

4 November 2019

Lesley Harbern
Fyi-request-11382-2bd5ee84@requests.fyi.org.nz

Dear Lesley Harbern

Thank you for your request made under the Official Information Act 1982 (OIA), which Inland Revenue received on 5 October 2019.

You requested (numbered for ease of reference):

I am interested in employment equity and fairness.

- 1) *Please quantify your gender pay gap, (if possible not just binary male-female but incorporating other gender identifications too).*
- 2) *Give numbers of your employees are of which genders at each tier of your hierarchy.*
- 3) *Provide the same information regarding the other following demographics:*
 - a) *marital status*
 - b) *religious belief*
 - c) *ethical belief*
 - d) *ethnic origins*
 - e) *national origins*
 - f) *disability*
 - g) *age*
 - h) *political opinion*
 - i) *employment status immediately prior to being employed by yourselves*
 - j) *sexual orientation*
 - k) *physical appearance / body type characteristics*
- 4) *Explain what you are doing to actively address any disparities in any of these areas.*
- 5) *Explain how you go about preventing and combating conscious discrimination and prejudice in these areas.*
- 6) *Explain how you go about preventing and combating unconscious discrimination and prejudice in these areas. Please be aware that providing policy documents that state these discriminations and prejudices are not acceptable does not constitute an answer to these queries. Policy documents are not action. What actual actions are you taking.*
- 7) *Please explain how you go about preventing and combating wrongful interpersonal behaviour such as workplace bullying and harassment even if it is not specific to any of these demographics.*

Questions 1 and 2: Our gender pay gap, and numbers at each tier by gender

Our overall gender pay gap is 18.7%, as at 31 July 2019. However, the average (weighted) gender pay gap within roles is close to zero (0.4%).

We do not currently have enough employees who self-identify as being in the non-binary gender categories to include them in the gender pay gap calculation.

Questions 3 d), f) and g): Numbers of employees by gender for ethnicity, disability and age

The information in table 1 is at 31 July 2019, and includes active permanent and fixed-term employees. The information excludes contractors, agency staff, casual employees and employees on parental leave and continuous leave without pay.

Table 1: Numbers of your employees by gender for ethnicity, disability and age

	Staff	Team leader	Leader	Senior leader
Gender				
Female	2854	246	104	15
Male	1519	124	87	26
Gender diverse	6	0	0	0
Prefer not to say	3	1	0	0
Ethnicity				
European	2620	251	151	33
Asian	632	30	10	2
Maori	475	43	12	1
Pacific peoples	312	27	5	1
MELAA*	107	8	1	0
Other	25	7	2	0
<i>Not recorded</i>	<i>541</i>	<i>30</i>	<i>23</i>	<i>5</i>
Disability				
Disability**	164	8	5	1
Age group				
<20	9	0	0	0
20-24	194	6	0	0
25-29	550	25	2	0
30-39	1011	72	26	1
40-49	991	110	72	17
50-59	1088	125	65	14
60+	539	33	26	9

* MELAA stands for Middle Eastern, Latin American and African.

** Disability is self-declared, so we only have the data that employees choose to share with us.

Please note that recording ethnicity is encouraged but not mandatory. People can select more than one ethnicity, so the total of these numbers is higher than the total numbers of staff in the other parts of the table.

Questions 3 a), b), c), e), h), i), j) and k): Numbers of employees by gender for other demographics

As we do not record the following demographics, we are unable to provide information about:

- a) marital status
- b) religious belief
- c) ethical belief
- e) national origins
- h) political opinion
- i) employment status immediately before being employed by Inland Revenue
- j) sexual orientation
- k) physical appearance or body-type characteristics.

These parts of your request are therefore refused under section 18(g) of the OIA, as the information is not held by Inland Revenue.

Question 4: What we are doing to actively address any disparities in these areas

Inland Revenue's commitment to an inclusive culture

Inland Revenue is committed to having an inclusive culture. This is woven into our everyday values, behaviours, practices, processes, policies and employment agreements.

Although we are largely representative of New Zealand from a gender and ethnicity perspective, our diversity decreases as job complexity increases. Inland Revenue's Diversity and Inclusion strategy and programme of work is designed to address our specific diversity and inclusion goals. Our goals are to:

1. Create a safer and more open working environment, where all our people feel able to grow and do their best work without fear of embarrassment or retaliation.
2. Break down barriers to inclusion, and celebrate, retain, develop and attract a truly diverse workforce that is representative of the communities we serve.
3. Actively demonstrate our commitment to an inclusive culture through our leadership and hold ourselves accountable for our progress.

Actions to support Inland Revenue's commitment to an inclusive culture

To achieve these goals, some examples of specific practices and actions we are taking include:

- Our Diversity and Equal Employment Opportunities (EEO) policy and practices support equality in the workplace for everyone. We want to remove barriers so all our people have opportunities to develop and progress. We apply our EEO policy in all our people processes, including recruitment and development.
- Inland Revenue is becoming a capability-based organisation. This means we source, recruit, develop and deploy our people based on capability. Capability is the mix of skills, knowledge, experience and attitudes, so it is a recognition of the whole background and perspective that a person brings to work, and that everyone is unique.

Questions 5 and 6: How we go about preventing and combating conscious and unconscious discrimination and prejudice in these areas

Some of the recruitment and selection practices we have in place to maximise diversity and inclusion are:

- The recruitment team supports hiring managers in identifying the key non-negotiable criteria or capabilities required for a role. Inland Revenue attempts to limit the number of role requirements to encourage applications from a wider representation of people. This can also mean challenging pre-conceived notions of "years of experience" or "qualifications".
- Hiring managers have access to learning modules that create awareness of unconscious biases and equips panels with tools to minimise bias, e.g. diverse interview panels, understanding whanau support in an interview, conversations about and assessment of capabilities rather than other "demographic" or other characteristics.
- Inland Revenue also uses standardised capability-based interviewing. Standardisation in interview questions reduces bias. Capability-based interviewing gives candidates the opportunity to demonstrate their skills in

performing tasks or delivering certain outcomes, irrespective of how and where the experience was gained.

