



# Mahi Ōrite, Utu Tōkeke

*Pay Equity for Women*



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The Ministry of Women's Affairs  
Minitatanga mō ngā Wāhine  
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## **Foreword**

This booklet provides a true reflection of Māori women and their long struggle towards seeking pay equity and better recognition of their ability to contribute to the economy of this country.

The League has recognised for many years that Māori women's earnings are far less than Pākehā, both male and female and even that of our Māori men. We have been strong advocates toward trying to have pay equity and recognition of our values within the workplace.

It is now timely for us to air our views and collectively strive towards closing the inequalities that we have been faced with for many years.

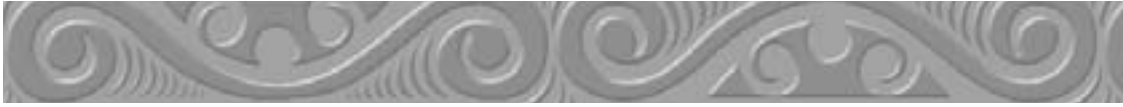
We need to become more active towards knowing our rights within the workplace and leading the way toward advancing processes that will address the difference of earning for Māori women.

*Mahi Ōrite, Utu Tōkeke* provides the background information that we need to get started to bring about change.

I encourage you all to read this document and make your views known to the Ministry of Women's Affairs.

Your input will allow for a collective response to advance change for the betterment of ourselves.

*Jacqui Te Kani CNZM  
National President  
Māori Women's Welfare League*



## **Introduction**

In Aotearoa, the average hourly earnings of men are higher than those of women. The Statistics New Zealand Income Survey June 2001 showed that women's hourly earnings are on average 84.3 per cent of men's. This is called the 'gender pay gap'.

For every dollar earned by men, Pākehā women earned 86 cents, Māori women earned 74 cents and Pacific women earned 70 cents on average.

As well as a gender pay gap, Aotearoa has an ethnicity pay gap. Māori men and women earn, on average, 80.5 percent of the hourly pay earned by Pākehā men and women. Māori women earn on average:

- △ 70.6 per cent of the average hourly pay earned by Pākehā men
- △ 85.6 per cent of the average hourly pay earned by Pākehā women
- △ 92.8 per cent of the average hourly pay earned by Māori men.

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

Women's lower earnings, including those of Māori women, are linked to the fact that women and men do different jobs. But should women be getting equal pay for work of equal value to men's? Are the skills and responsibilities in Māori women's jobs being properly recognised and valued?

This booklet introduces pay equity issues that affect the incomes of Māori women and their whānau, and raises questions and topics for further discussion. It complements the general discussion document *Next Steps Towards Pay Equity*, which is available from the Ministry of Women's Affairs on request or from [www.mwa.govt.nz](http://www.mwa.govt.nz).

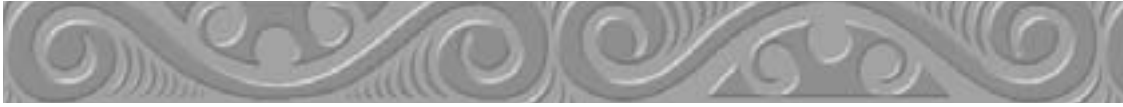
The Ministry of Women's Affairs wishes to engage with Māori women to encourage feedback and debate. Your knowledge, experiences and opinions will inform the next steps in developing positive policies to reduce the pay gap for Māori women.



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## **Why is this important for Māori communities?**

- △ As women, the gender pay gap not only affects our choices in life but also our whānau. If we, as individuals, don't receive fair pay for our work, then this affects our ability to meet the needs of our whānau in regard to health, education and wellbeing. If Māori women as a group are not receiving fair pay, then their lower incomes affect the resources available to meet the aims and aspirations of Māori communities.
- △ Day-to-day low income can impact on our ability to meet food, clothing and rent costs, to provide for our children's needs, to cope with illness or disability, to own a house or to save for retirement. In the course of a lifetime, low earnings can expose women to financial hardship, insecurity and vulnerability.
- △ The Government wishes to develop policies to address the inequalities that Māori women experience in the labour market. Equal pay for work of equal value is about valuing the contribution that Māori women employees make to the economy and to New Zealand society.



## **What is pay equity?**

### **Pay equity means**

- △ equal pay for women and men doing the same job
- △ equal pay for work of equal value
- △ closing the gender pay gap – including the large pay gap experienced by Māori women.

## **What is ‘equal pay for work of equal value’?**

- △ New Zealand has anti-discrimination laws, and an equal pay law that says women and men doing the same job get the same pay.<sup>1</sup> These laws, however, place the responsibility on individuals to lodge complaints about discrimination and gaps in pay, rather than requiring employers to show that their pay systems are fair.
- △ But women and men usually do quite different jobs. ‘Equal pay for work of equal value’ means that women get the same pay as men for doing a comparable job – that is a job involving the same skills, years of training, responsibility, effort and work conditions.
- △ New Zealand has signed International Conventions<sup>2</sup> about ‘equal pay for work of equal value’, but we have no current policy or laws to ensure this.

