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### *Ethnic (pay) disparities in public sector leadership from 2001–2016 in Aotearoa New Zealand*

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#### About the authors

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#### Abstract

New Zealand governments have longstanding policy commitments to equal employment practices. Little attention has been paid to ethnic pay disparities in recent years. Informed by a series of Official Information Act requests, we were interested to find out to what extent ethnic pay disparities existed at senior levels within the core public sector and district health boards (DHBs). We examined the number of employees who earned more than NZ\$100,000 by determining the total full-time equivalent staff (FTEs) and the respective proportions of the three ethnicities compared—Māori, Pasifika and Other. The analyses revealed a pattern of ethnic pay disparities across the public sector over the period reviewed. There were fewer Māori and Pasifika staff employed in DHBs than their population proportion. The failure to promote Māori and Pasifika to the upper tiers of the public sector is consistent with definitions of institutional racism. The authors call for more research to understand the dynamics of ethnic pay disparity and the drivers of this disparity.

#### Keywords

ethnic disparities, New Zealand, public sector, racism, Māori, Pacific, health sector

#### Acknowledgments

The authors would like to acknowledge the hardworking trade union activists who have been working for decades to end ethnic pay disparities in Aotearoa New Zealand. May we achieve pay parity within the decade.

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Internationally, the New Zealand Government presents itself as leader in human rights (Ministry of Foreign Affairs and Trade, 2018; New Zealand Government, 2016). A paradox of this representation is the significant ethnic disparities within Aotearoa (New Zealand) across multiple domains, including education, employment, health and criminal justice (Marriott & Sim, 2014). Signatories of the *Convention on Eliminating All Forms of Racial Discrimination* (CERD; United Nations [UN], 1966), such as New Zealand, are required to be actively working towards eliminating all forms of racial discrimination, including discrimination within the domain of employment.

Safe, satisfying and viable employment is often critical to an individual's quality of life, financial security and self-esteem (Wilkinson & Marmot, 2003). Employment can be a site of racial discrimination. It can occur during recruitment, promotion or progression processes, when job descriptions are reviewed; or when a workplace is being restructured and within the organisational culture of a workplace (Dovidio & Gaertner, 2000; Goldman, Gutek, Stein, & Lewis, 2006; Pager, Bonikowski, & Western, 2009). Likewise, racism can impact on whether a job is part time, temporary, or full time and permanent. All these sites of racism can contribute to ethnic pay disparities.

The extent and detail of the global problem of ethnic pay disparities is unclear in the literature. This may be because ethnic analysis relies on robust ethnic data from either census and/or national household surveys. Not all countries or government departments systematically collect ethnicity data. Ethnic data are essential to fulfill the requirements on signatories to CERD (UN, 1966) and equal employment opportunity (EEO) programs. EEO programs are tailored interventions designed to promote fairness and eradicate employment-based discrimination.

At some time, we know many of the 370 million Indigenous peoples on the planet have experienced employment discrimination (Birch & Marshall, 2018; Ewing, Sarra, Price, O'Brien, & Priddle, 2017; Riseman, 2013). According to the International Labour Organisation (ILO; 2007), Indigenous workers in Latin America make on average about half of what non-Indigenous workers earn. Some of this gap is due to discrimination, and other parts relate to upstream factors such as discrimination in primary, secondary and tertiary education, which impacts on employment prospects. Atal, Nopo, and Winder (2009), in their study of 11 Latin American countries, noted a significant proportion of the ethnic wage gap was due to the scarcity of minorities in high-paid positions, which they linked with educational attainment. Hall and Patrinos (2006) found that after accounting for educational differences, the ethnic wage gap persisted for Indigenous peoples.

International research continues to highlight ethnic pay disparities in the labour market. They are considered to occur when ethnic minorities are recruited in lower paid occupations and therefore generate a pay gap across the organisation. Alternately, they may be paid less for doing the same work, therefore creating a pay gap within an occupation (Brynin & Guveli, 2012). A study in Britain found that most ethnic minorities were recruited in lower paid occupations due to education or selection; and that it was harder for such groups to enter better paid occupations (Brynin & Guveli, 2012). Interestingly, further findings have explained that the reasons behind ethnic pay disparities or ethno-migrant pay gaps is due to human capital disparities and migrants seeking work below their level of education. This can be in order to minimise participation in work-related communication, such as team meetings or giving feedback or critique that will often be in conflict to Indigenous worldviews, and not necessarily due to language barriers (Sibers & Gastel, 2015).

