

# Labour market data for the Mana Wāhine claim

#### **INTRODUCTION**

Income statistics for June 2017 show that Māori women are being paid on average around 72% of the average hourly rate for Pākehā men and around 85% of the average for Pākehā women. The reflects lower pay in the narrow range of occupations and sectors in which Māori women are employed, as well as the gender pay gap attributable to the typically different occupations in which most women and men employed. This affects Māori women's weekly incomes, although rates of part-time employment are about the same for Māori and Pākehā women. A much larger difference in average annual income for Māori women compared to Pākehā men and women reflects their greater burden of unemployment, under-employment, and short-term insecure employment compared to Pākehā. Precarious employment means insecure incomes that affect the wellbeing of Māori women, their whanau and the communities in which they live.

Labour market inequality affecting Māori women has been well known to governments since the 1980s through government statistics and a series of departmental publications, reviewed here. Every decade or so, policies to redress pay inequality for women, including Māori women, have been a political football – or rather, a game of snakes and ladders as one government has reversed moves by their predecessor. This is inconsistent with statements of commitment by all New Zealand governments to the Treaty of Waitangi and to international conventions on labour rights, women's rights and indigenous rights.

# **CURRENT LABOUR MARKET INEQUALITIES FOR MĀORI WOMEN**

#### A larger gender pay gap for Māori women

Average hourly ordinary time pay rates are our best indicator for fair pay. In June 2018 Māori women were being paid on average \$24.26 an hour, compared to \$33.59 for Pākehā men and \$28.38 for Pākehā women. This is 76.2% of the average for all males and just 72.2% of the average for Pākehā men, although the ratio for all women compared to all men was 86.14%. For two decades the gender pay gap for all women compared to all men has been around 14 percentage points. But the gap for Māori women is 10 percentage points worse, with a huge 28 percentage point gap with Pākehā men, the group most advantaged by this structural inequality in the labour market.

This inequality can also been seen median wage figures. In the June 2018 half of all women were being paid less than \$21.23 an hour (\$24.07 for men), but half of all Māori women were receiving less than \$19 an hour. That is, below the currently estimated Living Wage rate of \$20.55 an hour.

Statistics NZ's Income Surveys, which provides this gender/ethnicity wage data, began in 1997, when Māori women were earning on average 85.5% of the average hourly earnings of Pākehā women. The following table for June 2018 shows average hourly pay and ratios between the main gender/ethnicity groups. The lower part of the table compares the average hourly earnings of Māori, Pākehā, Pacific and Asian women with male groups, highlighting the large gap between average pay rates for Māori women and for Pākehā men.

Aver	age hourly e	earnings for ma	nin gender/etl	nnic groups, H	LFS June 2018	3	
All women	All men	Ratio	All Māori	All Pākehā	Rat	io	
\$27.41	\$31.82	86.1%	\$25.17	\$31.01	81.2%		
	W	omen	M	len	Aver	age	
Pākehā	\$2	28.38	\$33	3.59	\$31	.01	
Māori	\$2	24.26	\$20	5.08	\$25.17		
Pacific	\$2	23.01	\$20	5.03	\$24.58		
Asian	\$2	25.92	\$28.67		\$27.35		
	Percenta	ge comparisor	ns between et	hnic/gender g	roups		
	Pākehā women	Māori men	Pacific men	Asian men	Pākehā men	All men	
Pākehā women		108.8%	109.0%	99.0%	84.5%	89.2%	
Māori women	85.58%	93.0%	93.0%	84.6%	72.2%	76.2%	
Pacific women	81.1%	88.2%	88.4%	80.2%	68.5%	72. 1%	
Asian women	91.3%	99.4%	99.6%	90.4%	77.2%	81.5%	

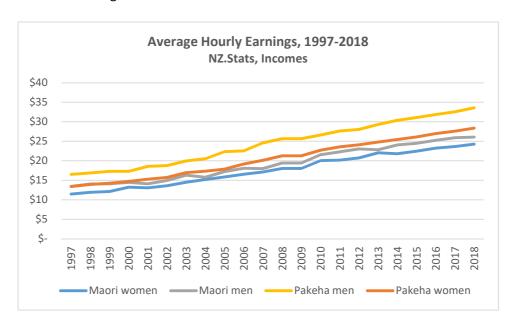
Source: Statistics NZ, NZ.Stats, Incomes, June 2018; Coalition for Equal Value Equal Pay, www.cevepnz.org.nz.

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<sup>&</sup>lt;sup>1</sup> Since 1997 Māori men have generally tracked around 10% above Māori women but have been doing slightly better the last couple of years, perhaps due to sector/employment changes.

<sup>&</sup>lt;sup>2</sup> Now part of the Household Labour Force Survey.

Similar tables for each June since 1997 show small year on year variations between groups.<sup>3</sup> Put together in graph form, a gradual increase in the gap between hourly pay for Pākehā men and for the other groups can be seen (note: not adjusted to inflation). The persistence of lower pay and gradual growth of the pay gap for Māori women compared to Pākehā is clear. On average, Pākehā men have a clear advantage.



Prior to 1997, the only publically available<sup>4</sup> wage data gathered by Statistics NZ that showed ethnicity as well as sex came from a Census question about level of personal income in \$10,000 steps (see below).

This gender/ethncity pay gap affecting Māori women is well known. Pay gap data since 1974 shows that the gender pay gap can be narrowed when governments take policy policy action. No action is being taken to address the specific gender/ethnicity pay gap experienced by Māori women.

#### Is Māori women's work undervalued?

A major factor in the pay gap for Māori women is their concentration in occupations for which predominantly women or predominantly Māori women are employed, which may be undervalued or overlooked because they are women and because they are Māori. The principle of 'equal pay for work of equal value' in ILO 100 on Equal Remuneration and the Convention on Discrimination Against Women UN Conventions means governments should take action to ensure Māori women get the same rates of pay for 'skills, responsibilities, service, effort and conditions of work' that the labour market already pays for the same levels of skill and responsibily in jobs done by men.<sup>6</sup>

In 2000, a Department of Labour analysis of average hourly wage rates attributed 20-40% of the gender pay gap for all women to occupational differences between women and men. Being employed part-time or having 2 or more children were each linked to further 10% each. (Both of these factors affect the occupations which women take up.) Dixon considered it likely that

<sup>&</sup>lt;sup>3</sup> See www.cevepnz.org.nz, Gender Ethnicity Gaps for recent years, more available on request.

<sup>&</sup>lt;sup>4</sup> The Household Economic Survey (HES) back to the mid-1980s is not available except by request to SNZ and the small sample size may mean results from it may be unreliable for sex and ethnicity comparisons.

<sup>&</sup>lt;sup>5</sup> The wording used in the Equal Pay Act 1972, s.3.

<sup>&</sup>lt;sup>6</sup> Ministry for Women's Affairs, *Mahi Ōrite, Utu Tōkeke*, September 2002

occupational differences would have explained more of the gap, had more job-specific wage data been available. She noted that education level differences between women and men had narrowed and by the late 1990s were estimated to account for less than 10% to the gender gap. 8

Educational attainment might explain a little more of the gap for Māori women, as at the time of the Department of Labour study there was an education gap between Māori and Pākehā, although not between Māori men and women. In the 2013 Census, 12.3% of Māori women and 7.4 percent of Māori men put down a bachelor's degree or higher as their highest qualification. However, University Graduate Destination surveys in 1998, 1999 and 2001 showed that women with degrees were on average paid less than men after three and five years in the workforce, and this effect was stronger for the occupations and sectors in which more women were employed. Statistics NZ gives 2016 median hourly earnings for for graduates, grouping Bachelors and higher degrees together: \$29.14 for Māori women, \$29.97 for Pākehā women, \$27.97 for Māori men and \$36.10 for Pākehā men.<sup>9</sup> The Graduate Longitudinal Study NZ is currently examining outcomes for Māori graduates, but data is not yet published on Māori women graduates.<sup>10</sup>

An important factor in the gender pay gaps in hourly wages rates, then, is the different occupations typically done by men and women. Māori women are concentrated in a different, narrower and often lower paid range of jobs than Pākehā women or Pākehā men. The following table shows most common occupations, at the most detailed level of job categorisation available, for all women and all

<mark>Māori women</mark> requested	All Women	% of all employed women	All Men	% all employed men
	Onland and intent	5.0	0	3.9
	Sales assistant	5.9	General manager	0.0
	General clerk	5.2	Sales assistant	3.6
	Registered nurse	3.4	General labourer	3.0
	Caregiver	3.1	Builder (including contractor)	2.4
	Primary school teacher	2.8	Heavy truck or tanker driver	2.3
	Cleaner	2.4	Administration manager	2.2
	Early childhood teacher	2.4	Crop and livestock farmer, worker	1.9
	Technical representative	2.3	Dairy farmer, dairy farm worker	1.8
	Information clerk/receptionist	2.2	Computer applications engineer	1.8
	Administration manager	2.1	Sales and/or marketing manager	1.6
	General manager	1.9	Retail manager	1.6
	Secretary	1.9	Carpenter and/or joiner	1.5
	Office manager	1.9	Motor mechanic	1.3
	Retail manager	1.8	Stock clerk	1.3
	Accounts clerk	1.7	Technical representative	1.2
	Accountant	1.5	Electrician	1.2
	Social worker	1.5	Accountant	1.2
	Secondary school teacher	1.4	Cleaner	1.2
	Catering counter assistant	1.4	Chef	1.1
	Administration officer	1.4	Chief executive/managing director	1.0

<sup>&</sup>lt;sup>7</sup> Dixon's analysis was at the 3 digit level of occupational categorisation. Statistics NZ, *Women at Work 1999-2013* notes that in 2013 occupational dissimilarity ranged from 32 percent at level 1 of the classification (nine categories), to 50 percent at level 5 (562 categories), p..

