



Waipapa Taumata Rau | University of Auckland 2023 Gender Pay Gap Report



Vice-Chancellor's message

Thank you for your interest in this Gender Pay Gap Report 2023.

This is an important publication for Waipapa Taumata Rau University of Auckland.

In our 140th year, it is our first annual report on the gender pay gap, reflecting a commitment made in our Vision 2030 Taumata Teitei to improve data insights. These insights will inform decisions on staff diversity, equity, and inclusion.

The gender pay gap is a global concern seriously impacting the lives of millions while posing future workforce and societal issues for nations. Indeed, this year's Nobel Prize in Economics was awarded to Professor Claudia Goldin at Harvard for her work on this important topic.

This Report is testimony to our willingness to be open and transparent about gaps, that while unsurprising, are disappointing. These gaps persist despite decades of change towards a more equitable workplace and make it clear that new approaches are required to close these gaps.

Having a detailed understanding of our pay gaps and what perpetuates them will add momentum to efforts to address structural and systemic sexism, racism, and other forms of discrimination.

I am dedicated to making significant progress on the gender pay gap. I congratulate our Pro Vice-Chancellor Equity and HR Director for this Report and look forward to working together for a fairer future for all.



Professor Dawn Freshwater Vice-Chancellor The University of Auckland

Gender	Pay Gap Report 2023	1
Vice-Ch	ancellors message	2
1.	Why are we reporting our Gender Pay Gap?	4
2.	Definitions	5
	Gender	5
	Equal Pay	5
	Pay Equity	5
	Gender Pay Gap	5
3.	Common misconceptions	6
4.	Factors that contribute to Gender Pay Gaps	8
5.	Overview of our approach at Waipapa Taumata Rau	8
6.	How we calculated our pay gaps	9
	6.1 Who is an employee?	9
	6.2 How was pay calculated?	9
	6.3 Formulae	9
7.	Data characteristics	10
8.	Our Gender Pay Gaps	11
9.	What does this mean?	12
	9.1 The Gender Pay Gap is 10.8%	12
	9.2 Gaps are larger for Academic staff than Professional staff	12
	9.3 Gaps are larger for Permanent staff than Casual and Fixed Term staff	12
10.	Where to from here?	13
	10.1 Current Activities	13
	10.2 Roadmap	13
	10.3 The next GPG Report	13

1. Why are we reporting our Gender Pay Gap?

Our commitment to workplace gender equity goes beyond mere compliance with legal requirements. Our Vision 2030, framed in Taumata Teitei, recognises that improving data and insights is a core component of building a high-performing, diverse, equitable and inclusive community. Te Ara Tautika | the Equity Policy sets out our responsibilities as a university, which include addressing structural and systemic sexism and other forms of discrimination.

Monitoring, reporting and taking action to reduce gender pay gaps will help us to address one of the most tangible and persistent forms of workplace inequity worldwide. We are using Stats NZ methodology so that we can compare our gaps with other organisations'.

This is our first report, and we plan to report gender pay gaps annually. This will help us to identify trends over time and understand whether our efforts to close the gaps are making a difference.

2. Definitions

Gender

All employees can identify their gender in their employee record. The options are female, male, or gender diverse. The data for people who have indicated they are female or male are included in this report. The number of people indicating they are gender diverse is relatively small. This prevents a meaningful pay gap analysis for this group at this time.

There are three key terms used to describe differences in pay between people of different genders.

Equal Pay

If pay is equal it means that people of all genders are paid the same for doing the same work in the same organisation.

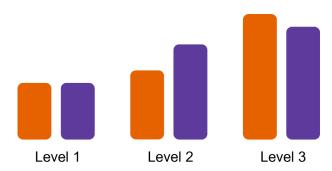


Figure 1. Equal pay example. Vertical bars represent median pay for staff at three different levels within a role. Overall, median pay is higher at higher levels within this role. Orange bars represent the median pay for women. Purple bars represent the median pay for men. Pay is equal at Level 1. Pay is unequal in favour of men at Level 2. Pay is unequal in favour of women at Level 3.

Pay Equity

If pay is equitable it means that people of all genders are paid the same for work that is different but of equal value.

Gender Pay Gap

Gender Pay Gaps are broad indicators of the differences in median hourly pay rates between genders in an organisation.

