



Te Mana Rererangi Tūmatanui o Aoteroa Civil Aviation Authority of New Zealand

Closing Gender and Ethnic Pay Gaps Action Plan 2023 – 25

May 2023

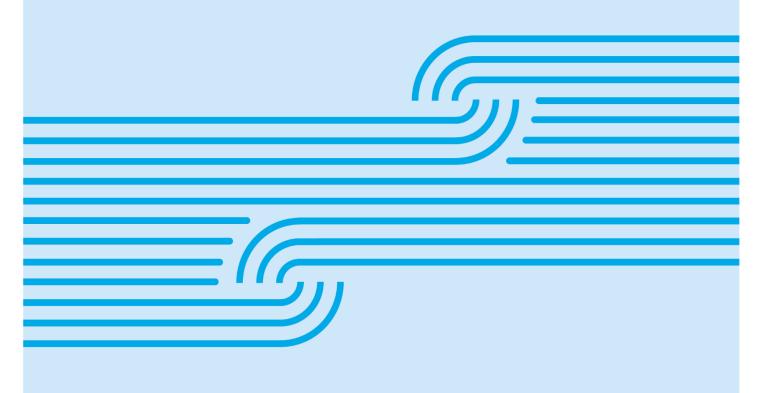


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Appendix 1: Te Mana Rererangi Tūmatanui o Aotearoa | Civil Aviation Authority of New Zealand's Gender and Ethnic Pay Action Plan 1 May 2023 – 30 April 2025 Error!

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1. Introduction

At Te Mana Rererangi Tumatanui o Aotearoa | Civil Aviation Authority of New Zealand which includes the Aviation Security Service (The Authority), we're committed to developing and retaining a diverse and inclusive workforce and have an active strategy to support this in our workplace.

Last year, Te Kawa Mataaho | Public Service Commission released Kia Toipoto - Closing Gender Māori, Pacific and Ethnic Pay Gaps Public Service Action Plan 2021 to 2024. This new plan builds on the achievements of the Public Service Gender Pay Action Plan 2018 to 2020 and sets new and more ambitious targets.

The gender and ethnic pay gap is the difference between groups of individuals and their earnings. It's a high-level indicator of ongoing workplace inequities which have been driven by historic and systemic views, values and behaviours.

Initially, the plan was focussed on core public sector. However, last year it was extended to Crown Entities.

By putting Kia Toipoto¹ into action, the Authority will work towards achieving the expectations set out in the **Public Service Act 2020**², **Government Workforce Policy Statement 2021**³ and **Papa Pounamu Public Service work programme.**⁴ These require the public service to be a good employer and support equity for all by working towards closing gender and ethnic pay gaps within our workforce.

Under Kia Toipoto we are expected to:

- Publish our pay gaps action plan each year
- Ensure bias does not influence starting salaries or pay for employees in the same or similar roles
- Have plans to improve gender and ethnic representation in our workforce and leadership
- Develop equitable career pathways and opportunities to progress
- Protect against bias and discrimination in human resource and remuneration policies and practices
- Build cultural competence
- Normalise flexible working; and
- Engage with unions and employees in our work to close our gender and ethnic pay gaps.

¹ Kia Toipoto — Public Service Pay Gaps Action Plan 2021–24 - Te Kawa Mataaho Public Service Commission

² https://www.legislation.govt.nz/act/public/2020/0040/latest/LMS106159.html

⁴ https://www.publicservice.govt.nz/guidance/papa-pounamu/

2. Foreword

From Keith Manch

Director of Civil Aviation and Chief Executive

Tēnā koutou katoa

I'm pleased to present the Authority of New Zealand's Kia Toipoto – Closing the Gender and Ethnic Pay Gaps Action Plan - 2023 to 2025.

To achieve our vision of a safe and secure aviation sector – so people are safe, and feel safe, when they fly, we must make sure we are supporting our own people.

Our Action Plan outlines activities that will help build fairness, inclusion, and representation across the Authority.



Kia Toipoto comes from the saying "Waiho I te toipoto, kaua I te toiroa | let us be united, not wide apart". The name speaks to closing gaps and creating unity and fairness for all peoples.

