



MINISTRY OF SOCIAL  
DEVELOPMENT  
TE MANATŪ WHAKAHIATO ORA

# Gender and Ethnic Pay Gap Action Plan

2023/24







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# Glossary of Terms

**Table 1** a glossary of terms used throughout this action plan.

<b>ethnic pay gap (EPG)</b>
Ethnic pay gaps are calculated as the difference between the average or median nominal salary for an ethnic group and the average or median nominal salary of all those not in that ethnic group, expressed as a percentage of the average or median nominal salary of those not in the ethnic group.
<b>gender-ethnic pay gap (GEPG)</b>
Gender-ethnic pay gaps are calculated as the difference between the average or median nominal salary for females of an ethnic group (e.g. wāhine Māori) and the average or median nominal salary of all males at MSD, expressed as a percentage of the average or median nominal salary of all males at MSD.
<b>gender pay gap (GPG)</b>
Gender pay gap is calculated as the difference between the average or median nominal salary for females and the average nominal salary of all males at MSD, expressed as a percentage of the average nominal salary of all males at MSD.
<b>occupational segregation</b>
<p>When one demographic group is over, or underrepresented, in a certain job category. In Aotearoa New Zealand, women are more likely to be employed in a narrow range of occupations and at the bottom or middle levels of an organisation. Māori and Pacific women are more concentrated in lower paid occupations than European women or Māori or Pacific men.</p> <p>NZ’s high level of occupational segregation by gender, has a significant impact on women’s pay and lifetime earnings.<sup>1</sup></p>
<b>intersectionality</b>
Intersectionality refers to the interconnected relationship between demographic characteristics (such as gender, ethnicity, sexual orientation, disability, etc.) within an individual or group, and how they interact to create unique experiences of privilege or disadvantage. When someone belongs to multiple non-dominant or marginalised groups, they can face compounded inequities and an experience of disadvantage that’s distinct. <sup>2</sup>
<b>minimum sample size</b>
Where there are less than 20 staff within any comparator group, MSD has considered this too small for statistical comparison, and omitted any gender or ethnic pay gap calculation.
<b>same or similar roles</b>
For the purposes of comparing same or similar roles, MSD has used pay groups and bands.

1 Pay gaps and pay equity - Te Kawa Mataaho Public Service Commission  
2 Intersectionality - Diversity Works New Zealand (diversityworksnz.org.nz)



# Executive Summary

At Te Manatū Whakahiato Ora, Ministry of Social Development (MSD), we are committed to creating an inclusive and diverse environment for our people. One where they feel valued for their contribution, and confident in bringing their best self to work. As an organisation, we benefit greatly from the passion our people bring and the impact they have on our clients' lives around the motu.



Over 70 percent of MSD employees are female, and Māori, Pacific and Asian representation in MSD is higher than across the New Zealand Public Service as a whole. The diversity of our workforce is a real strength when it comes to meeting the needs of our clients, but it does create challenges when it comes to pay gaps as we have higher proportions of women and ethnic minorities in our lower paid roles.

Since 2017, MSD has been committed to closing gender and ethnic pay gaps, this has been through role reviews, living wage adjustments and introducing new pay-and-progression approaches. Despite a slight increase in 2023 we have continued to close the gender and ethnic pay gaps, and increased our representation at different levels, throughout the organisation. There are generally no gender pay gaps within the same or similar roles or across most pay bands. However, there are some areas in senior levels where minor, but relevant, pay gaps between genders or ethnicities undertaking like-for-like work have been identified. These are being addressed by targeted efforts to increase the pay of lower-paid employees through role reviews and the introduction of a new pay and progression framework for Manager and Senior Specialist employees.

In 2023, after year-on-year downward shifts in both our gender, and ethnic pay gaps, we saw a small lift with our gender pay gap from 9.6 percent to 10 percent. In October 2023, after a further pay round adjustment, our gender pay gap dropped back to 9.8 percent. When we started tracking our Ethnic Pay Gaps in 2018 they sat between 8.7% and 17.4%. As of June 2023 they sit between 4.6% and 10.4%. As a large and complex organisation, with over 9,000 employees, we regularly see fluctuations with our pay gap figures. We still have more work to do and we are confident that with the actions we are committing to in this plan, we will continue make sustainable progress in this space.

We are committed to addressing occupational segregation, and in 2022/23 our focus was on the three key areas of Recruitment, Remuneration, and Leadership development and representation. As you will see in this report, MSD has already made significant progress across these focus areas. We will continue to progress existing work in these spaces and we have a busy and varied programme of actions to deliver this year. I am confident all of these will help MSD to build an inclusive workplace free from inequalities, where everyone feels valued, respected, and supported to reach their full potential and bring their best selves to work.

A handwritten signature in black ink, appearing to read 'Nadine Kilmister'.

**Nadine Kilmister**  
**Deputy Chief Executive, People and Capability**



## Papa Pounamu

In 2020, Papa Pounamu determined five priorities for public service agencies. These key focus areas were aimed to support chief executives to focus on enhancing diversity and inclusion, based on mandated requirements within the Public Service Act 2020. Agencies that work to close the gender and ethnic pay gap are not only following the action plan and principles but also aligning with Papa Pounamu priorities and expectations.

Papa Pounamu priority areas:

**Te Urupare i te Mariu | Addressing Bias**

**Te whakawhanaungatanga | Building relationships**

**Te āheinga ā-ahurea | Cultural competence**

**Ngā tūhononga e kōkiritia ana e ngā kaimahi | Employee-led networks**

**Hautūtanga Ngākau Tuwhera | Inclusive leadership**

In addition, this year working with various agencies, Te Kawa Mataaho (the Public Service Commission) has created two four-point action plans that focus on the following communities.

- The first plan will embed opportunities for tāngata whaikaha (people with disabilities) Māori and disabled people in the Public Service (See Appendix 1).
- The second will embed opportunities for Rainbow people in the Public Service, by increasing their visibility and the amount of information about them (See Appendix 2).

## Kia Toipoto 2021/24

In 2021, the Public Service launched the 'Gender and Ethnic Pay Gap (GEPG) framework' called Kia Toipoto. This is the overarching guidance for 2021/24, with key actions for each year.

MSD had already begun reporting and consciously addressing its gender and ethnic pay gaps before Kia Toipoto launched. It will continue to create, improve, and review its processes and next steps, actions, and efforts to close these.

The strategic focus areas take an intersectional approach. This is inclusive of gender, tāngata whaikaha, disabled people and members of Rainbow communities – it recognises intersectionality and the divergence of identities.

Collectively, all the above initiatives seek to create fairer and more equitable workplaces for all.

**Kia Toipoto priority areas:**

Te Pono | Transparency

Ngā hua tōkeke mō te Utu | Equitable pay outcomes

Te whai kanohi i ngā taumata katoa | Leadership and representation

Te whakawhanaketanga i te aramahi | Effective career and leadership development

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

Te taunoa o te mahi pīngore | Flexible work by default



# Our continued commitment at MSD

## Partnerships, themes, and consultation

One of the themes for our 2022/23 action plan, which will continue this year, was to create partnerships between MSD's Māori Partnerships and Programmes teams, Pacific Prosperity teams, employee-led networks, Māori kaimahi (employees) across MSD and key partners in each of the three focus areas.

By working in partnership, MSD has started to create systems and pathways of development that are inherently inclusive and designed with our people in mind – especially where a pay gap exists.

## MSD commitment to te ao Māori

The starting point and initial mission for Te Pae Tata<sup>3</sup> is to embed te ao Māori (a Māori world view) throughout the organisation. Some of our kaimahi are already knowledgeable in te ao Māori and capable of working with Māori in ways that are mana-enhancing. However, we should continue to ensure that all employees have that same capability so whānau, hapū and iwi are confident they will receive the best possible services wherever or however they connect with MSD. This provided the foundation and guidance for addressing the Māori gender and ethnic pay gaps and setting the actions in a Māoridom context.

Over this year we have updated the cohort about the shared work programme with others across the Ministry, new initiatives and wellbeing, leadership, talent management and career development. We've also focussed on what's happening for Māori across MSD and externally.

MSD has supported Toa, a new cohort for Māori kaimahi, which meets monthly. Toa is for Māori by Māori. It is a safe place for Māori kaimahi to share their voice and connect with each other, and a way of communicating important mahi. The cohort has 330 members and is continuously expanding.

By working in partnership over the past year, we have achieved several practical and supportive outcomes. For example we have:

- increased the number of Te Aratitia<sup>4</sup> emerging-leader programmes we deliver each year and provided better feedback options for those people yet to be accepted
- developed a community of practice for Te Aka Matua<sup>5</sup> that supports our current and past participants and their career development
- established a Te Ao Māori Dashboard that shows business groups participation and completion of our learning programmes, and making this available and transparent for all
- supported the growth of Māori employee-led networks.

We also developed a quarterly blog called 'Whakanuia Te Ao Māori'. This was designed to hear about what our people are doing, discover what they think, celebrate their stories, share new ideas and provide easy access to our resources.

<sup>3</sup> MSD's internal Māori Strategy and Action Plan

<sup>4</sup> Te Aratitia is our leadership programme for Māori and Pacific people who aspire to become great leaders within their organisation and /or the wider public sector and provide service to our people, clients, and communities.

<sup>5</sup> The Te Aka Matua programme is a senior leadership programme for Māori and Pacific managers within the Ministry who show potential to lead and manage at a senior management level.



## MSD commitment to Pacific Prosperity

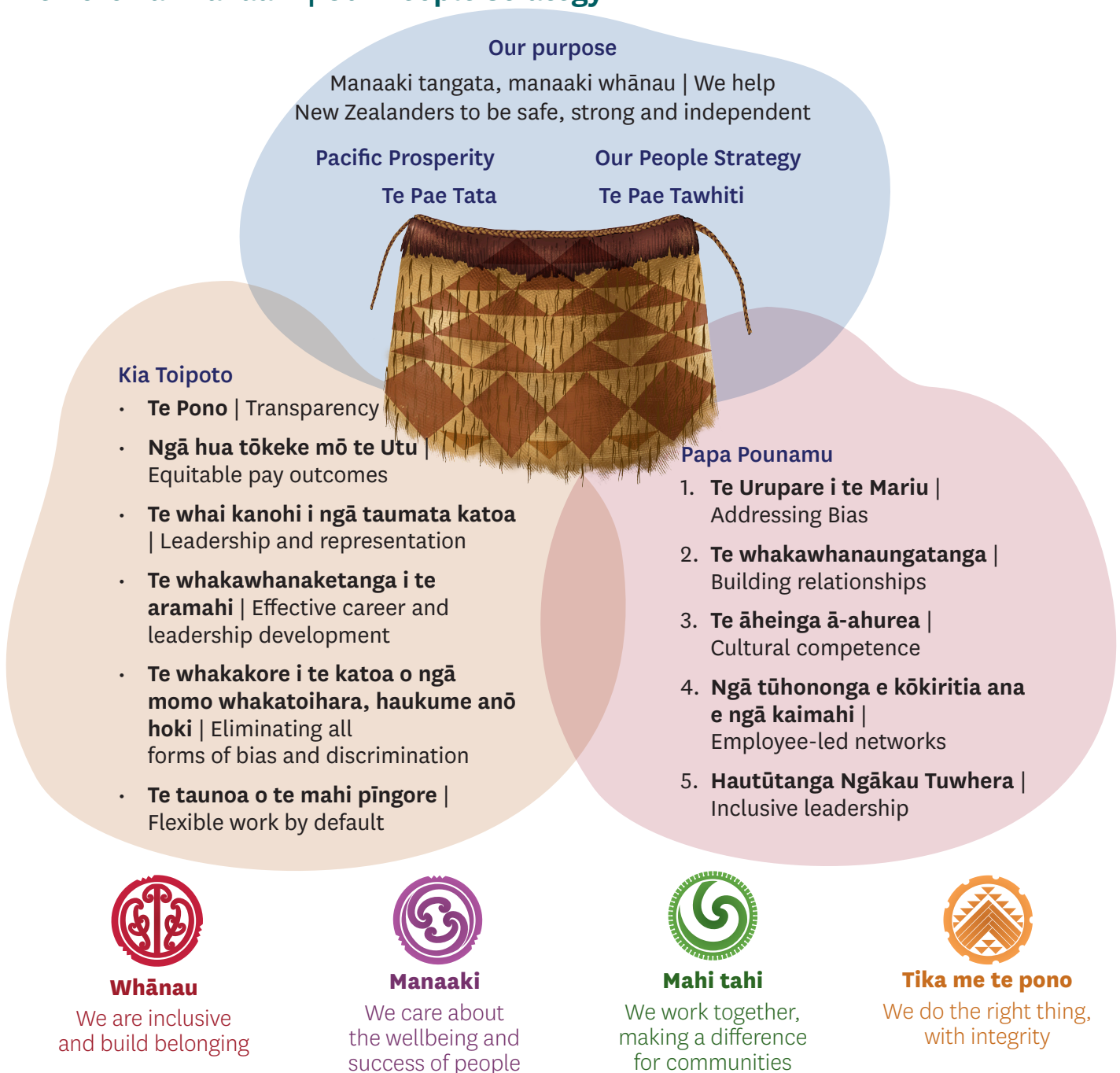
Our Pacific strategy, 'Pacific Prosperity', aims to rejuvenate MSD's delivery and engagement of services for Pacific peoples, families, and communities. We want them to be safe and to thrive and flourish in Aotearoa.

