

Gender occupational segregation and pay equity in New Zealand

Evidence, Institutions and Recent Reform

Australian Social Policy Conference 2026

Dr Lisa Meehan

Professor Gail Pacheco

Dr Thomas Schober



NEW ZEALAND POLICY
RESEARCH INSTITUTE
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission

Acknowledgement of country

We would like to acknowledge the Turrbal and Jagera peoples as the Traditional Custodians of the lands on which we gather today. We pay respect to the Elders, past and present, and extend that respect to all Aboriginal and Torres Strait Islander peoples.



**NEW ZEALAND POLICY
RESEARCH INSTITUTE**
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission

Disclaimer

Access to the data used in this study was provided by Stats NZ under conditions designed to give effect to the security and confidentiality provisions of the Data and Statistics Act 2022. The results presented in this study are the work of the authors, not Stats NZ or individual data suppliers. The results in this paper are not official statistics. They have been created for research purposes from the Integrated Data Infrastructure (IDI), which is managed by Stats NZ. For more information about the IDI please visit [https://www.stats.govt.nz/integrated data](https://www.stats.govt.nz/integrated-data).

The results are based in part on tax data supplied by Inland Revenue to Stats NZ under the Tax Administration Act 1994 for statistical purposes. Any discussion of the limitations or weaknesses is in the context of using the IDI for statistical purposes, and is not related to the data's ability to support Inland Revenue's core operational requirements.

This paper sits within a wider research programme, “Boosting productivity growth through creating equal workplace opportunities for all”, funded by a Ministry of Business, Innovation and Employment Endeavour Grant.

Areas to cover

- Occupational segregation: A long-run perspective
- Evaluating the productivity gains from workplace diversity
- Pay equity and worker outcomes: Evidence from the social worker settlement



**NEW ZEALAND POLICY
RESEARCH INSTITUTE**
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission

Endeavour programme

Boosting productivity
growth by creating equal
workplaces for all

Oct 2024 – Sept 2029

- A major national science and research funding programme administered by MBIE
- Objective – To support research with high potential to positively transform NZ's economic, environmental and societal outcomes
- Team of researchers from NZ, Germany, Australia, and Denmark
- Advisory group from policy and practice



**NEW ZEALAND POLICY
RESEARCH INSTITUTE**
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission



**NEW ZEALAND POLICY
RESEARCH INSTITUTE**
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission

Year 1A

Occupational segregation: A long-run perspective

Occupational
segregation

Undervaluation
of occupation

Pay
inequity

- Study long-term trends in occupational segregation
- Assess the role of occupational structure vs workforce composition.
- Census 1976 – 2023



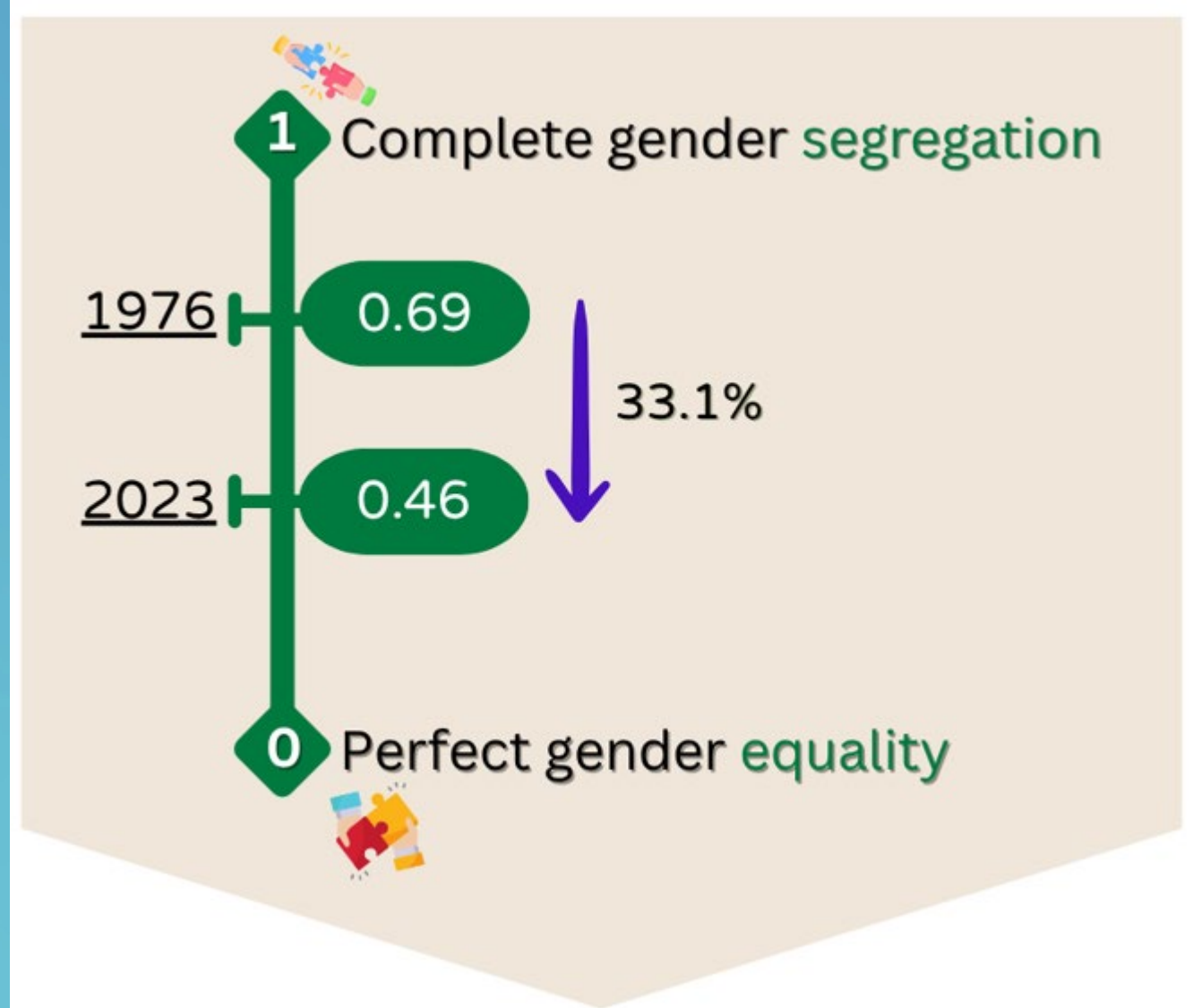
NEW ZEALAND POLICY
RESEARCH INSTITUTE
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission

Duncan Segregation Index

Measures occupational segregation, where 1 indicates complete gender segregation, and 0 perfect gender equality.