It was developed in consultation with our people, staff-led networks, and unions. I would like to thank all participants for their valuable contributions.

Our Action Plan is aligned to the Public Service Act 2020, Government Workforce Policy Statement and Papa Pounamu Public Service Programme which requires all public service employers to operate policies that offer fair and proper treatment of their employees in all aspects of their employment and that these are focused on improving diversity and inclusion across the public service.

The Authority's Gender and Ethnic Action Plan focuses on Kia Toipoto's six focus areas:

- 1 Te Pono | Transparency
- 2 Ngā Hua Tōkeke mō te Utu | Equitable pay outcomes
- 3. Te whai kanohi taunoa nga taumata katoa | Leadership and representation
- 4. Te Whakawhanaketanga tāunoa te Aramahi | Effective career and leadership development
- 5. Te e whakakore tāunoa te katoa o ngā momo whakatoihara, haukume anō hoki | Eliminating all forms of bias and discrimination
- 6. Te Tāunoa o te Mahi Pīngore | Flexible-work-by-default

While this is our first formal action plan, we have already been actively working on making the Authority a great place to work and will continue to do so by taking a collaborative approach with our people, unions, and staff-led networks to achieve the key milestones set.

This plan is intended to help us continue on our journey.

Ngā mihi

Keith

3. Vision

Our purpose and what we do

Our strategic framework

OUR VISION AND PURPOSE

A safe and secure aviation system - so people are safe, and feel safe, when they fly

OUR PATHWAYS

OUR
VALUES

Collaboration
Me mahi tahi
Transparency
Me mahi pono
Integrity
Me mahi tika
Respect

Me manaaki

Professionalism

Kia tū rangatira ai

Leadership and Influence

Through regulatory leadership we influence a safe and secure civil aviation system for New Zealand.

Success is when our stakeholders are engaged, and when we see behaviours improve as a result of what we do

Active Regulatory Stewardship We monitor and care for the civil aviation regulatory system through our policy and operational responsibilities.

Success is when our regulation is fit for purpose and our reputation is strong

Professional Regulatory Practice We act to identify risk and reduce it through intelligence-led intervention.

Success is evident in the reduction of risk to safety and security within the system

OUR BUILDING BLOCKS

People

Our highly skilled, professional workforce – building engagement through culture, capability, leadership and diversity

Resource stewardship

Responsibly managing our physical and financial resources and working towards financial and environmental sustainability

Regulatory strategy

Our whole of system regulatory approach; risk based and intelligence-led

- Security delivery strategy (AvSec Horizon 2030)
- Safety delivery strategy (in development)

Communications and engagement

Our engagement – communicating effectively as one organisation with our stakeholders to understand and influence our environment

Technology and information management

Our technology and information management supports our regulatory role and our people, and our systems and information are protected and well managed

Strategic and business planning, reporting, quality and assurance

Our engagement – communicating effectively as one organisation with our stakeholders to understand and influence our environment

As highlighted in our strategic framework, a key building block to achieving our vision is our people. We are committed to enabling our highly skilled, professional workforce by building engagement through culture, capability, leadership, and diversity.

To do this we will:

- identify longer-term workforce needs, and deliver timely human resource services
- embed the gain from our culture development programme to ensure the Authority's long-term future as a respectful, inclusive, and safe place to work; and
- deliver on the actions set out in our Health, Safety, and Wellbeing Strategy; Leadership Strategy; Diversity and Inclusion Strategy; and deliver on Digital Strategies.

4. What our data and insights are telling us

Achieving true gender and ethnic equality, embedding cultural change in our workplace, and reducing our pay gaps will be an ongoing, iterative process. Below is a snapshot of where we are at in a particular point in time, which is an important part in understanding our journey and the progress that is needed to reach our milestones.

As of 1 January 2023, the Authority has **1,591 permanent employees and 71 fixed term employees**. All reporting in this Action Plan is based on data from 1 January 2023. Reporting is developed in line with guidance provided by Te Kawa Mataaho as outlined in Table 1.

Table 1: Data parameters/definitions used in reporting.

Data parameters

(Calculations are aligned to guidance provided by Te Kawa Mataaho)



Casual employees were excluded from the reported data.



