CONVENTION 100       NEW ZEALAND

ARTICLE 22 OF THE CONSTITUTION OF THE ILO

Report for the period 1 July 2008 to 31 May 2010
made by the Government of New Zealand

on the

EQUAL REMUNERATION CONVENTION, 1951 (No. 100)

I. Please give a list of the legislation and administrative regulations, the decisions of legally established or recognised bodies or, if the principle of the Convention is applied according to paragraph 2(c) of Article 2, the collective agreements which apply the provisions of the Convention. Where this has not already been done, please forward copies of the said legislation and regulations to the International Labour Office with this report, together with any available copies of the decisions of legally established or recognised bodies and of existing collective agreements.

Please give any available information concerning the extent to which these laws and regulations have been enacted or modified to permit of, or as a result of, ratification.

No new laws or regulations pertaining to this convention were enacted or modified during this time period.

II. Please indicate in detail for each of the following Articles of the Convention the provisions of the legislation and administrative regulations or any other measures, in particular the decisions of legally established or recognised bodies and the provisions of collective agreements relating to the application of each of these Articles. In addition, please provide any indication specifically requested below under individual Articles.

If in your country the ratification of the Convention gives the force of national law to its provisions please indicate the constitutional texts from which this effect is derived. Please specify also any measures which have been taken to give effect to those provisions of the Convention which require the intervention of the national authorities, such as measures designed to promote or to ensure the application of the principle of equal remuneration for men and women workers for work of equal value, and measures designed to promote the objective appraisal of jobs on the basis of the work to be performed and the co-operation of the employers' and workers' organisations concerned.
If the Committee of Experts or the Conference Committee on the Application of Conventions and Recommendations has requested additional information or has made an observation on the measures adopted to apply the Convention, please supply the information asked for or indicate the action taken by your Government to settle the points in question.

Article 1

For the purpose of this Convention-

a. the term “remuneration” includes the ordinary, basic or minimum wage or salary and any additional emoluments whatsoever payable directly or indirectly, whether in cash or in kind, by the employer to the worker and arising out of the worker’s employment;

b. the term “equal remuneration for men and women workers for work of equal value” refers to rates of remuneration established without discrimination based on sex.

Article 2

1. Each Member shall, by means appropriate to the methods in operation for determining rates of remuneration, promote and, in so far as is consistent with such methods, ensure the application to all workers of the principle of equal remuneration for men and women workers for work of equal value.

2. This principle may be applied by means of-

a. national laws or regulations;
b. legally established or recognised machinery for wage determination;
c. collective agreements between employers and workers; or
d. a combination of these various means.

Please supply general information on the methods in operation for determining rates of remuneration and the manner in which the application of the principles of equal remuneration is promoted and ensured and, in the latter case, indicate whether the principle is applied to all workers. Please give a brief account of the progress made in the application of the principle.

The New Zealand Government continues to be fully committed to the principle of equal remuneration for men and women. Since the last report, significant progress has been made in working towards the Government’s goal of pay and employment equity.

The gender pay gap

Research indicates that a wide range of factors influence the gender pay gap, such as career choices, work experience, and taking time out of the workforce to raise families. The gender pay gap has proven difficult to shift, and still persists in both the public and private sectors. Over the last decade there has been very little change (approx. 1%) to the gender pay gap within New Zealand, with the current private sector pay gap at 11% and the public sector gap at 15% in 2009. Differences in male and female labour market participation also remain "sticky", with female participation (as at March 2010); at approximately 62% compared to 74% for men (overall participation is 68%).

**Pay and Employment Equity in the Public Service, Public Health and Public Education Sectors**

The Pay and Employment Equity Plan of Action concluded in February of 2009 with the disestablishment of the Pay and Employment Equity Unit at the Department of Labour.

The Ministry of Women’s Affairs has taken on a policy and advisory role with regard to gender and pay in employment issues. The State Services Commission has a statutory responsibility to promote, develop and monitor equal opportunities policies and programmes for the Public Service.

Government policy on pay and employment equity in New Zealand is currently focused on:

- continued support for the implementation of the Public Service departments’ pay and employment equity response plans;

- the obligation of Public Service chief executives, boards of trustees, and chief executives in the public education and health sectors to ensure that they continue to address and respond to any identified gender inequalities as part of good management practice and being a good employer;

- the continued availability of to both the public and private sector organisations of the Department of Labour’s pay and employment equity resources, including the Equitable Job Evaluation System and the pay and employment equity review tools; and

- an overarching policy for employment and workplace relations based on demonstrating good faith, natural justice, human rights, good employer practice, and meeting all statutory requirements.

The Department of Labour recently promoted the availability of the pay and employment equity toolkits via the Department’s website. The ensuing request for toolkits from within New Zealand and overseas was encouraging
as it shows that the need for pay and employment equity within the workplace continues to be regarded as both important and achievable.

The Human Rights Commission hosted a pay and employment equity roundtable and subsequently developed and published a self assessment monitoring tool entitled “Towards Pay and Employment Equity”.

**Employment Relations Act 2000**

Please refer to the Government’s previous reports on Convention 111 for an explanation of the provisions of the Employment Relations Act.

**Continuity of employment – Part 6A of the Employment Relations Act**

The objective of Part 6A of the Employment Relations Act 2000 (Part 6A) is to provide continuity of employment for employees when an employer’s business undergoes restructuring and the employee(s)’ work is assigned to a new employer. Part 6A provides a two-tiered employment protection system with greater protections for specified groups of employees and other more general protections for all other employees.

The specified categories of employees that receive greater protection include cleaners, laundry workers and food preparation service workers. These groups tend to be lower paid and lack bargaining power. Part 6A provides these workers with a right to transfer to a new employer which helps prevent the frequent restructuring process from undermining their terms and conditions.

**Employment Relations (Flexible Working Arrangements) Amendment Act 2007**

The Employment Relations (Flexible Working Arrangements) Amendment Act 2007 came into force on 1 July 2008.

The Act provides certain employees with the right to request a variation to their hours of work, days of work, or place of work. To be eligible for the “right to request” an employee must have the care of any person and have been employed by their employer for six months prior to making the request. When making the request, the employee must explain how the variation will help the employee provide better care for the person concerned. Examples of flexible work arrangements include but are not limited to part time work, reduced hours, job sharing, changes to start and finishing times and working from home or other location.

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1 Data drawn from the 2006 census indicate that 68% of cleaners and laundry workers and 64% of food preparation assistants are women. Part 6A was introduced in 2004 following a review of minimum standards and amended in 2006 to close loopholes and clarify matters raised by the Employment Court. The operation of Part 6A is being reviewed in 2010 to ensure its objectives are being met and to recommend any improvements that may be required.
The Act requires employers to consider the request for flexible working arrangements and provides the only grounds upon which they can refuse a request. The Act also provides a process for how requests are to be made and responded to. Employers and employees may seek assistance from the Department of Labour about requests for flexible working arrangements under the Act. A formal resolution process is provided should a disagreement arise regarding a request for flexible work.

A review of the operation and effects of the new legislation will commence in July 2010 and will include recommendations in relation to whether the provisions should be extended to all employees.

The Department of Labour has published guidelines for employees and employers to support the Act. These guidelines are available from www.dol.govt.nz/worklife

Legislated flexible work arrangements help foster increased carers’ participation in paid work and support them to remain connected to the workplace.

**Employment Relations (Breaks, Infant Feeding and Other Matters) Amendment Act 2008**

The Employment Relations Act 2000 (ERA) was further amended by the Employment Relations (Breaks, Infant Feeding and Other Matters) Amendment Act 2008 to require employers to provide appropriate facilities for employees who wish to breastfeed (including expressing) either at the workplace or during a work period, as far as is reasonable and practicable in the circumstances. In determining what is reasonable and practicable in the circumstances, employers will be able to take into account their operational environment and resources.

**Employment Relations Amendment Bill Consultation**

On 1 April 2009, Part 6D of the Employment Relations Act 2000 (the Act) came into affect. The original objective of Part 6D was to create minimum standards for a modern workforce, and provided paid rest and unpaid meal breaks for employees, dependent on the number of hours worked.

In the year since it was introduced, there has been concern that Part 6D of the Act is overly prescriptive in practice, and may appear to limit the capacity of workplaces in some sectors to effectively implement rest and meal breaks.