<sup>&</sup>lt;sup>8</sup> S. Dixon, *Pay inequality between men and women*. Department of Labour Occasional Paper 2000/1.

<sup>&</sup>lt;sup>9</sup> Education Council, Life After Study, Income tables. www.educationcounts.govt.nz/statistics/tertiary-education/life\_after\_study

<sup>10</sup> www.glsnz.org.nz

<sup>&</sup>lt;sup>11</sup> 'The occupations (5-digit level) for all women and all men are from Women at Work 1999-2013. p.13.

men. The percentages show a greater concentration of women in their top occupations than for men's work. Even 5 digit categorisation may aggregate kinds of work differentiated by sex – for example, women and men are employed for different kinds of retail work. A recent successful pay equity claim compared the work and wages in a retail firm employing all female staff with wage rates in other sectors of the retail industry which predominately employ males. Each retail industry sector showed a clear disparity between male and female retail sales assistants. The greater the percentage of women in the sector, the less the disparity; conversely, the fewer females in the retail sector, the greater the disparity – in the same 'retail sales assistant' role. The following table shows the top 25 occupations, available in a less detailed categorisation, for Māori women and Pākehā women.

25 most common occupation types (3 digit), Census 2013						
Māori women	Pākehā women					
School Teachers	School Teachers					
Sales Assistants and Salespersons	Sales Assistants and Salespersons					
Cleaners and Laundry Workers	Midwifery and Nursing Professionals					
Personal Carers and Assistants	Office and Practice Managers					
Hospitality Workers	General Clerks					
Insurance Agents and Sales Representatives	Personal Carers and Assistants					
General Clerks	Business Administration Managers					
Social and Welfare Professionals	Receptionists					
Office and Practice Managers	Hospitality Workers					
<b>Business Administration Managers</b>	Insurance Agents and Sales Representatives					
Midwifery and Nursing Professionals	Chief Executives, General Managers and Legislators					
Receptionists	Cleaners and Laundry Workers					
Health and Welfare Support Workers	Accounting Clerks and Bookkeepers					
Farm, Forestry and Garden Workers	Personal Assistants and Secretaries					
Miscellaneous Labourers	Farmers and Farm Managers					
Chief Executives, General Managers, Legislators	Social and Welfare Professionals					
Food Process Workers	Retail Managers					
Contract, Program and Project Administrators	Information and Organisation Professionals					
Retail Managers	Farm, Forestry and Garden Workers					
Food Trades Workers	Contract, Program and Project Administrators					
Education Aides	Accountants, Auditors and Company Secretaries					
Food Preparation Assistants	Advertising, Public Relations and Sales Managers					
Accounting Clerks and Bookkeepers	Health and Welfare Support Workers					
Information and Organisation Professionals	Accommodation and Hospitality Managers					
Packers and Product Assemblers Personal Assistants and Secretaries	Education Aides Personal Service and Travel Workers					
r ersonar Assistants and Secretaries	r ersonar service and maver workers					

In 2001, a third of all Māori women employees were employed in nine occupations:<sup>13</sup> sales assistant, cleaner, general clerk, caregiver, primary teacher, information clerk/receptionist, social worker, packer, secretary and catering counter assistant. Compared with the 1991 Census, fewer Māori women were working as sewing machinists and more were working as childcare workers and

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M. Dew, The Equal Pay Act - Where is it at? *LawTalk* 904, 3 March 2017. NZ Law Society. www.lawsociety.org.nz/practiceresources/practice-areas/employment-law/the-equal-pay-act-where-is-it-at <sup>13</sup> The listed occupations from the 2001 Census are at the 5 digit level of classification.

receptionists. Since the 1980s, the concentration of Māori women's employment in the service sector and in clerical work has increased, while their full-time employment in manufacturing jobs has declined. Back in 1986, 45 percent of Māori women's full-time jobs were in manufacturing (clothing and light industrial assembly). The decline of the manufacturing sector affected skilled, experienced Māori women in these jobs.<sup>14</sup>

For all women in 2001, the 10 most common occupations were sales assistant, general clerk, secretary, registered nurse, primary teacher, cleaner, caregiver, information clerk/receptionist, accounts clerk, and retail manager. A third (32.8%) of all employed women were in these occupations. The 10 most common occupations for men were sales assistant, general manager, truck driver, builder/contractor, crop/livestock farmer/worker, labourer, dairy farmer/worker, retail manager, and slaughterer. Just over a fifth (21%) of all male employees were in these occupations.

In 2013 a pay equity claim by Kristine Bartlett and the Service & Food Workers Union (now part of E Tū) tested the Equal Pay Act and went on to compare her work as a rest home carer with different male jobs requiring similar levels of skill, responsibility, experience, effort and conditions of work. Some Māori women will have benefited from the resulting pay increases for carers in July 2017, funded by government. Other pay equity claims currently being taken by unions may also benefit some Māori women, to the extent that Māori women are concentrated in these occupations.

# Māori women have lower weekly and annual incomes than Pākehā

While average hourly pay rates are the measure for fair pay, average weekly and annual incomes from wages and salaries are indicators that reflect short hours and the precarious employment that disproportionately affect Māori women. This is about fair access to adequate income through employment.

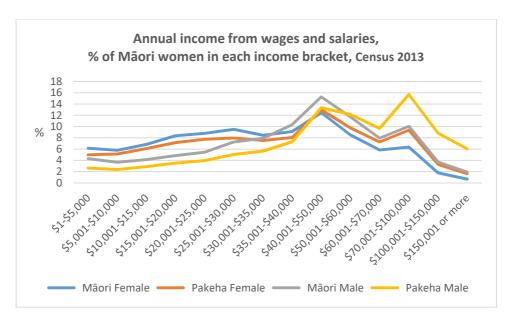
Average weekly earnings for main gender/ethnic groups, HLFS June 2018							
All women	All men	Ratio	All Māori	All Pākehā	Rat	io	
\$947	\$1,318		\$969	\$1,189			
	We	omen	M	en	Aver	age	
Pākehā	\$	974	\$1,	401	\$1,0	36	
Māori	\$	841	\$1,	096	\$900		
Pacific	\$	846	\$1,	074	\$876		
Asian	\$	905	\$1,	135	\$1,024		
	Percen	tage compariso	ns between eth	nic/gender gro	ups		
	Pākehā women	Māori men	Pacific men	Asian men	Pākehā men	All men	
Pākehā women		88.9%	90.7%	85.8%	69.5%	74.5%	
Māori women	86.3%	76.7%	78.3%	74.1%	60.0%	64.3%	
Pacific women	86.9%	77.2%	78.8%	74.5%	60.4%	64.2%	
Asian women	92.9%	82.6%	84.3%	79.7%	64.6%	68.7%	

Source: Statistics NZ, NZ.Stats, Incomes, June 2018; percentages added.

<sup>14</sup> Ministry of Women's Affairs, *Next Steps Towards Pay Equity: A background on equal pay for work of equal value.* Wellington. September 2002. These jobs are 5 digit categorisations.

First, we look at weekly incomes from the Household Labour Force Survey (Income surveys) and at annual income brackets from the 2013 Census. In June 2018, Māori women's average weekly income from wages and salaries was 86% that of Pākehā women. This is the same ratio as for hourly earnings, which suggests little difference in hours of part-time employment. But the difference between the average weekly earnings of Māori women and of male groups is marked. In June 2018 Māori women's average weekly income was 60% of the average weekly income of Pākehā men. A Statistics NZ publication on Māori in the 2013 Census noted that Māori men were more likely than Māori women to be in full-time employment, at 52.9% and 35.1%, respectively, with Māori women averaging 77% of the average weekly income of Māori men.<sup>15</sup>

The Census asks about personal annual income in \$5,000 brackets. The following chart<sup>16</sup> shows the distribution of Māori women's income from wages and salaries, compared with that of Pākehā women, Māori men and Pākehā men. This is for adults aged 15+ regardless of hours of work. It shows a higher proportion of Māori women with low incomes, with the largest number earning \$40-50,000 (12.5%). There are fewer Māori women earning above that level than other groups. Pākehā women are nearly as likely to be in the lower income groups, with numbers also peaking in the \$40-50,000 bracket. Māori men do a little better than Māori women – fewer in the low income brackets, with a stronger peak in the \$40-50,000 bracket (15.3%) and about the same number as Pākehā women in the top brackets. Pākehā men are least likely to be in the lower wage income brackets, with two peaks in their numbers, at \$40-50,000 and at \$70-100,000 (15.7%). Pākehā men clearly dominate the top salary brackets.