In the United States, ethnic and migrant communities are paid less than their white counterparts, and public policy decisions continue to disadvantage these groups (Sullivan et al., 2015). As a result, they are also less likely to be employed in work that provides health benefits, paid leave or retirement benefits, thereby reinforcing their low status in the community. It has been proposed

that a lower level of educational attainment contributes to ethnic pay disparity; however, job discrimination continues to exist due to inconsistencies in the implementation of policy enforcement. Research also continues to report evidence of implicit bias (Bertrand & Mullainathan, 2004).

Institutional racism is a pattern of differential access to resources, cultural capital, and political power that advantages one ethnic group while disadvantaging another (Came, 2014). Sometimes racism can be detected within specific policies and practices, sometimes it is visible through inaction in the face of need; at other times it can be seen in inequitable outcomes, as in the case of ethnic pay disparities. However, one way to address ethnic pay disparities and to respond to the issue of whether applicants are suitably skilled may be to also address the presence of inequitable educational outcomes for Indigenous and ethnic minorities. We explore this through our local lens in Aotearoa.

### **The New Zealand situation**

Evidence of systemic discrimination against Māori is growing more plentiful (Came, 2014; Came, Doole, Houkamau, & Sibley, 2015; Human Rights Commission, 2011; McCreanor, 1997; McKenna & McCreanor, 2017; Workman, 2011).

Aotearoa has had equal pay and anti-discrimination legislation for decades. From 1988, all state sector chief executives were required to be good employers and have an EEO program. The government has since been working towards having 'the staff profile of each department more closely reflecting, at all levels and in all occupational groups, the proportion of EEO groups in the labour force' (State Services Commission, 2005).

Employing approximately 50,000 workers, the state sector remains a major employer (State Services Commission, 2018).

Jones and Torrie (2009) have argued the initial success of state sector EEO initiatives in New Zealand was dependent on the monitoring and enforcement of central agencies. The centre's ability to monitor and enforce was subsequently eroded by the major state sector reforms of the 1990s (Kelsey, 1995). Under a neoliberal ideology it was believed that the market would correct itself. Instead, the reforms fuelled widespread occupational segregation and Māori and Pasifika workers became over-represented in lower paid and low-status jobs (Coalition for Equal Value Equal Pay, 2018). Jones and Torrie (2009) argued that pay disparities issues represented a "failure of deregulation, decentralisation and voluntarism to advance pay and employment equity" p. 571.

Many families in Aotearoa now live in circumstances that put their health at risk (Johnson, 2018; Wilkinson & Marmot, 2003). The average Māori household income in 2013 was NZ\$22,500 (Statistics New Zealand, 2013)<sup>1</sup> and NZ\$23,686 per annum was the median Pasifika income; with nearly half (49%) of all Pasifika people earning below N \$20,000 (Statistics New Zealand, 2017b). The Māori unemployment rate in New Zealand is 9.65%, the Pasifika rate 11.1%, with the Māori underemployment rate<sup>2</sup> being an additional 20.8% (Pasifika Futures, 2017; Statistics New Zealand, 2018). The standard single adult job seeker benefit (without supplements) is NZ\$12,511 annually (Work and Income New Zealand, 2018). The adult minimum wage in New Zealand (assuming a 40-hour week) is NZ\$34,320 annually (Employment New Zealand, 2018), while the living wage in New Zealand was defined as NZ\$46,500 (Living Wage Aotearoa New Zealand, 2017). The latter is calculated from the household survey data and other sources to determine the real costs of essential family needs as well as energy, health, communication and education costs.

Public service chief executives have stated their commitment to a collective vision of a diverse and culturally competent workforce that reflects, understands and values the communities it services (State Services Commission, 2018). In 2018, Māori made up 16% of the overall public service workforce and Pasifika people an additional 9.1%. The State Services Commission (2018) concedes Māori and Pasifika ethnicities:

are still under-represented in the top three tiers of Public Service management. This will take time and deliberate effort to increase as non-European ethnicities are also under-represented at lower levels of management. The lack of ethnic diversity in management is a key challenge.

Their current strategy to remedy this is to try and understand the drivers of ethnic pay inequities.

Research commissioned by Treasury (2018), using an Oaxaca-Blinder decomposition, found educational levels and occupation choice are key contributors to ethnic wage disparities. For instance, 'industry statistics show that Māori are more likely than Pākehā to work in the primary industries, in manufacturing, or in transport, postal and warehousing' (p. 9). Other factors included parental status, region, age and employment continuity and discrimination. Jackson and Fischer (2007), McKenzie (1996), and Singer and Eder (1989) have all done experiential research in New Zealand showing bias, discrimination or racism in employment practices.

Emerging research by Ofe-Grant (2019) examined the challenges Samoan people face in senior roles in the public and private sector. She found evidence of racism despite diversity programs within workplaces. Furthermore, she found that Samoan cultural values can create conflict and confusion in communication, which impacts on promotion opportunities.