In response, the Government introduced the Employment Relations (Rest Breaks and Meal Breaks) Amendment Bill (the Bill) which aims to amend the Employment Relations Act 2000 by:

- requiring employers to either provide meal breaks and paid rest breaks or compensatory measures;
• encouraging employers and employees to agree in good faith on rest and meal break arrangements; and
• easing requirements of timing, and the number and duration of breaks to increase flexibility about what is considered to be a break.

The Bill provides employers and employees with greater flexibility in three key respects:

• as far as is reasonable, in the absence of an agreement as to timing, rest breaks and meal breaks may be timed to support service or production continuity in the workplace;
• an employee’s entitlement to breaks may be subject to certain restrictions if it is reasonable and necessary due to the nature of the employee’s work; and
• employees and employers can negotiate alternative compensatory measures in lieu of breaks, for example, later start or earlier finish times or accumulated time in lieu. Compensatory measures must also be provided in lieu of breaks where an employer cannot reasonably provide the employee with breaks, having regard to the nature of that employee’s work.

Employers’ obligations under the Health and Safety in Employment Act 1992 will continue to apply.

The Bill had its first reading on 29 April 2010 and has been referred to the Transport and Employment Relations Select Committee.

**Minimum Wage (New Entrants) Amendment Act 2007**

Pay rates set by national law in New Zealand are the minimum wage rates for new entrants, adults and trainees, set under the Minimum Wage Act 1983. These wage rates apply equally for men and women.

The adult minimum wage rate applies to employees aged 16 years old and over, except for new entrants aged 16 or 17 and trainees.

The new entrants’ minimum wage applies to workers aged 16 or 17 who have completed 3 months or 200 hours of work while they were aged 16 years or older; or those that have been supervising or training other workers; or they are trainees.

The training minimum wage applies to employees aged 16 years and over, who are required by their employment agreement to undertake certain, registered training programmes.

The Minimum Wage Order 2010 came into force on 1 April 2010. This wage order increased all the minimum wage rates
The adult minimum wage increased from $12.50 an hour to $12.75 an hour, the new entrants and training minimum wage increased from $10.00 an hour to $10.20 an hour.

**Minimum Wage – Pacific consultation**
The Ministry of Pacific Island Affairs identifies and recommends to the Department of Labour a list of organisations and key individuals from whom to seek opinion and receive comment on the annual minimum wage review. Organisations vary from workers unions to Pacific business units. Individuals include a large representation of community and church leaders. The Ministry of Pacific Island Affairs and the Department of Labour have identified this as an effective consultation approach.

**Office for Disability Issues**
The Office for Disability Issues is responsible for monitoring and reporting on implementation of the New Zealand Disability Strategy. The New Zealand Disability Strategy has the vision of a fully inclusive society where disabled people have the same opportunities as other New Zealanders. This includes participating in training and employment and to receive fair remuneration for the work that they do.


There have been nine reports to date, the most recent published in December 2009, relating to the year 1 July 2008 – 30 June 2009.


The report includes an outline of activity over 2008/2009 of the Government agencies involved in implementing Objective 4 of the New Zealand Disability Strategy: “Provide Opportunities in Employment and Economic Development for Disabled People”. The main Government agencies cited are the Department of Labour, the Ministry of Social Development, ACC and the State Services Commission (in relation to the its report “Enabling Ability – meeting the Employment Requirements of People with Disabilities in the Public Service”. Examples are also given of inclusive employment policies from other departments.

The report refers to the work led by the Ministry of Social Development, in association with ACC and the Department of Corrections and major businesses, to establish an Employers’ Disability Network. This is an employer-led organisation aimed at driving employer change and creating a barrier-free employment and business sector. During 2010 services will be developed: network meetings and a website providing businesses with information and advice about the opportunities and practical details of employing disabled people and serving disabled customers.
The report also records developments aimed at promoting employment rights:

- The Ministry of Social Development began work in 2008, to be completed in 2010, on developing an employment advocacy service to help disabled people negotiating employment contracts or minimum wage exemptions.

- The Department of Labour is working towards the accessibility of its Workplace Contact Centre – which provides information and guidance on a range of workplace issues – for Deaf, hearing impaired and speech impaired clients.

Other developments include the Interagency Transition from School to Work project, led by the Ministry of Social Development and the Ministry of Education, undertaken as part of the ministries’ strategy for getting disabled people into work; and Sickness Benefit engagement and planning, to help Work and Income case managers decide on the most appropriate services for Sickness Benefit clients, with a view to supporting them into sustainable employment.

**Human Rights Act 1993 (the HRA)**

The provisions of the HRA have been discussed in the Government’s previous reports on Convention 111.

**Parental Leave and Employment Protection Act 1987**

No amendments to the Parental Leave and Employment Protection Act 1987 were made during the reporting period. To date, over 175,000 parents have taken paid parental leave since it was introduced in 2002. In the 2008/09 year, 26,681 parents took paid parental leave (PPL), and of these, 24,711 were employees and 1,970 were self-employed.

The Government is currently reviewing the Parental Leave and Employment Protection Act 1987 and considering low cost or cost-neutral ideas to extend paid parental leave eligibility, and enhance the flexibility of the scheme and choices available to new parents. This review focuses principally on access to entitlements for employees with a child and would apply, as appropriate, to cases of adoption.

The Government recognises there is strong support from New Zealand parents for extending the duration and level of paid parental leave and allowing direct access to paid leave provisions for fathers. However, given the current fiscal and economic constraints it does not view these options as being feasible at the present time, and therefore this review does not cover options to extend either duration or level of payment for paid parental leave.
**Holidays Act 2003**

Under the current Holidays Act all employees are entitled to at least four weeks paid annual holidays a year. While the provisions in the Holidays Act remain unchanged from the last convention report, the Act was reviewed in 2009 by a Ministerial Advisory Group. They provided their report to the Minister of Labour in December 2009. The Minister is currently considering their recommendations.

**Ministry of Women’s Affairs**

The Ministry of Women’s Affairs (MWA) is the New Zealand Government’s primary provider of gender specific advice, and as such as been granted $2 million in funding to provide research and advice in this area over the next five years.

Projects at MWA include promoting the trades as a career option for young women, promoting career pathways for women in low-paid occupations, investigating the graduate income gap\(^2\), and examining the business case for flexible work in the accounting profession.

**Indicators for change**

After the completion of the Action Plan for New Zealand Women, which ran from 2004 to 2009, MWA published *Indicators for Change: Tracking the Progress of New Zealand Women* (Indicators for change), which provides information on the current social and economic status of women. The purpose of the report is to provide government policy makers and planners with a way to track progress for women to identify where efforts should best be directed to meet the needs of women in the labour market.

The 2008 report sets a baseline against which progress can be measured in the future, and the 2009 report was recently released.\(^3\) The following points, taken from the 2009 report highlights some of the key indicators against which women’s progress is measured:

- Percentage with a post-school qualification: women 48.6%, men 52.9%
- Representation in Modern Apprenticeships Programme: women 9.4%, men 90.6%
- Median weekly income: women $413.00, men $690 (NZ)
- Satisfaction with work-life balance: women 77.2%, men 74.6%


Men’s Participation in Unpaid Care: A review of the literature
In 2008 the Department of Labour and the Ministry of Women’s Affairs commissioned this review to find out more about men’s involvement in unpaid caring. The research indicated that increasing fathers’ participation in caring would: have positive outcomes for children; increase women’s participation in the labour force, resulting in greater economic productivity, reduce women’s poverty rates, and improve all work-life balance for all workers. The review also identified barriers to men undertaking greater caring responsibilities, such as workplace culture and perceptions of men as peripheral to caring, and considered a number of policy solutions.

Trading Choices: Young people’s career decisions and gender segregation in the trades
In 2008 the Ministry of Women’s Affairs commissioned this research as part of its plan to decrease gender segregation in the workforce. The study examines the role of gender in young people’s decisions whether or not to take up trades. It found that gender stereotypes continue to have a major influence on young people’s choices, making some career paths and employment options more – or less – accessible to young women.

The study made several recommendations. The first set of recommendations centred on widening the skill sets taught in educational programmes to include general technical and practical skills that are applicable to a variety of occupations. This, it was argued, would not only make the trades more attractive to women but provide students with skills that will be necessary for the future.

Women and Leadership
MWA is working to improve numbers of women in leadership positions. In December 2008, 42.3 percent of ministerial appointees to state sector boards and committees were women (up from 41.5 percent in December 2007), while 8.7 percent of board directorships of companies listed on the New Zealand stock market in 2007 were women (up from 7.1 percent in 2006). MWA runs a Nominations Service that promotes the benefits of including women on public and private sector boards and nominates women for public sector boards and committees.