'Pacific Prosperity' is underpinned by the foundational principles of cultural acceptance, leadership, spirituality, family, integrity, love, excellence, and partnership. These principles, along with continued partnership with the Pacific Prosperity and Community Capability Programmes and Pacific peoples, continue to guide this action plan.

Through these commitments we see strong interconnections with 'Papa Pounamu' and 'Kia Toipoto' being woven through key organisational strategies such as 'Te Pae Tata', 'Pacific Prosperity', and 'He Korowai Manaaki' (our People Strategy) in continuing to drive positive outcomes for our people.

MSD's People and Capability Group has also strived to uphold a strong partnership with the internal Pacific and Community Capability Programmes, to keep on uplifting the Pacific peoples at MSD and addressing the drivers for gender and ethnic pay gaps.

## He Korowai Manaaki | Our People Strategy



### **Our purpose**

Manaaki tangata, manaaki whānau | We help New Zealanders to be safe, strong and independent

### **Te Pae Tawhiti**

Mana Manaaki – A positive experience every time

Kotahitanga – Partnering for greater impact

Kia takutū tatou – Supporting long-term social and economic development

### **Te Pae Tata**

Te Rautaki Māori me te Mahere Mahi | Our Māori Strategy and Action Plan

### **Pacific Prosperity**

Our People, Our Solutions, Our Future, Our Pacific Strategy and Action Plan

### **Our People Strategy**

**Client and whānau-centred** We design our work, roles and organisation to deliver for our clients and whānau

**Capability-building** We have the capability to perform to our potential now and in the future

**Leading for performance** Our leaders develop and nurture people and teams to deliver high levels of performance

**Positive experience** Our people have an experience at work that enables them to reach their potential, be included, safe and well



## Developing our 2023/24 plan

A small working group was set up to develop our 2023/24 action plan. The group met with leaders and action owners from our previous action plan to understand progress and the impact of various initiatives, and to assess where we might add further focus.

We engaged with our Diversity and Inclusion Steering Group, our People Experience Steering Group, our extensive employee-led networks (see Appendix 4 for the full list), and the Public Service Association (PSA).

We also conducted a series of nation-wide online drop in sessions available to MSD kaimahi from across the organisation as well as a session specifically for our Pacific kaimahi. We invited people to share their insights on what was working, what might need more focus, and the value of changes they had seen.

From these workshops, we gathered five key themes for areas where we could continue to take positive action:



### Remuneration

Our people would like clarity regarding the process and reasons behind remuneration decisions made for new, existing and seconded kaimahi.

Theme questions: Are our remuneration decisions inclusive and free from all types of unconscious bias and is it visible to all?

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### Development and Mentoring

Our people are eager to develop their careers at MSD and would like transparency and access to developmental opportunities, mentoring, and other experience that recognise their current capabilities, and meets their future needs and career aspirations.

Theme questions: What can we offer that supports our kaimahi to achieve and succeed?

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### Inclusive Policies, Systems and Practices

Our people expect equitable remuneration outcomes through the consistent application of policies, systems and practices, and they are eager to see this commitment realised through comprehensive training and a better understanding of these elements are collectively addressed. This inclusivity applies to wider people practices, including recruitment, development and career.

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### Data and Analysis

Our people have expressed a strong desire for increased transparency regarding the data we regularly gather, particularly in relation to our gender and ethnic pay gaps.

Theme questions: What are the trends? Where are the gaps / opportunities? And how can we better understand the drivers of pay gaps?

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### Supporting our Kaimahi

Our people would like to see a more consistent and inclusive focus for all, including those not easily identifiable from our people data (e.g. rainbow, neurodivergence groups, etc), those with disabilities and all ethnic groups. By increasing engagement, support, visibility and clear information and communications, we can better involve everyone in decisions and interventions that reflect the different experience we all face in the workplace.



# Data Analysis and Framing the Actions for 2023/24





## Who we are

We help New Zealanders to be safe, strong, and independent. We work to provide employment, income support and superannuation services, funding to community-service providers, and student allowances and loans. We work to contribute to the wellbeing of people today and in the future.

Helping people, whānau, families and communities is at the centre of what we do. We have around 9000 kaimahi and a presence in almost every part of New Zealand.

Our work, together with that of our social sector partners, is essential to achieving a sustainable and prosperous future in which all New Zealanders can take responsibility for themselves, be successful in their lives, and participate positively in their communities.



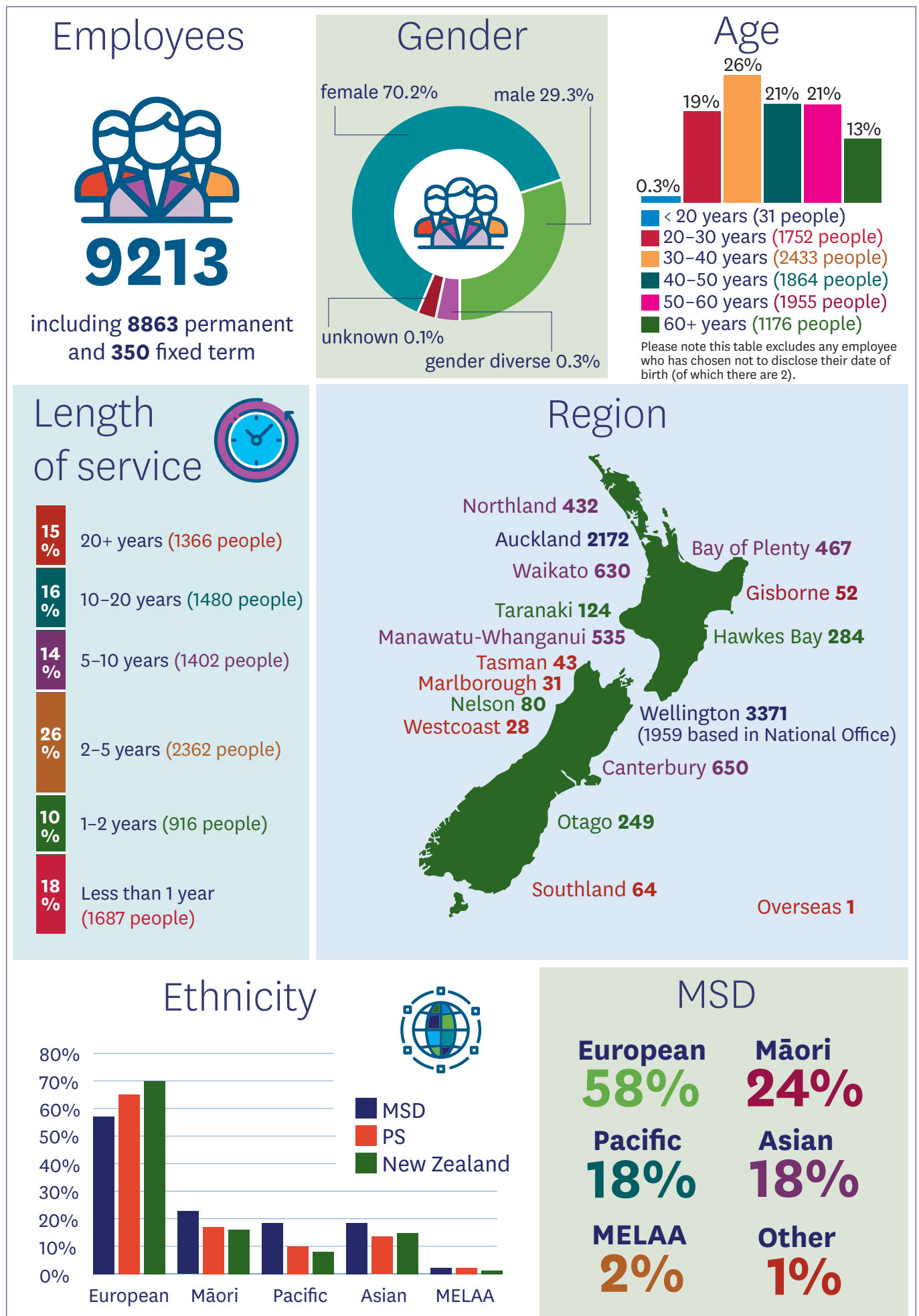


Figure 2. MSD's demographic breakdown, as at 30 June 2023.



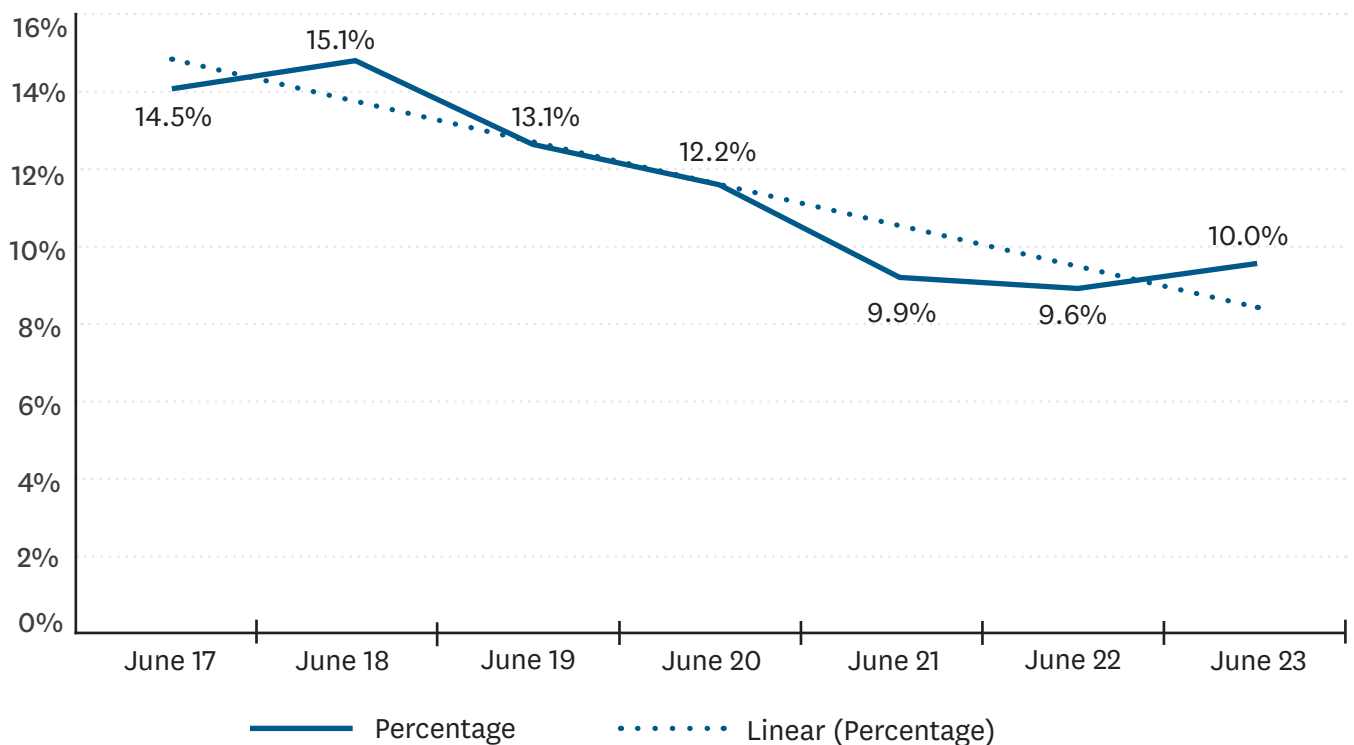
## Our pay gaps

MSD has been formally addressing internal gender pay gap since 2017 and tracking the gender pay gap since 2018.