Management categories were grouped as follows:

Tier 2 to 3 Senior Managers

Tier 4 to 5 Managers & Team Leaders/Principal Advisors with direct reports



Authority employees can self-identify up to two ethnicities.

The options for selection include: African, Chinese, Cook Island Māori, Indian, Latin American, Middle Eastern, Māori, New Zealand European – Pākehā, Niuean, Other Asian, Other European, Other Pacific Island – Pasifika, Samoan, Tongan or 'prefer not to say'. All employees that selected "Prefer not to say" in the first ethnicity and second ethnicity field were included in the "Not reported" group.

People who identified as Middle Eastern, Latin American and African (MELAA) have been grouped with the "Other" category due to their very small number.

The ethnic pay gap calculation is as follows: we subtract the 'ethnicity' from everyone who is not that ethnicity, divide the result by everyone who is not that ethnicity, then multiple by 100 to get the percentage value, e.g., average for non-Māori minus average pay for Māori divided by average pay for non-Māori x 100.

Employees who disclose more than one ethnicity can therefore be included in more than one ethnic pay gap calculation and as a result employee numbers by ethnicity may add up to more than the total number of employees for the Authority.



Median pay is the middle amount of pay earned - half the employees earn less and half earn more than the middle amount. Medians are calculated by listing all employees from highest to lowest paid and finding the midpoint.



Mean (average) is the sum of all pay, divided by the number of people earning that total pay. That is the amount of money given to each employee if we take all pay earned, and divided it up evenly among the employees.



Due to the small representation of individuals reporting a disability in some of the roles, we have only calculated the disability pay gap for our Aviation Security Officer full time, part time, and Team Leader roles where the sample size is 100 or more.



Under Kia Toipoto entities need at least 20 employees in each comparative group to publish stastically robust pay gaps, while also protecting the privacy of employees.

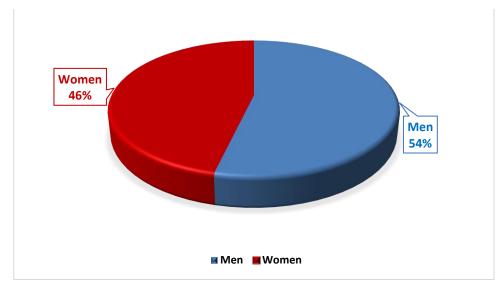


The gender pay gap calculation is as follows: we subtract women from men, divide the result by men pay, then multiple by 100 to get the percentage value, e.g., average total remuneration for men minus average total remuneration for women divided by average total remuneration for men x 100 = GPG%.

Gender insights

The Authority: Gender comparison

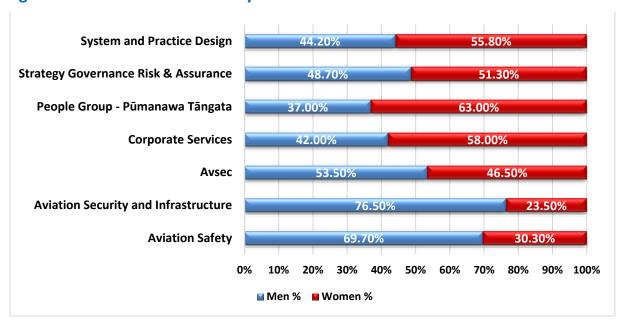
Figure 1: Overall Gender Distribution



Commentary

The Authority has no employees who have self-identified as gender diverse. Historically, the Authority have only captured sex (i.e. male or female) but not gender. Male and female refers to the sex a person is assigned at birth. Men and women are more inclusive terms (it recognises that not everyone falls neatly into binary male or female categories). In the future, the Authority will aim to capture gender diversity.

Figure 2: Gender Distribution by Business Unit



Commentary

The gender distribution in Aviation Security and Infrastructure and Aviation Safety Business Groups can be attributed to occupational segregation⁵ noting that traditionally, Technical Specialist training was predominantly dominated by men. This is slowly changing in the industry with more women choosing to study and start careers in this area. As one part of creating a diverse workforce, the Authority continues to actively recruit and support women to work in Technical Specialist roles and those requiring regulatory experience. This will continue to be a key focus over the next three years.