- We use multiple selection tools during the recruitment process, to increase the probability of finding the best-suited candidates and provide a higher level of objectivity. Multiple tools also provide candidates with the best opportunities to demonstrate their suitability through various channels and not just based on interview performance.
- We are also reviewing our end-to-end recruitment process, to identify areas where we can build in further checks and balances where unconscious bias may be possible, so that our selection processes are free from bias.

The gender pay gap

We are committed to eliminating the gender pay gap. Our gender pay gap is largely explained by there being fewer women in higher paid roles and more women in lower paid roles. Inland Revenue has a *Gender Pay Gap Action Plan* designed to close the gender pay gap and have a workplace that is free from gender-based inequalities, so that all employees can achieve their full potential. As part of this action plan we are looking at how we attract, develop and retain our people, reduce the impact of bias, provide flexible working options for everyone, and ensure gender is not a factor in remuneration.

Changes to Inland Revenue's pay approaches in 2018 contributed towards a reduction in our gender pay gap, seeing all pay ranges increase in 2018, changing both "within role" and "within band" pay distributions. Ninety percent of our people are covered by the Banded Pay Structure (BPS), which features standardised pay increases based on a person's pay zone (each person in the same pay zone receives the same percentage pay increase), and this has reduced the role of bias on pay outcomes.

Flexible working

Inland Revenue provides flexible working arrangements to support our people to balance their work and personal lives, and there has been significant progress made on implementing tools and technology to enable flexible working. We have a team looking at how we can build on current policy and practice to become "flexible by default" by the end of 2020, so that flexible working options are available in all parts of the business.

We have started introducing parenting rooms, reflection/prayer rooms, gender-neutral bathrooms and visual design elements that reflect our people's diversity.

Ethnicity and disability

We are taking the following actions:

- We have improved our ethnicity data for our people so that we have enough ethnicity data to complete further analysis on ethnic representation and pay gaps.
- We work with Workbridge to support the employment of disabled people. We are committed to implementing the Lead Toolkit, to increase the employment of disabled people in the state sector, and the all-of-government *Accessibility Charter*.
- We provide bespoke training for our employees with vision loss and disability, so they can use new technology, processes and functions.
- We are reviewing our approach to learning with a diversity and inclusion lens, so that our learning and development programmes will be more accessible and inclusive for everyone.

Māori and diversity communities

- Inland Revenue has a dedicated Engagement, Māori and Diverse Communities group. This group is responsible for effective stakeholder engagement with Māori and diverse communities and ensuring that Inland Revenue has the capability to deliver appropriate services to them. This includes supporting, educating and advising our people. Our Māhutonga strategy is Inland Revenue's approach to weaving Te Tiriti o Waitangi (the Treaty of Waitangi) and Māori principles, concepts and practices into Inland Revenue.
- Inland Revenue is a Support Partner of and is providing internships to participants of TupuToa, an internship programme creating pathways for Māori and Pasifika students into careers in the public and private sector.
- We have regular diversity and inclusion communications, and a dedicated intranet page with a suite of resources.
- We have learning modules on Māori responsiveness, Treaty of Waitangi and Te Reo Māori, Unconscious bias, and Managing cultural complexity.
- We encourage and support the development of a range of employee networks. Some examples of the types of network groups within Inland Revenue are Māori, Pasifika, Multi-cultural, Disability, Rainbow, and Women.
- We celebrate diversity including celebrating different cultural occasions and activities such as Matariki, Chinese New Year, Pride, Māori, Pacific and Chinese Language Weeks, Diwali, Eid, International Women's Day, Pink Shirt Day, International Day of People with Disabilities, and Mental Health Awareness Week.
- We have a specific Commissioner's Award category for diversity and inclusion, called He Waka Eke Noa. This award recognises our people who are helping build an inclusive culture at Inland Revenue.

Question 7: How we go about preventing and combating wrongful interpersonal behaviour such as workplace bullying and harassment

Everyone who works for Inland Revenue must adhere to the *Code of Conduct*, which they must sign when they begin their employment. The *Code of Conduct* specifies the requirement to contribute to "an inclusive, respectful, safe and healthy workplace".

We have a mandatory learning module, which includes scenarios and questions about an inclusive respectful, safe and healthy workplace and promotes speaking up. Any breaches of the *Code of Conduct* may result in disciplinary action.

We have a dedicated Integrity Assurance group that supports our people with integrity and conduct concerns. The group also provides practical advice and assistance on our *Code of Conduct*.

There are a range of options for dealing with harassment, bullying or discrimination in the workplace, including online reporting tools. People are encouraged to speak up and raise any issue. Any complaint or query is treated confidentially, taken seriously and acted on promptly

Rights of review

If you disagree with my decisions on your OIA request, you can ask an Inland Revenue review officer to review my decisions. To ask for an internal review, please email the Commissioner of Inland Revenue at: CommissionersCorrespondence@ird.govt.nz.

Alternatively, under section 28(3) of the OIA, you have the right to ask the Ombudsman to investigate and review my decision. You can contact the office of the Ombudsman by email at: info@ombudsman.parliament.nz.

Thank you for your request. I hope the information provided is of assistance to you.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Mark Daldorf', with a large, stylized flourish extending from the end of the name.

Mark Daldorf
Chief People Officer, People and Culture