Racism occurs both outside and within the public sector. Research by Came, McCreanor, Haenga-Collins, and Cornes (2019) examined Māori and Pasifika leaders' experiences of health advisory groups. The leaders reported that their knowledge and interests were devalued and that they experienced racism and tokenistic cultural engagement. Research commissioned by the Ministry of Health (Navigate, 2002) showed that Māori staff within the Ministry felt culturally compromised at work and that at times lip service was paid to Māori protocols. It seems likely that this hostile racial climate will impact on whether senior Māori and Pasifika staff stay and are promoted within the public sector. Ideally, workplaces should be configured in such a way that Māori and Pasifika staff feel comfortable about being culturally Māori and Pasifika at work. Research by Huria, Cuddy, Lacey, and Pitama (2014) with Māori registered nurses found racism at every level of the health system. They described it as "highly influential in the recruitment, training, retention, and practice of Māori registered nurses" (p. 364). They sought the acknowledgement of racism within the sector and the need for staff to develop dual cultural-clinical competencies.

The New Zealand education system has consistently produced inequitable educational outcomes for Māori and Pasifika students (Statistics New Zealand, 2017a). This legacy forms part of the backdrop and the context of this study. Higher education is a critical pathway into employment within the public sector, particularly for senior roles (more than \$NZ100,000). For ethnic pay parity to occur we also need equitable ethnic educational outcomes. It seems there needs to be greater dialogue and collaboration between the public and the education sectors to ensure Māori and Pasifika students leaving university with academic qualifications have the opportunity to be appointed to or advance quickly to senior roles.

The work of Bishop, Berryman, Cavanagh, and Teddy (2009) suggests improving educational disparities requires engagement with Māori students. This engagement can strengthen the

relevance of curriculum. Likewise, teachers need to be provided with professional development opportunities to strengthen their cultural competencies so they can develop an effective teaching practice to engage Māori students. Durie (1988) agrees there needs to be greater adaption of Western educational practices for Māori students. She advocates for the promotion of Māori language as a medium of instruction for education. Hutchings and Lee (2016) argued that the Western Academy simply needs to decolonise. That is, holistic Māori experiences and ways of knowing need to be normalised within the Academy and to assert a deep influence on knowledge systems and ways of living and being.

Research by Theodore et al. (2018) into the determinants of education success argued that Māori and Pasifika students enter university in poorer financial circumstances than other students. They then take on state-sponsored debt to participate. Despite there being scholarships available for tertiary students, recent information reports that these scholarships appear to be awarded to students attending higher decile schools and therefore more likely to come from families with higher socioeconomic status and less likely to be Māori and Pasifika (Johnston, 2018). Lower fees, increased student allowances, targeted scholarships and achievement schemes would serve to alleviate the financial burden facing Māori and Pasifika students. Instead, government policy changes have tightened parental income definitions and led to fewer student allowance entitlements, which has disproportionately affected Māori and Pasifika students.

This article evaluates the New Zealand government's performance by examining how prevalent ethnic pay disparities are within the senior levels of the core public service departments (CPSDs) and district health boards (DHBs). Although data are released annually (State Services Commission, 2018) about public service and state sector employees earning over NZ\$100,000, no ethnic breakdown is provided. By collecting and analysing ethnic data for those earning over NZ\$100,000, we seek to understand more about the distribution of ethnic pay disparities within the public sector. We conclude by sharing insights from anti-racism literature about how to address ethnic disparities.

## Method

The authors come from a critical social science paradigm (Came, MacDonald, & Humphries., 2015). We have a mixture of Māori, Pasifika and "Other" ethnic backgrounds. Through Official Information Act (OIA) requests carried out in July and August 2017, we asked for the release of five sets of data pertaining to 1996, 2001, 2006, 2011, and 2016.

The information sought was:

1. The total number of full-time equivalent staff (FTEs) employed by XXX on 1 January 2016, 2011, 2006, 2001 and 1996.
2. The total number of Māori FTE, Pasifika FTE and non-Māori/non-Pasifika FTE staff employed by XXX on 1 January 2016, 2011, 2006, 2001 and 1996 who earned more than \$NZ100,000.

Using the State Services Commission's (SSC; 2016) guide to central government agencies we requested data from the 28 CPSDs subject to the State Sector Act 1988 and all 20 DHBs.

Unfortunately, many CPSDs and DHBs were not able to extract data back to 1996, so the authors made the pragmatic decision to remove 1996 from the analysis. A range of factors have complicated the data. Between 2001 and 2016 many government agencies have been renamed, merged, split or otherwise reconfigured. Details of these changes are provided for the reader to understand these changes. Unless specified, data pertains to calendar years and refers to base salaries without allowances. Overall data are included about the number of staff in each

government agency, and specific numbers for those who did not disclose their ethnicity were not collected.

