramahi
Effective career and leadership development

Milestones

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

Planned Actions 2022	Progress
Reintroduce and position the TEC Graduate Programme as an entry point for a career in TEC and/or the wider Public Sector (Mā Tātou, Mō Tātou / People Plan initiative).	Completed
Develop a career pathway for specialist roles in the Information Directorate.	Underway
Planned Actions 2023	**Progress**
Organise the Graduate Programme for 2024 taking account of evaluation findings.	Yet to do
Implement the career pathway for specialist roles in the Information Directorate.	Yet to do
Investigate opportunities for career pathways within Directorates and/or occupational groups and/or across TEC. (Mā Tātou, Mō Tātou / People Plan initiative).	Yet to do

Planned Actions 2023	Progress
Publish career pathway guidance for TEC employees.	Yet to do
Refresh and relaunch Business Shadowing Programme. (Mā Tātou, Mō Tātou / People Plan initiative).	Yet to do
Planned Actions 2024	
TEC Graduate Programme is embedded.	
TEC career pathways reviewed for currency.	
Evaluate Business Shadowing Programme.	

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

Milestones

› By the end of 2023 entities have remuneration and HR systems, policies and practices designed to remove all forms of bias and discrimination.
› Entities ensure leaders and employees learn about and demonstrate cultural competence.

Planned Actions 2022	Progress
Review recruitment policy and guidance against Kia Toipoto guidance.	Completed
Review remuneration policy against Kia Toipoto guidance.	Completed
Develop cultural competency framework. (He Marae Tangata / Thriving TEC initiative).	Completed
Planned Actions 2023	**Progress**
Incorporate best practice from Kia Toipoto guidance into recruitment policy and guidance.	Underway
Incorporate best practice from Kia Toipoto guidance into remuneration policy.	Yet to do
Ensure hiring managers are aware of, and adopt, any new practices required.	Yet to do
Develop learning needs analysis tools. (He Marae Tangata / Thriving TEC initiative).	Yet to do
Conduct a programme of learning and development opportunities (including Te Tiriti, te reo and 'unconscious bias' training). (He Marae Tangata / Thriving TEC initiative).	Yet to do

Planned Actions 2024

Monitor hiring manager practice in recruitment processes including appointment salary decisions.

Evaluate He Marae Tangata learning and development programme.

Focus Area: Te Taunoa o te Mahi Pīngore Flexible-work-by-default

Milestones

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

Planned Actions 2022	Progress
Confirm that all employees have equitable access to flexible-by-default working arrangements.	Completed

Planned Actions 2023	Progress
Review remuneration policy, guidance and practice to ensure access to flexible-by-default working arrangements does not undermine career progression or pay.	Yet to do
Amend remuneration policy, guidance and practice where required.	Yet to do
Ensure managers are aware of any amendments.	Yet to do

Planned Actions 2024

Embed any amendments to remuneration policy, guidance and practice.

Monitor adherence to remuneration policy, guidance and practice.

Gender and Ethnic Pay Gap Action Plan Success Criteria

Focus Area	Success Criteria
Te Pono Transparency	› Pay gaps measured by mean and median calculations and published annually. › The Board and employees at all levels are well informed about TEC performance in managing pay gaps. › Pay gaps within sections of analysis are minimised. › TEC's overall pay gap is reduced.
Ngā Hua Tōkeke mō te Utu Equitable pay outcomes	› Robust collection and analysis of starting salaries. › Analysis of starting salaries indicates fair relativity. › Managers have a high level of awareness of the potential for bias in decision-making. › Managers are supported in bias-free recruitment and appointment decision-making. › High level of confidence that starting salaries are not influenced by bias at TEC.
Te whai kanohi i ngā taumata katoa Leadership and representation	› Ethnicity data is held for 95% of employees at TEC. › TEC vacancies are advertised widely in the market. › The Māori and Pacific leadership programme is beneficial for individuals and TEC.
Te Whakawhanaketanga i te Aramahi Effective career and leadership development	› Graduate Programme is beneficial for individuals and TEC. › Career pathways are evident to TEC employees. › Average 'length of service' increases. › Business Shadowing Programme is beneficial for individuals and TEC. › Māori, Pacific and other ethnic groups are better represented in management and leadership roles.
Te whakakore i te katoa o ngā momo whakatoihara, haukume anō hoki Eliminating all forms of bias and discrimination	› Opportunities for bias and discrimination in recruitment and remuneration practices are removed. › High level of confidence that hiring managers are inclusive and fair in decision-making. › High uptake of He Marae Tangata learning and development opportunities. › Cultural competence at TEC is improved. › Representation of Māori and Pacific groups is improved.
Te Taunoa o te Mahi Pīngore Flexible-work-by-default	› Flexible-by-default working arrangements are embedded into culture of TEC. › High level of confidence that flexible working arrangements do not undermine career progression or pay.

Kia Toipoto Gender and Ethnic Pay Gap Action Plan

Tertiary Education Commission
Te Amorangi Mātauranga Matua

Te Kāwanatanga o Aotearoa
New Zealand Government