3. Common misconceptions

Here are some common gender pay gap misconceptions illustrated with hypothetical examples.

3.1 If the gender pay gap for women is 10% then we should make it fair by giving women a 10% pay rise or men a 10% pay cut.

A gender pay gap of 10% doesn't mean that every woman is being paid 10% less than their male counterparts. As described above, the gender pay gap is a broad indicator calculated across the whole organisation. Some women are paid more than most men in the organisation. Simply giving a pay rise to all women might close the gap on paper, but it wouldn't address the underlying factors that drive the gaps, and so the gap would re-emerge over time.

3.2 If the gender pay gap for women is 15%, then as a man my pay is 15% more than my female peers.

The gender pay gap is calculated using the median hourly rate for all staff of a given gender. The gender pay gap is a broad indicator calculated across all staff, who are employed at a wide range of levels across a wide range of roles. It doesn't tell us anything about how similar or different the pay is for two individuals with different genders.

If two people of different genders are doing the same work and there is a 15% difference in their pay, then this might mean there is a problem with equal pay. Unequal pay can contribute to the overall gender pay gap for an organisation. But a gender pay gap of 15% across an organisation doesn't necessarily mean that men in a given role are paid 15% more than women in the same role.

3.3 If the gender pay gap for women is 20% then women are working one day a week for free.

A gender pay gap of 20% doesn't mean that all women in full-time roles are working one day a week "for free". As described above, the gender pay gap is a broad indicator calculated across the whole organisation. Gender pay gaps can emerge when women are over-represented in lower paying roles, and under-represented in higher paying roles. Gender pay gaps don't necessarily mean women are being paid unfairly in their roles, but they can indicate the presence of systemic, structural, and social factors that lead to women being over-represented in lower paying roles.

3.4 Gender pay gaps are because of the individual choices people make about their jobs and careers.

Individual salaries are affected by individual choices. However, the gender pay gap is calculated for large groups, not individuals. When a gender pay gap exists, it reflects factors affecting the choices of an entire group of people who are a specific gender. These factors are typically systemic and structural factors within the organisation, as well as social and cultural factors. Understanding our gender pay gap will help us identify the factors that differentially affect gender groups within our university. Addressing these factors is expected to enable people to make different choices about their jobs and careers, which in turn can contribute to closing gender pay gaps over time.

3.5 We can identify all of the factors that create a gender pay gap.

Research on gender pay gaps has concentrated on variables such as age, education, industry, and parental status. While these variables do contribute, most of the factors behind the gender pay gap remain unexplained. Factors such as job preferences, discrimination and unconscious bias are likely to contribute, but difficult to quantify. Therefore, it's not possible to evaluate all of the factors that create a gender pay gap. However, tracking gender pay gaps over time does give us valuable information about whether changes to our policies and practices are moving the university towards, or away from, gender equity.

3.6 The aim is to achieve a zero percent gender pay gap.

We aim to track the gender pay gap over time and reduce it towards zero. However, we also need to acknowledge that the gender pay gap is a broad indicator and it doesn't reflect the individual experiences of our richly diverse communities. Achieving a zero gap wouldn't mean that we've achieved a state of optimal gender equity. We aspire to keeping our gender pay gap as close to zero as possible.

3.7 Gender pay gaps are inevitable so there's nothing we can do about them.

Gender pay gaps result from complex interactions between social and cultural factors in the environment as well as systemic and structural factors within the organisation. This doesn't mean that it's too hard to address them. Understanding our gender pay gaps and the main factors that drive them will allow us to apply evidence-based approaches to closing the gaps.

3.8 I can't help to fix this problem.

Everyone can influence the gender pay gap, first by acknowledging that closing gender pay gaps is good for everyone. We can all speak openly about the gender pay gap, engage in unconscious bias training, be mindful of key drivers, and remember that closing the gaps doesn't make anyone worse off.

4. Factors that contribute to Gender Pay Gaps

An organisation can have equal pay, and pay equity, and still have a Gender Pay Gap (GPG). This is because several other factors can contribute to a GPG.

Gender effects on appointments and promotions can result in more men at higher levels and more women at lower levels of an organisation. Similarly, women being over-represented in part-time, casual, or fixed-term roles can contribute to gender pay gaps, as these roles typically pay less on average than permanent full-time roles. Gender effects on performance pay can also contribute to pay gaps.