MWA has developed a ‘Women on Boards’ initiative with Business New Zealand and the Institute of Directors in New Zealand. The key achievement for this partnership in the first year has been promoting the business case for appointing women to boards to governance and business networks. The business case indicates that the participation of women on boards can improve the bottom line for companies.

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6 Human Rights Commission (2008), New Zealand Census of Women’s Participation.
7 http://www.mwa.govt.nz/women-on-boards/women-on-boards-why-women-on-company-boards-are-good-for-business-1
The Equal Employment Opportunities Commissioner has undertaken workshops promoting women in leadership in the local government and tertiary sector. The fourth biennial census of women’s participation is currently in preparation. The census reports on the gender composition of the boards of private companies, of statutory bodies including Crown companies and other Crown entities. Women’s representation and status in politics, the judiciary and law, universities, media and public relations, and the trade union movement are also reported on. In the 2008 census, coverage of women in public and professional life was expanded to include data on the status of Māori women. Analysis of women’s participation in sport and local government was also included as well as a report on women’s representation and status in the New Zealand Police. Early indicators for the 2010 census suggest a retrenchment of women’s participation in leadership positions.

The National Advisory Council on the Employment of Women

The National Advisory Council on the Employment of Women (NACEW) is an independent ministerial advisory body on matters relating to women and paid work. It comprises members appointed by the Minister of Labour, representatives of relevant government departments and the government’s tripartite partners Business New Zealand and the New Zealand Council of Trade Unions (NZCTU). The Council reports to the Minister of Labour. The Council has three priority work areas which are Pay and Employment Equity, Quality of Work (part-time work), and Māori and Pacific Women’s Employment/Transitions through Life.

Pay and Employment Equity

The Council has undertaken a significant amount of work including instigating and facilitating seminars and conferences on pay and employment equity, providing input for the terms of reference for a Commission of Inquiry into equal pay and initiating publicity campaigns to sit alongside the Department of Labour’s efforts promoting equal pay, among other things. Equal pay and moves towards pay equity have made a difference to the pay of some women and statistics show that the gender pay gap is lessening. But despite equal pay legislation and related initiatives, the private sector gender pay gap remains at 11% and improvements in the gender pay gap have been relatively slow (refer to page 3 of this report).

Quality of Work: Part-time Work

The Council has an interest in understanding current issues related to the position of women working part-time. The Council is concerned that the “quality” of part-time work is poorer than that of full-time work, but there has been little recent analysis or research in New Zealand that contributes to a full understanding of the dynamics of part-time work and the experiences of part-time workers.
In 2008 and 2009 NACEW commissioned and completed a two-phase project on women and part-time work. Phase 1 was completed in September 2008, *Women and part-time work: A stocktake of recent research*. This earlier report provided a stock-take of research on women currently in part-time work and focused on the quality of work for part-time workers compared to full-time workers. It also drew attention to the fact that our current knowledge about part-time work in New Zealand is very limited.

For Phase 2, which was completed in February 2010, the Council commissioned a report based on primary research which aimed to identify the characteristics, pay and working issues for prime-aged (25-54) female employees who work less than full-time in low paid jobs and in particular low paid jobs in retail, cleaning, and residential care. It aimed to identify what helps and hinders progress at work, and practical mechanisms or best practice that supports progression at work; and to identify broader issues that could be considered by industry, unions and government.

**Māori and Pacific Women’s Employment Transitions through Life**

The Māori and Pacific Women’s Employment/Transitions through Life report was commissioned in April of 2008 and completed in February 2009. The report provided a stock take of initiatives and programmes designed to assist young Māori and Pacific women’s transition from secondary education to tertiary education or employment.


The Council is currently considering a number of suggestions for further research into the initiatives and programmes identified in the report. Please refer also to the Government’s response for information from the CEARC, on page 33 and 34 of this report.

**Work-life balance – policy and practice**

The Government has also developed a Carers Strategy and Action Plan which is being implemented. The strategy has five objectives: provide information; protect the health and wellbeing of carers; enable carers to take a break; provide financial support for carers; provide training and pathways to employment for carers. A guide for carers has been published and disseminated. This provides practical help for people caring for family or friends who are older or have ill health, a disability or a mental health, alcohol or other drug issue.

The Government has provided resources for employers to help them to implement work-life balance initiatives in their organisations. This includes publishing and disseminating a code of employment practice on infant feeding. It provides a guide for employers who want to know how to meet
their obligations under the legislation that relates to the provision of breaks and facilities for employees who wish to breastfeed during a work period.

In 2008 a second national survey of employers and employees was carried out by the Government. This provides comprehensive information on the level of awareness, provision and uptake of work-life balance practices in New Zealand workplaces. This builds on a baseline survey that was carried out in 2006.

**National Conversation about Work**

‘The National Conversation about Work’, is a major evidential based project conducted by the Human Rights Commission in 2008-2010. The project has involved comprehensive consultation with over 3000 people from a wide range of stakeholder groups in every region of New Zealand. The goal of the National Conversation was to find out what would make a difference for men and women to achieve equality at work and how this would impact on their families and what would assist employers to enable them to implement equal employment opportunities. National recommendations will be developed from the regional reports and will be used to create a new Equal Employment Opportunities framework.

**Views of the Human Rights Commission**

The functions of the Human Rights Commission are set out in the Government’s previous reports Convention 100.

The Commission responded to demand from employers and employees to provide guidance on avoiding discriminatory practices at the pre-employment stage. In August, Getting a Job: An A to Z for Employers and Employees: Pre-Employment Guidelines was published. Demand for the guide was so high that a reprint was required two weeks after release of the first print run of 3000 copies.

**Older Worker Project**

A toolkit for employers called “Valuing Experience: A practical guide to recruiting and retaining older workers” was produced by a working group which included Business New Zealand, the Council of Trade Unions, the Human Resources Institute of New Zealand, the EEO Trust and the Canterbury Employers’ Chamber of Commerce. The EEO Commissioner and the Retirement Commissioner co-ordinated the group, and the toolkit was made available electronically to the public and private sectors. It includes case studies of a range of companies, and guidance on job redesign, phased retirement, managing performance retention and the prevention of discrimination. For further information go to: [http://www.neon.org.nz/eeogroups/valuingexperience/](http://www.neon.org.nz/eeogroups/valuingexperience/).

**Migrant and refugee workers**

In late 2008 the Commission published Brain Gain: migrant workers in New Zealand. This collection of case studies was developed in response to a need
identified at an employment symposium for positive stories about migrant employment. These stories were told to persuade other potential employers of the benefits of migrant employees to fill labour and skills shortages and that diverse workforces are valuable in themselves.

The Commission acts as a facilitator for the New Zealand Diversity Action Programme as a means of promoting community action on race relations. Four networks have been established within the programme: language policy; religious diversity; media and diversity; and refugee issues. The Commission produces monthly e-newsletters and organises annual forums for each network at the New Zealand Diversity Forum.

**The Equal Employment Opportunities Trust**

The Equal Employment Opportunities (EEO) Trust is a not-for-profit organisation tasked with providing EEO information and tools to employers and raising awareness of diversity issues in New Zealand workplaces.

The EEO Trust assists employers in introducing and managing proven EEO thinking and practices, encourages diversity by promoting the recruitment and development of people on the basis of merit, and generates awareness of the business benefits and rewards of an inclusive workplace. It has a high media profile.

As at April 2010, 407 New Zealand employers belong to the EEO Trust Employers Group. The split is 49% private, 32% public sector, and 19% not-for-profit. The New Zealand Government funds the EEO Trust at the rate of $2 for every $1 earned through employers’ membership fees, up to a maximum of $445,000 annually (including GST).

Some recent EEO Trust activities include:

*Research*

People management in tough economic times: Employers' responses to recession. EEO Trust surveys in May and June 2009 explored how employers were responding to the economic downturn. The EEO Trust found that many employers were endeavouring to maintain their long-term competitive advantage by investing in training and development, health and wellness initiatives and flexible work options.

*Workplace age and gender*

Trends and implications. This analysis of the age and gender profiles of more than 30 professions, based on Census data, shows how imbalances in certain fields could pose problems for some New Zealand sectors in future. Occupations covered include law, medicine, planning, management, the trades, engineering, IT, call centres, HR, police, transport and education. Boomers & beyond: Recruiters tell their stories, 2008. Research with recruitment consultants finds that they view older workers positively and are
willing to work proactively with employer clients to demonstrate the value of hiring an older person who has the skills, experience and attitude needed.