Gender Pay Gap Public Service

From 2018 to 2022 the average public service gender pay gap dropped from 12.2% to 7.7%.

The Authority Gender Pay Gap

The Authority's overall median Gender Pay Gap (GPG) on 1 January was 5.92% (3.82% on 30 September 2022). The GPG broken down by Authority Business Group is outlined in Table 2.

Table 2: Median Gender Pay Gap by business unit

Business unit	Pay Gap
Aviation Safety	17.98%
Aviation Security and Infrastructure	9.73%
Aviation Security Service (AvSec)	3.59%
Corporate Services	-4.41%*
People Group Pūmanawa Tāngata	4.31%
Strategy Governance Risk & Assurance	9.00%
System and Practice Design	24.62%

^{*}A negative gap shows a gender gap where women are paid more than men.

Average (mean) pay in the public service

As at 30 June 2022, the average salary was \$88,100 for women and \$95,400 for men.

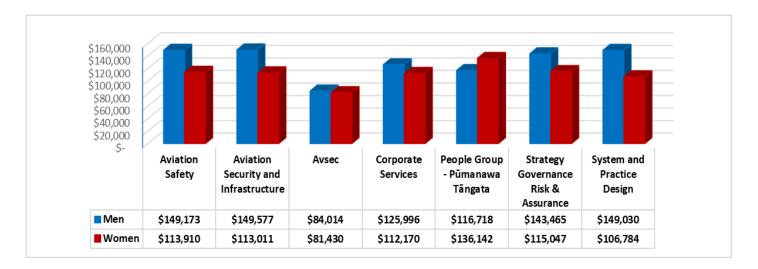
The Authority average (mean) salary men vs women

As of 1 January 2023, the average permanent salary was \$88,234 for women and \$95,513 for men. The average fixed term salary was \$79,019 for women and \$108,225 for men.

⁵Occupational segregation occurs when one demographic group is overrepresented or underrepresented in a certain occupation.

There is an 8% difference between permanent women and men salaries and 27% percent difference between fixed term women and men salaries. The average salary broken down by Authority business group is outlined in Figure 3. *This includes fixed term employees*.

Figure 3: Average Salary by business unit



Commentary

The difference in average salary in most of the Groups could be attributed to more men holding positions in the specialist functions. An exception is our People Group | Pūmanawa Tāngata where most employees are women. To better understand these results and the drivers, it will require more indepth analysis which will occur over next year.

The Authority: Overall average tenure (by gender)

Figure 4: Average overall tenure (years)

Men, 8.03	Women, 6.15

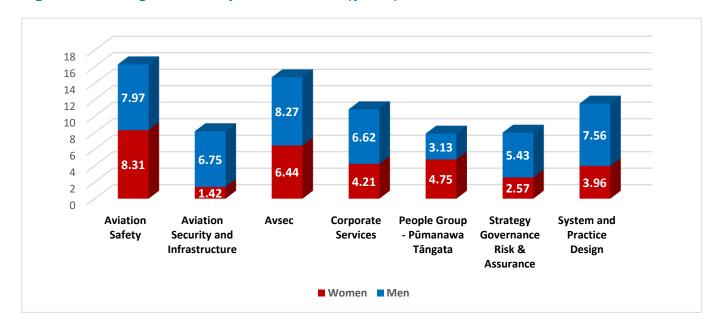


Figure 5: Average tenure by business unit (years)

Commentary

We have no evidence on the reasons for the difference in tenure between men and women shown in Figure 5. This will be investigated further, however, anecdotally it may be attributed to women leaving due to working patterns (shift work), parental reasons and potentially flexibility requirements.

The Authority: Gender by management positions

Table 3: Gender by management positions

% Senior Managers that are women: **20.0**%

% Managers that are women:

41.8%

Table 4: Leadership average salary (Women/Men)

Manager type	Women Salary	Men Salary	% Pay Gap
Senior Managers	\$234,310	\$237,183	1.2%
Managers	\$120,653	\$118,044	-2.2%

^{*}A negative gap shows a gender gap where women are paid more than men.