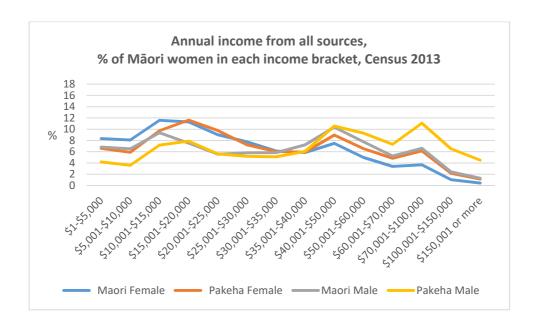
The picture worsens when sources of income other than wages and salaries are considered.

Reworking the graph for income from all sources, it now includes benefits and superannuation, as well as income from savings, investments, rent and other sources. For Māori women, greater proportions, as well as greater numbers, are shown in the lower incomes brackets, peaking at \$40-\$20,000. The proportion of Māori women in each income bracket gradually falls off from there, although the wages and salaries peak at \$40-50,000 is still apparent, as it is for Māori men and Pākehā women. But from the \$35,000 bracket, the proportion of Pākehā men with higher incomes from various sources begins to predominate. About a third more Pākehā men have a total income of

 $<sup>^{15}</sup>$  Statistics NZ, *Census 2013 Quick Stats about Māori.* September.

<sup>&</sup>lt;sup>16</sup> Source: Statistics NZ. Dataset: Total personal income, work and labour force status, and ethnic group (grouped total responses) by sex, for the census usually resident population count aged 15 years and over, 2013 Census (RC, TA).

\$70-100,000 a year. Three times as many Pākehā men as Pākehā women, Māori men or Māori women have reported personal annual incomes over \$150,000.



Quick Stats for Māori from the Census notes that the median personal income from all sources was just \$19,900 for Māori women. That is, half of all Māori women had less than this amount. To put this in context, the current Living Wage income for 30 hours of employment a week (Statistics NZ's definition of full-time) would be just over \$32,000. This compares with median personal incomes for Pākehā (men and women together) of \$30,900. (Or \$37,100 for those who described themselves as 'other ethnicity' including 'New Zealander'.)<sup>17</sup>

The money earned by Māori women, whether partnered or not, helps feed families. Ministry of Social Development reports on household incomes and poverty from 1988 to 2016 show the gap between Pākehā and Māori slowly increasing. The Global Financial Crisis had greater impact on Māori than on Pākehā, and the recovery was slower for them. In 2016, the median income for Māori households was 78.7% of the median for Pākehā households; that is, half of all Māori households lived on less than \$32,366 a year. That's *income*, without considering wealth, on which there are few New Zealand statistics. Statistics NZ's Survey of Family, Income and Employment undertaken in 2003-4 showed that Māori (then 10% of the population) owned just 4% of all wealth, while Pākehā (83% of population) owned 93%.

## Māori women bear a disproportionate burden of the unemployment

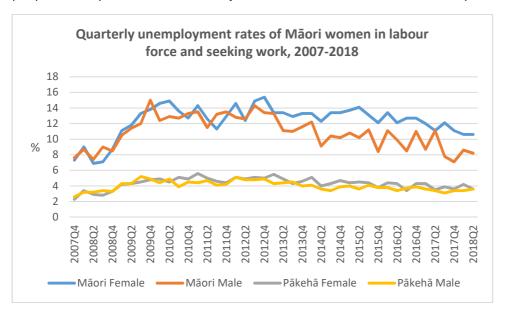
Lower annual incomes for Māori women reflect the lower average pay in the occupations in which they are concentrated and the precarious nature of their employment in those jobs, despite active participation in the labour market.

<sup>&</sup>lt;sup>17</sup> Also listed were median incomes of \$27,200 for Māori men. \$22,500 for all Māori, \$20,100 for all Asian, \$19,800 for Middle Eastern/Latin American/African and \$19,700 for all Pacific peoples.

<sup>&</sup>lt;sup>18</sup> Bryan Perry, *Household incomes in New Zealand: Tends in indicators of inequality and hardship, 1982 to 2016.* Ministry for Social Development, p.73-4.

<sup>&</sup>lt;sup>19</sup> J. Cheung, Wealth Disparity in New Zealand, Statistics NZ, 2007, p.10.

In June 2018 the unemployment rate was 4.5%. Statistics NZ described this same rate for December 2017 as a nine year low – but twice as high for Māori and with a labour 'under-utilisation' rate of just over 12%. They described the December 2007 rate of 3.3% as 'New Zealand's lowest unemployment rate'.<sup>20</sup> For decades, the 'normal' economy has been run with between 3 and 11 people in every 100 unable to find a job – but between 7 and 26 out of every 100 Māori women.



In June 2018, Māori women's level of labour market participation, at 67.3%, was higher than for Pākehā women at 66.4%, with Māori men at 75.7%, Pākehā males at 75.9%. This is all adults over 15 either employed or actively seeking work, as a percentage of each group. However, Māori women experience the highest unemployment – 10.62.1% of all Māori women over 15 are unemployed, compared to 8.2% of Māori men, 3.6% of Pākehā women and 3.6% of Pākehā men. Unemployment is disproportionately borne by 15-24 year olds; 23.6% of young Māori women are unemployed and seeking work. This is half as much again as for young Pākehā men, twice that for young Pākehā women, and is the highest of any ethnic group.<sup>21</sup> Young Māori women in their early 20s were the largest group not in education, employment or training in 2017 at 34.2% - an increase of 5% since 2015.<sup>23</sup>

Māori women also experience disproportionate under-employment. Of those in part-time employment, 6.2% of women were available for and seeing more hours of work, , compared to 2.5% of men. Of Māori women in part-time work, 8.1% wanted more hours, particularly the 15-18 years olds, compared to 6% of the Pākehā women.<sup>22</sup>

#### Precarious employment affects Māori women's incomes

The above inequalities of pay, income and temporary or intermittant employment are characteristic of many of the occupations and sectors in which Māori women are employed.

<sup>&</sup>lt;sup>20</sup> Statistics NZ, 7.2.2018, www.stats.govt.nz/news/unemployment-falls-to-a-nine-year-low.

<sup>&</sup>lt;sup>21</sup> Statistics NZ, Infoshare employment status data.

<sup>&</sup>lt;sup>22</sup> Human Rights Commission, Tracking Equality at Work, Household Labour Force Survey data 2017, http://tracking-equality.hrc.co.nz

Recent research on precarious employment and chronically inadequate incomes showed how this disproportionately affects Māori. The *Precarity* study draws on data from the 2014 NZ General Social Survey and Te Kupenga survey of Māori wellbeing. The prevalence of the 'precariat' was 28.8% among Māori, compared to Pacific (29.2%), Asian (17.9%) and European (14.6%) New Zealanders. Those aged 15-24 and 25-35 are most likely to be in this situation, as are those with no educational qualifications. Of the Māori 'precariat', 57.8% – 69,500 – were Māori women. This gendered differential was attributed to higher prevalence of temporary employment in the retail and services sectors, as well as in horticulture and other seasonal work. Almost one third of 'the precariat' reported that their income was not sufficient to secure everyday needs, such as food and accommodation.<sup>24</sup>

In its 2013 report *Under Pressure: Insecure work in New Zealand*, the NZ Council of Trade Unions characterised insecure or precarious work as:

- uncertainty over how long the job lasts, if the job can be terminated with little or no notice, or there is no contract for ongoing work, or there is a high risk of job loss,
- limited worker control or voice over hours of work, tasks, safe work practices, and work arrangements,
- low pay and/or fluctuating pay,
- no or limited access to benefits such as sick leave and domestic leave,
- no or limited opportunities to gain skills,
- lack of rights, such as protection against discrimination and unfair dismissal, and a lack of union representation.<sup>25</sup>

Job tenure in New Zealand is among the shortest in the OECD, meaning many people's working lives are in a state of constant flux. The NZCTU report points to a clear ethnic and racial divide between those more and less likely to be in insecure employment. For Māori, seasonal work was a major contributor, and also Māori were heavily hit by manufacturing downturns stretching back to the 1980s.<sup>19</sup> The NZCTU cites the Department of Labour describing multiple job holding, especially at the lower end of the labour market, as a particular issue for Māori.<sup>26</sup> Casual employment, often for temporary work agencies or sub-contractors, may mean missing out on standard non-wage benefits such as sick and bereavement leave, parental leave and training opportunities, as well as annual and public holidays. In Australia these would be covered by a 25% loading on pay rates for casual work.<sup>27</sup>

Statistics NZ's Survey of Work Life is a set of extra questions in the Household Labour Force Survey, published for 2008 and 2012.<sup>28</sup> These provide data on employment relationships for Māori and also for women; that is, not specifically for Māori women. In December 2012, 192,200 people were in casual, fixed term and temporary agency employment, up 17% from March. Of these, 58.2% were women. Of Māori employees surveyed, 14.4% were employed in these ways, compared with 9.98% of European employees, 11.32% of Pacific employees and 10.05% of Asian employees. Women were nearly half of those in seasonal work, but 60.4% of those employed casually. Retail Trade, Accommodation and Food Services was the broad industry sector most likely to employ casual

<sup>&</sup>lt;sup>23</sup> Concept developed in Guy Standing, *A Precariat Charter*, Bloomsbury, 2014 and contextualised to New Zealand by Groot et al.