**Older workers**
Employers speak out, 2008. Research with EEO Employers Group members shows that many employers place a high value on older workers, appreciating their reliability, experience, stability and loyalty.

**Diversity & Equality**
Evidence of positive business outcomes and how to achieve them, 2008. This literature review explores the impact of workplace diversity on business outcomes, finding that diversity is likely to be good for business provided it is well managed.

**Workplace toolkits**
Making a Difference: Why and how to employ and work effectively with Māori. This guide identifies the business case for recruiting, retaining and developing Māori and describes strategies to help ensure the talents and energy of Māori people are tapped by New Zealand employers.

Employing Disabled People: The EEO Trust challenges the very word ‘disability’, which emphasises what people can't do rather than what they can do. This toolkit enables employers to assess if and how they ‘disable’ workers and potential workers, limiting the workplace’s ability to tap into their talents.

Other toolkits explore best practice in recruiting and retaining older workers; job-sharing; seeking and recruiting talent; and breastfeeding in the workplace.

**Website**
A comprehensive and lively website at eeotrust.org.nz contains information, advice, examples of EEO and diversity policies, news and comment, access to a searchable library database, workplace toolkits and case studies of diversity in action.

**Publications**
The EEO Trust publishes an attractive and engaging quarterly magazine, Diversity in Action, which keeps readers up-to-date with emerging trends in diversity management and provides case studies of the ways in which some of New Zealand’s leading employers make the most of their diverse workforces. Diversity in Action is available in hard-copy or electronically. A monthly electronic bulletin, Employers Group Update, synthesises the latest information on diversity management, and lists diversity-related events, training and publications.

**EEO Trust Work & Life Awards**
The EEO Trust Work & Life Awards, held annually and presented by a senior Government Minister, have been showcasing leading employers since they
began in 1998. They have been influential in increasing awareness of the business benefits of supporting diversity and helping employees meet their commitments outside work as well as at work. The 2009 Awards, which received a record number of entries, included a new Skills Highway category to recognise workplace literacy and numeracy training.

**Diversity Practitioners’ Groups**

The EEO Trust has established seven Diversity Practitioners’ Groups, in Auckland, Wellington, Christchurch, Dunedin, Whangarei, Waikato/Bay of Plenty, and Taranaki to provide a forum for EEO Employers Group members to explore EEO and diversity issues. The groups are proving popular, creating an opportunity for HR practitioners to share information with each other and building their capacity in and commitment to EEO/diversity practices.

**EEO Trust library resources**

The EEO Trust continues to explore ways to make its extensive range of library resources more accessible; there are more than 40,000 individual items in the collection. Anyone can search the online database and download electronic items, while EEO Employers Group members can borrow hard copy books and other publications. To assist members to keep up to date with the latest information, the EEO Trust has developed a series of resource lists by topic and industry sector/profession. There are 34 resource lists, which are updated regularly.

**Good employer guidance**

The EEO Commissioner is mandated by Government to provide guidance to Crown Entities on being a good employer, including EEO programmes, in conjunction with the State Services Commission.

This guidance is provided through on-line tools and resources published on the National Equal Opportunities Network (NEON) website and through workshops and seminars. The Commissioner has also published three benchmark reports on reference to good employer and EEO policies and practice in Crown Entities key strategic documents. The focus of the 2010 report was pay and employment equity.

**The Ministry of Social Development**

**Working for Families**

A joint MSD and Inland Revenue (IR) report: Employment Incentives for Sole Parents: Labour Market Effects of Changes to Financial Incentives and Support was completed in 2009 as part of the Working for Families (WFF) evaluation programme. The WFF package was introduced in 2004 during a period of economic buoyancy. It aims to make work pay and reduce poverty using an integrated programme of initiatives to lift incomes, strengthen work incentives and to make housing and childcare more affordable. The report found that for the relevant period 2004 to 2007 sole
parent employment increased by 9.4 percentage points and two-thirds of that increase was estimated to be due to the WFF changes.

The introduction of the in-work tax credit appeared to be particularly influential, as the effect of the WFF changes were found to be statistically significant only after the in-work tax credit was introduced in April 2006.

**Future Focus**
A comprehensive package of reforms aiming to break the cycle of welfare dependency was announced by the Government on 23 March 2010. The majority of the changes are proposed to take effect from 27 September 2010 after legislation has been passed.


Sole parents receiving the DPB whose youngest child is six or older will be work tested and required to look for part-time work. The benefit abatement regime has been eased to increase the financial returns from benefit for sole parents. The first $100 (currently $80) of income will not affect the benefit rate and the benefit will abate at 30 cents per dollar for the next $200 (currently $180) of income before rising to 70 cents per dollar. These changes will improve the financial circumstances and work attachment of sole parents working part-time.

In 2009 the Government introduced a number of new employment proposals to respond to the recession. These include:

- the ReStart assistance package;
- the Job Support scheme (a nine-day fortnight scheme); and
- the Youth Opportunities package

**Restart**
The ReStart assistance package is an initiative providing job search and additional financial assistance for people who have been made redundant. ReStart provides temporary assistance for up to sixteen weeks, or until the recipient finds another full time position (whichever occurs first).

ReStart has three elements:

- **ReCover**: allows families previously receiving an in work child tax credit to receive an equivalent payment;
- **RePlace**: additional accommodation assistance above the standard accommodation support;
- **ReConnect**: help in finding new employment.
Applicants are assessed for their eligibility for ReCover and RePlace based on their individual circumstances, and may qualify for one or both payments. ReConnect is part of the state provided job search service which is available to all New Zealand jobseekers.

The Job Support Scheme
The Job Support Scheme is designed to assist businesses facing temporary difficulties due to the recession and to reduce the number of employees facing redundancy. Employees can agree to reduce their working hours by up to ten hours a fortnight, for a maximum of six months. A government funded allowance is paid directly to the employer to supplement the income of those employees who have accepted reduced working hours. The employer agrees not to make redundancies in the areas covered by the Job Support Scheme. The Job Support Scheme was initially made available to employers with more than one hundred staff, but was extended in April 2009 to cover employers with fifty to one hundred employees.

Youth Opportunities Package
The Youth Opportunities package is a $152 million initiative announced in August 2009. It is targeted to those more at risk of long-term unemployment because of the recession. A suite of initiatives provides employment and training opportunities for sixteen to twenty-four year olds up to the end of 2010. In particular, the Job Ops and Community Max initiatives subsidise the employment of low skilled young people in business and community programmes. Many of the initiatives in the Youth Opportunities package aim to foster confidence and discipline, connect young people into their communities, provide appropriate and relevant training, and develop work skills.

Job Ops
Job Ops provides a $5,000 subsidy to employers to take on young people (16-24 yr olds) for six months work experience in entry-level jobs. The scheme is aimed at the most disadvantaged young people (those with the lowest levels of skills and qualifications). Employers do not have to guarantee that they will provide employment beyond the six months. The Youth Opportunities package included funding for 4,000 Job Ops. To meet employer demand, in November 2009, Cabinet agreed to fund an additional 2,000 Job Ops places.

Community Max
Community Max provides full wage subsidies, training and supervision expenses for disadvantaged young people to participate in six-month community and environmental projects. The Youth Opportunities package included funding for 3,000 Community Max places. As at 12 March 2010, 3,273 Community max places had been listed and 3,077 young people had been placed into community projects.
Job Connect
Changes have also been made to the Job Search Services of Work and Income to better reflect the abilities of some job seekers. Job Connect allows self-motivated job seekers to maintain contact with Work and Income through the contact centre, rather than face to face appointments; and provides enhanced job matching, screening and referral services for employers and job seekers.

Out of School Care and Recreation Services
Rates of the Out of School Care and Recreation Services (OSCAR) and the Childcare Subsidy have continued to be adjusted whenever the Consumers Price Index (CPI) increases by 5% or more to keep pace with the cost of living.

The income thresholds had more than doubled since 2004 resulting in families earning up to $99,320 qualifying for this assistance. Under Future Focus this support is being more tightly targeted to the people who need it most. From October 2010 income thresholds for childcare assistance (including the OSCAR Subsidy) will return to 2008 levels and there will be no further regular adjustments in line with inflation. This change will mainly affect two-earner couples on higher incomes. The hourly subsidy rate is not changing.

Under the Future Focus package of welfare reforms announced in March 2010, changes will be made to make it easier for providers of out of school services to establish programmes. The OSCAR Standards for Approval will be reviewed to allow home-based providers to enter the market and OSCAR grant funding will be targeted to encourage provision in the areas where it is most needed.

