



National Pay and Employment Equity (PaEE) Review Update: January 2008

Background

Pay and employment equity reviews are based on the premise that women and men should have equitable opportunities at work to access rewards, to participate and to be treated with respect and fairness. Any gender difference in the distribution of rewards, participation levels and experiences of respect and fairness should be explainable and justifiable. Areas of concern are the:

- Concentration of women in a narrow range of jobs with lower pay
- Under-representation of women at higher lever positions
- Disparities in earnings (women earn 87% average hourly rate of men)

Following the 2003 PaEE Taskforce report, a PaEE Unit was set up within the Department of Labour. The Pay and Employment Equity Review workbook was developed to assist organisations to identify:

- how gender affects employment,
- the areas that they are already performing well, and
- the areas where there are gender differences that may need further investigation and response.

5 DHBs, Auckland, Taranaki, Mid Central, Hutt Valley and Otago, were selected to carry out an initial review for the public health sector to identify trends in pay and employment equity. Subsequently 16 other DHBs carried out “verification reviews”, with preliminary results from some of the reviews summarised in the November 2007 updates as:

- The average total remuneration between women and men is greater than 5%
- Most part-time workers are women
- Most nurses work part-time
- SMO positions are male dominated
- Admin/clerical profession are female dominated
- The lowest occupations are dominated by women

The District Health Boards engaged in a bipartite process involving all employees and the CTU health sector unions to develop a national PaEE review report and response plan to government by 31 March 2008.

This report comments on the Verification Report and Response Plans (some in draft form) for

- West coast DHB
- Wairarapa DHB
- Waikato DHB

- Bay of Plenty DHB
- Whanganui DHB
- Hawkes Bay DHB
- Counties Manukau DHB
- Northland DHB

Overall comment

The results are inconsistent and not robust as the processes used – data from human resources and payroll systems, staff surveys and focus groups - were flawed, there was a lack of quantitative data to give substance to the qualitative data, survey uptake was as low as <10% in spite of some consistent effort by some DHBs to increase it, and the quality of the analysis and reporting was highly variable. Many of the verifications were qualified, and some DHBs had attempted to probe their initial results more carefully so the summary of findings below is indicative only. However, clearly more investigation is needed into issues concerning hours of work, penal rates and on-call payments which substantially affect base pay rates.

It is clear from the reports that the concept of PaEE has not been fully grasped. To dismiss PaEE inequities, as one DHB did, where part-time employment for females is nearly three times that of males (a consistent finding) and where a quarter of working women as opposed to less than ten percent of men are in casual employment as reflective of “the family friendly of the organisation” neatly demonstrates this lack of understanding. The over-casualisation of one half of the workforce is particularly daunting in view of the fact that it is not uncommon for “casual” nursing staff to have been working full time in the same job for several years without the job security, promotion opportunities, or other benefits of permanent employee status; some DHBs even prevent their casual and part-time staff working for other agencies without permission. Equating such entrenched inequities with enlightened workforce concepts such as “family friendly” and “flexible working hours” as several reports do, fails to recognise either the problem or some useful solutions. Ironically “family friendly” was a phrase consistently used to justify such inequities, yet not one of the DHBs provided any sort of onsite childcare facilities, most saying there was insufficient support for them, or they weren’t required or parents were not prepared to run them! Again such responses beg the question of how well the concept of PaEE is understood.

Similarly, in spite of one DHB’s findings that women are neither participating equally in the workforce nor gaining equal rewards, that they are not taking up senior positions, and are mainly employed in lower paid positions, the startling conclusion is that “Gender is largely not an equity issue”! Analysis which specifically excludes gender-related positions to arrive at “gender equity” e.g. a 30% pay rate difference between men and women can be reduced to a negligible 0.7% by taking out doctors who are mostly highly paid men is simply nonsensical. (That said, there quite a range in disparities between the DHBs with the initial equity gap. The rural DHBs such as West coast and BoP found a larger (~55%) equity gap in favour of men that reduced to ~1.% when doctors were taken out.) *Addressing* inequity in pay rates between male and female dominated professions and ensuring equal participation in and benefits from employment regardless of gender is the purpose of the PaEE review, not explaining away the evidence, such as it was.

There is no legitimate reason for women to be more likely to be in part-time, casual or lower paid work. Childbearing accounts for a small period of time in comparison to the whole of a woman’s working life, yet there is little awareness that time taken off for this purpose guarantees ongoing disparity, substantially reducing women’s career prospects, earnings and ability to plan for retirement. The move towards work/life balance and shared responsibility for childcare is predicated upon the principle of equality: that both men and women have equal access to and responsibility for childcare and can participate equally in the workforce.

Other preconceptions were evident in analyses which perverted what little data there was to introduce extraneous, incomprehensible and unsupported statements as: “And while it is perceived that the immediate management team is more proactive in assisting staff to achieve balance, it is concluded that this would not be able to be achieved should the current operating MECA and/or supporting policies be in place for this to occur.”

