# Health and Disability Commissioner (HDC) — Pay Gaps Report and Action Plan 2023–2024

#### **Background**

The Public Service is committed to equity, diversity, and inclusion. The three-year goals of Kia Toipoto — the Public Service Pay Gaps Action Plan 2021–24 — are to:

- Make substantial progress toward closing gender, Māori, Pacific, and ethnic pay gaps;
- Accelerate progress for wāhine Māori, Pacific women, and women from ethnic communities; and
- Create fairer workplaces for all, including disabled people and members of rainbow communities.

This report outlines how HDC has sought to address its historical pay gaps, present our current pay status, and describe our action plan to work towards the goals of Kia Toipoto.

#### About us

HDC promotes and protects the rights of all people who use health and disability services.

HDC is an independent Crown entity — independent from government policy, which enables the Office to be an effective and impartial guardian of consumers' rights in the health and disability services sector.

#### Our people

Below is a snapshot of total employees in March 2024:

- 135 employees (122 FTE)
- 83% wāhine (women)
- Our people are 56% European, 18% Asian, 9% Pacific peoples, 7% Māori
- Our Governance Group is 83% wāhine (women)

#### Our data and limitations

The data set used for this report was taken from the April 2023 to March 2024 payroll. It included permanent and fixed-term employees and Deputy Commissioners. We use total remuneration to assess the gender pay gap.

HDC had 24 (17%) tāne (men) employees in March 2024, and the percentage was below the Stats NZ expectation of 20% per population group.\* HDC's pay gap calculation is therefore highly variable in that it is significantly impacted by small changes in the number and positions of male employees.

HDC has the systems and processes in place to ensure that staff who are in the same job band are remunerated fairly and equally. Occupational (vertical) segregation is a much stronger driver of the gender pay gap than systemic or individual HDC staff bias.

\*Information is broken down by groups within the population, for example by age, ethnicity, and gender.

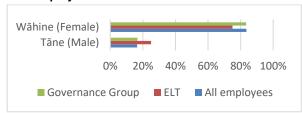
#### Gender pay gap

|                | HDC | <b>Public Service</b> | NZ   |
|----------------|-----|-----------------------|------|
| Average (mean) | 9%  | 7.7%                  | 9.2% |
| Median         | 13% | 6.8%                  | n/a  |

<sup>\*</sup> A negative value means that wahine (women) are earning more than tane (men) on this measure.

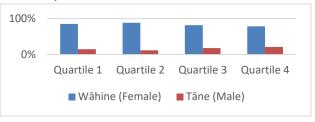
Under the average method, the male average hourly rate is 9% higher than female. As per the median method it is 13% higher. The variation between the two methods is attributed to the much smaller pool of men in HDC's frontline positions. Stats NZ recommends the median method as a better choice, as it is less influenced by high earners.

#### Gender profile



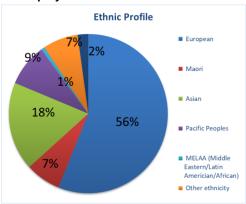
The Governance Group (GG) and Executive Leadership Team (ELT) are overlapping groups where ELT includes all the GG members.

### **Gender representation**



Due to the low number of males employed, the replacement of one male with a woman in a quartile 4 role would have a 4–5% impact on the percentages shown above.

## Ethnic profile



HDC has an 98% ethnicity disclosure rate, and compared to the NZ population is under-represented in the Māori group. All non-European staff numbers/percentages are below Stats NZ's threshold for robust meaningful comparison.

# Kia Toipoto six focus areas:

- 1. Te pono | Transparency
- 2. Ngā hua tōkeke mō te utu | Equitable pay outcomes
- 3. Te whai kanohi i ngā taumata katoa | Leadership and representation
- 4. Te Whakawhanaketanga i te aramahi | Effective career and leadership development
- 5. Te whakakore i te katoa o ngā momo whakatoihara, haukume anō hoki | Eliminating all forms of bias and discrimination
- 6. Te taunoa o te mahi pīngore | Flexible-work-by-default

