



Employment disputes: What employers want to see changed

Employers back regulation of advocates as the top priority for reform, as cost and delay continue to put pressure on businesses across New Zealand.

In May 2026, the Ministry of Business, Innovation and Employment (MBIE) released a [discussion document](#) consulting on the employment dispute system, seeking feedback on whether the system is delivering timely, affordable, and fair outcomes, and what changes could be made to improve it. The consultation closes at 5pm on Friday 31 July 2026. For further information on the consultation see our article: [Public consultation now open: employment disputes and the dispute resolution system](#).

We released a survey to capture the employer experience when managing employment disputes to inform Simpson Grierson's submissions on the consultation.

The survey responses do not suggest wholesale rejection of the current system. However, it reveals consistent concern about cost, delay, and advocate accountability, alongside strong appetite for targeted reform.

Here's what we found:

75% of respondents support some form of regulatory framework for employment advocates

50% of respondents described their experience with the advocate on the other side as poor



71% of respondents identified the time taken to resolve disputes and **69%** identified cost as challenges they experience in resolving employment disputes



91% of respondents cited management time and distraction as having significant organisational impact associated with the Employment Relations Authority and Employment Court

These findings were also discussed by Simpson Grierson partner Bronwyn Heenan in an [opinion piece](#) published in BusinessDesk on 26 June 2026.

Strong support for regulating employment advocates

Employment advocates help people in employment disputes but are not lawyers registered with the New Zealand Law Society. They are not subject to professional regulation, disciplinary oversight, or mandatory competency standards. Anyone can set themselves up as an employment advocate and take on clients.

The MBIE consultation notes that the employment disputes system is intended to be accessible without representation at less formal stages. Our survey tells a more complex story: where unregulated advocates are involved, the process becomes more costly, more adversarial, and harder to resolve.

The survey results send a clear message: the regulation of employment advocates is the single most important change survey respondents want to see. **Three in four respondents - 75%** - supported some form of regulatory framework, and when asked what single change would most improve the system, regulation of advocates was the most frequently nominated response.

Some respondents considered that employment advocates should be removed from the system altogether, or that their role should be limited to that of a support person. Those who opposed regulation, or were unsure about it, focused on the need to preserve affordable access to representation for employees. That is a legitimate consideration, but it is not inconsistent with the majority view that some form of registration, minimum standards, and accountability mechanism is needed.

The impact of poor advocacy

The picture painted by those who had experienced an advocate on the other side of a dispute was stark. Half described the experience as poor. Common concerns included aggressive and unprofessional conduct, unrealistic settlement expectations, and a widespread perception that advocates were incentivised to prolong disputes rather than encourage early resolution.

Several respondents singled out “no win, no fee” arrangements as a driver of poor behaviour, others referred to instances of fabricated AI-generated case law being cited, inaccurate legal advice, and fees charged that (from the employer’s perspective) bore little relationship to the quality of service they had provided to their clients.

“At the moment it’s a free for all, Wild West scenario. Anyone can set themselves up as an ‘Advocate’ with zero qualifications or understanding of the law. Because they are not regulated by any central authority, there is no formal discipline body equivalent to the Law Society for lawyers.”

Survey respondent

A theme that emerged clearly from the survey is that poor advocacy can in fact harm employees as well as employers. However, at present, there is nowhere to make a complaint about an advocate or raise concerns about their conduct.

“At the very least, advocates are always open to mediation, however some have taken a large portion (more than 50%) of the settlement sum. The delays caused by advocates failing to respond to the Authority or Court creates uncertainty for us, and their vexatious or tangential applications or “legal” arguments create a financial burden for us. We actually feel sorry for the employee sometimes, as it appears they are being taken advantage of.”

Survey respondent

A mixed picture on mediation

Employer experience of MBIE mediation was decidedly mixed. **Fewer than half - 43%** - rated their experience as good, and responses spanned the full range from poor to excellent. Responses suggested outcomes often depended on the individual mediator involved, making the success of mediation something of a lottery.

Common criticisms included mediators who appeared unprepared or had not read the relevant documentation, and those who adopted a passive facilitation role rather than actively helping parties reach resolution. Access was also a concern: respondents noted significant delays in obtaining a mediation date through MBIE, with some engaging private mediators instead.

Respondents also commented on the effectiveness of online versus in-person mediations. Views were mixed, with some appreciating the flexibility and convenience, while others found online mediations less effective than in-person discussions.

"a half day Zoom meeting is often not very satisfying for either party."

