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Fair Pay edition



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The Labour History Project Inc.

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Aotearoa New Zealand

For more information on LHP membership, activities, publications
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Email treasurer@lhp.org.nz

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Design: Hayley Young

Editor: Paul Maunder

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Editorial

Perhaps the worst crime of this National-led coalition government is its discrediting of the MMP system of voting, which was designed to allow the diversity of voters' voices to exist.

But proponents of the system presumably never thought that a party receiving 8% of the vote would be allowed by the senior partner, to attempt to change the constitution or the basic mechanisms of the public service. Now, we have to entertain the paranoid thought that a total corruption of political process could be planned and instigated.

Meanwhile, without even an attempt to consult, the coalition has knee capped the aspiration of a considerable sector of the working population seeking pay equity. That is par for the course when it comes to National's record on this matter, but at this juncture of what has been a very lengthy struggle to gain women's right to equal pay and when some significant progress has been made, it has justifiably caused outrage.

This bulletin is devoted to the issue. We have made a valiant effort to map the journey thus far, Toby Boraman provides some interesting historical asides, Therese O'Connell gives a heartfelt response, Te Pai Ora's submission to the government is useful as it gives a considered opinion of what is needed from here on.

To provide positivity, John Ryall has contributed the wonderful story of Lalopua Sanele, a union warrior; we have the results of the Bert Roth Award, the chair's report from the AGM and Linda Hill has plucked Wolfgang Rosenberg's book *Full Employment: Can the New Zealand economic miracle last?* from the archives.

This edition is then, rather dense, but that is the often legalistic nature of the subject matter, so we ask for your forbearance. And it is after all winter, so hopefully, there is plenty of time for reading.

Paul Maunder

Labour History Project (Inc) AGM: The Society's AGM was held on 28 July 2025.

Annual Report on the Operations and Affairs of the Society delivered by Gordon Anderson (Chair).

“May I begin with acknowledging the tragic death of one of our members, Dr Hilary Stace, following an accident in early July. I did not know Hilary personally but am aware of her active role in many areas of social justice.

In the context of this meeting I note her letter to *The Post* shortly before her death in which she wrote of the problem that will be at the front of the minds of many of you as labour historians: In part it read-

Why is the Government making historians redundant and closing the library at Manatū Taonga Ministry of Culture and Heritage... Is it because the Government does not want students and the public learning our Aotearoa NZ history? ...These valuable public servants have an influence far beyond the ministry providing resources and vibrant databases about our often unknown and neglected history, and such work has been funded by governments for decades. These job losses are very distressing on top of the recent redundancies and funding cuts at Archives NZ and the Turnbull Library. As a trained historian the minister should champion the profession, not decimate it.

Given these cuts your committee has been concerned, and is likely to increasingly be concerned, with steps it can take to preserve the history of working class New Zealanders with the limited funding we have available. I note that the first two objects of our constitution state:

- To work actively to promote and encourage a greater understanding of trade union and labour history in New Zealand.
- To work with other people and other organisations having an interest in recording the history of the trade union movement and labour history to ensure that permanent records are maintained and available to all researchers and students of history.

This constitution was approved at our last AGM and shortly after came into force when it was registered with the Registrar of Incorporated Societies.

The 2024-25 year has largely been one of business as usual –

- The *Bulletin* continues to be published under the able editorship of Paul Maunder and as always in the last year has published a wide range of articles.
- There have been relatively few public events this year, in part

because the excellent “Pakukore: Poverty by Design Conference” organised by the Stout Research Seminar late last year was around the time the LHP seminars occur. We are hoping to be involved with another Stout event later this year.

- Preparations are under way for this year’s Rona Bailey Lecture.
- The most significant task undertaken has been to begin an update and refresh of the LHP website. Grace and Greg have spent considerable time in bringing the site up to date and we are currently exploring ways in which to make it more attractive as a key source for labour history research – a role that will be increasingly important given the ongoing governmental cuts to historical research and resources.
- During the last year both the LHP and its members have been involved in protecting labour history in co-operation with other groups. Two are particularly worthy of mention:
 - Supporting the New Zealand Law Information Institute (NZLII) in its digitalisation of industrial agreements and judicial decisions pertaining to labour issues. The complete series of the Book of Awards is now digitalised as have been the decisions of the Court of Arbitration, Labour Court and so on.
 - The Te Herenga Waka, Victoria University of Wellington Business School has recently set up an institutional repository for all the publications of the Industrial Relations Centre and Centre for Labour, Employment and Work. In addition to various monographs from the 1970s onwards this includes the *Employment Agreements Updates* which tracked changes in collective agreements over several decades.

We hope that our website update will both add to these resources and expand them. Users of such resources are not restricted to academics and professional historians - the NZLII reported that it received a surprisingly large number of hits for the Book of Awards – family historians and novelists among others made considerable use of the resource.

For the future it is important that the LHP contribute to such work for the benefit of future generations.

Finally some thanks:

- First to the committee as a whole but in particular to our

Secretary, Claire-Louise, and Treasurer, Russell Campbell.

- Several committee members have not sought re-election this year – Ciaran, Greg and Joseph – so we would thank all of them for their work in the past.
- Finally special thanks are due to Joan McCracken for her support over many years at the National Library. Joan's contribution of her own time allowed the LHP to make considerable savings in venue costs and her presence allowed a largely seamless experience at various events."

Committee

The Committee elected for the coming year comprises:

Joint Chairs:	Gordon Anderson and Mary Roberts-Schirato
Secretary:	Claire-Louise McCurdy
Treasurer:	Russell Campbell
Committee:	Cybèle Locke Grace Millar Paul Maunder Toby Boraman Ross Teppett Maryann Nesbitt.

Membership and Finances

The Society has 105 individual and 11 Institutional members. The annual surplus of \$2,257.33 for 2024-25 was attributable principally to the low level of activity during the year. At the end of the financial year the Society had a balance of \$33,154.05.

Bert Roth Prize

The Bert Roth Award for Labour History was created by the Labour History Project in May 2013 in recognition of Roth's contribution to labour movement archives and history. It is awarded annually to the best work in the field of labour history published in the previous calendar year. This years winners see below.

Panel on Pay Equity

The AGM concluded with a panel discussion of the struggle for equal pay and pay equity with panelists Megan Cook, Linda Hill and Tessa Bowler. The panel discussed both the historical struggle for equal pay and pay equity and the realities for the furtherance of the struggle following the current Government's regressive amendments to the pay equity provisions of the Equal Pay Act.

I took two key points from the panel. The first was that whatever legislative reforms were achieved it was always in the face of ingrained opposition not only from employers but within significant elements in the public service. The second was that even once a legislative victory was achieved attempts to undermine it began. Tactics such as the invention of new employment classes and the like were widespread. The one positive note was that some pay equity claims were resolved and, importantly for the future, the processes for testing and resolving claims has been tested. Once the retrogressive amendments are reversed new claims will not start from scratch but from established precedents.

The Future

Finally I should acknowledge the members of the LHP whose support is vital to the furthering of the LHP's objects. With both Government and universities slashing of historians, societies such as ours will become more important in collating, collecting, publishing and otherwise supporting the history of working people in New Zealand.

News

Turnbull Research Grant for 2026.

Applications are invited for the Friends of the Turnbull Research Grant for 2026.

This is an annual research grant of up to \$20,000 which is available to scholars whose research involves use of the collections of the Alexander Turnbull Library.

Information, including the application form, is available at: <https://turnbullfriends.org.nz/research-grants/research-grant-applications/>

The closing date for 2026 applications is **Friday 3 October 2025**.

Women Will Rise! Fund

The Labour History Project invites applications for funding of up to \$500 to assist with research and/or publication in the history of female workers in Aotearoa. Contact chair@lhp.org.nz.

This year, the Melbourne Branch of the Australian Society for the Study of Labour History will host the Society's 19th Biennial Conference.

The conference will be held 26-28 November 2025 at the Victorian Trades Hall. Its theme is, The Spirit of 1975: Transformations in Australian Labour History.

Our three keynote speakers have already been confirmed. For more information, see <https://www.labourhistory.org.au/asslh-conference-the-spirit-of-1975-transformations-in-australian-labour-history/>.

Those wishing to propose a paper or a panel can do so here: <https://www.labourhistory.org.au/call-for-papers-the-spirit-of-1975-transformations-in-australian-labour-history/>

The Wellington Socialist Society's 2025 Ernie Abbott Memorial Lecture: The Life and Death (and Rebirth?) of Fair Pay Agreements - Ben Peterson

by Angus Crowe, Wellington Socialist Society chair.

In 2024, the Ernie Abbott Memorial Lecture was established by the Wellington Socialist Society to honour the memory of Ernie and all those who have given their lives in service to working people. Ernie Abbott was the Vice-President of the Caretakers and Cleaners Union and caretaker of the Wellington Trades Hall. He was killed on 27 March 1984 when an explosion ripped through Trades Hall. The Memorial Lecture is focused on labour, trade union, and socialist history in Aotearoa.

Our speaker for the 2025 Memorial Lecture was trade unionist Ben Peterson. Ben is an Assistant Secretary for Unite Union and the former Fair Pay Agreements (FPA) Strategic Coordinator for the New Zealand Council of Trade Unions (CTU). On the evening of 15 April, he gave an address entitled "The Life and Death (and Rebirth?) of Fair Pay Agreements," following an introduction by Graeme Clarke, President of Wellington Trades Hall. The event was ably hosted by Wellington Socialist Society member Amelia Byrnes.

In his introductory remarks, Graeme pointed out that the most well-known photo of Ernie is of him holding a cauliflower, which was taken as part of the campaign against rising prices. Graeme argued that while people back then complained about rising prices, there was never any "cost of living crisis" because even when price rises reached double percentage points, wages (and working conditions) were underpinned by national awards negotiated between an industry's employer organisation and the union that represented workers in that industry. Wage rises kept pace with price rises when strikes achieved extra gains outside of award negotiations and cost-of-living adjustments. This system, Graeme pointed out, had operated for a century through good times and bad. At its core was the notion that only one union could legally represent workers in an industry and the employer had to negotiate with this union alone. Awards were abolished by the Employment Contracts Act of 1991. The author of this legislation, Bill Birch, said the purpose was to remove union monopoly. This was generally taken to mean the end of compulsory unionism, but it also included abolition of a union's right to exclusive coverage. Graeme suggested that the central challenge for every trade unionist today is to re-establish union monopoly in this country.

Ben began his address by acknowledging Ernie's sacrifice and the

unionists of that generation who went through that traumatic event. He noted that the terrorist attack on Trades Hall was part of a broader process of political change that was happening at that time; the Rogernomics reforms that followed hot on the heels of the bombing were an "act of terrorism" he said against workers' rights that had been built up over the preceding 100 years. Despite these assaults, trade unionism has survived—and it will thrive again, he argued. The way Ben personally chooses to honour Ernie is to carry on the unionist tradition and to work to rebuild a strong movement in this country. Ben stated that he believes the best of the union movement is not in the past but is still to come – and that it's on us to act to make that hope a reality. He argued that the Ernie Abbott Memorial Lecture is an important part of the process of rebuilding the union movement and he expressed his appreciation to the Socialist Society for establishing the event. He believes we need more public forums to discuss unionism and the challenges the movement is facing.

Ben worked at the CTU on FPAs from when they were enacted by the last Labour government through to their untimely demise under the current National government. During this period, FPAs were initiated for workers in hospitality, supermarkets, cleaning, security, early childhood education, the ports, and bus driving. They arose from a recognition that although employment relations legislation provides plenty of space for unions to negotiate agreements with employers there is a lack of overarching industrial or occupational protections. The lack of this overarching framework has meant that while workers have sometimes been able to build up good pay and conditions with specific employers, new companies were nevertheless able to enter the market and undercut the pay and conditions workers fought hard to win. As a result, many industries have seen wages driven down. This has been damaging not just for the workers in those industries but also for the economy as a whole. When two out of every three apprentices we train jumps on a plane for Australia as soon as their training is finished, in search of better wages, that damages New Zealand's overall economic prospects. Ben credited Helen Kelly and the Labour-affiliated unions for fighting for fair pay agreements.

FPAs could be initiated in the same way collective bargaining for an agreement in a workplace is initiated. However, they could

also be initiated through a petition from workers in an industry requesting an FPA negotiation—the benchmark was a thousand signatures or 10% of the industry, depending on the size of the industry. Once initiated, the legislation compelled employers in that industry to release information to the relevant unions to allow them to organise and communicate with workers that would be covered. It also laid out a process that obliged employers to negotiate with the unions in that industry or occupational group towards establishing minimum standards across the sector. If negotiations failed to produce a consensus, the process would move to the Employment Relations Authority which would set the terms of the agreement – this provision was never tested in practice.

To Graeme’s point about union monopoly, Ben acknowledged that FPAs would not have re-established this principle, as workers would still have had to join their union. However, the FPA process could only be undertaken by unions. This, in Ben’s view, created huge organising opportunities for unions. Firstly, unions were provided access to a much greater number of workers to communicate with about unionism and the collective bargaining process. Secondly, the FPA process outlined a real, meaningful pathway to achieve better pay and conditions. By establishing an industry minimum, the already organised or more militant sections of workforces would have had their “leg iron” removed, allowing them to push forward pay and conditions instead of having to focus on simply keeping the bare minimum protections in place.

Despite extensive efforts by unions to get employers to see the sense of FPAs – not just for their workforce but also for the development of the broader economy – FPA negotiations were, as a rule, characterised by delay and obstructionism. This wasn’t helped by a lack of strong timelines in the legislation, which gave obstructive employers justification to play for time, and the inherent conservatism of the public service, especially MBIE, in the face of a significant change to industrial relations.

Nevertheless, notwithstanding the recent repeal of the FPA legislation, Ben believes that their return is inevitable; economic reality will necessitate greater state intervention into industrial relations in this country. As such, the union movement would do well to learn lessons from the first experience with FPAs, Ben argued. Firstly, unions should recognise the value of more open communication between different unions operating in the same industry. FPAs had encouraged this communication, and it led to recognition of many shared concerns between unions. In other words, unions should work towards developing a “focused and clear” strategic approach in each industry. Second, the experience of engaging directly with a much broader swathe of workers across a range of industries improved organisers’ networking skills and encouraged innovative communicative approaches.

At a political level, the main lesson for the Labour Party and the union movement, Ben argued, is that every moment counts, that progressing FPAs with urgency to ensure money ends up in workers’ pockets before the next election is essential to protecting the framework. Workers tend to fight to defend an industrial relations system when it has successfully delivered gains, less so when a system makes promises but hasn’t yet delivered. Given the acceleration of political change across the world at the moment, there are opportunities for the left to intervene, Ben believes. Whereas around the turn of the twenty-first century the left was forced to accept that change, if it was to happen at all, would be slow and often through bureaucratic channels, today the old order is coming apart at the seams and political upsets are happening frequently. In that context, the left needs to prepare to act quickly and decisively.

The 2026 Ernie Abbott Memorial Lecture will take place around the same date as this year. Keep an eye on Wellington Socialist Society social media channels or our website (www.socialistsocieties.org.nz) for the announcement of the event next year.



Bert Roth Award 2025

Judges: **Claire-Louise McCurdy, Toby Boraman, Paul Maunder.**

The Bert Roth Award for Labour History, named for the late historian Herbert Roth is presented annually by the Labour History Project. It is awarded to the work that best depicts the history of work and resistance in New Zealand published in the previous calendar year.

We take a broad perspective on the definition of labour history, including non-paid work, and pose the following questions:

- How well does the work reveal exploitation and people's efforts to challenge exploitation?
- Does it give voice to those whose histories remain out of view or marginal to mainstream history?
- Is it well written or presented and is the work accessible to the public?

Each year constructing the short-list and selecting the winner is a rewarding but sometimes problematic task for the judging panel, especially as many fine works give a sociological perspective on the working class experience, but the working class struggle is not central. The works short-listed show the depth and breadth of labour and social history in New Zealand.

