



THE GREAT DIVIDE



Women are in the workforce in greater numbers than ever before, but pay equality has yet to catch up. Sarah Lang explores the pay gap, and speaks to three women who did something about it

In March, during a gender pay gap debate in the European Parliament, Polish politician Janusz Korwin-Mikke said women should be paid less than men because “they are weaker, they are smaller, they are less intelligent”. Gasps echoed around the room. Though Korwin-Mikke was suspended, his remarks left many women wondering how many other men believe the same thing. And given most bosses are men, is this affecting what they’re paying women?

New Zealand’s gender pay gap, which compares the average hourly wages of women and men, has hovered for a decade now at around 12%. Over a lifetime, on average, Kiwi women earn a staggering \$600,000 less than men.

SNARKY COMMENTS

We’ve all heard those pooh-poohing comments about how the pay gap comes down to situational factors like women doing different kinds of work, or having less experience. Not so much. A recent report commissioned by the Ministry for Women, *Empirical Evidence of the Gender*

Pay Gap in New Zealand, found only about 20% of the gap could be attributed to known variables such as men and women working in different occupations and industries, experience, education, age, or mothers taking time out of the workforce.

Rather, 80% of the gender pay gap comes down to “unexplained” factors like the difference in men and women’s behaviour (such as different negotiation styles, or different preferences for non-wage components, like certainty and flexibility).

Other unexplained factors include employer or managerial biases towards women including conscious bias (sexism) or unconscious bias (such as believing men suit management roles better than women). In other words, when going for a job or a promotion, women don’t tend to negotiate as assertively as men, but employers also treat women differently when they do negotiate.

Another recent report has drawn attention to what has been dubbed the motherhood penalty. In February the Statistics New Zealand report, the *Effect of Motherhood on Pay*, showed mums earn

17% less than dads (the pay gap between women and men without dependent children is 5%). This may well be a problem of perception, with employers tending to pay mothers less because it’s assumed they will do the bulk of the drop-offs, pick-ups and caring for sick kids (anecdotally, if this is the case, women generally make up the time later).

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The New Zealand government has been hesitant to legislate for change, instead putting the onus on businesses. However, following the recommendations of its gender pay gap working group, the government has announced it will introduce a bill this year to make it easier for women to file pay-equity claims with their employers, rather than having to »



go through the courts. Meanwhile, new Minister for Women Paula Bennett recently challenged businesses to conduct and publish gender-pay audits.

We talked to three women who found they were being paid less than a male colleague for no good reason – and who did something about it. All asked for anonymity, to protect their career prospects.

GRUDGINGLY PAID

For two-and-a-half years, Jackie* worked hard to prove herself as a technical writer for an Auckland insurance company. One day she accidentally discovered her colleague Grant's* salary details. He was earning \$12 an hour more, even though he had no qualifications (she did), had no more experience, and had been at the company only a few months longer than her.

"There was no reason whatsoever for such a discrepancy," says Jackie. "I was so angry."

Jackie told one of the company directors she wanted to be paid the same as Grant. "She flat out said, 'There's no money for that', and I said, 'Then he'll be needing a pay cut'. She took it to the board, which offered me a dollar more an hour. It was a

punch in the gut. I went home and cried.

"I ended up in a meeting over this pathetic amount they'd offered. It was hard to stay calm and I was shaking the whole time. They gave me reason after reason, figuring I'd give up. 1: He has a family. 2: He wouldn't do the job for less. 3: There's no money in the budget. 4: Guys don't

'There were snarky comments about me. I can't imagine them ever talking to a man like that'

complain like this. 5: It would be a bad look if we suddenly started giving pay rises without performance reviews. 6: You're coping fine on the salary you're on, aren't you? 7: That's just the way it is. 8: His salary has nothing to do with yours.

"They also said if they paid me the same as Grant, I'd be getting more than another male staff member, John. I said 'What's that got to do with anything? John's not qualified and less experienced.' They said it wouldn't be a good look and I said 'Is

this a good look? Is paying me so much less more acceptable to you?'

"Eventually I stopped trying to argue with them and just sat there. At the end of the meeting, I told them I wouldn't be working for less than unqualified men and it was a real shame I had to leave. They said 'Whoa, let's talk about this' and I said 'We've been talking about this for the past hour.'

The next day they offered her the same hourly rate as Grant. "But it was very grudging. There were snarky comments about me being too big for my boots. I can't imagine them ever talking to a man like that."

She realised the working relationship was irreparably damaged, and after a year she left.

"They'd agreed to backdate my pay, but they 'forgot' to pay me the third and last instalment in my final pay."

Jackie wasn't sorry to leave her sexist workplace. "They called me a secretary when we didn't have a single secretary, and one old geezer thought it was hilarious to slap women on the bum. And there were constant sexist jokes."

She thinks government should be

legislating for equal pay. "It's been left up to businesses and this is the situation we find ourselves in."

A HOSTILE WORKPLACE

At age 19, Laura* felt lucky to land a job as a writer at a Wellington radio station.

"Radio is such a boys' club, and it was my first job out of training. The business preyed on the fact you were lucky to have a job, to get away with treating you badly."

She ignored the "systemic sexism. Comments about my breasts, myarse, my sex life, completely unwelcome and unprompted. I didn't complain because I didn't want to be seen as a troublemaker, a bitch, a killjoy."

After a year of hard slog – not just writing but helping produce ads and helping out with admin – another writer's job came up and she recommended a former classmate, who got the gig.

