



## Play fair

Ensuring that men and women are paid and treated fairly in the workplace



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



# Guide 2: Participation of Women and Men

## Table of Contents

<b>Introduction.....</b>	<b>3</b>
Purpose of this guide .....	3
<b>Business rationale .....</b>	<b>3</b>
Why worry about equity between men and women? .....	3
What are the benefits of a system that delivers equitably to males and females?.....	4
How would you know if this was a problem in your business?.....	4
How will you know if males and females are participating equitably in your business?.....	5
<b>What can you do? .....</b>	<b>5</b>
Step 1: Understand your business data .....	5
Step 2: Identify the key differences between women and men.....	5
Key questions .....	6
Step 3: Plan a response.....	8
<b>Appendix One: Patterns and possible causes.....</b>	<b>9</b>
<b>Appendix Two: Relevant legislation and glossary .....</b>	<b>13</b>
Pay and employment equity legislation.....	13
The Human Rights Act.....	13
Good faith principle .....	14
Glossary .....	15

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## Introduction

At an international level, the labour market is tight for employers seeking skilled workers. This creates pressing challenges for businesses needing to source, retain and engage employees.

There is evidence that fairer employment practices assist recruitment, retention and productivity. Both New Zealand and international research show that female-dominated occupations are more likely to be undervalued. Many factors contribute to the pay gap and include remuneration and rewards, opportunities for leadership, and more generally, the respect and fairness shown towards women and men at work.

We have provided three tools to guide you in examining your own employment practices in relation to gender equity. There are three critical equity indicators for ensuring your organisation provides fair opportunities for males and females: participation of men and women (covered in this guide); remuneration and rewards; and respect and fairness (see subsequent guides).

## Purpose of this guide

This guide will assist organisations to assess whether their male and female employees equitably share opportunities to develop and fully participate at work. If they need to, organisations can then choose how they might address any gender inequities that become apparent.

You can use this guide:

- As part of a wider review of pay and employment equity across your organisation<sup>1</sup>
- To assist in reviews of remuneration practices and systems
- To coach human resources professionals and managers about the often unintentional impacts of gender on workplace remuneration practices.

A glossary (see Appendix Two) explains the terms used in this document.

This guide makes a number of assumptions:

- The impact of organisational policies and practices for males and females need to be fair, but not necessarily the same
- Differences in the experiences of males and females are not necessarily unfair
- Fair employers address differences that are not explainable and justifiable
- Women are not one homogenous group; neither are men. Individual's experiences are also influenced by other factors such as ethnicity, age, disability and family circumstances.

## Business rationale

### Why worry about equity between men and women?

Good business strategy includes managing risk and ensuring talent is fully utilised and fairly rewarded. To do this you need to know what you are doing well and to identify any changes needed to improve your practices in providing male and female employees with opportunities to access fair remuneration and rewards. Any differences that are identified between these groups of employees should be explainable and justifiable.

This doesn't mean reviewing all your policies and practices. You can take a stepped approach: identify those areas where there is a significant difference in female and male experience; assess

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<sup>1</sup> Two other guides in this series focus on 'equity and participation' and 'respect and fairness'.

whether those differences are fair and justifiable; and work out what to do about any differences that are unfair.

### **What are the benefits of a system that delivers equitably to males and females?**

Many factors impact on whether females and males are treated equitably in terms of remuneration and rewards and few businesses have the time and resources to investigate all of them fully at the same time. That said, the business case for reducing the earnings gap that exists between females and males is indisputably strong. At firm level, there are several benefits: lower staff turnover, higher morale and job satisfaction, becoming an employer of choice with a better corporate image; and reduced worker stress through improved job quality.

In order to ensure human resource policies and practices contribute to the overall performance of the business in the long run, returns on investment in human capital need to be fully realised. Human resource strategies and systems need to contribute to the delivery of business objectives in all regards. Maximising the return on human capital requires an effective culture that promotes respect and engages employees. Apparent inequity works against such cultures.

Finally, at a more basic level, ensuring remuneration systems and practices are equitable protects your business against claims of discrimination (see Appendix Three for an overview of relevant legislative provisions).