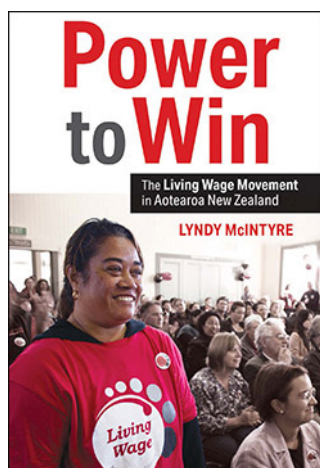
After some debate we were unable to separate the worth of two books and accordingly have awarded them both the top prize, even though they were very different works.

The 2025 Joint Winners were:

Lyndy McIntyre. *Power to Win: The Living Wage Movement in Aotearoa New Zealand* (Otago University Press)

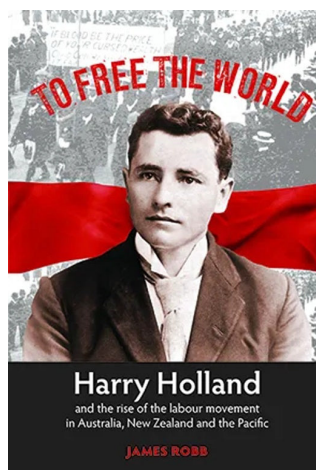
and

James Robb. *To Free the World: Harry Holland and the Rise of the Labour Movement in Australia, New Zealand and the Pacific*. (Steele Roberts Press)



'Power to Win traces the history of the living wage movement from its first steps in 2011 to it becoming in 2024 a recognized presence in the New Zealand bargaining environment,' wrote Mary Roberts-Schirato when she reviewed the book for the Labour History Project. Lyndy McIntyre, an experienced union organizer was involved in the movement from its inception so, in some ways,

the book is about her personal experience. She had learned of the concept from John Ryall who had worked with the Living Wage Movement in London. The movement became a classic example of community organizing, to bring unions, faith and community groups together to challenge an oppression felt by all their members. It was then a process of getting employers and the general public to engage with the process. Workers become spokespeople and their stories were vitally important. The book easily met all of the criteria.



James Robb's book on Harry Holland, *To Free the World* is more of the classic biography, and refutes the only previous biography of Holland, written during the cold war and casting him into the ranks of bitter, self centred and doctrinaire socialists. Instead, Robb portrays Holland as the dogged and consistent leader of the fledgling Labour Party as it struggled to gain acceptance on the parliamentary scene. New Zealand socialists

often had a previous history, with Holland no exception. So his time in Australia is well described as is his intense interest in the German labour movement and its Social Democratic Party. WW1 and its aftermath was a time of international ferment in the socialist movement, with Holland, always the self educator, becoming Labour Party leader in 1919, to suffer electoral defeat year after year. His anti colonial stand when it came to Samoa was exemplary, but his anti Chinese stance was unfortunate. This book

is well written, accessible, generously illustrated and provides a welcome insight into early Labour Party history and in its own way, met all the criteria.

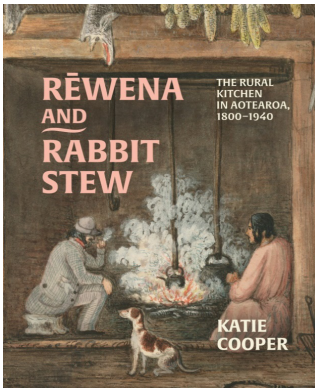
Other works which were on the short list

Te Hau Kāinga, The Māori home front during the second world war, by Angela Wanhalla, Sarah Christie, Lachy Paterson, Ross Webb



and Erica Newman, Auckland University Press, 2024.

This important survey, written by a collective of historians and students, reveals how WW11 and the mobilisation of the 28th Māori Battalion, was a watershed event for Māori, setting the stage for ‘a range of transformations, including post war urbanisation’ as the battalion was supported at home by home defence groups, women’s auxiliaries who undertook fund raising and the preparation of gift parcels for overseas troops, as well as entertaining US troops on leave at tourist spots. As well, land was developed, Māori men and women were conscripted into essential industries and many were drawn into forestry, food canning and other ventures. This important contribution to the war effort always struggled for, and gained, a limited tino rangatiratanga, with iwi insisting on working parallel to the Pākehā administration rather than being subservient to a singular national programme.



Rēwena and Rabbit Stew, the rural kitchen in Aotearoa, 1800-1940, by Katie Cooper, Auckland University press, 2024.

This well illustrated book tells of ‘how cooking and food production shaped the daily lives of homes and communities of rural Pākehā and Māori’. As a framework it notes that ‘the kitchen is the perfect

vantage point from which to examine aspects of everyday life and that the securing and preparation of food is the most vital of human endeavours’. But as well, the human species uses food ‘as a form of communication and a means of marking boundaries and cementing family and community relations’. There are obvious marked differences between Māori and Pākehā which are well illustrated, as well as the technological changes that have occurred in the kitchen during the period covered, from open fire and camp oven, to wood and coal range, to electric stove, with the hangi pit remaining ubiquitous throughout.

“Who wants to do something about rising prices?”: Consumer protest and the campaign against rising prices in Aotearoa New Zealand, 1966-1981, by Wilkinson, Cameron J. University of Waikato, MA thesis, 2024.

While the Campaign Against Rising Prices (CARP) in the 1960s and 1970s is familiar to most readers of Labour History, Cameron Wilkinson’s thesis seeks to place the campaign more securely within the mainstream history of Aotearoa. The campaign, with its use of regional, relatively independent branches, public meetings, pickets, submissions to government, media releases and economic boycotts in order to, at times, successfully challenge successive governments’ economic policy, the differences that arose between city and regional branches, its battle against being portrayed as

a communist front, its close ties to the union movement and its delicate dialogue with the wider feminist movement, offer important learnings for community-based activism.

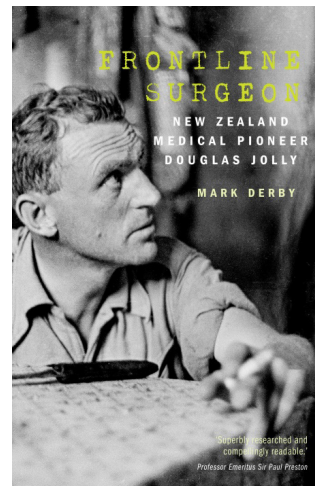
Poata Alvie Mckree, *The Handler*.

The Handlers by Te Pou Theatre is set in the 1970s, in the Handle room of the Crown Lynn pottery factory in Auckland. Crown Lynn’s Māori workforce was part of the post-war migration to cities; the play focuses on the experiences of Māori women workers. It explores their informal networks of organising that drew on whānau connections, and the tensions between their expectations and obligations and the requirements of factory work. Fictionalising Māori women workers’ struggles makes these important threads of labour history accessible to a different audience.

David Williamson and Candice Harris, *So How Did We Get Here? A Historical Case Study of Migrant Employment in the New Zealand Hotel Sector*. *Labour History*, Number 127 (November 2024): 125-44.

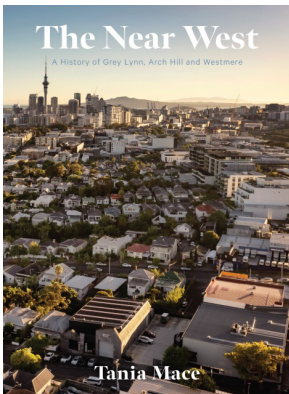
This article is a succinct and valuable employment relations style overview of the change from corporatism to neoliberalism in the tourist industry and especially in the privatised Tourist Hotel Corporation in the 1980s/1990s. It successfully argues that the ‘double-whammy’ of neoliberal employment relations legislation combined with the globalisation of hotel ownership caused long-lasting de-unionisation, low wages, and increased precarity – especially for migrant hotel workers.

Frontier Surgeon: New Zealand Medical Pioneer Douglas Jolly by Paul Mark Derby. Massey University Press, 2024.



The Spanish Civil War, which can be seen as the turning point of 20th century history, has long fascinated Mark Derby, in particular the involvement of Kiwi men and women as volunteers. There is no more notable volunteer than NZ surgeon, Doug Jolly. As the war became a modern war with its turning to air

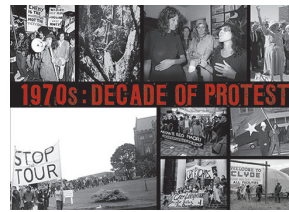
bombing and more modern artillery and the targeting of civilians, Doug Jolly pioneered methods of dealing with trauma caused by shrapnel, enabling many to survive what would once have been mortal injuries. These methods were then widely adopted by surgeons during WW11. Medical staff are workers and Jolly was a member of an international class of workers who fought fascism, and who are now given full recognition in this well researched and accessible book.



The Near West. A History of Grey Lynn, Arch Hill and Westmere by Tania Mace, Massey University Press, 2004.

This well-researched and beautifully presented history of an area of Auckland which has hosted an abattoir, a brick works, Hellaby's meat processing and other manufacturing; also hosting of course, the zoo, Western Springs Stadium and the Auckland Trade Union

Centre; had John A. Lee as its MP, but also provided organising centres for the Communist Party, the Polynesian Panthers and HART, as for a period, it had a high proportion of Maori and Pacific Islander in its demographic; is now a residential area for the wealthy professional. The book confines its framework to that of heritage rather than exploring a class narrative, but nevertheless, is rich in information and visuals.



1970s: Decade of Protest, Steele Roberts, 1974

An Editorial Team have collectively produced this wonderfully illustrated account of the 1970s in Aotearoa, which saw unprecedented numbers of people take to the streets to protest against injustice and for the environment, gay rights, housing, Māori land and language, women's rights, workers' wages and conditions — and to end apartheid, racism and war.

Geoff Bertram and Bill Rosenberg, 'The Employment Contracts Act 1991 and the labour share of income in New Zealand: an analysis of labour market trends 1939–2023', *New Zealand Economic Papers*, 58:3 (2024), pp. 261–287.

This article contains a wealth of wide-ranging historical statistical data about the labour share of income. By using new data about the 'wage ratio', they maintain the Employment Contracts Act 1991 and benefit cuts were the causes of a decisive downward trend that has continued since. Previous data found a slide in the labour share of income from 1981.

Articles

Fair Pay: Mapping the journey

Collated by the editor: **Paul Maunder**

With the current outrage at the Government's Equal Pay Amendment Bill 2025, I thought it useful for the Bulletin to try and summarise the trajectory of pay equity/equal pay/pay and employment equity campaigns and legislative wins and losses over the years. It can seem a confusing area to the lay person. I pulled together and edited Bulletin articles on the topic over the last seven years, mainly by Cybèle Locke, Linda Hill and Margaret Ledgerton, in order to map the journey. The text was then reviewed by Cybèle and Linda.

Gender pay gap is the difference between what women earn on average and what men earn on average. It is often expressed as the ratio of women's earnings to men's. For example, in June 2001 women's average hourly earnings were 84.3 percent of men's average hourly earnings.

Equal pay means that men and women doing the same job get the same pay rate.

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 comparable skills, years of training, responsibility, effort and working conditions. This is a policy principle in international conventions ratified by New Zealand.

Pay equity means that women have the same average pay as men (once any clearly justifiable differences, say in qualifications or hours, are accounted for).

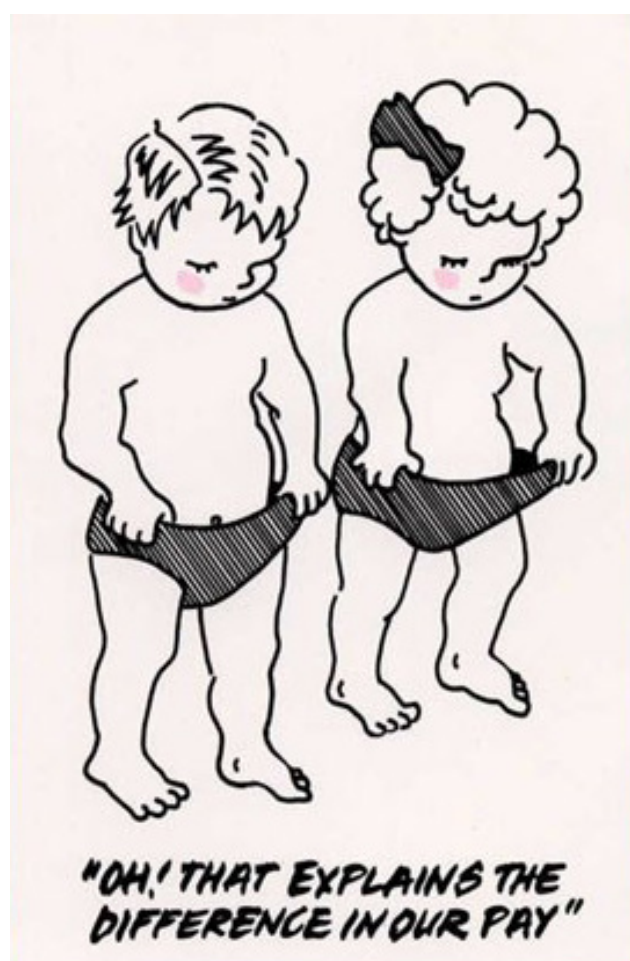
Comparable worth is what 'equal pay for work of equal value' is called in the USA and Canada.

Gender neutral job evaluations are a management tool to compare pay rates for different kinds of work. A points-based scale is used to compare the skills, responsibility, effort and work conditions in each job, then pay rates are set based on this comparison.

From *Next Steps Towards Pay Equity*, discussion document, Ministry for Women 2001

From Women's suffrage and the male breadwinner¹ –

In 1896, Pākehā women's groups came together nationally to form the National Council of Women; Kate Sheppard was the first president. They pushed for 'an equal wage for equal work' and to



UK cartoon

improve conditions for women who had to provide for themselves – unmarried, widowed or women who had no 'breadwinners'.²

The male 'breadwinner' wage concept and sex segregation in the workforce reinforced inequality for women. The ideal of the breadwinner wage originated from Britain and required that 'the wage earned by a husband ought to be sufficient to support his family without his wife and young children having to work for pay.' It was thus expected that the man's breadwinner wage would pay for two labours, one conducted at work and the other in the home. However, the man received the wage. And men

were paid the male breadwinner wage whether or not they had a wife and family. This gendered norm assumed that women in the workforce need not be paid this breadwinner wage because they were single, had no-one to provide for other than themselves, and would only be in paid employment for a short duration, until they were married.³

Pākehā women were a small portion of the workforce in the late nineteenth century and were limited to occupational choices deemed worthy of their sex: domestic servants, dressmakers, teachers, waitresses/hotel workers, housekeepers/maids, washerwomen, nurses, governesses, machinists and shop assistants.⁴

The New Zealand Arbitration Court, established in 1894, over time adopted the concept of a male breadwinner wage and women workers were paid 50% of the male rate. This system set the wage gap in place.⁵

The Depression

During the Depression, working women were not eligible for unemployment relief at all, despite the fact that it was commonplace for single working-class and some middle-class women to be in employment and contributing to their family households until they were married. The Working Women's Movement was formed in 1934, which included a branch of Māori women in Huntly. Key demands were: no discrimination against married or single women in employment or relief; no discrimination between Māori and Pākehā; equal pay for equal work.⁶

After 1935, the first Labour Government went some way to addressing these demands: the 1938 Social Security Act entitled Māori and Pākehā to the same welfare benefits, and all workers, except married women, were eligible for an unemployment benefit. The industrial relations system was amended to include domestic service, farm labouring, clerks, shop assistants, teachers, nurses and public servants, and many women become unionised for the first time. However, women's minimum pay rates were set at 47 percent of men's minimum pay rates, institutionalising the gender pay gap.⁷

Post World War Two

The 1940s, when soldiers returned home from war, through to the 1960s, is known as the high point for the idealisation of women as wives and mothers. The male breadwinner custom came back into vogue. Despite this, married women's participation in the workforce quietly rose: married women made up 25 percent of the female workforce in 1951, by 1966, married women were 41 percent of the female workforce. Almost half of the married women in the workforce were still in their child-bearing years.⁸ Women continued to work in a narrow range of industries – manufacturing, trade, as well as community, social and personal services. In 1971, one third of women engaged in full-time work were clerical workers.⁹ During the 1950s and 1960s, encouraged to fill New Zealand's labour shortages in urban-based, low-paying, industrial production jobs, Māori and Pasifika people migrated into urban workforces.