Since 2018, several things have contributed to the decline in pay gaps, specifically in core roles. These include increasing the pay of lower-paid kaimahi through role reviews, living wage adjustments, and new pay-and-progression approaches. Pay gaps still exist between genders or ethnicities in some areas. We continue to address any gaps as they are identified by undertaking work of comparable value.

**Note:** Gender diversity is covered at a high level in this action plan to ensure that no identifying descriptors are given. While MSD does gather data on our 'gender diverse' or 'another gender' kaimahi, the sample size is below 100, this means the data is statistically inconclusive. As a result, this action plan often refers to gender in a traditionally binary categories of female and male.

**Note:** The plan also does not cover disability, as MSD does not have complete data on kaimahi with disabilities. However, we will continue to address areas where disability and pay may be affected, such as flexible working arrangements. We are also looking at how we collect more comprehensive data on our disabled workforce, to align with the four-point disability plan (see Appendix 3).



**Figure 3.** MSD's gender pay gap trends from 2017 to 2023.

Our overall gender pay gap has reduced since its peak of 15.1 percent in 2018. However, over the past three years it has plateaued and remained steady at between 9.5 percent and 10 percent<sup>6</sup>. Reasons for this include the higher post-COVID turnover leading to a number of new starts in entry-level roles, and a highly competitive market for senior and specialist roles requiring higher starting salaries to secure talent in some cases.

This level of change in the remuneration landscape over the past 18 to 24 months has not been seen for many years. The current state of the job market places a premium price on available talent.

We are mindful of the impact of recent pay adjustments and market drivers, along with the pay gaps-focussed work we continue to do with leaders. As a result, we now shift our focus to more entrenched systemic changes to continue closing the gaps and preventing new gaps.

<sup>6</sup> As at 1 October 2023, our gender pay gap was 9.8 percent

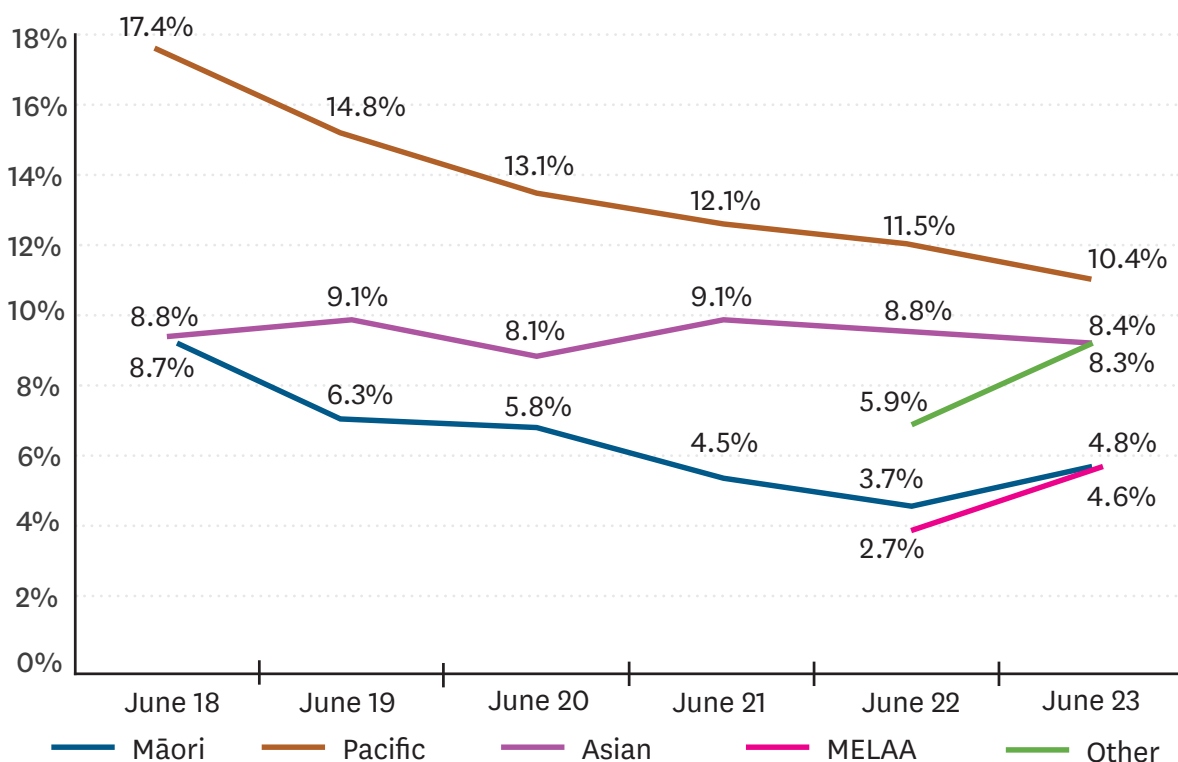
We have also intensified our focus on recruitment strategies and remuneration guidance. This is to ensure that we follow equitable practices in all areas of internal and external recruitment and we set salaries fairly.

## Ethnic pay gaps

The current breakdown of each ethnicity<sup>7</sup> among MSD kaimahi is:

- NZ European 58%
- Māori 24%
- Pacific 18%
- Asian 18%
- Middle Eastern, Latin American and African (MELAA) 2%
- 'Other ethnicity' 1%.

### MSD's ethnic pay gaps over time



**Figure 4.** MSD's ethnic pay gaps 2018 to 2023.

Pay gaps shown in Figure 4 indicate that Māori, Pacific and Asian people continue to be overrepresented in lower-paid roles across MSD and underrepresented in higher-paid roles. These are less pronounced with MELAA and 'other ethnicity kaimahi'. However, we acknowledge that these are much smaller group sizes, which may skew these results.

Figure 4 shows that though the Pacific and Māori pay gaps have been steadily declining, they are still notable. Along with Asian, MELAA and other ethnic pay gaps, the focus on ethnicity is still prudent.

Since 2018, we have made positive progress in the Māori and Pacific pay gaps because of our targeted efforts. However, we need to investigate what specific challenges and barriers our Asian people might be facing that prevent them from progressing into higher-paid roles at MSD.

<sup>7</sup> Standards-of-workforce-data.pdf (publicservice.govt.nz)

We continue to work on developing and supporting talent pipelines across the organisation to reduce occupational segregation for ethnic groups. This includes mentoring, leadership development programmes and employee-led networks. By strengthening partnerships across MSD and with the PSA, we aim to continue supporting the reduction in pay gaps.

## Gender and ethnic pay gaps

Across different gender and ethnic groupings, the average pay has increased significantly since 2019. On average, European males continue to earn more (see Figure 5). By comparison, the salaries of the varied ethnic-gender groups are increasing more on average. This has contributed to the improvement in the gender and ethnic pay gaps.

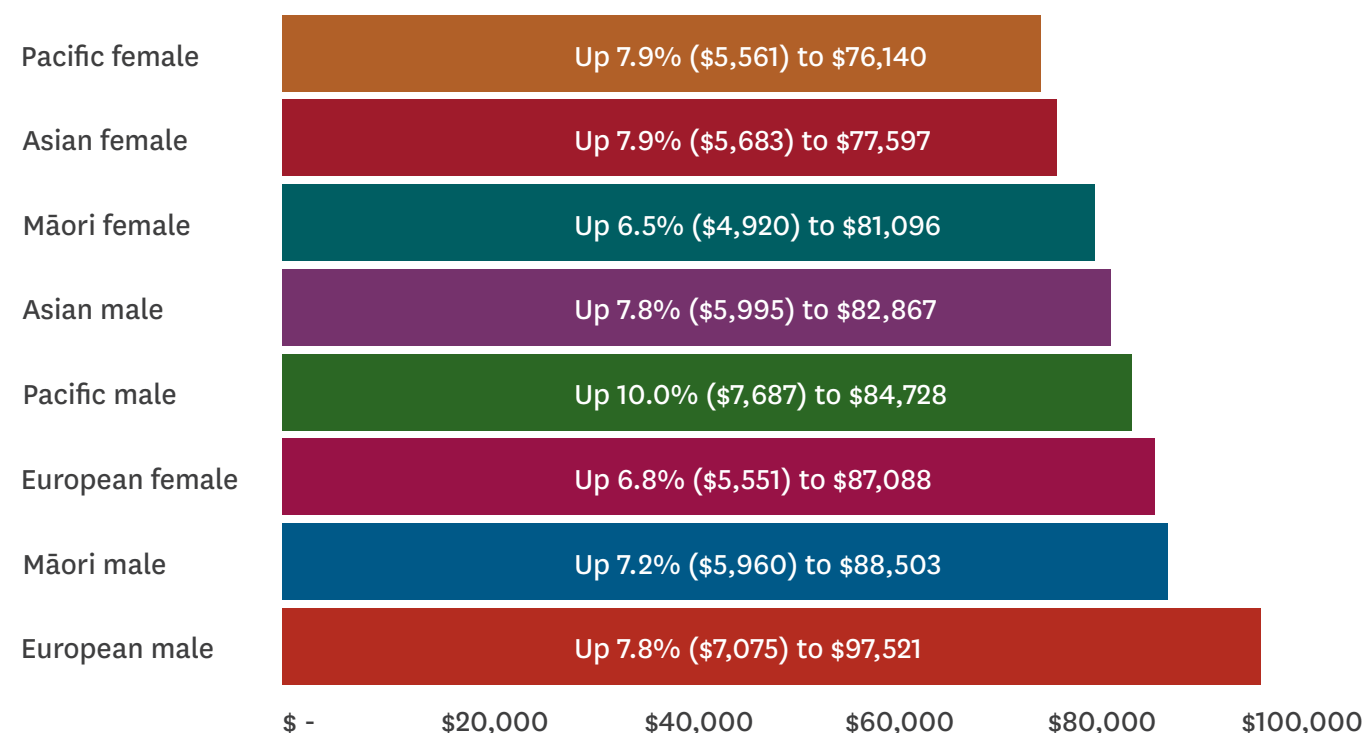
The significant increase in pay across ethnic groups can be attributed to the changes in pay for our people employed in the kaimahi core pay group where most Māori, Pacific, Asian, MELAA and Other ethnicity kaimahi are employed. This includes the public-service pay adjustments implemented in early 2023.

The groups most affected by gender and ethnic pay gaps continue to be our Pacific and Asian females. The number of Asian kaimahi joining MSD over the past three years has risen and continues to do so in lower-paid core roles.

We will continue to emphasise these groups, through partnership with relevant employee-led networks, in line with the focus on remuneration, recruitment, leadership representation and development. As some employee-led networks are more mature than others, they may need greater levels of support to move the experience for our Asian people.

Over the last year we have continued to make good progress on uplifting the salaries of all our kaimahi, as seen in Figure 5 below.

### Average salaries by gender and ethnicity 2023



**Figure 5.** Average salary by gender and ethnicity and annual percentage increase on the previous year.



## Occupational segregation and intersectionality

Occupational segregation is where people of different races and genders within an organisation are unevenly represented in types of job and level of pay. This issue further complicates gender and ethnic pay gaps at MSD.

We tend to see more female kaimahi in our lower-paid core staff roles (often based in the regions and frontline roles). More male kaimahi tend to be in the higher-paid premium, management and senior management roles (often based in Wellington's National Office).

There is a similar trend among our ethnic groups: most Māori, Pacific, Asian, MELAA and 'other ethnic' communities tend to work in lower-paid core roles whereas New Zealand European people are often in higher-paid roles.