### **How would you know if this was a problem in your business?**

The primary indicator that you have it right is if males and females equitably share opportunities to develop and fully participate at work.

Indicators of inequity in a workplace include:

- Females are less likely than males to be shortlisted, interviewed and appointed during a recruitment process
- Females and males do not advance at the same or similar rates to higher levels
- Females are not appropriately represented at senior levels.

Some of the symptoms that could be evident include:

- Advertising is not effective in attracting women to apply
- Women are not accessing appropriate training or development opportunities for senior roles
- Either male- or female- dominated occupations have more training opportunities than the other
- Opportunities are allocated without giving people a chance to express interest or be considered
- Females take longer to be promoted than males, progress more slowly or don't apply for senior roles
- Representation of females declines at middle management level and is low in senior positions overall or in significant occupations.

## How will you know if males and females are participating equitably in your business?

- Males and females are equally likely to be well represented across different parts of the business, different regions and occupations
- Causes of differences between males and females and their ability to progress have been identified and addressed
- Males and females are found in senior roles, including senior management, in similar proportions to the rest of the business
- Males and females are able to combine paid work and family life
- Staff employed part-time have equitable access to training and development compared with full-time staff.

## What can you do?

There are three key steps to addressing any inequities in the participation of males and females - get focused by deciding on the important issues to look at; set priorities by analysing the key differences and determining what requires a response; then plan a response. Each of these steps is outlined in this section.

### Step 1: Understand your business data

Start by increasing your understanding of the overall picture of the distribution of males and females in your business. Gather information on employee job-holding by gender, as well as any recruitment, appointment, training and development policies and practices you use.

Once you have accessed this information, consider how you might look for patterns and trends. This could be in terms of:

- Business group or department
- Occupation
- Region
- Management level
- Part-time and full-time employment
- Employment status (casual/permanent/fixed term/contract)
- Age.

### Step 2: Identify the key differences between women and men

Having created a gender profile, you can identify any areas where there are important differences between women's and men's participation. We suggest you follow the following three discrete stages (a to c) to help you to identify and understand any of the key differences.

#### *a. Decide whether a representation and distribution difference is important*

Whether a difference is important or not will depend on the organisation. As a rough rule of thumb, representation and distribution differences of more than 20 percent may warrant further examination (e.g. if 65 percent of senior management are men and 35 percent are women).

#### *b. Decide on which of the key questions (that follow) to start with*

Using the representation and distribution data, review the key questions below and decide which are the most important for your organisation to focus on. Be realistic about how many you can investigate, as it will be more helpful to examine four or five in depth than to do a quick skim over all the key questions.

*c. Analyse key gender differences*

The final stage of the analysis considers the nature of any differences you observe:

- Are there any important differences in the participation outcomes for women and men?
- If there are differences, what is contributing or causing them? (are they explainable?)
- If there are differences, are they fair and just? (are they justifiable?).

Appendix Two provides examples of some of the patterns you may find and possible contributing factors across the groups you are looking at.

## Key questions

### **Key question 1: Are women and men appropriately represented across all occupations and work areas?**

#### *Prompt questions*

- a. What proportions of women and men apply for positions?
- b. Of the women and men who apply, what proportions are short listed, interviewed and appointed?
- c. Do recruitment consultants refer women and men in proportion to their availability (or level of representation) in occupations?
- d. Are there significant differences between men's and women's success in each of the stages of the selection process?
- e. In your organisation, what do you think is an appropriate representation of women in the main occupations, and work areas? For example:
  - 50/50 (roughly the proportion of women in the population)
  - Proportionate to the number of women in the organisation
  - At least 40 percent (women are 46 percent of the workforce)
  - Comparable with the industry/occupation average
  - Comparable with the overall New Zealand workforce average
  - Comparable with the average in the Public Service, in public education or in public health
  - Comparable with international averages for occupations, industries, sectors, organisations
  - Comparable with the public sector average
  - Comparable with the occupation as a whole.
- f. Why is this representation appropriate?
- g. How close is your organisation to this currently?
- h. Has this changed over time? If so, how?

