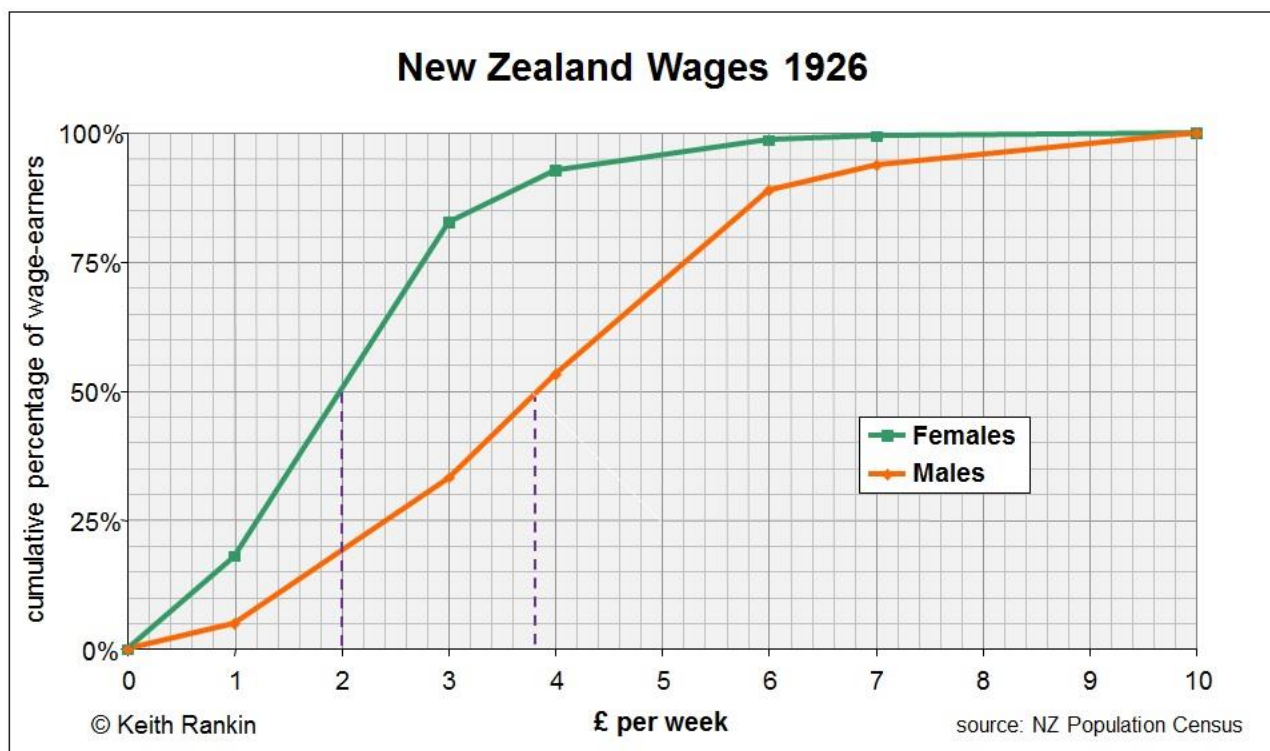


Chart for this Week: New Zealand Weekly Wages 1926 Census

Keith Rankin, 9 September 2015



[Pay Inequity 1926-style](#)

This week's chart shows what nominal wages were like in 1925, as reflected in the 1926 census, the first to collect income data. It shows that 50 percent of male workers and 90% of female workers earned less than £3.80 (\$7.60) per week. It could have been worse; wages were quite a bit lower 10 years later.

According to this 1926 census data, the median female wage was £2 (\$4) per week, just over half of the median male wage.

While of course most products are different today, in essence a wage of £2 in June 1925 is equivalent to \$190 in June 2015, thanks to an annual average inflation rate of 4.4%. (And thanks to the Reserve Bank's [inflation calculator](#), it's easy to work this out.) Thus a typical woman today would be earning \$190 per week if wages only kept up with inflation, and equal pay had not been introduced in 1972.

For June 2015, the median female weekly wage is about \$900, nearly five times higher in real (ie purchasing power terms than the 1925 wage). At least in some parts of our history over the last 90 years, wages were enabled to rise more quickly than prices. Just two Ministers of Finance oversaw most of our real wage increases: Walter Nash and Robert Muldoon.

Imagine if a typical woman today had to live on less than \$200 per week, such a tiny sliver of GDP. Just imagine how much more unequal our society would be than it actually is. Yet since the 1980s workers have considered themselves fortunate if they've gained wage increases that just match inflation. Indeed it is since the 1980s that inequality – between rich and non-rich households, if not between men and women – has become our dominant economic reality.
