



Critical issues for New Zealand women's employment, now and in the future

Acknowledgement

Prepared for the National Advisory Council on the Employment of Women with assistance from Maire Dwyer, Report Writer

Disclaimer: The Department of Labour has made every effort to ensure that the information contained in this report is reliable, but makes no guarantee of its accuracy or completeness and does not accept any liability for any errors. The Department may change the contents of this report at any time without notice.

ISBN 978-0-478-33302-2

June 2008

© **Crown copyright 2008**

This material is Crown copyright unless otherwise stated and may be reproduced free of charge without requiring specific permission. This is subject to it being reproduced accurately and not being used in a derogatory manner or in a misleading context. The source and copyright status should be acknowledged. The permission to reproduce Crown copyright protected material does not extend to any material in this report that is identified as being the copyright of a third party.

Department of Labour
PO Box 3705
Wellington
New Zealand

www.dol.govt.nz

For more information about the employment of women, please visit
<http://www.nacew.govt.nz/>

FOREWORD

Women's employment issues continue to be a key part of labour market policy. This will become more evident in the future as the labour market tightens and women's workforce participation plays a critical role in mitigating labour market pressures.

In 2007, the National Advisory Council on the Employment of Women (NACEW) celebrated 40 years, continuing to be the longest standing advisory council in New Zealand.

The Council has a proud history and the anniversary was a timely marker for providing a contemporary perspective on the progression of women's employment from NACEW's inauguration in 1967 to present day. In celebrating its 40th anniversary, the Council also sought to achieve a clearer understanding of the future agenda of women's employment.

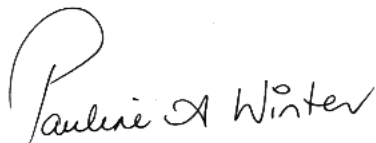
NACEW's paper *40 years of Work 1967 – 2007* provides a historical dimension to the Council's work, and highlights the vast changes which have occurred over this 40 year period. Some issues were resolved quickly and would be unknown to young women today. Yet other issues, such as pay and employment equity continue to challenge equality for women in the labour market.

This paper highlights four areas of concern which the Council believes are critical to ensuring the future development of women's employment is fair and reasonable.

These are:

- Integrated policies to support work-life balance and more equal sharing of the care of children and the care of elders by men and women;
- Quality flexible work across all industries and occupations;
- The implementation of pay equity and pathways that reduce gender segregation in occupations; and
- Learning and training opportunities that are available throughout the lifecycle.

I hope this paper will provide you with a discussion point around the future issues for women's employment.



Pauline Winter

Chair of the National Advisory Council on the Employment of Women

TABLE OF CONTENTS

INTRODUCTION	5
NACEW'S CURRENT FOCUS	5
NACEW'S APPROACH	6
OUR CURRENT PRIORITIES	6
Quality of Work	6
Māori and Pacific Women's Employment	7
Caring and Working	8
FUTURE ISSUES FOR WOMEN	9
NACEW'S GOALS FOR THE FUTURE	9
Integrated Policies to support Work-Life Balance and more Equal Sharing.....	10
Quality Flexible Work across all Industries and Occupations	12
The Implementation of Pay Equity and Pathways	15
Learning and Training Opportunities Available throughout the Lifecycle	17
SELECTED BIBLIOGRAPHY	19

INTRODUCTION

NACEW is an independent advisory body to the Minister of Labour on matters related to women and employment, and is charged with the following responsibilities:

- to advise the Minister of Labour on matters referred by him/her concerning the employment of women;
- to express views and make recommendations as appropriate to the Minister of Labour on matters relating to the employment of women;
- to make representations or submissions as appropriate to public bodies such as Commissions of Enquiry, subject to the approval of the Minister; and
- to promote the dissemination of information on the employment of women in New Zealand and overseas.

This paper looks briefly at the current status of women in the labour market and NACEW's current priority areas. It then discusses four key future priorities which the Council sees as critical for improving women's employment and labour market outcomes over the long-term.