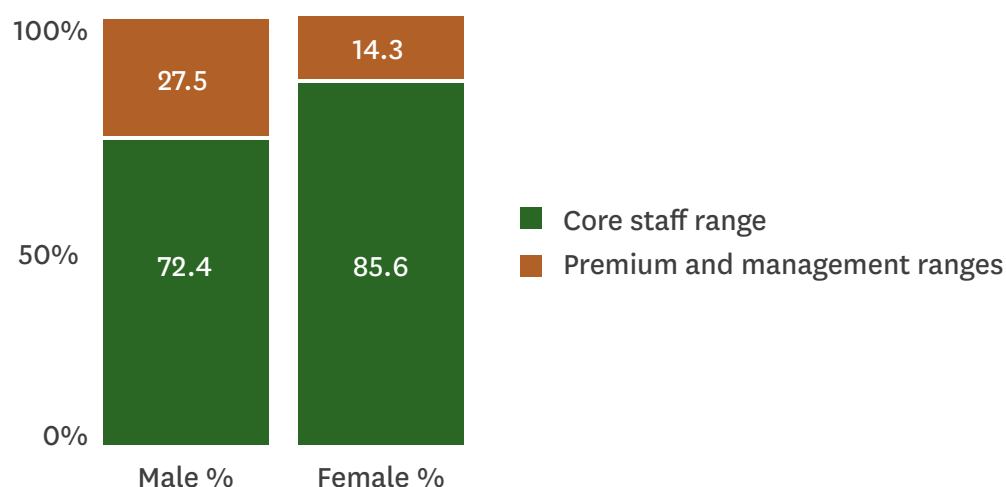
In the MSD context, intersectionality is the term used to describe overlapping and interdependent systems of discrimination or disadvantage occur.

MSD recognises the intersectionality between ethnicity, disability and diverse SOGIESC.<sup>8</sup> Where possible, we will continue to monitor, measure and track these pay categories internally to avoid bias.

**Table 2** Shows the total population of MSD people in each remuneration range.<sup>9</sup>

Remuneration range	Headcount	Percentage of employees
Core	7,526	81.7%
Premium Policy, Forecasting and Costing	56	0.6%
Premium IT	465	5.0%
Managers and Senior Specialists (excluding IT)	962	10.4%
Managers and Senior Specialists IT	76	0.8%
Senior Managers	120	1.3%

## Occupational segregation by gender

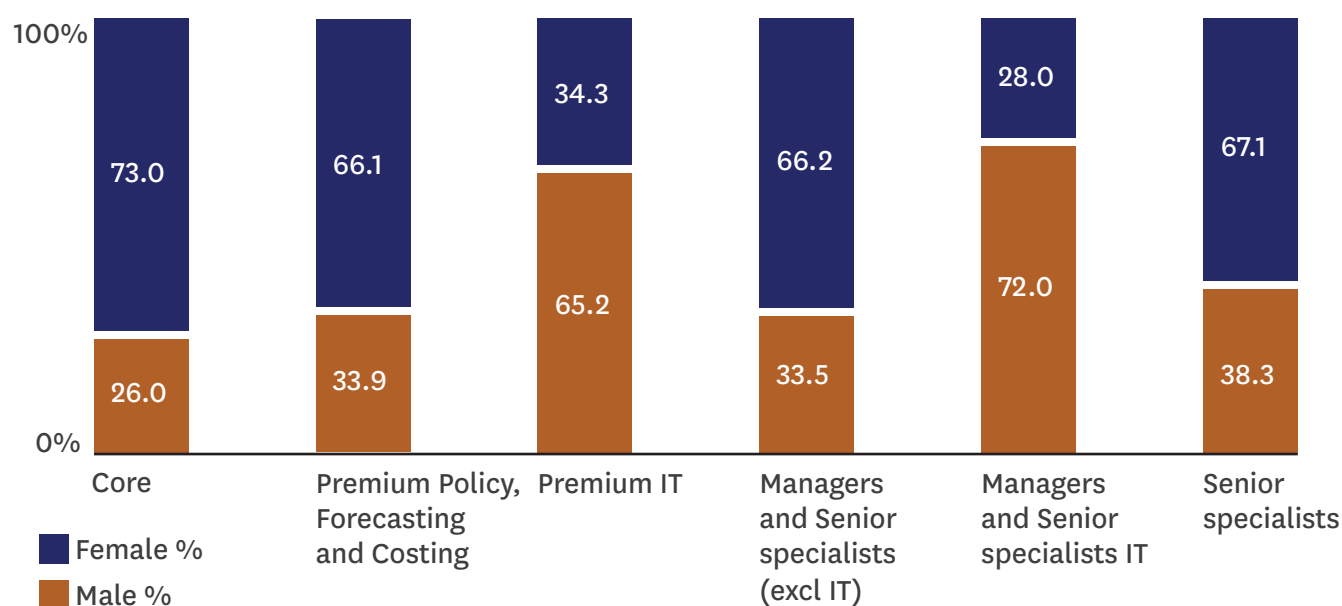


**Figure 6.** Compares the percentage of male and female staff in either the remuneration range for either lower-paid core staff or higher-paid premium, management, and senior management positions.

<sup>8</sup> Sexual orientation, gender identity, gender expression and sex characteristic

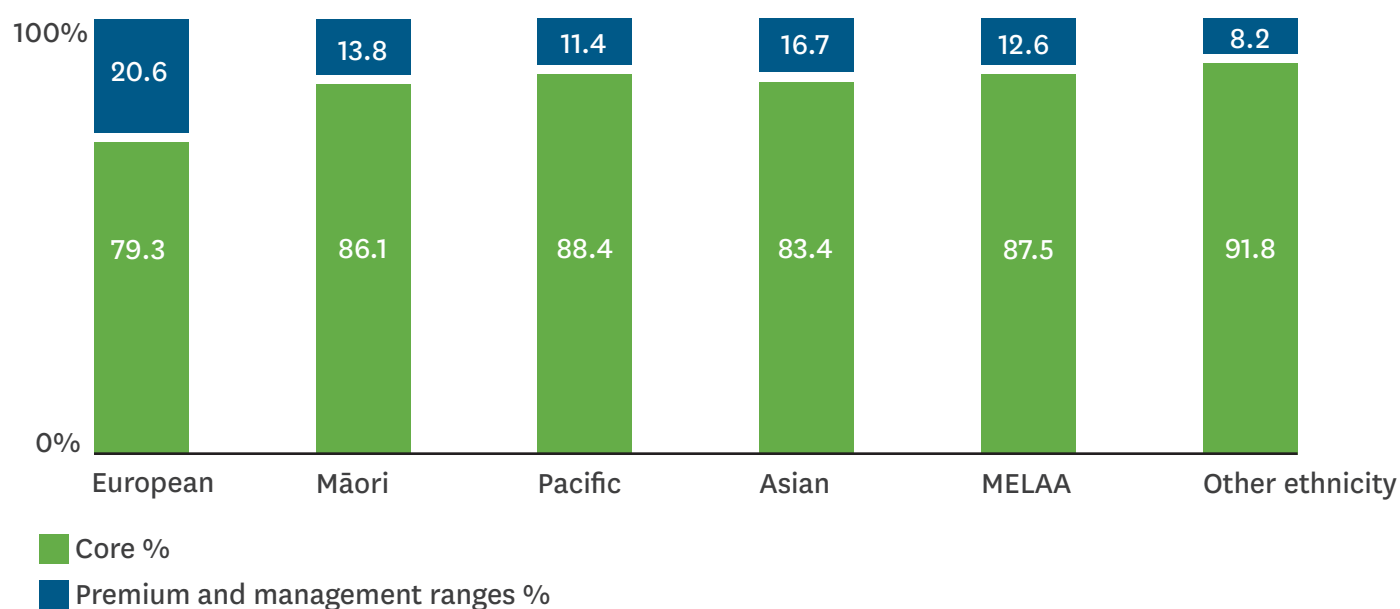
<sup>9</sup> Please note this table excludes any roles that have not been formally sized using the Korn Ferry methodology, of which there are 8

## Occupational segregation broken down by gender and by remuneration ranges



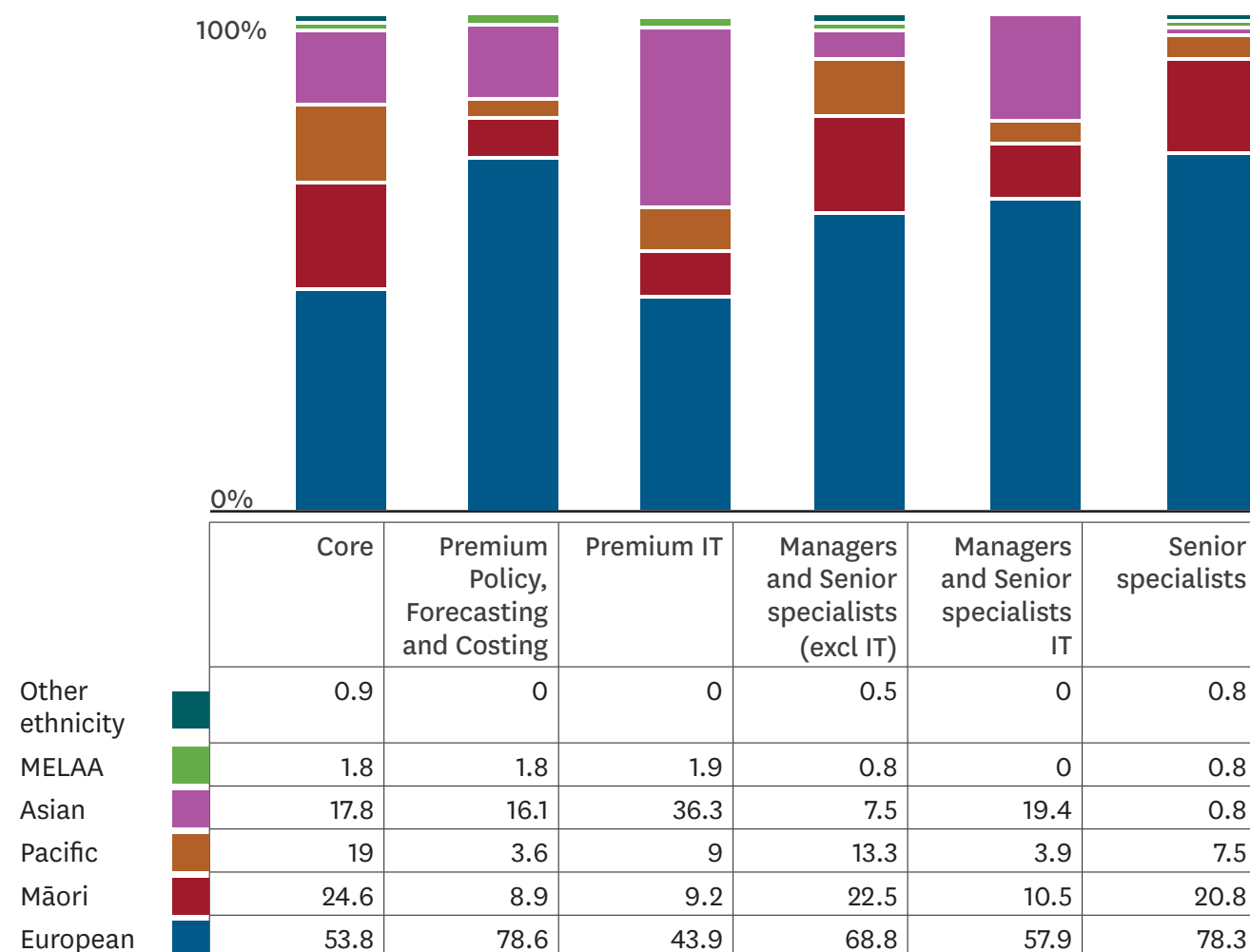
**Figure 7.** Shows the percentage of male and female staff in each of MSD's remuneration ranges as at 30 June 2023.

## Occupational segregation by ethnicity



**Figure 8.** Compares the percentage of different remuneration ranges for ethnic groups in either core roles or higher-paid premium, management, and senior management roles.

