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Submission to the People's Select Committee on Pay Equity

Introduction

1. The National Council of Women of New Zealand, Te Kaunihera Wāhine o Aotearoa (NCWNZ) is an umbrella group representing around 60 affiliated organisations and 300 individual members. Collectively our reach is over 200,000 with many of our membership organisations representing all genders. NCWNZ has 12 branches across the country.
2. NCWNZ's vision is a gender equal New Zealand and research shows we will be better off socially and economically if we are gender equal. Through research, discussion and action, NCWNZ in partnership with others, seeks to realise its vision of gender equality because it is a basic human right.
3. This submission has been prepared by the Economic Independence Action Hub with input from NCWNZ members throughout the country. We draw on existing NCWNZ policy, prior submissions, secondary research and qualitative survey responses from national organisation members, spanning age groups of 18 - 85 years.

Summary

4. Thank you for this important initiative, which has provided a pathway to make a submission on behalf of the members of the National Council of Women of New Zealand, Te Kaunihera Wāhine o Aotearoa (NCWNZ) on the long-standing and significant issue of pay equity, after the Parliamentary Select Committee pathway was closed to us.
5. NCWNZ has worked for women's equality - with pay equity a long standing issue - in Aotearoa New Zealand for almost 130 years. What was considered a core achievement by the women's sector, that is, a contemporary legislative framework (e.g., 2020 amendments to the Equal Pay Act) directed at economic empowerment for all women, has been severely undermined through ill-considered parliamentary decision-making in a manner that is inconsistent with democratic processes, and the checks and balances necessary in a democracy.

6. We note here that the quality and quantity of engagement on our member consultation for the Equal Pay Amendment Bill - now Act - has been almost unprecedented, if one does not count the outpouring of outrage around the Treaty Principles Bill. NCWNZ members have been strongly directing the organisation to speak out against the pay equity Act.
7. In this submission, we have outlined some arguments about this regressive legislation and its intersectional, accumulative impact on groups of women.

Human Rights and International Obligations

8. NCWNZ is committed to the protection of human and democratic rights. Participation in the formulation of government policy is specifically mentioned in the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) Article 7:

“State Parties shall take all appropriate measures to eliminate discrimination against women in the political and public life of the country and, in particular, shall ensure to women, on equal terms with men, the right: (b) To participate in the formulation of government policy and the implementation.”¹

Additionally, CEDAW Article 11(1)(d) states: *“the right to equal remuneration, including benefits, and to equal treatment in respect of work of equal value as well as equality of treatment in the evaluation of the quality of work.”²*

9. The 2024 Concluding Observations by CEDAW requests that the New Zealand Government adopt measures to improve the Economic Empowerment of Women. Below are the extracts from that document pertinent to this submission:³

32. The Committee notes with concern:

(a) The persistent gender wage gap, particularly for Māori, Pacific, and migrant women, with the wage gender gap for Māori women reaching up to 20%.

(b) That the measures adopted by the State party to improve women’s employment are limited to parental leave and post-partum care, without addressing broader systemic issues, including intersecting forms of discrimination.

33. The Committee recommends that the State party:

(a) Effectively enforce the principle of equal pay for work of equal value in order to narrow and eventually close the gender pay gap, including for Māori, Pacific, and migrant women, by (i) conducting regular labour inspections; (ii) applying gender-neutral analytical job classification and evaluation methods; (iii)

¹ Convention on the Elimination of All Forms of Discrimination against Women, 1981. [Convention on the Elimination of All Forms of Discrimination against Women](#), p.3

² Ibid, p.4

³ Committee on the Elimination of Discrimination against Women. 2024. Concluding observations on the ninth periodic report of New Zealand. CEDAW/C/NZL/CO/9. [CEDAW/C/NZL/CO/9 Convention on the Elimination of All Forms of Discrimination against Women](#), pp.7-8

conducting regular pay surveys; and (iv) encouraging employers to publish a narrative with their gender pay gap data, with a view to better understanding the reasons behind the gender wage gap, and to take appropriate remedial measures.