Table 5: % Senior Managers who are women by business group

Business groups	% Women
Aviation Safety	16.7%
Aviation Security Service (AvSec)	20.0%
Corporate Services	25.0%
People Group – Pūmanawa Tāngata	100.0%
System and Practice Design	0%
Aviation Security and Infrastructure	0%
Strategy Governance Risk & Assurance	16.7%

Table 6: % Managers who are women by business group

Business groups	% Women
Aviation Safety	22.2%
Aviation Security Service (AvSec)	40.6%
Corporate Services	66.7%
System and Practice Design	75.0%
People Group – Pūmanawa Tāngata	75.0%
Aviation Security and Infrastructure	0%
Strategy Governance Risk & Assurance	75.0%

The Authority: Disability reported

Overall disability 'Not Reported' is 98.13%

Overall disability 'Reported' is 1.87%

Commentary

We have no evidence to explain why more employees are not reporting a disability if applicable. It could be because employees have concerns about how their data will be used. Going forward, we will endeavour to be clear on the purpose of collecting the data. Furthermore, we will clarify how the information will be managed to ensure we address privacy concerns.

The average disability pay gap shown below has been used to show the disability pay gap for an Aviation Security Officer (full time(, Aviation Security Officer (part time), and a Team Leader in our Aviation Security Service. These groups have been used as a sample as they are large enough to protect privacy without any individuals being clearly identifiable.

Table 6: % Disability pay gap (average salary) – Aviation Security Service

Disability pay gap (average salary)		
- 1.10%	5.89%	- 10.63%
Aviation Security Officer – Full Time	Aviation Security Officer – Part Time	Team Leader

Commentary

The results indicates that full time Aviation Security Officers and Team Leaders who reported a disability have a higher salary than those who did not report a disability. Part time Aviation Security Officers who did not report a disability have a higher salary than those who did report a disability.

We have no explanation for this, however, we will undertake more in-depth analysis on reported disability pay gaps over the next year.

Ethnicity insights

Ethnic pay gap in the public service

From 2018 to 2022 the public service Māori pay gap (difference between the average pay for Māori and non-Māori employees) has reduced from 8.3% in 2021 to 6.5% in 2022.

The Pacific pay gap has fallen slightly from 17.9% to 17.7%.

The Asian pay gap has changed little between 2018 to 2022. It was 12.6% in 2018 and 12.4% in 2022.

The Authority: Ethnicities reported

Overall Ethnicity

Not Reported	
42.48%	

_	
Reported	
57.52%	

Commentary

We have no evidence to explain why more employees are not reporting their ethnicity. It could be because employees have concerns about how their data will be used. Going forward, we will endeavour to be clear on the purpose of collecting the data and will clarify how the information will be managed to ensure we address privacy concerns.

Table 7: Ethnicity by business group (Not reported/reported)

Reporting group/region	Not reported	reported
Aviation Safety	36.13%	63.87%
Aviation Security and Infrastructure	17.65%	82.35%
Aviation Security Service (AvSec)	45.42%	54.58%
Corporate Services	36.23%	63.77%
People Group - Pūmanawa Tāngata	14.81%	85.19%
Strategy Governance Risk & Assurance	17.95%	82.05%
System and Practice Design	30.23%	69.77%