The PSA campaign for equal pay for women in government employment

The first equal pay campaign was waged by women in the Public Service Association (PSA), which represented state employees. In 1921, the government had stopped appointing female cadets and would only hire women clerks as "temporary worker". During the 1940s, PSA women Mary Boyd, Rona Bailey and Kate Ross, who worked with the Wellington section leader Jack Lewin, campaigned for women to be permanent members of staff and be appointed at equal rates of pay to men. They achieved permanency in 1947; the marriage bar was eradicated and in March 1948, women were granted maternity leave for 6 months without pay. Married women therefore gained some standing as workers in the public service.¹⁰

Margaret Corner writes that one hundred PSA women gathered in Wellington in July 1952 to campaign for equal pay. Members of this campaign argued, "We pay the same tram fares, we pay the same in restaurants and in boarding houses – but we don't get the same pay. We ask for nothing extra, but only for equal treatment. They say we get special privileges – I don't know of any!" And another asked, "Are women prepared to accept the indignity of being cheap labour? We reject this. We must prepare ourselves for the responsibility that goes with equal treatment. We must aim to stop this iniquitous system of having jobs filled by 'men' and 'women'. We must aim for a situation when we are all regarded as human beings, doing a job of work." They unanimously supported "rate for the job".¹¹

A Wellington PSA Women's Committee led the equal pay campaign in 1954. They organised a women's conference, and took the Jean Parker test case to the Court of Appeals, which found in the PSA's favour. In retaliation, the Public Service moved Parker from high on the female scale to the bottom of the male career path at two thirds of the salary. This fuelled huge public support for equal pay. This turned the PSA issue into a society-wide one, and the Council for Equal Pay and Opportunity was established in 1957, representing 21 trade unions and women's organisations.¹²

The Government Service Equal Pay Act was passed in 1960. S.3 of the Act contains both provisions for equal pay – by the elimination of pay differentials by sex in government pay scales – and equal pay for work exclusively or predominantly done by women, by having regard to the pay of women in mixed-sex occupations for which equal pay had already been achieved. The implementation committee did not find this easy, and Elizabeth Orr gives examples. It decided to compare nurses to other undervalued female professions rather than to the minority of male nurses who were on higher pay. The work of shorthand typists was compared with skilled tradesmen and given a top rate £2 lower.¹³

There was a general assumption that equal pay would flow on from the Government Services Equal Pay Act to women's wages in private sector jobs, but this "was probably naïve". Equal pay claims for women in electrical trades and engineering were rebuffed by the Arbitration Court.¹⁴



Nurses campaign in Hastings – date unknown.

Gaining equal pay in the private sector

It took twelve more years before women won equal pay legislation for the private sector. Members of the Shop Employees' and Clerical Workers' unions became active in the private sector equal pay campaign of the 1960s, re-energising the Council for Equal Pay and Opportunity. The campaign was also bolstered by the women's liberation movement, which emerged in 1970. Australia implemented equal pay for women and men in the same job in 1960, but New Zealand women were clear that equal pay should apply to all women's occupations, in keeping with the International Labour Organisation (ILO) principle of equal pay for work of equal value. When the government appointed a Commission of Inquiry on the recommendation of the National Advisory Committee on the Employment of Women (NACEW), its terms of reference included ILO 100.¹⁵

When the Equal Pay Act was passed in 1972, the Minimum Wage Act set the rate for women at 73 percent of the minimum rate for men. By 1978, after the Equal Pay Act had been implemented through the national wage award system, women's average ordinary time hourly pay had increased to 78 percent of men's average hourly pay.¹⁶

For the most part, the Act was implemented by removing separate female pay scales where women did the same work as men. For work predominantly done by women, the Act required "the rate of remuneration that *would* be paid to men" – often referred to as the "hypothetical" or "notional" male rate – with the same or

substantially similar skills, responsibility, service (experience), conditions and degrees of effort. Female trade unionists worked very hard to push for comparisons of skill and responsibilities with male-dominated work, and were sometimes successful. The Clerical Workers Unions achieved relativity between the clerical pay scale and the carpenters' award – for a while. Elizabeth Orr, on both committees that reviewed progress over the implementation period, considered the Act "only partially successful", not because of the wording but because of the attitudes of the men called on to implement it.¹⁷

The Working Women's Charter

In 1975, Wellington Shop Employees' Union organiser Sonja Davies established the Working Women's Council and women came together to create the Working Women's Charter in 1977 as a tool to achieve women's equality.¹⁸

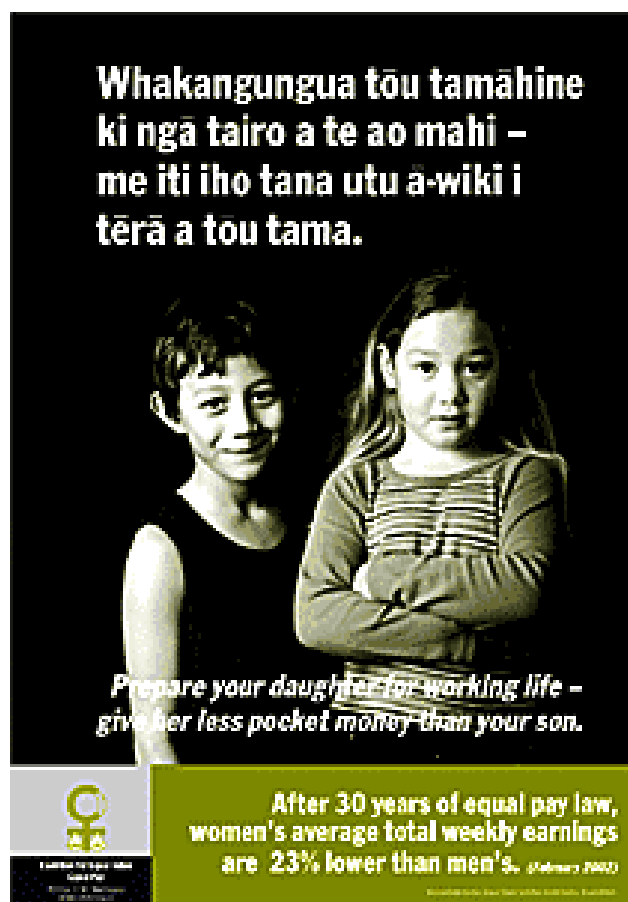
1. The right to work for everyone who wishes to do so.
2. The elimination of all discrimination on the basis of sex, race, marital or parental status, sexuality or age.
3. Equal pay for work of equal value – meaning the same total wage plus other benefits.
4. Equal opportunity of entry into occupations and of promotion regardless of sex, sexuality, marital or parental status, race or age.
5. Equal education opportunity for all.

6. a) Union meetings to be held in working hours.
b) Special trade union education courses for women unionists to be held with paid time off for participants.
7. Equal access to vocational guidance and training, including on-the-job training, study and conference leave.
8. Introduction of a shorter working week with no loss of pay, flexible working hours and part-time opportunities for all workers.
9. Improved working conditions for women and men. The retention of beneficial provisions which apply to women. Other benefits to apply equally to men and women.
10. Removal of legal, bureaucratic and other impediments to equality of superannuation, social security benefits, credit, finance, taxation, tenancies and other related matters.
11. Special attention to the needs and requirements of women from ethnic communities, as they see them.
12. Wide availability of quality childcare with Government and/or community support for all those who need it, on a 24-hour basis, including after-school and school holiday care.
13. Introduction of adequate paid parental leave (maternity and paternity leave) without loss of job security, superannuation or promotion prospects.
14. Availability of paid family leave to enable time off to be taken in family emergencies, e.g. when children or elderly relatives are ill.
15. Sex education and birth control advice freely available to all people. Legal, financial, social and medical impediments to safe abortion, contraception and sterilisation be removed.
16. Comprehensive Government-funded research into health questions specific to women.

When Davies proposed the Charter as a remit at the 1978 Federation of Labour (FoL) Conference, she was laughed at by men in the room.¹⁹ However, with a concerted effort by women nationally, the Working Women's Charter was adopted by both the FoL and the Labour Party at their annual conferences in 1980. And by 1984, the Combined State Unions, representing public sector unions, had followed suit.²⁰

The short lived Employment Equity Act of 1990

By 1985, clerical workers' pay rates had slipped below the award rates for carpenters, and the Clerical Workers' Unions had little success in raising this in bargaining with employers. So they took a case to the Arbitration Court under the Equal Pay Act, arguing that the standard clerical rate had now fallen to a "depressed female rate of pay" and submitted that the Equal Pay Act allowed equal pay comparisons between typically-female occupations and a "notional male rate". The Court declined jurisdiction, as equal pay had been implemented in 1972-1975.²¹



CEVEP poster

Instead of appealing this, clerical workers turned to the political arena. The Coalition for Equal Value, Equal Pay (CEVEP) was formed in 1986 as an umbrella group for unions organising female-dominated work and women's organisations. Working with Labour women, they pushed for additional legislation that would provide a claims process for equal pay for work of equal value. It would also require 100+ employers to address equal employment opportunity (EEO) for women, Māori, Pacific Island and disabled workers (as in the State Sector Act 1988). New Zealand had ratified ILO 111 on EEO in 1985, as well as ratifying ILO 100 on equal pay for work of equal value and the Convention to Eliminate Discrimination Against Women on the basis of the existing 1960 and 1972 Acts.²²

Studies in 1988 and 1990 showed that paid work was highly segregated by sex – and few occupations were genuinely mixed. Women were concentrated in a narrow band of occupations and at the bottom of most labour hierarchies. Māori and Pasifika women were even more concentrated in low-paid and vulnerable manufacturing and service work.²³ Statistics NZ began providing survey data on average hourly pay by sex from 1974, but this was only available by ethnicity from 1997.

In 1988, the Labour government appointed a Working Group on Equal Opportunity and Equal Pay, which recommended new

legislation to provide a clear legislative directive to the courts.²⁴ At the same time, New Zealand's first work on a job evaluation system was developed and trialled, resulting in the publication *Equity at Work*.²⁵ Crucially, it recognised the human relations and emotional factors in jobs, often identified in women-dominated occupations, as well as the more traditional mental and physical factors.²⁶



The Pay Equity Challenge coalition (2013–2020) protested employers short-changing women.

After four years of campaigning, the Employment Equity Act was passed in September 1990. It provided for a Commission for Employment Equity, which would have a Pay Equity Bureau and Equal Employment Opportunities Unit. Ten pay equity claims nominating male comparators were lodged with the new Commission as soon as it opened its doors. Then the National Party won the 1990 election, and in December repealed the Employment Equity Act.²⁷

In 1991, the National government introduced a Social Security Amendment Act, cutting welfare benefits for sole parents, unemployed and sickness beneficiaries back by an average of 20 percent. That same year, the Employment Contracts Act was passed, which abolished the national award system, including arbitration and compulsory union membership, deeply threatening trade union survival. Union membership in New Zealand was effectively halved in two years and unions went into survival mode. This economic and industrial climate dealt campaigns for pay equity and equal employment opportunity a severe blow.

Taking a policy approach

In December 1999, a Labour–Alliance government came to power, with Margaret Wilson as Minister for Labour and Laila Harré as Minister for Women. This time Labour took a policy approach to pay equity, rather than introducing legislation which could be repealed. And it focussed on the public sector only.

Margaret Ledgerton describes this as a long-term, strategic and

comprehensive approach to embed both pay and employment equity. The development of tools for organisational reviews and gender neutral job assessments at this time contributed to a base of knowledge, experience, resources and planning that continues to be relevant today. The government released a public discussion document written by Linda Hill, then established a tripartite pay equity steering committee and a Taskforce on Pay Equity in the Public Service, Health and Education, which commissioned research. The Taskforce's recommendations were adopted by the government in March 2004, which set up a Pay and Employment Equity Unit in the Department of Labour and released a Five Year Plan of Action 2005–2009.²⁸

The Plan of Action was to be implemented in three phases: in phase one, the Public Service, Public Education and Public Health sectors; phase two: crown entities and state owned enterprises and those whose employment was funded by government through outsourced contracts; and phase three: local government, not-for-profit organisations and the private sector.

The Pay & Employment Unit developed tools for organisational review, identification of potentially undervalued jobs and gender neutral job evaluation. Government departments undertook pay and employment equity reviews and implementing response plans (involving employers, employees and unions). Investigations of possibly undervalued female-dominated occupations were initiated by employees or through collective bargaining. These were prioritised and subsequent settlements were funded on decisions by a tripartite forum.

Gender neutral job evaluation

Margaret Ledgerton writes²⁹ that New Zealand's first customised job evaluation system was developed and trialled in *Equity at Work* (1990).³⁰ This was a more gender-neutral model than the commercial job sizing available systems at the time. Crucially, it recognised the human relations and emotional factors in jobs, often identified in women-dominated occupations, as well as the more traditional mental and physical factors. Significantly for the future of pay equity claims, it contributed to job evaluation across the Public Service after the State Services Act 1988 had swept away public-sector-wide classifications and occupational bargaining, and each departmental CEO as employer developed their own system.

The Trade Union Education Authority developed programmes on job evaluation, in addition to its EEO and “good employer” education programmes. These focused on technical requirements and implementation, focusing on adapting imported systems to reduce gender bias wherever possible.³¹ They provided the first generally available, non-commercial, education programmes aimed at reducing gender bias – essential to evaluation of women-dominated occupational and comparator groups in making a pay equity claim.

The role of the Pay and Employment Equity Unit was largely capacity building in organisations involved, through provision of specialised tools,³² guidelines, education and training packages,

technical advice and a \$1m per annum Contestable Fund to help resource union and employer participation.

By 2008, all public service departments, district health boards, primary and secondary schools, and most universities and polytechnics had completed a pay and employment equity review and developed a response plan.³³ Child Youth & Family social workers and education support workers³⁴ were undergoing job and pay investigations, no pay adjustments had yet occurred when all such work was discontinued by the incoming National government. The Pay & Employment Equity Unit was disbanded.

In February 2009, the new Minister Tony Ryall described the pay investigations as “remuneration pressure that is unaffordable”. He issued a paper on Government Expectations for Pay and Employment Conditions in the State Sector that put responsibility for this onto CEOs with close reporting requirements to the State Services Commission. These expectations included no mention of sex, gender, ethnicity or pay gaps.