The analysis was conducted in Microsoft Excel 2016 after data had been cleaned and merged to reflect changes in organisations as discussed below. The analysis focused on employees who earned more than NZ\$100,000 by determining the total FTEs and the respective proportions of the three ethnicities compared—Māori, Pasifika and Other. The Māori and Pasifika ethnic populations include those people who stated Māori or Pasifika as being their sole ethnic group or one of several ethnic groups. “Other” pertains to all non-Māori, non-Pasifika staff and therefore includes people of European, Asian, Middle Eastern, Latin America and African descent.

The SSC responded to the OIA request on behalf of 26 of the core public sector entities. They used the “headcount” variable when calculating ethnicity data as they maintain this best represents diversity information. Headcount is more accurate because part-timers have the same weighting as full-timers. Their ethnicity data was based on self-identification and could include up to three ethnic groups. Their data did not cover all employees, as some staff did not report their ethnicity. The SCC suppressed all data points of fewer than three employees in an organisation for confidentiality reasons. Employees were current employees (both permanent and fixed-term contractors) and staff who were seconded to another agency.

The number of employees at the Ministry of Agriculture and Forestry (MAF) prior to 2008 and after 2010 included those from the NZ Food Safety Authority. MAF was renamed Ministry for Primary Industries in July 2011 and incorporated the Ministry of Fisheries. Data were consolidated for all three agencies. Archives NZ was established in October 2000 and absorbed into the Department of Internal Affairs (DIA) in February 2011. The National Library was also incorporated into DIA in February 2011. Data were combined for these three agencies. The Ministry of Social Development includes the Ministry of Social Policy and the Department of Work and Income from 2002, the Ministry of Youth Affairs from 2004, and the Department of Child Youth and Family Services from July 2006. Data were combined for these organisations. The Department of Courts was incorporated into the Ministry of Justice in October 2002. Data were combined for these two organisations. The Ministry of Business, Innovation and Employment was established in July 2012 through the merger of Ministry of Economic Development, Ministry of Science and Innovation, Department of Labour, and Department of Building and Housing. Data were combined for these organisations. The Department of Conservation and the Government Communications Security Bureau used 30 June figures.

DHBs compiled their own data. Auckland DHB included fixed-term and casual workers. Other DHBs did not specify. Canterbury, Capital Coast, Northland, and West Coast DHBs all noted they invited staff to disclose ethnicity, but it was not mandatory. Lakes and Mid-Central used the tax year rather than the calendar year as their census date.

## **Findings**

The analysis provides a snapshot of the disparities in ethnic pay disparities for the four time points (2001, 2006, 2011, 2016).

### ***Ethnicity***

Table 1 shows the ethnic breakdown of the New Zealand population over the period reviewed. The data from the 2018 census was not available at the time of writing. There was no census in 2011 due to the Christchurch earthquake.

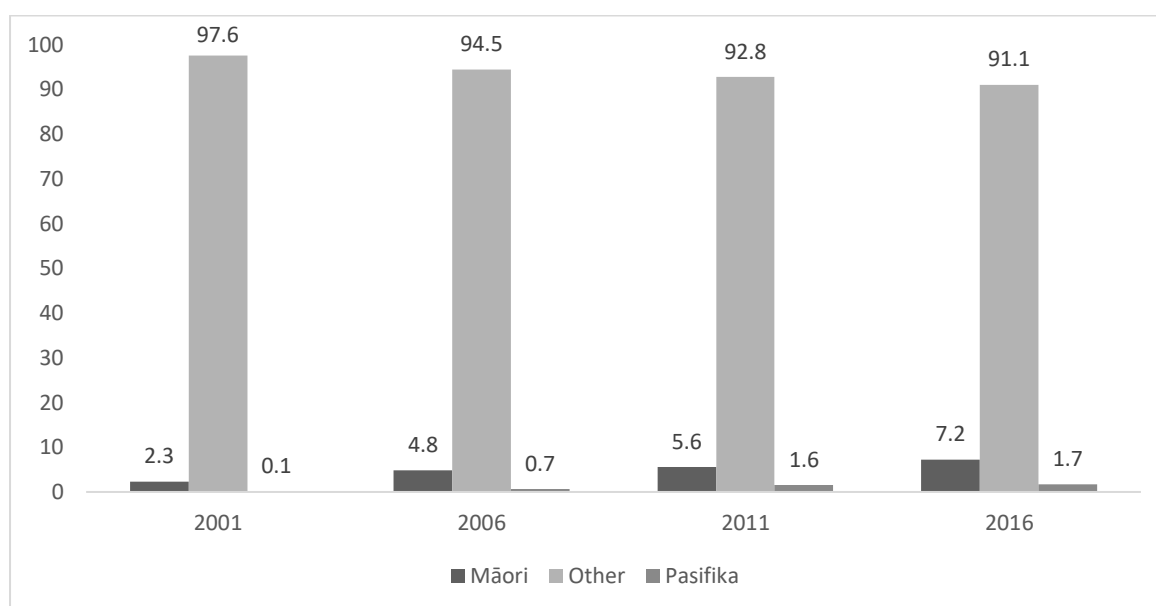
**Table 1.** Breakdown of ethnic demographics of the New Zealand population from census data\*