- i. Are there significant differences in the retention rates of women and men in each of the main occupational groups and work areas?

**Key question 2: Do women and men have equitable access to key training and development opportunities that will enable them to advance their careers?**

*Prompt questions*

- a. What are the key training opportunities that enable people to advance in the main occupational groups?
- b. What are the key development opportunities (for example, acting-up positions, project leader roles, attendance at international conferences) in the main occupational groups?
- c. Are there differences between women and men as to who gets these key training and development opportunities?
- d. Are these differences disproportionate to the number of women and men in those occupations?
- e. Are there significant differences between the typical career paths of women and men into senior roles in the organisation?

**Key question 3: Do women and men actively contribute influence and advice to all important areas in the organisation?**

*Prompt questions*

- a. Over the past 12 months, what have been the important and influential groups or project teams in your organisation?
- b. What is the gender composition of these groups?
- c. What is the gender composition of the people in leadership roles in these groups?
- d. Are there significant differences between the participation rates of women and men in these groups?
- e. Are these differences greater than the difference in the proportion of women and men in the organisation or in the proportion of women and men at various job levels?
- f. Are there differences (for example, in the nature of the work, degree of influence, usefulness of experience to further career development) in the types of groups that women are most likely to belong to and the ones that men are most likely to belong to?

**Key question 4: Is there support for work-life balance for women and men at all levels of the organisation?**

*Prompt questions*

- a. What proportions of women and men at senior levels have a primary caring responsibility (for children, elderly relatives and other dependants)?
- b. What proportion of women and men are entitled to:
  - Flexible start and finish times?
  - Part-time work?
  - Flexibility to attend to family, personal, community responsibilities?

- c. What proportion of women and men actually has flexible work arrangements?
- d. What proportion of women and men has access to flexible annual and/or sick leave arrangements?
- e. What processes are in place for leave allocations to be responsive to the caring responsibilities of women and men?
- f. What flexibility and support is there for women's and men's transitions back to work after absence (for example, rehabilitation, parental leave, study leave, secondment)?
- g. What employer-supported childcare is provided (for example, crèche, holiday programmes)?
- h. Of the people leaving the organisation, what proportion of women and men are leaving at least in part because of family responsibilities?
- i. How accommodating to family needs do women and men perceive the organisation to be?
- j. How committed do women and men perceive the organisation to be to enabling work-life balance?

### Step 3: Plan a response

When you have worked out the issues for your organisation that need a response, you will be ready to identify the steps needed to address them. Be realistic about how much your organisation will be able to do. If there are only a few issues, you may be able to address them all by spreading them out over a period of time. If there are number of issues, you may need to prioritise them, possibly based on:

- The impact on employees
- The benefits for the organisation
- What else is going on or is planned that might help or hinder
- How difficult it will be to address
- Practical issues such as cost, time and scheduling
- Strategies that are most likely to facilitate or engender goodwill regarding pay and employment equity.

## Appendix One: Patterns and possible causes

The following tables identify some of the patterns you may find and suggestions on what may be contributing to those patterns. The lists are not exhaustive. Ensure you have real and robust evidence before assuming how possible cause applies in your situation.

The tables use the terms 'women', 'men', 'male' and 'female'. They refer to women or men in general, rather than to any individual woman or man. You are looking for patterns across the groups, not individual circumstances.

Many of the patterns focus on women not being as well represented as men in senior or influential positions. This is because New Zealand workplace participation data indicates that that is the typical pattern. Naturally, if you identify unexplainable and unjustifiable differences that disadvantage men, it would be useful to examine these as well.