<sup>&</sup>lt;sup>24</sup> S. Groot, C. van Ammen, B. Master-Awatere, N. Tassell-Matamua, *Precarity: uncertain, insecure and unequal lives in Aotearoa New Zealand*, Massey University Press, 2017.

<sup>&</sup>lt;sup>25</sup> NZCTU, Under Pressure: A detailed report into insecure work in New Zealand, 2013

<sup>&</sup>lt;sup>26</sup> Department of Labour, Achieving balance in life and employment, 2004, cited in NZCTU, Under Pressure.

<sup>&</sup>lt;sup>27</sup> B. Rosenberg, Insecure work in New Zealand, *Labour History Project Bulletin* 71, November 2017.

<sup>&</sup>lt;sup>28</sup> These are now asked quarterly but would require data request to SNZ. Casual etc. ("employment relationship") is available on InfoShare by sex but not ethnicity.

workers (27.9%), with 20% in the job less than a month. This is a sector in which evening and night shifts are common.

Of these casual, fixed term and temporary agency employees, most said they would prefer an ongoing or permanent jobs (70.3% of temporary agency workers, 62.7% of fixed-term, 48.8% of casual).

The Survey asked both permanent and temporary employees how long they had been in their main job.<sup>29</sup> For 29,700 men and 30,400 women, it was less than a month, with about three times as many in the job between one and six months. Taken together, one in six of all male employees and one in five of all women employees had been in the job less than six months, and for 36.51% of all men and 40.6% of all women it was less than a year.

A similar picture emerges from Statistics NZ's LEED series – with provides data by sex but not ethnicity. In June quarter of 2017, the employee turnover rate since the previous quarter was 17.4% for women and 16.2 for men. The three highest rates of turnover (both sexes) were in the broad industry categories of Agriculture, Forestry & Fishing (27.9%), Accommodation and Food Services (26.7%) and Administration and Support Services (34.3%). The turnover in the Retail sector was 15.6% (which, along with Accommodation and Food, has the most casual jobs). These sectors can be compared with the occupations in which Māori women are concentrated (see table above).

In 2013 the Ministry of Business Innovation & Employment and Motu Research studied involuntary job loss and its impact on workers.<sup>30</sup> The research focussed on employees with at least one year in the job. Compared to a matched control group, their employment rate was on average 27 percentage points lower 0-1 year after job loss, 14 points lower 1-2 years after, and 8 points lower 2-3 years after. Average wages of those re-employed were 12% lower 0-1 years after job loss, 11% lower 2 years after and 7% lower 2-3 years after. Other impacts included lower average weekly hours of employment, and lower weekly and annual earnings. Re-employment rates were lower for women and for Māori, as well as for those aged over 50 or longest in the job.

The *Precarity* study drew on the 2013 Te Kupenga Survey of Māori wellbeing for its particular focus on Māori, as this survey uses a wider set of measures than do labour market statistics. The survey is being undertaken again in 2018; results were not yet available at the time of writing. The *Precarity* study shows the prevalence and impacts of insecure employment and other labour market inequalities on Māori women, and young women aged 15-24, in particular. The researchers note that systemic labour market inequalities mean Māori are more likely to be affected in times of economic downturn. They look at the role of educational attainment in the labour market disparities for Māori, and also at regional patterns of employment and industry characteristics. They report on Māori precariat families navigating labyrinthine income support and other social services, and the precarious position of young Māori mothers and homeless young people. They note that, when not only economic supports but social systems disintegrate, a person – a community – is left more vulnerable to illness, injury, displacement and violence.

<sup>&</sup>lt;sup>29</sup> "Job tenure" is available quarterly in Infoshare by sex and age group, but not ethnicity or by employment relationship <sup>30</sup> S. Dixon and D.C. Maré, *The Costs of Involuntary Job Loss: Impacts on Workers' Employment and Earnings*. Motu Working Paper 13-03, April 2013. Based on Survey of Families, Incomes and Employment, 2002-09. See also previous paper S. Dixon and S. Stillman, *The Impact of Firm Closure on Workers' Future Labour Market Outcomes*. Wellington, 2009: Statistics NZ. <a href="https://www.stats.govt.nz/browse-for-stats/income-and-work/employment\_and\_unemployment/the-impact-of-firm-closure-on-workers-future-labour-market-outcomes.aspx">www.stats.govt.nz/browse-for-stats/income-and-work/employment\_and\_unemployment/the-impact-of-firm-closure-on-workers-future-labour-market-outcomes.aspx</a>

#### Inequality for Māori women in the public service

The State Services Commission (SSC) provides data and other information about the Public Service Workforce online, and the wider public sector in which employment is funded from taxes.<sup>31</sup> The series of SSC reports on Equal Employment Opportunities and Human Resources Capabilities reviewed in the next section gives data on women *or* Māori in the public service, but the particular situation of Māori women 'clustered' in a limited range of lower paid occupations has been largely invisible.

In June 2017, women were 60.5% in the Public Service workforce, up from 56.2% in 2000 (cf. 47.3% of the whole New Zealand workforce, HLFS). The proportion of women in the top three tiers of senior management was 47.9%, up from 38.4% in 2008. Part-time employment was 5%, and had been pretty much at this level since 2000. Part-time positions are more prevalent in some occupational groups — Social, Health and Education Workers; Clerical and Administrative Workers; and Contact Centre Workers - in which mostly women are employed. There was a higher proportion of fixed-term employment agreements for part-time jobs than for full-time.

In 2017, most public servants were Pākehā (69.1%), showing a slow decrease since 2000. Māori – gender unspecified - were 16% compared 12.6% in the overall labour force, with 9.4% Asian and 8.7% Pacific employees (with higher proportions in Auckland). Māori staff were reported as well represented as Inspectors and Regulatory Officers, and as Social, Health and Education Workers, but less so in the other professions. Māori were under-represented in the top three tiers of Public Service management. The SSC stated that this would 'take time and deliberate effort to increase, as non-European ethnicities are also under-represented at lower levels of management'. This was 'a key challenge'. The report provided no information on how the 'challenges' of inequality were being addressed.

The PSA's Briefing to Incoming Ministers in November 2017 called for the government to fund the pay equity claim for social workers then being negotiated, to provide institutional support to help progress further pay equity claims, and to ensure that the state became a model employer on employment equity.

The following tables based on *Human Resources Capabilities* reports present what data there is on the long standing pay gaps and limited opportunity experienced by Māori women public servants.

	Average annual Salary	Pay gap for Māori women
2016		
Māori women	\$64,898	-
Māori men	\$69,769	7.0%
Pākehā women	\$71,787	9.6%
Pākehā men	\$83,784	22.6%
2017		
Māori women	\$66,645	-
Māori men	\$71,169	6.4%
Pākehā women	\$74,003	9.9%
Pākehā men	\$85892	22.4%

-

<sup>&</sup>lt;sup>31</sup> www.ssc.govt.nz/public-service-workforce-data, at December 2017.

In most of the SSC reports reviewed in the next section, the ethnicity pay gap for Māori has usually been calculated by comparing Māori and non- Māori (that is, everyone else). For 2016 and 2017, however, it is possible to calculate the gap between Māori men and women and European men and women, making it apparent that the gap between Māori women and European men is much wider than the gap between Māori and non-Māori.

The 2017 *Public Service Workforce Data* on the SSC website notes specific changes that would have contributed to the small decrease in the gender pay gap compared to the previous year: an increase in female senior leader and smaller ender pay differences in two of the public service's largest occupational groups: Information Professionals and Social, Health and Education workers. In addition, there were nearly 1,000 extra Inspectors and Regulatory Officers in 2017, just over half of whom were women. The lower equal pay gap with males within this occupational group had reduced the year's gender pay gap for the public service as a whole (see table above). The report stated that differences between men and women in occupational group, seniority and experience (using age as a proxy) 'explained' around 57% of the overall gender pay gap of 12.5%.

Gender pay gaps by department were included in the 2016 and 2017 reports. Breakdown by department was provided for ethnicity, gender and percentage of women in senior management. Chief Executive salaries were included in the calculations for the overall Public Service pay gaps, but excluded in departmental gaps.

The 2017 report notes, however, that ethnic pay gaps had not shown improvement over time and, as at 30 June 2017, had worsened. Māori, Pacific and Asian public servants were over-represented in occupational groups that were lower paid. The largest increase in average salaries in 2017 had been for Pākehā women, whereas the averages for Māori, Pacific and Asian men all lagged that for Pākehā men.