Fuchs Decomposition

Decomposes changes in occupational segregation into

- Occupational mix effect
- Gender composition effect

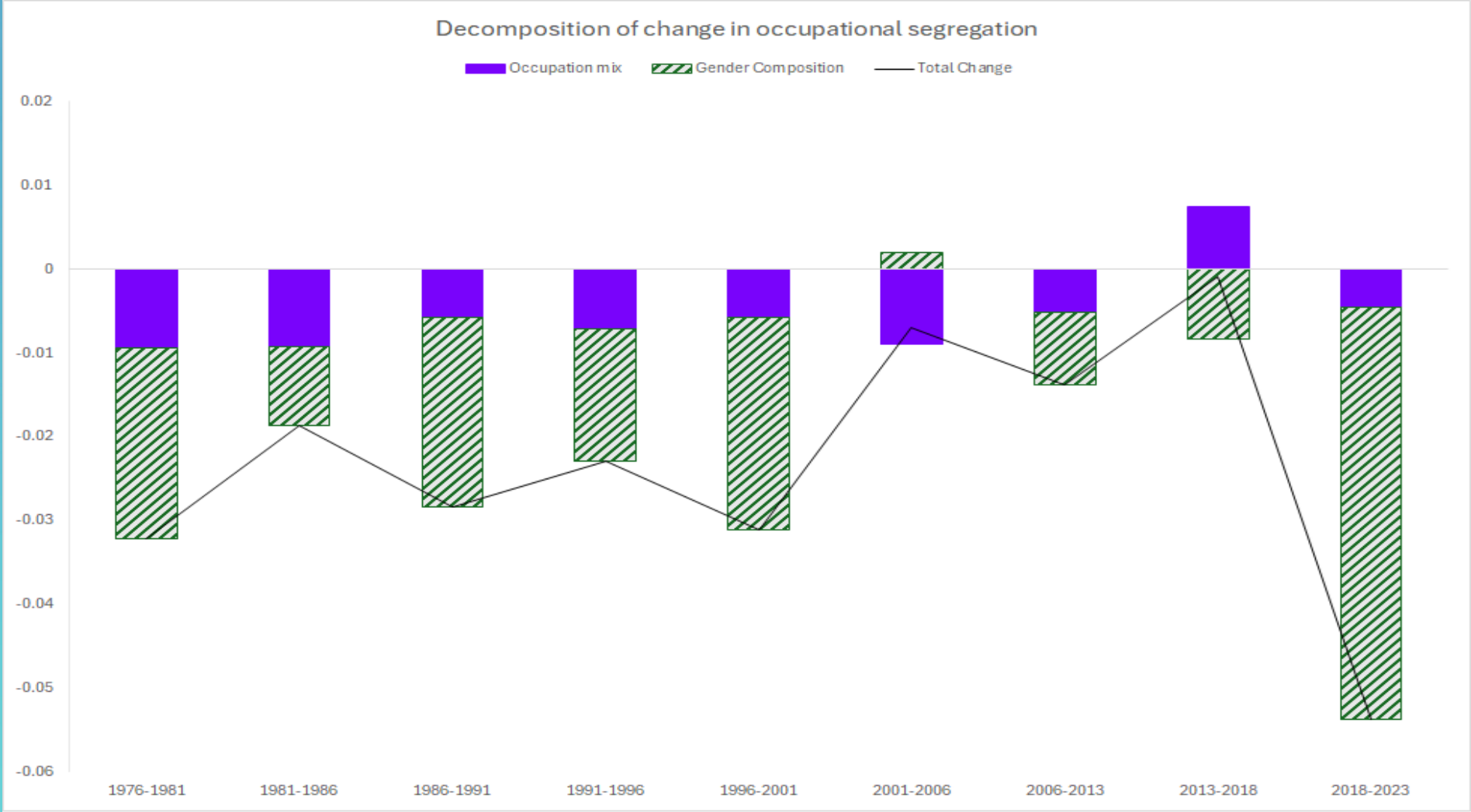


**NEW ZEALAND POLICY
RESEARCH INSTITUTE**
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission

Fuchs Decomposition



75%

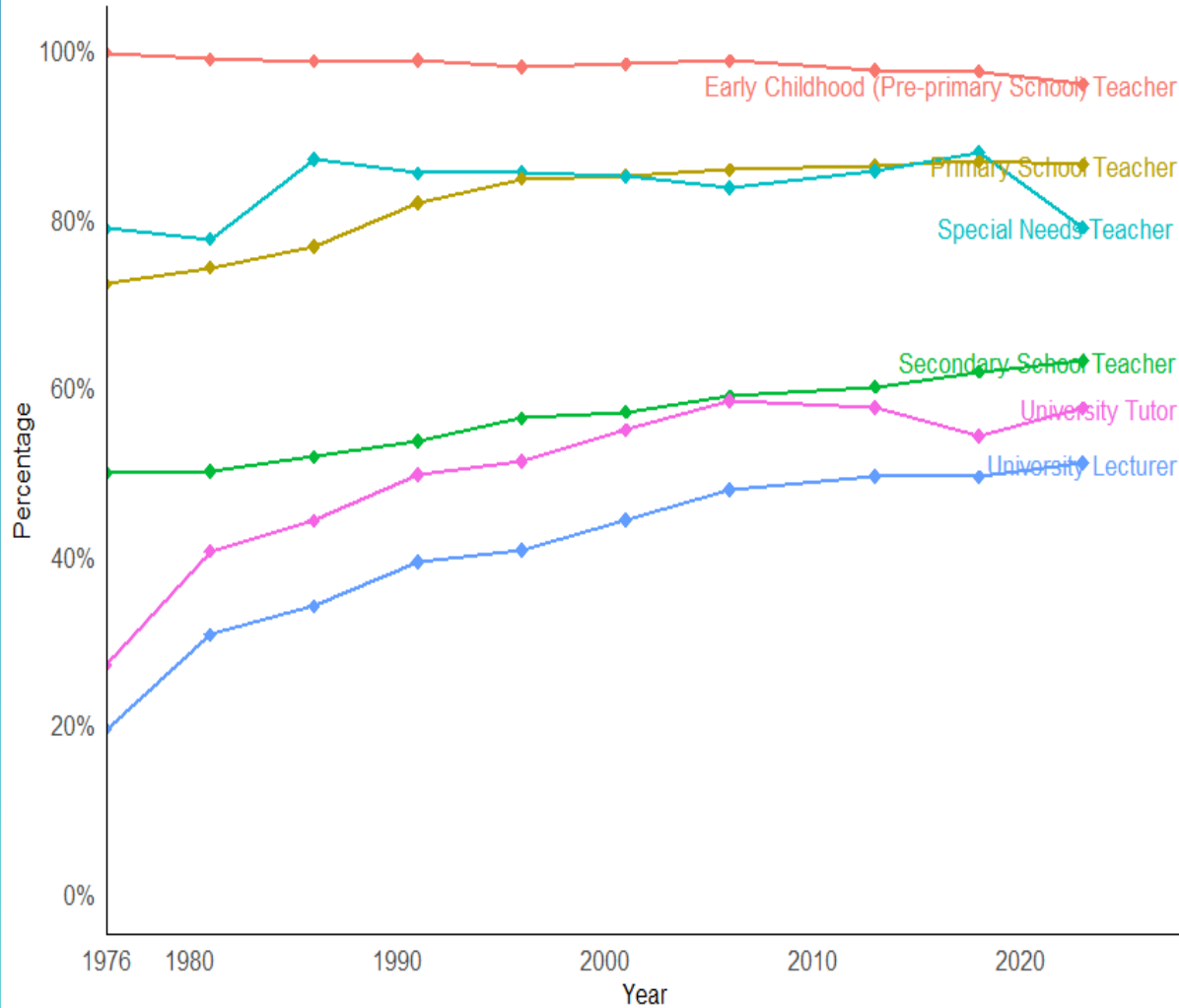


25%

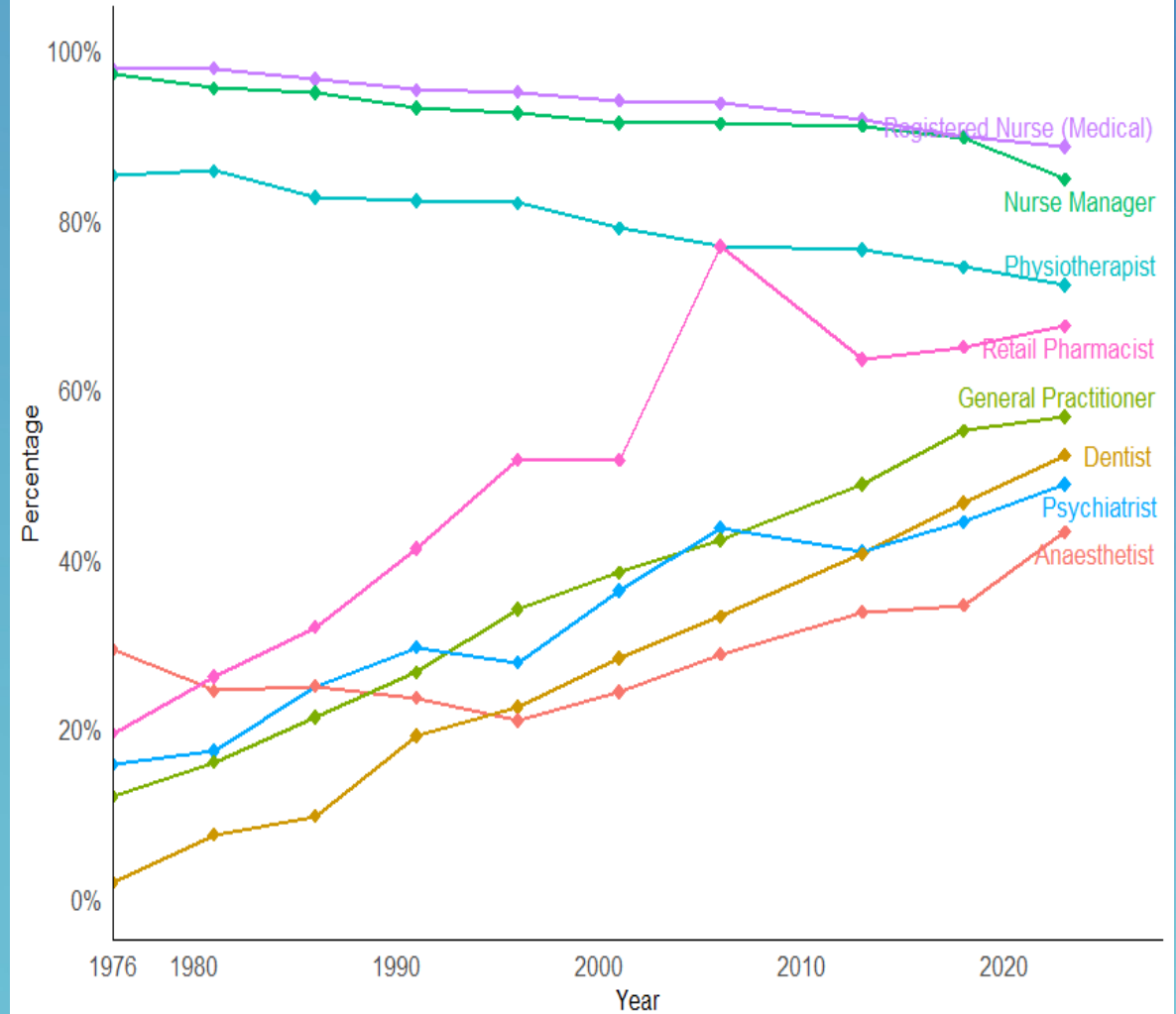


Spotlight on education and health

Share of women: Education



Share of women: Health



Conclusions

- Progress has been made, but occupational gender segregation remains across many sectors
- Desegregation has been asymmetric: women have moved into traditionally male-dominated occupations much more than men have moved into female-dominated occupations
- Robust, transparent, and well-resourced pay equity systems are essential to sustain fairness and uphold the fundamental human right of equal pay for work of equal value



**NEW ZEALAND POLICY
RESEARCH INSTITUTE**
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission

Year 1B

Examining the relationship between workforce diversity and firm-level productivity

- Mixed international evidence
- Potential benefits – productivity; innovation; wider set of perspectives, skills and networks to support problem solving; improved allocation of women and minorities across high productivity occupations.
- NZ is increasingly diverse



**NEW ZEALAND POLICY
RESEARCH INSTITUTE**
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission

Method

- Linked employer-employee data 2001 – 2023
- Diversity measured via fractionalisation (gender and ethnicity indexes)
- Model relationship between workforce diversity and firm productivity
 - Including controls for workforce composition, and industry-specific effects