1. Are women appropriately represented across all occupations and work areas?	
Pattern	Possible causes
Women are not applying for jobs proportionately to men.	<ul style="list-style-type: none"> <li>• Fewer women than men have the relevant qualifications or sufficient experience to apply for the jobs.</li> <li>• Advertising is not effective in attracting women to apply.</li> <li>• Women are not optimistic about their chances of success, so they do not bother to apply.</li> <li>• Men are more likely to be encouraged to apply.</li> <li>• Recruitment agencies are not sufficiently briefed and/or are not ensuring they are carrying out recruitment equitably.</li> </ul>
Women are not being short-listed, interviewed and appointed proportionately to the number of women who apply.	<ul style="list-style-type: none"> <li>• Selection criteria do not include the full range of relevant competencies, including 'soft' competencies (such as interpersonal communication, caring work, and coordinating work).</li> <li>• Selection criteria are not defined in a gender-neutral way.</li> <li>• Interview panels are not equipped to understand and minimise the risk of gender bias.</li> <li>• Relevant experience outside the paid workforce is not recognised.</li> </ul>
There is a difference in the proportions of women and men being promoted.	<ul style="list-style-type: none"> <li>• Women are not applying for promotion in the same proportions as men.</li> <li>• Men are more strongly encouraged to apply for promotion than women.</li> <li>• Women are leaving the organisation before they gain the relevant experience to apply for promotion.</li> <li>• Perceptions about women taking time out for child rearing affect their promotion chances.</li> </ul>

There is a difference in the speed at which women and men are promoted (see also patterns and causes for 1.3).	<ul style="list-style-type: none"> <li>• Women are not getting access to the relevant experience that is needed to equip them for promotion.</li> <li>• Managers who make promotion decisions are not equipped to understand and minimise the risk of gender bias.</li> <li>• There is a conscious or unconscious perception that men are better suited to senior roles.</li> </ul>
Women are clustered in specific occupations.	<ul style="list-style-type: none"> <li>• Smaller numbers of men than women train for these occupations.</li> <li>• The organisation consciously or unconsciously prefers women for these roles.</li> <li>• The organisation consciously or unconsciously channels women into these occupations.</li> <li>• It is difficult to move from these occupations to other roles so women end up staying within the occupation.</li> </ul>
Women are under-represented in some occupations.	<ul style="list-style-type: none"> <li>• Smaller numbers of women than men train for these occupations.</li> <li>• Other organisations are more successful in attracting skilled women for these occupations.</li> <li>• The selection process used in these occupations may not fairly assess women's applications.</li> <li>• The organisation (or specific part of the organisation) may have a reputation for not being a good place for women to work. (How do you know?)</li> </ul>
Women are under-represented in some regions or business groups.	<ul style="list-style-type: none"> <li>• The recruitment processes in these areas are not as effective at attracting women.</li> <li>• The specific circumstances of the labour market mean it is difficult to attract women.</li> <li>• The selection process may not fairly assess the skills and experience of women.</li> <li>• The region or business group may have a reputation for not being a good place for women to work.</li> </ul>

2. Do women and men have equitable access to key training and development opportunities that will enable them to advance their careers?	
Pattern	Possible causes
There is a difference between men's and women's access to training opportunities.	<ul style="list-style-type: none"> <li>• The organisation's male-dominated occupations require more training than the female-dominated occupations.</li> <li>• Either the male- or female-dominated occupations have traditionally had more training opportunities than the other.</li> <li>• Men have more often pushed for high-profile training opportunities than women have.</li> <li>• Training is structured in a way that makes it difficult for people with family responsibilities.</li> </ul>
There is a difference between men's and women's	<ul style="list-style-type: none"> <li>• Opportunities are allocated without giving people a chance to express interest in being considered.</li> </ul>

2. Do women and men have equitable access to key training and development opportunities that will enable them to advance their careers?	
Pattern	Possible causes
access to development opportunities.	<ul style="list-style-type: none"> <li>• Opportunities are not notified to all people for whom they may be relevant.</li> <li>• Assumptions are made about people's interest and availability, without checking with the people concerned.</li> <li>• Women have less access to formal or informal mentoring than men do.</li> </ul>

