

Te Tari Ture o te Karauna | Crown Law Kia Toipoto Plan 2022 – 2023 Closing Gender, Māori, Pacific, and Ethnic Pay Gaps

Making sure our people are best placed to build a better Aotearoa through responsible, lawful government

Foreword

This Kia Toipoto plan represents Te Tari Ture o te Karauna / Crown Law's action plan for the coming year of 2022/23, and longer-term goals, signalling our intentions to support Kia Toipoto's three-year goal:

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

Crown Law has identified **five priority areas** where we will focus our actions towards the Kia Toipoto goals. Aligned with Kia Toipoto's multi-year goal, these priority areas will span the next three years and beyond:

- 1. **Clear and transparent remuneration (continuing from last year)** will ensure we mitigate bias in appointments, which will help to close gender and ethnicity pay gaps for like-for-like roles and will create fair workplaces for all.
- 2. **HR Analytics (continuing from last year)** will enable us to better understand our workforce so that we can track progress for wahine Māori, Pacific women, and women from ethnic communities, and create fairer workplaces for all.
- 3. Inclusion and Diversity plan (continuing from last year) will contribute to all three Kia Toipoto multi-year goals.
- 4. **Improving workplace culture (newly identified goal)** will create fairer workplaces in the immediate term for all through education and training.
- 5. Attract and retain great people (newly identified goal) will create fairer workplaces for all in the immediate term, which will have ongoing positive effects on closing the pay gaps, as we attract and retain a greater diversity of staff, and will accelerate pathways for wahine Māori, Pacific women, and women from ethnic communities.

The priority areas also support our commitment to delivering on the five Papa Pounamu pou / priorities for inclusion and diversity, as committed to by Public Service chief executives. These pou / priorities are:

- Te āheinga ā-ahurea | Cultural competence
- Te Urupare i te Mariu | Addressing bias
- Hautūtanga Ngākau Tuwhera | Inclusive leadership
- Te whakawhanaungatanga | Building relationships
- Ngā tūhononga e kōkiritia ana e ngā kaimahi | People's (employee-led) networks

This plan reflects our Ways of Working. Our people are our greatest asset. Our plan aims to ensure our people are paid equitably for the important mahi they deliver to build a better Aotearoa through responsible, lawful government.



Te Tiriti o Waitangi obligations are the foundation for achieving the aspirations of, and equitable outcomes for, Māori

Kia Toipoto reflects the Gender Pay Principles, the legislative requirements of the Public Service Act 2020, the Human Rights Act 1973 and the Equal Pay Act 1972, the Government Workforce Policy Statement 2021.

The public sector position on equal gender pay

In 2018, the Government published five gender pay principles the public sector is expected to comply with, along with actions and milestones in the Gender Pay Gap Action Plan. Both initiatives were intended to encourage public sector agencies to work in collaboration with central agencies and unions to act regarding their gender pay gap, and to encourage accountability for these actions. In 2021, a revised version was published, Kia Toipoto – Public Service Pay Gaps Action Plan 2021 – 24 which the actions stated within this document are based upon. The five gender pay principles were established to help ensure that working environments in the public sector are free from gender-based inequalities, and that all employees can achieve their full potential regardless of their gender, with gender pay gaps eliminated. The principles, listed below, support public sector organisations to address policies, decision making and practice at each point of the employee lifecycle (from recruitment through to exiting an organisation), ensuring agencies are equipped to drive gender pay equality.

1. Freedom from bias and discrimination

Working environments in the state sector are free from gender-based inequalities.

All employees are able to achieve their full potential regardless of their gender, and gender pay gaps are eliminated.

2. Transparency and accessibility

Employment and pay practices, pay rates and systems are transparent. Information is readily accessible and understandable.

3. Relationship between paid and unpaid work

Employment and pay practices recognise and account for different patterns of labour force participation by workers who are undertaking unpaid and/or caring work.

4. Sustainability

Interventions and solutions are collectively developed and agreed, sustainable and enduring

5. Participation and engagement

Employees, their unions, and agencies work collaboratively to achieve mutually agreed outcomes.