Working for Families
A review of the in-work tax credit, one of the Working for Families Tax Credits, in 2008 concluded that the in-work tax credit appeared to be fulfilling its goal of making work pay and therefore there is no need to increase the in-work tax credit at this time.

The Household Incomes in New Zealand: Trends and Indicators of Inequality and Hardship 1982 to 2008 (Household Incomes Report 2009) was published in June 2009. This report analyses data from the 2008 Household Economic Survey, which captures the full impact of Working for Families.

It was anticipated that Working for Families would have a significant effect on the income distribution and on reducing child poverty.

Household incomes
The report notes the significant impact of WFF on household incomes from 2004 to 2008. This is the only period in the past 25 years when low to middle household incomes have risen more quickly than incomes above the middle.
**Workplace Group, Department of Labour**

Please refer to the Government’s previous reports on Convention 100 for a description of the Workplace Group of the Department of Labour.

The Department of Labour provides free information and guidance to the public on employment relations, health and safety and general workplace issues. The provision of information enables and educates customers to identify and deal with their own workplace challenges and opportunities. For the period 1 July 2008 to 31 March 2010 the Department’s Contact Centre responded to 164,981 phone enquiries, 6254 written enquiries and 343 face to face enquiries relating to employment relations, health and safety and general workplace issues.

The Employment Relations Contestable Fund was fully funded for the 2008/09 and 2009/10 funding years in continuation of the fund’s ‘in principle’ funding provision. In future years funding for the contestable fund will be applied for every year as part of the budget process.

**The Ministry of Maori Development (Te Puni Kokiri)**

There has been no change since the last report.

**Retirement Savings**

In June 2007, the New Zealand Government introduced a voluntary retirement savings scheme available to New Zealanders under the age of 65 (currently), and including all State sector employees. The rules governing eligibility to join, contribution levels, and benefit payments are exactly the same for men and women. This is primarily a subsidised workplace savings scheme though membership is not dependent on employment status. For members contributing by payroll deduction, the compulsory employer contributions and government contributions more than match the employee’s contributions. Employee and employer contributions are generally made as a percentage of gross base salary; to the extent that there is pay inequity the contribution amounts and therefore the accumulated savings will be lower for women than men.

The primary benefit is a lump sum based on total savings and payable on reaching the age of entitlement to New Zealand Superannuation (currently age 65). The amount of the payment is not adjusted due to gender, or marital or employment status, or income or asset levels.

Aspects of KiwiSaver that are particularly beneficial to women are: automatic enrolment with optional opt-out on starting new employment; default scheme options available for those who feel unable to select a financial provider or investment options; ability to suspend or continue contributions while out of the paid workforce; equal entitlement to first home loan deposit subsidy and first home purchase withdrawal rights.
As at March 2010, more women had joined the Kiwi Saver scheme than men.

**Article 3**

1. *Where such action will assist in giving effect to the provisions of this Convention measures shall be taken to promote objective appraisal of jobs on the basis of the work to be performed.*

2. *The methods to be followed in this appraisal may be decided upon by the authorities responsible for the determination of rates of remuneration, or, where such rates are determined by collective agreements, by the parties thereto.*

3. *Differential rates between workers which correspond, without regard to sex, to differences, as determined by such objective appraisal, in the work to be performed shall not be considered as being contrary to the principle of equal remuneration for men and women workers for work of equal value.*

*Please indicate what methods, if any, have been adopted to promote an objective appraisal of jobs on the basis of the work to be performed.*

*Please refer to the Government’s previous reports on Convention 100 for previously adopted methods that promote an objective appraisal of jobs on the basis of the work to be performed.*

*Please indicate what progress has been made in reducing the differential between wage rates for men and women workers, in particular in cases where legally established or recognised bodies are responsible for determining wage rates.*

Current statistics provided by Statistics New Zealand surveys (the Quarterly Employment Survey and the Household Labour Force Survey Income Supplement) indicate that there has been general reduction in the gender earnings gap over the long term, although this trend has been somewhat inconsistent. In 2006, the gender income gap increased from 13.3 to 13.8%, after six years of steady decline. However, in 2007 the gap declined again to 13.5% and has continued to decline to 12.0% in 2009. Annual changes in the estimates of average male or female hourly earnings are not always statistically significant but sampling error problems usually disappear when longer periods of time and larger changes are considered.
Table 1: The ratio of female to male hourly earnings

<table>
<thead>
<tr>
<th>Year</th>
<th>HLFS-IS Arithmetic mean</th>
<th>HLFS-IS Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>81.9%</td>
<td>83.1%</td>
</tr>
<tr>
<td>1998</td>
<td>83.0%</td>
<td>83.9%</td>
</tr>
<tr>
<td>1999</td>
<td>83.3%</td>
<td>84.4%</td>
</tr>
<tr>
<td>2000</td>
<td>86.8%</td>
<td>87.7%</td>
</tr>
<tr>
<td>2001</td>
<td>84.4%</td>
<td>87.7%</td>
</tr>
<tr>
<td>2002</td>
<td>85.6%</td>
<td>87.6%</td>
</tr>
<tr>
<td>2003</td>
<td>86.9%</td>
<td>87.2%</td>
</tr>
<tr>
<td>2004</td>
<td>86.0%</td>
<td>86.0%</td>
</tr>
<tr>
<td>2005</td>
<td>86.5%</td>
<td>87.9%</td>
</tr>
<tr>
<td>2006</td>
<td>85.5%</td>
<td>88.1%</td>
</tr>
<tr>
<td>2007</td>
<td>84.1%</td>
<td>87.2%</td>
</tr>
<tr>
<td>2008</td>
<td>85.2%</td>
<td>88.7%</td>
</tr>
<tr>
<td>2009</td>
<td>86.0%</td>
<td>86.0%</td>
</tr>
</tbody>
</table>

Source: HLFS-IS 1997-2007 (June quarters) Measurement: usual hourly earnings

Table 2: Comparisons of average hourly earnings by gender and ethnicity as ratios June 2009\(^8\)

<table>
<thead>
<tr>
<th>Gender</th>
<th>European/pakeha women</th>
<th>Maori men</th>
<th>Pacific men</th>
<th>European/pakeha men</th>
</tr>
</thead>
<tbody>
<tr>
<td>European/pakeha women</td>
<td>100%</td>
<td>106.6%</td>
<td>111.9%</td>
<td>83.5%</td>
</tr>
<tr>
<td>Maori women</td>
<td>86.3%</td>
<td>92.0%</td>
<td>96.5%</td>
<td>72.1%</td>
</tr>
<tr>
<td>Pacific women</td>
<td>84.3%</td>
<td>89.9%</td>
<td>94.4%</td>
<td>70.5%</td>
</tr>
</tbody>
</table>

\(^8\) Statistics New Zealand Income Survey. The ratios calculated for Pacific women are subject to high sampling errors.
Table 3: Gender Pay Gaps