3. Do women and men actively contribute influence and advice to all important areas in the organisation?	
Pattern	Possible causes
Women are not proportionately represented in some influential groups.	<ul style="list-style-type: none"> <li>• Participation in these groups is directly correlated to seniority in the organisation, and women are not in these senior positions, so women's input is not sought or received.</li> <li>• A few people decide on participation in these groups and they have largely appointed people they are familiar with and comfortable working with.</li> <li>• No consideration is given to gender balance when appointing people to these groups.</li> </ul>
Women are well represented or over-represented in project teams related to specific areas (for example, social activities, welfare and support), but under-represented in project teams related to areas such as budgets or high-level decision-making.	<ul style="list-style-type: none"> <li>• Participation in these groups is directly related to role so the gender composition of these groups is determined by what occupations women and men enter.</li> <li>• No consideration is given to gender balance when appointing people to these groups.</li> <li>• Women have more often volunteered for these kinds of groups.</li> </ul>
Women are less likely than men to be project leaders or to chair these groups.	<ul style="list-style-type: none"> <li>• The organisation (consciously or unconsciously) is more likely to see men as leaders than women.</li> <li>• Women have been less likely than men to push for leadership roles.</li> <li>• Women have not had the experience required to take on these roles.</li> <li>• Previous leadership experience is needed to take on these roles and the women have had less than the men.</li> </ul>

4. Is there support for work-life balance for women and men at all levels?	
Pattern	Possible causes
Women with family responsibilities are less likely than men with family responsibilities to be in senior positions.	<ul style="list-style-type: none"> <li>• The demands of the jobs require people to work long hours and/or travel extensively.</li> <li>• The way the work is organised in these jobs (for example, early morning or late evening meetings) means it is difficult for people with primary family responsibilities to undertake these roles.</li> <li>• It is assumed that women with family responsibilities will find it difficult to take on these roles, so they are not encouraged to apply.</li> <li>• The organisation is not supportive of people with family responsibilities, particularly at this level.</li> </ul>
Women perceive the organisation to be less family-friendly than men perceive it.	<ul style="list-style-type: none"> <li>• The organisation, and senior people in particular, do not demonstrate their support for people balancing work and family responsibilities.</li> <li>• The organisation does not have specific policies or programmes to assess and address work/family or work-life needs.</li> <li>• The organisation does not implement its policies consistently.</li> <li>• The organisation does not effectively communicate its policies and programmes to current or new employees.</li> </ul>
Women are more likely than men to leave due to difficulties in balancing work and family responsibilities.	<ul style="list-style-type: none"> <li>• The organisation does not fully utilise flexible working arrangements.</li> <li>• Flexible start/finish times are not available in policy and/or practice.</li> <li>• Part-time or job share arrangements are only available in lower-level jobs, or in positions without management responsibilities.</li> <li>• People who use flexible work arrangements are consciously or unconsciously considered not to be serious about their careers.</li> <li>• The organisation does not actively assess and respond to work/family needs.</li> <li>• Managers and supervisors are not equipped to understand and respond appropriately to people with work and family responsibilities.</li> </ul>

## Appendix Two: Relevant legislation and glossary

No new legislation has been created to address pay and employment equity. However the Employment Relations Act, the Human Rights Act, Equal Pay Act and the State Sector Act do have pay and employment equity provisions.

Legislation and government policy are important in considering whether gender patterns you find during your review are justifiable. You may need to seek advice from agencies administering the legislation to ensure you are meeting the requirements.

### Pay and employment equity legislation

The Equal Pay Act 1972, Employment Relations Act 2000 (ERA) and Human Rights Act 1993 (HRA) all contain provisions relating to sex discrimination and provide complaints-based mechanisms for employees to seek redress for sex discrimination in employment. The Equal Pay Act applies to private sector and public sector employees. Public sector employees are also covered by the Government Service Equal Pay Act 1960.

Equal pay is generally understood to mean a rate of remuneration for work in which there is no element of differentiation between male and female employees based on gender – where the work of male and female employees is substantially similar and calls for the same or substantially similar degrees of skill, effort and responsibility and is done under similar conditions.

State sector employers are subject to legislation covering aspects of pay and employment equity. This legislation focuses on the elimination of direct and indirect discrimination, generally at the level of the individual employee.

### The Human Rights Act

The Human Rights Act makes discrimination unlawful on a range of grounds. Discrimination in employment is defined in the Human Rights Act as being when an employer:

*... refuses or omits to offer or afford to that employee the same terms of employment, conditions of work, fringe benefits, or opportunities for training, promotion, and transfer as are made available for other employees with the same or substantially similar qualifications, experience, or skills employed in the same or substantially similar circumstances*

because of the employee's:

*gender, marital status, religious belief, ethical belief, colour, race, ethnic or national origin, disability, age, political opinion, employment status, family status, or sexual orientation.*

The Human Rights Act recognises direct and indirect discrimination.