"We were good friends, but he shied away from telling me what he was earning. One evening, he told my partner what he earned: \$40,000 to my \$35,000. When you're earning so little, every dollar counts. It was infuriating. I was so filled with rage that I felt physically nauseous."

The next day, she went to her immediate manager, who was also a friend.

"I made the point that this guy was doing less work than me, that I'd been in the job longer, and that objectively I was better at the job. My manager said, 'There's a pay freeze, we can't afford it'. He also said other people with families to feed deserved raises. I was the breadwinner because my partner was studying, but I felt I was being guilt-tripped and I backed down."

Three months later, Laura discovered two new hires were on higher salaries than her, although she had more experience and responsibility.

"I was so distraught I had to go home. It was clear the company didn't care about me. The next day I basically demanded a pay rise from my manager. I mean, there was obviously money in the budget."

He took it to his female manager. "After a few weeks of back and forth, they gave me a new contract to sign with equal pay, and my manager's manager said, 'Will this be an end to your tantrums?' I knew they wouldn't treat a man that way. At that point I lost respect for the company, so I started job-hunting that day and left within two

months. When I quit, my manager's manager didn't say a word to me. My direct manager was upset I was leaving, and told me later the tantrum comment was unacceptable, but that he couldn't stand up to her."

She's now in a company that values her, and offered her \$20,000 more when they promoted her. The experience has had a lasting impact: both good and bad.

"It's made me more wary of employers, managers, office politics and sexism. But I'm also more comfortable standing up for myself."

WHAT SHE'S WORTH

Celia* has been a technical team leader in the IT department of an Auckland company for two years, with her fixed-term contract rolled over at \$90 an hour. A year ago, a man joined the department as a contractor with a similar skillset and experience to hers.

"Unusually, he told me his payrate without me asking. It was 20% more than mine at \$115 an hour." She hadn't been unhappy with her rate, but now felt devalued. "Initially I elected not to do anything about it, as I felt I was likely to be employed for longer than him. I now realise I should have backed myself then."

Six months later, Celia was approached by another business which, unprompted, offered her \$115 an hour. She didn't want to leave, but because she knew she could do so if necessary, she felt strong enough

mentally to re-negotiate her rate. She asked her direct boss and the head of IT for \$115 an hour, not mentioning she had other options.

"At that point they blanched. I said, 'That's consistent with the market and with what you're paying others,' so they would have worked out who I meant."

Her bosses looked very surprised.

"They tried to sell me on other options like a day rate, but that wouldn't work as I do long hours. There were moments I wanted to crumble but I didn't."

She'd given them a deadline for the end of the month so it didn't drag on. Her direct manager made a case to his boss, and within weeks he'd agreed to the new rate. "I expected to feel liberated or thrilled but I didn't. I actually feel like I'm extorting the money. That's not rational, I know, but I still feel that way."

She's concerned her move will damage her working relationships. "I knew the head of IT would see it as a personal slight to him. He hasn't said or done anything to

'When you're earning so little, every dollar counts. I was so filled with rage that I felt nauseous'

make me uncomfortable, but I'm sure there's a black mark against my name."

Celia has advocated for junior staff members to get pay rises, but finds it much harder to advocate for herself. "You don't want to create a stir. Many women think it's too risky to put their head above the parapet. I see women who work with me trading their pay rate for things like flexibility or certainty. One woman who went permanent said 'I don't need a pay rise, just certainty'."

A friend of Celia's, who employs a large team, says time and again men negotiate harder when they join. "And that's the best time to negotiate, because when you re-negotiate, it's seen as holding the company to ransom. I think my male colleague simply came in with more confidence and negotiated better than me. I've learned I need to back myself more, even if it doesn't come naturally."

*Names have been changed



True value

Kimberly Sumner left behind her banking career to help women transform their relationship with money. She shares her tips on how to make sure you're getting what you're worth



Transforming people's relationship with money is transforming their relationship with themselves," says women's 'prosperity mentor' Kimberly Sumner.

"Women sometimes struggle to put themselves forward for a pay rise or even to just claim their value. I think the traditional model for getting ahead and wanting for things is quite a masculine way of doing it. It's not working for us.

FEAR-DRIVEN DECISIONS

"Often women will accept less than they're worth because they want to keep the peace. But sometimes it comes down to that fear that 'if they don't hire me/pay me, I'm not sure anyone would.' Fear-driven action never gets you anywhere. But when you own your own value, people recognise it.

"For women, money and prosperity are not about a theoretical number, they're about the feelings. If you're in a position where you need to negotiate, ask yourself, 'What do I want that prosperity for?' Is it that you want security for your family - what does that mean for your family? It's not about the numbers; it's not about the status for women.

THE EMOTION OF MONEY

"What I've found with my clients is that the biggest results we get are when we look beyond the strategy and the numbers and look at the behavioural stuff that's going on: the 'money wobbles'. The way we look at money, it can be a very emotionally charged thing. We think: 'This comes easily to me, so how can I charge for it?'. Or 'If I'm wanting this or that, I'm just a bad person.' People who have a lot of money are just very selfish and greedy'.

"The thing is, you need money. You need it to get your voice out there, you need it to support yourself. You need money to give yourself energy. You need money to feed your family. Putting it into the wider context can help give women the confidence to ask for what they are worth."

MORE MONEY, MORE FREEDOM

"Prosperity also means having time to take care of yourself. I've had times when money was tight, and I have been in situations when I've had no money - and I know how hard you work when you have no money. But that doesn't also make you the most caring person because you go into survival mode. The great thing about prosperity is that it allows you to give yourself space."