Past SSC reports have noted the 'clustering' of Māori women in a limited number of lower paid occupations in the public service. The following table shows the most common occupations for Māori women, as at June 2017, with the proportion of Māori women public servants in each occupation, together with the proportion of Māori men, Pākehā women and Pākehā men in that occupation.

Top occupations for Māc	, -		Mā		•		Pāk	ehā	
Top 20 Occupations	ANZSCO	Female	%	Male <sup>32</sup>	%	Female	%	Male	%
Welfare Worker	272613	741	15.8	144	6.2	1,377	7.5	390	3.3
Social Worker	272511	348	7.4	57	2.4	858	4.7	144	1.2
Prison Officer	442111	264	5.6	537	23.0	594	3.2	1,536	13.0
Inquiry Clerk	541211	315	6.7	60	2.6	1,239	6.7	357	3.0
Parole or Probation Officer	411714	246	5.2	141	6.0	630	2.3	360	3.0
General Clerk	531111	168	3.6	15	0.6	636	3.5	87	0.7
Call or Contact Centre Operator	541112	165	3.5	39	1.7	342	1.9	180	1.5
Specialist Managers nec	139999	153	3.3	102	4.4	669	3.6	690	5.8
Policy Analyst	224412	150	3.2	93	4.0	1,035	5.6	819	6.9
Information and Organisation Professionals nec	224999	138	2.9	48	2.1	636	3.5	366	3.1
Education Adviser	249111	120	2.6	30	1.3	333	1.8	117	1.0
Organisation and Methods Analyst	224712	108	2.3	51	2.2	585	3.2	405	3.4
Court Orderly (Aus) / Court Registry Officer (NZ)	599213	96	2.0	15	0.6	369	2.0	93	0.8
Customer Service Manager	149212	90	1.9	69	3.0	297	1.6	258	2.2
Liaison Officer	224912	78	1.7	48	2.1	246	1.3	105	0.9
Welfare Centre Manager	134214	78	1.7	24	1.0	153	8.0	57	0.5
Rehabilitation Counsellor	272114	69	1.4	48	2.1	282	1.5	111	0.9
Clerk of Court	599211	66	1.4	21	0.9	81	0.4	27	0.2
Residential Care Officer	411715	63	1.3	84	3.6	63	0.3	87	0.7
Customs Officer	599511	42	0.9	48	2.1	279	1.5	357	3.0
Total public service employees 48,871	100%	4,695		2,331		18,393		11,853	

<sup>&</sup>lt;sup>32</sup> This 2013 Census data was supplied sorted by top 20 Māori occupations, not top Māori female occupations. It has been resorted by numbers of Māori women and looks broadly correct but the last few occupations in the 20 may not be in accurate order.

A theme of SSC EEO reports has been disproportionately low numbers of women and of Māori (and other ethnic groups) in high management positions in the public service. No data specific to Māori women is published.

EEO in high management positions, 1998 to 2017						
	V	/omen	Māori			
	% in Tier 1-3	% of Public Service	% in Tier 1-3	% of Public Service		
1998	29.0		7.2			
2000	33.0		8.7	16.9		
2001	33.0	56.5	7.6	17		
2002	36	57	10.4	17.6		
2003	35.1	57.8	10.2	17.4		
2004	36.2	59.0	10.1	17.3		
2005	35.6	59.1	8.3	17.5		
2006	37.7	59.4	8.2	16.7		
2007	37.8	59.2	9.1	16.8		
2008	38.3	59.0	9.0	16.7		
2009	37.8	59.0	8.0	16.2		
2010	39.8	58.7	8.3	16.4		
2011	39.4	59.2	9.2	16.4		
2012	41.1	59.3	9.6	16.4		
2013	41.5	59.8	11.2	16.5		
2014	42.0	60.0	12.0	16.6		
2015	44.2	60.5	11.1	16.4		
2016	45.2	60.7	Not provided	16.1		
2017	47.9	60.5	Not provided	16.0		

The 2017 Public Service Workforce Data section on Diversity included the statement:

"Chief Executives are committed to ensuring that ethnic pay gaps have the same scrutiny afforded to them as gender pay gaps. The State Services Commission and other agency partners, working with a group of State Services Chief Executives, are undertaking work to explore the drivers behind ethnic pay gaps and identify ways to address them."

That commitment is clearest when the government of the day also demonstrates commitment – as will be noticed in the series of SSC EEO and *Human Resources Capability* reports reviewed in the next section. None of these reports on inequalities by sex and ethnicity in the public service discuss strategies, actions or outcomes to address the gender and ethnicity. There is very little discussion of the specific and different situation of Māori women in the public service, let alone ways to address this.

#### INEQUALITY FOR MĀORI WOMEN HAS BEEN WELL KNOWN TO GOVERNMENTS

#### **Departmental studies**

The pattern of structural labour market inequalities disproportionately affecting Māori women is well known to New Zealand governments. Presented here are key findings from a series of documents published by government agencies since the 1980s.

In 1985 a Ministry of Women's Affairs was established and in 1988 published two reports on women in the New Zealand economy. *Māori Women in the Economy* by Anne Horsfield and Miriama Evans of Te Ohu Wakatupu began by noting that the Treaty of Waitangi, under Article 3, guaranteed Māori women all the rights and privileges enjoyed by other citizens. Then followed chapters on paid work, unemployment, incomes and wealth, and education services, which documented the many ways in which Māori women were not enjoying equal outcomes. These included data on the industries and occupational sectors in which Māori women were concentrated, disproportionate unemployed and seeking work (11.41% cf. 3.9% for all groups) and seeking more hours of work, disproportionately on low incomes compared to Māori males and non-Māori males and females, lower family incomes in households with Māori mothers, and decreasing Māori land ownership affecting community wealth. At the 1981 Census the median income of Māori women was 80% that of Pākehā women, although they were more likely to be in full time work than part-time, compared to Pākehā women. Occupational segregation of Māori women into community services and manufacturing<sup>33</sup> was identified a major contributor to lower pay.

In 1988, the Royal Commission on Social Policy reported that from 1961 to 1986 the proportion of Māori women in the labour force almost doubled, from 26% to 47%, while the proportion of Māori men declined, from 85% to 79%. In 1986, just 1% of Māori women were self-employed, and 4% of Māori men, compared with 10% of non-Māori women and 21% of non-Māori men. Māori women are more likely than other women to work in service and production and related occupations and less likely to have jobs in professional, technical, administrative, managerial, clerical and sales fields. In 1986, 60% of Māori women were employed in service and production and related occupations, compared to 26% of non-Māori women.

In 1986, the unemployment rate for Māori women was 19.3% and 12.2% for Māori men, compared with 8% for Pākehā women and 4.4% for Pākehā men. Although Māori were 7% of the total labour force, they made up 20% of all unemployed people. This was most pronounced among Māori teenagers; 30% of Māori aged 15-19 in the labour force were unemployed and seeking work.

The 1981 Census showed 52.6% of Māori sole parents had an income under \$5,000, compared to 5.6% of two-parent Māori. Non-Māori were better placed with only 32.7% of sole parents and 2.2% of two-parent families on incomes under \$5,000. Māori were more likely than non-Māori to receive no income, but less likely to receive incomes of \$20,000 or more. In 1981, 14% of Māori women and 9% of Māori men aged 15 years and over had no income, compared to 4% of non-Māori men and 9% of non-Māori women.<sup>34</sup>

<sup>&</sup>lt;sup>33</sup> This 1981 Census data predates the removal of tarrifs and replacement of domestic manufacturing by retailed imports, which further affected Māori's women's employment.

<sup>&</sup>lt;sup>34</sup> Royal Commission on Social Policy, *The April Report*, 1988, Vol.II, p.150. http://ndhadeliver.natlib.govt.nz/delivery/Delivery/ManagerServlet?dps\_pid=IE17399424

In 1990, the National Advisory Council on the Employment of Women (established by government in 1967), published *Beyond the Barriers: The State, the Economy and Women's Employment, 1984-1990.* This described the concentration on Māori women in particular occupations, beginning in colonial times as servants, and noted higher unemployment rates and lower wages for Māori women as at June 1990. It referred to a push by employers in wage negotiations towards greater casualisation, in areas such as hospitality, noting that it was women that predominated in casual employment. Government policies and legislation affecting women's employment were reviewed, including recent state sector restructuring. Chapters of this book discussed horizontal (occupational) and vertical ('glass ceiling') segregation by sex and ethnicity as structural features of the labour market that enabled lower pay for women, with double effect on Māori women. NACEW laid out the case for the Employment Equity Act (enacted in September 1990), which required large employers to report on EEO (as in the State Sector Act 1988) and provided a Commission and mechanisms to better support claims for equal pay for work of equal value under the Equal Pay Act 1972.

