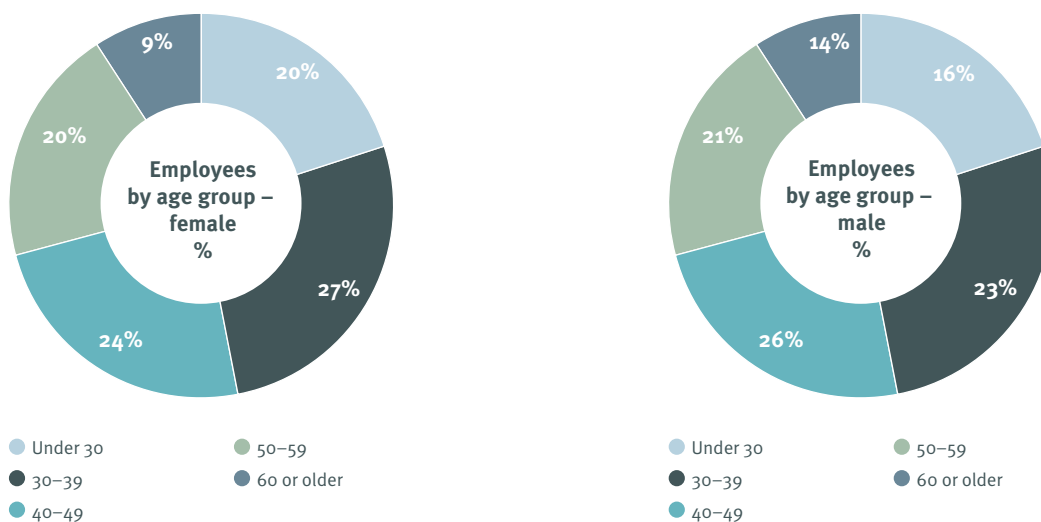




### Workforce employment breakdown

The number of staff has increased (4.7%) from 940 in 2017/18 to 984 in 2018/19. Most of our employees work in the Auckland region. Watercare also operates laboratory testing services in Queenstown and Invercargill, where six staff are employed. Collective employment agreements (CEAs) are employment agreements negotiated with one or more unions on behalf of those staff who belong to that union. Individual employment agreements (IEAs) remain the most common type of employment agreements. The majority of employees employed on CEAs are males who undertake operational or maintenance functions within the business.



### New hires by gender and age

Gender breakdown	2018/19	%	2017/18	2016/17
Male	132	65%	115	149
Female	70	35%	85	84
<b>TOTAL</b>	<b>202</b>		<b>200</b>	<b>233</b>

Age group:	2018/19	%	2017/18	2016/17
Under 30	77	38%	99	99
30-39	63	31%	54	60
40-49	44	22%	31	44
50-59	13	6%	11	25
60 or older	5	3%	5	5
<b>TOTAL</b>	<b>202</b>		<b>200</b>	<b>233</b>



	2018/19			2017/18			2016/17		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Individual Employment Agreements (IEAs)	433	283	716	436	263	699	475	277	752
Collective Employment Agreements (CEAs)	195	15	210	173	12	185	136	2	138
Part-time headcount	9	17	26	5	19	24	2	17	19
Fixed-term Individual Agreements (IEAs) >1yr	3	8	11	9	19	28	5	7	12
Fixed-term Individual Agreements (IEAs) <1yr	13	8	21	3	1	4	7	5	12
Total fixed-term and permanent employees:	653	331	984	626	314	940	625	308	933
Casual employees	8	15	23	5	10	15	14	11	25

## Staff engagement

We use AskYourTeam (AYT) surveys for measuring staff engagement. AYT is a comprehensive tool that measures key factors which influence organisational success such as people, strategy, engagement and stakeholders. This tool allows us to identify specific areas for improvement and test more frequently to determine progress against objectives. The survey identified some areas for improvement in 2019/20, including developing a remuneration framework that is appropriate for the market and aligning goals and objectives across departments.

	2018/19	2017/18	2016/17
Survey response rate (%)	74%	72%	75%
Staff engagement score	67	67	65

## Investment in employees

Watercare's benefits policy offers all permanent employees the same benefits, regardless of whether they are employed on a full-time or part-time basis. All permanent employees of Watercare are provided with life insurance equivalent to double the amount of their annualised salary, and income protection insurance which would cover 80% of their salary if they were affected by an incident or illness that left them unable to work for a period of time. We also provide discounted membership for health insurance, banking, N3 staff discount scheme, discounted car parking and incentive schemes for senior staff.

## Training per staff member

Our staff received an average of 16 hours training in 2018/19, excluding time spent on employee orientation. This is a decrease of 42% compared to 2017/18. The organisation-wide restructure impacted the normal training needs of teams as the new structure was evolving and roles and capabilities were still being defined. We expect the introduction of the new online learning management system to improve this result next year.

	2018/19	2017/18	2016/17
Average staff numbers over the year	945	920	917
Average hours of training for permanent employees	16	28	23
Total training spend (\$)	\$1,092,397.00	\$1,354,830.00	\$1,338,368.33
Ratio (\$ per average staff numbers)	\$1,156	\$1,473	\$1,460

## Performance review process

We schedule performance reviews annually for employees. These were conducted in August 2018 for 66% of those who were eligible.



## Parental leave

Watercare offers an additional eight weeks of paid parental leave beyond that provided as part of the government-funded parental leave, and two weeks of paid parental leave for partners. In 2018/19, 64% of employees who took parental leave returned to work, with the rest still on parental leave. The decision to return to work following the completion of their parental leave is solely up to the staff member and is dependent on their individual personal circumstances.