10. The Cabinet paper acknowledges the government's obligations to the International Labour Organisation (ILO) under the Equal Remuneration Convention⁴ and asserts that "the proposed pay equity model will continue to ensure employees receive equal pay for work of equal value", at the same time noting that the work of determining alignment with the ILO convention had not yet been done.⁵
11. NCWNZ notes with concern that the redacted Cabinet Paper declines to make public any advice or analysis around the human rights obligations.⁶ This is an area of keen interest for our members, and yet we have no information about what was considered when this Bill was being prepared.
12. NCWNZ rejects the assertion in the Cabinet Paper that the pay equity proposals were consistent with the Government's Treaty of Waitangi obligations.⁷ All the research shows that wāhine Māori are among the lowest paid workers in Aotearoa New Zealand, and pay equity action is fundamental to addressing this breach of Te Tiriti o Waitangi as highlighted by CEDAW.⁸ We also note that the simple assertion under the Cabinet Paper heading "Treaty of Waitangi Analysis" gives us no confidence that any analysis had been done.

Pay Equity legislative history

13. NCWNZ has been a strong advocate for the implementation, monitoring, and effective enforcement of pay and employment equity, particularly for groups of vulnerable women in female-dominated workforces. We fully support the principle of equal pay for work of equal value and have been vocal about the need for pay transparency and the implementation of Fair Pay Agreements. We were therefore disappointed that one of the first actions by the current coalition government in 2023 was to repeal the Fair Pay Agreements Act. We see the 2025 amendments to the Pay Equity Act as a continuation of this undermining of pay equity initiatives which have included:

⁴ ILO. C100 - Equal Remuneration Convention, 1951 (No. 100). [C100 - Equal Remuneration Convention, 1951 \(No. 100\)](#)

⁵ Reviewing policy settings for pay equity, Cabinet paper, 2025. [Redacted Cabinet paper reviewing policy settings for pay equity](#), p.16

⁶ Ibid, pp.14-15

⁷ Ibid, p.16

⁸ Committee on the Elimination of Discrimination against Women. 2024. Concluding observations on the ninth periodic report of New Zealand. CEDAW/C/NZL/CO/9. [CEDAW/C/NZL/CO/9 Convention on the Elimination of All Forms of Discrimination against Women](#), pp.9-10

- a. MBIE central Workplace Repository of voluntarily contributions of anonymised data, intended to support the progression of future pay equity claims, no longer supported.
 - b. The Pay Equity Reference Group for monitoring the Repository disestablished.
 - c. Fair pay agreements stopped.
 - d. Pay Equity Taskforce disbanded.
 - e. More subtle undermining through funding, for example birthing centres are highly dependent on Te Whatu ora | Health NZ funding because there are strict limits on what can be charged for maternity care in New Zealand and they are the monopoly funder for maternity care. This affects what the private centres will pay midwives.
14. The 2023 Government report to CEDAW stated that progress had been made on pay equity through legislation:
247. Amendments to the Equal Pay Act 1972 (the Act) in 2020 introduced a practical and accessible process to raise and consider claims of systemic sex-based pay undervaluation in female-dominated occupations. The Equal Pay Amendment Act 2020 sets out a clear pay equity process to test whether work that's predominantly done by women is free from sex-based undervaluation.⁹
15. Through this amendment Act, pay equity became unambiguously part of the law. The Ministry for Women's website still acknowledges the unfairness of pay equity, stating:
- In certain occupations where the work is, or was, predominantly performed by women, wages have often been kept lower than occupations where the work has been performed predominantly by men.¹⁰
16. The 2020 Act had cross-party support, with Nicola Willis, National Party Finance spokesperson in Opposition at that time, stating in Parliament that, "*the 2020 law change will provide better pay equity for women.*"
17. NCWNZ members found it astonishing that individual members of the Coalition Government who had previously supported pay equity could now support legislation that obliterated pay equity claims that had already been registered, researched and were in the process of being considered because "costs to the Crown have become significant."¹¹ NCWNZ would like to remind the Coalition Government that the cost to women is also significant.
18. The effectiveness and workability of the 2020 Equal Pay Amendment Act saw 13 pay equity claims settled, mainly from the public sector. Commitment to periodic reviews at