NACEW'S CURRENT FOCUS

A Snapshot of Women's Employment Today:

- Women's labour force participation has been on an upward trend for the last half century. 61.8% of all working age women are in the labour force compared with 75.7% of men. (Household Labour Force Survey (HLFS), March 2007). Participation rates vary by ethnicity. In December 2006, 62.8% of European women, 60.4% of Māori women, 55.2% of Pacific women and 56.6% of other women, participated in the labour force.
- European women's unemployment is significantly lower (2.9%) than that of Māori women (8.6%), Pacific women (8%) and women of other ethnicities (7.2%). (HLFS, March 2007)
- Part-time work is more common for women (34.8%) than men (10.4%), and the proportion of men and women working part-time has been relatively stable over the last five years. (DoL, 2007)
- The proportion of self-employed who are women has been increasing; at the 2006 Census, 16.6% of employed women were self-employed and they made up 36% of all self employed. Self employment is more common for Asian and European women than for Māori and Pacific women. Almost half (48 percent) of self-employed women work part-time, compared with 11 percent of self-employed men.
- Despite the growth in women's employment rates, most occupations remain segregated by gender. Half of women workers are clustered into three of the ten occupational groups; clerks, service and sales workers and professionals. (Else and Bishop, 2003)
- For women, higher levels of caring responsibilities and lower levels of education are associated with lower levels of labour force participation. (Johnston, 2005).

- The average hourly wage of all women from employment was \$18.55 in June 2006; this was 86.4% of the average hourly wage of men (DoL, 2007). The gap in average total earnings between women and men is much larger, due to women's lower average hours of employment, and greater likelihood of being out of the labour force.

NACEW'S APPROACH

As NACEW's 40 year history shows, the Council has not confined itself to particular disciplines or work areas in its pursuit of the interests of women in employment.

Our approach has been to act on the most pressing issues affecting women's employment opportunities and outcomes. This has included addressing immediate needs, identifying emerging employment issues for women and undertaking research about cross-cutting concerns that will not necessarily be addressed by employers or government agencies.

In line with its brief, the Council places a priority on promoting the dissemination of information on the employment of women by maintaining links with its partner organisations, keeping its website informative and up-to-date, publishing its findings and promotional material, and making representations and submissions as appropriate.

Women's participation in the labour force in New Zealand has increased from 36.6% of women in 1967 to 61.8% of women in 2007. For many women, however, securing a quality job, and balancing work and family responsibilities is still difficult.

OUR CURRENT PRIORITIES

NACEW's current work programme prioritises the following issues:

- Quality of Work;
- Māori and Pacific Women's Employment; and
- Caring and Working.

Quality of Work

Ensuring women are able to reach their potential, whether they work full-time or part-time, and that their wages and conditions are fair, is key to the sustainability of women's employment, and to the achievement of innovative and productive workplaces. As identified by the Pay and Employment Equity Taskforce amongst others, several issues contribute to the low quality of many women's jobs:

Education

Even though, on average, young women's educational achievements now exceed those of young men, there is still a slightly higher proportion of women (27.3%) than men (24.9%) of working age without qualifications (HLFS, December 2006). Women

are not necessarily getting the best job value for their educational effort due to their narrow range of study fields.

Occupations and Industries

Women employers and employees are concentrated in a narrower range of industries and jobs than men are. Many of these industries and occupations are low earning and low paying. The jobs that women do have been estimated to contribute to between 20-40% of the pay gap between men and women (Dixon, 2000). Some of this is due to the undervaluing of female dominated occupations, and the constraints around advancement in many of these jobs.

Precarious work (low quality part-time or casual work)

Many women work part-time to balance work with their caring responsibilities. The need for hours of work to fit with other responsibilities further narrows the range of jobs they can access. Women, along with Māori and Pacific people, are over-represented amongst those earning minimum or close to minimum hourly wages. Many of the low wage, part-time jobs undertaken by women also lack training, job security and opportunities for advancement.

Undervaluing work, low pay, and women workers being unable to reach their potential, have negative impacts not just on the wages of the workers concerned, but also exacerbate skill shortages, and result in the loss of potential production due to lower labour force participation. This, in turn, raises the need for government support and increases poverty in families.

Actions

NACEW's research into the public contracting of cleaners, residential and home care workers resulted in recommendations to improve conditions in these commonly precarious jobs by managing contracts so that the public sector good employment practices are extended to all businesses receiving public money through service contracts. The recommendations for improvements have been sent to the Department of Labour to inform the low pay work programme.

NACEW is now promoting discussions on the economic and business benefits of improving pay and employment equity, and options to improve outcomes for part-time workers with business people.

Māori and Pacific Women's Employment

The relatively high rates of Māori and Pacific women's unemployment, their under representation amongst the self employed, and their low wages, is a matter of great concern to NACEW, which is paying particular attention to policies and programmes that will improve the education and employment outcomes for Māori and Pacific Women.