The State Sector Act already required CEOs to be “good employers” and report on Equal Employment Opportunity for women, Māori, ethnic or minority groups and persons with disabilities. In 2017, in providing labour market data for the Mana Wāhine claim before the Waitangi Tribunal, Linda Hill and Sue O’Shea reviewed years of State Services Commission reports on EEO and pay gap in the public service and wider state sector. They were formulaic, “like a series of weather reports”. No reports were found of any policy action taken.³⁵

The Kristine Bartlett victory

In 2012, caregiver Kristine Bartlett and the Service and Food Workers’ Union took a test case to the Employment Court on equal pay for work of equal value under the Equal Pay Act 1972. They argued before a full three-judge Court that Bartlett’s low rate of pay at \$14.32 an hour, 71c above the minimum wage after 20 years of experience in aged care, was “based on her gender rather than her skills, effort and responsibility”.³⁶ “Bartlett’s pay rate should be the same as for jobs done predominantly by males that required the same level of skill, responsibility, experience and effort under similar conditions.”³⁷ CEVEP was invited to be a “friend of the court” in support of Bartlett’s claim, and was able to contribute historic evidence on the background, purpose and parliamentary intentions in passing the 1972 Act, including compliance with New Zealand’s UN obligations to address equal pay for work of equal value. “Rest home care was a prime example of ‘women’s work’ at low rates of pay that reflected the occupation’s history as unpaid work within the family.” The Human Rights Commission also supported this claim, arguing that there was a “link between low rates of pay in care-giving and women being the predominant workers. This reflected historical and structural gender discrimination.”³⁸

In August 2013, the Employment Court found in favour of Bartlett and the SWFU,³⁹ confirming that equal pay for work done predominantly by women is to be determined by what men would be paid considering skills, responsibility, conditions and effort,

as well as any systematic current, historical or structural gender discrimination. The Court of Appeal confirmed the Employment Court’s “strong ruling” that claims for equal pay for work of equal value can be made under the 1972 Equal Pay Act. The Supreme Court declined further appeal. This finding set the scene for women and their unions to “make comparisons with men’s job tasks and pay rates in other occupations and industries”.⁴⁰ It was a moment of amazing possibility for women in all kinds of female-dominated employment. Claims began to be lodged – 14 by October 2019.⁴¹

After the ruling the National Party-led government quickly established two tripartite Working Groups. One was to negotiate a settlement to the Bartlett pay equity claim, based on pay rates for a wide range of male comparators but without doing job evaluations. In July 2017, following negotiations over Ministry of Health funding to care homes, 60,000 residential care workers received substantial pay increases. On the basis of the Bartlett success, claims taken by school support staff, early childhood education and teacher aids resulted in pay rises in 2019 and early 2020.

The second Working Group developed Pay Equity Principles and recommendations to amend the 1972 Equal Pay Act. No women’s organisations were included, although chair Patsy Reddy allowed written submissions. In 2017 National introduced a bill to replace the 1972 Act that had separate processes for equal pay for women and men in the same job and for taking claims for equal pay for female dominated work, selecting male comparators from a hierarchy that gave preference to same or similar workplaces or sectors. But before this reached select committee, there was a change of government.

The Equal Pay Amendment Act 2020

With the return of a Labour-led government, the Equal Pay Amendment Act was passed in 2020. Pay equity claims were made, not to the Employment Relations Authority, but to the employer who had 45 working days to agree or not, if the claim was “arguable”. Then came the snakes and ladders. If employers dug their heels in – as Terranova Rest Homes did – the Bill initially required claimants to go through three layers of process – Mediation, Facilitation and Determination – at any and potentially all stages of job assessment, comparison with male jobs, and settlement – before they could obtain a Determination from the Employment Relations Authority or Court. The previous right to a Determination was important because equal pay is a human right, not just a wage rate to be negotiated between the parties. As finally passed, the amended Equal Pay Act allowed the claim as a whole to be referred for Determination when needed. These processes were complex and, with union representation down to 9% in the private sector, many women didn’t have the resources or expertise to proceed. Access to pay information was also a barrier and the subject of a petition to the Human Rights Commission in 2017.

The first settlement under the new processes in the Act was the

PSA's pay equity claim with the DHBs for Administration and Clerical Workers in May 2022. The agreement covered more than 10,000 administration and clerical workers across the country's 20 DHBs – union and non-union members. A further victory was the NGO social worker pay equity settlement and its extension negotiated by Te Pai Ora, Social Service Providers of Aotearoa, resulting in substantial pay increases for 5,000 social workers.

So far, around 100,000 women have had pay rises from pay equity claims. This was because, despite the complexity in the legal framework, the public sector unions and the State Services Commission got on with the job. The SSC further developed review and job evaluation tools and methodologies. Evaluation of female-dominated jobs and appropriate male comparators is now based on long detailed interviews about the exact nature of the work, giving attention to previously disregarded aspects, such as communications skills, human relations with patients or clients, and the emotional labour content of jobs like elder care. All components of the work are assessed and rated by delegates and employer representatives together to reach agreed job ratings and pay adjustments. All this is a very slow process but is working – in the public sector at least.

The Equal Pay Amendment Act, 2025

In May 2025 the National-led government passed an Equal Pay Amendment Bill under urgency that discontinued 33 current claims, including large claims brought by the nurses and the teacher unions. This will “save” \$12.8 billion over the next four years. Changes include removing the right to review settlements after five years; a fresh claim can be taken after 10 years. The threshold defining female-dominated work has been raised from 60% to 70% female. Claims must now provide (a long list

of) evidence of “merit” (not just be “arguable”) in order to file. This is before claimants have any right to information from their own or male comparators' employers. Other changes favouring employers include more easily denying merit and opting out of multi-employer claims. All rights to back pay have been removed.

Most importantly, the scope of comparison with male work has been narrowed to a “hierarchy” of males with the same or similar employer, or in the same or similar sector. This means that job investigations will no longer access the full extent of the labour market. Occupational segregation by sex and ethnicity is a labour-market-wide form of structural discrimination.⁴² This was clearly understood by Employment Court and the Court of Appeal judges in *Bartlett vs Terranova*, but not by the current Minister for Workplace Relations. This hierarchical narrowing of the selection of male comparators is contrary to the Employment Court's direction to “look more broadly”.

The political cycle

So, the cycle continues, of Labour-led governments bringing in more sympathetic legislation or policy which is then sabotaged by an incoming National-led government. As Margaret Ledgerton has stated, it is important that positive, significant policies introduced have time to be embedded into employment and workplace practices and not be swept away by fluctuations in political power.

At the political level, it has been a slow healing of the patriarchal exploitation of women's labour. In the Marxist lens, all wage labour is exploitation of value, but women and more extremely, indigenous women, have been particularly exploited by patriarchal views and structures embedded across classes.

¹ From Cybèle Locke, “Suffrage 125 – Unfinished Business: Campaigns for Pay Equity and Equal Employment Opportunity”, *LHP Bulletin* 74 (November 2018), 17-25.

² Roberta Nicholls and Dorothy Page, “National Council of Women of New Zealand”, in *Women Together*, 81.

³ For a major study on the male breadwinner wage and female domesticity, see Melanie Nolan, *Breadwinning: New Zealand women and the state* (Canterbury University Press, 2000). See also Erik Olssen and Len Richardson, “The New Zealand labour movement, 1880-1920” in *Common Cause: Essays in Australian and New Zealand Labour History*, ed. Eric Fry (Allen & Unwin/Port Nicholson Press, 1986); Jock Phillips, *A Man's Country? The Image of the Pākehā Male: A History* (Penguin Books, 1987); and Francis G. Castles, *The Working Class and Welfare: Reflections on the Political Development of the Welfare State in Australia and New Zealand, 1890-1980* (Allen & Unwin, 1985).

⁴ Melanie Nolan, “Employment Organisations”, in *Women Together*, 206.

⁵ Stephen Robertson, “Women Workers and the New Zealand Arbitration Court, 1894-1920”, in *Women, Work and the Labour Movement*, ed. Raelene Frances and Bruce Scates (Australian Society for the Study of Labour History, 1991), 32. Unionised tailoresses successfully campaigned to lift their wages from 50 percent to 60 percent of a male wage. Erik Olssen, “Working Gender, Gendering Work” in Barbara Brookes, Annabel Cooper and Robin Law, eds., *Sites of Gender: Women, Men and Modernity in Southern Dunedin, 1890-1939* (Auckland University Press, 2003), 78.

⁶ Cybèle Locke, *Demanding Jobs with Justice: The Organisation of Māori and Pākehā Unemployed in Aotearoa/New Zealand During the 1930s and 1980s* (PhD thesis, University of Auckland, 2000), 130-132.

⁷ Annabel Cooper and Maureen Malloy, “Poverty, Dependence and ‘Woman’: Reading Autobiography and Social Policy from 1930s New Zealand”, *Gender and History* 9:1 (1997), 46.

⁸ Nolan, *Breadwinning*, 192.

⁹ Anne Horsfield, *Women in the Economy* (Ministry for Women, 1988), 18. This was still true at the 2001 Census.

¹⁰ Margaret Long, “Women's Committees of the NZPSA”, in *Women Together*, 226-8.

¹¹ Margaret Corner, *No Easy Victory: Towards Equal Pay for Women in the Government Service 1890-1960*. (PSA, 1988), 34.

¹² Nolan, *Breadwinning*, 238-9.

¹³ Elizabeth Orr, Equal pay for work of equal value in New Zealand, 2004.

¹⁴ Orr, 2004. Martha Coleman, “Pay equity” in Gay Simpkin and Marie Russell, eds., *Women Will Rise: Recalling the Working Women's Charter* (Steele Roberts, 2022).

¹⁵ Elizabeth Orr, *Pay Picket & Stone Walls* (Steele Roberts, 2020).

¹⁶ Prue Hyman, *Women and Economics* (BWB, 1994), 84.

¹⁷ Orr 2020, 105.

¹⁸ Gay Simpkin and Marie Russell, eds., *Women Will Rise: Recalling the Working Women's Charter* (Steele Roberts, 2022); Nolan, *Breadwinning*, 262.

¹⁹ Hilary Brown, interview by Shaun Ryan, 3 March 1999, Trade union oral history project, Alexander Turnbull Library.

²⁰ Christine Dann, *Up From Under* (Allen & Unwin, 1985), 78.

²¹ Linda Hill, "100 Years of the Vote: 80 Percent of the Pay: The Politics of Pay Equity", *Women's Studies Journal* 9:2 (1993), 93; Clerical Workers Unions vs Farmers Trading Co., Arbitration Court, 1986.

²² Orr 2004; Orr 2020, 101.

²³ NACEW, *Beyond the Barriers: The state, the economy and women's employment, 1984-1990*; Anne Horsfield, *Women in the Economy and Anne Horsfield and Miriama Evans, Maori Women in the Economy* (Ministry of Women's Affairs, 1988).

²⁴ Margaret Wilson, *Report of the Working Group on Equal Opportunities and Equal Pay* (March 1988).

²⁵ Martha Coleman and J. Burns, *Equity at Work* (1990).

²⁶ Margaret Ledgerton, "Pay Equity Continuum", *LHP Bulletin* 74 (November 2018), 33-35.

²⁷ Hill, "100 Years of the Vote", 95-96; Hyman, *Women and Economics*, 86.

²⁸ Margaret Ledgerton, "Pay Equity Continuum", *LHP Bulletin* 74 (November 2018), 33-35.

²⁹ Ledgerton 2018.

³⁰ Coleman and Burns 1990.

³¹ Given the radical, comprehensive and controversial nature of changes introduced by the State Sector Act, the government funded the former TUEA to provide education programmes on the provisions of the legislation and its implications for

public servants.

³² These included a Gender Neutral Job Evaluation system, NZ Gender Inclusive JE Standard and Pay Equity Review Manual.

³³ Department of Labour (MBIE) Public Sector Pay and Employment Equity Reviews: Overview Report, 2009. A summary of the results of the pay and employment equity audits/reviews that were conducted in the Public Sector between 2004 and 2009. Discusses the responses of the Public Sector organisations.

³⁴ 10 years later, after the Bartlett case, unions took successful claims for these occupations.

³⁵ Linda Hill, "Mana wāhine, mana fafine Pasifika: Claiming equity in the labour market" in Simpkin and Russell, eds., *Women Will Rise* (2022).

³⁶ Helen Kelly, NZCTU press release, <http://union.org.nz/news/2013/historic-victory-pay-equity-case-carers>

³⁷ Linda Hill, "Equal Pay for equal value: the case for care workers", *Women's Studies Journal* 27:2 (2013), 14.

³⁸ Cited in Hill, "Equal Pay for equal value", 23.

³⁹ Colgan J, Bartlett vs Terranova Care Homes [2013] NZEmpC 157.

⁴⁰ Hill, "Equal pay for equal value", 27.

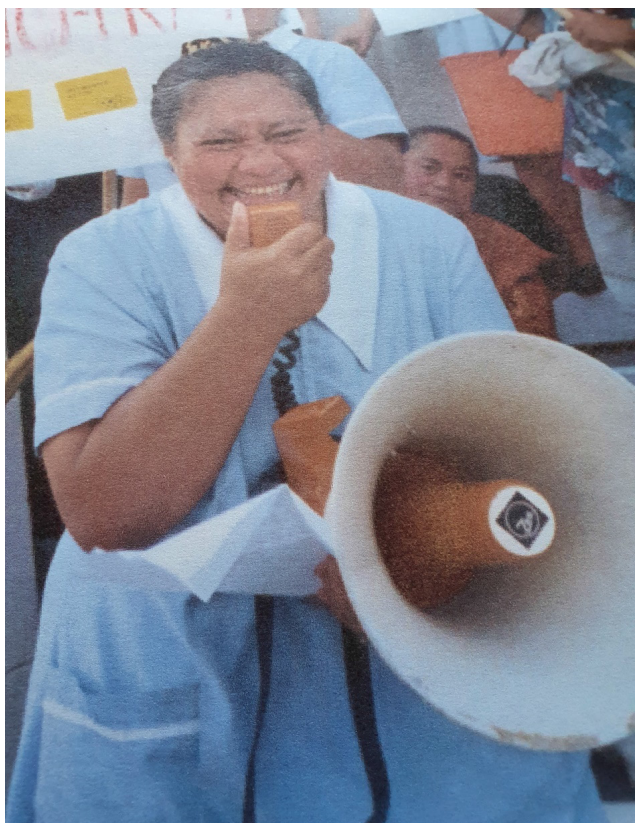
⁴¹ www.cevep.nz/happening.htm

⁴² NACEW, *Beyond the Barriers*.

For the Love of the People

by John Ryall (The text is based on interviews by John and Mark Gosche)

There have been very few stories of Pacific union activists and leaders in New Zealand labour history. Here is one such story.



Lalopua Sanele was active in her union for nearly 33 years, was a leader in the union's Komiti Pasifika and on the union's National Executive. Her union was the Wellington Hotel and Hospital Workers Union that later became the Service Workers of Aotearoa, the Service and Food Workers Union and then E tū.

The struggles that Lalopua led as a cleaner in her Wellington Hospital workplace were about gaining collective control over the conditions of work. They were about placing restrictions on the accepted right of employers to sack their workers, discipline them, transfer them, change their jobs and increase their workloads.

Outside of the workplace Lalopua worked to unite Pacific workers, especially cleaners, to win greater rights.

Born in Savai'i

Lalopua was born in her Samoan village of Salailua, on the island

of Savai'i, in 1952.

Lalopua was part of a large, blended family with 20 sisters and brothers. She went to school on the island of Upolu but left when she was 16 years old due to her father's illness.

She remembers her uncle picking her up from school and taking her to her sick father. His death two days later was very distressing. Despite her mother's wish that she return to school, Lalopua remained in Salailua.

Eventually Lalopua's mother persuaded her to move to New Zealand. Lalopua remembers her mother telling her to "look for my future in New Zealand". She arrived in Wellington in 1972 and lived with her sister and brother-in-law.

Lalopua became involved with the Samoan community at St Anne's Catholic Parish in Newtown and later, after she was married, joined the church-affiliated Samoan Women's Association and Samoan Catholic Church Choir.

Lalopua had a work permit for Feltex Carpets in Lower Hutt but ended up with her sister and brother-in-law at Tyree Power and Construction in Miramar.

Lalopua didn't know about unions, but her sister pointed out the deduction on her payslip for membership of the Engineers Union.

A few months later, Lalopua's family village meeting house was destroyed by a hurricane. Her mum asked her to help fundraise for the house to be rebuilt. From her \$40.00 a week pay packet, she took out \$10 for board, put \$20 aside for the fundraising and lived on the remaining \$10.

Needing a better paid job, she shifted to the Ford car assembly plant at Seaview working on the axle line.

Lalopua met her husband at Fords. When their first child was born Lalopua took 12 months maternity leave. After taking leave for her second she returned to work at Ajax, a manufacturing plant next door to Fords.