Figure 6: Overall first ethnicity reported and average salary

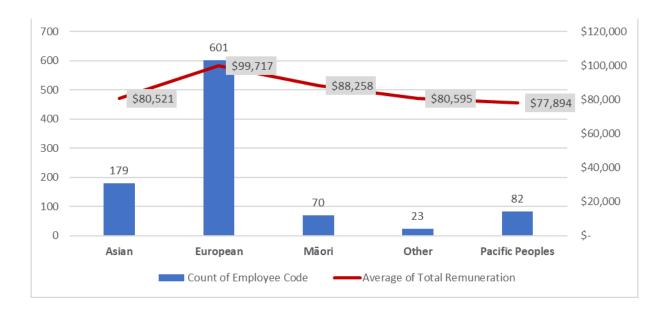


Figure 7: Overall second ethnicity reported and average salary

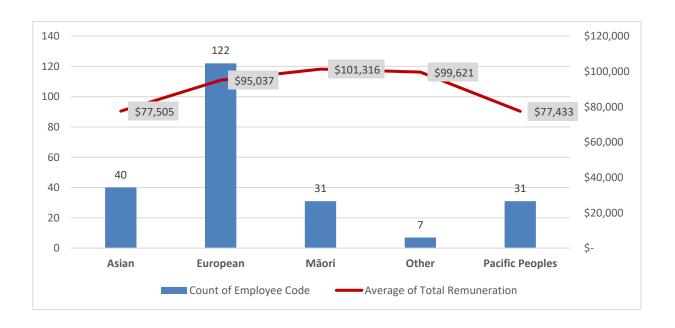


Table 8: Overall pay gap based on both ethnicities reported

Ethnicity	Pay gap
Māori	1.30%
Pacific Peoples	15.94%
Asian	14.61%
Other	7.71%
European	-11.83%*

A negative gap here represents that Europeans are being paid more than non-Europeans.

5. Snapshot of recent initiatives to close our pay gaps

While the Authority has not historically been required to have a formal pay gap action plan, the following initiatives have supported the Authority to remove bias more generally from our human resources and remuneration systems, policies and practices may have contributed towards a positive shift in closing our pay gaps.

Initiative

Refreshing our core Values

- The creation of our Authority values in 2021 was a foundational piece of work to support a positive workplace in the Authority. These were designed by our people for our people and represent the standards of behaviour within our work and daily interactions and underpin how we work to keep New Zealand skies safe and secure.
- Our Values Kia tū Rangatira ai | Professionalism, Me manaaki | Respect, Me mahi tikia | Integrity, Me mahi pono | Transparency and Me mahi tahi | Collaboration – represent those standards of behaviours.

Addressing bullying, harassment and discrimination

- The Authority has zero tolerance for bullying, harassment, and discrimination.
- We have developed a new policy on how we handle workplace bullying and discrimination. This policy is part of our drive to make sure all our people feel respected, valued, and supported. The policy explains options for raising a concern if our people experience or see anything that they think is inappropriate or that may be bullying, harassment or discrimination.
- Delivering an 'addressing bullying, harassment and discrimination in the workplace' workshop for all people was a key piece of work to build a respectful, inclusive, and safe workplace.
- All existing staff were also required to take our online training module and
 it is now part of our new employee induction. The module was designed to
 help them identify, address, and manage bullying, harassment and
 discrimination in the workplace as well as understanding responsibilities
 and how to raise concerns or get help if needed.



Diversity and Inclusion Strategy 2021 to 2026

- Our vision is that the Authority has a culture of care and respect for one another, where as an organisation we embrace diversity through awareness, inclusion through opportunity and belonging through connection.
- The Diversity and Inclusion Strategy 2021 2026 was shaped by our Diversity & Inclusion Working Group and has the full support of the Authority Leadership team.



The strategy has four key focus areas:

- Exploring our identity
- Honouring our obligations to Te Tiriti o Waitangi (The Treaty of Waitangi)
- Strengthening foundations, policy, data, and reporting
- o Building our organisational Diversity & Inclusion capability.
- Our Diversity and Inclusion Working Group is an avenue for all our people and the intent is that it is integrated into who we are as an Authority, ensuring that diverse perspectives are considered and recognised.

Pride Network

 Our Pride Network is an important way to allow our people to come together and explore and celebrate their identity under the LGBTTQIA+ (lesbian, gay, bisexual, takatāpui, transgender, queer, intersex, asexual+) umbrella.



 Our Network is led by the community for the community and decides how best to celebrate important events in the wider Diversity Calendar and respond to issues as well as being part of a network which supports the Authority to achieve its goal of being inclusive.

Leadership and Management

 We are committed to developing connected, effective and values-driven managers who lead in an environment that allows us to succeed. We have developed a leadership strategy with input from across the Authority, that specifically draws on feedback from our 2022 Your View Survey with the full support of our Board and Authority Leadership Team.



• We will pilot a new Leadership Programme by the middle of 2023 and will continue delivering a management development programme - 'Management Matters' which covers the wide range of management accountabilities across the employee lifecycle, relevant to new managers or seasoned managers. A major theme running through this programme is about having impactful conversations with our people. Each workshop has a different focus and guides managers through why conversations are important, how to have valuable conversations, build relationships, and manage difficult situations.