5. Overview of our approach at Waipapa Taumata Rau

We first calculated our gender pay gap for all staff. We then calculated separate gender pay gaps for Academic and Professional staff because of key differences between these groups of employees, including:

- Remuneration scales
- Mechanisms of career progression
- Staff mobility and rates of turnover

We then explored the effects of permanence on gender pay gaps for Academic and Professional staff.

People with permanent roles are in relatively more predictable employment than those with fixed term or casual employment agreements. We therefore calculated the GPG for women who

- Have a permanent role at the University
- Have a fixed term or casual employment agreement

As this is our first GPG Report, we decided to focus on gender, employee group, and permanence, as a useful starting point. The effects of ethnicity on gender pay gaps for Academic and Professional staff will require a more detailed analysis and interpretation. This will be included in the 2024 GPG Report.

6. How we calculated our pay gaps

We have used the methods published by Stats NZ and Te Kawa Mataaho | Public Service Commission to calculate our pay gaps.¹

6.1 Who is an employee?

All permanent, fixed-term, and casual staff employed at Waipapa Taumata Rau on 8 December 2022. This census date was used to avoid the subsequent effects of ongoing collective bargaining, which temporarily resulted in two different salary scales from February 2023.

6.2 How was pay calculated?

Total remuneration was calculated for each employee by combining base salary with any allowances, administration loadings, and superannuation. This was converted to hourly pay for each employee using the typical number of hours worked per week. The median hourly pay was then calculated for each group of employees.

6.3 Formulae

The overall gender pay gap for women was calculated as follows:

GPG = 100 x [Median hourly pay for all men – Median hourly pay for all women]

Median hourly pay for all men

The gender pay gaps for Academic and Professional staff were calculated as follows:

Academic GPG =

100 x [Median hourly pay for all Academic men – Median hourly pay for all Academic women]

Median hourly pay for all Academic men

Professional GPG =

100 x [Median hourly pay for all Professional men – Median hourly pay for all Professional women]

Median hourly pay for all Professional men

The effects of employment permanence were explored separately for Academic and Professional women by calculating the following:

Permanent GPG =

100 x [Median hourly pay for Permanent men – Median hourly pay for Permanent women]

Median hourly pay for Permanent men

Non-Permanent GPG =

100 x [Median hourly pay for non-Permanent men – Median hourly pay for non-Permanent women]

Median hourly pay for non-Permanent men

¹ Stats NZ (2020). Organisational gender pay gaps: Measurement and analysis guidelines (second edition). Retrieved from www.stats.govt.nz. Te Kawa Mataaho | Public Service Commission (2022). Guidance measuring and beginning to address Māori and ethnic pay gaps in the public service.

7. Data characteristics

The numbers of people included in analyses are provided in the tables below.

Table 1. The number of people included in GPG calculations for Academic and Professional staff.

Gender	Academic	Professional	Total
Women	2,480	4,435	6,915
Men	1,607	2,797	4,404
Total	4,087	7,232	11,319

Table 2. The number of people included in GPG calculations for Permanent staff, and Casual and Fixed Term staff.

	Academic		Professional		
Gender	Permanent	Fixed Term	Permanent	Fixed Term	Total
		and Casual		and Casual	
Women	1,141	1,339	1,319	3,116	6,915
Men	835	772	937	1,860	4,404
Total	1,976	2,111	2,256	4,976	11,319

8. Our Gender Pay Gaps

The **overall Gender Pay Gap** for women at Waipapa Taumata Rau is 10.8%. This means that across all staff the median hourly rate for women is 10.8% less than for men.

The **GPG for Academic staff** is 16.1%. This means that across all Academic staff the median hourly rate for women is 16.1% less than for men.

The **GPG for Professional staff** is 4.3%. This means that across all Professional staff the median hourly rate for women is 4.3% less than for men.

Table 3. The Gender Pay Gaps for women.

	GPG
All staff	10.8%
Academic staff	16.1%
Professional staff	4.3%

The Gender Pay Gap for women with Permanent and Casual and Fixed Term roles was calculated separately for Academic and Professional staff.

Table 4. The Gender Pay Gaps for women with Permanent and Casual and Fixed Term roles.