|      | Māori (%) | Pasifika (%) | Other (%) |
|------|-----------|--------------|-----------|
| 2001 | 14.7      | 6.5          | 78.8      |
| 2006 | 14.6      | 6.4          | 79.0      |
| 2013 | 14.9      | 7.4          | 77.7      |

Note: \*Statistics New Zealand, 2002, 2013, 2007, 2014.

### ***The core public service departments***

We received data on employment and salaries by ethnicity from 26 CPSDs in 2001 and 28 CPSDs in 2006, 2011 and 2016. See Figure 1.

**Figure 1.** Proportion (%) of core public service department staff earning over NZ\$100,000 by ethnicity.

The proportion of total FTEs employed in the participating organisations mirrored that of the entire population, with a slightly higher representation of Pasifika peoples than the general population (Table 2). This is consistent with data from the SSC (2018). The analysis revealed an increasing trend in the proportion of total FTEs identified as Pasifika (up 64.0% from 7.5% in 2001 to 12.3% in 2016), while that of Māori (down 4.9% from 14.3% in 2001 to 13.6% in 2016) and the Other group (down 5.1% from 78.1% in 2001 to 74.1% in 2016) declined.

**Table 2.** Proportional representation of total FTEs by ethnicity in core government organisation

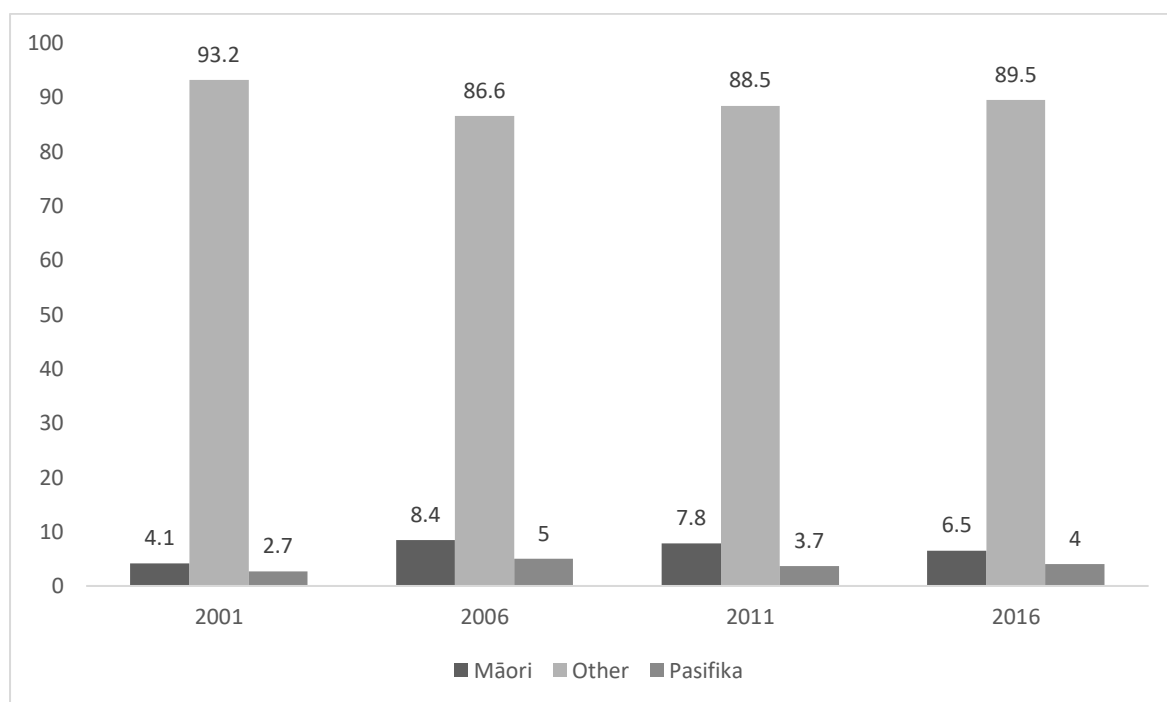
|      | Māori (%) | Pasifika (%) | Other (%) |
|------|-----------|--------------|-----------|
| 2001 | 14.3      | 7.5          | 78.1      |
| 2006 | 14.7      | 10.2         | 75.0      |
| 2011 | 13.7      | 15.6         | 70.7      |
| 2016 | 13.6      | 12.3         | 74.1      |

However, the percentage of Maori and Pasifika ethnicities earning over NZ\$100,00 was significantly lower in comparison to those in the Other ethnic group.