A current focus is on inspiring young Māori and Pacific women to see the full range of employment opportunities that could be theirs. Because so many Māori and Pacific

women are concentrated in low paid, low skilled employment, the role models that exist of Māori and Pacific women who are ambitious, skilled and entrepreneurial are often invisible, especially to girls at school. A key aim has been to communicate the challenges and benefits of self-employment through three brochures, one targeted at Māori and Pacific women of all ages, one at senior secondary school girls who may be considering self-employment as a career option, and one at unemployed women.

Caring and Working

More and more mothers are seeking to return to their jobs after a period of parental leave, rather than leaving the workforce all together. This means greater numbers of parents are juggling work with caring responsibilities.

NACEW has been keen to ensure that the developing policy settings for parental leave, childcare and out of school care meet the needs of these parents by providing seamless transitions from one to one care by parents, through our internationally renowned early childhood education services and onto out of school and holiday care. Looking into the near future, larger numbers of older people will need care and combining employment and caring work will require a wider range of policies such as those envisaged in the Carers' Strategy.

Following the evaluation of parental leave in New Zealand (DoL, 2007), NACEW made a submission to the Minister of Labour recommending the widening of eligibility for paid parental leave, lengthening the period of paid parental leave and increasing the payment, providing some additional paid parental leave that is ring fenced for fathers, providing for parents to undertake a small amount of paid work whilst on leave, and the importance of finding ways to support employers to manage workflow when staff are on leave.

NACEW and the Department of Labour, undertook a joint research project, '*Decisions about Caring and Working: a Qualitative Study*', which investigated the decisions made by women and men who have caring responsibilities, and especially about whether, how, when and why they participate in paid work.

FUTURE ISSUES FOR WOMEN

There has been good progress for women's employment in several areas:

- women's investment in education has been increasing and, since the late 1980s, has exceeded that of men, with the gap in achievement having widened over that time. Right now, young women are doing particularly well. In 2005, 21,000 women completed degrees, compared with 13,000 men. This investment is likely to boost women's participation in the labour market as qualification levels tend to increase participation.
- more women are able to stay attached to the workforce when they have children. The introduction of maternity leave (1980), then parental leave (1987), and paid parental leave (2002), as well as the expansion of childcare services and funding, has all supported women being able to return to work after having children. A healthy momentum has been established around continued improvements to policies covering parental leave, childcare and out of school care.
- there has been a substantial growth in the number of part-time jobs. In 1967, 20.6% of women in the workforce, and 1-4% of men in the workforce were in part-time jobs, compared with 10.4% of men and over a third of all women in the workforce today (Chapple, 94). While more needs to be done to ensure part-time work is quality work, the acceptance of part-time jobs across a growing number of occupations is good news for both women and men seeking work-life balance.

NACEW'S GOALS FOR THE FUTURE

NACEW's goals for the future are vital not just for continued improvement in women's employment outcomes, and their work-life balance, but to the quality of life for all New Zealanders in the future.

The goals are ambitious and focus on issues that have been resistant to change. Gendered roles in households and in workplaces are supported by outmoded assumptions that do not reflect the diversity of New Zealand men and women's aspirations, nor do they support the needs of the future New Zealand workforce. NACEW expects that progress towards these four goals will improve work-life balance for men as well as women and improve the efficiency of the economy as well as employment opportunities for women.

The goals are to achieve:

- Integrated policies to support work-life balance and more equal sharing of the care of children and the care of elders by men and women
- Quality flexible work across all industries and occupations

- The implementation of pay equity and pathways that reduce gender segregation in occupations
- Learning and training opportunities that are available throughout the lifecycle

NACEW sees these goals as contributing to the Government priorities of:

- *Economic Transformation* through ensuring that the skills of all workers, whether they work full or part-time, are used efficiently and fairly rewarded
- *Families Young and Old* through making it easier and more economic for men to share parenting and care work, and by improving gender equity in households
- *National Identity* through reinforcing our international role as a leader on women's rights and early childhood education with best practice approaches to out of school care and flexible work which will reinforce our innovative and fair society

Integrated Policies to support Work-Life Balance and more Equal Sharing

Most fathers are no longer the sole "breadwinner" and mothers are more often in paid work than not. Gendered roles in households and in workplaces are supported by outmoded assumptions that do not reflect the diversity of New Zealand men and women's aspirations, nor do they support the needs of the future New Zealand workforce.