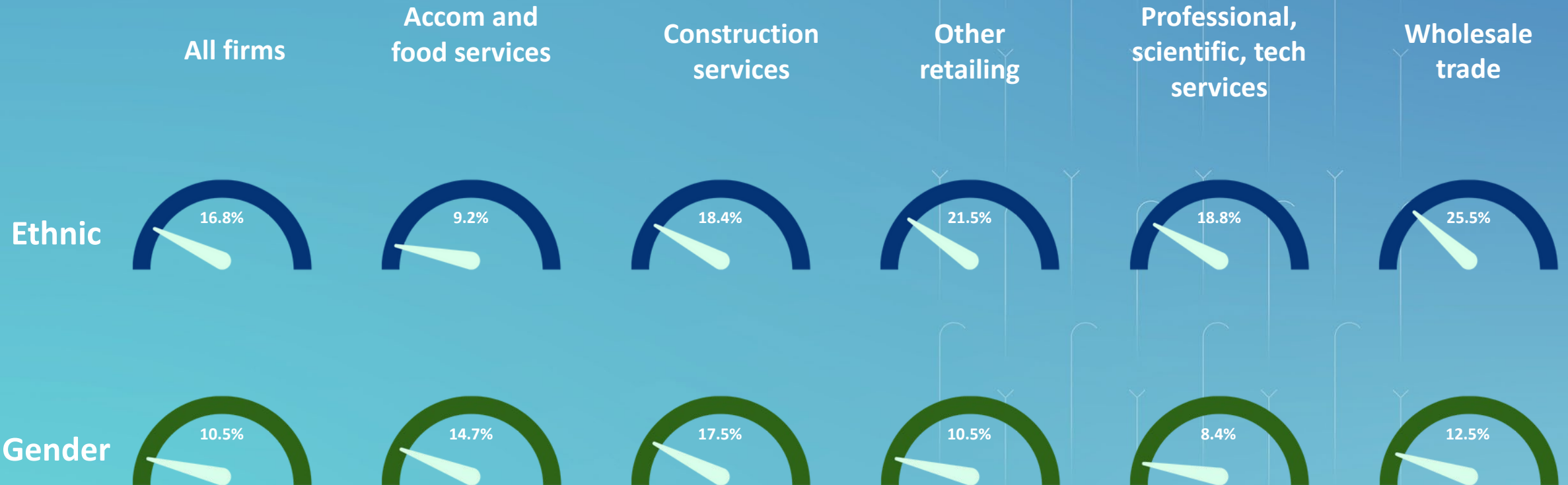
**NEW ZEALAND POLICY
RESEARCH INSTITUTE**
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission

Effects on productivity:

For every 0.1 increase in ethnic or gender diversity, total factor productivity rises by ...



Evidence is clear: Diversity is economically meaningful for firm productivity

Year 2

Pay equity and worker outcomes: Evidence from New Zealand's Social Worker Settlement

- Surprisingly little international evidence as to what the realised impacts are following a pay equity settlement
- 2018 Oranga Tamariki social worker settlement
- This research focusses on the extension of this to social workers in community and iwi organisations



**NEW ZEALAND POLICY
RESEARCH INSTITUTE**
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission

Different routes to fairer pay

Australia

- Fair Work Commission can make equal remuneration orders
- Modern awards can be adjusted to address gender-based undervaluation
- Social and community services: major equal remuneration case in 2012
- Recent gender-undervaluation reviews across care and community-sector awards

New Zealand

- Legal claims for equal pay for work of equal value
- Occupation-level pay equity settlements
- Focus on historic undervaluation of female-dominated work

Different institutional mechanisms; shared question: what happens when policy raises pay for historically undervalued work?

THE SPINOFF

POLITICS

POP CULTURE

ĀTEA

BOOKS

SECTIONS ▼

MORE ▼

PODCASTS

NEWSLETTERS

THE BULLETIN May 7, 2025

‘Dark day for NZ women’ as pay equity regime gutted under urgency



Catherine McGregor

Contributing writer

The Bulletin

[Share Story](#)

Kirsty Johnston
Investigative journalist

What did the settlement achieve?

Earnings

**Employment
attachment**

**Total
income**

**Health
outcomes**

**Education and
workforce entry**

**Benefit
reliance**

**Justice
outcomes**

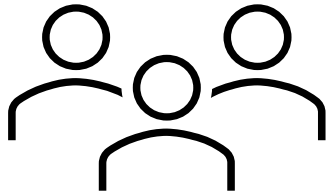


**NEW ZEALAND POLICY
RESEARCH INSTITUTE**
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission

Data



IDI

Integrated Data
Infrastructure

2018 and 2023
Census

Inland Revenue
earnings records

MOH
health records

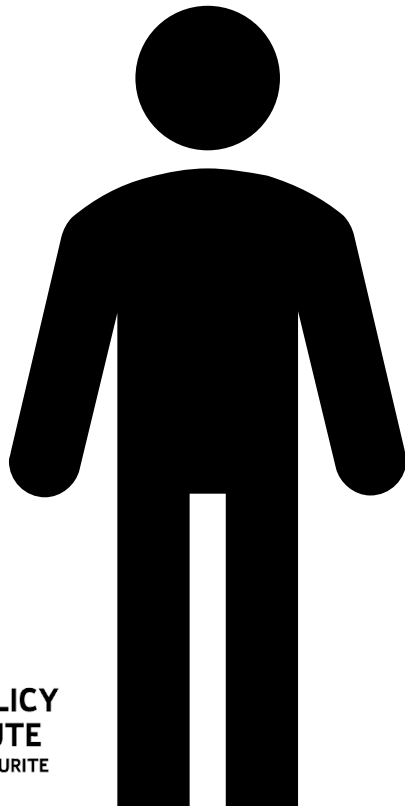
MoJ
justice records

MOE
education records

Method

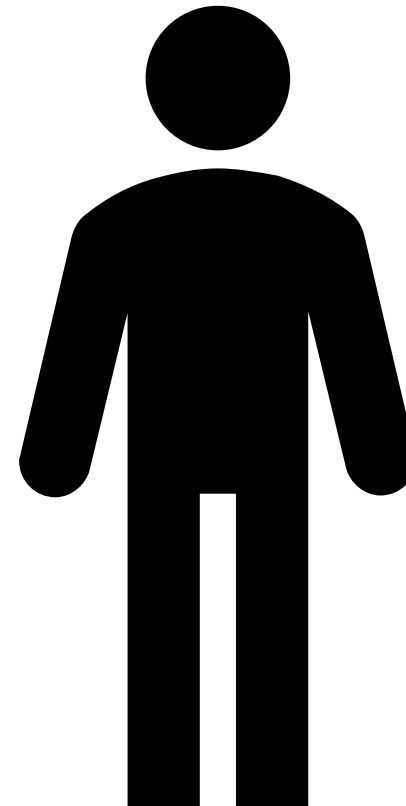
Doubly robust Difference-in-Differences

NGO Social Workers



Before and
after the
settlement

Non-social Workers



Key Insights

Earnings increased

+\$10,133 in the year following settlement

Income increased

+\$6,071

Reduced govt support

Employment attachment increased

+1.8% points

Essential workforce

Some positive effects on mental health



Conclusions

- Correcting historical undervaluation can produce measurable economic benefits
- Effects beyond increased earnings
- Doesn't tell us about:
 - longer-term impacts;
 - wider wellbeing indicators not in administrative data, such as job satisfaction, etc
 - spillover effects



**NEW ZEALAND POLICY
RESEARCH INSTITUTE**
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission

Thank you!