⁹ United Nations Convention on the Elimination of All Forms of Discrimination against Women Ninth Periodic Report by the Government of Aotearoa New Zealand, 2023. [United Nations Convention on the Elimination of All Forms of Discrimination against Women](#), p. 45

¹⁰ Pay equity and equal pay, Ministry for Women. [Pay equity and equal pay | Ministry for Women](#)

¹¹ Reviewing policy settings for pay equity, Cabinet paper, 2025. [Redacted Cabinet paper reviewing policy settings for pay equity](#), p.2

least once every three years was an ongoing requirement. Post-settlement survey results from both employees and employers show the very real tangible productivity, wider economic, and wider well-being differences directly attributed to the pay corrections.¹² A government paper described this approach as “the first of its kind worldwide”.¹³

19. Despite the assurances made to CEDAW, the notions of good faith and collaborative-based approaches to employment relations to address this long-standing and hard fought-for rights-based issue have been totally undermined by the Equal Pay Amendment Act 2025, passed under urgency without the public having the opportunity to have their say.

Democratic Processes

20. NCWNZ has watched with dismay the Coalition Government's attack on pay equity legislation as austerity-driven, significant legislative changes were rushed through Parliament under urgency without the crucial consultation our democracy demands. No Regulatory Impact Statement or impact analysis requirements were conducted, despite this being a requirement of all Cabinet regulatory proposals.¹⁴ The justifications for urgency are - at best - shallow and condescending. The sentiment below from an NCWNZ member represents the views of NCWNZ in general:

There are good reasons for the process of referring legislation to a Select Committee and eliciting public feedback. This process ensures that legislation is workable and provides necessary checks on government. The passing of this legislation under urgency has features of a dictatorship, not a democracy.

21. The retrospective nature of the changes that extinguished 33 unsettled claims is brutal and violates the key principle of ‘no retrospective effect’, a cornerstone of NZ legal systems that allows laws to be predictable.¹⁵ It is a clear breach of the State’s obligations under CEDAW, as in paragraph 7 above. In the words of an NCWNZ member, “*From a legal perspective, how a piece of legislation, passed under urgency can be fairly retrospectively applied is beyond me and plain wrong.*”
22. Many of the pay equity claims, now cancelled, were close to settlement after years of data collection and thorough examination of relevant evidence. At the time the Act was passed, there were two large unresolved claims pending (teachers, care and support workers), and a large increase in probable claims in the publicly funded sector. In this light, the following statement by the Minister for Workplace Relation implies deliberate deception: “*I do not intend to make any announcement on the changes to the Act until the Bill is introduced. I*

¹² Impacts of a pay equity settlement, Summary and research findings. NZ Government. [Impacts of a pay equity settlement](#)

¹³ Pay equity in Aotearoa New Zealand, History/Context and Principles. NZ Government. [Pay equity in Aotearoa New Zealand](#) p.4

¹⁴ Reviewing policy settings for pay equity, Cabinet paper, 2025. [Redacted Cabinet paper reviewing policy settings for pay equity](#), p.14

¹⁵ Legislation Act 2019, Parliamentary Counsel Office. [Legislation Act, 2019, section 12](#); NZ Bill of Rights Act 1900, Parliamentary Counsel Office. [NZ Bill of Rights, section 26\(1\)](#)

am cognisant of the risk of announcing the changes before introducing the Bill could prompt pay equity claims being filed and potentially determined by the Authority under the existing Act.”¹⁶

23. The rationale for the Pay Equity Act, passed just before the Government Budget, appeared to be directed at finding money for the Budget, including promised tax cuts.¹⁷ The statement by ACT leader David Seymour that axing pay equity settlements had “saved” the Coalition Government’s 2025 Budget was an absolute affront to the 180,000 mainly female workers who had just seen their pay equity claims slashed, and with it, their dreams of a more affordable future.