A Work, Family and Parenting Study that interviewed 1128 New Zealand parents found:

- 59 percent preferred both parents to be in paid work, with about half of these parents considering one parent should have a less demanding job
- 94 percent agreed that housework and childcare should be equally shared when both parents are in paid work *but* equal sharing of housework only occurs in a third of households where both partners had equally demanding jobs
- 69 percent of men and 60 percent of women indicated that they would prefer to have a job even if they had a reasonable living income without one
- 46 percent of households where one parent was in paid work would prefer both partners to be in paid work and 35 percent of households where both parents were in paid work would prefer only one parent to be in paid work. In other words, a substantial minority of families are not achieving their preferred pattern of paid and unpaid work.

(Ministry of Social Development, 2006: 11-16)

The New Zealand picture, of a higher proportion of couples preferring both partners to work than occurs in reality, is also true in other countries.

One of the dilemmas facing families, and women in particular, is heightened by the long working hours of the fathers of young children. In New Zealand, employed fathers of dependent children work an average of 48 hours a week, in the OECD only fathers in the UK work longer average hours. An EEO Trust on-line survey, however, indicated that 80 percent of fathers would like to spend more time with their children (Callister, 2005: 14,15). For individual couples, the long working hours of fathers will tend to increase the direct costs to mothers of engaging in work as their partner will not typically be available to share elements of care such as being home for children after school.

The reasons for unmet preferences are likely to include a lack of affordable, quality childcare, insufficient flexibility in jobs and a lack of sharing of unpaid work in the home (Callister, 2005: 7).

- We are now an international leader in the provision of quality early childhood education and higher subsidies are in the pipeline. Plans are underway to meeting the gaps for out-of-school care services and the needs of carers of disabled or sick family members
- Paid parental leave provisions are being re-evaluated with the intention of enabling parents to afford to provide one to one parental care that is in line with their aspirations and with what is best for the health and development of children.
- More flexible work is a must, as many New Zealand parents aspire to work part-time when their children are young. Making flexible work a reality for men is a key priority as workplaces are less likely to see men as needing consideration for family responsibilities. The *Work, Family and Parenting* study, for example, found that 45 percent of women, but 39 percent of men, agreed strongly that their supervisor cared about the impact of work demands on their personal and family life (Ministry of Social Development, 2006:25). Flexible work is discussed later in this paper.
- The lower average hourly earnings of women is also likely to be a very real barrier to men and women achieving a more even sharing of care responsibilities. Because men tend to earn more, family incomes tend to be higher in the short-run if women, rather than men, take on responsibilities for childcare. A review of the gender pay gap in Western Australia identified research that found that while young Australians rejected the male breadwinner and female homemaker model, their aspirations for more equal sharing of work and family were undermined by women earning lower incomes (Todd and Eveline, 2004: 21).

As the baby boomers age, larger numbers of people will live with chronic illness and disability for longer periods, and the number of older people needing informal support will increase. There is no evidence to suggest there will be a greater care burden on the "sandwich" generation, that is people caring for children and older

family members at the same time, but it is likely that more mid-life and young elderly adults will be faced with elder care responsibilities at the same time as they are in part-time or full time work (Petrie, 2006).

Nowadays, typical elder care givers are women in their mid-forties working full-time and women are five times more likely than men to retire early from work due to elder care responsibilities (Davey and Keeling, 2004). Where part-time employment options are not promising, there is also a greater risk that people with caring responsibilities will leave the workforce. The Australian Taskforce on Care Costs found that more than one in four Australian workers with caring responsibilities have already reduced their working hours due to the high cost of care, and 25% have considered leaving the workforce altogether¹.

While some women and men willingly opt to care full-time for older or sick family members, NACEW considers that, as is the case for most parents, most carers are likely to want to stay attached to the workforce. With a shrinking workforce ahead, it will be critical that employers take cognizance of elder care as well as childcare responsibilities, and that the emerging policies for carers create enough support for families to enable family members to balance their work and their caring responsibilities.