Questions?

lisa.meehan@aut.ac.nz



**NEW ZEALAND POLICY
RESEARCH INSTITUTE**
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission

Future workforce projections

- Māori constituted 17.4% of the working age population (WAP) in 2023
- Expect to comprise 19.9% of WAP by 2048
- 29.6% under 15 in 2023
- Pacific 8.7% (2023 WAP); 11.7% (2048)
- Asians 19.1% (2023 WAP); 37.4% (2048)



**NEW ZEALAND POLICY
RESEARCH INSTITUTE**
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission

THE SPINOFF

POLITICS

POP CULTURE

ĀTEA

BOOKS

SECTIONS ▼

MORE ▼

PODCASTS

NEWSLETTERS

THE BULLETIN May 7, 2025

‘Dark day for NZ women’ as pay equity regime gutted under urgency



Catherine McGregor

Contributing writer

The Bulletin

[Share Story](#)

Kirsty Johnston
Investigative journalist

Pay Equality

vs

Pay Equity



Everyone doing the **same**
role gets **paid the same**



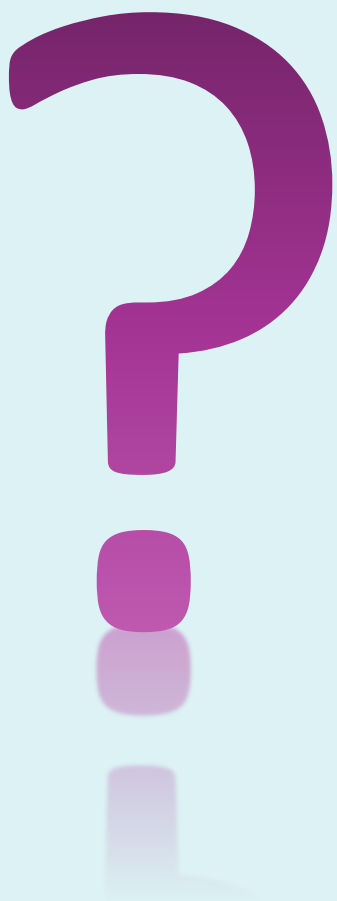
Equal pay for work of **equal**
value, even if the role is
different

Social work is a highly female-dominated profession

Fair remuneration matters for:

- Economic security
- Workforce sustainability
- Recruitment and retention





**What actually happens
when a major pay equity
settlement is
implemented?**

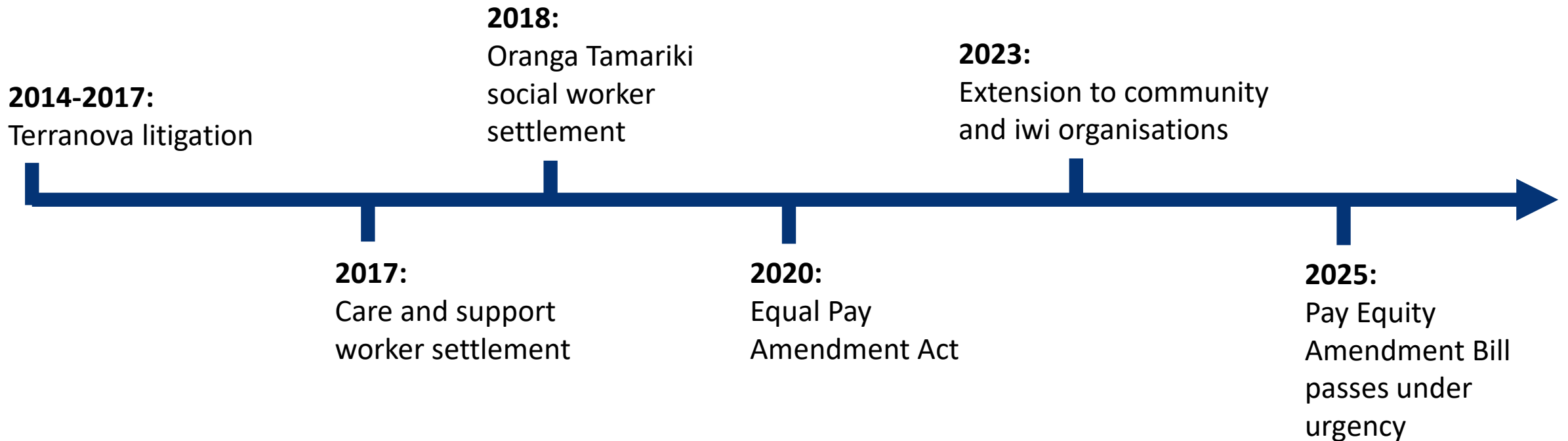


**NEW ZEALAND POLICY
RESEARCH INSTITUTE**
TE KĀHUI RANGAHAU MANA TAURITE

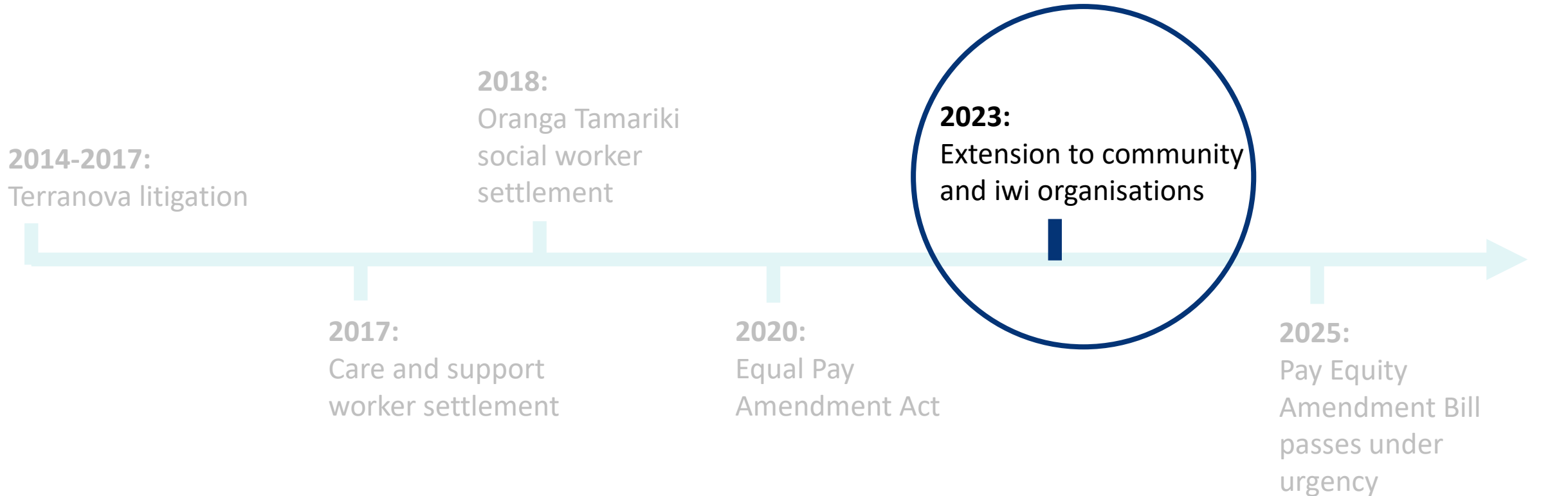


Te Kāhui Tika Tangata
Human Rights Commission

New Zealand's Pay Equity Journey



New Zealand's Pay Equity Journey



NEW ZEALAND POLICY
RESEARCH INSTITUTE
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission



Why Social Work?

Pay disparity



Oranga Tamariki



NGO and iwi

Social workers doing comparable work



NEW ZEALAND POLICY
RESEARCH INSTITUTE
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission

What did the settlement achieve?

Earnings

**Employment
retention**

**Total
income**

**Health
outcomes**

**Education and
workforce entry**

**Benefit
reliance**

**Justice
outcomes**

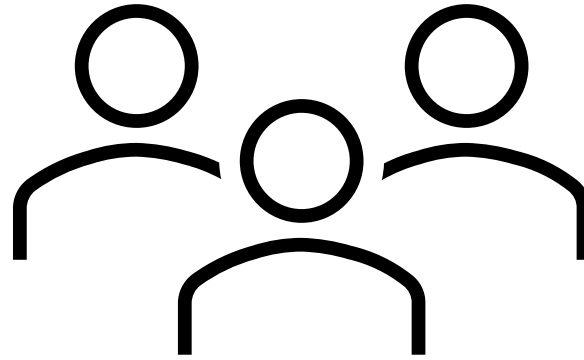


**NEW ZEALAND POLICY
RESEARCH INSTITUTE**
TE KĀHUI RANGAHAU MANA TAURITE



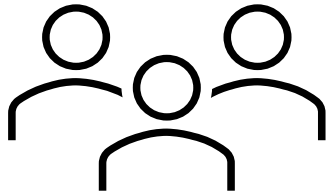
Te Kāhui Tika Tangata
Human Rights Commission

Data



IDI Integrated Data
Infrastructure

Data



IDI

Integrated Data
Infrastructure

2018 and 2023
Census

Inland Revenue
earnings records

MOH
health records

MoJ
justice records

MOE
education records



NEW ZEALAND POLICY
RESEARCH INSTITUTE
TE KĀHUI RANGAHAU MANA TAURITE

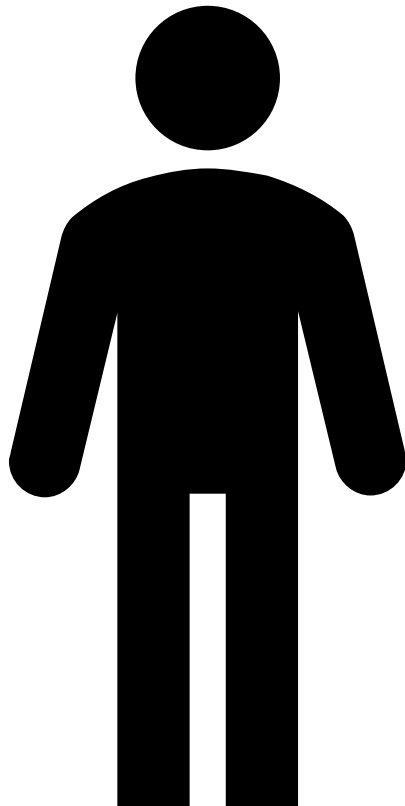


Te Kāhui Tika Tangata
Human Rights Commission

Method

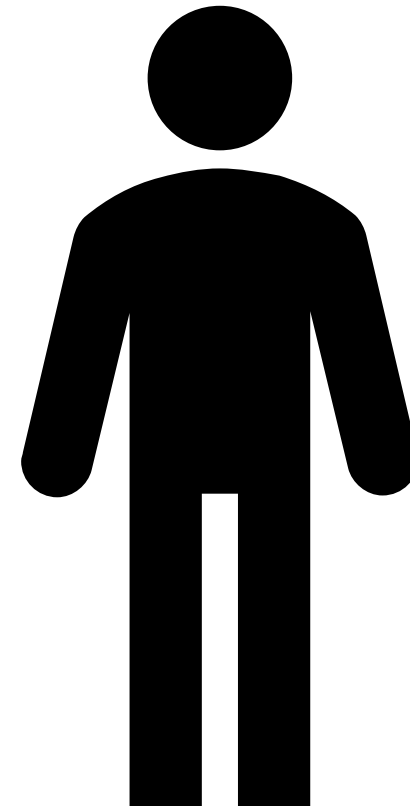
Doubly robust Difference-in-Differences

NGO Social Workers



Before and
after the
settlement

Non-social Workers



NEW ZEALAND POLICY
RESEARCH INSTITUTE
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission



NGO Social Workers

- Older
- Predominantly female (84%)
- More likely to be Māori
- More likely to be Pacific
- More likely to live in higher deprivation communities