Overview of our employment landscape (as at 1 Oct 2022)





13.34%

Crown Law's Gender Pay Gap
(Oct 2022)

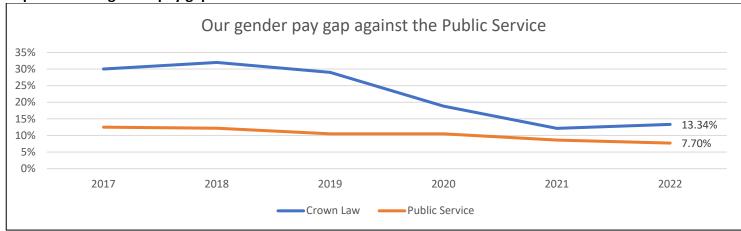


* The salary figures are total remuneration based on full time equivalent remuneration. Total remuneration includes wellness and flexitime allowances and employer contributions to retirement savings.

Pay and Representation Data

Graph One below shows the Gender Pay Gap at Te Tari Ture o te Karauna / Crown Law has increased from 12% in 2021 to 13.34% in 2022. Crown Law's Gender Pay Gap is 5.64 percentage points higher than the public service average of 7.7%. Small agencies, such as Crown Law, can experience more significant fluctuations in reporting data due to staff changes. In this case, Crown Law recently increased numbers of Assistant Crown Counsel, most of whom are women. The impact of hiring more junior women in this year has been an increase in our overall gender pay gap.





Our pay gap data in more detail

Table One: Job Family Pay Gap

| Job Family | GPG | # women | # men |
|---------------------|--------|---------|-------|
| Legal | 5.16% | 74 | 42 |
| Corporate and Other | 16.14% | 68 | 23 |

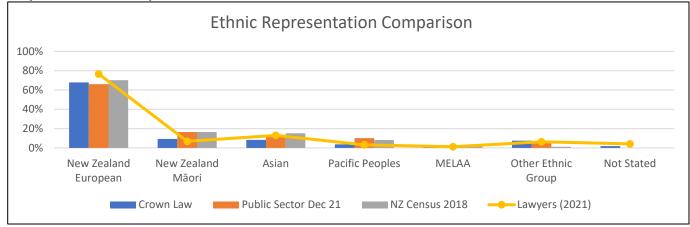
Table Two: GPG by like-for-like roles

| Salary bands or role types | GPG * | women | men |
|--|--------|-----------|-----------|
| Bands 11 – 14 (Support) | -3.05% | \$70,052 | \$67,978 |
| Bands 15 – 18 (Advise) | 9.82% | \$105,842 | \$117,365 |
| Assistant Crown Counsel (incl. Graduates) | -4.00% | \$77,946 | \$74,966 |
| Crown Counsel 1, 2, and 3 | -6.20% | \$141,785 | \$133,556 |
| Management roles (incl. band 19 and 20) and Senior Crown Counsel | 0.80% | \$196,812 | \$198,402 |

^{*} green / negative values indicate the pay gap is in favour of women.

Graph Two below compares the ethnic representation of Te Tari Ture o te Karauna / Crown Law, the Public Sector, Aotearoa and the legal profession in Aotearoa. Ethnic representation at Crown Law is influenced in large part by the demographics of the broader legal profession – for instance, 76.7% of the legal profession in 2021 were New Zealand European.

Graph Two: Ethnic Representation



Pay and Representation Data

Table Three: % ethnic representation at Te Tari Ture o te Karauna / Crown Law in Tier 2 and 3 and Other roles

| Management Level | New Zealand European | New Zealand Māori | Asian | Pacific Peoples | MELAA | Other Ethnic Group | Not Stated | Total |
|---------------------------|----------------------------|-------------------------|-------|--------------------|-------|--------------------------|---------------|-------|
| Tier 2 and 3 | 85% | | | | | 15% | | 100% |
| Other Mgmt. and Non-Mgmt. | 66% | 10% | 9% | 4% | 2% | 7% | 2% | 100% |

Graph Three: Management Representation by Gender

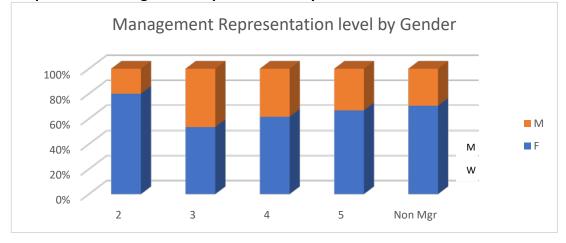


Table Four: Ethnic Pay Gap

| NZ Māori EPG | 13.42% |
|---------------------|--------|
| Pacific Peoples EPG | 31.13% |
| Asian EPG | 19.18% |
| MELAA EPG | 30.27% |

Table Five: Ethnic and Gender Pay Gap

| NZ Māori and GPG | 26.03% |
|-------------------------|--------|
| Pacific Peoples and GPG | 39.49% |
| Asian and GPG | 24.36% |
| MELAA and GPG | 26.84% |

The drivers of our gender and ethnic pay gaps

While there don't appear to be any significant internal circumstances driving the gender and ethnicity pay gaps at Te Tari Ture o te Karauna / Crown Law, we do see some 'vertical and occupational segregation.' Vertical segregation is where there are more women than men in lower paid positions and more men in some higher paid positions. Occupational segregation is where one group is more strongly represented in an occupation type than their counterpart. Our vertical gap is mostly due to our workforce having an over-representation of women in support functions and junior legal roles.