Ongoing Consequences of the Equal Pay Amendment Act 2025

24. NCWNZ is extremely concerned about the detrimental flow-on consequences to groups of women of such short-term reactive legislative changes, which are justified on the premise of lowering the fiscal costs to the Crown and the private sector.
25. The changes were noted as a review of policy settings for pay equity.¹⁸ In the opinion of NCWNZ, the settings have been changed to benefit the employers, including the government, for example by allowing employers to opt out of a multi-employer claim without needing to provide a reason. Groups of women have been effectively sidelined by this re-setting of priorities.
26. It appears symptomatic of the siloed budgetary choices of this Coalition Government.¹⁹ This is a change from the previous Gender Budgeting approach that CEDAW commented on positively, noting that this reflected “a commitment to gender-responsive financial planning”.²⁰ This commitment has obviously waned to the point of being non-existent.
27. One consequence of the 2025 legislation is the tightening of appropriate comparators, and the interpretation of what constitutes substantially similar work, and gives employers another opt-out if they disagree with the comparator. Effectively, the change eliminates cross-sector comparison, which is at the heart of the rebalancing efforts of pay equity advocacy.

¹⁶ Reviewing policy settings for pay equity, Cabinet paper, 2025. [Redacted Cabinet paper reviewing policy settings for pay equity](#), p.16.

¹⁷ [Controversial pay equity changes pass into law - Law News](#)

¹⁸ Reviewing policy settings for pay equity, Cabinet paper, 2025. [Redacted Cabinet paper reviewing policy settings for pay equity](#), p.16.

¹⁹ For example, shifting the ‘cost’ of the financial hardship caused by no pay equity settlements to other government portfolios, by women relying on the Accommodation Supplement, supported living payment, hardship KiwiSaver withdrawals, increased childcare supplement.

²⁰ United Nations Convention on the Elimination of All Forms of Discrimination against Women Ninth Periodic Report by the Government of Aotearoa New Zealand, 2023. [United Nations Convention on the Elimination of All Forms of Discrimination against Women](#), p.2

28. The avoidance of cross-sector comparators fails to recognise the failure of both industry and government attempts to break occupational segregation norms. Comparatively, few men are attracted to the vital care economy roles, such as health, education and welfare, which have therefore been undervalued. Dismissing comparators that compare care economy roles with non-care economy roles will only further entrench persistent stereotypes.²¹
29. New claims must now demonstrate that occupations are 70% female for at least 10 consecutive years, which makes the mountain of pay equity substantially higher to climb (as was the intention). This will require more time and money to make a claim than previously, to be paid for by those groups of women who are already underpaid.
30. Add to this additional cost borne by claimants, is the dismissal of all previous time, money and effort that was expended in good faith on the now cancelled pay equity claim. The Coalition Government has saved money for its Budget by taking it from women. We also count here the hours of unpaid labour that are unrecognised by this government and yet are critical for the well functioning of our society.²²
31. NCWNZ members and our research have told us about the undervaluation of female-dominated workforces which are heightened by broader systemic discrimination. Such factors are evident in numerous for women in undervalued occupations: they struggle to manage household budgets in the current cost of living crisis; to repay any debt, including student loans ironically because of the increasing need for tertiary qualifications in many female-dominated occupations; encounter increased housing costs as a proportion of earned income; and many find it impossible to save for retirement.
32. Recent research verifies the accumulative impact of these factors and the rise in hardship over time. Data shows that while incomes improved modestly between 2021 and 2024 - improvements attributed to the 2021 Wellbeing Budget - many low-income households are now universally worse off from 2025 onwards. *“These deficits mean incomes are failing to meet both core living costs and the costs needed to meaningfully participate in society, placing thousands of children at risk of entrenched hardship. The evidence is clear: even working full time or combining wages with benefits is no longer enough to enable families to break free of the constraints of poverty.”*²³
33. As noted above, an ever-increasing rise in child poverty is one accumulative impact of low household income. Approximately 84% of sole-parent families are led by females, some of whom are employed in female-dominated, undervalued roles. The impact of the retrospective cancellation of pay equity claims and the extremely limiting parameters for

²¹ Waring, M. (2019). Still Counting. Wellbeing, Women’s Work and Policy-making. BWO Books

²² Ibid

²³ Child Poverty Action Group. 2025. Families below the Income Floor face growing crisis – new research. [Families below the Income Floor face growing crisis – new research](#)

future claims - particularly for Pacific and Māori women and sole parents - is consequential and can only increase rates of child poverty. This we consider an absolute indictment in a country once considered a leader in women's rights, evident in the in-work poverty²⁴ seen in many female-led households.