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Private sector</strong></td>
<td></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>Males: average total hourly earnings ($ per hour)</td>
<td>14.36</td>
<td>15.93</td>
<td>17.07</td>
<td>17.52</td>
<td>17.86</td>
<td>18.13</td>
<td>18.69</td>
<td>18.93</td>
<td>19.70</td>
<td>20.50</td>
<td>20.96</td>
<td>21.93</td>
<td>22.77</td>
<td>23.83</td>
<td>24.70</td>
</tr>
<tr>
<td>All persons: female earnings as a % of male earnings</td>
<td>79.1%</td>
<td>79.8%</td>
<td>80.3%</td>
<td>80.5%</td>
<td>81.2%</td>
<td>81.5%</td>
<td>82.4%</td>
<td>82.7%</td>
<td>83.0%</td>
<td>83.5%</td>
<td>82.9%</td>
<td>83.4%</td>
<td>84.1%</td>
<td>85.5%</td>
<td>85.9%</td>
</tr>
<tr>
<td><strong>Public sector</strong></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Females: average total hourly earnings ($ per hour)</td>
<td>14.30</td>
<td>15.89</td>
<td>17.33</td>
<td>18.22</td>
<td>18.84</td>
<td>19.23</td>
<td>19.82</td>
<td>20.82</td>
<td>21.44</td>
<td>22.33</td>
<td>24.78</td>
<td>25.74</td>
<td>27.00</td>
<td>28.66</td>
<td></td>
</tr>
<tr>
<td>All persons: female earnings as a % of male earnings</td>
<td>82.7%</td>
<td>79.8%</td>
<td>79.1%</td>
<td>80.3%</td>
<td>81.3%</td>
<td>79.2%</td>
<td>78.9%</td>
<td>79.6%</td>
<td>81.1%</td>
<td>81.6%</td>
<td>84.8%</td>
<td>81.1%</td>
<td>80.1%</td>
<td>80.6%</td>
<td>81.6%</td>
</tr>
<tr>
<td><strong>All sectors</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Males: average total hourly earnings ($ per hour)</td>
<td>15.17</td>
<td>16.67</td>
<td>17.87</td>
<td>18.34</td>
<td>18.68</td>
<td>19.09</td>
<td>19.63</td>
<td>20.03</td>
<td>20.74</td>
<td>21.59</td>
<td>22.23</td>
<td>23.26</td>
<td>24.20</td>
<td>25.30</td>
<td>26.41</td>
</tr>
<tr>
<td>Females: average total hourly earnings ($ per hour)</td>
<td>12.40</td>
<td>13.65</td>
<td>14.71</td>
<td>15.21</td>
<td>15.71</td>
<td>15.96</td>
<td>16.56</td>
<td>17.01</td>
<td>17.72</td>
<td>18.55</td>
<td>19.28</td>
<td>20.04</td>
<td>20.93</td>
<td>22.16</td>
<td>23.24</td>
</tr>
<tr>
<td>All persons: female earnings as a % of male earnings</td>
<td>81.7%</td>
<td>81.9%</td>
<td>82.3%</td>
<td>82.9%</td>
<td>84.1%</td>
<td>83.6%</td>
<td>84.4%</td>
<td>84.9%</td>
<td>85.4%</td>
<td>85.9%</td>
<td>86.7%</td>
<td>86.2%</td>
<td>86.5%</td>
<td>87.6%</td>
<td>88.0%</td>
</tr>
</tbody>
</table>

*Source: Quarterly Employment Survey (QES), Statistics New Zealand*
This data suggests it is likely that a further narrowing of the gap will continue to occur gradually. As indicated in New Zealand’s previous report on Convention 100, this will be due to a number of social and economic trends.

**Gender pay gaps**

The gender pay gap is defined as the difference between the average salary of women and the average salary of men, and is expressed as a percentage of the average salary of men. Current statistics indicate that there has been general reduction in the gender earnings gap over the long term, although this trend has been somewhat inconsistent. In 2006, the gender income gap increased from 13.3 to 13.8%, after six years of steady decline. However, in 2007 the gap declined again to 13.5% and has continued to decline to 12.0% in 2009.

Gender pay gaps within occupation groups are lower than the overall gender pay gap (refer to table 4 below). The grouping of women into lower paid occupations has been identified by the Pay and Employment Equity Taskforce as a significant contribution to the gender pay gap.

Table 4. Gender pay gaps by occupation

<table>
<thead>
<tr>
<th>Occupation Group</th>
<th>Number of Females (000)</th>
<th>Number of males</th>
<th>Pay Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers</td>
<td>82.6</td>
<td>158.2</td>
<td>16.7%</td>
</tr>
<tr>
<td>Professionals</td>
<td>224.3</td>
<td>171.4</td>
<td>10.7%</td>
</tr>
<tr>
<td>Technicians and Trades Workers</td>
<td>40.9</td>
<td>186.7</td>
<td>19.0%</td>
</tr>
<tr>
<td>Community and Personal Service Workers</td>
<td>124.7</td>
<td>52.3</td>
<td>12.0%</td>
</tr>
<tr>
<td>Clerical and Administrative Workers</td>
<td>218.1</td>
<td>58.2</td>
<td>7.6%</td>
</tr>
</tbody>
</table>
Pay gaps for ethnic groups

Ethnic pay gaps are defined as the difference between the average salary for an ethnic group and the average salary of those not in that ethnic group, and is expressed as a percentage of the average salary of those not in the ethnic group. Table 5 presents ethnic pay gaps in the Public Service and the wider labour force.

Table 5. Ethnic pay gaps, 2002-2009

<table>
<thead>
<tr>
<th></th>
<th>Public Service</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Maori</td>
<td>10%</td>
<td>11%</td>
<td>11%</td>
<td>11%</td>
<td>10%</td>
<td>10%</td>
<td>10%</td>
<td>9%</td>
<td>18%</td>
</tr>
<tr>
<td>Pacific Peoples</td>
<td>18%</td>
<td>19%</td>
<td>18%</td>
<td>20%</td>
<td>20%</td>
<td>19%</td>
<td>19%</td>
<td>18%</td>
<td>19%</td>
</tr>
<tr>
<td>Asian Peoples</td>
<td>4%</td>
<td>7%</td>
<td>7%</td>
<td>9%</td>
<td>9%</td>
<td>10%</td>
<td>9%</td>
<td>9%</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Article 4

Each member shall co-operate as appropriate with the employers’ and workers’ organisations concerned for the purpose of giving effect to the provisions of this Convention.

Please indicate the methods of co-operation with the employers’ and workers’ organisations concerned.

Please refer to the response provided under Article 4 of the Government’s previous reports on Convention 100. There has been no change during the reporting period.

Article 7

1. Declarations communicated to the Director-General of the International Labour Office in accordance with paragraph 2 of article 35 of the Constitution of the International Labour Organisation shall indicate—
   a. the territories in respect of which the Member concerned undertakes that the provisions of the Convention shall be applied without modification;
   b. the territories in respect of which it undertakes that the provisions of the Convention shall be applied subject to modifications, together with details of the said modifications;
   c. the territories in respect of which the Convention is inapplicable and in such cases the grounds on which it is inapplicable;
   d. the territories in respect of which it reserves its decisions pending further consideration of the position.
2. The undertakings referred to in subparagraphs (a) and (b) of paragraph I of this Article shall be deemed to be an integral part of the ratification and shall have the force of ratification.

3. Any Member may at any time by a subsequent declaration cancel in whole or in part any reservation made in its original declaration in virtue of subparagraph (b), (c), or (d) of paragraph I of this Article.

4. Any Member may, at any time at which the Convention is subject to denunciation in accordance with the provisions of Article 9, communicate to the Director-General a declaration modifying in any other respect the terms of any former declaration and stating the present position in respect of such territories as it may specify.

Article 8

1. Declarations communicated to the Director-General of the International Labour Office in accordance with paragraph 4 or 5 of article 35 of the Constitution of the International Labour Organisation shall indicate whether the provisions of the Convention will be applied in the territory concerned without modification or subject to modifications; when the declaration indicates that the provisions of the Convention will be applied subject to modifications, it shall give details of the said modifications.

2. The Member, Members or international authority concerned may at any time by a subsequent declaration renounce in whole or in part the right to have recourse to any modification indicated in any former declaration.

3. The Member, Members or international authority concerned may, at any time at which this Convention is subject to denunciation in accordance with the provisions of Article 9, communicate to the Director-General a declaration modifying in any other respect the terms of any former declaration and stating the present position in respect of the application of the Convention.

This convention is applied in Tokelau, New Zealand’s only metropolitan territory.

III. Please state to what authority or authorities the application of the above-mentioned legislation and administrative regulations, etc., is entrusted and by what methods application is supervised and ensured.

Please refer to the responses provided under Part III of the Government’s previous reports on Convention 100.

The methods of application are outlined above in Part II under Article 2 and in Part V below.
IV. Please state whether courts of law or other tribunals have given decisions involving questions of principle relating to the application of the Convention. If so, please supply the text of these decisions.

No questions of principle relating to the Convention have been considered by the Employment Relations Authority (the Authority) or the Courts.

V. Please give a general appreciation of the manner in which the Convention is applied, including, for instance, extracts from official reports, information concerning the number and nature of the contraventions reported and any other bearing on the practical application of the Convention.

Please refer to the response provided under Part V of the Government’s previous report on Convention 100.

The Government has not identified any significant cases to be included in this report.

VI. Please indicate the representative organisations of employers and workers to which copies of this report have been provided.

Business New Zealand and the New Zealand Council of Trade Unions.

The Committee notes the extensive information in the Government’s report as well as the comments by the New Zealand Council of Trade Unions (NZCTU) and of Business New Zealand (Business NZ) attached to the Government’s reports on this Convention and on the Discrimination (Employment and Occupation) Convention, 1958 (No. 111).