Analysis of qualitative data is complex but even simple statistical data has been oddly interpreted at times. For example “The respondents indicated (48%) that it was possible to work part-time and pursue a career” supposedly *verified* the result that “People can work part-time and pursue a career,” yet 48% indicates that less than half those surveyed agreed that was possible. Similarly a high number of part-time workers in Administration /Management was *not verified* even though 34% were identified as part-time and 15% casual. Over one third of the work force in a key area like administration is a significantly high number and some DHBs with similar results did verify that finding – again this highlights the need for consistent reporting.

There were acknowledged problems with some quantitative data, the most important of which is that information was not collected across the DHBs so information on length of service for example, which affects pay rates, were applicable only within a particular DHB so there was no basis for comparison. I am not aware of the synergies or inconsistencies between data systems within each DHB so cannot comment on how much that might influence results, though length of service was the reason most often identified for disparities in male/female salaries, for example where men or women might be overly represented in a higher paid wage bracket. Where services such as cleaning and hospitality are contracted out, it was not always clear whether the people working in these generally lower paid areas were included or excluded in the DHB data. Some data were simply unavailable, for example penal rates in some DHBs.

Though the PaEE survey tool was developed by the PaEE Unit as an organisation-specific tool and though few of the results are entirely consistent across the DHBs, the decision to develop a national report and response plan is entirely sensible and consistent with other national initiatives such as the DHBNZ-led Health Workforce Information Programme (HWIP). Until robust, meaningful and comparable data are collected and benchmarks for consistent reporting and employment processes established, individual organisations will have no idea whether they are equitable employers or not. Equally, if there is no genuine understanding of or commitment to equity then the time, effort and money spend in the ongoing reviews will not deliver the results necessary to ensure a stable, productive workforce which fairly utilises and rewards the skills of both men and women.

Duplication of research and analysis by individual DHBs is unnecessary and may simply lead to the production of more ‘policy’ without effecting any meaningful progress. As one DHB said, it is better to focus on specific and achievable goals. A more satisfactory result is likely to be realised by a small national unit working across all DHBs, liaising with the HWIP and human resources staff to establish the consistent collection of meaningful data, equitable employment processes and ongoing review.

Key areas which need to be addressed and investigated are;

- Data collection – ensuring consistency and that all relevant information is captured quantitatively and a commitment is made to ongoing qualitative work with in-depth interviews, formulation of standard employment protocols etc.;
- low wages and high proportion of part-time workers in administration;
- starting rates – ascertaining where and why discrepancies exist as this is not consistent across DHBs;
- strategies for mitigating ongoing disparities caused by childcare eg Childcare credits were once part of some public service agreements and may be worth looking at; and

- Provision of childcare facilities – this is quite probably an issue for consumers as well.

Summary of Findings of 8 Reports

REWARDS

All staff

The average total remuneration between women and men is greater than 5%

Verified

The differences were less than 5% when doctors are excluded from the data

Not verified

There is a difference greater than 5% on the starting salaries for men and women

Verified

Women are less likely to be available for work that attracts penal rates

Not verified but
inconsistent and missing
data across professions

The lowest paid occupations are dominated by women

Verified

Medical

Female SMO earn less than male SMOs

50/50

Female SMOs start on lower salaries than male SMOs

50/50

Other clinical

There are salary differences greater than 5% between male and female Medical Radiation Technologists, psychologists and social workers

Not verified

Administration/Management

Male senior managers are paid more than female senior managers

Verified

Committee have question if all clerical roles are appropriately valued in comparison with other roles
data

Verified – partial

Cleaners

The collective does not include recognition for extra responsibilities, a meal allowance and penal rates

N/A – contracted

All staff

Rewards for base salary are evenly shared

50/50

Men and women are paid the same rates for similar work

50/50

Overall men and women have the same chances for promotion

Verified

PARTICIPATION**All staff**

| | |
|---|--------------------------------------|
| At least half of the women workers are part-time | Verified |
| Most part-time workers are women | Verified |
| Men take more study leave than women | Not verified- partial data |
| Women are proportionally represented in senior management | Verified |

Nursing

| | |
|--|---------------------|
| There are barriers to promotion for part-time nurses | 50/50 |
| Most nurses work part-time | Verified |
| Senior nursing positions are full-time | Not verified |

Medical

| | |
|---|-----------------|
| SMO positions are male dominated | Verified |
| Male SMOs are more likely to be paid on the higher steps of the salary scale in the collective than female SMOs | Verified |

Administration/management

| | |
|-----------------------------------|-----------------|
| Female dominated profession | Verified |
| High numbers of part-time workers | 50/50 |

All staff

| | |
|---|---|
| People can work part time and pursue a career | Not verified |
| Staff are encouraged to participate in training and development | Verified |
| The DHB is committed to assisting employees to maintain work life balance | Not verified |
| On site childcare facilities meet their needs. | Not applicable – no onsite childcare facilities |

RESPECT AND FAIRNESS**All staff**

| | |
|--|---------------------|
| They are valued as employees | Verified |
| The DHB deals fairly with employment related issues and grievances | Not verified |
| Harassment, discrimination and other inappropriate behaviours are not tolerated | Not verified |
| While the majority of staff indicate there is no issue with work-life balance, those that do indicate issues are more likely to be women | 50/50 |
| Marilyn Head Policy Analyst | |

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