### **NEW ZEALAND**





**Overall** Score





RATING Reason

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ACCESS TO DECENT WORK	ACCESS TO DECENT WORK	ACCESS TO DECENT WORK	REASONABLE ACCESS TO DECENT WORK	APPROACHING ACCESS TO DECENT WORK	DECENT WORK
The country rating is ba where 100 signifies the					

#### Contextual Indicators

Population (2022)	5.12 M	Total Fertility (rate) (2022)	1.66	Female Labour Force <sup>4</sup>	A:1.46 M	B:67% (participation rate)
Labour Force	3.08 M	Trade Union (density)	19%	Non-Standard Employment	A:39% (part-time employment) (2019)	B:No Data
GDP per Capita	\$48,419	Collective Bargaining (coverage)	19%	Work Injuries (per 100,000 workers)	A:2.3 (fatal)(2015)	B:1,200 (non-fatal)(2015)
Poverty Headcount	No Data	Social Protection <sup>3</sup> (coverage)	100%	Minimum Wage <sup>7</sup> (April 2024)	NZD 3,934	
Informal Employment <sup>2</sup>	No Data	Workers per Labour Inspector <sup>8</sup>	36,674	Living Wage (April 2024)	NZD 2,313	

Sources: World Bank | International Labour Organization | WageIndicator Minimum Wages and Living Wages Database | M = Million GDP per Capita in USD (\$) | wages shown in local currency and per month

#### At a glance

For New Zealand, the labour legislation applicable at the national level is analysed and scored. Different rules may apply in other jurisdictions, necessitating review of other sources.

Following this approach, New Zealand's overall score is 74 out of 100. The overall score for New Zealand is greater than the regional average observed across Oceania (67). Within the Oceanian region, the highest score is observed for Australia (87).

New Zealand's overall score improved due to a methodological update in the Social Security indicator. The revised criteria no longer include means-testing for survivor's pensions and invalidity benefits, and also exclude the waiting period for accessing sickness benefits, leading to a more favourable evaluation.

The country scores on the Labour Rights Index must be interpreted with caution, considering also the contextual indicators like the size of the population and labour force, informal employment in the country, social protection coverage, level of economic development (as measured by GDP per capita), female labour force participation rate, incidence of non-standard employment in the form of part-time employment and temporary employment as well as work injuries, both fatal and non-fatal. Trade union density and collective bargaining coverage rates are also relevant contextual indicators to assess the state of freedom of association and collective bargaining in the country.



#### **New Zealand**

Indicator scores on Labour Rights Index 2024



For each indicator, the score ranges from 0 to 100, where 100 signifies the highest possible score and 0 signifies the lowest score. The overall score is the average of 10 indicators.

#### **About Labour Rights Index**

The Labour Rights Index 2024 (LRI 2024) is a de-jure index covering 145 economies and structured around the working lifespan of a worker. In total, 46 questions or evaluation criteria are scored across 10 indicators. The overall score is calculated by taking the average of each indicator, with 100 being the highest possible score. The Index uses a rating system, ranging from "Total Lack of Access to Decent Work" to "Access to Decent Work". The Labour Rights Index aims at an active contribution to the Sustainable Development Goals, by providing necessary (complementary) insights into de jure provisions on issues covered in particular by SDG 5 (Gender Equality), SDG 8 (Decent Jobs), SDG 10 (Reduced Inequalities) and SDG 16 (Strong Institutions). The Labour Rights Index scores countries based on applicable labour laws only. It does not comment on actual working conditions or labour law compliance in workplaces. The legislation that is used to score the country under the Labour Rights Index is generally national or federal level legislation. In cases where the legislation is enacted at the provincial/regional or state level, the Index analyses the labour legislation applicable to the most populous province/region or state (in federal, confederal or other complex structure states). Scoring for each country is based on labour legislation, as applicable on 1 January 2024.