Articles 1 and 2 of the Convention. Equal pay legislation. The Committee recalls its previous comments in which it emphasized that the requirement in the Convention for equal remuneration for men and women for work of equal value goes beyond the concept of equal remuneration for the same or similar work as currently provided for in the Employment Relations Act 2000 (ERA), the Human Rights Act 1993 (HRA) and the Equal Pay Act 1972 (EPA). Furthermore, the scope of comparison has to be as wide as possible, as allowed by the level at which wage policies, systems and structures are set, and not restricted to cases where employees work for the same employer, as provided for in the ERA. The Committee notes the Government’s statement that it has no plans to amend the current equal pay legislation. Instead, it is implementing a Pay and Employment Equity Plan of Action to give effect to the principle of equal remuneration for work of equal value. The Committee recalls its 2006 general observation on this Convention underlining the importance of legislation fully reflecting the principle of the Convention. The Committee urges the Government to consider amending its equal pay legislation at the earliest opportunity, so as to provide not only for equal remuneration for equal, the same or similar work, but also to prohibit pay discrimination that occurs in situations where men and women perform different work that is nevertheless of equal value. The Government is also requested to keep the Committee informed of any jurisprudence indicating that the relevant legislative provisions concerning equal pay are being interpreted by the courts within the broader meaning of Articles 1(b) and 2 of the Convention.

Article 2. Measures to promote equal remuneration for work of equal value. The Committee recalls its previous comments regarding the recommendations made by the Task Force on Pay and Employment Equity in 2004, and notes with interest the various initiatives described in the Government’s report implementing the Five Year Plan of Action on Pay and Employment Equity. It notes in particular that pay and employment equity reviews are being carried out in the public service and the public health and education sectors, most of which will be completed in the course of 2008. Guidelines for pay
investigations reviewing the value of the work and the factors and processes affecting remuneration are also being developed and will primarily target female-dominated occupations. Claims for additional funding for remedial pay settlements arising from pay and employment equity reviews will be considered within existing budget processes through a tripartite process. The Committee further notes that Phase Two of the Action Plan will cover crown entities and state-owned enterprises and government-funded contract workers, and that consideration will be given to extending the pay and employment equity exercise to employees in local government and in the private sector. In this regard, the Committee notes the concern expressed by Business NZ that the private sector cannot rely on the taxpayer to fund pay increases for “female” occupations resulting from pay equity reviews. This would be particularly true in the health sector where private providers may have difficulty in matching “remedial” pay increases granted to nurses working in public institutions. Lower paid employees in the private health sector, where employment opportunities are often reliant on government contracting, may well be in that situation because state funding is inadequate to allow for the pay increase that might otherwise be considered necessary. According to Business NZ, most perceived payment inequities are to be found in the state sector where high numbers of women work in what are seen as the “caring” professions.

The Committee asks the Government to provide information on the results achieved by the pay and employment equity reviews and the pay investigations undertaken in the public sector, as well as any specific follow-up action being given to the outcome of these reviews. The Committee also asks the Government to indicate how it intends to address difficulties encountered by employers in the private health sector in matching remedial pay increases granted to employees in public institutions.

The pay and employment equity reviews in the public sector concluded in 2009. These reviews were facilitated by the Pay and Employment Equity Unit (P&EE Unit) at the Department of Labour and ceased with the completion of the Government’s Five Year Action Plan on Pay and Employment Equity in early 2009. The pay and employment equity review processes were driven by the individual public service agencies with practical assistance in conducting the reviews provided by the P&EE Unit at the Department of Labour. Information coming out of the reviews is the property of the individual agencies and the decision to release the results of the pay and employment equity reviews is at the discretion of these agencies.

The Government has pledged continued support for the implementation of the Public Service Departments reporting on pay and employment equity response plans, excluding pay investigations and is currently focused on
providing support for Public Service chief executives, boards of trustees, and chief executives in the public education and health sectors to ensure that they continue to address and respond to any identified gender inequalities as part of good management practice and being a good employer.

*Please also keep the Committee informed of any steps that are being taken to extend the Pay and Employment Equity Plan of Action to other employees, including those in the private sector.*

Please see our response on page 3 of this report.

**Article 3. Job evaluation.** The Committee notes with interest the development of the “equitable job evaluation tool” - a gender-neutral job-evaluation system for use in pay investigations and for general use - which has been specifically designed to facilitate better recognition and contribution of female-dominated occupations to performance of important areas of the state services. In addition, the Committee notes that Standards New Zealand has developed a voluntary “gender inclusive job evaluation standard”, a practical guide and reference point for ensuring that job evaluation and the remuneration process are carried out in a gender-inclusive way.

*The Committee asks the Government to provide further details on the use of the gender-neutral job evaluation tools that have been developed and their impact on reducing gender pay differentials in the public as well as in the private sectors.*

The Equitable Job Evaluation tool is currently available as part of the pay and employment equity tool-kit that employers in both the public and private sectors can request from the Department of Labour’s website. As part of the conditions for receiving the tool-kit requestors must agree to a monitoring process where they report back on the results from their usage of the tool.

*The Committee is raising other points in a request addressed directly to the Government.*

Please see next page

Gender earnings gap. The Committee notes from the statistics provided by the Government on the male-female earnings differentials in the public and private sectors up to 2005, that female earnings as a percentage of male earnings continue to increase and that a narrowing of the gender earnings gap will continue to occur gradually. The Committee, however, also notes from information published by the Pay and Employment Equity Unit that, although between 1984 and 2006, female average hourly earnings as a percentage of male earnings have increased, the gender pay gap has only narrowed by 7 per cent. Furthermore, average hourly earnings differentials continue to exist within and between ethnic groups, with the largest differential between the earnings of Maori and Pacific women as a percentage of those of European/Pakeha men (71.3 per cent and 64.1 per cent, respectively, in 2005). The Government indicates that the gender pay gap will nevertheless continue to decrease due to trends, such as a reduction in the male-female gap in educational attainment and years of work experience; changes in the occupational and industrial composition of male and female employment and shifts in the demand for industry-specific or occupational skills which men and women hold in different positions. The Government further provides extensive information on initiatives to promote a better work-life balance and family-friendly workplaces as a means to attain equal remuneration for men and women. Regarding the need to adopt measures to address gender segregation in the occupational and industrial composition of the labour market, the Committee refers to its comments under the Discrimination (Employment and Occupation) Convention, 1958 (No. 111).

The Committee asks the Government continue to provide statistical information on the male-female earnings differentials, particularly those influenced by the male-female gap in accessing high-level posts in the public and private sectors.

The term ‘gender pay gap’ refers to the difference between female and male wages and salaries in New Zealand. Information about the gender pay gap is primarily collected in two ways:

- Information regarding wages and salaries in the private sector is compiled by Statistics New Zealand; and

- Information regarding the gender pay gap in the public service is compiled by the State Services Commission which collects data from 35 public service ministries and departments (excluding Crown entities)
Gender Pay Gap in the Private Sector

On 9 October 2009, Statistics New Zealand released the results of the annual New Zealand Income Survey. Some of the key findings of this survey, which show a decline in the gender pay gap, are set out below.

### Table 1

<table>
<thead>
<tr>
<th>Ethnic Group</th>
<th>Women’s median hourly earnings</th>
<th>Men’s median hourly earnings</th>
<th>Gender pay gap</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2009 Change from 2008</td>
<td>2009 Change from 2008</td>
<td>2009 Change from 2008</td>
</tr>
<tr>
<td>European</td>
<td>$18.85 + $0.63</td>
<td>$21.97 + $0.83</td>
<td>14.2% + 0.4</td>
</tr>
<tr>
<td>Māori</td>
<td>$16.43 + $1.43</td>
<td>$18.31 + $0.57</td>
<td>10.3% - 5.2</td>
</tr>
<tr>
<td>Pacific</td>
<td>$16.00 + $1.20</td>
<td>$16.96 + $0.89</td>
<td>5.7% - 2.2</td>
</tr>
<tr>
<td>Asian</td>
<td>$17.98 N/A</td>
<td>$18.00 N/A</td>
<td>0.1% N/A</td>
</tr>
<tr>
<td>Middle Eastern, Latin American, and African</td>
<td>$17.00 N/A</td>
<td>$19.39 N/A</td>
<td>12.3% N/A</td>
</tr>
<tr>
<td>Other</td>
<td>$18.00 N/A</td>
<td>$22.00 N/A</td>
<td>18.2% N/A</td>
</tr>
<tr>
<td>Total</td>
<td>$18.22 + $0.78</td>
<td>$20.53 + $0.53</td>
<td>11.3% - 1.5</td>
</tr>
</tbody>
</table>

Note: Ethnic income data in 2008 was not broken down into the ‘Asian’, ‘Middle Eastern, Latin American, and African’ and ‘Other’ ethnic groups.