## Occupational segregation broken down by ethnicity and remuneration ranges



**Figure 9.** Shows the percentage of different ethnic groups in the various remuneration ranges.

Our analysis highlights occupational segregation and the tendency towards more ethnic people in lower-paid core roles. It also shows that even within the premium and management roles, our ethnic minority groups are sitting at lower levels of pay bands.

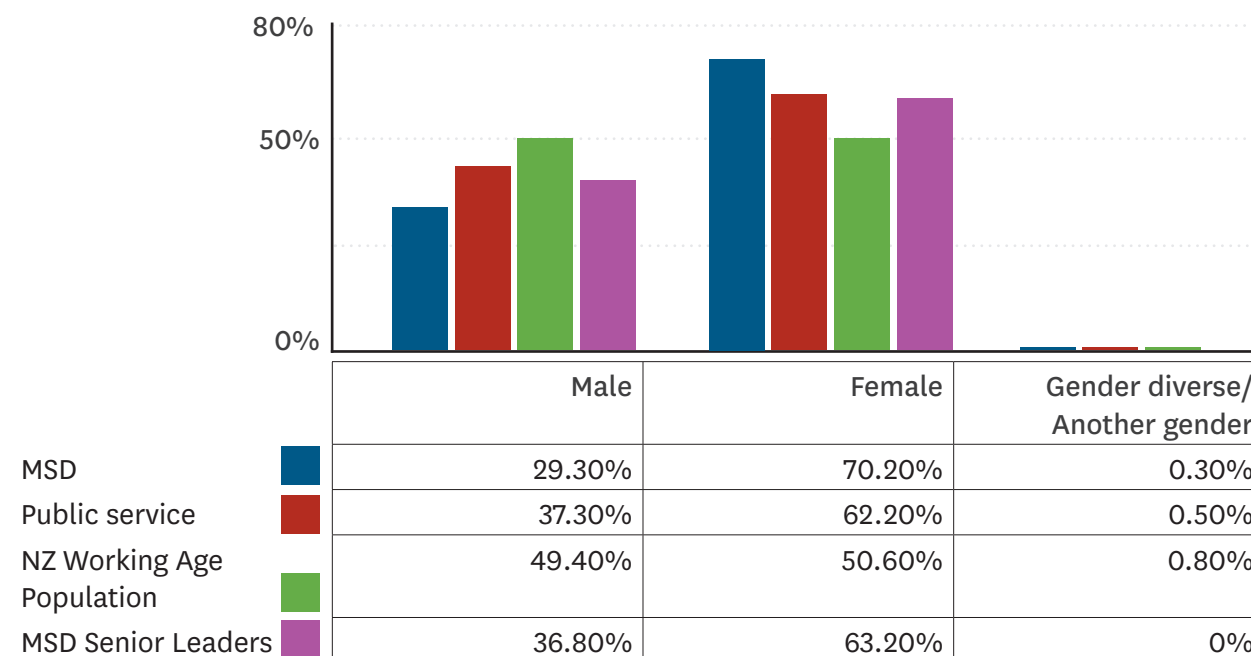
To solve occupational segregation, we need to promote equal opportunities and remove barriers that prevent individuals from entering or advancing in certain occupations. We can do this through policies and initiatives that promote diversity and inclusion, provide equal access to development, challenge stereotypes and eliminate bias in recruitment and hiring practices. The goal is to provide equal opportunities for individuals to follow their chosen career path, regardless of their gender, race, or ethnicity.

Meanwhile, we should continue to focus on talent pipelines, secondment and development opportunities, upward mobility of all gender and ethnic groups, unconscious bias training and skill building, to support development opportunities for all people. Based on the scope of work and MSD's staff numbers, it would take further time for us to see results.

## Representation

### Gender

#### Comparing MSD's gender profile



**Figure 10.** Shows a breakdown of MSD's senior leaders<sup>10</sup> compared with all MSD employees,<sup>11</sup> NZ working age population<sup>12</sup> and the Public Service)<sup>13</sup>

From October 2023, people working at MSD have been able to confidentially self-identify as being part of the Rainbow (SOGIESC diverse) communities. Over time, this data on our Rainbow representation when combined with other demographic information such as age, gender and ethnicity may help us to better understand any potential pay gaps that may be affecting this group. We will also be changing from 'gender diverse' to 'another gender' from October 2023, to align with Statistics New Zealand's recommended language.

At this point there is not enough data on gender-diverse people at MSD to make a statistically significant comment on their positions.

<sup>10</sup> Senior Managers includes those paid in our Senior Management Remuneration Range as at June 2023

<sup>11</sup> Includes all MSD permanent and fixed term staff as at June 2023

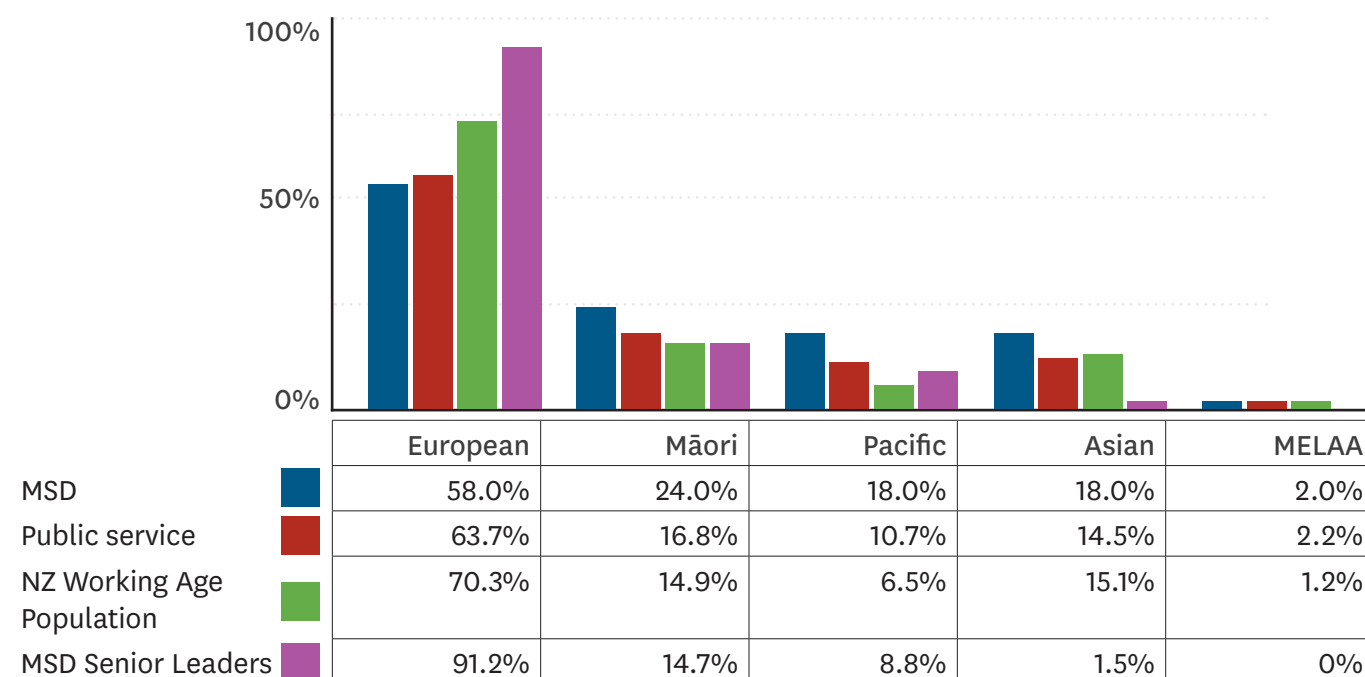
<sup>12</sup> NZ working age population as at June 2023

<sup>13</sup> Te Kawa Mataaho (as at 30 June 2023), Workforce Data – Ethnicity in the Public Service, including Aotearoa's working-age population



## Ethnicity

### Comparing MSD's ethnic profile



**Figure 11.** Shows a breakdown of MSD's senior leaders<sup>14</sup> compared with all MSD's employees,<sup>15</sup> NZ working age population<sup>16</sup> and the Public Service.<sup>17</sup>

At MSD, 95.8 percent of kaimahi have opted to share the ethnicities they identify with. The ethnicity data allows people to self-identify as more than one ethnicity. This means an employee may be included in multiple different ethnicity calculations and ethnicity percentages combined may exceed 100 percent.

'Other ethnicity' refers to those employees who have stated another ethnicity outside of Māori, European, Pacific Peoples, Asian and MELAA (Middle Eastern, Latin American and African).

<sup>14</sup> Senior managers include those paid in our Senior Management Remuneration Range at June 2023

<sup>15</sup> Includes all MSD permanent and fixed-term staff at June 2023

<sup>16</sup> NZ working-age population at June 2023

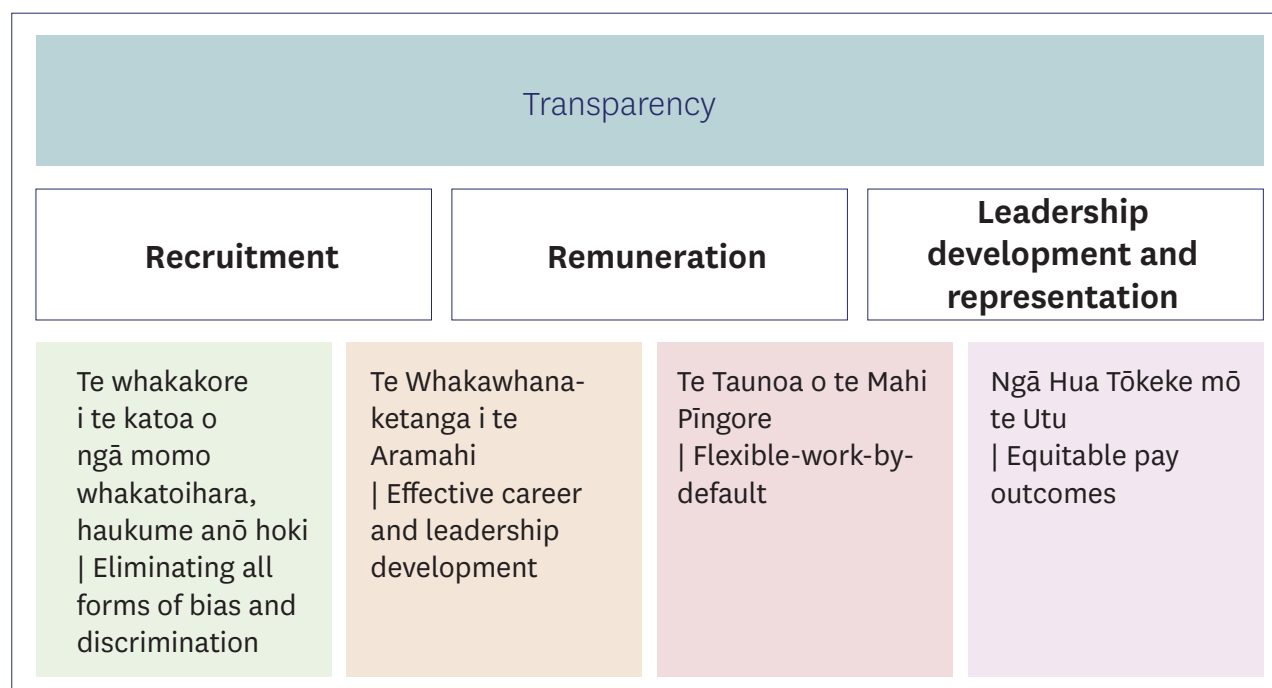
<sup>17</sup> Te Kawa Mataaho (as at 30 June 2023), Workforce Data – Ethnicity in the Public Service, including Aotearoa's working-age population. Workforce Data – Ethnicity in the Public Service – Te Kawa Mataaho Public Service Commission

# Key areas of focus for 2023/24



The six key pou (pillars) from Kia Toipoto remain as our overarching themes.

They also highlight MSD's three key focus areas: **Recruitment, Remuneration, and Leadership Development and Representation.**



**Figure 12.** MSD's continued focus areas for 2023/24

Our focus areas (Figure 12) remain unchanged, as these continue to be critical for capturing the knowledge, passion and commitment for the 2023/24 Gender and Ethnic Pay Gap Action Plan.