That Employment Equity Act was repealed after three months by an incoming government, which also replaced the 100-year system of occupational wage awards with employer-only bargaining. Occupational bargaining, union representation and registered awards had underpinned wage rates for around half the workforce, including those in scattered, hard-to-organise workplaces in hospitality, retail and clerical work. The resulting de-unionisation of private sector employment, falling to the current 10%, particularly affected women.<sup>35</sup> Opposition MP Margaret Wilson wrote that a principal effect of this change to the industrial relations framework was that it allowed increased casualisation of women's work in a more 'flexible' labour market.<sup>36</sup> Far from tackling inequality, the new government accompanied the Employment Contracts Act 1991 with a major cut in benefit rates, to kick-start a low wage economy. The stand-down period for the unemployment benefit after leaving or being fired from a job was increased to 13 weeks. The new Act incorporated the personal grievance provisions against discrimination and unfair dismissal that unions had negotiated into award documents. (In December 2008 the latter protection was removed for the first 90 days of employment).

In April 1999, Te Puni Kōkiri and the Ministry for Women's Affairs published *Māori Women in Focus: Tiro hāngai, ka mārama,* which laid out key facts about the situation of Māori women and their families, compared to non-Māori women.<sup>37</sup> Māori women were as likely as non-Māori women to receive income from wages and salaries (51%) but their personal annual incomes were considerably lower. At the 1986 Census, the median for Māori and non-Māori women was about the same, but by 1996 Census the median for Māori women was \$11,200, compared with \$12,800 for non-Māori. Nearly 78% of all Māori women reported an income of \$20,000 or less, with only 3% over \$40,000 compared to 69% and 6% respectively for non-Māori women. It was noted that the younger age profile of Māori women, presented earlier in the report, affected the proportion on under \$20,000, but not how much. In 1986 39.9% of Māori women had been in full time employment and 14.3% in part-time, with 11% unemployed. By 1996 this had dropped from 36.7% full tim and 16.3% part-time – about the same as for non-Māori women at this time. Unemployment was still at 11%, but the proportion of Māori women now out of the labour force had risen from 34.8% to 42%.

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Hill, L. (1993). The politics of pay equity. Women's Studies Journal, 1993, 9(2), 87-113; Ellen J. Dannin, Working free: The origins and impact of New Zealand's Employment Contracts Act, Auckland University Press, 1997.

<sup>&</sup>lt;sup>36</sup> Wilson, M. (1993). Making and repeal of the Employment Equity Act. Women's Studies Journal, 1993, 9(2), p.82.

<sup>&</sup>lt;sup>37</sup> Comparing Māori women to non-Māori understates the degree of inequality with Pākehā women and men (arguably the 'British citizens' of Article 3), as 'non-Māori' includes lower rates for Pacific, Asian and other ethnicity minorities.

This 'benchmark' statistical profile issued a 'challenge to mainstream agencies to recognise that the needs, experiences and interests of Māori women are different from those of non-Māori women', said the then Minister of Women's Affairs Georgine Te Heuheu.<sup>38</sup>

Three years later, in September 2001, the challenge was issued again under a Labour/Alliance Minister in a new report, *Māori Women: Mapping inequalities and pointing ways forward*. This covered a broader range of issues for Māori women: education, income, health, housing and criminal justice as well as employment. Again, outcomes for Māori women were compared with those for Māori men and non-Māori men and women.

In June 2001, 50.7% of all Māori women aged 15+ were in the labour force (employed or unemployed and seeking work), compared to 68.5% of Māori men, 58.1% of non-Māori women and 7.4.1% of non-Māori men. The proportion of Māori women aged 15+ in employment was 44.1%, compared to 60.1% for Māori men, 69.8% for non-Māori men and 55% for non-Māori women. A graph showed the full-time rate tracking a little below that of non-Māori women and well below that of men. Although more women were now in part-time jobs (1-29 hours a week), this had not made up the shortfall in employment for Māori women across the decade. The proportion of people in part-time employment who would prefer more hours of work had risen for all groups in the 1990s, but risen most for Māori women. The rate of registered unemployment was 12.8% for Māori women compared to 12.4% for Māori men, 5.4% for non-Māori women and 5.8% for non-Māori men. There had been a sharp surge in unemployment for Māori women and men in the early 1990s and another smaller surge in the late 1990s. The jobless<sup>39</sup> rate was 20.5% for Māori women, compared to 17.4% for Māori men, 9.5% for non-Māori women and 8.6% for non-Māori men. Both unemployment and joblessness rates, and the Māori-non-Māori disparity, were highest among those aged 15-24. However, in 2000 the Māori unemployment and jobless rates for the prime employment years of 25-34 were twice as high as for non-Māori. That year, 4.5% of Māori women had been unemployed for more than six months, compared to 5.8% of Māori men, 1.6% of non-Māori women and 2.1% of non-Māori men.

Under a new government from 1999, work on pay equity began again. A background paper and public consultation document were prepared that included the gender/ethnicity pay gap experienced by Māori (and Pacific) women and their concentration in particular occupations. As stated in a 2002 publication directed to Māori women, *Mahi Ōrite*, *Utu Tōkeke* (p.6):

'Māori women earn on average:

- 70.6% of the average hourly pay of pay earned by Pākehā men
- 85.7% opf the average hourly pay earned by Pākehā women
- 92.8% of the averagely hourly pay earned by Māori men

So, Māori women experience both a gender and an ethnicity pay gap.'

This time the government (with Margaret Wilson as Minister of Labour) decided to use policy, not legislation, to address pay equity in the public sector only.

A Taskforce on Pay and Employment Equity in the Public Service, Health and Education commissioned research on the issues and make recommendations.<sup>41</sup> A Pay & Employment Equity Office was then set up in the Department of Labour which oversaw departmental pay reviews and

<sup>&</sup>lt;sup>38</sup> Ministry of Māori Development, *Newsletter* No.51, May 1999.

<sup>&</sup>lt;sup>39</sup> The jobless are defined as the officially unemployed plus those people who during their reference week were without employment and either available but not actively seeking work, or actively seeking, but not available for work.

<sup>&</sup>lt;sup>40</sup> Ministry of Women's Affairs, Next Steps Towards Pay Equity: A discussion document, July 2002; MWA, Next Steps Towards Pay Equity, A background paper on equal pay for work of equal value, September 2002.

<sup>&</sup>lt;sup>41</sup> D.C. Crosnan. *Report of the Taskforce on Pay and Employment Equity in the Public Service and the Public Health and Public Education Sectors.* March. Wellington: Department of Labour. 2004.

developed a gender neutral job evaluation tool for comparing skill, responsibilities, experience, effort and conditions in men's and women's different occupations. An extensive set of pay review, gender neutral job evaluation and training tools was developed, and reports about some departmental reviews were published to share experiences. In February 2009, the Office was disbanded by the incoming government. Two job evaluations just getting underway were dropped, for special education support workers and for social work, which employs many Māori women. No pay increases for women eventuated.

# Māori women invisible in the public service

The State Services Act 1988 required Chief Executives to be 'good employers' and for departments (including from 1989 the Education Service) to have EEO programmes and policies, overseen by the State Service Commissioner. Following on from the work of the Equal Opportunities Unit in the State Services Commission, these programmes were intended to ensure equal opportunities in wages and promotions for Māori women, among others. More fundamentally, however, the state sector restructuring brought in by the Act fragmented public service wage bargaining into separate departmental negotiations, increasing the opportunities for wage disparities.

At the same period, some jobs moved out of the public service or public sector through processes of corporatisation and privatisation – 'the roll back of the state' in the thinking of the times<sup>42</sup>. From 2009 to 2017 the SSC produced a series of 'capping reports' – i.e. capping the size of the public sector.

Since the Government Services Act 1960 removed lower female rates in the public service, little had been done to address the lower wages in female-dominated occupations. In the run-up to the 1988 legislation, the Society for Research on Women had published *Career development in the Public Service: A comparative study of women and men*, which examined history, inequalities in pay and promotion, and work-life balance issues. This noted the predominance of women in lower pay grades and that 75% of all women public servants were in some form of clerical work. The 1988 Te Ohu Wakatupu report noted that there appeared to be only one Māori woman with a permanent appointment in the most senior grades of the public service (437 positions).

The SSC has published regular reports and papers documenting inequality in the public service for women and ethnicity minorities – although with little information specific to the situation of Māori women. However, there has certainly been enough to prompt more effective policy action by decision-makers.

Nevertheless, there has certainly been enough in these reports to prompt more effective policy action by Ministers to ensure equal employment opportunity as required by the State Services Act and equal pay and pay equity as required by the Equal Pay Act (which now applied to both public and private sectors). The reports reviewed below provide data on current staffing each year, with occasional analyses of gender *or* ethnicity pay gaps, but no information about any EEO policy actions taken or their effectiveness. They are like a series of weather reports.

# **Equal Employment Opportunity reports**

In 1997, EEO Policy to 2010: Future Directions of EEO in the New Zealand Public Service stated ongoing commitment to EEO. A series of SSC reports on equal employment opportunities and human resources capabilities followed. The most useful in regard to Māori were in 1998 and 2000.