- We continue to run our 'Smartway' Programme which aims to develop a
 qualification pathway for Aviation Security Service Team Leaders, Shift
 Leaders and Operations Managers to become more self-aware as leaders
 and be the best they can be going into the future.
- In addition to the above, we deliver Technical induction for newly appointed Team leaders to longer serving Team Leaders in Aviation Security Service. The programme is designed to support learning the day-

to-day technical functions relating to the role of Aviation Security Service Operational Team Leader.

Health, Safety and Wellbeing Strategy

Our Health, Safety and Wellbeing Strategy 2021 – 2026 focuses on a vision of what the Authority will be in 2026 – a place where everyone feels safe, valued, respected and included; where people are well supported themselves, and look out for each other. The Strategy is influenced by, and aligns with the Authority's strategic objectives; our People Strategy; Diversity and Inclusion Strategy; Leadership Strategy; the Health and Safety at Work Act 2015 (HSWA); Te Tiriti O Waitangi; and our Authority Values.



Flexible working arrangement policy and guidelines

- We have a flexible working policy and guidelines which aims to provide our people the flexibility to work in a variety of settings so they can more effectively balance professional and personal priorities. Our policy highlights our commitment to being flexible by default, unless there is a strong business reason why not. The effectiveness of the policy is generally measured by the percentage of flexible working arrangements approved/declined and the reasons.
- Currently we have a hybrid model in place for our Wellington-office based employees with many working between temporary locations and home due to seismic strengthening work on our building. We are reviewing this policy and approach as we move from our current temporary Wellington offices back to our permanent home in Asteron House in early 2024.

Employee engagement survey

- 'Your View' is our annual employee engagement survey and action planning process. It is completely confidential.
- The survey asks our people a series of questions to measure our engagement, organisational performance, and culture. Feedback from the surveys gives us a way to hear from our people directly and focus on what we can do to take meaningful action to make long-term positive change for all our people.
- Our employee survey includes demographic questions focussed on disability, the LGBTTQIA+ community and an additional option of 'gender diverse' which has helped us to better understand our people's experiences.





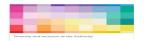
Policy settings

We have continued to contribute to the Authority's 4% (1% above the mandated minimum) employer contribution to Kiwisaver while employees are on parental leave. This benefit contributes to the delivery of our Diversity and Inclusion Strategy - strengthening our foundations and policies to make the Authority a great place to work and minimising the impact of parenthood on work while ensuring that our people, regardless of their Whānau /family circumstances, have an equal opportunity to reach their full potential.



In addition to the above, we provide an ex-gratia payment equivalent to 30 working days to encourage and support employees returning to work after a period of parental leave.

Engagement with our unions and networks and Public Service Association



We continue to engage with our unions and Diversity and Inclusion Networks on people initiatives to make sure we respond to the voices of our people.





6. Our Action Plan and next steps

Our detailed action plan is provided in Appendix 1. The plan is shaped around Kia Toipoto | Closing Gender Māori, Pacific, and Ethnic Pay Gaps Public Service Action Plan 2021 – 2024.

Our Action Plan was developed with engagement from our staff-led networks, the Public Service Association, E tū and NUPE.

We will continue to engage with people across the organisation to help us implement our organisational milestones and monitor progress. Our plan will be released on Te Kūaha (internal intranet) and our external website by the end of May 2023.

Our pay gaps will continue to be reported quarterly to the Board and our Authority Leadership Team and will be regularly reviewed and discussed by our Diversity and Inclusion Working Group.

Our progress will be determined by our data, progress actions, and general feedback and discussions about people's experiences and annual progress reports will be provided to Te Kawa Mataaho.

Conclusion summary

Our first Kia Toipoto plan focusses on continuing work already underway, such as implementing our new Civil Aviation Authority and Public Service Association remuneration framework (including the

first remuneration forum), improving our recruitment processes, and strengthening our data collection, processes, and systems to enhance the experiences of our people working at the Authority. We will continue working with our people and unions to understand what matters to them. Our data analysis and insights gained will inform our decision making on what is required to support our journey to close our pay gaps where under-representation is apparent.