"Things were tough, and still are, for working mothers. I didn't last long at Ajax as I needed to look after our children. I would stay at home during the day with the children and then I would work for the Government Cleaning Service in the evenings. I cleaned at the Vogel Building in Aitken Street from 2 am to 6 am. It was tiring but had to be done."

Lalopua developed asthma and going out in the early hours of the morning in the winter was not helping. She switched her cleaning hours to 5 - 9 pm. at the Family Court building.

Then, in 1981, Lalopua's husband Fa'ali'i was tragically killed

in an accident. At the afternoon tea break a friend asked him to check his car engine across the road from the Ford factory. He was hit by a car crossing the road.

Lalopua had just found out she was pregnant with their third child, which added to her grief.

She went to the Hutt Hospital with the family. The Police were there and asked a lot of questions. She asked them how my husband was. They said he was okay. As soon as they went her brother-in-law came in and said "he's gone". She wanted him to see the kids, but it was not to be.

Two buses of workers from Fords attended the funeral of Fa'ali'i at St Anne's Church. They had collected money for Lalopua and her family. Fords union delegate Danny Nicholls spoke on behalf of the workers.

While ACC provided payments for Lalopua's children, life was tough as a solo parent with three children. She later re-married to her husband's first cousin Meki Sagele and they had a child together.

Cleaning at Wellington Hospital

In 1987, Lalopua secured a cleaning job at Wellington Hospital under a contractor called Crothalls. Soon after she became involved in an argument with her manager about the toilet cleaning. The toilets were cleaned by a specific toilet cleaner, but Lalopua was told to clean the toilets in addition to her ward cleaning duties. She objected to this.

Lalopua gained support from her union delegate Tim Rochford and her union organiser, who told her manager that if she forced her to increase her work without agreement there would be a meeting of all union members in the hospital.

"When my manager withdrew the instruction about the toilet cleaning I saw the power of the union and wanted to be more involved."

At the next union meeting Lalopua was nominated as one of the day-shift union delegates. She welcomed this opportunity to step up her involvement and learned a lot from experienced hospital cleaning delegates Tim Rochford, Jackie Newton and Liz Truell.

In the late 1980s there was ongoing union action at the hospital as the cleaners, orderlies and food service workers tried to improve their wages and working conditions.

Lalopua became active in the Wellington Hotel and Hospital Workers Union Pacific Island Committee, which was led by Elizabeth Lee-lo, a food service delegate at Porirua Hospital and the union's President.

"I learnt a lot from Liz Lee-lo. She was a tireless worker for the union. I followed in her footsteps. She had a strong heart for the workers."

The Pacific Island Committee meetings were held at the Marion Street Union Hall in Wellington. Lalopua was supported by old

hands Liz Lee-lo, Emily Mareko, Maria Churms, Pefia Aben and Penny Fata-Meafou.

In 1988 all the regional hotel and hospital workers unions and the caretaker and cleaners' unions had formed the Service Workers Federation. The new federation had active Māori, Pasifika and women's networks. There were also national industry meetings including meetings for public hospital workplace leaders. Lalopua became involved in all of these activities.

"The late 1980s was a period in which there was a lot of action in the hospitals as we became better organised nationally. Many of our public hospital delegate leaders were Pacific." Mark Gosche the secretary of the Northern Hotel and Hospital Workers Union and Samoan, was a strong supporter of the Union's Pacific Island Committee. He recalls:

"The 1980s saw generational change and activation of worksite delegates who were mostly women in the health sector. Lalopua Sanele was one of the younger delegates. Most workers in the cleaning and catering departments were Pacific and Māori. Elizabeth Lee-lo in Wellington and Filiamata Fiu in Auckland were the leaders in the newly formed Pacific Committee, but I remember Lalopua also coming through this structure. Like Liz and Fili before her she had a 'fearlessness' that inspired others to be staunch in their advocacy."

Crothalls had lost the Wellington Hospital cleaning contract to Avalon Cleaning. Contractor change was always a tense time as the new contractor was not legally obliged to employ the existing cleaners nor keep them on their same hours of work.

Avalon, a local company run by owner Bruce Reeves, took over all the cleaners on their same terms and conditions and was a supporter of the union and the union delegates. This made life easier for Lalopua and her fellow delegates. Avalon agreed with the union's proposal to have two-monthly combined Wellington/Hutt union delegate meetings with him to sort out any problems between the delegates and the company.

Battle for the Passports

In the early 1990s the Wellington Hospital cleaning contract was tendered again and won by United HealthServ (UHS), part of the old Crothalls company, now in Australian hands. The Employment Contracts Act, designed to destroy unions, had been passed in 1991 and employers were keen to use their newly-won rights.

UHS made a low contract bid and to achieve their price needed to reduce the number of cleaners and to put more work on to those who remained. They chose to reduce the workforce by only employing current cleaners who could prove they were NZ citizens or permanent residents.

UHS management told the cleaners that if they didn't produce their passports they would not be offered any work. For Lalopua and the other Pacific cleaners this was a re-run of the Muldoon Government's dawn raids and the targeting of Pacific workers for

deportation. They were not going to produce their passports for anyone.

Lalopua talked to the other delegates, both Pacific, Māori and Palagi and they all agreed that this discriminatory attack on their fellow Pacific workers was just a strategy to reduce the number of cleaners and put more work on all of them.

Lalopua phoned her union organiser and a plan was put into action. Delegates went around all the Pacific cleaners and told them under no circumstances to give their passports to UHS.

On the morning of the change of contractor, Lalopua, the other delegates and the union organiser were there to meet the first group of cleaners at 6 am and tell them to go into the UHS office and say they were ready to start work, but they had given their passports to the union.

Each group of cleaners went into the UHS office and was told: "No passport, no work." The cleaners assembled in the corridor outside the UHS office. Soon there were more than 30 cleaners sitting in the corridor, singing Samoan songs. At 7 am the cleaners were due to give out patient meal trays. UHS management were getting worried.

Next an Immigration Service official arrived. UHS had called him in to tell the union that the company was complying with the law in requesting proof of citizenship or permanent residence. Lalopua argued that the passports were locked in the union safe and that UHS should sign the workers in for work and sort out the immigration issues later.

At 9 am, with the cleaners still sitting in the corridor singing, UHS manager asked everyone to go to their normal work area and start working. UHS would not require any passports.

"We all cheered. I had been very stressed about whether we would all be sacked. I felt both relieved and happy at our victory. We had stuck together. Our union was strong."

Contract Changes Continue

Every contract change led to a battle with the new contractor over the transfer of the outgoing contractor's cleaners. There was no statutory obligation for the incoming company to continue the employment of the existing cleaners and usually the hospital management, who had let the tender at the lowest possible price, turned a blind eye to the consequences.

In 1994 Capital and Coast Crown Health Enterprise (CHE) contracted all of their cleaning and food services out to Tempo Health Support. Following their strategy in the UHS contract change, the workers again refused to work until the CHE signed an agreement with the union that everyone was transferred to Tempo on their same terms and conditions of employment and this would be replicated for every future contract change.

Lalopua quickly educated her new manager on how things worked.

"If the managers respect the union and our elected worksite delegates we will get on fine. We like to do a good job for the

hospital and the patients. When the managers try to undermine the union and the delegates, things will get into a helluva mess."

Tempo could not meet its promises of big savings and ended up in liquidation in 1996. The cleaners were all transferred over to P&O Services Ltd, which was then bought by Spotless Services Limited, an Australian Company, in 2000.

From 1999 Lalopua was involved in a Service and Food Workers Union campaign to get the Clark Labour Government to legislate to protect cleaners and other vulnerable workers during contract changes. The union organised a photographic exhibition called "For the Love of the People" which toured around the country telling the stories of cleaners and the insecurity created for them and their families in contract changes.

Lalopua was one of the cleaners featured in the photo exhibition. At the Wellington launch she urged the assembled Members of Parliament to adopt a law to safeguard cleaners during contract changes.

Mark Gosche remembered this speech and another to the Parliamentary Select Committee that he chaired.

"I always looked forward to the oral Select Committee submissions from the SWU with Lalopua sitting at the table fronting the committee members with her truths. She spoke from the heart and always left a strong impression on the committee members. Her advocacy made an important difference for the members she represented."

The legislation was not passed until 2004 and strengthened in 2006.

Dealing with Lockouts

Despite the proposed legislation the arguments with the new Wellington Hospital contractor Spotless over wages and control of the workplace did not let up. In February 2001 collective agreement negotiations with Spotless broke down and the cleaners took strike action, putting bans on various duties and striking for short periods each day – long enough for a picket on the hospital front steps. With the singing, dancing, loud music and the tooting of the passing cars they were noticed both inside and outside the hospital.

Spotless reacted to the strike action by locking out the cleaners. As well as leading the union action Lalopua was supporting her daughter, who was giving birth in the hospital's maternity unit. After spending the night in the unit she returned to the picket line at 6 am the next morning.

"I sat back in a chair alongside Luma, closed my eyes and said a little prayer to ask God for his guidance. I opened my eyes to see my grandson being born. He came into the world at 5:55 am on 26 February 2001. God had answered my prayer and I had a shower, changed into my uniform in time to join the picket. My workmates wanted me to name my grandson *Lockout*."

The cleaners not only had to fight the lockout but also the Spotless

tactic of using some of their commercial cleaner workforce to do the work.

Lalopua went into the hospital to talk to one of them, who was vacuuming a public area and pretended she couldn't hear because of the noise of the vacuum. "I pulled out the vacuum cord from the wall. I told her she needed to stop taking our jobs and help us win better conditions. She left the area and never came back."

In 2005 Spotless lost the cleaning contract and OCS took over with plans to reduce the workforce and put more work on the remaining cleaners. OCS also wanted to remove collective agreement provisions that stopped OCS from making quick changes to workloads. Lalopua and the cleaners started their usual short strikes. This time OCS gave notice of three lockouts, believing this would terrify the cleaners into submission. It had the opposite effect. Under Lalopua's leadership the cleaners dug in and continued their short strikes and the nurses, doctors and other hospital clinical staff asked for assurances of who would clean the hospital if all the cleaners were locked out.

On the eve of the lockouts commencing OCS requested mediation and proposed that if the union withdrew its strike action and accepted a new improved OCS offer that OCS would withdraw its lockout notice. The new offer gave the cleaners everything they wanted.

At the meetings the next morning to ratify the mediation settlement the cleaners thanked Lalopua for her leadership and sang songs of solidarity.

Finger Scanning

This settlement didn't bring total peace for the Wellington Hospital cleaners. OCS was planning to get rid of their sign-in attendance books and move to a finger scanning machine.

While OCS said that this system would be more efficient it was tainted with an accusation that the cleaners had been signing each other in and out and defrauding the company.

Lalopua and the Samoan cleaners had cultural objections to using finger scanning or any other part of their body to identify them, but the other cleaners also felt that they were being mistrusted, commenting: "Only criminals have to give their fingerprints. We are not criminals."

As a designated Senior Delegate, Lalopua had rights in the collective agreement for daily union organising time. She talked to every cleaner on her shift and they refused to use the finger scanning machine.

In October 2006 OCS filed a case in the Employment Court seeking an injunction against Lalopua to force her to use the finger scanning machine and against the union to desist from supporting this action.

Union Regional Secretary Luci Highfield argued the case on behalf of Lalopua and the union in front of a court packed with the cleaners and supporters. OCS lost the case, abandoned its finger

scanning and went back to the paper sign-in forms.

Healthy Hospitals Campaign

Lalopua was now on the union National Executive and was at the forefront of the union's Healthy Hospitals campaign to bring the then 48 union public hospital collective agreements into one. She was on the National Bargaining Team, which included hospital members from all cleaning companies and the District Health Boards.

Lalopua was active in the rallies and strikes that occurred during the campaign and met with Labour politicians to support the union cause. She was also paid by the union to come off her own worksite and make regular visits to the other Wellington hospitals to maintain their commitment.

While the campaign took nearly two years the union won a national collective agreement for the DHBs and one for each of the four contractors with 25% wage increases and vastly strengthened union rights.

Spotless Back

At the end of this campaign OCS lost the Wellington Hospital cleaning contract and Spotless returned. It was not the Spotless of old that had resisted a national collective agreement, tried to lock out 700 of their workers and, as a consequence, lost about \$20 million in public hospital contracts.

The Wellington contract for the cleaning and food services was predicated on Spotless having a good relationship with the union, which meant a compliant relationship with the union workplace leaders such as Lalopua.

The new Spotless managers tried to get Lalopua to become a cleaning supervisor, thinking that moving her out of the union delegate position and into management she would bring the cleaners with her in implementing the Spotless agenda.

Lalopua knew that she could not give up her union leadership and didn't want to be forced to act for any company that was not going to respect the union and its members.

The new management regime wanted regular meetings with the union delegates, to be responsive to any worker grievances and set up a delegate roster committee to sort out the contentious public holiday rosters.

Lalopua eventually became a supervisor while still holding the senior delegate position, merging the two roles in a way that Spotless had not seen before.

Lalopua thought the cleaners could run the hospital cleaning contract by themselves and didn't really need a manager. The only thing that annoyed them was the company always looking to cut hours, increase workloads and move them from their normal cleaning areas.

Lalopua insisted that Spotless played by the rules. Any proposed extra duties had to be negotiated between the company and the

union, any complaints about cleaners had to be put in writing and a fair process conducted for investigating them.

This relationship led to a peaceful time for the company-union relationship until 2019 when Spotless was replaced by Danish company ISS.

Lalopua retired in 2021, but during the last period of her employment she and her fellow members fought the same fights as they had done 15 years earlier. ISS resented the union's power in directing the day-to-day work, hated supervisors being union delegates and tried to restrict the collective agreement's Senior Delegate's daily union organising time.

In retirement Lalopua, an E tū Life Member, maintains contact with the Wellington Hospital cleaners through her community links and her daughter Agnes, who is a union delegate. She was also awarded a Queen's Service Medal and a Wellington City Council Award for her union and community service.

While Lalopua was an active union leader over 30 years in E tū and its predecessors and in the NZ Council of Trade Unions Komiti Pasifika, she has never forgotten where she came from and the purpose of her union activity.

O le ala I le pule, o te tautua

(The pathway to leadership is through service)

Aotearoa's first equal pay strikes

by Toby Boraman

Various authors have claimed that Aotearoa New Zealand's first recorded equal pay strike occurred in either 1973 or 1974. Carolyn Moynihan maintains this occurred in 1973 when clerical workers struck at Associated Motor Industries in Auckland during the Labour government's wage freeze.¹ Sonja Davies, and others, have maintained the first equal pay strike was by Woolworth's meatpackers at a Wellington supermarket in 1974.²

From searching Papers Past and researching union magazines as part of research for a book on strikes, I have found that about four earlier equal pay stoppages occurred from 1963 onwards as outlined below. Other earlier walkouts may have occurred, but either were unrecorded, or have been published elsewhere (and have not been discovered yet).

For some basic context, a startling gender pay gap was codified by the government's arbitration system, or wage-setting system, in the private sector before the Equal Pay Act was passed in 1972. In 1969, women's pay in the private sector was set at 71% of the minimum wage for men. Prue Hyman claimed in 1972 it was 72.1%.³

The 1963 packers' equal pay strike

In 1963, thirteen women screw packers at the Ajax G.K.N. Limited factory in Auckland struck for a day. Led by their delegate "Mrs H. M. Wright" they massed outside the factory in protest.⁴ The *Auckland Star* incredulously asserted the strike was the "first known case of women taking direct action in New Zealand".⁵ Ajax was then the largest manufacturer of screws, nuts, bolts, and washers nationally.

The dispute began in 1961 after the penny-pinching employer had unilaterally placed the packers on women's wages set out in the Metal Trades Award rather than the general wages of what was then called the Storemen and Packers' Award (or national collective employment agreement for warehouse workers and packers). This meant employers had cruelly cut the screw packers' pay from around 12 pounds per week to around eight.