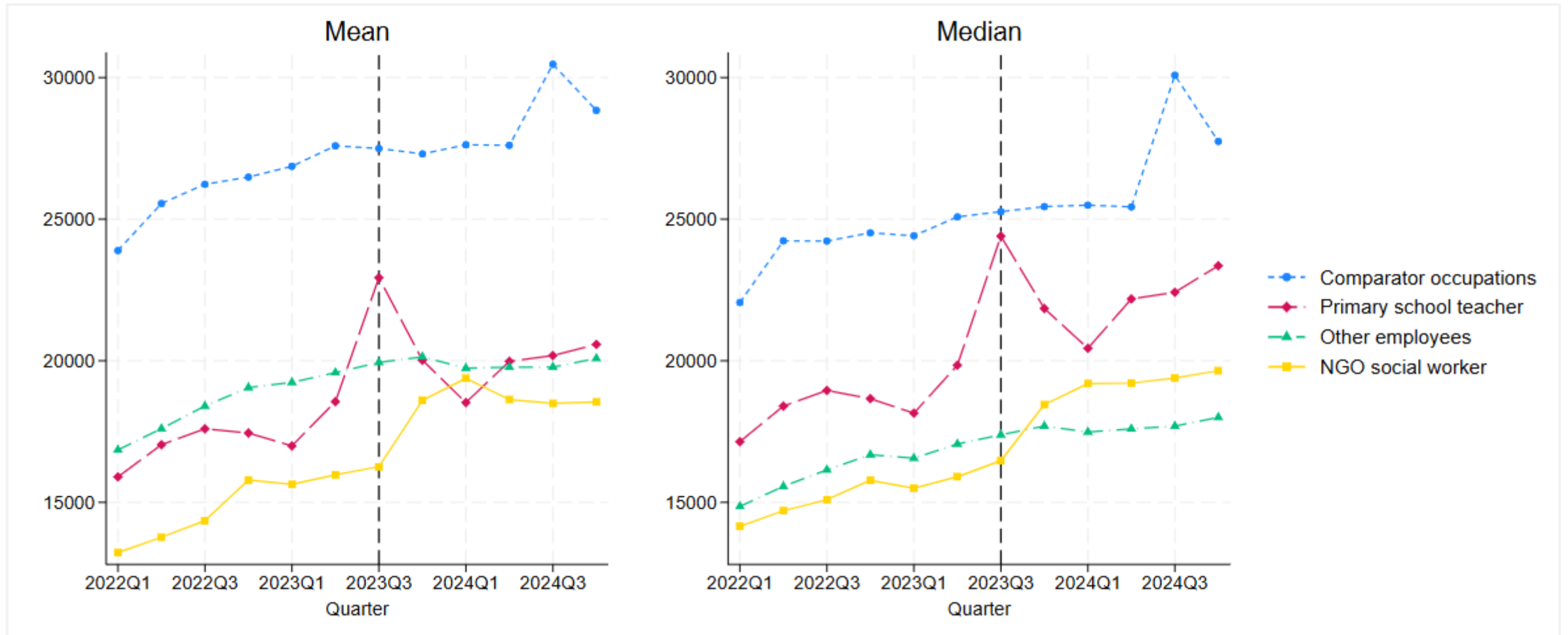
NEW ZEALAND POLICY
RESEARCH INSTITUTE
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission

What happened to earnings?

Observed earnings before and after



Note: Mean earnings are shown on the left and median earnings on the right. The vertical line marks the third quarter of 2023, the quarter in which the settlement took effect.



NEW ZEALAND POLICY
RESEARCH INSTITUTE
TE KĀHUI RANGAHAU MANA TAURITE



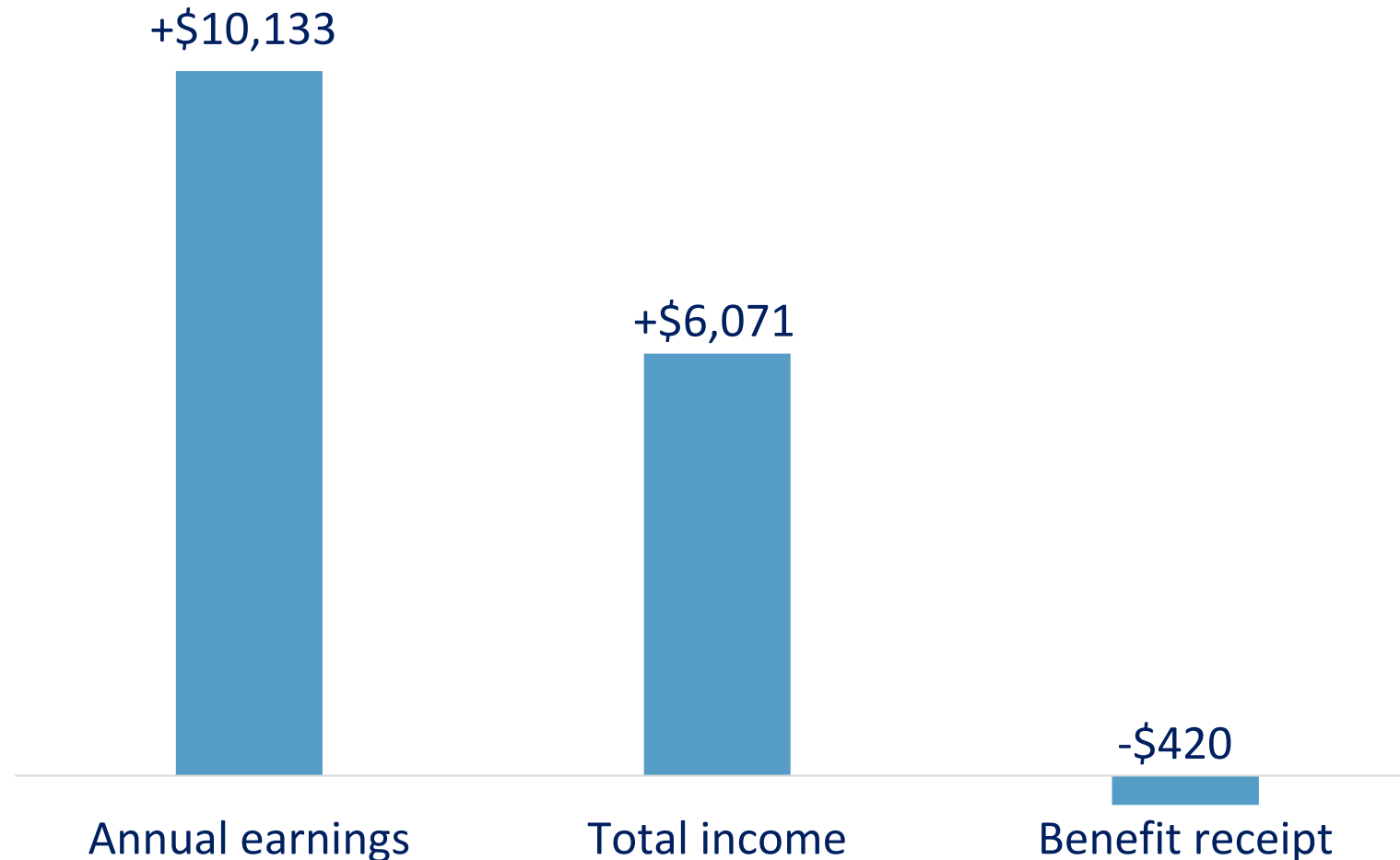
Te Kāhui Tika Tangata
Human Rights Commission

What happened to earnings?