Quality Flexible Work across all Industries and Occupations

"There's talk of family-friendly workplaces and flexible hours. But there are many jobs where, if women want to foot it with the men, they too have to, have to be seen to – work 12-hour days and be totally dedicated...Talented and committed women who don't want to burn out, and who want to have children, they get the message that they can't foot it. They're at a loss. That's the real glass ceiling. It's often written off as 'choice' but that's not good enough...We need to make it admirable for everyone to have a *life* as well as a job, instead of valuing the single-minded candidates for cardiac arrest because of their 'ambition'. Do we want the world to be run by people – men or women – who don't know that?" (Kim Hill in Else, 1996: 123, 124)

"I work fulltime and would rather work 30 hours a week to maintain the work/family balance. This isn't an option for me. If I change jobs or work part-time I run the risk of doing a lower-paid job and a job not utilising my skills." (EEO Trust, 2005)

Quality flexible work is the key to using the skills of the workforce more effectively and enabling parents and others with caring responsibilities to achieve work-life balance. It will also be important to encouraging the growing older population to keep contributing their skills to the New Zealand economy.

¹ Australian Taskforce on Care Costs (2005) *Creating Choice: Employment and the Costs of Care*, Research paper, February

As NACEW's investigation shows, part-time work is often precarious. This is not just tough for the part-time workers who get low pay and have little in the way of security; it also represents a waste of many of these workers' skills. A growing body of evidence points to poorer skill utilisation amongst part-time workers than full-time workers. The Equal Opportunities Commission in the UK concluded from a study on part-time work that about one third to a half of part-time workers were working in jobs below their potential. The longer people are in part-time work, the lower their wages are likely to be, even if they return to full-time work. Where there is a high demand for part-time jobs, employers can also hold down wages. This particularly affects carers, who often have restricted geographical mobility, as well as hours of work.

Other studies found that both female and male part-time workers receive substantially less training than their full-time counterparts (Francesconi and Gosling, 2005). Being in part-time work entails a greater risk of not advancing within one's career, and not being able to switch back to full-time work (Drago et al, 2004).

Women are overrepresented in occupations that are part-time, female-dominated, and low paid (Francesconi and Gosling, 2005, Manning and Petrongolo, 2005, Lee, 2004, Jaumotte, 2003). In three of the top ten occupations for New Zealand women, (sales assistant, cleaners and care givers) the majority are employed part-time. Conversely, few men in male dominated occupations are employed part-time (Else and Bishop, 2003).

Thirty six percent of New Zealand women in work, work part-time, compared to the OECD average of 19 percent. Part-time workers in New Zealand also work shorter hours on average than part-time workers in most OECD countries. Despite the high proportion working part-time, only 61% of parents in the *Work, Family and Parenting* study had permanent part-time work available in their current job, and this was more available in women's jobs (78 percent) than men's (44 percent). (Ministry of Social Development, 2006: 29,30).

The need to work part-time propels some New Zealand women into self-employment where almost half of all women work part-time. Self-employment, however, does not necessarily mean better quality of work or better earnings. Whilst self employed women are rapidly becoming a feature of the small and medium enterprise landscape, women-owned businesses tend to use fewer resources than men's business and generate less income.

Australian research found that it was harder for women working part-time to increase their hours to full-time than for men working part-time; they attributed this to employers being more likely to regard men as "ideal workers", even when they are working reduced hours. The study also found both men and women working full-time faced a similar level of difficulty in reducing hours, and that both women and men professionals and managers had more difficulty retaining their jobs on a part-time basis than other occupational categories. (Drago et al, 2004).

McPherson argues that better recognition of those who want to work part-time is key to improving productivity, as the availability of part-time work attracts mothers who would not work full-time. She cites evidence that part-time work can be successfully undertaken by senior managers and professionals, and that a US study found that providing part-time work options to highly educated, high income working mothers meant around a quarter stayed in work because of the part-time option and that legislative provisions create an entitlement to work part-time in some jurisdictions. As the age at which women have children increases, there is a need for part-time work at more senior levels so they can maintain their productivity (McPherson, 2005). Walby and Olsen similarly argue that part-time work contains a legacy of historic discrimination against married women in the workforce and that the concentration of the part-time workforce in low skill, low paid and low-productivity sectors is not inevitable (Walby and Olsen, 2002: 25-41).

NACEW considers it is important to focus on quality flexible work being made reasonably available to all workers, and not just being available to women and in "women's jobs" as this is likely to reinforce the disadvantages faced by mothers and other carers. The argument for enabling more jobs to be part-time and/or flexible, is likely to gain weight as more and more services are provided on a 24/7 basis; in these environments, no one is always at work. Attracting greater participation by an ageing workforce is also likely to be enhanced by offering more flexible work and shorter hour jobs.