In 2001, 14 out of 26 CPSP had Māori staff members earning over NZ\$100,000. This increased to 21 in 2006, 23 in 2011 and 26 in 2016. In 2001, 4 out of 26 of the CPSP had Pasifika staff earning over NZ\$100,000. This increased to 9 in 2006, 18 in 2011 and dropped to 16 in 2016. In 2001, 9 of the 26 CPSP had neither Māori nor Pasifika staff earning over NZ\$100,000. In 2006 this had reduced to 5, and in 2011 down to 3. Overall, Māori and Pasifika who earn over NZ\$100,000 in the CPSP represented less than half their population proportion, whereas Other were about 20 percentage points over their population proportion.

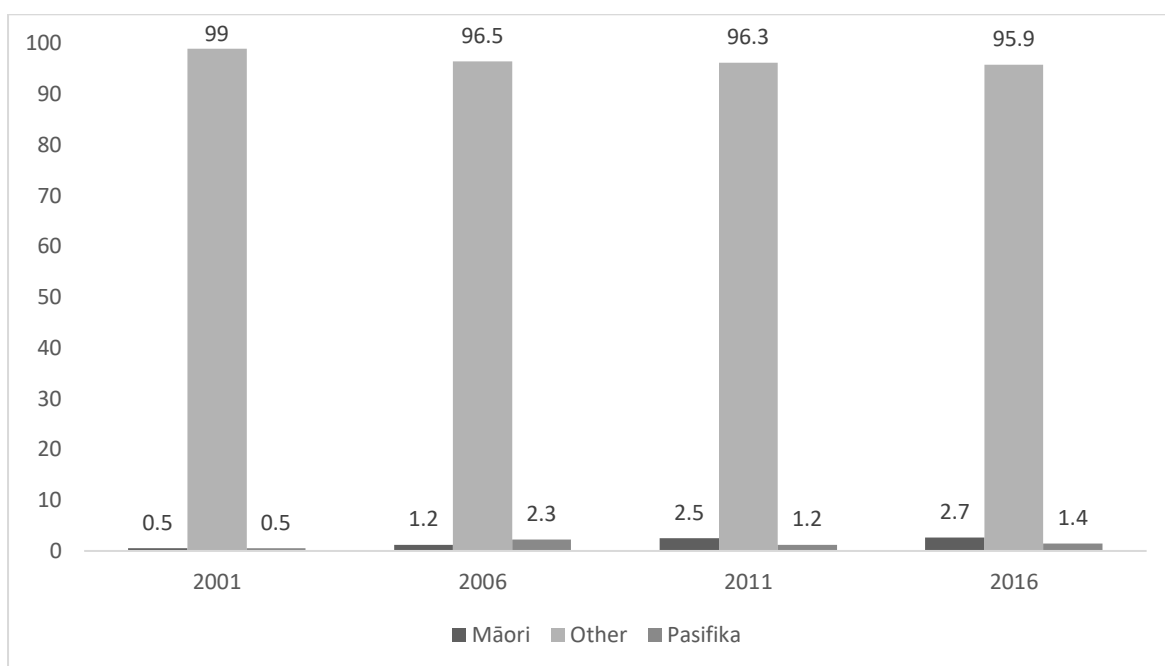
### ***District health boards***

We received complete ethnic pay data from all 20 DHBs in 2016 (see Figure 2). However, data were available from only 7 DHBs<sup>3</sup> in 2001, 13 DHBs in 2006<sup>4</sup> and 17 in 2011<sup>5</sup>. There was a disproportionately lower representation of Māori and Pasifika people across the 20 DHBs compared to the proportion of Māori and Pasifika population in the entire country. The proportion of Māori FTEs (up 57.2% from 4.1% in 2001 to 6.5% in 2016) and Pasifika FTEs (up 48.9% from 2.7% in 2001 to 4.0% in 2016) increased across the DHB, while the Other category declined (down 3.9% from 93.1% to 89.5%).



