High fertility and female employment rates, but challenges around sole parents in employment remain

New Zealand has experienced a steady growth in the female employment rate, which currently stands at 67%, well above the OECD average of 57%. Rising female employment has been coupled with a decreasing gender-wage gap, which at 8% is currently the 3rd lowest in the OECD, and half the OECD average. The total fertility rate has also increased over the last decade and is now around the replacement rate of 2.1 children per woman and is well above the OECD average of 1.74. High fertility and female employment rates in New Zealand, suggest overall compatibility between work and family life. However, Maori and Pacific ethnic groups combine high fertility rates with much lower female employment rates.

A good package of policies, including flexible workplace practices and affordable early childhood care and education services, helps New Zealand families to reconcile work and family life. Part-time work is a common working practice used by New Zealand mothers who reduce their working hours when their child is young and return to full-time work when the child starts school.

High fertility and female employment rates suggests compatibility between work and family life

Total Fertility rates and employment rates of prime-aged women, 2009

The child poverty rate has remained stable over the last decade and is around the OECD average

% of children living in poor households, mid/late 2000s

New Zealand could do more to help parents of the youngest children. The parental leave payment rates are lower than the OECD average. This contributes to an increased poverty risk among families for the first year following childbirth.

New Zealand can also do more to support sole parents into full-time work via the provision of quality childcare. During the ongoing economic crisis the sole-parent employment rate dropped by more than 10 points from 60% in December 2007 to 48% in December 2010. Until recently New Zealand provided support to sole parents for prolonged periods with very few work conditions attached. However, in September 2010 a part-time work test was introduced for sole parents when their children reach schooling age (6 years).

Although the overall spending per child fell between 2003 and 2007, there has been a welcome increase in early-childhood spending and childcare provision. The increase in spending on children aged 0-5 years as a share of spending on all children was one of the largest in the OECD.

Overall, child outcomes in New Zealand are variable: the child poverty rate, at 12.2%, is around the 12.7% OECD average, infant deaths have fallen while proportion of low-weight births has also decreased. PISA reading scores are the fourth highest in the OECD. But the proportion of older children not in education or employment, at 9.3 is higher than the OECD average of 8.0%.