The women had always been members of the Northern Storemen and Packers' Union rather than the Engineers' Union, and been employed as packers. As employers refused to budge, Wright said the dispute would be decided by the courts. The Northern Storemen and Packers' Union, then a largely conservative and male-dominated union before it became more activist in the 1970s, took the case to the Arbitration Court in 1963. It found the company had breached the award since 1961, and restored the women's pay, and awarded back pay too.

This successful strike and legal action was about enforcing coverage

of an award. No explicit mention was made of equal pay in the few snippets I have found about the dispute. Yet implicitly the conflict was also about restoring equal pay, albeit because, unusually for the time, the Storemen and Packers' Award lacked gender-based discriminatory pay rates.⁶

Radio workers' equal pay strike 1970

In 1970, radio factory workers at Beacon Radio, in Auckland, walked out for a day demanding – among other claims – equal pay. This strike occurred after Fred Gerbic, an organiser for the North Island Electrical Workers' Union (NIEWU), made a routine visit to the factory. Workers peppered him with numerous complaints about wages and working conditions – indeed, "unskilled" radio assembly workers were paid little in comparison with "skilled" electricians. Women radio assemblers were paid just 77c an hour, while men, performing the same job, collected \$1.03 an hour. Electricians then received \$1.55 an hour.⁷ Basil Castleton, another organiser for the Electrical Union, noted that women being paid around 75% of the rate men received for performing the same work "is probably one of the greatest social injustices of the twentieth century."⁸

After the strikers resolved to hold further stoppages, Beacon Radio granted the women assemblers an increase of \$3 per year, and males \$2. Unfortunately, no names of the women involved were recorded, nor does any record exist of what they thought of their situation. Gerbic (who later became a Labour MP) commented "equal pay for equal work was not achieved in the Beacon Radio Dispute, but the margin between male and female workers was reduced. Full equality remains the objective of this Union" and argued vigorous job action for equal pay was "the answer to legislative procrastination".⁹

The radio workers' strike was all the more remarkable because it occurred in the electronics industry which was little-known for agitation and through a union which was renowned for moderation under the leadership of Tony Neary. The "eleckies" or "sparkies" union was dominated by white, male electricians. Other electrical workers who laboured in various electronics factories and elsewhere were mostly lower paid. The elected executive of the NIEWU union in 1970 included only one woman: Mary Williams from Waihi, possibly from the Pye Electronics factory in that town.

However, despite this limited gain for radio workers, in about the early 1970s, Philips took over Beacon Radio and downsized it after they relocated within their Claude Neon workshop in Auckland. Gerbic noted the radio industry was hit hard by restructuring and factory closures in 1972.¹⁰

Bank clerks' stopwork 1970

In November 1970, Manawātū and Wairarapa Trustee Savings Bank workers undertook a series of regional stopworks (which while they were not full stoppages, were effectively two-hour stoppages), for equal pay. This was after the Board of Trustees for that bank removed equal pay and cut wages for bank clerks by deviating from their previous pay scales. While strikes were not taken, the stopworks won increases of up to 43%, especially for young workers, and the re-establishment of equal pay for workers under twenty. The bank workers were part of the Wellington Clerical Workers' Union, and their organiser was Graham Kelly, later a Labour MP. The women workers gained much public sympathy as they were the lowest paid of any bank tellers in the country.¹¹



UNION MEMBERS from Downer-Comstock, Kawerau, pictured in the Rotorua Office of the Union during the recent clerical staff stoppage. From left to right they are:— Mick Hastie, Sue Staveley (office delegate), Marie Cornes and Warwick Needham.

Clerical construction workers' strike 1972

In 1972, eighteen clerical workers undertook a five-day strike in Kawerau. Their employer, Downer-Comstock, were contracted to build the extensions to the Tasman pulp and paper mill in Kawerau. The clerical workers demanded a local collective agreement, or second-tier agreement above the national award, that included equal pay in their localised pay allowances.

Marimba, the paper of the Northern Clerical Workers' Union, reported "this whole dispute was basically a matter of principle – the right of clerical workers to be recognised...[and] to receive the same consideration and respect as more militant blue collar workers" (as some construction workers at the Tasman extension project frequently took stoppages). *Marimba* also commented the strike showed the importance of clerical work to the smooth operation of the construction company.¹²

The strike was an active rather than passive one: workers, including the delegate Sue Staveley, held daily meetings, printed pamphlets, and picketed the company premises most mornings. The stoppage led to a favourable agreement, with a wage increase, site allowance, and service pay. Equal pay was won for the above award allowances they gained, yet the wage rates in the national award remained unequal.¹³

Conclusions

These are mere research snippets, but they indicate Aotearoa's first recorded equal pay strike occurred possibly in 1963. In comparison with the UK, US, and Australia, this was quite late: the first recorded equal pay stoppages appear to have occurred in those countries in 1918, 1883, and 1942 respectively.

However, the 1973 equal pay strike by auto-assembly administrative workers in Auckland outlined by Moynihan was perhaps the first full stoppage *solely* about equal pay, as the clerical workers undertook it because female administrative workers did not receive equal pay while female auto-assembly workers in the same factory did.

The efforts of the packers, radio workers, bank clerks, and clerical workers are a minor, yet pioneering, historical footnote to the ongoing struggles for equal pay, pay equity, and pay parity. Little fanfare was made about the stoppages at the time, so they were not promoted as examples of how direct action could perhaps speed up the campaign for equal pay legislation in the private sector.

Obviously, legislative change was far more binding, effective, and nationally comprehensive than taking somewhat risky localised strikes which could have only brought about equal pay on a localised level. Connie Purdue, of the Northern Clerical Workers' Union and a member of the government appointed Equal Pay Opportunity Council, wrote in 1973 that the struggle for equal pay (largely in the private sector) involved campaigning, petitions, lobbying, demonstrations, research, article writing, letter writing, leafleting, and education (including talks to groups as varied as Plunket and the various Boilermakers' Unions).¹⁴

While not downplaying the strikers' successful or partially successful efforts mentioned above, and the impacts of later equal pay (and pay equity) strikes, overall such stoppages were rare. The reasons are too numerous to list, but they include how male-dominated unions in the early 1970s tended to support equal pay and pay equity in principle but did little about it in practice.

Even with equal pay legislation, equal pay and pay equity were not fully gained, even if the gender pay gap began to narrow after the Equal Pay Act was phased in by 1977. The story of the broader campaign for "equal pay for work of equal value" in the 1970s, 1980s and 1990s has been ably told elsewhere.¹⁵ Here I just note part of that campaign was the most significant and dramatic equal pay and pay equity strike in Aotearoa history so far: the month-long strike by motor clerks in the Wellington Clerical Workers' Union at three Wellington auto assembly factories in 1986. This saw employers use drivers, including it seems car dealers,

to terrifyingly attempt to break a blockade of Todd Motors in Porirua during the strike by driving cars at picketers.¹⁶

In 2024, the gender pay gap, according to the Ministry for Women, was 8.2%. This will grow given the government's decision in May 2025 to savagely cut future and present pay equity settlements as part of its neoliberal austerity agenda.

¹ Carolyn Moynihan, *On Your Side : A History of the Northern Clerical, Administrative and Related Workers' Union 1936–86* (Auckland, 1986), 82.

² Sonja Davies, *Bread and Roses*, 2nd edn. (Auckland, 1997), 272 and Graham Kelly, *Keeping the Party in Tune : How Politics and Music Shaped My Life* (Wellington, 2023), 28.

³ Report of a speech by Margaret Hutchinson in Margot Roth, ed., *Fifty Years of Struggle: The Story of Equal Pay* (Wellington, 1997), 10-11 and Prue Hyman, *The fight for equal pay for work of equal value (comparable worth) in New Zealand* (Wellington, 1987), 8.

⁴ *Press*, 24 Jan 1963.

⁵ *Auckland Star*, 22 Nov 1963.

⁶ See also *People's Voice*, 23 Oct 1963.

⁷ *Power*, Jun 1970, 19.

⁸ *Power*, Jun 1972, 23.

⁹ *Power*, Jun 1970, 19.

¹⁰ *Power*, Oct 1972, 25.

¹¹ *Clerical News*, Mar 1971, 8-9.

¹² *Marimba*, Mar 1973, 1.

¹³ *Marimba*, Mar 1973, 1 and Jun 1973, 3.

¹⁴ *Marimba*, Jun 1973, 5.

¹⁵ See for example Cybèle Locke, "Suffrage 125 – Unfinished Business: Campaigns for Pay Equity and Equal Employment Opportunity", *LHP Bulletin* (Nov 2018), 17-27; Megan Cook, *Just Wages: History of the Campaign for Pay Equity 1984–1993* (Wellington, 1994); Martha Coleman, "Equal Pay", in Gay Simpkin and Marie Russell, eds., *Women Will Rise: Recalling the Working Women's Charter* (Paraparaumu, 2022), 95-117; and Margot Roth ed., *Fifty Years of Struggle*.

¹⁶ See *Paper Clip* (Apr 1986) and Cook, *Just Wages*, 7-9.

The following has been extracted from the Submission to Government on the Equal Pay Amendment Act 2025 by Te Pai Ora SSPA.

About Te Pai Ora SSPA: Social Service Providers Te Pai Ora o Aotearoa (Te Pai Ora SSPA) is a membership-based national organisation, comprised of over 250 community-based social service organisations from around Aotearoa New Zealand, based in both rural and urban locations. Our membership makes up a significant majority of the service delivery to children and rangatahi in community social services.

Among our members are local and national social service providers, large national care providers, kaupapa Māori and Iwi social service organisations and Pacific providers. Te Pai Ora SSPA members work across the full spectrum of community-based social services with a central focus on supporting the positive outcomes of children, rangatahi, families and whānau.

Te Pai Ora SSPA full members are funded by government to deliver essential social services in our communities every day, with a predominant focus on children, rangatahi, families and whānau. Our affiliate members are organisations that deliver social services for these people, and organisations and individuals who work in areas aligned to the interests of children, rangatahi, whānau or communities but do not have government funding.

We do not support the Equal Pay Amendment Act 2025. The legislation, combined with the 2024 Pay Equity Reset Cabinet Paper, represents a coordinated retreat from equity as a rights-based obligation and reframes it as a fiscal liability to be contained. The Amendments Act has halted the claim for social service workers, which is unlikely to be able to be raised under current settings. The rescinding of the Funded Framework has stripped away the essential funding pathway, leaving providers legally liable for settlements without guaranteed funding support – undermining the ability to progress or sustain pay equity outcomes.

3.3. The NGO social worker pay equity settlement and its extension were historic landmarks for pay equity and for the profession of social work. It had a stabilising and affirming effect, providing significant benefits to the social worker part of the social service workforce. Some 5,000 social workers received an average pay increase of 27% – an indication of the extent of their undervaluation.

3.4. The social worker settlement also exposed unresolved internal pay disparities between staff performing equally undervalued roles. The discontinuation of the broader social service workers claim has entrenched these gaps and revealed structural inequities that are now locked in place under the amended legal framework. Restrictive claim criteria – including narrower comparator rules,

increased thresholds, and reduced review provisions – make further progress unattainable under current settings. In light of these barriers, Te Pai Ora SSPA calls for a principled and pragmatic redesign of the pay equity framework – one that recognises the Crown’s dual role as funder and regulator, reinstates transparency and accountability, enables coordinated funding pathways, and embeds tools to address persistent undervaluation across roles and sectors.

We propose eight core components for rebuilding a system that is fair, accessible, and enduring (see Section 13 for detail):

1. Undertaking a first principles review of the Equal Pay Act
2. Enabling sector-based approaches to pay equity
3. Recognising Government as a party to funded sector claims
4. Establishing a dedicated, transparent funding pathway
5. Strengthening oversight and accountability
6. Simplifying and resourcing the process
7. Strengthening transparency requirements
8. Embedding broader dimensions of equity

Pay equity must be recognised, not as a discretionary cost pressure, but as a constitutional commitment to fairness – accessible, durable, and effective for all.

Te Pai Ora SSPA has served as the lead advocate, coordinating body and national voice for providers involved in two significant pay equity claims raised by the Public Service Association (PSA) in August 2019:

- **The social worker claim**, raised against five representative employers, was settled in July 2022 following the process in the now-rescinded Funded Sector Framework (the Funded Framework). It was subsequently extended to all providers and their social workers (approximately 5,000) in June 2023 – the only claim to be both settled and extended under that framework.
- **The social service workers claim**, raised against eight representative employers, was accepted by the parties as arguable, and the investigation phase was well underway when the Equal Pay Amendment Act 2025 (the Amendment Act) brought the claim to an end. We estimate some 30,000 to 40,000 workers are impacted by this.

Rebuilding Equity: Restoring Integrity to the Pay Equity Framework.

Navigating both the previous and amended pay equity systems has revealed deep structural flaws – particularly for government-

funded community providers. These include the removal of coordinated funding mechanisms, exclusionary legal thresholds, and lack of government accountability. Drawing on our experience leading and settling one of the only funded sector claims to be both concluded and extended under the previous framework, we have seen what works in practice and where reform must go further.

The following recommendations seek to restore integrity to the pay equity system following the 2024 Reset and the 2025 Amendments. They respond directly to the systemic and procedural barriers outlined throughout this submission (see Appendix A for further detail linking problems and solutions). They offer a pragmatic roadmap to restore accessibility, rebuild structural integrity, and uphold Te Tiriti o Waitangi obligations across workforce settings, funding systems, and service delivery, so that all workers are fairly valued, and the communities they serve can rely on stable, skilled, and culturally responsive support.

1. Undertaking a First Principles Review of the Equal Pay Act

- A comprehensive review of the Equal Pay Act 1972 – not a further patchwork of amendments – is needed. This review should be grounded in first principles and guided by those with operational experience in the pay equity system.
- It should consider alternative approaches, including international models, which may better address systemic undervaluation and deliver sustainable, accessible pathways to equity.
- It should recognise that labour markets are dynamic and continuously evolving, yet the enduring undervaluation of ‘women’s work’ – rooted in historical bias and reinforced by structural norms – continues to suppress pay outcomes for the majority of women workers.

2. Enabling Sector-Based Approaches to Pay Equity

- Move toward a sector-based model – replacing the model of representative claims and their extension to others doing the same or similar work.

A framework similar to Fair Pay Agreements should be considered, incorporating mandatory equity provisions designed to:

Reduce the cost and complexity of claims.

Eliminate the need for separate extension processes.

Mitigate concerns about internal pay relativities.

Offer durable, scalable solutions in sectors with persistent undervaluation.

3. Recognising Government as a Party to Funded Sector Claims

- Government agencies must be formally recognised as parties to claims where they are the principal authority – the primary funders with decisive control over service scope, pricing, and performance expectations, even when not direct employers.

This recognition would reflect their systemically dominant position in shaping the service environment, and ensure accountability for

both settlement implementation and maintenance.

- It would also close the disconnect between legal obligations and funding responsibilities, reinforcing structural alignment across pay equity processes.

4. Establishing a Dedicated, Transparent Funding Pathway

- Reinstatement and strengthen a centralised funding mechanism (similar to the intent of the Funded Framework) to enable settlements without exposing employers to financial risk.

Key features should include:

Ring-fenced contingency funding.

A streamlined drawdown process.

Unified funding arrangements across multiple agencies, preferably via a single Vote.

Clear obligations on government agencies regarding ongoing funding delivery.

Ensure transparency in how service agreement funding levels are determined, particularly where gendered workforce assumptions shape pay rates.

5. Strengthening Oversight and Accountability

- Establish an independent agency mandated to oversee, direct, and audit pay equity settlement implementation – including funding, extension, and maintenance.

This agency should:

Monitor consistency and adherence to Cabinet decisions.

Mandate the publication of claim outcomes, comparator rationale, and assessment standards.