**Figure 2.** Proportion (%) of total DHBs' FTEs by ethnicity.

Across the 20 DHBs, Other (non-Maori, non-Pasifika) were over-represented in the category that earned over NZ\$100,000 for the years compared. The Other ethnic group working in the DHBs were on average about 56 times and 71 times more likely to earn over NZ\$100,000 than Māori and Pasifika ethnicities respectively. The gap remained consistently high, though the proportion of Māori (up from 0.5% in 2001 to 2.7% in 2016) and Pasifika FTEs (up from 0.5% in 2001 to 1.4% in 2016) who earned over NZ\$100,000 showed an increasing trend. The Other category showed persistently high proportions of FTEs earning over NZ\$100,000, albeit declining marginally over the period (down 3.2% from 99.1% in 2001 to 95.9% in 2016).



**Figure 3.** Proportion (%) of DHB staff earning over NZ\$100,000 by ethnicity.

In 2006, of the 20 DHBs that provided data, 5 had no Māori staff earning more than NZ\$100,000 and all had Māori staff earning over NZ\$100,000 in subsequent years. In 2006, of those 20 DHBs that provided data, 6 had no Pasifika staff earning more than NZ\$100,000. That reduced to 4 in 2011 and increased to 7 in 2016. In 2006, of those 20 DHBs that provided data five had neither Māori no Pasifika staff earning over NZ\$100,000.

## Discussion

Ethnic pay disparities are a pervasive and complex problem that have plagued the public sector for some decades. Our study showed that Māori and Pasifika workers are less likely to be promoted and/or appointed to senior roles within CPSD and DHBs. As a result, ethnic pay disparity continues to exist. They are also a concrete example of institutional racism in that they are a pattern of differential access to resources, cultural capital, and political power on the basis of ethnicity. Naming the institutional racism is a critical step in progress towards resolving ethnic pay disparities. Putting it into this frame may be useful to reorientate those pursuing change from narrow solutions to broader insights from anti-racism literature and practitioners.

### *To what extent do ethnic pay disparities exist within the NZ core public sector and DHBs?*

The study confirms that the overall composition of the core public sector largely reflects the ethnic make-up of the population, with the exception being a slight over-representation of Pasifika people. It is pleasing to see this progress in overall recruitment of Māori and Pasifika into the core public sector. Within DHBs, Māori and Pasifika staff are employed proportionally less than population levels. It is disappointing that despite long-standing policy commitments to strengthen the Māori and Pasifika health workforce, DHBs are not matching recruitment to population. There may be lessons for DHBs in looking at what upstream planning and operational recruitment strategies have contributed to this ethnic parity of entry into the core public sector.

The substantive finding of this study is the significant pay disparities for Māori and Pasifika compared with Other who are earning over NZ\$100,000 within both the core public sector and DHBs. The authors argue the persistence and scope of these leadership disparities are a

significant breach of international human rights conventions—such as the CERD—which require governments to take action to address all forms of racial discrimination, inclusive of employment discrimination.

### ***How might these ethnic pay disparities be transformed?***

Evidence suggests that ad hoc approaches to anti-racism are ineffective (Rankine, 2014). Most anti-racism schemes focus on one-off educational interventions such as diversity training, and they are not formally evaluated. Pederson, Walker, and Wise (2005) argued that effective institutional interventions need to be targeted, context specific, and focus on changing behaviour rather than deeply held beliefs. Came and Griffith's (2017) review of the literature found the critical elements of anti-racism praxis are reflective practice, incorporating structural power analysis, socio-political education, monitoring and evaluation and using a systems change approaches.

Systems change lies at the heart of the quality assurance system within the New Zealand health system (Ministry of Health, 2003). It is a flexible approach to complex problems that recognises the interconnectedness of everything. First, one must define the problem, form a change team, build a shared language, identify the different perspectives on the problem, develop a conceptual model, explore possible interventions, intervene, review, refine and repeat. Williams (2005) argues such approaches are useful when there are a number of stakeholders with different goals and whose values, assumptions and perspectives need to be disentangled.

As a starting point, we need to get an accurate picture of the size and scope of the problem. It is critical that robust EEO statistical data be consistently collected and published by government agencies (Jones & Torrie, 2009). It is also necessary to enable ethnic analysis of progress towards desired EEO outcomes and to enable Māori to exercise their rights under *te Tiriti o Waitangi* (the foundational document of the colonial state of New Zealand) to monitor the performance of the Crown (Reid & Robson, 2007).

This study confirms there is a paucity of literature about the dynamics of ethnic pay disparities in the New Zealand public sector. This study provides some important new quantitative data, but we also need to see more qualitative research about ethnic pay disparities. Specifically, it would be useful to understand more about the experiences of Māori and Pasifika staff in senior roles within the public sector. What does a culturally safe and supportive work environment look like? What is currently working for Māori and Pasifika in senior roles and what is not?