 $<sup>^{42}</sup>$  J. Boston, Reshaping the State: NZ's bureaucratic revolution, OUP 1991; J. Kelsey, Rolling back the state, BWB 1993;

The 1998 SSC report *Māori In the Public Service* showed that the largest number of Māori women were employed by the Department of Social Welfare, with Inland Revenue second, and were mainly in 'front line' positions. This occupational concentration meant more Māori women (61%) than Māori men were employed, although Māori women were just 8% of the public service and Māori men 5%. Examination of salary bands showed a 'glass ceiling' for Māori at around \$50,000 – particularly for Māori women.<sup>43</sup>

The 2000 SSC report *Equal Opportunities: Progress in the Public Service* showed that, although all Māori were distributed more equally across salary ranks than all women, the position of Māori women public servants combined the inequality effects of sex and ethnicity. There was a 9% gap between the average earnings of Māori women and Māori men. Between Māori women and Pākehā men, it was 19%. The gap for Pacific women compared with Pacific men was 7%, and 30% compared with Pākehā men.<sup>44</sup>

In 2001, *EEO Outcomes in the Public Service* used a distribution index score of 100 for equal distribution across pay quintiles, against which Māori women scored 81, all Māori 90, and Pacific women 70; all women scored 89 and were earning on average 81% of the average salaries of the men.

From this work, the *PSA News*<sup>45</sup> was able to circulate a list of public service jobs (NZSCO 5 digit) with numbers of men and women employed and their respective average salaries. Case workers (2,151), general clerks (1,782), call centre staff (8,580) and social worker (840) were the largest occupations for women; all were female dominated and low on the salary scale. Ethnicity was not specified but three out of four of these occupations would have been employed by the Department of Social Welfare. In 2004, the Taskforce on Pay & Employment Equity's report noted the narrow range of public service jobs in which women are concentrated.<sup>46</sup> Two of the occupations named are well known to employ many Māori women: social worker and cases workers/managers.

A 2002 SSC Working Paper on the gender pay gap in the public service attributed 34.9% and 31.4% of the pay gap for 2000 and 2001 respectively to occupational differences between women and men, with little separate effect by ethnicity.<sup>47</sup> Earlier EEO reports also found little pay difference between Māori women and other women in the same occupations, which were lower paid than those of men.

The 2003 report *EEO Progress in the Public Service with special focus on Māori* notes 'some level of clustering in the lower pay ranges for Māori, women and Māori women', and comments that this effect was generally lessened by looking at a more aggregated occupational category level – Sylvia Dixon's point quoted earlier, in reverse. The biggest pay gaps (by both gender and ethnicity) were in the Manager category. In 2005, *EEO Progress Report 2000-2004: The Data Stories* noted that this clustering of Māori in lower pay ranges of the public service had worsened, 'driven' by the low scores for Māori women. The chapter on women public servants doesn't distinguish Māori women or the jobs in which they are 'clustered'.

<sup>&</sup>lt;sup>43</sup> State Services Commission (1998) *Māori in the Public Service: A statistical profile 1993-1998.* Wellington. December.

<sup>&</sup>lt;sup>44</sup> SSC, Equal Employment Opportunities: Progress in the Public Service as at 30 June 2000.

<sup>&</sup>lt;sup>45</sup> PSA News, Public Service Pay, accessed 15.10.2001.

<sup>&</sup>lt;sup>46</sup> Taskforce report, p.29; 'Women in the public service are concentrated in a narrower range of occupations than men are. Two occupations – clerk (27% of female employees) and case worker/manager (12%) together account for almost four out of every ten female public service employees. Over 75 percent of public service employees in both these occupations are female. Next come policy analyst (4% female), corporate manager (41% female) and social worker (7%). Together they employ another 17 percent of the women in the public service.'

<sup>&</sup>lt;sup>47</sup> M.A. Gosse, *The Gender Pay Gap in the NZ Public Service*, Working Paper No.15. July 2002.

In April 2008, after an independent review of the EEO Policy to 2010, the SSC issued *Equality and Diversity: Guidance for applying the new Public Service EEO Policy*, which continued commitment to the four groups specified in the earlier policy: Māori, ethnic and minority groups, women and people with disabilities. Clustering is examined, at the broadest level of occupational categorisation, for Māori and for women separately. In November 2009, with the Department of Labour's Pay & Employment Equity Unit disbanded, a one-page *Public Service Commitment to EEO to 2010* was issued that pointed to departmental Chief Executives' responsibility for the government's EEO policy. Little action followed.

# Human Resources Capabilities reports

A series of more general workforce profile reports was also published by the SSC, which includes data about women and Māori – and very occasionally about Māori women. From 1998 the SSC published six monthly staffing surveys, which were superseded by annual reports in a *Human Resource Capability* series, including the 2017 report discussed earlier. These rather formulaic reports provide separate data for women and for Māori, and give little information about specific jobs or pay levels for Māori women.

These reports showed the proportion of Māori in the public service was higher than in the employed labour force. Within the public service the proportion of Māori public servants rose from 11% in 1993 to 17.5% in 2005, compared to 8.9% in the employed labour force in 2005.

In the 2001 report, gender pay gaps within occupational groups and across the public service are reported. The 'unexplained' gap – factoring out differences in occupational group, age, ethnicity, region, department, length of service with the department, collective bargaining and employment term (fixed term or permanent) – was said to be 5%. The following table shows the gender pay gap and Māori-non-Māori pay gap from reports from 2000 to 2017, including in 2003, 2004 and 2005 a calculation of the gap for Māori women compared to all men. From the 2016 and 2017 reports it was possible to calculate the gap with Pākehā men.

The 1998 report provides salary distribution tables in \$10,000 pay bands by sex and ethnicity. This shows that that almost 79.3% of Māori women earned less than \$40,000, compared to 56.6% of Māori men, 74.8% of all women and 49.1% of all men. Only 2.4% of Māori women were in the salary bands above \$60,000, comparted to 5.9% of Māori men, 5.4% of all women and 14.4% of all men. The 2000 report presented salary band data by sex *or* ethnicity. This showed 67.9% of Māori public servants earned below \$40,000 compared with 55.5% of Pākehā. Only 4.8% of Māori were on salaries of \$60,000 and above, compared to 13.6% of Pākehā. Of all women public servants, 69.9% earned below \$40,000, compared to 44.4% of the men. Just 7.1% of all women earned above \$60,000, compared to 18.1% of men. In 2001, 65% of Māori earned less than \$40,000, compared to 51% of Pākehā.

Salary pay gaps by sex and/or ethnicity, 2000-2017					
Year	Gender Pay Gap, %	Māori/non-Māori, %	For Māori women, %		
2000	19%	11%			
2001		12%			
2002		12%			

2003	16%	13%	22% cf all men
2004	17%	14%	12%, adjusted for age, occupation
2005	17%	13%	11%, adjusted for age, occupation
2006	16%	12%	10%, adjusted for age, occupation
2007	16 %	11%	
2008	15.4%	12%	
2009	15.4%	11%	
2010	14.4%	11%	
2011	14.3%	11%	
2012	13.7%	11%	
2013	14.2%	11.2%	
2014	14.1%	10.4%	
2015	14.0%	11.0%	
2016	13.5%	11.0%	22.6% cf Pākehā men
2017	12.5%	11.7%	22.4 cf Pākehā men

These reports do not count Māori women moving into senior management. They show the number of women in Tiers 1-3 improved slowly over time, while there was little change in the proportion of Māori at this level.

In 1998 a staffing survey reported that the proportion of women (29%) and of Māori (7.2%) at this level were each around half their proportion in the Public Service as a whole. In 2004 there was a drop in both Māori and women in Tiers 1-3, because of lower retention; that year 47% of new senior managers were women and 17% were Māori. In 2005 a drop in women and Māori in senior management was attributed to restructuring that results in fewer senior management positions in departments that had a high proportion of Māori and women in senior roles. The 2011 report attributed low diversity to a relatively low turnover in Tier 2 and 3 roles in the previous five years. The 2015 report noted an overall trend towards more women in senior management in a context of low turnover in senior leadership, but less increase in ethnic diversity though its importance was noted. Both the 2009 and 2015 reports referred to the *Kiwis Count* survey of New Zealanders which 'showed Māori were a little less satisfied with the quality of services compared to non-Māori and had lower levels of trust in the Public Service'. The 2016 report said Māori, Pacific and Asian ethnicities were still under-represented in the top three tiers, which would 'take time and deliberate effort to increase' as they were also under-represented in lower management; it was 'a key challenge'. The same statement was repeated in the 2017 report.

In reporting pay gaps by either gender or ethnicity over 20 years, methods of calculation have varied. There were few instances of reporting by gender *and* ethnicity: in 1998 using salary bands, and in 2016 and 2017 using average salaries. During the early 2000s, the pay gaps reported were adjusted by occupation, and sometimes by age and occupation. That is, the occupational segregation in lower paying jobs was often presented as an explanation rather than as part of the problem to be addressed – as viewed by the Ministry of Women's Affairs and Department of Labour at that time, the National Advisory Council on the Employment of Women in 1990, and the Taskforce on Pay & Employment Equity in 2004.<sup>48</sup>

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<sup>&</sup>lt;sup>48</sup> Dixon, S. *Pay inequality between men and women in New Zealand. Occasional Paper 35(2)*. Wellington: Labour Market Policy Group, Department of Labour, 2000; Ministry of Women's Affairs. *Next Steps Towards Pay Equity: A Background Paper*. Wellington, 2002; NACEW. *Beyond the Barriers: The state, the economy and women's employment 1984-1990*. Wellington: National Advisory Council on the Employment of Women, 1990.

