



Traci Houpapa - gender diversity in the private sector

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The National Advisory Council on the Employment of Women (NACEW) is delighted to share stories from eight companies promoting policies aimed at supporting women and closing the gender pay gap. These range from large corporates (Fonterra, Westpac, Chorus, Xero, Lion) to smaller organisations such as Yellow, FrankAdvice, and Enspiral Dev Academy.

Aimed at sparking discussion and inspiring action, these stories from companies working to close the gender pay gap could not be more timely. Next year marks 50 years since the introduction of the Equal Pay Act 1972 – celebrated as landmark legislation. Yet half a century on, New Zealand's gender pay gap has stalled at around 9.5 % – more or less where it has been for the last three years.



If progress looks glacial, it's because there are many interconnecting factors at play. Men not only still dominate highly paid leadership roles but also high-earning sectors. Lack of workplace flexibility, unconscious gender bias both in recruitment and in promotion to leadership roles have hindered progress for women, as have career breaks and part-time hours to fit around child care and domestic duties.

Female-dominated industries – such as hospitality, tourism and services – tend to be undervalued and lowly paid. These sectors have also been the most vulnerable to job losses brought about by Covid 19. Employment figures for December 2020 revealed 5.4% of women unemployed compared to 4.5% of men. Unemployment figures for Maori and Pasifika women – where the gender pay gap is 15.2% – have also risen sharply over 2020.

Just as multiple factors created a gender pay gap, so there is no single quick fix. But a good place to start would be pinpointing your organisation's gender pay gap. Westpac, for example, has trailblazed diversity, inclusion and flexible work policies. Yet when they compared the median pay of male and female employees they were shocked to find a gender pay gap of 30.3 percent. It was confronting, but it allowed Westpac to set up a range of further initiatives that will make a difference. The company has set an ambitious business target of a 50/50 gender split in the top three layers of leadership by 2026. Fonterra's board have also signed up to a 50-50 male-female split at leadership level.

Lion, one of Australasia's largest food and beverage companies closed their gender pay gap four years ago – and are committed to keeping it closed. Believing that diversity is most beneficial at a team level, they have a target of a 50-50 gender split across all functions and levels by 2026.

Strategies by other organisations include fostering more diverse leadership through inclusive staff training programmes, creating more flexible working arrangements, particularly for parents, and establishing a workplace that encourages a better work/life balance.

Smaller companies such as web development school, Enspiral Dev Academy, which aims to increase diversity in the tech sector, has found that creating a fair and equitable workplace is as much about setting the right conditions as it is about monetary incentives.

Companies like these are passionate about doing what is right, but will also acknowledge there are business benefits. Extensive research has shown that companies with diverse leadership teams – including a balance of genders – make better decisions and adapt to change more readily. An organisation with a leadership team of the same age, gender and ethnicity risks being out of touch with their market. Employers offering opportunities and flexible working practices for all staff will attract and retain good employees.

And there is the wider benefit for Aotearoa New Zealand. Empowering women in the workplace means that we will be fully utilising the skills and experience of half of our population. That can only be good for our community.