While there are examples of businesses who are making productivity gains from offering more flexibility to their employees, Walby and Olsen stress that business initiatives on their own will not necessarily be comprehensive and address all the issues that are evident when looking at the "whole economy" case. Within most New Zealand businesses, Equal Employment Opportunities issues and policies are not yet front of mind, despite the growing diversity of the workforce. A review of Equal Employment Opportunities in New Zealand that assessed progress since 1990 concluded that:

"for the most part, labour market outcomes for women, people with disabilities, Māori, and Pacific peoples have not improved greatly during this period ...When the New Zealand case is benchmarked against other countries and their EEO policies, it becomes clear that, on a number of indicators of EEO policy effort, New Zealand now lags behind Australia, Canada, the United States, and the United Kingdom...over the past decade or so, little has happened to open up greater employment opportunities for traditionally disadvantaged groups." (Mintrom and True, 2004)

The Implementation of Pay Equity and Pathways

"One of the UK's financial institutions discovered that (its)...pay gap had arisen because women were concentrated in the lower grades, primarily the "staff" grade which covered many of those working in local offices. Over 80 per cent of those employed at this grade were women, giving rise to concerns that a high proportion of women were remaining static within the organisation while the men moved through to higher grades. This presented a business problem both because it was felt that many of the women were operating below their potential and thus depriving the company of valuable skills and expertise, and that such stasis at a single grade impeded the promotion opportunities for those below them in the organisation" (Kingsmill, 2001)

As well as considerations of fair pay, the lack of recognition of the full range of skills and responsibilities involved in many female dominated occupations is inefficient.

Where occupations are undervalued, "productive potential" tends to be constrained as a consequence of both inadequate recognition of qualifications, and limited access to training or career paths. The establishment of autonomy along with pay parity for midwives is an example of a productivity gain to society through the recognition that midwives had the skills to practice autonomously (Iversen, 2004). NACEW supports the focus on achieving pay equity in the public sector being extended to the private sector in the near future.

Achieving pay equity is a starting point, not an end point. Productivity growth can result from recognizing occupational segregation and the limited advancement pathways available in many women's jobs. There are advantages to individuals, firms and government if there is optimal use made of the skills of working age people, including making more effective use of the spend on tertiary education.

Reducing rigid occupational segregation is important to meet skill needs in the future. Manual jobs are expected to decrease and jobs needing communication skills are expected to increase. Generic skills such as literacy, numeracy, and problem solving are predicted to become more important. In addition, flatter management structures and decentralized decision-making are raising the need for workers to display judgement, leadership and initiative. The specific skills needed for particular jobs are also likely to change over time as the pace of technological change continues to increase. Taken together, these trends suggest that workers in the future will need to be more versatile, multi-skilled and constantly learning. The potential productivity gains that come from worker mobility and a learning culture within organisations has been recognised by the Workplace Productivity Working Group (2004: 78).

A second reason for addressing occupational segregation is that it is associated with skill shortages. Attracting and retaining staff becomes more difficult when a part of the workforce is deterred from entering an occupation. All of the sixteen trades and most of the ten professions, deemed as experiencing skill shortages in recent Department of Labour assessments, were male or female dominated occupations (Department of Labour, 2004). Recruitment and retention difficulties are more prevalent in female-dominated occupations, such as hairdressing and nursing, suggesting remuneration is an additional factor.

Occupational segregation has broken down in many of the traditionally male professional occupations such as law, medicine and dentistry. It is, however, still entrenched in most trades and in specialist professional areas. Less than 10 percent of the recruits to the government's flagship Modern Apprenticeship programme have been women, and the programme has not yet impacted on gender segregation within the traditional trades. Similarly, there are few men in the caring and early education professions.

A UK study found that while many employers were open to placing both women and men in non-traditional occupations, career education and work experience placements were strongly segregated by gender. Interviews with students, however, found a significant proportion of both boys and girls were open to considering non-traditional work (Equal Opportunities Commission, 2005). A UK review of women's employment and pay similarly concluded that the key to tackling the concentration of women in lower paying occupational sectors is to focus on education and influencing the aspirations and assumptions made in childhood and early adulthood (Kingsmill, 2001). The Workplace Productivity Challenge has also identified a need to strengthen links between education and training providers and employers' skill needs (The Workplace Productivity Working Group, 2004: 70).