	Permanent staff GPG	Casual and Fixed Term
		staff GPG
Academic staff	21.3%	3.4%
Professional staff	21.5%	-2.3%

These data indicate that the Gender Pay Gaps are larger for women in Permanent roles than for women in Casual and Fixed Term roles.

9. What does this mean?

9.1 The Gender Pay Gap is 10.8%

This gap means that there are a range of factors both within and outside the University that differentially affect the careers of women and men. The GPG is sensitive to whether pay is equal, whether pay is equitable, and a range of other factors affecting recruitment, appointment, and progression of staff.

The salary banding system used at Waipapa Taumata Rau supports equal pay, because people with the same role and at the same level are paid within a narrow salary band.

The median hourly pay rate is lower for people in Casual and Fixed Term roles. Women are slightly over-represented in Casual and Fixed Term roles and this will contribute to the overall gender pay gap.

Inequitable pay occurs when roles that are mainly occupied by women are paid less than roles of equal value that are mainly occupied by men. Further investigation is needed to understand whether inequitable pay is contributing to the Gender Pay Gap at Waipapa Taumata Rau.

9.2 Gaps are larger for Academic staff than Professional staff

The gender pay gap for women is 16.1% for Academic staff and 4.3% for Professional staff. This difference might relate to differences between the recruitment, appointment, and progression of Academic and Professional staff. Staff mobility and turnover are higher amongst Professional staff, which might limit the contribution of progression to pay gaps for Professional staff. The effects of carer responsibilities on career trajectory might also differ between Academic and Professional staff.

9.3 Gaps are larger for Permanent staff than Casual and Fixed Term staff

The gender pay gap for women is 21.3% for those in Permanent Academic roles and 3.4% for those in Casual and Fixed Term Academic roles. The gender pay gap for women is 21.5% for those in Permanent Professional roles and -2.3% for those in Casual and Fixed Term Professional roles. The relatively small gender pay gaps for women in Casual and Fixed Term roles may be related to the lack of progression in these roles. There may be a ceiling effect that compresses pay scales and limits the development of gender pay gaps for women in Casual and Fixed Term roles. The relatively large gender pay gaps for women in Permanent roles might relate to recruitment, appointment, and progression, as well as the effects of carer responsibilities on career trajectory.

10. Where to from here?

10.1 Current Activities

Knowing our gender pay gaps will accelerate our efforts to address them. These efforts include:

- Our Māori Staffing Plan
- Our Pacific Staffing Plan
- The recently refreshed <u>Parental Leave Policy</u> supports staff of all genders in a range of ways, including up to nine weeks of paid parental leave in addition to the Government's primary carer leave.
- Our <u>Flexible Work Policy</u> supports staff of all genders to manage their work, community and personal commitments in ways that work for them.
- A planned review of the Academic Standards that aims to provide an equitable framework for valuing the achievements and contributions of academic staff.

10.2 Roadmap

The HR team will develop a roadmap for closing our gaps using evidence-based approaches, such as:

- Improving metrics and monitoring systems for career progression to further understand the drivers of the pay gaps identified here.
- Reviewing our remuneration structures and systems to identify areas of improvement to reduce our pay gaps, using evidence-based approaches such as those recommended by Te Kawa Mataaho | State Service Commission.²
- Working alongside women of all ethnicities to identify systemic and structural barriers in their employee experience contributing to gender pay gaps.

10.3 The next GPG Report

The next GPG Report will include gender ethnicity pay gaps and a more detailed analysis to investigate whether unequal pay and differences in career progression contribute to our gender pay gaps. We are setting up the data systems and support we need to be able to do this more detailed analysis for 2024.

We also hope to calculate and include pay gaps for non-binary people, as well as pay gaps for each quartile around the median pay rate. This will give us greater insight and understanding of the drivers of our gaps and how we can most effectively close them.

The next census date will be 8 March 2024 – International Women's Day. Everyone employed by Waipapa Taumata Rau on this date will be included in the next Gender Pay Gap report, which will be released on 18 September 2024 – International Equal Pay Day.

Calculating and publishing our gender pay gaps every year will hold us accountable and add momentum to our efforts to close them.

² Te Kawa Mataaho | State Service Commission (2020). Guidance on remuneration: removing gender bias from remuneration policies and practices and implementing the gender pay principles.