Survey respondent

Employment Relations Authority and Employment Court

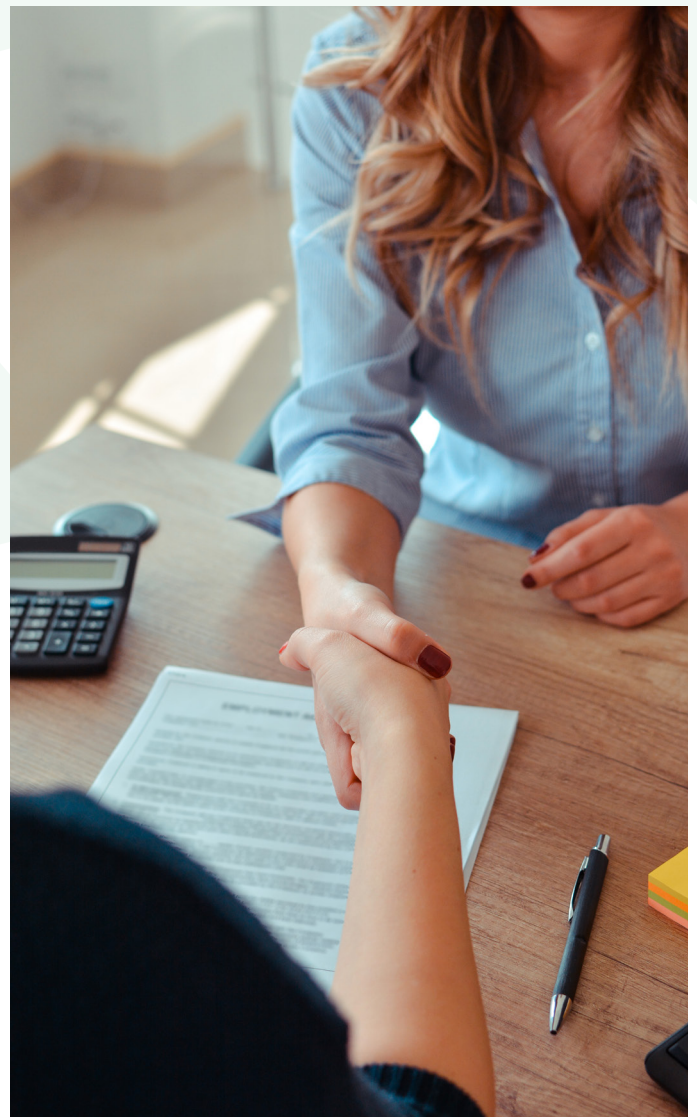
Relatively few respondents had been to the Employment Relations Authority or Employment Court in the last three years, reflecting the fact that most disputes are resolved well before reaching that stage. **Of those who had, 45% rated the experience as good and 22% as poor** - but several noted that cost, time, and uncertainty drive them to settle before reaching the Authority regardless of the strength of their position.

Employers are settling unmeritorious claims

A consistent theme throughout the survey responses was that employers are settling matters even where they consider the claim has little or no merit, simply because defending the claim costs more (both in time and money) than settling it.

"We ended up settling despite the case having no merits, as it was going to cost more going round in circles with someone unethical."

Survey respondent



Employer perception of the overall system

When asked to rate the employment dispute resolution system overall, views were spread almost evenly across poor, fair, average, and good, with only a small minority rating it excellent. The dominant finding was a strong and consistent perception that the system structurally favours employees, regardless of the merits of any particular claim - and that this imbalance is reinforced by the economics of the process itself.

"It's too easy for people to take cases without merit and just force a settlement because defending a claim is too expensive."

Survey respondent

What employers want to see

When asked what single change would most improve the system, four themes dominated:



- **Regulation of employment advocates:** Minimum competency standards, registration requirements, and a code of conduct - with a disciplinary body that has real teeth.



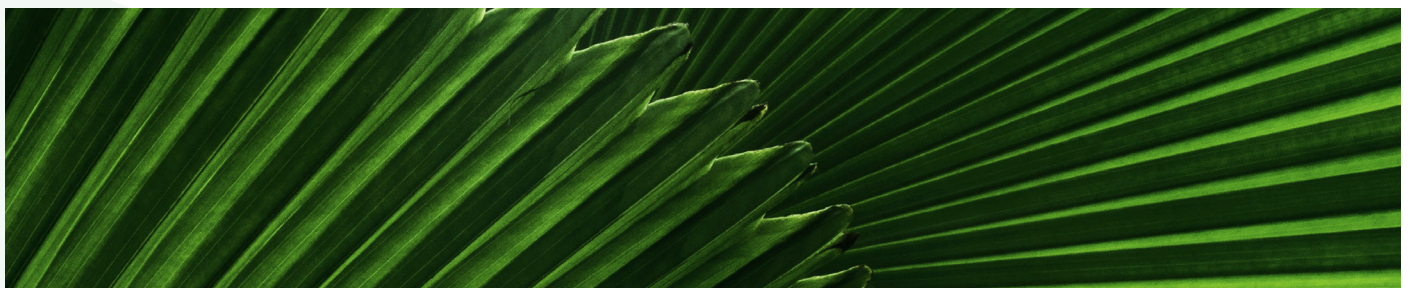
- **Faster resolution:** More resources for the Authority, the Court, and the mediation service; quicker access to mediation; and a shorter window for employees to pursue a personal grievance after it has been raised.



- **Greater balance:** Outcomes that reflect the overall circumstances of a dispute, including employee conduct, with consequences for raising baseless grievances.



- **A triage or merits filter:** Early-stage assessment of claim viability, with cost consequences for claims found to be baseless, vexatious, or time-barred.



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Methodology

We received **93** responses from private and public sector employers across a wide range of industries, including financial services, healthcare, education, technology and telecommunications, transport, and primary industry. Respondents ranged in size from organisations with fewer than 50 employees to those with more than 500 employees.

Making a submission

The MBIE consultation closes at **5pm on 31 July 2026**.

Simpson Grierson will be making a submission informed, in part, by the results of this survey. We are also assisting clients who wish to prepare their own submissions.

Submissions can be made by emailing employmentrelationspolicyteam@mbie.govt.nz. If you would like support preparing a submission, or discussing how the proposed reforms could impact your organisation, please contact your usual Simpson Grierson adviser.

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