NACEW consider the time is right to pay more attention to the quality and type of qualifications women are obtaining, rather than simply the quantity of qualifications. Exposure to a broader range of job options at school appears to be important to opening doors beyond the stereotypes of gender, race and class. Teachers' expectations also impact on pupil performance; in the New Zealand context this may be an important consideration in addressing the lower achievement levels of Māori and Pacific girls at school as this, in turn, impacts on their later education, training and employment options. As women's education achievements and labour force participation rates both increase, the rationale for ensuring women maximize their use of skills, regardless of whether they take a break from employment or choose to work part-time, continues to strengthen.

Learning and Training Opportunities Available throughout the Lifecycle

Despite the general recovery of employment in New Zealand, women are slightly more likely than men to be unemployed. Māori and Pacific women face higher levels of unemployment, compared with Pakeha women.

Table 1: Women's Unemployment Rates by Ethnicity (average for the year ended)

	Māori Women	Pacific Women	Pakeha	Other	Total Women	Total Pop.
2001 (average)	13.1%	9.4%	4.2%	8.7%	5.6%	5.7%
2004 (average)	11.1%	8.5%	3.5%	7.9%	4.9%	4.5%
2007 (March)	8.6%	8.0%	2.9%	7.2%	4.1%	

Source: Statistics New Zealand

The continued high unemployment rates of Māori and Pacific people, and the fact that they have fallen at a much slower rate than Pakeha unemployment, points to some failure in the matching of opportunities for skill development, employment and training for sufficient Māori and Pacific women, as well as the growing group of women of other, non-European, ethnicities. Attention to retraining, as well as education and skills development for school leavers, is critical for the wellbeing of the growing next generation of children who are Māori, Pacific or other non-European ethnicity.

Retraining opportunities, currently open to people accessing income maintenance benefits, need to be opened up to include at home parents (mainly mothers) who have an earning partner, even though this group is vulnerable to poor quality employment and people in low paid, part-time work with no opportunity to lift their skills and incomes.

There are high costs to individuals and the welfare system from workers whose employment is intermittent and low paid, and there would be economic and social benefits from providing them with opportunities to revitalize their skills or retrain, and re-enter the labour force in jobs where they can be their most productive.

Importantly, being low paid also limits future returns when employers react to low wages by under capitalizing, and substituting cheap labour for capital, that is lessening capital intensity, especially at the lower end of the market (Hyman, 2006). This appears to be happening in New Zealand:

"..Capital intensity in New Zealand has not been increasing as fast as in Australia for nearly 25 years. Between 1995 and 2002, lower capital intensity explains 70 percent of the difference in output per hour worked. Whereas the cost of labour relative to capital has been rising in Australia, it has fallen by 20 percent in New Zealand between 1987 and 2002...It is to be expected that New Zealand enterprises would

therefore tend to adopt less capital intensive production methods." (Hall and Scobie, 2005)

Low income, insecure work and spells out of work, are a greater risk for women who have less education and those who have time out of the workforce. Divorce has increased, and post separation financial settlements tend to provide ongoing support for children, but not former partners. Thus, lifetime income sharing, that once enabled mothers to confidently withdraw from the workforce, cannot be guaranteed. These trends also increase the fiscal risks for government of not attending to the goal of economic independence for women. Retraining opportunities are important to bolstering productivity, pay rates, and employment levels. Adult apprenticeships, especially if available on a part-time basis, may be a lever to lift the skills of precarious workers and in turn, raise their wages and reduce skill shortages.

In the New Zealand context, the concentration of less educated women amongst sole parent beneficiaries, and of Māori and Pacific women within this group also creates a danger of cementing ethnic and gender disparities within these families.

Finally, ensuring all workers have up-to-date and transferable skills will be an important protection against the risk of job insecurity and lower pay in a future where more employment opportunities are expected to be non-standard employment – part-time, temporary, casual and self employed.

SELECTED BIBLIOGRAPHY

Callister, Paul (2005) *The Changing Gender Distribution of Paid and Unpaid Work in New Zealand*, paper presented to a Workshop on Labour Force Participation and Economic Growth, Wellington, 14-15 April

Chapple, Simon (1994): *Household Labour Force Consistent Labour Market Data*, NZIER Working Paper WP 94/16.