We intend to place significant emphasis on Transparency for 2023/24. This will include greater data and insights gathering for measuring how effective our action plan is in meeting our proposed goals. Recent upgrades of MSD's HRIS<sup>18</sup> will assist in enhancing our data collection across the organisation.

<sup>18</sup> Human Resources Information System

# The actions

The following actions aim to address occupational segregation by creating equitable opportunities for all. The actions focus heavily on Māori, Pacific, Asian, MELAA and 'other ethnic' kaimahi, specifically female.

To develop this action plan, we consulted widely at with MSD's kaimahi who are strongly committed to growing MSD's capabilities and opportunities for all people from all backgrounds.

## Te Pono | Transparency

### Kia Toipoto goals 2021/24

- 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.

#### Actions 2022/23

Regularly engage with our Diversity and Inclusion Steering Group.

#### Progress

Continued as a regular monthly meeting for 2023/24.

#### Ongoing

People Experience (PX) team business as usual (BAU).



#### Actions 2022/23

Continue to support the voice of our employee-led networks.

#### Progress

Community of Practice (COP) set u for all employee-lead network leads. The purpose of this regular COP is to allow the opportunity to come together to reflect, connect, ask questions, and share experiences.

#### Ongoing

PX team BAU.



#### Actions 2022/23

The Diversity and Inclusion and the People Experience portfolio leads and advisors connect to gather real-time insights and feedback from our kaimahi.

#### Progress

The Diversity and Inclusion, and the People Experience portfolios have come together under the team name 'People Experience', to emphasise the importance of the overlap of work.

#### Ongoing

PX team BAU.





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### Actions 2022/23

Run workshops addressing bias.

### Progress

A refreshed MSD-wide 'unconscious bias' programme - learning has been rolled out and is available for all kaimahi.

### Ongoing

PX team BAU.



---

### Actions 2022/23

Maintain regular internal blogs to keep employees up to date with our work on fostering an inclusive workplace.

### Progress

Blog pieces posted every month - this will continue into 2023/24.

### Ongoing

PX team BAU.



---

### Actions 2022/23

Regularly monitor and report on our progress towards reducing gender and ethnic pay gaps and addressing the drivers.

### Progress

Completed by PX team throughout the year.

### Ongoing

PX team will establish quarterly drop-in sessions to provide updates on pay gaps and associated actions for all kaimahi.



---

### Actions 2022/23

Build on our people's capability and raise awareness about bias that leads to pay gaps.

### Progress

This has been built into Recruitment team's general work programme, with Human Resources Business Partners and Recruitment Partners –providing real-time education and coaching for people leaders.

### Ongoing

Policy and procedures are being updated to detail the order of activities.

Develop bite-sized, just-in-time learning for leaders to build on knowledge, understanding and interpretation of starting salary guidelines and other remuneration matters that might contribute to pay gaps.

Ensure learning is easily accessible and evidence-based.





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### Actions 2022/23

Work with our data team to explore our model forecasting options for next two months, to drive our key focus areas for next action plan.

### Progress

This is a long-term action that is continuously worked on and actioned between the internal teams at MSD.

### Ongoing

Commit to work more intensively with Data team, to understand actionable insights, make informed decisions and provide evidence-based outcomes.

---

### New actions for 2023/2024

- Create regular and ongoing mechanisms to gather real-time insights and feedback from our people
- Build on our people leaders' capability and raise awareness about bias that leads to pay gaps
- Employee Experience portfolio now working towards more engrained organisational culture changes
- Develop a People Experience Team communications and engagement plan to establish quarterly drop-in sessions for all staff to provide updates on pay gaps and actions
- Develop dashboards that surface trends for gender and ethnicity regarding remuneration, recruitment, leadership representation and occupational segregation

## Ngā hua tōkeke mō te utu | Equitable pay outcomes

### Kia Toipoto goals 2021/24

- 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 that gender and ethnic pay gaps do not reopen.
- Pay equity processes are used to address claims and reduce the impact of occupational segregation.

### Actions 2022/23

Review how we support people leaders to make decisions on starting salaries.

### Progress

MSD created a starting salary guidance in 2021, which underwent an extensive review in 2022. This Starting Salary guidance has been finalised and is being engaged with across MSD.

### Ongoing

We are now reviewing an implementation plan in partnership with the Recruitment team that will ensure a uniformed roll-out across MSD.



### Actions 2022/23

Ensure recruitment partners are part of the salary offer process.

### Progress

This is under way throughout the organisation.

### Ongoing

A continued effort –will carry through into 2023/24.



### Actions 2022/23

Continue to monitor and review progress toward reducing our gender and ethnic pay gaps and addressing the drivers.

### Progress

An audit of salaries for our people in roles up to Senior Manager level is under way to provide a benchmark for the future.

### Ongoing

The outcome of the salaries audit will be implemented in 2024, providing a benchmark to minimise bias in salary decisions.



---

### Actions 2022/23

Review the Starting Salary Guidance, Higher Duties Allowance Guidance and Special Duties Allowance Guidance to strengthen our ability to measure and address any gaps in both salaries and allowances.

#### Progress

The guidance for Starting Salaries has been approved and the focus has been shifted toward Higher Duties and Special Duties allowances which are still under review.

#### Ongoing

These policies will be implemented in 2023/24. Each remuneration policy and procedure is with the Public Service Association (PSA) (union) for endorsement. Once endorsed these will then require final senior management approval for implementation.



---

### Actions 2022/23

Implement the policy for translating job sizing outcomes to a different band/salary range level.

#### Progress

Completed and effective from 1 July 2023.

#### Ongoing

This new policy ensures our people are treated fairly and equitably when their role is resized.



---

### Actions 2022/23

Continue work on developing and implementing a fit-for-purpose Manager and Senior Specialist (MSS) Pay and Progression Framework.

#### Progress

MSS moved to a step pay-and-progression framework in July of 2023.

#### Ongoing

Ratified in the MSS Collective Employment Agreement (effective 1 December 22) on 28 April 2023. Since implemented, with all eligible MSS employees now transitioned to a step progression framework. This project was completed in May 2023.



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### Actions 2022/23

Continue to work with Te Kawa Mataaho and PSA to support the pay-equity claim process for two current claims. We will review and assess the impacts of the outcomes for these two claims.

#### Progress

MSD has a continued partnership with Te Kawa Mataaho and the PSA to progress this work.

#### Ongoing

This is a long-term goal for MSD and is still underway.







---

### Actions 2022/23

Conduct a GPG/EPG audit of MSS salaries as part of building and implementing the MSS Pay and Progression Review Project.

### Progress

The MSS salaries audit now included in a wider audit of salaries up to senior manager level.

### Ongoing

The outcome of salaries audits for our people in roles up to senior manager level to be considered in 2024. Will provide a benchmark to ensure all future salary decisions are free from bias.

---

### New actions for 2023/2024

- Implement starting salary policy and guidelines
- Continue to include recruitment partners in the salary offer process
- Implement decisions related to salary audit outcomes
- Rollout of finalised remuneration policies and procedures

## Te whai kanohi i ngā taumata katoa | Leadership and representation

### Kia Toipoto goals 2021/24

- By the end of 2022, agencies/entities have plans and targets to improve gender and ethnic representation in their workforce and leadership.
- By the end of 2024, the Public Service workforce and leadership are much more representative of society.

#### Actions 2022/23

Recruitment Partners to support interpretation of pay guidance for people leaders.

#### Progress

Recruitment Partners are involved in more salary conversations than last year and can help decision-makers set appropriate starting salaries of new kaimahi.

#### Ongoing

Real-time education and coaching of people leaders by Recruitment Partners is integral to the gap and continuing efforts to close it.



#### Actions 2022/23

Get managers familiar with recruitment policy and cultural and financial benefits.

#### Progress

Recruitment Partners and Human Resource Business Partners (HRBPs) have worked directly with people leaders to grow knowledge, understanding and application of recruitment policies.

#### Ongoing

Focus from HRBPs, Recruitment Partners, HR (human resource) Operations and the People Experience team will lift policy education and understanding through regular engagement and training.



#### Actions 2022/23

Grow the te ao Māori capability of our Recruitment Partners.

#### Progress

Principal Capability Advisor Māori has run workshops for our recruitment team throughout 2022/23.

#### Ongoing

These are being incorporated into our recruitment teams' Te Ara Piki (development plans).



#### Actions 2022/23

Promote benefits of MSD to recruits in a consolidated view in our Employee Value Proposition (EVP).

#### Progress

Extensive employee engagement conducted to understand our EVP.

#### Ongoing

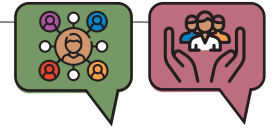
This year we will implement a refreshed EVP (including our visual identity and attraction strategies).



---

### Actions 2022/23

Survey new starters to learn about what worked well and what could be improved in the recruitment processes to ensure we have inclusive practices.



### Progress

Reintroduced recruitment and onboarding surveys.

### Ongoing

Continue to survey our new starters to learn more about what is working throughout the recruitment process.

---

### Actions 2022/23

Create opportunities and find solutions that help us overcome vertical occupational segregations.



### Progress

We have continued investing in our People Experience and Leadership Development teams throughout 2022/23, to support development in coaching, mentoring, talent-mapping and succession-planning.

### Ongoing

Talent-mapping and succession-planning. Create bite-sized learning and regular webinars, to educate leaders on policies, guidelines and emerging trends to support closing our pay gaps.

---

### Actions 2022/23

Establish an MSD 'Career Board' and Talent Pools' to identify and develop talent among Māori and Pacific employees.



### Progress

The People Group is designing a talent pilot to create more supports for Māori and Pacific staff and leaders at all levels. Designed to enhance diversity of our leaders and provide targeted development and opportunities based on aspirations, talent, and business need.

### Ongoing

An early view of the talent pilot being tested with Māori, Communities and Partnership team at National Office.

---

### Actions 2022/23

As a part of the recruitment process, provide information about other internal opportunities to unsuccessful interviewees who would make a suitable fit elsewhere in MSD



### Progress

This work is being encouraged by Recruitment Partners. We have seen it have a positive impact in some parts of MSD where managers share talent with other leaders in their group.

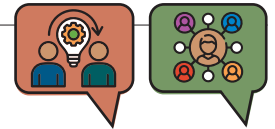
### Ongoing

MyHR (myHR is the system MSD use for managing employee information) has the capability to host 'Talent pools' of candidates with certain skillsets. We are trialling this with Te Pae Tawhiti and will look to extend to other parts of the business where appropriate.

---

### Actions 2022/23

Review and implement workshops created for our Recruitment Partners to facilitate.



#### Progress

This work is continuing and currently in progress.

#### Ongoing

We are taking a continuous improvement approach with the workshop materials and tailoring them to meet the needs of specific groups.

---

### Actions 2022/23

Continue to pilot alternative recruitment practices that trial different approaches, such as video screening and assessment centres.



#### Progress

Various initiatives are under way to test different recruitment approaches, reflecting cultural, ethnic and regional focus.

#### Ongoing

Identify best practice from various tests and pilots. Create communities of practice and learning communities for sharing what has worked.

---

### New actions for 2023/2024

- Develop a campaign calendar for regular leader engagement, sharing employee insights from new hire surveys and emerging trends through HR Operations
- Develop bite-sized learning and monthly webinars for leaders to educate on the treatment and application of recruitment, salary and employee policies and guidelines
- Review hiring manager information, ensuring it is accessible, current, and clear on hiring procedures – including expectations for feedback to unsuccessful internal applicants
- Implement a refreshed EVP, visual identity, and attraction strategy
- Develop and implement coaching in CV writing and interview technique for kaimahi, starting with our employee-led networks and gradually rolling out to all kaimahi
- Identify best practice from various recruitment tests and pilots and create communities of practice and learning communities for sharing what has worked
- Investigate MyHR capability to host talent pools of internal and external candidates with certain skillsets and collect learnings from Te Pae Tawhiti trial to identify next steps
- Investigate skills-based recruitment as we progress into transformation
- Embed regular talent-mapping and calibration activities across MSD, providing multiple eyes across talent assessments and investment and helping to reduce bias



## Whakawhanaketanga i te aramahi | Effective career, leadership, and development

### Kia Toipoto goals 2021/24

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

#### Actions 2022/23

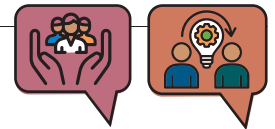
Implement opportunities for Māori Employee-led networks to offer cross-network mentoring and share experience across the country.