Note: Effect is statistically significant at the 1% level, $p < 0.01$.

Effects of pay equity settlement 2022 - 2024



DiD estimates
Significant, $p < 0.01$



**NEW ZEALAND POLICY
RESEARCH INSTITUTE**
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission

Employment Retention

1.8

**percentage
points**

more likely to remain employed one year later



**NEW ZEALAND POLICY
RESEARCH INSTITUTE**
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission

Wellbeing

No strong evidence of immediate effects on

**Limited short-run
evidence**

Hospitalisations

Convictions

ACC claims

Police offending

**Suggestive
evidence**

Positive effects on mental health
outcomes



NEW ZEALAND POLICY
RESEARCH INSTITUTE
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission

Wellbeing

Unmeasured dimensions

Job satisfaction

Workplace morale

Stress

Professional
recognition

Quality of
working life

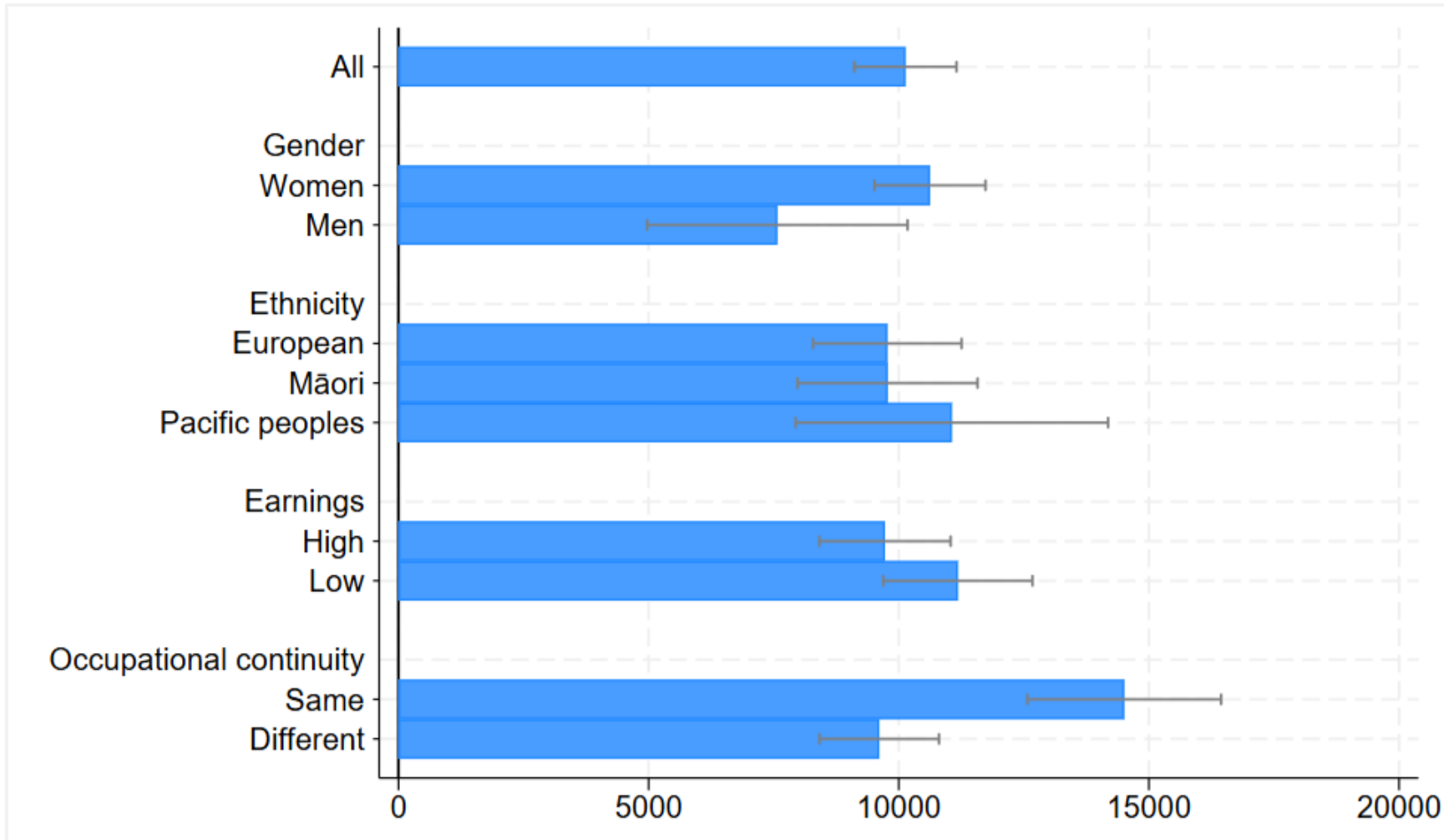


NEW ZEALAND POLICY
RESEARCH INSTITUTE
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission

Who benefited?



Note: Bars indicate difference-in-differences point estimates; capped lines indicate 95% confidence intervals.

Three Key Insights

Pay equity works

The settlement
generated
meaningful gains

Strengthens workforce attachment

Retention
improved

Pay equity is a labour market intervention

Not simply a
wage
adjustment





**Correcting historic
undervaluation can produce
measurable economic benefits**



NEW ZEALAND POLICY
RESEARCH INSTITUTE
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission

Remaining Questions



- Long-term wellbeing impacts
- Effects on recruitment into social work
- Workforce sustainability
- Service quality impacts
- Spillovers to other care occupations

Key Takeaways

- ✓ Earnings increased by approximately \$10,000 per year
- ✓ Total income increased
- ✓ Benefit reliance decreased
- ✓ Employment retention improved
- ✓ Evidence supports pay equity as an effective labour-market intervention

Thank you



**NEW ZEALAND POLICY
RESEARCH INSTITUTE**
TE KĀHUI RANGAHAU MANA TAURITE



Te Kāhui Tika Tangata
Human Rights Commission