Davey, Judith, A, and Keeling, Sally (2004) *Combining Work and Eldercare: A Study of Employees at Two City Councils who provide Informal Care for Older People* Department of Labour, September

Department of Labour (DoL) (2004) *Sixteen Trade Occupation Shortage Assessment reports and Ten Professional Occupation Shortage Assessment reports*, www.dol.govt.nz

Department of Labour (DoL) (2007) *Female Labour Market Outcomes – March 2007* downloaded on 8 June 2007 from <http://www.dol.govt.nz/PDFs/lmr-female-2007.pdf>

Dixon, Silvia (2000) *Pay Inequality between Men and Women in New Zealand* Department of Labour Occasional Series, September

Drago, Robert, D Black, and M Wooden (2004) *Gender and Work Hours Transitions in Australia: Drop Ceilings and Trap-Door Floors*, Melbourne Institute Working Paper No 11/04, Melbourne Institute of Applied Economic and Social Research, University of Melbourne

Else, Anne and Bishop, Barbara (2003) *Occupational Patterns for Employed New Zealand Women: An analysis of the 2001 census data* A report prepared for the Ministry of Women's Affairs, May

Else, Anne (1996) *False Economy: New Zealanders face the conflict between paid and unpaid work*, Tandem Press, Auckland

Equal Opportunities Commission (2005) *Part-time is no crime – so why the penalty?* The interim report of the EOC's investigation into flexible and part-time working and questions for consultation, February, www.eoc.org.uk

Equal Employment Opportunities Trust (2005) *Parents and work – on line survey analysis*, www.eeotrust.org.nz

Francesconi, Marco, and Gosling, Amanda (2005) "Career paths of part-time workers" *EOC Working Paper Series* University of Essex

Hall, Julia, and G Scobie (2005) *Capital Shallowness: A problem for New Zealand?* New Zealand Treasury Working Paper 0505

Hyman, Prue (2006) Comments on first draft report on the Economic Rationales for Narrowing the Gender Pay Gap for NACEW, unpublished

Iversen, Susan (2004) Taskforce on Pay and Employment Equity in the Public Service and the Public Health and Public Education sectors, Project 12: *Analysis of Pay Equity Initiatives in the Health Sector in the United Kingdom, Ontario and New Zealand*

Jaumotte, Florence (2003) "Female Labour Force Participation: Past Trends and Main Determinants in OECD Countries" Economics Department Working Papers No 376, OECD, Paris

Johnston, Grant (2005) *Women's Participation in the Labour Force*, New Zealand Treasury Working Paper 05/06, June

Kingsmill, Denise (2001) *Report on Women's Employment and Pay*, Department for Education and Skills, United Kingdom www.kingsmillreview.gov.uk

Lee, Sundhwa, (2004) *Women's work supports, job retention and job mobility* Institute for Women's Policy Research, Washington, November

McPherson, Mervyl (2005) *Part-time work and productivity*. EEO Trust, Auckland., www.eeotrust.org.nz

Managing Work-life Balance International, 2003, "Work-life Initiatives, the way Ahead," 2003, www.worklifebalance.com.au cited in EEO Trust fact sheet 06.

Manning, Alan, and B Petrongolo (2005) *The Part-Time Pay Penalty*, London: Women and Equality Unit, Department of Trade and Industry.

Ministry of Social Development (2006) *Work, Family and Parenting Study: Research Findings*, prepared by Colmar Brunton, April accessed on 6 June 2007 at <http://www.msds.govt.nz/documents/work-areas/csre/work-family-parenting-report.doc>

Mintrom, Michael and J True (2004) *Framework for the Future – Equal Employment Opportunities in New Zealand*, Summary Publication, Human Rights Commission, June

Petrie, Murray (2006) "Implications of population ageing for families" in Boston, J and J Davey eds *Implications of Population Ageing: Opportunities and Risks* Institute of Policy Studies, Victoria University, Wellington

Taskforce on Care Costs (2005) *Creating Choice: Employment and the Cost of Caring*, Canberra, February

Todd, Trish and J Eveline, (2004) *Report on the Review of the Gender Pay Gap in Western Australia*, School of Economics and Commerce, The University of Western Australia, November

Walby, Sylvia, and W Olsen (2002) *The Impact of Women's Position in the Labour Market on Pay and Implications for UK Productivity*, Report for the Women and Equality Unit, Department of Trade and Industry, November

Work and Family Unit, 2002, "Balancing the till: Report into Finding and Keeping good people in the Retail Sector," Department of Employment and Workplace Relations and Equal Opportunity for Women in the Workplace Agency, Australia

The Workplace Productivity Working Group (2004) *The Workplace Productivity Challenge*, Department of Labour, November

For more information on NACEW
visit www.nacew.govt.nz



**NATIONAL ADVISORY COUNCIL ON
THE EMPLOYMENT OF WOMEN**
MANA WAHINE, MANA MAHI

newzealand.govt.nz