## LABOUR 20 NEW ZEALAND



In order to measure the trend in country's legislative performance over the last edition of 🌑 Score increase 🌘 Score decrease 🕒 Score adjustment 🥚 Methodological change 🔘 No change the Labour Rights Index (2022), the opposite legend is used. 1. FAIR WAGES 20 **QUESTION TREND** ANSWER LEGAL BASIS Does the legislation or collective negotiation set and Yes §4 of Minimum Wage Act, 1983 determine the minimum wages in the country? No Does the law require regular and timely payment of wages? §9 & 10 of Wages Protection Act, 1983 Does the law require overtime compensation to be at least No §67C, 67D & 67E of Employment Relations Act, 2000 125% of the regular hourly rate? Does the law require any additional compensation for No No applicable legal provisions could be located working on a weekly rest day? Does the law require additional compensation for night No No applicable legal provisions could be located work? 2. DECENT WORKING HOURS Does the law stipulate general weekly working hours as 48 Yes §11B of Minimum Wage Act, 1983 hours or lower? Does the law restrict maximum working hours, including No §67C of Employment Relations Act, 2000 overtime, to 56 hours per week? Does the law require a paid weekly rest of at least 24 Yes §11B of Minimum Wage Act, 1983 consecutive hours? Yes Does the law require paid public holidays? §43-46 of Holidays Act, 2003 Does the law require at least three working weeks of paid Yes §16 of Holidays Act, 2003 annual leave? 3. EMPLOYMENT SECURITY Does the law require a written employment contract or Yes employment particulars to be given to a worker on §64 & 65 of Employment Relations Act, 2000 commencement of employment? Does the law restrict the hiring of fixed-term contract No §66 of Employment Relations Act, 2000 workers? Does the law limit the length of the probation period, Yes §67 of Employment Relations Act, 2000 including renewals, to three months? Does the law require a 30-day notice period before Nο §120 of Employment Relations Act, 2000 employment contract termination? Does the law require severance pay at the rate of at least No §69N of Employment Relations Act, 2000 two weeks of wages for every year of service? 4. FAMILY RESPONSIBILITIES Does the law require a four-month parental leave for Yes §9 of Parental Leave and Employment Protection Act, 1987 parents? Does the law require at least one week of paid paternity No §19 of Parental Leave and Employment Protection Act 1987 leave for fathers? Does the law require flexible working arrangements for No Part 6AA of the Employment Relations Act, 2000 workers with family responsibilities?

No

§69Y and 69ZB of the Employment Relations Act 2000

Does the law require paid nursing breaks?

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In order to measure the trend in country's legislative performance over the last edition of the Labour Rights Index (2022), the opposite legend is used.

