

Pay and Employment Equity in Local Government – Update

October 2008

State of Play

Gisborne District Council has become the first organisation outside of the Public Service to complete a Pay and Employment Equity Review. The review was conducted by a joint PSA/ management committee using the 4 step process developed by the PSA and the Department of Labour's Pay and Employment Equity Unit.

The Report identified a number gender equity issues, including a 21.6% pay gap. The response plan contained in the report seeks to address the identified issues to move towards a fairer workplace. GDC aim to:

- Ensure there is no gender bias in job evaluations
- Address the low proportion of women in management positions
- Improve participation in KiwiSaver amongst lower paid staff
- Build womens confidence in the fairness of training and development, promotions processes, performance management and use of discretion by supervisors
- Build awareness and confidence in flexible working arrangements
- Build a more positive work environment.

Gisborne District Council volunteered to be the first local government organisation in Phase two to use the new streamlined review process as a result of negotiations with the PSA which highlighted the issue of pay and employment equity. The new streamlined process and associated resources enabled GDC to complete their review in less than two months. This shows that a review can be completed relatively quickly without huge resource commitments, and should encourage other phase two organisations to participate.

Waitakere City Council and three Crown Research Institutes (Ag Research, HortResearch and the Institute of Environmental Science and Research Limited) have also volunteered to undertake a Pay and Employment Equity Review and these are underway. Case studies will be developed with each of these agencies so their experiences and outcomes can be shared with the sector.

Lindsay McKenzie, Chief Executive of GDC commented:

"...attracting good people to work for us is challenging enough without running the risk that there is something inherent in our pay policies, practices and procedures that prejudices a high percentage of our market. I'm looking forward to the results and seeing what they might mean for our approach to personnel management in the widest sense."

Communications Strategy

A communications strategy has been developed by the Steering Group and the Unit to inform and invite 86 local authorities and 91 Crown Entities to participate in the Plan of Action and to undertake a Pay and Employment Equity review of their organisations.

Moving Forward

The DoL Pay and Employment Equity Unit is developing a case study on the Gisborne District Council's review which will provide a good basis for discussions with other councils who may be interested. Waitakere's experience and outcomes will also be useful in engaging with local government employers.

We have identified two other councils to initiate discussions about undertaking a review – these are Auckland City Council and Matamata Piako.

The PSA Pay and Employment Equity Advisor and the Department of Labour's Pay and Employment Equity Unit can support other local government organisations who would like to follow this path.