The collection of data around the gender pay gap from employers within the private sector is on a voluntary basis. Therefore information on the gender pay gap collected by Statistics New Zealand is broadly based with salary estimates based on average weekly wages rather than by occupation or industry. Gender pay gap information for high salary earners is not available under the current data collection methodologies.

State Services Commission – The Gender Pay Gap in the Public Service

The gender pay gap in the public service has decreased by 1% between June 2008 and June 2009. The State Services Commission (SSC) collects and publishes information in its Human Capability Resource Survey of Public...
Service Departments annually. The thirty five public service departments listed in this survey are mandatorily required to report this information to the SSC. The following percentages list the gender pay gap within these reporting public service agencies since 2006.

2009: 15%
2008: 15%
2007: 16%
2006: 16%

As can be observed by these figures the gender pay gap is significantly wider in the public service than what is recorded in Statistics New Zealand’s income survey, at 11.3% for the private sector. To date no information is available on why this difference exists.

Data collected by the SSC for 2009 shows that in the public sector:

- the average salary of women was $58,393 compared with $68,983 for men
- the largest pay gap by occupation was between male and female managers in the public service (at 13%)

As with the gender pay gap in the private sector, information on the gender pay gap for high income earners is not available under current data collection methodologies.

2. Measures to promote the application of the Convention. The Committee notes the information provided by the Government on legislative measures relating to parental leave and flexible working hours as well as on the activities taken by the State Services Commission, the various ministries, the National Advisory Council on the Employment of Women (NACEW), the Equal Employment Opportunities Trust (EEO Trust) that help in improving the application of the Convention. It notes that the NACEW has commissioned research to describe the economic arguments for narrowing the gender pay gap, and that the EEO Trust has undertaken research relating to parenting and paid work.

The Committee asks the Government to continue to provide information on the activities of relevant bodies to promote equal pay and on the outcome of any follow-up action given to the research undertaken by NACEW and the EEO Trust on the gender pay gap.

NACEW’s vision of “work that works for women – fairness, participation, quality and choice” is embedded in the overarching principle of ‘equal pay for equal work’.

To work towards this aim, the Council has identified two current priority areas in women’s employment:
• Improving the quality of work for women of which pay and employment equity plays a large part; and

• Māori and Pacific women’s employment.

A key focus of these priority areas is economic sustainability and improving young Māori and Pacific women’s participation in employment and increasing their earning potential. Māori and Pacific women earn significantly less than other groups of women. Median hourly earnings for Māori and Pacific women were $16.43 and $16.00 respectively in the June 2009 quarter, compared to $18.85 for European women.

The Council’s current work has a particular focus on successfully transitioning these groups from secondary education to tertiary education or employment which will contribute greatly to economic stability and growth for these women. A stock-take of current tertiary and employment initiatives and statistics for Māori and Pacific women was completed in 2009 and further work is currently being developed in this area by the Council.

NACEW’s work programme has also examined the prevalence of women in part-time work. NACEW’s report “A Snapshot In Time” - maori and pasifika women’s transitions from secondary School to tertiary education or employment 2008-2009 provided a stock-take of women currently in part-time work and focused on the quality of work for part-time workers compared to full-time workers. Key conclusions from the report include the following:

• 35% of New Zealand women in the workforce work part-time;
• There is a close association between occupation, sex and part-time work;
• Working multiple part-time jobs is more common for women than men.

The report highlighted the fact that while there is considerable statistical research conducted in New Zealand on part time work there is very little research that contributes to a broader understanding of the dynamics of part time work for women and their experiences as part time workers. NACEW is currently considering further directions for this research and is consulting with its members and partner agencies.

Furthermore, the EEO Trust continues with its commitment to assisting in closing the gender pay gap for women workers as part of its wider contribution to promoting equity and diversity within New Zealand workplaces. As part of the Trust’s initiative ‘A Place At The Table’ the gender pay gap and its implications for women and governance and leadership are considered. Strategies for closing the gender pay gap were discussed as part of the ’Pacific Women's Watch’ conference, sponsored by the EEO Trust, in Auckland in May of 2010.

3. Complaints and enforcement mechanisms. The Committee recalls its previous comments regarding the low number of individual equal pay cases brought before the competent bodies and the need to take measures to ensure that cases where men and women receive unequal remuneration for work of equal value can be addressed effectively through appropriate complaints and enforcement
mechanisms. The Committee notes the explanations given by the Government regarding the current proceedings available to address equal pay claims under the ERA, EPA and the HRA, including the new legislation that came into force in December 2004. The Committee also notes, however, that the NZCTU still considers that there is a need for a legally binding mechanism to enforce equal remuneration where results of pay evaluations show inequities.

The Committee asks the Government to indicate how these legislative measures have helped in practice to address more effectively equal pay claims and to eliminate unequal remuneration for men and women for work of equal value.

Legislative measures around equal remuneration for men and women for work of equal value provide a foundation of ‘equity principles.’ The legislation described above relies upon the ‘good will’ of employers and employees to achieve of equal pay and to eliminate unequal remuneration. The Employment Relations Act 2000 has the principle of ‘good faith’ as its central tenet. Employers, employees and unions must deal with each other honestly and openly. Specifically, the Act:

- promotes good employment relations and good faith behaviour, which includes mutual obligations of trust and confidence between employers, employees and unions
- sets the environment for individual and collective employment relationships
- sets out requirements for the negotiation and content of collective and individual employment

Given the broad nature of the legislative frameworks and that implementation of the legislation relies upon employer good will data collected within the public service which references changes to the gender pay gap cannot easily be attributed to the legislation itself. The Government continues to emphasise and support the need for employers to address any identified gender inequities in their workplace as part of good management practice and being a good employer.

4. The Committee notes the decision of the Human Rights Tribunal and the High Court judgment in Talleys v. Lewis and Edwards applying the provisions of the Human Rights Act of 1993 in an equal pay case. It notes that the High Court, in determining whether jobs undertaken by men and women in Talleys, a fish-processing plant, were substantially similar, took into account job comparisons based on job descriptions and objective evaluation criteria. The High Court ruled that the filleting role and trimming role were substantially similar and that gender discrimination existed in allocating the higher paid jobs to men and lower paid jobs to women.
The Committee asks the Government to continue to provide information on relevant court decisions relating to the principle of equal remuneration for men and women for work of equal value.

There were no significant decisions from the court on this issue during this time period.

5. Statistics on the gender pay gap. The Committee notes the Government’s statement that the States Services Commission is providing advice to public service departments on the statistical analysis of their pay and employment equity reviews. The Government indicates that the recommendation of the Task Force on Pay and Employment Equity on the need to determine what data would be appropriate to collect to give an overview of pay and employment equity will be dealt with after the Pay and Employment Equity Unit has gained more experience of statistical requirements from completed reviews.

The Committee asks the Government to keep it informed on any further developments in collecting and analysing appropriate data on the gender pay gap.

Joint research conducted by the Department of Labour and Statistics New Zealand found that the impact of training on trainees employment and earnings varied considerably by the level of qualification achieved, age and gender. Young males benefited more than older males and females.

The earnings of males aged 15–24 years were 11 percent higher than those of comparable non-participants 48 months after training started. The earnings of males in other age groups improved between 1 and 4 percent, and the earnings of females improved 2 percent. Earnings improved around 2 percent for females in all age groups.

The differences largely reflect the types of industries and occupations that young males are working in (for example, the classic trades areas like building and construction, electrical and automotive.) The research also found that the impact of training on trainees employment and earnings varied considerably by the level of qualification achieved, age and gender.

Gaining a qualification at NQF level 4+ improved participants’ average earnings. Their average monthly earnings were 7 percent higher than those of comparable non-participants 48 months after training started. The impact on average earnings varied considerably by age and sex. The earnings of males aged 15–24 years were 11 percent higher than those of comparable non-participants 48 months after training started. The earnings of males in other age groups improved between 1 and 4 percent, and the earnings of females improved 2 percent.
Gaining a qualification at level 3 improved the average earnings of males but not females. The average earnings of males were 2 percent higher than those of comparable non-participants 48 months after training started. Gaining a qualification at level 1 or 2, completing a limited credit programme, or gaining no qualification did not improve average earnings during the 48 months after training started.