Ensure settlements remain aligned with equity goals over time.

6. Simplifying and Resource the Process

- Streamline the investigative and bargaining process to reduce administrative burden – especially for not-for-profit and community providers, including: Reducing the emphasis on job evaluation on a case by case basis.

- Move towards sector-based solutions informed by known remuneration patterns and structural undervaluation, potentially supported by benchmarking mechanisms rather than role-by-role comparisons.

- Place obligations on funding agencies to:

1. Ensure access to technical support covering investigation methodologies that are low cost and encourage good faith bargaining.

2. Provide funding support for claimants and employers

3. Provide information to providers about pay equity claims and settlements relevant to their work.

4. Oversee provider compliance with settlement obligations and

ensure funding contracts allow for these obligations to be fulfilled.

7. Strengthening Transparency Requirements

- Introduce regular public reporting of gender pay gaps in government-funded sectors, disaggregated by role and service type, and by groups that may be subject to discrimination.
- Create robust mechanisms to review settlements over time – ensuring that pay equity is not achieved once and frozen, but maintained dynamically.

8. Embedding Broader Dimensions of Equity

- Extend pay gap reporting to include ethnic, disability, and rainbow community data, recognising how intersecting exclusions deepen inequities – particularly for wāhine Māori, Pacific women, and migrant women. Disaggregated analysis will strengthen policy responses and reinforce Te Tiriti and inclusion commitments.
- These multidimensional inequities do not exist in isolation; they are compounded by low pay, insecure funding, and limited progression pathways.
- A fit-for-purpose framework must respond to this full spectrum – not gender alone – and uphold Te Tiriti obligations by actively advancing equity for Māori and other historically underserved communities. These recommendations set out a comprehensive blueprint to restore integrity, accessibility, and equity to the pay equity framework – particularly for government-funded sectors. Rooted in operational insight and sector realities, the proposals call for structural reform of the Equal Pay Act, sector-responsive mechanisms, robust oversight, transparent funding pathways, and broader dimensions of equity that uphold Te Tiriti o Waitangi. Together, they offer a principled and pragmatic

pathway to rebuild a system capable of delivering enduring fairness for undervalued workers and the communities they serve.

Conclusion: Te Pai Ora SSPA has been actively engaged in implementing pay equity across the funded sector. We have seen the impact that equitable remuneration can have – lifting pay, stabilising workforces, and affirming the value of community-led services. But we have also witnessed the enduring barriers: structural undervaluation, restricted claim pathways, fragmented funding, and an absence of formal government accountability.

The Equal Pay Amendment Act 2025 introduces additional constraints while removing essential supports. The prior system had flaws – complexity, resourcing burdens, and inconsistent oversight – but it provided a pathway. Simply reinstating it will not suffice.

What is needed now is a principled, pragmatic redesign – one that reflects the Crown’s role as a funder and principal authority in shaping service design, pricing, and workforce expectations, and that supports enduring pay equity across all settings. Evidence confirms that without fit-for-purpose funding solutions, pay equity outcomes are not sustainable.

We urge policymakers to co-design a future framework with those who have operationalised the current system – to ensure reforms work not only in principle, but in practice. Restoring a coordinated funding pathway is essential so that providers can meet obligations without compromising service delivery or workforce integrity.

Pay equity is not a discretionary cost – it is a **constitutional promise of fairness** that must be made enduring, effective, and accessible to all.

Therese O'Connell's perspective on the decades-long struggle for equal pay and pay equity.

Transcribed by Ciaran Doolin at a panel discussion organised by the Wellington Socialist Society.

In the wake of the National-led coalition government's shock gutting of pay equity legislation, passed under urgency just days after being announced, the Wellington Socialist Society swiftly put together a panel to discuss the issue. On the evening of 20 May 2025, hosted by Wellington Socialist Society member, Ciaran Doolin, the panellists examined the history of the struggle for equal pay and pay equity in Aotearoa New Zealand and discussed what the government's radical reforms of pay equity legislation mean for women today and how we should organise to fight against these changes. One of the speakers was Therese O'Connell, a long-time LHP member who has been an equal pay and pay equity activist since the 1970s in the women's and union movements.

An edited transcript of Therese's contribution to the panel follows. A recording of the whole event can be found on the YouTube channel of the Federation of Socialist Societies, of which the Wellington Socialist Society is a part: <https://www.youtube.com/@NZFSS>.

Therese: Now, there's just something you said, Ciaran, which reminded me that in 2020, when the Equal Pay Amendment Act was done, some of you may have seen there's been a lot of stuff written about the whole issue, which has been great. But one of the things that somebody pointed out was that all those National MPs, all of the women who have been now saying otherwise, wrote about how wonderful it was that that law came in and how their daughters and their grandmothers, and ooh, what else? How important it was for them. It's such incredible bullshit, isn't it, what has happened now.

I know that, as Ciaran says, and as I proudly say, that I actually think it's really interesting that you can say that you're still fighting for something 55 years on. Of course, that's only my lifetime. Women have been fighting for it before my time as well. Because in all those times, in the state sector, there was years of organizing, and mainly from the PSA. It was the state sector women's committee. They had to get a committee going, it was years of work to get them to get that, and along with the Equal Pay Act of 1960, they said, oh, it'll just happen in the private sector. Of course, we know that's absolute bullshit, and it didn't just happen. It had to be fought for once again.

It's always hard to know where to start when you're thinking about these issues. I know that it's a very personal issue for me. I come

from a family of five girls and one boy, so I didn't really know about the fact that men were paid more. My father was a labourer and was on poor wages, basically, and there was no thought of the fact that he was paid a lot more than anyone else. He wasn't. I did, without realising it, "women's work." I worked at the Woolworths and behind the counter and I worked at the local dairy rolling the ice creams and dipping them. What else did I do? I did dish washing in the local restaurant. I did babysitting – I did that for free because my mother said I had to. And so, I had just done work that was "women's work." And I tried to save money because I realised when I was 11 and I visited Wellington that this was the place to come. And I come from Taranaki, and I'm not saying anything bad about Taranaki because it's a beautiful place, but you know, this just pulled me a lot more, strangely enough. Also, because I was aware that there was action happening around things that mattered to me, social justice issues. So, for me coming to Wellington made sense. I started working in the cafeteria at Victoria University and asked the guy beside me, innocently, "How much do you get paid?" because I was just trying to work. And he was paid more than me. I thought, what the fuck? You know what I mean? How does that happen? So, it's really interesting. And I wonder whether lots of younger people still don't *actually understand* that they are paid differently because of their sex. But that got me going. And from then on in, it became the burning issue for me, along with all the other issues of justice, et cetera, that I've been involved with.

So, I tried to join the union that covered shop workers. I went to Trades Hall, and at that time – Graeme Clarke [present in the audience] is still in Trades Hall – it wasn't as bad as it is today. It was incredible. There were all these people behind doors, and I went along and I tried to find out the shop union. I knocked on the door and I said, "I'd like to join the union." He said, "Why?" So, I won't tell you all the things, but I will say that all these things that appear to just happen actually have a lot of hard work and sweat and organisation and strategy before anything actually happens. And I think that it's best not to forget that and it's best to remember that so much sweat, anxiety, goes into these campaigns.

I joined the Clerical Workers' Union as an organiser. We weren't called organisers when I joined. We were called "field officers". Kind of like you went out into the field and officered. I was the

first woman employed there, and I worked with two guys who never went out to any office. They waited for the calls to come in. And so, it may not surprise you, but the very first sort of work I did followed from the realisation – it was not just me, there was a whole lot of women who slowly got involved – that we actually couldn't get equal pay until we organised a women's movement within the trade union movement. And basically, that was what we had to do. So, we spent a long time organising, strategising, meeting, singing. Whatever needed to be done is what we did, to actually develop a movement that could then carry that work.

Again, I don't know how many of you work in trade unions now. It's a different story now, but by god in the 70s. Graeme is one of the few people here I know was involved in the union movement around that time. But just thinking about it, the Clerical Workers' Union was very involved in trying to push equal pay, and in the private sector. The Clerical Workers' Union, which no longer exists, and that's a whole other story, and the shoppies' union did the leadership of that, but we weren't able to do anything without the backup. We had, for example, a strike on equal pay for the clerical workers at the motor companies, and Graeme was the Coach Workers' Union secretary, and people like him did amazing work to support. We couldn't have done it without that support because clerical workers were always adjunct. It's very hard for them to take action. You have to have other workers in the workplace to do that.

We had demonstrations in the 80s. We took a case to court. We had a huge campaign called Value Women's Work, and I think that was one of the first broad campaigns that we did to try and raise that issue about the fact that it wasn't just equal pay, but it was about valuing women's work. Because I know, for example, that when the Equal Pay Act came in in 1972, and I was working in the town clerk's department in the Wellington City Council, they had a plan – and I remember going to the union about that

too – for equal pay to be implemented over a period of four years. And that's how they do it. Well, I mean, it's still how they do it now, isn't it? I mean, they still do implementation, so you think, oh, good, that's where everyone got paid. That's not true. Very slow implementation of these things. And also, what they did – and this is where unions, unfortunately, got caught in it – was they did things like reclassify jobs. So, for example, I went for a job as a clerk in the Wellington City Council, and they put all the women in a new category of clerical assistant. So, there's always ways that people got around it, so I'm still raging from anger at that, let alone anything else.

So I must say, over the years, we did some great campaigning, and the unions learned to work with each other a lot more, and developed strategies, and, as you heard from Ciaran, new legislation came and we thought, well, maybe this is going to happen, though it does seem quite complex, it's going to happen. And then suddenly, it was half past 12, last Tuesday fortnight. And I live in a retirement village on Athletic Park. Suddenly I saw on my phone that there was a call for a demonstration. I threw my bloody walker into the back of my car and I drove furiously. I could feel myself like, calm down, calm down, calm down. Don't get killed on the way. We don't need martyrs – you can see I've been involved in the Irish question over the years. No martyrs, no martyrs, just get there and then find a fucking car park. So, I got the walker and I pushed the walker and I'm like, don't you have a placard, doesn't it matter? I got there for the last 10 minutes, I felt good about it. But I have to say, I don't know whether it's good for the old body to have this amount of anger. And I say, it fascinates me because I know how angry my generation are about it. They're furious because we spent so much time. It's not just the fact of the time we spend, but it's the issue that it just continues. It's like, when the fuck will this end? And maybe it never will. It will, but you have to be optimistic.

Review

Wolfgang Rosenberg on the Miracle of Full Employment

Full Employment: Can the New Zealand economic miracle last? (A&W Reed, 1960)

Reviewed by Linda Hill



I picked up Wolfgang Rosenberg's 1960 book from a Men's Shed box at the Featherston bookfair, and it cheered me up from b-s Budget gloom. Any other economic world is possible – we had a very different one in 1960!

What I like is that, in 1960, Rosenberg is writing *from within* an economy in which full employment and industrial development have been achieved under both Labour and National governments for more than

20 years. In July 1959 our unemployment rate was 0.25%, the highest for 20 years, compared to 2.6% in Australia, 3% in the UK, 7.7% in the US and 8.4% in West Germany, for example. New Zealand was showing the world that unemployment was unnecessary “if some of the shibboleths of free enterprise and *laissez faire* are thrown overboard”. This was the “economic miracle” before the “unfortunate experiment”,¹ and Rosenberg explains how it was done.

He begins with a quick account of our earlier economic history. New Zealand was developed on the basis of John Locke's and Julius Vogel's formula of “land, labour and capital” – Māori land, cheap immigrant labour, and borrowing on the London market.² Two liberal principles governed economic policy prior to 1935, he says: i) free movement of money in and out of New Zealand, and ii) never interfere with prices, except to avoid inflation. Overseas debt grew steadily as our imports, paid for with pounds sterling, exceeded export earnings. Our growing agricultural economy became dependent on, and vulnerable to, fluctuations in overseas commodity market prices, often affected by events outside our

control. When the 1930s Depression hit and our exports sales nosedived, the banks reduced credit to the government as well as to private borrowers. Economic activity and demand for imports was reduced but the interest and capital repayments on our £76 million historic debt continued as a “leg iron” on government. In 1933, 80,000 men were officially registered as unemployed, but it was probably closer to 100,000 – near a fifth of the male working population. Legacies of this, Rosenberg says, were a distrust of banks and horror of unemployment by many New Zealanders, and a shared policy goal of full employment by political parties.

He discusses the general causes of unemployment. As well as seasonal work and low mobility of workers – the Labour Department gave some assistance on these – the causes of unemployment include insufficient demand for the nation's production, which may be the result from businesses “ploughing back” profits or households saving their money, rather than redistributing it as wages to become purchasing power, increased consumption and thus more jobs. Unemployment is the outcome of low consumption, low investment activity, government surpluses or balanced budgets and a surplus of imports over exports, he says. Stimulation of investment activity, deficit spending by government and export surpluses are the main sources of full employment. So from 1935 Labour set maximum interest rates on all savings and increased government spending on infrastructure and social supports, funded at nominal cost by its own Reserve Bank.

However, high consumption, high investment and high government expenditure tend to provoke inflation and foreign exchange crises, as demand pushes up prices and imports.³ In private enterprise economies, the possibility of achieving an exact balance between full employment and inflation “is obviously fairly small”, he says, and “inflation was one of the causes of the widespread defeat of Labour parties around 1950.” After WWII most of the capitalist world returned to zig-zagging trade cycles causing high and low employment, but New Zealand maintained its post-Depression goal of full employment and addressing

the problem at the level of its foreign exchange accounts, “with commendable flexibility”. Demand was dampened down as required, not by unemployment but by limiting import licensing to what we needed and what we could pay for with our exports to often-volatile commodity markets. Social supports and wage/price policies at home included government assistance with price stabilisation mechanisms for farmers.

Keynesian, or not so keen

The above summary doesn’t do full justice to Rosenberg’s explanations and arguments. But so far, so Keynesian. Keynes added income and consumption to the economic debates of his day. He viewed both savings and consumption as dependent on income levels, which in turn depended on investment – both public and private – and its multiplier effects. However, while seeing an investment role for the state, Keynes “did not think in terms of struggling economic classes”, Rosenberg points out, let alone in terms of changing the class structure of society by harnessing the state, as pre-war Labour parties did. Clara Mattei has unpicked how, after WWI, monetary, fiscal policies and labour relations policies (high unemployment) were used in the UK and Italy to defeat rising socialist movements.⁴ After devastating unemployment in the 1930s, New Zealand governments did the opposite. They used monetary and fiscal policies and corporatist labour relations in support of their goals of full employment and greater equality.

What strikes me about Rosenberg’s account is how *actively* both Labour and National governments used policy mechanisms to balance and direct the complex dynamics between imports, exports, demand and savings, public and private investment, employment and inflation. Today these seem to be merely economic indicators that governments report on, like the weather, but do remarkably little to change. It’s hands-off economics by hands-off governments. One of Rosenberg’s chapters is a detailed analysis of policy adjustments and outcomes in 1958-9, in response to a sharp drop in commodity prices overseas. The interventions and interactions described were complex, but so too must be the largely invisible workings of “hidden hand” free market economics directed at maximising profit, not employment. These days the whole economy is expected to respond (“steered not rowed”) to the interest rate on reserves that banks are required to hold, set by a central bank that is legally independent of government. National and Labour dispute only whether the Reserve Bank governor’s criteria can include the unemployment rate, as well as the inflation rate.

Were import controls so terrible? I remember in the 1960s everyone complained about the waiting list for cars; you could choose the make but not the colour. Mostly grey now anyway, aren’t they? You had to apply, with reasons, for a licence to import goods, or for permission to send money overseas. But perhaps licensing controls *were directing imports to what we needed*, such as machine tools, as much as restricting them. My father had a story about going to Wellington soon after WWII to get a licence to import laces and other materials suitable for babies and toddlers.