In these reports, occupational segregation and its association with lower pay was occasionally mentioned. The 1998 Staffing Survey report that the lack of occupational data made it difficult to determine the extent to which gender pay differences are due to occupational segregation by sex, and noted that possibility of data by occupational group was being addressed by the SSC. The 2000 Human Resource Capability report look at broad occupational groups, noting relatively low proportions of Māori and Pacific peoples in the Managers, Professionals and Science/Technical group, and relatively high proportions in the Associate Professionals group. It then considered pay, stating that some EEO groups were heavily concentrated in lower pay bands. The 2001 report repeated this, identifying them as Pacific peoples, Māori and women. The 2002 report attributed some of the pay gap between Māori and non-Māori public servants to the younger age profile of the Māori workforce, but 'most of it was because Māori were more likely to be employed lower paid occupations'.

Later reports also presented the link between pay gaps and occupation as an explanation than an equity issue to be investigated. The 2007 report cited the 2004 Taskforce on Pay & Employment Equity as identifying that the grouping of women into lower paid occupations was a significant contribution to the gender pay gap. This was repeated in 2008: 'for example, social, health and education workers, contact centres and clerical and administrative workers'.

At this time, the Pay & Employment Equity Office in the Department of Labour was leading departmental pay reviews to identify female-dominated jobs for evaluation and pay comparisons with male work under the Equal Pay Act. At the time of the June 2009 *Human Resources Capabilities* report, the Office was being disbanded by the incoming government, but the report continued in similar vein to note the occupations in which women or Māori were clustered: 'Some of this [gender] pay gap can be attributed to the occupation and gender composition of the public service' while 'the ethnic pay gap is partially attributable to occupational mix'. The report stated that 73% of Māori and 59% for non-Māori worked in the four lower paid occupation groups: social; health and education workers; inspectors and regulatory officers; contact centre workers; and clerical and administrative workers. Three of those four occupations would be female-dominated.

The 2010 report also noted high proportions of Māori in four lower paid occupation groups, as did the reports for 2011, 2012 and 2013. In the 2014 and 2015 reports Māori, Pacific and Asian public servants were 'highly represented' in lower paid occupation groups. The 2015 report stated that the gender pay gap was 'influenced' by relative numbers of women and men in higher and lower pay jobs within the workforce. The groups with over 70% women were: clerical admin (82.2%) contact centre workers (76.2%) and social, health and education workers (75.7%). Only two occupational groups had less than 50% women: ICT Professionals and Technicians (32%) and Inspectors and Regulatory officers (45.2%).

The 2016 report noted specific changes that would have contributed to a small decrease in the gender pay gap compared to the previous year (see table above): an increase in female senior leaders and smaller pay differences by sex in two of the public service's largest occupational groups: Information Professionals and Social, Health and Education workers. And again, the ethnic pay gap was attributed to Māori, Pacific and Asian public servants being over-represented in occupation groups that are lower paid.

### **Resorting to the courts**

In 2013, with pay equity off the government agenda, the unions took a different tack. The Service & Food Workers Union took a test case to the Employment Court which clarified that pay equity wage

claims could indeed be taken under the 1972 Equal Pay Act. The case arose from a pay equity claim for care-givers in a private sector rest home, whose work was funded from the public purse. It followed on from a Human rights Commission inquiry into conditions of work in residential aged care, which found that insecure hours of work and minimum or near minimum wages meant very precarious incomes for staff.<sup>49</sup> Caring work is 94% female-dominated and employs large numbers of Māori and Pacifica women at very low pay. The eventual pay equity increases from this claim, starting in July 2017, benefit around 60,000 workers and their families.

When the Appeal Court upheld the *Bartlett vs Terranova*<sup>50</sup> judgment, the government established two employer/union working groups facilitated by the SSC, to issue Principles and to settle the pay equity claim for carers, rather than allowing matters to proceed through the Employment Court and the Employment Relations Authority respectively. In late 2017, the government passed legislation replacing the Equal Pay Act 1972 that would have undermined the *Bartlett* judgments. It was immediately repealed by a new government formed of the parties that had voted against it.

In 2015, downstream from the *Bartlett* judgments, the PSA took a claim under the Equal Pay Act against the SSC itself about lack of action on its responsibility for EEO under the State Sector Act 1988. This led to negotiations between the PSA and SSC. In July 2018 a new government launched the resulting Gender Pay Principles and Action Plan for the public service. This makes three references to resolving issues for Māori women.<sup>51</sup> It is expected that the SSC will release an updated version of the gender neutral job evaluation tool developed by the 2004-9 Pay & Employment Equity Unit, for use in state sector pay equity claims lodged under the Equal pay Act. Current claims which may benefit Māori women include PSA claims for administration and clerical workers in District Health Boards, and for social workers employed by Oranga Tamariki.

<sup>&</sup>lt;sup>49</sup> Human Rights Commission, Caring Counts. 2012.

 $<sup>^{50}</sup>$  Service and Food Workers Union v Terranova Homes and Care Ltd [2013] NZEmpC 157.

<sup>&</sup>lt;sup>51</sup> http://women.govt.nz/work-skills/income/gender-pay-gap/gender-pay-principles.

#### **GOVERNMENT POLICIES FOR A 'FLEXIBLE' LABOUR MARKET**

The above inequalities experienced by Māori women are framed by the economic, labour market and income support policies adopted by governments. New Zealand's wages by spending power are fifth lowest among the original members of the OECD and labour's share of national income is among the lowest of its full current membership.<sup>52</sup> Māori women have borne a disproportionate share of this shift to a low wage economy.

Until the 1980s, New Zealand governments took an active role in job creation and wage subsidisation. In the post-Depression years, jobs and training were directly provided by the expansion of state responsibility for housing, health and social welfare, as well as education, and economic and infrastructure development policies led by state trading departments (e.g. Railways, Forestry Service, Ministry of Works, Tourist Hotel Corporation, Post Office) under an ethos of public service. From the 1980s much of this came to be seen as more appropriately opportunities for 'the market', the role of the state being to assist people into whatever jobs 'the market' did or didn't provide. The labour relations deregulation of 1991 was intended to increase labour market 'flexibility', and was followed by a funder-provider split in many parts of government including the health sector. This ushered in waves of 'contracting out' by central and local governments, shedding employer responsibilities.

With unemployment rising, the perception of why people need income support changed. Traditionally viewed as a consequence of adverse economic conditions, it was now considered to result from lack of motivation, rather than lack of jobs.<sup>53</sup> The influential Business Roundtable opposed the 1990 Employment Equity Bill on the grounds that women and Māori should 'price themselves into the market'. Long term unemployment became an attribute, not of the labour market, but of the unemployed person herself, as was 'welfare dependency'. Since the 1990s, the growing 'flexibility' and insecurity of the labour market has been supported by increasingly punitive income support policies, which contribute to family poverty. These include financial sanctions if compliance with work-ready rules is deemed insufficient and requirements for mothers to actively seek employment when their children are at ages at which it is illegal to leave them alone. In 2004 the government extended married women's historic ineligibility for an unemployment benefit to all those in 'a relationship in the nature of marriage' with a very wide legal definition. This, and the 90 day stand-down period, may contribute to numbers reporting having no personal income.<sup>54</sup>

Data since 1974 shows improvement in the gender pay gap when policy action is taken. However, pay equity policy – which could benefit the lower paid jobs in which women, including Māori women, are disproportionately 'clustered' – has become a political football, with governments immediately kicking out the measures undertaken by their predecessor. This happened with the Employment Equity Act in 1990, the Pay & Employment Unit in 2008, and the Employment (Pay Equity & Equal Pay) Act 2017.

Yet in international fora, all New Zealand governments recognise that equality for women, and doubly for indigenous women, is a human rights issue. No less is it an issue of equal rights and protections for all citizens under the Treaty of Waitangi.

The Equal Pay Act 1972 has been confirmed by the courts and has been shown to work. Let all governments now get behind it and ensure that it also works for Māori women.

<sup>&</sup>lt;sup>52</sup> B. Rosenberg, Does New Zealand have low wages? Yes. *CTU Monthly Economic Bulletin* No.202, August 2018.

<sup>&</sup>lt;sup>53</sup> Robert Stephens, Poverty, Family finances and social security, in Boston et al. *Redesigning the Welfare State in NZ*. OUP, 1999.

<sup>&</sup>lt;sup>54</sup> An issue discussed in the April report of the Royal Commission on Social Policy and also by Perry (2017).

Addressing insecure work will require changes in policy settings through a range of measures: employment law, expanding the minimum code, institutional arrangements, regulation and best practice, the role of unions and income support policies. Forms of insecure work have been growing in both 'good' and 'bad' economic conditions. It is in bad times that security is most important, but employers are in a better position to offer more secure work arrangements when the economy is in a period of sustainable growth. Regardless, for Māori women, the best time is now.

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Pay equity campaign poster, ca. 2004

