

Equal Pay Amendment Bill

A good start - but needs these improvements

In June 2018 women's average hourly earnings were 13.9% less than men's. We need legislation that will quickly close this pay gap.



AWC is part of the Pay Equity Coalition Auckland (PECA) which consists of 21 organisations representing thousands of Aucklanders who are pushing to see some real and rapid progress on pay equity in New Zealand.

We recommend these improvements to the Bill:

1. Speed up the Process

The Bill needs a number of amendments to avoid delays in the process so that claims do not take years to be settled.

We suggest:

- Removing the time-consuming mediation and facilitation processes.
- Taking out the concept of whether a claim is 'arguable'. Once a claim has been raised, the process should progress directly to assessing the work, and identifying appropriate job comparators.

2. Increase Resources and Expertise

AWC is concerned the current Employment Relations Authority is not adequately resourced, and does not have the necessary expertise, to decide pay equity claims. The issues involved in such claims are many and complex, and require a specialist equal pay court or other authority to be involved.

3. Establish a new Pay Equity Advisory Commission

We recommend the Bill include the establishment of an office tasked with the promotion of pay equity and equal pay. Not all women workers are members of unions and, without such an office, individuals will not be able to afford the access to research and expertise required to make a successful claim.

Such a commission needs to have a broad role, including: gathering statistics and information

on comparators; carrying out research; and providing education. It needs to be separate from the Ministry of Business, Innovation and Employment, which has stated it will provide support to small business employers, but has not mentioned support for individual employees.

The Bill needs to ensure the new Advisory Commission is fully-informed about claims including their comparisons and assessments as well as the final outcome. This data will be needed by future claimants in order to inform their claims and by the wider community to evaluate the effectiveness of the Act.

There are a number of international examples from which New Zealand could select best practice.

4. Ensure Transparency of Information

In promoting pay equity, transparency is paramount. Women need everyone to know what their peers are getting paid, so that it is much harder for us to remain underpaid relative to our male colleagues. But the Bill only requires the parties to provide information on the claim to each other.

Some employers argue that complete pay transparency would significantly increase compliance costs. Employers are already required to collect and disclose information about pay rates to Inland Revenue and the addition of details of hours worked and more precise occupational categories would not be onerous.

This reporting requirement would bring New Zealand in line with other jurisdictions including Iceland, Germany and the Canadian province of Ontario. bring New Zealand in line with other jurisdictions including Iceland, Germany and the Canadian province of Ontario.

AWC and PECA will be speaking about these recommendations to the Parliamentary Select Committee on the Bill in late February and hope that they will be taken on board.