34. Not only do we have a well-publicised female, ethnic, and disability median hourly wage gap, but this gap is compounded by ageing for many women. The gender pay gap (GPG) for all ages is 9.1%; for women aged 51-55 years, GPG is 12.1%; 56-60 years, GPG is 13%; and for women 61-65 years, GPG is 15%.²⁵ Systemic vertical (gendered power hierarchies) and horizontal (occupational segregation) disparities and the financial devaluing of many of the roles/occupations held by women intensify the “gender pensions gap” (CEDAW, 2024).²⁶
35. The accumulative causes of the “gender pensions gap” are well known and are the result of long-standing systemic inequalities, now exacerbated by both the Equal Pay Act and the recent changes to the auto-enrolment, opt-out KiwiSaver scheme. Proportionally, it is the Government contribution that is more important to women, which has now been halved.²⁷ Factors contributing to GPG include compounding effect of increased GPG as women age, fewer hours worked per week, lower hourly pay rate, bias towards women 50+ (intersecting sexism and ageism), higher separation and divorce rates for the 50+ age group, welfare policy design that disregards the inclusion of unpaid care work, and the compounding effect of these over a lifetime. The systemic gender wage gap is evidenced in lower Kiwi Saver account balances for women, which leaves them vulnerable to poverty in retirement.

Conclusions

36. NCWNZ reiterates our deep concern that the Equal Pay Amendment Act (2025) is at odds with the prior legislation reforms that have achieved positive change in women's lives over the last 129 years.
37. The NCWNZ position is clear. We are not supportive of the Act, nor of the undemocratic use of urgency.
38. We conclude our submission with a story to highlight the devastating shock that the Equal Pay Amendment Act (2025) had, negating years of previous work.

The Ōtautahi Christchurch Branch of NCWNZ has valued our relationship with Nancy McShane, hospital administrator and member of the PSA who worked from 2009 – 2022 to

²⁴ Human Rights Commission. 2019. In-Work Poverty in New Zealand. [In-Work Poverty in New Zealand](#)

²⁵ Morrissey, S. (2022). What does retirement look like for women? ISBN 978-0-473-63905-1.

²⁶ United Nations Convention on the Elimination of All Forms of Discrimination against Women Ninth Periodic Report by the Government of Aotearoa New Zealand, 2023. [United Nations Convention on the Elimination of All Forms of Discrimination against Women](#), pp.9-10. CEDAW specifically requests the New Zealand Government to “Adopt targeted measures to reduce the gender pension gap”.

²⁷ New Zealand Society of Actuaries. 2022. Insights into pre-retirement KiwiSaver accounts. [New Zealand Society of Actuaries \(Inc\) Insights into pre-retirement KiwiSaver accounts](#)

secure a pay equity claim for low-paid, predominantly female, Southern DHB Hospital Administrators. Nancy reminded us of the words of Kate Sheppard, including her commitment to equal pay for equal work, at yearly celebrations of women's suffrage on 19 September at the Kate Sheppard Suffrage Memorial. Achieving a settlement for hospital administrators was a major achievement for Nancy (a Queen's Service Medal recipient for services to Women and to Equal Pay in 2023) and the women she represented. This is what Nancy McShane had to say in an opinion piece in The Press on 29 May 2025: "Finally, in 2022, our claim was settled. It was a milestone victory. We all felt so proud, knowing our claim opened the door for so many other New Zealand women who were being gender discriminated against in their pay. Three years later, in just 24 hours, all that progress is now gone, wiped under urgency with no public consultation whatsoever."²⁸



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²⁸ The Press. July 2025. The progress of 13 years of pay equity heartache, wiped in 24 hours. [The progress of 13 years of pay equity heartache, wiped in 24 hours](#)