**Direct discrimination** occurs where people are disadvantaged because they are treated differently by reason of one or more of the prohibited grounds. (Example: A pregnant woman has her duties changed to her disadvantage because she is pregnant.)

**Indirect discrimination** occurs where any condition, requirement or practice has the effect of treating a person or group differently on one or more of the prohibited grounds of discrimination unless good reason for it is established. (Example: A woman who is combining parenting and paid employment is not accepted for a promotion because an HR policy states that positions at this level cannot accommodate part-time work. Good reason cannot be established for the policy.)

Discrimination could occur where redundancies are based on employees' length of service, (last to be employed, first to be dismissed) or where part-time staff are more likely to be dismissed first, and a greater proportion of more recent employees or part-time employees are women.

To determine if any conduct, practice, requirement or condition (including policies and behaviour) are lawful the employer needs to consider the following issues:

- whether the policy, practice or behaviour is based on gender, and if so;
- whether the employee(s) or applicant(s) is/are being disadvantaged, and if so;
- whether an exception in the Human Rights Act or Employment Relations Act applies e.g. different treatment based on gender may be a genuine occupational requirement
- whether measures to address or resolve the disadvantage based on gender would unreasonably disrupt the employer's business. Relevant considerations would include the effect on capacity to accomplish the organisation's purpose and other employees' workload or conditions. Each situation must be considered on its own merits.

For example, if a woman requested flexible arrangements to enable her to combine parenting and part-time paid work, denial of such a request could be unlawful discrimination if such arrangements did not have a detrimental impact on the organisation's ability to carry out its work, or on other employees.

A range of employment exceptions can justify discrimination if, because of the nature of the work, an employee is employed on the basis of gender. For example, where a female has been abused it could be justifiable for the employer to allocate a female worker to investigate or to advertise for a new female worker whose role is to work with women.

Measures to ensure equality can also be a justifiable reason to discriminate. For example a training course on career advancement could be offered to women employees only. This initiative could be justified by the organisation if they have evidence that women employees are under-represented in higher level jobs.

More information on discrimination and the Human Rights Act is available at [www.hrc.co.nz](http://www.hrc.co.nz).

## Good faith principle

Good faith is a central principle in the Employment Relations Act 2000. Employers, employees and unions must deal with each other honestly and openly. Specifically, the Act:

- Promotes good employment relations and good faith behaviour, which includes mutual obligations of trust and confidence between employers, employees and unions
- Sets the environment for individual and collective employment relationships
- Sets out requirements for the negotiation and content of collective and individual employment agreements
- Provides prompt and flexible options for resolving problems in employment relationships.

The Employment Relations Act includes (Part 8A) a code of good faith for the public health sector.

More information about good faith, including codes of good faith, is available at <http://www.ers.govt.nz/goodfaith/code.html>.

## Glossary

### Discrimination

When a person is treated unfairly or less favourably than another person in the same or similar circumstances on a ground prohibited by law. The Human Rights Act 1993 recognises both direct and indirect discrimination.

**Direct discrimination** occurs where people are disadvantaged because they are treated differently by reason of one or more of the prohibited grounds.

**Indirect discrimination** occurs where any condition, requirement or practice has the effect of treating a person or group differently on one or more of the prohibited grounds of discrimination; unless good reason for it is established.

### Equal pay

Equal pay is generally understood to mean a rate of remuneration for work in which there is no element of differentiation between male and female employees based on gender – where the work of male and female employees is substantially similar and calls for the same or substantially similar degrees of skill, effort and responsibility and is done under similar conditions.

### Equity and equality

Equality refers to being equal or the same; equity refers to being just, fair or impartial. In the employment equity context, equity refers to proportionality between differences in relevant characteristics of people and jobs and how they are treated.

### Explainable

A rationale for a situation can be articulated to account for why it is happening, so it is properly understood. Considering whether a situation is explainable is a necessary step before an organisation considers whether a situation is justifiable.