Score increase Score decrease Score adjustment Methodological change No change

5. MATERNITY AT WORK			100
QUESTION	ANSWER	LEGAL BASIS	TREND
Does the law prohibit inquiring about pregnancy during recruitment?	Yes	§21, 22 & 74 of the Human Rights Act, 1993	$\circ$
Does the law require maternity leave of at least 14 weeks?	Yes	§9 of the Parental Leave and Employment Protection Act 1987	$\bigcirc$
Does the law require cash maternity benefits to be at least two-thirds (66.67%) of a worker's former wage?	Yes	§71M of the Parental Leave and Employment Protection Act 1987	$\circ$
Does the law require cash maternity benefits to be paid through a contributory social insurance or a universal benefi system or such benefits are an employer's liability?	ts Yes	§71Q of the Parental Leave and Employment Protection Act 1987	$\bigcirc$
Does the law protect workers from dismissals during or on account of pregnancy?	Yes	§49 of Parental Leave and Employment Protection Act, 1987	0
6. SAFE WORK			100
			100
Does the law require employers to provide free personal protective equipment to workers?	Yes	§6 of Health and Safety in Employment Act, 1992	0
Does the law require employers to train workers on health and safety Issues?	Yes	§13 of Health and Safety in Employment Act, 1992	$\circ$
Does the law restrict work that is prejudicial to the health of the mother or the child?	Yes	§14-16 of Parental Leave and Employment Protection Act, 1987	0
Does the law provide for employment injury benefits in the event of an occupational accident or disease?	Yes	§97-106 of the Accident Compensation Act 2001	$\bigcirc$
7. SOCIAL SECURITY			100
Does the law provide for an old age benefit?	Yes	§7(1) of New Zealand Superannuation and Retirement Income Act, 2001	$\bigcirc$
Does the law provide for survivors' benefits?	Yes	§90-94 of the Social Security Act 2018	
Does the law provide for unemployment benefits?	Yes	§20-28 of the Social Security Act 2018	0
Does the law require paid sick leave (and sickness benefits) for the first six months of sickness?	Yes	§27-28 of the Social Security Act 2018	
Does the law provide for invalidity benefits?	Yes	§84-89 of the Social Security Act 2018	
8. FAIR TREATMENT			100
Does the law require equal remuneration for men and women workers for work of equal value?	Yes	§2AAC of Equal Pay Act, 1972	0
Does the law prohibit sexual harassment in employment?	Yes	§62, 92I & 92M of Human Rights Act, 1993; §108, 123 & 128 of Employment Relations Act, 2000	$\circ$
Does the law prohibit discrimination in employment matters?10	Yes	§21 and 22 of Human Rights Act, 1993	0
Does the law allow women to do the same job as men?	Yes	No restrictive legal provisions could be located	$\circ$
Does the law guarantee basic labour protection to the platform workers?	Yes	Social Security Act 2018; ISSA Country Profile for New Zealand	0

## RIGHTS 20 NEW ZEALAND



9. CHILD AND FORCED LABOUR			75
QUESTION	ANSWER	LEGAL BASIS	TREND <sup>12</sup>
Does the law prohibit the employment of children?	Yes	Section 54 of the Education and Training Act 2020	$\bigcirc$
Does the law set employment entry age equal to or higher than the compulsory schooling age?	Yes	Section 35 of the Education and Training Act 2020	$\bigcirc$
Does the law prohibit the employment of young persons in hazardous work under the age of 18 years?	No	Reg. 43 of the Health and Safety at Work (General Risk and Workplace Management) Regulations 2016	$\circ$
Does the law prohibit forced labour?	Yes	Section 98D of the Crimes Act 1961	$\circ$
10. FREEDOM OF ASSOCIATION <sup>1</sup>	1		100
Does the law allow workers to form and join unions of their own choice?	Yes	§8-11 of Employment Relations Act, 2000	0
Does the law allow workers to bargain collectively with employers through their representative unions?	Yes	§13-18, 32-34 & 40-50 of Employment Relations Act, 2000	$\circ$
Does the law provide the right to strike?	Yes	§81, 82A-96, Schedule 1 of the Employment Relations Act, 2000; ITUC Global Rights Index 2024 (New Zealand Profile)	$\circ$
Does the law prohibit imposing excessive sanctions against striking workers, including replacement of such workers?	Yes	§97 of Employee Relations Act, 2000; ITUC Global Rights Index 2024 (New Zealand Profile)	$\bigcirc$

 $<sup>^{1\</sup>cdot}$  Proportion of population living below the national poverty line (%), as measured under the SDG 1.2.1