Since October 2021, 81% of our new Assistant Crown Counsel have been women.

58% of our people are in the legal profession. The ethnicity representation in this profession has a higher proportion of NZ European compared to Te Tari Ture o te Karauna / Crown Law and Aotearoa as a whole¹. This impacts the ethnic representation of applicants in our legal roles, making it harder for us to recruit into our legal roles that represent the ethnic make up of Aotearoa as a whole.

This is part of a wider systemic issue. However, we will begin to address this through initiatives outlined in this action plan, and in future years by:

- widening our recruitment campaigns to attract a more diverse pool of applicants across all roles
- have a more transparent recruitment process externally visible, which may include testimonials
- developing a capability framework that supports career progressions, and accelerated pathways for wahine Māori, Pacific women, and women from ethnic communities.

¹ Snapshot of the Profession 2021, Law Talk, complied by James Barnett, Marianne Burt and Navneeth Nair

Action Plan area one: Clear and transparent remuneration (continuing from 2021/22)

We have made significant progress on our approach to remuneration this since last year's report. In July 2021, a new step-based remuneration framework co-designed with the Public Service Association (PSA) was implemented.

Our remuneration framework is transparent and easy to understand with information about the framework being readily available.

Step-based approaches to remuneration limit the number of starting salaries and, when accompanied with a robust process for starting salary selection, will limit bias. This ensures people are appointed at a level based on their competence in the position, not based on factors such as job market demand, negotiations skills, personality or culture traits such as humility.

Documentation about our remuneration framework is readily available on the intranet. The HR Kiosk has been updated to include individuals' new grade and step information to ensure transparency and better understanding of how the remuneration framework relates to individuals. While significant work has been achieved in the remuneration space, it is important to continue to monitor our approach to remuneration to ensure that bias does not creep into our systems.

Our longer-term Kia Toipoto goals for remuneration are:

- 1. To ensure that position descriptions are up to date. Ensure all skills (both technical and soft skills) are clearly articulated as each position description is reviewed.
- 2. To actively monitor the gender and ethnic pay gaps against the public service milestones, and address as appropriate.
- 3. Following the implementation of our new payroll system (estimated late 2023), to build policies and processes that allow us to consider learnings from information provided in the system.

Our action points for 2022/23 are:

- Continue to monitor and review appointments ensuring our people receive equal pay for equal work regardless of gender or ethnicity
- Select the provider of our new payroll system. Scope and begin testing, ready for implementation late 2023.

Te Tari Ture o te Karauna / Crown Law is part of the Pay Equity claim raised by the PSA in 2019. The outcome of this claim may impact our gender and ethnic pay gap.

Action Plan area two: HR Analytics (continuing from 2020/21)

Enhancing HR Analytics has been on our gender pay action plans for two years. Although our planned implementation of an HRIS system was descoped in 2021/22 for a range of reasons, and despite not upgrading our existing system to date, we have continued to refine our reporting analytics. The HR team now manually produces a quarterly dashboard that is being improved upon, based on feedback, with each iteration. This tracks several analytics, including (but not limited to) our gender pay gap, our ethnicity make-up and leave balances.

In 2023, we will replace the payroll system. Modern payroll systems (our current system is 23 years old) have a number of enhanced reporting features. These will give more visibility to both employees and managers on a range of analytics instantly and give HR the ability for further enhancements to their current analytic offering.

Our 2022/23 Kia Toipoto goal for HR Analytics is:

• to have clear, consistent, and timely HR analytics that will support us to building a better understanding of any areas of concern (e.g. diversity of people leaving compared with those joining, workload balances, etc.) in real time, while recognising interventions that are working. This will be part of the payroll implementation project estimated to be completed late 2023.