### Female-dominated occupations

The standard international definitions of male- or female-dominated occupations are:

- Female-dominated occupations are 70 percent or more female
- Male-dominated occupations are 60 percent or more male.

The reasoning for accepting 70 percent as female-dominated is that it is a level that accommodates a very substantial part of the range of levels of representation of women in occupations in organisations. The underlying concept of a female-dominated occupation is that there are more women than men – 50 percent + 1. The figure of 70 percent represents two standard deviations above 50 percent for an organisation of 100. For an organisation of up to 500, the comparable figure is 60 percent and it is 55 percent for an organisation over 500 (*Pay Equity: a New Approach to a Fundamental Right*, Pay Equity Task Force Final Report 2004, Canada).

In New Zealand, the Pay and Employment Equity Taskforce accepted the 70 percent figure and the Government has accepted that level. For the reasons outlined above, it would be inappropriate to exclude consideration of occupations close to the 70 percent figure. The 70 percent figure is a guide for establishing whether the occupation is female-dominated, not an arbitrary or absolute cut-off point.

### Job evaluation

A structured process to determine the 'size' of different jobs within an organisation by examining skills, knowledge, responsibilities and working conditions. Establishing internal relativities between

jobs (their 'size' relative to each other) in an organisation contributes to establishing pay rates and grading structures. The measurement process generally involves a number of factors and results in a numerical score.

### **Justifiable**

Adequate grounds can be provided to establish that a practice is right, reasonable or valid. One important reference point in this review for considering whether something is justifiable is whether it is lawful. Factors to consider in determining if a conduct, practice, requirement or condition is unlawful include:

- whether the policy, practice or behaviour is based on gender, and if so
- whether the employee(s) or applicant(s) is/are being disadvantaged, and if so
- whether an exception in the Human Rights Act or Employment Relations Act applies e.g. different treatment based on gender may be a genuine occupational requirement
- whether measures to address or resolve the disadvantage based on gender would unreasonably disrupt the employer's business. Relevant considerations would include the effect on capacity to accomplish the organisation's purpose; other employees' workloads or conditions.

Some practices and treatments that are within the law may still be found to be unjustifiable.

### **Market surveys**

Once a job evaluation exercise is completed, or when a new job is established in an organisation, use is often made of market surveys to help fix the pay range for particular jobs. Commercial databases record the salaries paid to jobs of a particular numerical 'size'. This is often described as 'the market rate' – the range of pay those particular jobs are attracting across organisations. Often the market will be segmented into particular sectors or industries to make the comparison more relevant. Any biases (gender or otherwise) inherent in the job evaluation systems from which the job size was derived will be reflected in and perpetuated through the market surveys.

### **Pay and employment equity**

Pay equity and employment equity, combined, indicate the outcome of a systematic approach to identifying and eliminating unjustifiable causes of inequity to provide fair and productive workplaces.

### **Performance pay**

Performance pay is money paid to reward employee performance at work. Sometimes called merit pay, it may take the form of an increase in pay or a bonus one-off payment. It is generally paid on an individual basis. In some organisations, performance may be rewarded through non-cash means including vouchers, gifts or extra leave.

### **Remuneration**

Remuneration is the sum of all direct and indirect cash payments to an employee. It can include cash and non-cash rewards such as base pay, allowances, health insurance, childcare allowance, personal use of a company car, superannuation contributions and bonus payments.

Components of remuneration include:

- Annual base salary – gross per annum amount
- Annual base pay, allowances (higher duties, extra duties, etc.) and overtime payments

- Total remuneration – includes base salary, additional non-cash benefits (employer-subsidised superannuation, reserved car parking, special allowances, and personal use of other employer-provided benefits) that are regularly received, plus any performance pay
- Hourly rate – based on the annual salary
- Average hourly earnings – based on the annual salary, regular taxable allowances, overtime payments
- Typical weekly or fortnightly pay – based on the annual salary.

**Work-life balance**

Work-life balance is about accommodating the interaction between paid work and other activities, including unpaid work in families and the community, leisure and personal development.