- <sup>a</sup> Robust legislation, backed by effective enforcement, forms the foundation for achieving decent work in practice. In this regard, it is relevant to see if the country has an adequate number of labour inspectors. While the Labour Inspection Convention, 1947 (No. 81) calls for a "sufficient number" of inspectors to do the work required, there is currently no official definition for a sufficient number of inspectors. In its 2006 General Survey on Labour Inspection, the ILO referred to the following benchmarks on the number of labour inspectors in the country in relation to the labour force: 1:10,000 in industrial market economies, 1:15,000 in rapidly industrializing economies, 1:20,000 in transition economies, and 1:40,000 in less developed countries. The latest guidance from the ILO (2022) however emphasizes a more holistic evaluation of national context rather than solely a ratio of labour inspectors to the size of labour force.
- <sup>9</sup>. The Living Wage estimates shown in this country profile are for a typical family (lower bound) that comprises two adults. The number of children is determined by the country-specific fertility rate, representing the average number of children in a family. One adult is engaged for 100% of normal working hours, while the working hours of the second adult are approximated based on the national labour force participation rate. The combined wage earned by two adults, each receiving a living wage, is designed to meet the requirements for achieving a decent standard of living for the family. For further details on this, please check here: https://wageindicator.org/salary/living-wage
- <sup>10</sup> The prohibited grounds for discrimination are "race, colour, sex, religion, political opinion, national extraction or social origin, age, disability and trade union membership". A score of 1 is assigned only if a country has prohibited discrimination on at least 7 of the above 10 grounds.
- 11. The Freedom of Association indicator of the Labour Rights Index uses Observations/Direct Requests from the ILO Committee of Experts on Application of Conventions and Recommendations (CEACR), the US Department of State's Country Reports on Human Rights Practices (USDOS CRHRP) and the country's legal profiles under the ITUC Global Rights Index 2024 to measure a country's compliance with the right to freedom of association and collective bargaining. A country's score on the LRI's Freedom of Association indicator must also be read together with the SDG indicator 8.8.2, which measures the level of national compliance with labour rights (freedom of association and collective bargaining) based on ILO textual sources and national legislation. It has a range from 0 to 10, with 0 being the best possible score (indicating higher levels of compliance with FACB rights) and 10 the worst (indicating lower levels of compliance with FACB rights). The score for New Zealand on the latest available data of the SDG 8.8.2, is "1.1" (2022). Other than SDG 8.8.2, we suggest considering the country's score on ITUC's latest Global Rights Index. The score for New Zealand in 2024 is "2". As explained by the ITUC, "Countries are rated in clusters from 1-5+ depending on their compliance with collective labour rights, with 1 being the best rating and 5+ the worst rating a country could get. A high-rated cluster means that workers in the country have no right to their collective voice due to government failure to guarantee rights".
- 12 In order to measure the trend in country's legislative performance over the last edition of the Labour Rights Index (2022), the legislative table indicates improvement or worsening of de-jure labour rights in country through the following colours.
  - Score improved due to a positive legislative reform
  - Score worsened due to a negative legislative reform
  - Score is adjusted for the country due to a minor revision in the methodology for the Social Security indicator
  - Score is adjusted for the country due to better access to the country's legal sources, or where the score for the Freedom of Association indicator is adjusted based on the latest reports from ILO, USDOS & ITUC Global Rights Index 2024
  - No change

<sup>&</sup>lt;sup>2.</sup> Share of informal employment in total employment (%), as measured under the SDG 8.3.1

<sup>3.</sup> Proportion of the country population covered by social protection floors, as measured under the SDG 1.3.1

<sup>4.</sup> The female labour force is shown in absolute number (A) along with the female labour force participation rate (B)

<sup>5.</sup> Non-Standard Employment has been defined as part-time employment (A) and temporary employment (B)

 $<sup>^{\</sup>rm 6.}$  Rate of fatal (A) and non-fatal work injuries (B) per 100,000 workers, as measured under the SDG 8.8.1

<sup>7.</sup> Minimum Wage and Living Wage amounts are shown in local currency. The amounts are retrieved from the WageIndicator Minimum Wage Database and the WageIndicator Living Wage Database. The minimum wage amounts are those as were applicable on 1 April 2024. The Living Wage amounts are from the April 2024 data release by the WageIndicator. Given the declining share of labour income (a widely used measure of inequality, measuring the proportion of total income in a country that employed people earn by working), the contextual indicators on minimum wage and living wage are relevant