Number who have taken parental leave:	2018/19	2017/18	2016/17
Male	24	22	16
Female	15	16	15
<b>TOTAL</b>	<b>39</b>	<b>38</b>	<b>31</b>

Number due to come back from parental leave each year:	2018/19	2017/18	2016/17
Male	NA	NA	NA
Female	11	11	7
<b>TOTAL</b>	<b>11</b>	<b>11</b>	<b>7</b>

Number having come back from parental leave:	2018/19	2017/18	2016/17
Male			
Female	7	9	5
<b>TOTAL</b>	<b>7</b>	<b>9</b>	<b>5</b>
<b>% returning after parental leave</b>	<b>64%</b>	<b>82%</b>	<b>87%</b>

\* Watercare provides parental leave for male employees also but we do not consider it as a break from employment. Therefore, they are not recorded in the table capturing returners.

## Staff turnover

### Voluntary turnover

Voluntary turnover for 2018/19 was 13%, a decrease from 13.8% in 2017/18.

### Involuntary turnover

Involuntary turnover includes retirements, deaths, abandonment of employment and negotiated or managed exits. In 2018/19, there were 53 instances of involuntary turnover, the increase being a result of the organisational restructure that happened in 2018.

	2018/19		2017/18		2016/17	
	Voluntary	Involuntary	Voluntary	Involuntary	Voluntary	Involuntary
Male	63	41	80	19	64	28
Female	36	12	48	8	45	3
<b>Total %</b>	<b>13.0%</b>	<b>3.82%</b>	<b>13.75%</b>	<b>2.90%</b>	<b>12.10%</b>	<b>3.44%</b>
<b>Age group:</b>						
Under 30	30	3	40	1	41	4
30-39	38	8	46	6	34	11
40-49	16	9	23	2	19	3
50-59	13	17	15	7	14	7
60 or older	2	16	4	11	1	6

## Staff and salary ratio

A diverse workforce is essential to represent and serve the diverse communities of Auckland and promoting diversity in all aspects, including gender, is a continued focus for us.

- Staff ratio is the proportion of female employees employed in a category of role (our four broad categories are executive and senior management, management, technical, operational and support).



- Salary ratio is calculated by using the average salaries of male and female employees in each of the broad categories below and the difference between the average is displayed as a percentage.

Within each of the four categories, we have a very wide range of roles and responsibilities.

The individuals employed within each of the four categories range from new hires in newly formed roles, to people who have been with the company for 30+ years and bring a wealth of experience and institutional knowledge. Therefore, a like-to-like comparison is rarely possible and this is a main reason why the salary ratio is below 100%.

Our remuneration structure and salaries are based on the skills, knowledge and experience required to perform a role. In 2018/19, we implemented a broad adjustment to salaries to ensure we were in step with the market and people doing similar jobs were paid fairly irrespective of their gender.

However, we have further work to do across all areas of diversity and inclusion. We have recruited a remuneration specialist to ensure that our people processes, including the way we recruit new staff, and how we set salaries, is transparent, inclusive and fair. In conjunction with Diversity Works and our newly-formed Diversity and Inclusion Committee, we will be developing more specific and meaningful diversity measures to ensure we resolve any inconsistencies in this area.

	2018/19				2017/18		2016/17	
	Male	Female	Staff ratio	Salary ratio	Staff ratio	Salary ratio	Staff ratio	Salary ratio
Executive and senior management	7	2	22%	81%	18%	84%	20%	90%
Management	29	6	17%	92%	29%	84%	17%	83%
Technical	291	116	29%	94%	27%	90%	22%	92%
Operational and support	309	191	38%	90%	41%	92%	48%	86%

Data does not include the chief executive, as it is the sole role in the band, nor staff employed in operational roles under CEAs who are paid on a different grading system relative to the terms of their particular employment agreement.

## Health, safety and wellness

	2018/19	2017/18	2017/16
Lost-time injury frequency rate (LTIFR) – number of lost time injuries per year per million hours worked	6.5	3.5	2.4
Total recordable injury frequency rate (TRIFR) per million hours worked	12.4	8.2	13.2

Over the past few years, we have focused on getting our people to report incidents, near-misses and observations more rigorously. Our focus over the next year will be to use technology to analyse trends and patterns so we can develop lead indicators for health and safety performance, instead of lag indicators such as LTIFR and TRIFR which provide a high-level view of health and safety incidents after they have occurred. Shifting our focus to lead indicators will ensure we invest effort and resources into proactive and preventive health and safety initiatives.

### Health and safety committees

Watercare has established health, safety and well-being committees, and holds meetings across the company that are in accordance with the Health and Safety at Work Act 2015. Union representatives and members participate in the HS&W committees as well, since their collective employment agreements cover many aspects of health and safety. Nominated HS&W representatives have been trained by the Employers and Manufacturers Association.

## Absenteeism

Watercare recorded an unplanned absenteeism rate of 3.6%, which is a slight decrease over last year's result of 3.9%. We provide an occupational health service to all staff, including: medical consultation, influenza immunisation, mandatory vaccinations for those working in certain environments, skin checks and rehabilitation programmes. Employee assistance services such as counselling are available to all staff, either through the company or from self-referral.

## ACC workplace management practices accreditation

The ACC Workplace Safety Management Practices (WSMP) programme has been disbanded and replaced by the Accredited Employers Programme (AEP) for workplace and non-workplace injuries. Watercare joined this programme, which is administered by Gallagher Bassett, in June 2019.