

Pay Equity In Tough Economic Times

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First I want to acknowledge the tremendous support BPW gave the campaign to win legislation for flexible working arrangements. As the coordinator of the community coalition supporting Sue Kedgley's bill, I know how important the commitment and activism of Angela McLeod and Fay Gardiner, and many BPW branches, was to the campaign. Congratulations.

Because women are more likely to have caring responsibilities, flexible work is a huge issue for us. Today I want to look at another working women's issue — pay equity.

Should pay equity be an issue in a recession? Or should we accept that there is no money in tough economic times? Does fairness go down the drain when there's less money to go round? Do the compelling arguments for pay equity vanish?

Surely the answer is a resounding NO. In tough economic times, there are even more reasons to put right injustices for the lowest paid workers, to address historic undervaluing of women's work and to make sure the skills and experience of women are productive in our economy. Gender equality is a fundamental human right and human rights don't stop being human rights because times are tough.

The gender pay gap in New Zealand is currently 12 percent. That gap is caused by the low pay of large occupational groups of women, such as caregivers, the general undervaluing of women's work and the fact that more men have higher paid jobs.

Some of you here today are employers and are committed to valuing your staff and paying them fairly. But achieving pay equity requires more than the individual commitment of some employers. Closing the pay gap requires a significant rethinking of the way we do things and a better understanding of the disadvantages causing inequity for working women. That won't happen without political support.

Big words and lofty ideals! But pay inequity is not just theoretical. It's about real women we all know. It's about women workers like underpaid school support staff — librarians, office managers, and teachers aides.

These workers, who are mainly women, working at the frontline of education, earn as little as \$12.94 an hour, only just above the minimum wage of \$12.50.

Next week support staff begin collective agreement negotiations. Negotiations also begin for another group of mainly women workers playing a vital role in our children's education — kindergarten teachers. The outcome of these negotiations will test the Government's commitment to pay equity.

For school support staff, the talks are an opportunity to address long-standing issues of low pay and job insecurity. If we value quality teaching in early childhood, kindergarten teachers must retain pay parity with other teachers. If these pay equity issues are sidelined

because we are in tough economic times, investing in our children and our future are sidelined too.

So far, the new Government's track record on pay equity is not good. In February the Government abandoned work on pay and employment equity investigations, aimed at addressing the gender pay gap in the state sector.

Two pay investigations have been completed. One into social workers at Child, Youth and Family, where 80% are women and they are paid 9.5 percent less than their male colleagues and another into mainly female school support staff employed by the Ministry of Education, working with children with special needs, who are significantly underpaid compared to those in male dominated occupations requiring similar skills and knowledge.

These investigations are part of an action plan set up to address pay and employment equity in the state sector, with the aim of ultimately achieving pay equity in the private sector. The plan included the establishment of the Pay and Employment Equity Unit, which is producing valuable research and tools for reviewing gender pay gaps. There are now worrying signs that all this important work could be under threat – a huge step backwards in our battle for pay equity.

State Services Minister Tony Ryall says the investigations would "generate an additional form of remuneration pressure that is unaffordable in the current economic and fiscal environment".

Far from being unaffordable, pay equity is essential in tough economic times, not just because it is fair but because it makes sound economic sense.

UK and EU studies have found that occupational segregation, and discrimination in the labour market leads to lower productivity. But, gender equity contributes to improved economic efficiency by expanding the number of skilled and qualified workers and through valuing women's work fairly.

Those of you who are employers will know that workers who are valued are more loyal and will stay longer in their jobs, while undervalued workers have higher turnover and absenteeism.

And it's good for our society. The effect of pay and employment equity is more balanced work and childcare arrangements.

And the right to pay equity is a fundamental human right, enshrined in International Labour Convention 100 which New Zealand has ratified. In 2008 the ILO Committee of Experts, reporting on our compliance with this convention, said in no uncertain terms that New Zealand is not meeting its pay and employment equity commitments. Fulfilling these commitments will be much harder if we decide that pay equity should take a back seat in tough economic times.

I began by acknowledging BPW's contribution to the Flexible Work campaign. In that campaign BPW's strong message was that women who enjoy good employment conditions, such as flexible work, will be more loyal and productive employees.

I want to finish by asking BPW members to mobilise in support of pay equity. I know BPW has a commitment to pay equity and fairness to women workers. Please don't lessen that commitment in tough economic times.

In March a petition was launched calling on Government to reinstate the pay equity investigations, honour work already done, and develop a strategy to eliminate New Zealand's gender pay gap.

Please give strong support to the petition. If every BPW branch got behind it BPW could add thousands of signatures. Please lobby politicians for the work of the Pay and Employment Equity Unit to continue.

Please support the support staff and kindergarten teachers, whose work with our children will profoundly influence future generations and who deserve to be valued for the work they do.

And please support all women workers who are underpaid for their contribution simply because they are women.

Finally, if we are committed to ending gender inequity, we need to work together. We need to join with other organisations across the community and show Government and employers that addressing pay equity is not only good for women workers and their families. It's good for business and good for employers, the economy and the country.

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