| HDC's activity                          | Contribution to Kia Toipoto  | Previous work and current status   | Planned actions 2024   | Success factors for 2024 actions   |
|---|------------------------------|--|--|--|
| Increasing pay information transparency | Focus areas 1,<br>2, 4 and 5 | Salary band information is provided to individual staff for their own roles as part of the pay review process.  Team Leaders and Senior Managers have pay information for their relevant divisions.  External applicants are provided with information on request.  HDC's salary band information is updated regularly to reflect market pay.                | Provide staff with across-the-board salary banding information without compromising individuals' privacy and confidentiality.  Publish pay band information on job advertisements.  Review and update salary review guideline for the annual review.                                       | Staff are able to access and understand information relating to their own salary bands and other roles relevant to their career development.  Applicants have sufficient salary information to make informed decisions about applying for roles.  Staff clearly understand the link between their experience and performance and their position in the salary band.  |
| Flexible-work-by-default                | Focus area 6                 | We operate a flexible working policy that treats all roles as flexible unless there is a good business reason not to.  Staff in general appreciate the level of flexibility provided.  Extra IT equipment and support are available to enable remote workers.  A revised flexible working policy has been implemented to streamline flexible working at HDC. | Implement the revised flexible working policy.  Educate the People Leaders to promote fairness and manage performance.  Ongoing review of the practice to ensure productivity as expected and appropriate support as needed.  Implement further software solutions to enhance flexibility. | The revised flexible working policy is implemented to support the staff in their flexible working.  Staff understand the revised flexible working policy and act accordingly.  Staff continue to report positively on the flexibility provided to them.  The flexibility has a positive impact on individual productivity and organisational performance.  Implement SharePoint and a new integrated phone solution. |

| HDC's activity                        | Contribution to Kia Toipoto | Previous work and current status   | Planned actions 2024   | Success factors for 2024 actions  |
|---------------------------------------|-----------------------------|--|--|---|
| Monitoring and reporting              | Focus areas 2<br>and 5      | Annual monitoring gender pay gap issue and reporting across the whole organisation is in place.  An independent check is conducted by the Corporate Services Manager when a hiring manager proposes a new employment offer.  Annual salary review process includes acrossorganisation assessment to ensure pay equity by gender and ethnicity.   | Consider six-monthly reporting.  | Reports are timely and informative and highlight any gender pay gap issues should they arise.   |
| Position descriptions and advertising | Focus areas 2,<br>3, and 5  | Advertising and position descriptions have been updated to include job titles in Te Reo, and Public Service's standard statement to welcome and support people of all gender identities, ages, ethnicities, sexual orientations, disabilities, and religions.  The above measures have been implemented, and a recent addition has been made to include an educational requirement for a relevant qualification in disability. | HR is tasked with creating an action plan to review advertising and position descriptions. This review aims to ensure inclusivity of language, recognition of cultural expertise, utilisation of plain English, and enhanced accessibility from the perspective of disabled individuals. | Advertising and position descriptions meet best practice for inclusive language and are easy to understand.   |
| Remuneration setting                  | Focus areas 1, 2, and 5     | HDC uses an external independent firm to advise the market salary information and evaluate new jobs for market pay information.  Job evaluations are carried out when necessary to ensure they are allocated to the appropriate pay bands.  Salary setting and annual salary reviews follow a standard process.  A remuneration policy has been drafted.   | Implement a remuneration policy outlining how remuneration is set, including criteria for determining starting salaries and salary increases.  Provide further training to managers about the remuneration review process.   | Policy is documented fully.  Training is provided for managers in advance of salary review process to outline how remuneration process and decision-making works.  Consistent compliance with the policy is achieved. |
| Building cultural competence          | Focus area 5                | We welcomed our Kaitohu Mātāmua Māori (Director Māori) in May 2022. He has had a positive impact on our internal culture (weekly karakia) and has initiated hui ā whānau (family meetings) with some of our existing complainants to better identify their needs in the resolution of their complaints.  | Increase activity for cultural competence, diversity, and inclusion.   | Staff have an enhanced awareness of the cultural needs of people from different backgrounds and feel confident to interact with them.   |

| HDC's activity | Contribution to Kia Toipoto | Previous work and current status   | Planned actions 2024 | Success factors for 2024 actions |
|----------------|-----------------------------|--|----------------------|----------------------------------|
|                |                             | Our Kaitohu Mātāmua Māori and the Kaitohu Mātāmua Māori team that was established are continuing to have a positive impact on our internal culture.  A regular waita practice is being promoted.                                       |                      |                                  |
|                |                             | Our Charter values have been celebrated and promoted in April and May.   |                      |                                  |
|                |                             | A variety of relevant cultural and other days/activities are recognised and celebrated by the organisation. Some cultural competence activity, especially regarding health and disability issues, takes place across the organisation. |                      |                                  |
|                |                             | Mihi whakatau has been introduced for all new employees at HDC.  |                      |                                  |
|                |                             | Māori/Pacific peoples cultural induction has been started for all new employees.   |                      |                                  |
|                |                             | Self-initiated activities by employees to celebrate different cultural festivals are being promoted.   |                      |                                  |
|                |                             |  |                      |                                  |