#### Progress

This has been successfully completed.

#### Ongoing

We will continue to build on the success of this initiative.



#### Actions 2022/23

Continue to encourage employee-led networks, regions and workstreams to engage with mentoring programmes.

#### Progress

We currently have a total of 254 staff in our mentoring programme, made up of 122 mentors and 132 mentees.

MSD has shared our programme design and training across the Public Service. Other ministries and agencies are beginning to work more with their Employee-led networks as a way of targeting support and development to specific communities.

#### Ongoing

Continue to enhance our work in this area, whilst also learning from other organisations.



#### Actions 2022/23

Create a roadmap for developmental secondments.

#### Progress

Guidance material, resources and a community of practice has been implemented for staff on secondment.

#### Ongoing

Continue to support the community of practice for ongoing learning.

Create a plan for regular mechanisms of sharing best-practice and success stories. Make guidance and resources more visible and utilised.



---

### Actions 2022/23

Make our social learning platforms, including communities of practice, easier to use for supporting people to learn from each other.



#### Progress

Social learning is now a core component of our leadership development offerings. We run several communities for our leaders.

#### Ongoing

Continue running communities of practice for leaders and implement reflection groups to support learners going through the MSD Leading People Programme.

Provide shared learning and discussion opportunities to senior leaders who face similar challenges.

---

### Actions 2022/23

Strengthen our development planning conversations across MSD through the ongoing implementation of Te ara piki (MSD's capability development pathway) and a new capability and development approach for managers and senior specialists.



#### Progress

Development plans were expanded across MSD on 1 July.

Implementation efforts are ongoing, and we are partnering with the wider HR team to establish a rhythm of leadership conversations across MSD over the next 18 months.

#### Ongoing

This is ongoing and includes the implementation of our People Capability Framework into our HRIS, enabling Te Ara Piki our Development Planning to be incorporated into the platform linking learning and career pathways in future.

---

### Actions 2022/23

Increase visibility of different career pathways on our new intranet pages.



#### Progress

A new intranet page for Leadership Development has gone live.

#### Ongoing

MSD is implementing a People Capability Framework, and our 'Leading at MSD' narrative will continue to build in this space.

---

### Actions 2022/23

Articulate 'what good looks like' at MSD for leadership and connect our people to development opportunities that support the required capabilities.



#### Progress

Te ara piki updated to include values-based leadership and incorporated into individual development plans.

#### Ongoing

Leading at MSD Waka Hourua narrative is in the final approval stages. Work to articulate the leadership capabilities required will begin in new year.

---

### Actions 2022/23

Develop a pipeline that will increase diversity across our tiers of leadership, through specific interventions and supports that will grow people from within the organisation to move vertically and horizontally within MSD.

### Progress

Recent talent-and-succession conversations at senior leadership level, to test the process and methodology of talent mobility and development planning.

### Ongoing

Regular mechanisms introduced for leadership team conversations regarding talent-and-succession planning for key management and senior management roles.



---

### Actions 2022/23

Increase development opportunities for our aspiring Māori and Pacific leaders.

### Progress

Doubled the number of placements available on Te Aratiatia (for Māori and Pacific aspiring leaders) by running two rōpū (cohorts).

The programme enhanced the Māori and Pacific delivery elements and included a Māori view of leadership (Wayfinding).

Established 'Toa' - a group which is for 'Māori by Māori'. It is a safe place for Māori kaimahi to share their voice and connect with each other, a meeting place for Māori and a means of communicating important Māori mahi to staff.

Shared through Toa, internal development opportunities.

Best practice and learnings shared with various rōpū (cohorts), including steering groups, employee-led networks, Nga Kaitūhono and regional Māori hui.

Established new cohort for Te Aka Matua (programme for Māori and Pacific managers within MSD who show potential to lead and manage at a senior management level) 2023.

Our Māori Capability team have also worked with the Recruitment team to embed more te ao Māori into recruitment process and practice.

### Ongoing

A Te Aratiatia alumni and governance board has been established and will provide ongoing support for continuous improvement.

Implemented a monthly community of practice for Te Aka Matua participants and graduates that will continue into 2023/2024.

Ongoing work will continue in most of the progress areas.





### Actions 2022/23

Launch a Māori cultural capability blog.

#### Progress

Completed and now running successfully.

#### Ongoing

We will continue to publish regular blog pieces.

### Actions 2022/23

Develop a virtual marae experience.

#### Progress

Completed and now running successfully.

#### Ongoing

This is now available internally and we will continue to showcase this work across MSD.

### Actions 2022/23

The Māori Capability team partnered with Māori, Communities and Partnerships (MCP), our internal business group on the Mahere Reo (Māori language plan) implementation plan.

#### Progress

Māori, Community and Partnerships (internal business group) lead the Mahere Reo implementation plan with support from Organisational Development and Learning team.

This work has begun, and further work will be done as and when resources become available.

#### Ongoing

### Actions 2022/23

Review guidance on career breaks and leave to determine what is possible within our current reporting abilities, and plan to operationalise it.

#### Progress

This review has been completed.

#### Ongoing

Will be implemented through into 2023/24.





### Actions 2022/23

Create visibility on career pathways for a range of staff, from customer service representatives (CSR) to case managers.

#### Progress

CSR to case manager pathways pilot completed.

#### Ongoing

Promote pilot case study across the regions. Seek opportunities to implement more broadly and test further.

### New actions for 2023/24

- Create further leadership engagement across MSD, aimed at encouraging regular development and talent conversations, better coaching practices, and taking advantage of the natural opportunities that arise within current rhythms
- Implement governance training for employee-led network leads
- Partner with the pan-Asian employee-led network to understand their experience and how to support successful transitions into leadership roles.
- Conduct deep dive into recruitment and development data to identify themes and trends for career development across Māori, Pacific and pan-Asian staff
- Leverage off the success in our communities of practice and social learning for leaders and investigate other learning communities that might strengthen our transformational activities
- Implement reflection groups to support learners in the MSD Leading People Programme
- Begin design work for implementing the People Capability Framework into HRIS
- Guide staff on career breaks and leave, along with reporting that supports the business to operationalise



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

### Kia Toipoto goals 2021/24

- 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.

### Actions 2022/23

Create a toolkit for reviewing policies to standardise the process of creating and reviewing all internal policies to support our bias toolkit.



### Progress

MSD policies reviewed to incorporate diversity and inclusion lens as well as embedding te ao Māori throughout.

### Ongoing

Continue to standardise the way we review our HR policy and guidelines, to ensure we remain inclusive.

### Actions 2022/23

Make roles more accessible and remove barriers for people who want to apply for roles, ensuring we attract more diverse applicants.



### Progress

EVP workshops conducted to understand what attracts people to MSD and why they stay.

Increased social media engagement of employee stories to broaden brand appeal – these have proven successful.

### Ongoing

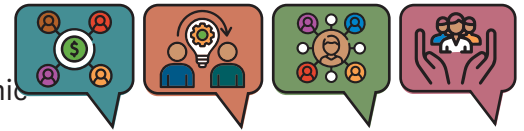
Continue work on EVP, visual identity and attraction strategies.

Once visual identity concepts agreed on, developed and delivered, test effectiveness of new attraction strategies.

Continue to remove bias from recruitment advertising and selection process.

### Actions 2022/23

Review the way we support our people leaders to reinforce gender and ethnic pay gap messaging, focussing on Māori and Pacific/ethnic communities' cultural norms around salary negotiations.



#### Progress

Māori Pacific Development Board pilot has been conducted to identify future talent pools and application of model.

Education on cultural norms and salary negotiations are happening in real time with people leaders, supported by HRBPs and Recruitment Partners.

#### Ongoing

Next steps action plan for timing of broader implementation for Māori/Pacific Development Board and talent pools.

Leader education and awareness of cultural norms and salary negotiations ongoing.

---

### Actions 2022/23

Build on the cultural competency and inclusive leadership practices of all our people leaders as a part of our diversity and inclusion work programmes guided by Te Whakataunga, Te Kaitiaki, and Te Kaitiaki.



#### Progress

MSD unconscious bias modules were reviewed, refreshed and launched across the motu. This included information on intersectionality to create foundational awareness of this topic.

#### Ongoing

Training is under way across the organisation, continue to strength our Unconscious Bias training, we have developed and launched a Rainbow training programme.

Develop educational awareness materials on neurodiversity.

---

### New actions for 2023/2024

- Test new-employees brand campaign to assess broader cultural appeal
- Conduct data deep dive on recruitment and selection processes to identify themes and trends that will guide and inform areas for remediation
- Establish working group to align cultural competency frameworks with People Capability Framework
- Develop and launch Rainbow training programme
- Develop educational awareness materials on neurodiversity
- Support the establishment of a neurodiversity employee-led networks
- Develop property and facilities design principles that support accessible and inclusive workplaces for all

## Te taunoa o te mahi pīngore | Flexible working by default

### Kia Toipoto goals 2021–24

- 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.

#### Actions 2022/23

Connect with what other organisations are doing in the hybrid working space to ensure that our practices are up to date and meet the changing needs of our people.

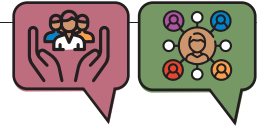
#### Progress

In late 2022, we gained guidance from other organisations and generated a paper to set the direction of next steps for MSD. In early 2023, the Hybrid Working Group was set up.

#### Ongoing

The Hybrid working group is ongoing and further education of policy is needed.

In the people leaders' space, we are developing support for kaimahi in areas such as where and how we work, hybrid working and flexible-by-default.



#### Actions 2022/23

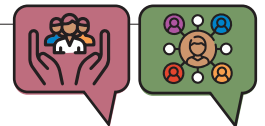
Ensure that flexible working by default is reflected in our EVP.

#### Progress

We have reflected this in the work on our EVP.

#### Ongoing

Continue to test the effectiveness of flexible-by-default EVP through recruitment surveys, AskHR information and Flexible Work reporting.



#### Actions 2022/23

Continue to encourage the monitoring and recording of flexible working arrangements.

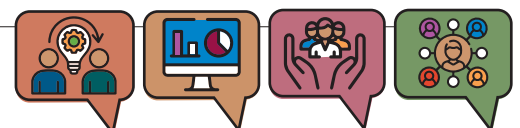
#### Progress

We have collated and analysed raw data, identified trends, and sent this information to our HR Business Partners and the PSA. The People Experience team have also presented this work to the HR operations team.

#### Ongoing

Review reporting, currently we record formal flexible working arrangements, but need to investigate how we report on informal/temporary flexible work arrangements.

Develop regular sessions for leaders to build knowledge and understanding of flexible work and application of policy and guidelines.



---

### Actions 2022/23

Continue our web series and highlight the resources on our intranet.

#### Progress

Two-part web series, parts 1 and 2 were each facilitated twice (four sessions in total).

#### Ongoing

The webinar slide deck and flexible working FAQs are published within on MSD's intranet.



---

### Actions 2022/23

Assess who accesses flexible working more broadly and how it may affect our pay gaps.

#### Progress

We have done work to understand broadly who accesses flexible working arrangements. However, more work is needed to understand how this might contribute to pay gaps.

#### Ongoing

Deep dive needed to better understand who this affects, what they need (temporary/informal/permanent/formal) and how it will affect pay gaps.



---

### Actions 2022/23

Mitigate any areas where flexible working options may affect pay.

#### Progress

This year we have focussed on refreshing the policy and guidelines, building awareness, and educating on the policy and guidelines. Concurrently, we have implemented a new HRIS system into MSD.

#### Ongoing

This area requires more investigation and will be addressed within a deep dive on who accesses flexible work, their needs and how it impacts pay gaps.