Action Plan area three: Inclusion and Diversity Plan (continuing from 2021/22)

Te Tari Ture o te Karauna / Crown Law values the diversity of our people – including the *diversity of thought, perspectives, and experiences* they bring to work. We have been developing our Inclusion and Diversity Strategic Plan which is due to be released early in 2023 after organisation-wide consultation. A number of focus areas will be included in this plan and will complement the work planned for Kia Toipoto.

Our longer-term Kia Toipoto goal for Inclusion and Diversity is to:

- 1. Implement our Inclusion and Diversity Strategic Plan. This will enable us to move towards a more inclusive environment, including:
 - a. increasing cultural competence and awareness, with additional support, tools, and resources available to our leadership cohort
 - b. supporting and enabling our People's Networks to achieve their purposes. In many cases, this is about creating communities and safe spaces.
 - c. addressing bias and discrimination.

Our 2022/23 Kia Toipoto goal for Inclusion and Diversity is to:

• finalise and publish our Inclusion and Diversity Strategic Plan

Action Plan area four: Improving workplace culture (newly identified goal)

Te Tari Ture o te Karauna / Crown Law has offered cultural competence and unconscious bias training to our people for a number of years. While this is a great start, we need to always be mindful and aware of the limits on our knowledge and experiences and continue to grow in these areas. Respectfully challenging ourselves, we will improve our culture to make for a fairer, more inclusive workplace. We can achieve this through:

- on-going education and training
- implementing supportive guidance, policies, and practices
- recognising the mental and emotional labour our people contribute that help shape our culture.

Creating a more inclusive workplace will not only attract great diversity, but it will also contribute to our next action point of how we attract and retain great people.

Our longer-term Kia Toipoto goals for improving workplace culture are:

- 1. Continue to offer and promote cultural competence and unconscious bias training and awareness to all staff.
- 2. Raise awareness to create fairer workplaces for communities such as disabled people, the rainbow community, neurodivergent people, and people with mental health issues.
- 3. Create positive and safe workplaces for people, including revision of policies and guidance for addressing any undesirable behaviour.
- 4. Recognise mental and emotional labour above and beyond the role e.g. contribution of efforts to People's Networks, Fire or Safety Warden, union delegate, etc.

Our 2022/23 Kia Toipoto goal for improving workplace culture is to:

- Evaluate our unconscious bias training offerings and update where improved offerings are available
- Review our HR policies for gender and ethnic coded language that might make them less inclusive. Update as needed.
- Design and begin developing positive and safe workplace policies and training for our people
- Assess how we can appropriately recognise staff contributions. E.g. public recognition, small koha or gift, including as part of performance conversations.

Action Plan area five: Attract and retain great people (newly identified goal)

With the current high demand for skilled people, we face challenges attracting and retaining great people. We want to attract and retain people from all communities, have an environment that celebrates diversity, recognise contributions, and provide equitable career progression. Over the last year we have spent time enhancing our induction process, ensuring employees have a great experience from the moment they arrive at Te Tari Ture o te Karauna / Crown Law.

We have worked hard to ensure that the shift to flexible working is a core component of our working approach going forward. This has been enabled by us embracing the action of flexible working by default. We want to ensure that roles are treated as flexible unless there is a good business reason not to be and working flexibly does not undermine career progression or opportunities. We will continue to work with our people to ensure this is being offered and applied as fairly and equitably as possible across Te Tari Ture o te Karauna / Crown Law.

We will also continue to improve our people journey by focussing on how we recruit people. From their first interaction with us, we want people's experience with us to be a responsive and positive one.

In the medium-term, we will implement a capability framework that will enable career planning, and equitable career progression.

Our Kia Toipoto goals for attracting and retaining great people are:

- 1. Scrutinise our internal workforce to identify any roles that have barriers / limitations to flexibility and explore options for these roles
- 2. Make our recruitment processes more transparent to candidates
- 3. Review our recruitment interview question sets to be more inclusive
- 4. Learn more about our recruitment processes from those who aren't appointed at Te Tari Ture o te Karauna / Crown Law.

Our 2022/23 Kia Toipoto goal for attracting and retaining great people is to:

- Maintain ongoing review of our flexible working practices
- Review our recruitment interview question sets to be more inclusive
- Create a feedback loop from interviewing managers about why prospective candidates may not have selected Te Tari Ture o te Karauna / Crown Law as their employer of choice.

Acknowledgements

Crown Law's Human Resources Team would like to thank everyone who contributed to the creation of this plan. We'd specifically like to acknowledge the time and energy given from our People's (Employee-led) Networks and PSA members.