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1 Employment Relations Act 2000, Human Rights Act 1993, Equal Pay Act 1972, Race Relations Act 1971. A complaint can be made under one of these Acts about pay discrimination on the basis of sex or race, compared to other employees in the same company or organisation. Employment or human rights mediation services, or your union, can help you.

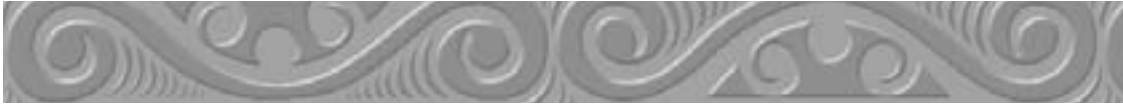
2 International Labour Organisation Convention 100: Equal Remuneration, ratified by NZ in 1983; UN Convention on the Elimination of All Forms of Discrimination against Women, ratified by NZ in 1985.



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## **Valuing women's skills**

- △ People say that wage rates are set by supply and demand in the labour market. But current labour market rates for some jobs may reflect out of date attitudes and prejudices about the people who usually do that job, rather than the real value of the work.
- △ In other countries, job assessments have compared the skills, responsibilities, effort and work conditions involved in typical women's jobs, to the same skills and other qualities in typical men's jobs. These assessments showed that women were often paid less for work of equal value. This has led to wage increases for women overseas.
- △ Leading pay equity comparisons have included comparisons between cooks and carpenters (UK), secretaries and grounds men (Washington), (Australia), nurses and administrators (Denver), librarians and geo-scientists.
- △ It has been found that caring skills are often undervalued, and that responsibility for equipment or finances was paid more highly than taking responsibility for children or the elderly.
- △ This led to the principle of 'equal pay for work of equal value'. This means that women get the same pay for skills and responsibilities in their jobs as *the labour market already pays* for those skills and responsibilities in jobs done by men.



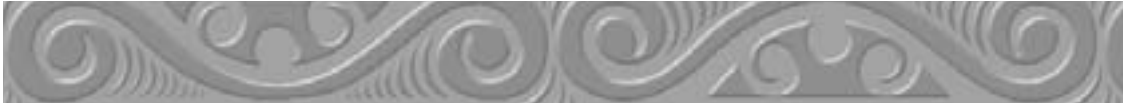
## **Are Māori women's skills being valued?**

- △ Are the skills of Māori women being undervalued? Many jobs that Māori women do involve caring for people, and other service jobs. This work is important for Māori communities and for the New Zealand economy.
- △ The work of Māori women in maintaining manaakitanga and whanaungatanga is highly valued within whānau, hapū and iwi. However, the same skills women use at home and in the community for free are not valued when transferred into paid employment. Many Māori women have highly developed caring, human relations and organising skills. These may be seen as 'natural' for women and therefore not recognised as skills.
- △ Māori women also use cultural skills in jobs such as social work, nursing, teaching and government or community work. For example, their understanding of Māori clients or patients, of tikanga or te reo, their networks in Māori communities, and advice on Māori issues can all be of value to their employer, which should be reflected in their pay.



## **Common jobs for Māori women**

- △ New Zealand women are concentrated in fewer jobs than men. The most common jobs for all women are:  
sales assistant, general clerk, secretary, registered nurse, primary teacher, cleaner, caregiver, information clerk/receptionist, accounts clerk, and retail manager.
- △ A third of Māori women work in just ten occupations, mostly low paid. The most common jobs for Māori women are:  
sales assistant, cleaner, general clerk, caregiver, primary teacher, information clerk/receptionist, social worker, packer, secretary, or catering counter assistant.
- △ A quarter of Māori men work in the following ten jobs:  
truck driver, labourer, slaughterer, sales assistant, forest hand, crop and livestock farmer/worker, loader/checker, carpenter/ joiner, general manager, builder/contractor.
- △ On average, Māori men earn 92.3 per cent of the average hourly pay earned by Pākehā women, and 76 per cent of the average hourly earnings of Pākehā men.
- △ This concentration on a limited range of most common jobs is called 'occupational segregation'. International research shows that the higher the proportion of women (or an ethnic minority) in an occupation, the lower the average pay.
- △ The two factors, occupational segregation and undervalued skills, may work together. Making sure that the skills that Māori women use in their jobs are properly recognised and valued could help raise pay in these most common jobs.