---

### New actions for 2023/24

- Develop regular engagement mechanisms – including webinars and smaller learning modules to educate on the impacts for our people leaders and their business areas
- Create bite-sized and just-in-time learning for leaders on flexible work policy and guidelines, building on existing initiatives in this space - ensure this content is easily accessible and measurable
- Mitigate any areas where flexible working options may affect pay
- Initiate a deep dive to understand who accesses flexible work, their needs (temporary/informal/permanent/formal) and impact on pay gaps
- Identify and investigate possible controls and mitigants for where flexible working may affect pay gaps

# Appendix 1 – Papa Pounamu focus areas and progress at MSD

## Addressing bias

Addressing bias is a whole-of-MSD effort. It starts with our attraction strategy, recruitment approach, and spans the employee cycle. Online training in unconscious bias is mandatory for all employees – addressing bias is woven into our leadership programmes and opportunities to learn in the moment (reflecting in the mahi (work)). MSD documentation, policies and forms are screened for bias language and tone, as are all our training programmes whether internal or external.

Our employee-led networks also play a role in raising awareness of bias through participation in a monthly D&I Steering group and by hosting cultural events and educational activities.

In our efforts to close the GEPG, we are not only looking at where and how we recruit but continuing to encourage diversity in assessment panels for a mix of views and observations. We do this by working with our HRBPs (Human Resource Business Partners) and Recruitment Partners. We also encourage discussions on appointments and salary negotiation to occur with the mixed panels to foster greater diversity and fairness. Also, we offer training on starting salary guidance and inclusive leadership training for our people leaders.

## Building relationships

It is part of our MSD ethos to work collaboratively and share information. We continue to build relationships across internal business groups, the public sector, iwi, and stakeholders. We partner with Māori and Pacific through various programmes and initiatives. These are outlined in the section above titled 'Our Continued Commitment at MSD' and are evidenced in the work outlined below under Cultural Competence.

We have collaborated on cross-agency projects such as the Transitioning and Gender Affirmation in the New Zealand Public Service (guidelines). MSD has shared our successful mentoring programme with 14 other agencies, and we continue to participate in Te Kawa Mataaho's community of practice meetings and provide access to various MSD programmes for other agency participants.

## Cultural competence

Building our workforce's cultural awareness and competency will lead to better outcomes for our clients and colleagues and help to reduce stigma and unconscious bias. In the past 12 months we have focused efforts within the following three areas:

### Organisational Development and Learning Programmes

- Developing a programme narrative for Cultural Capability work
- Rebuilding Te Pātaka to improve accessibility of learning programs and resources
- Conducting Rangatahi Māori Emerging Leaders and Marae-based Leadership Development programs
- Developing and implementing e-learning modules (He Matapihi and Te Ara Piki)
- Launching Treaty of Waitangi Workshops
- Developing and implementing the Waiwhetū Marae Experience Learning package
- Developing Te Tiriti o Waitangi Awareness Package
- Program delivery of Te Aratitia cohort 2 – Māori/Pacific Emerging Leaders Programme
- Procurement has begun for Te Reo Māori courses, Tikanga, and Te Tiriti o Waitangi learning



### Cultural Inclusion and Diversity

- Supporting Regional Māori hui
- Supporting Koko Talanoa, the Pacific mentoring program
- Initiatives in the Rainbow space, including Rainbow Sprint and awareness training
- Developing and publishing Gender-affirming guidance for leaders and those transitioning gender
- Raising awareness of Rainbow communities/culture through in-house training of managers at a regional level (piloted in northern region)

### Stakeholder Engagement and Feedback

- Capability development is based on feedback from engagement across our stakeholders, including utilising ongoing pulse checks, our client heartbeat survey, our people Experience and Diversity and Inclusion Steering Groups, as well as including interviews with specific groups as needed
- Conducting wananga (learning forums) with regional leads to review and package information for professorial supervision

### Employee-led networks

Our employee-led networks have continued to grow in numbers and matured over the past 12 months. MSD now has over 30 such networks and is currently supporting the establishment of neurodiversity network. Our networks are supported by an executive sponsor and a dedicated person from the People Experience team, with biannual funding rounds for events, collateral, training, and professional development.

MSD established a 'community of practice' this year as a way for our network chairs/leads to come together for peer support and to awahi (nurture) the newer employee-led networks. Our employee-led networks are also part of the Diversity and Inclusion Steering Group, which provides feedback and support into People Experience teams projects and initiatives.

Now that we have a large number of well established employee-led networks who represent the diversity of our workforce, our focus is on the networks sustainability and how best to utilise the knowledge and skill within. We will also be looking at how we support strategic value to develop the capability of our employee-led network leads.

### Inclusive leadership

Our leaders are recruited and supported to model inclusive leadership every day in their mahi. Our executive leaders sponsor our various employee-led networks. Throughout our leadership programmes, we provide guidance on transitioning and gender affirming, starting salaries and unconscious bias.

Through our leadership development programmes and the establishment of an MSD leadership system, we are embedding the six signature traits of inclusive leadership.<sup>19</sup> These include:

- building curiosity and cognisance – we are exploring self-awareness, mental programming (encounters with people), native genius and risk-taking, reflection, being vulnerable and learning together
- growing coach-like leadership capability and activity (empathetic listening, feedback, believing that everyone has potential) – to build relationships, understanding and courage
- having varied rōpū (cohorts) of people for our programmes, taking care to mix groups, avoid 'group think' and help people to make connections beyond their regular circle of influence.

<sup>19</sup> Inclusive leadership - Te Kawa Mataaho Public Service Commission

## Appendix 2 – Foundational four-point plan to embed opportunities for Rainbow people in the Public Service

### **Increase visibility of and information about Rainbow people in the Public Service**

We collect information about this grouping, and make sure it is visible, accessible, and used.

**Data:** MSD is piloting data collection of our Rainbow workforce. From 2 October 2023, MSD staff can confidentially self-identify as part of the Rainbow communities. This data will help us better understand the numbers and needs of our Rainbow employees. MSD conducted a 'Rainbow Sprint' in 2022/23 and interviewed several of our Rainbow employees to better understand their needs.

From our client facing Service Delivery employees, we wanted to find out how best they can support our Rainbow clients. These insights have helped shape the programmes and initiatives currently being developed.

**Hub:** MSD has created a Diversity and Inclusion Hub housed in a central place on MSD's intranet (Doogle). This hub contains a Rainbow section. Here you can find various resources including our Transitioning and Gender Affirming Guidelines, How to Be an 'Active Ally' and Glossary of Rainbow Terms, as well as links to external websites and resources.

**Pledge:** MSD is undertaking the Pride Pledge to build our support and response to our Rainbow employees and understand how our policies and procedures meet the pledge's threshold of inclusivity.

Increase Rainbow presence in the Public Service at all levels

It is important to increase the number of Rainbow employees so that the Public Service reflects society in Aotearoa-New Zealand. We do this by applying a 'Rainbow lens' to our recruitment process – reviewing where we advertise and how we attract skilled members of our Rainbow communities.

According to the Te Taunaki Census, 9.2% of MSD's workforce identify as Rainbow. This is slightly higher than in the overall Public Service (8.9%). Stats NZ's 2021 household survey indicates that 1 in 20 adults in Aotearoa identify as being part of the Rainbow communities.

Our Rainbow Sprint gave us insights on how to best support and retain our Rainbow workforce. For example, we could raise their visibility, celebrate Rainbow-specific events or provide training to our leaders'/colleagues' capability and knowledge.

To help raise visibility and 'normalise' our Rainbow workforce, MSD has started to record the stories of our Rainbow kaimihi.

### **Identify opportunities to promote greater inclusion and remove barriers to inclusion for Rainbow public servants**

MSD has an active Rainbow employee-led network, Proud@MSD, with around 150 members and a governing committee. The employee-led network has produced educational material with the support of the People Experience team. They also regularly contribute to the Diversity and Inclusion Steering Group, and has been consulted for policy development around bias and Rainbow issues.

MSD launched our own support for 'Transitioning and Gender Affirming in the New Zealand Public Service' in March 2023, ahead of the Cross Agency Rainbow Network advice. MSD's Principal Advisor, People Experience, is one of the co-chairs of CARN and led the working party on the Public Service/CARN guidelines.

MSD is reviewing the sustainability of our networks and how to ensure equitable participation for frontline staff.

**Identify and close inequities (e.g. pay gaps), as measurement allows, for Rainbow public servants**

MSD does not currently have enough data on our Rainbow employees to be able to identify any pay gaps. We do apply a Rainbow lens across the six areas of reporting for Kia Toipoto and acknowledge the intersection of Rainbow with many other rōpū (cohorts), such as ethnicity, neurodiversity, disability and gender.

MSD uses the Te Taunaki census info on the Rainbow communities. Once we have more data on our Rainbow workforce, such as through self-identification in the personal section of individual HRIS (Human Resource Information Systems) files or Pride Pledge information, we can better understand any gaps and how to address these.

## Appendix 3 – Foundational four-point plan to embed opportunities for tāngata whaikaha Māori and disabled people in the Public Service

The key four points of the tangata whaikaha Maori and disabled people in the Public Service plan are:

1. The visibility of and information about tāngata whaikaha Māori and disabled people in the Public Service has increased in the two years to July 2025.
2. The number of tāngata whaikaha Māori and disabled people has increased across the Public Service.
3. Accessibility has improved for tāngata whaikaha Māori and disabled people in the Public Service.
4. Inequities (such as in pay gaps) have been identified and closed as measurement allows for tāngata whaikaha Māori and disabled people in the Public Service.

MSD, along with other key agencies, is named as a key partner in driving the outcomes of the foundational four-point plan to embed opportunities for tāngata whaikaha Māori and disabled people in the Public Service. These agencies came together as the Advisory Group to develop a plan. Currently they are meeting to determine the key deliverables and associated timeframes expected under each identified action.

MSD specifically supports Outcomes 1, 2 and 3, alongside other appropriate agencies. Key deliverables for MSD include:

- Lead Toolkit refresh
- the AOG Disabled Internship work programme
- supporting increased accessibility through our AOG Accessible Information training and education and the AOG Alternate Formats service.

MSD is also leading the development of best practice on 'reasonable accommodation' workplace policy. The People Experience team together with members of the Property and Facilities team have developed a set of 'Design Principles for Accessible Workplaces'. This work is about providing our people with environments where they can work and function at their best and feel included and valued.

## Appendix 4 – MSD employee-led Networks

- The following employee-led networks were invited to attend GEPG workshops and drop-in sessions throughout August and September of 2023.
- Representation from our employee-led networks also attend monthly D&I steering groups.

### Māori employee-led networks

Network Name	Location	Region
Te Pae Awha	All MSD in region	Southern, Canterbury, Nelson
Nga Hua Kotuku	West Coast	Nelson, Marlborough, West Coast, Kaikoura
Korowai	Canterbury	Canterbury
Utaina Mai	Auckland	All Auckland
Te Tini ō te Raurearea	National Office	Wellington
Ngā Tae o te Rāwhiti	Hawkes Bay	East Coast
Māori Network	Central	Central

### Pacific employee-led networks

Network Name	Location	Region
Leo Tanoa	Auckland	All
Niu Horizon	National Office	Wellington
Mana Pasifika	Waikato	Waikato
SoutherNesian	Dunedin	Southern
Orama	Canterbury	Canterbury
Mana Pasifika (StudyLink Office)	Palmerston North	Central
Moana Nui	Hawkes Bay - Napier, Hastings, Taradale, Flaxmere, CSU	East Coast
Tokelau Group	All	All
Integrity Services Group IIC	Lower Hutt	Wellington
Te Reo Manea (Kuki Airani)	Auckland/Wellington	Auckland/Wellington
Niue	All	All
Vaka Pasefika	Taranaki	Taranaki
Tuvaluan Group	Nelson, Marlborough, West Coast	Nelson
Te Kupega	Rotorua Centralised Services	Bay of Plenty
Polyfusion Tupuaga	Nelson, Marlborough, West Coast, Kaikoura	West Coast



**General employee-led networks**

Network Name	Location	Region
Awhi Rito	Centralised Services	Waikato
Proud@MSD	All of MSD	All of MSD
Womens Network	All of MSD	All of MSD
Disabled Network	All of MSD	All of MSD
Pan-Asian Network	All of MSD	All of MSD
PEACE Muslim Network	All of MSD	All of MSD



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