Expecting to be knocked back, he tripled the number he first thought of – and got the lot. Not frivolities; government-directed supplies for the baby boom. By 1960 we had state-built houses, Fisher & Paykel appliances, a car per family and a full-time male wage was enough to pay for it all. A prosperous and more equal society by international standards, and later⁵ Rosenberg links full employment to important social health outcomes, which fluctuated together between 1938, 1967 and 1983. Well, okay, not equal for women or Māori, which Rosenberg doesn’t appear to notice, but we got onto that in the 1970s.

Threats to full employment

One of the “basic threats to full employment”, warned Rosenberg in 1960, was pressure to join the International Monetary Fund. As a “lender of last resort” since 1944, the IMF has considerably informal power to require policy “adjustments”, and its primary concern – like Keynes’s – is the maintenance of free trading and currency payment systems through “the utmost possible reduction of exchange restrictions”. Rosenberg quotes extensively from IMF Directors about its role ensuring “the observation of monetary discipline”. In the eyes of the Fund, Rosenberg says, government finance should be used to prevent inflation, taking restrictive measures before “over-full employment” develops. A pretty basic clash of values with New Zealand’s at the time.

Another basic threat to full employment, he says, was “the complacency of New Zealanders”, and lack of recognition that we had achieved “something that no other country in the world had achieved equally well”.

Threat of foreign investment

Rosenberg’s last chapter is about another leg iron: foreign investment. Secondary industries initiated under the first Labour government to reduce imports were followed by heavier industries – pulp and paper, iron sands, aluminium – made possible by advances in chemical engineering. These could diversify the economy, but the fruits might not remain in New Zealand as foreign investment increased in the 1950s. He points out how foreign investment affects the overseas balance of payments differently from government borrowings off-shore. Initially, both profits from overseas investments and interest on government loans from overseas are “invisibles” added to payments for imported goods that have to be balanced against New Zealand’s income from exports. But any private profit retained here and reinvested will then have a rapid cumulative effect on the outward flow of profits, in a way that government borrowings do not. A table shows the growing effects of foreign investment, of both kinds, on our balance of payments between 1950 and 1959 and its diminishment of our exchange reserves. In 1958-9 the government borrowed a quick \$20m to cover a potential short fall.

These investment servicing payments took a much shorter time to exceed actual capital inflow than in our earlier history. In 1959, the cost of offshore borrowing was around 7.5% of export proceeds, so not excessive, he says. But he points to the worse situation of Australia and Canada, who had gone down this route earlier.

He quotes an *Economist* article of March 1960: “The deficit on merchandise trade at least fluctuates... But the invisible account, dominated by debt service, dividends and payments for business services, leaps up remorselessly year by year.”

It was this threat that led Rosenberg and others to set up what became the Campaign Against Foreign Control of Aotearoa (CAFCA). Its 50th anniversary is being celebrated this Labour weekend in Christchurch.

End of the miracle

No, the economic miracle didn't last. Perhaps we stopped believing in it. We joined the IMF in 1961, and began to do as we were told. Unemployment rose from 1967 when Rob Muldoon as Minister of Finance began liberalising foreign transaction and import controls for greater “freedom” and “restructuring” in favour of industry, for “international competitiveness”. When Britain devalued sterling in late 1967, we dropped our currency to the level of the Australian dollar and decimalised it. That shrank my OE savings by 19%, but no doubt helped balance the foreign exchange account. A raw materials boom helped the Kirk years, but then came the OPEC oil embargo and it was “borrow and hope”. In 1974 our overseas indebtedness was 55% of exports, with 995 registered unemployed. By 1984 it was 160% of exports with 84,000 unemployed or 120,000 including make-work schemes.⁶

When I got home in early 1983, I read in *NZ Herald* the same “Washington consensus”⁷ advice from the IMF that I had read a few months earlier in a Bolivian newspaper. In 1984 we voted for nuclear free and got free market economics with it, in an unexpected swipe from the left. The New Zealand dollar was immediately devalued, and a series of monetary and fiscal changes followed. Banks, imports, overseas remittances and private borrowing offshore were all deregulated, and the finance sector boomed. Supports to farmers were removed, prompting suicides. Tariffs that protected local manufacturing jobs ended under CER with Australia, and began to be reduced under GATT and a series of Free Trade Agreements. “An open economy that works on free market principles”, is how Treasury now describes us.

The Magic Square, Monthly Review, 1986

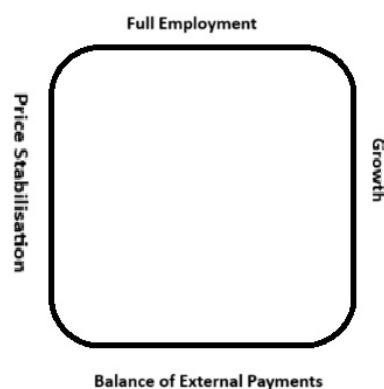
Against this tide of monetary deregulation, Rosenberg published *The Magic Square* in 1986. He shows the fall in New Zealand's international rankings in the 1960s and 1970s as we slowly “restructured”, with international competitiveness as our first priority. He explains the “disaster of Rogernomics' sudden abandonment of economic instruments” that controlled foreign payments, and its reliance on a “sole blunted instrument: control of money supply” through the Official Cash Rate.⁸

In mid-1972 18 countries had abandoned the Bretton Woods gold-standard system⁹ and floated their currency – in effect, privatising international financial flows. In 1984 the Labour government did the same, and tried to balance foreign exchange by attracting inflows of foreign money with extremely high interest rates.¹⁰ Our overseas debt, public and private, swelled

from NZ\$16.1 billion at the end of Muldoon's term to NZ\$28 billion in December 1985. The financial sector boomed, but the economy didn't. It stagnated between 1985 and 1993, with very average growth since. “Rogernomics was an abject failure by its own standards”, says Easton in 2020.¹¹

Rosenberg lists and discusses Labour's rapid monetary policy changes in late 1984–early 1985. He unpicks the neoliberal theories, assumptions and fallacies behind them, providing historic and contemporary data. He also provides lessons from Argentina, Chile and Uruguay, which had already gone down this route on IMF advice. “The question of full employment does not arise in this theoretical model.” It's all well worth reading, but it won't cheer you up – the same neoliberal mind set is still evident in the 2025 Budget.

He also recaps and expands his arguments on how to support prosperity through full employment. The problem with leaving decision-making to “the market” is that it cannot solve the basic dilemma of economic policy: how to achieve four objectives simultaneously. This time he presents these four objectives as a useful diagram: the ‘magic square’.



Note, this is not a matrix of paired opposites. Each policy side of the square has its own tensions and balances to resolve, as well as contradictions between the four policy areas. To maintain employment and prosperity, the four must work together, with flexibility, to reduce the impacts of whatever crisis the world is throwing at us – commodity price drops, financial crises, pandemics, regional wars, tariff wars. I visualise “the role of democratic government” in the middle of the square, and “the global economy”, with lightning bolts and dragons, around the rim of our Pacific hemisphere.

“No policy which does not successfully control all four variables will be durable,” says Rosenberg. This cannot be done with a single monetarist instrument – such as the present base rate for bank credit, increasing or reducing economic activity and inflation. “What growth – if any – that they are able to achieve will be partial and badly distributed – with any benefits flowing to a small privileged class of New Zealanders.” And so it has been.

Rosenberg’s 1986 analysis and advice were of little avail. Contrary to assurances in election campaigns, the monetary policy changes were followed by fiscal and labour relations changes. In its second term, Labour “rolled back the state” through state sector restructuring and privatisations, with “reviews” of health and education. National followed with savage benefit cuts, and the repeal of a new Employment Equity Act and our whole 100-year system of occupational wage bargaining.¹² Voters tried to hit back with a shift to proportional representation. But the Washington Consensus agenda, and most of NZ Business Roundtable’s wish-list, had been achieved.

Two leg irons now hold these neoliberal policies in place: the Reserve Bank Act 1989 and the Public Finance Act 1989.¹³ As I write, we are probably about to get a third: the Regulatory Standards Act. Together these ensure that New Zealand is just another a low wage, resource-exporting former colony, designed for dependence on the global economy. In a world order which is increasingly chaotic. Kiwibank’s June 2025 Economic Forecast warns that, “As a small open economy, we’re especially vulnerable... And the way we see things, the balance of risks is tilted to the downside”.¹⁴

Unemployment by design

For four decades, economists have been running New Zealand at 3-5% unemployment as normal. There’s a fictional number called the NAIRU, the Non Accelerating Inflation Rate of Unemployment, below which jobs and wages are held responsible

for price inflation. Jobs vs inflation; no external factors considered important. Even so, our independent Reserve Bank may once again *by law* only consider inflation, not employment, in setting the base bank rate through which indirect means our entire economy and its place in the global economy is expected to be fine-tuned.

At the 2025 Budget, the official unemployment rate was 5.3%. “Oh, good,” said Prime Minister Luxon on the 6 o’clock news, before saving himself by saying he’d feared it was worse. It is worse. Part-time employment is growing faster than fulltime, and 12% of all employees want more hours of work (and pay) than they’re getting. There’s a statistic on “time in current job” that tries to measure the churn of employees through increasingly casualised jobs and stints of unemployment. This “labour market flexibility” is disproportionately provided by young people and low paid Māori and Pasifika women¹⁵, but the “gig economy” is also undermining the security of the middle classes.

As Bill Rosenberg emailed me about his father’s book:

“The opening of the economy, particularly in the way it happened, undermined one of the tools he counted on – import controls – to ensure the current account didn’t blow out, increasing New Zealand’s international debt and making New Zealand’s policies susceptible to pressure from the international lenders, and making the economy susceptible to balance of payment crises which would undermine support for full employment.”

Unemployment is rising while inflation slows

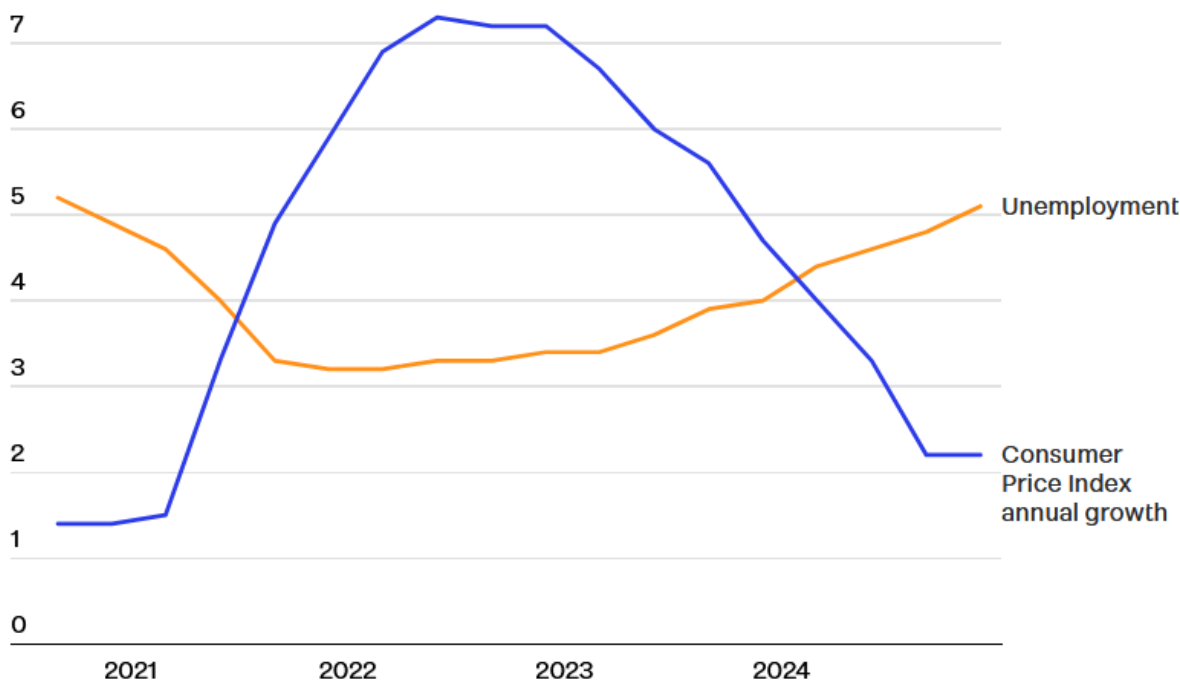


Chart: Glenn McConnell | Stuff.co.nz • Source: Stats NZ

Bill points out, it would be much more difficult to apply the magic square now, although there's a glimmer of hope in Trump's use of tariffs, intended to create more US jobs for his voters. Trump won't achieve that because he has no proper industrial policy; without it tariffs won't work. To be used for that purpose, they should be narrow and focused, the opposite of the chaotic way Trump is handling them with tariffs across the board. Wolf would have regarded tariffs as a poor cousin to import controls, Bill says, but would probably welcome them if used in a sensible way.

Are these books outdated? I don't think so. Anything that shakes our economic ideas out of neoliberal paralysis has got to be useful. Many scientists, economists and activists are saying that, to reduce fossil fuel use and global warming, we must shift our economies away from endless pursuit of growth and investor profit. Rosenberg's strong view that government's role is to ensure

full employment and shared prosperity would mean a step forward for most of us. UK economist and tax haven researcher Richard Murphy is on the same page, in a 2025 talk on how modern fiat currencies work. Governments control money supply and inflation within their own economy, he says, when they spend into the economy – for whatever purpose, left or right – then tax it back. “If you understand this, then the goal of governments in economic management is... active fiscal policy... to create full employment and price stability, not balanced budgets.”¹⁶ To do so in New Zealand, all four sides of the magic policy square must be in play.

This review is also in CAFCA's *Foreign Control Watchdog*. Both books are in the national library and university systems. *Full Employment* is now out of copyright. We may be able to share it as a scanned pdf – ask me on linda.hill@xtra.co.nz.

¹ J. Kelsey, *The NZ Experiment*, 1997.

² C. Comyn, *The financial colonisation of Aotearoa*, 2022; see review in *Watchdog*, Dec 2023.

³ I notice that Brian Easton (Not in Narrow Seas, 2020) dismisses Rosenberg's theories and says his “early writings” – *Full Employment* is the first reference listed – “pay little attention to inflation”. Which is odd, because policy mechanisms used to balance full employment against inflation is surely what this book is all about.

⁴ Clara E. Mattei, *The Capital Order: How economists invested austerity and paved the way to fascism* (2022). See Greg Waite's review in *Watchdog* 168, Apr 2025.

⁵ In *The Magic Square*, 20. Quotes in my End of the Miracle section are also taken from this.

⁶ *The Magic Square*, 16.

⁷ 10 economic policy prescriptions – see Wikipedia – by the IMF, World Bank and US Treasury as a standard reform package for developing countries in crisis.

⁸ This is the interest rate on the commercial banks' deposits and loans with the Reserve Bank, which influences the interest the banks charge their customers. This raising or lowering of the cost of credit influences prices. See www.rsb.govt.nz. All

very indirect.

⁹ The gold standards backing currencies were suspended temporarily during WWI, the Great Depression and WWII so governments could create the money they needed. L. Ahamed, *Lords of Finance*, 2010.

¹⁰ Interest rates floated too. I remember in the late 1980s our mortgage rate reached 22%.

¹¹ Easton above n 3.

¹² Kelsey, 1997; J. Boston, P. Dalziel, S. St John, *Redesigning the welfare state in NZ*, 1999.

¹³ Which Incorporates the Fiscal Responsibility Act 1994.

¹⁴ www.kiwibank.co.nz/business-banking/thrive-hq/kiwi-economics/commentary-insights/weve-updated-our-forecasts-as-we-think-our-way-through-tumultuous-times/

¹⁵ L. Hill, Reclaiming equity in the labour market, *Women Will Rise*. 2022.

¹⁶ Richard J Murphy, What modern monetary theory actually says and why it matters. 23 Jun 2025. www.youtube.com/watch?v=GyJckrwB4kA



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