From this study we now also know that entire government departments have at different times had *no* senior Māori or Pasifika staff. Given the decades of EEO policy within the New Zealand public sector, it is remarkable this has been allowed to occur. We need more research into why human resource teams persist in not promoting and/or recruiting Māori and Pasifika staff to senior roles. Furthermore, we need to understand from Māori and Pasifika why they may not necessarily be putting themselves forward for promotion or recruitment. Is it a matter of cultural safety or an absence of relevant and appropriate skills and expertise, or something else? Are Māori and Pasifika staff being short-listed and interviewed for senior roles? Who is involved in recruitment and promotion panels? We simply need more answers.

### ***What relevance does institutional racism have with ethnic pay disparities in this study?***

Academic qualifications are one pathway to promotion and appointment to senior roles. Professional experience in the field is also important. Once successfully recruited, progression within a workplace can be fast-tracked or hindered by opportunities to access a mentor,

professional development opportunities, and an (in)effective line manager. The specifics of whether there is ethnically equitable access to these opportunities can be measured through staff surveys to develop tailored interventions at the point of inequity.

Institutional racism, which can manifest as an inherent distrust of Māori and Pasifika intelligence, is widespread within New Zealand and seems likely to be another determinant of ethnic pay disparities (Houkamau, Stronge, & Sibley, 2017; Pack, Tuffin, & Lyons, 2016). It also manifests as monocultural practice (Ministerial Advisory Committee on a Māori Perspective for the Department of Social Welfare, 1988). It thrives within Western-dominated education systems and is fuelled through generic media outlets (Gregory et al., 2011; Moewaka Barnes et al., 2012; Nairn et al., 2012). Pack et al. (2016) argued that Pākehā (settlers) possess an innate sense of superiority, which led to a colonial society that has normalised the marginalisation of Māori.

Within the health sector, as part of a commitment to Māori and Pasifika development, the Ministry of Health and DHBs have funded targeted initiatives to support Māori and Pasifika leadership and workforce development (Ministry of Health, 2006, 2008, 2013). These programs have been positively evaluated by the participants, who go as far as to describe them as inspirational (Paewhenua Hou Partnership, 2005), but appointment to senior levels within the health sector remains slow. It seems more than leadership programs are required.

## **Conclusion**

This study has uncovered a perennial policy rhetoric and practice gap in relation to public sector employment practices. The data presented demonstrates limited progress towards EEO goals of equitable employment outcomes and provides a concrete example of institutional racism. Māori and Pasifika are less likely than those of the Other ethnicity to earn \$NZ100,000 in this study. This suggests that public and health sectors do not have the benefits of Māori and Pasifika expertise, even though ironically achieving improved social outcomes for these groups are often a government priority. The absence of this crucial and high-level input may be contributing to the problems we continue to see in health, education and justice for Indigenous and ethnic minority communities.

Further research needs to be undertaken to locate more precisely how racism manifests in human resource practices within the New Zealand public sector and how it might be disrupted. Research will also require efforts to seek out why these communities may not necessarily be applying for senior roles and whether it may be consistent with previous research in this area. This will allow for the development and implementation of tailored anti-racism interventions. Ensuring Māori and Pasifika students leave university with academic qualifications to enable them to be recruited to senior roles is part of the solution. There also needs to be leadership programs, and the recruitment and promotion practices of human resource teams across the public sector need to be examined and improved.

Institutional racism needs to be addressed throughout the public sector, particularly within the senior tiers. A planned system change approach seems the most promising approach given we know one-off, ad-hoc diversity programs are ineffective. The authors argue let's name the institutional racism and re-engage with this systemic challenge.

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<sup>1</sup> The census definition of a household is either one or two or more people, that usually live together and share facilities in a private dwelling.

<sup>2</sup> Underemployment captures people who have a job but want more hours or are looking for work and aren't available to start within the next month.

<sup>3</sup> In 2001 we have data from Capital Coast DHB, Hutt Valley DHB, Midcentral DHB, Nelson Marlborough DHB, South Canterbury DHB, Tairāwhiti DHB, and Wairarapa DHB,

<sup>4</sup> In 2006 we have data from Auckland DHB, Capital Coast DHB, Hawkes Bay DHB, Hutt Valley DHB, Lakes DHB, Midcentral DHB, Nelson Marlborough DHB, Northland DHB, South Canterbury DHB, Tairāwhiti DHB, Waikato DHB, Wairarapa DHB, and Whanganui DHB.

<sup>5</sup> In 2011 we have data from Auckland DHB, Bay of Plenty DHB, Capital Coast DHB, Hawkes Bay DHB, Hutt Valley DHB, Lakes DHB, Midcentral DHB, Nelson Marlborough DHB, Northland DHB, South Canterbury DHB, Southern DHB, Tairāwhiti DHB, Taranaki DHB, Waikato DHB, Wairarapa DHB, Waitemata DHB, and Whanganui DHB.