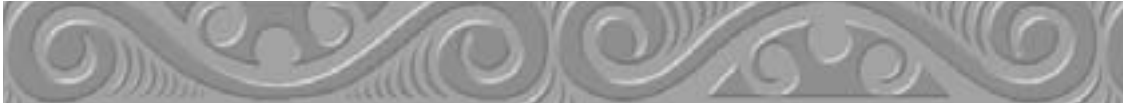
## **Are there other reasons for the pay gaps?**

- △ The Department of Labour has analysed the pay statistics for women and men and made estimations of how much different factors might explain the gender pay gap. Education differences and having dependent children each explained only about 10 per cent of the gender pay gap for all women. Fewer years of workforce experience was considered more important, which could explain 15-50 per cent of the reason for the gender pay gap. Differences in women's and men's occupations were also important, estimated to explain 20-40 per cent of the pay gap. A further 5-50 per cent could not be explained.
- △ Most of the difference between the average earnings of Māori and Pākehā women was because a higher proportion of Māori women were in the lower paid female occupations.
- △ There is an education gap between Māori and Pākehā. This means that education may be a more important reason for the pay gap for Māori women (and men) than for women as a whole. This makes education a particularly important issue for Māori women and men.
- △ But education is still only part of the story. Māori women and men who reach tertiary education do very well. However, once Māori women with a tertiary qualification enter the labour market, they earn less than Māori men, Pākehā women and especially Pākehā men with the same levels of education.
- △ Māori women and men are concentrated in a narrow range of low paid jobs, so occupational differences are likely to explain more of the pay gap for Māori women than the 20-40 per cent given for all women.



## **Current policy**

- △ New Zealand has laws against discrimination, and for equal pay for women and men in the same job. There is no current policy, however, that addresses the way occupational differences are linked to lower pay.
- △ The international principle of 'equal pay for work of equal value' aims to do this by ensuring that the skills, responsibilities, effort and work conditions in women's jobs are recognised and rewarded at the same rates currently being paid for the same skills and responsibilities in jobs done by men.
- △ We do have current policies on equal employment opportunities, paid parental leave and the minimum wage, which may help to close the pay gaps. Government departments are also working on policies to support childcare and to help improve work, family and community balance.
- △ Should government also implement policies to ensure 'equal pay for work of equal value'?  
Is this an important issue for Māori women?



## What can you do?

The Ministry of Women's Affairs would like to hear your views on these issues to help develop policy recommendations to government. Talk to your friends, colleagues and whānau. Think about how these issues affect you, your whānau and community. Please contribute your suggestions about how we might progress these issues in Aotearoa.

For more information on current laws and policies, and discussion of some ideas about what might be needed for an effective policy, see *Next Steps Towards Pay Equity: A Discussion Document*. This is available on request from the Ministry of Women's Affairs, or from [www.mwa.govt.nz](http://www.mwa.govt.nz)

The Ministry welcomes submissions until **30 November 2002**.

Please send your response by post or email to:

'Towards Pay Equity'  
Ministry of Women's Affairs  
PO Box 10 049  
Wellington  
Fax: 04 – 472 0961

E-mail: [mwa@mwa.govt.nz](mailto:mwa@mwa.govt.nz)

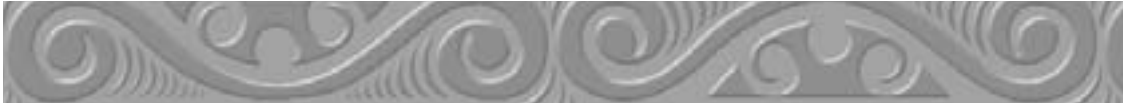
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## **Some questions to help you**

- △ Do you think pay inequalities for Māori women impact on Māori communities?
- △ Do you think gender/ethnic pay gaps and equal pay for work of equal value for Māori women are important issues? How do you think we should approach these issues?
- △ Were you aware that Māori with similar qualifications to Pākehā earn less? If so, what did you feel were the main reasons for this?
- △ What are your opinions on the issues summarised in this document?
- △ What action do you think Government should take on the issue of pay equity?



## The Ministry of Women's Affairs

The Ministry of Women's Affairs provides advice to government on policy as it affects all women and Māori women as tangata whenua. It ensures that government and government departments have an understanding of systemic and structural inequalities that affect women's participation in society. It provides a nominations service to increase the appointment of women on decision-making bodies. It advises the Minister of Women's Affairs on policies and opportunities that can improve outcomes for New Zealand women.

Its work programme for 2002-2005 includes the output: Enabling Māori women, as tangata whenua, to participate fully in the social and economic development of Aotearoa New Zealand.

The Ministry has an Advisory Group on issues for Māori women, Te Korowai Wāhine.

*“Kaua e whai noa iho ki te rite tāne. Engari whītiki i tōu  
anō pakaritanga whakamaua kia tina.”*

*“Strive to be not only equal with men, but harness your own  
strengths and move steadfastly forward.”*

