

Ministry for Women Advice Cover Sheet

Friday, 3 November 2017

Background information on the #MeToo campaign and women on boards

Briefing No:	MW 17-18 0083
Doc Ref No:	D-215579
Min Office No:	
Priority:	Medium

Purpose

Provide further information on the #MeToo campaign and women on boards as preparation for your appearance on Q and A.

Action sought



From	Action sought	Suggested Deadline
Minister for Women Hon Julie Anne Genter	Note the contents of this briefing	None

Resources used to prepare this advice

Work Programme	Output Plan or Ministerial Priority <input type="checkbox"/>	Responding to ad hoc requests <input checked="" type="checkbox"/>	Other agency work (budget/governance) <input type="checkbox"/>
Name of Project			
Other resources used to provide this advice			

Contact for telephone discussion

Section 9 (2) (a)

Name	Position	Telephone	1 st Contact
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Kirsty Anderson	Director, Communications and Stakeholder Engagement		Insert Mobile <input type="checkbox"/>

Background information on #MeToo and women on boards

Purpose

1. We have attached information on the #MeToo campaign, board quotas and targets, and actions to address the gender pay gap in the public sector for your discussion on Q +A.

#MeToo

2. The #MeToo campaign is a response to the sexual assault allegations against Hollywood producer Harvey Weinstein. The movement began on social media after a call to action by actor Alyssa Milano. She wrote: "If all the women who have been sexually harassed or assaulted wrote 'Me too' as a status, we might give people a sense of the magnitude of the problem" and stories poured in.
3. The intention was to expose the magnitude of sexual harassment. Millions of women shared experiences of sexual violence, particularly on social media platforms, and this led to conversations about men's behaviour towards women and power structures.
4. While this campaign raises awareness at an individual level, these types of campaigns are not part of a structured approach to help women affected or look at long-term solutions to prevent sexual violence in our society.

Board quotas and targets

Quotas and targets

5. Quotas can achieve a higher number of women on boards very quickly. Quotas can lead to: negative reactions in the private sector or board selection processes; a fear of lack of merit in selection; and fear that women may be perceived as token appointments and have their credibility compromised.
6. In 2006 **Norway** introduced a 40 percent quota. In 2016, the number of women on publicly traded companies reached 36 percent. If a company breaks the gender quota rules it will be denied registration as a business enterprise and be subject to forced dissolution. So far, no company has been sanctioned. Up to 40 percent of Norwegian businesses avoided the new quota law by converting into private limited companies.
7. In 2010, the **Iceland** government required companies with over 50 employees to have at least 40 percent of each gender represented on their corporate boards from September 2013. In 2016 the percentage of women on boards of publicly traded companies was 44 percent.
8. **Spain** and the **Netherlands** introduced similar regulations, and **France** enacted a new law ensuring 40 percent female representation on boards. **Italy** introduced a law requiring one-third women on boards beginning in 2015. However, only Norway and Iceland have succeeded in meeting the quota requirements.

Targets

9. Targets rely on the support of those involved in recruitment, selection and appointment. Targets are considered to be more motivational than quotas and enable more longer and sustainable change.
10. Setting a target involves working with those involved with board appointments on structural elements that may impact on appointments and encouraging voluntary change to eliminate these barriers.
11. In the **United Kingdom** and **Australia**, instead of quotas, partnerships between government and public and private sector leaders are resulting in increases in women's representation. Women's representation on private sector boards in the UK has increased from 12 to 26 percent in five years, as a result of a voluntary and business-led target of 25 per cent by 2015. This target has now increased to 33 percent by 2020. In Australia, women now hold 25.4 percent of directorships on the boards of ASX 200 listed companies.

The New Zealand situation

12. In the public sector for the first time the proportion of women on New Zealand state sector boards is above 45 percent, at 45.3 percent as at 31 December 2016.
13. In 2004, the percentage was 40.8 and has fluctuated between 40.5 percent and 42.3 percent up until the last two years.
14. The private sector is lagging behind. On NZX-listed companies 17.8 percent of directors are women and 22 percent of senior management are women. Only one woman currently leads a top 50 business (Kate McKenzie, Chorus).
15. In 2016 the NZX revised its Diversity Ruling to require NZX-listed companies to have a published policy in their annual reports on diversity, on a 'comply or explain' basis. We will need to monitor the impact of this change in 2018.
16. It is hard to say as yet the impact of this ruling on the number of women in governance.
17. The number of women directors on NZX boards has risen from 17 percent in the 2015/2016 financial year to 17.8 percent in 2016/17.

Gender pay gap in the public sector

18. Addressing the gender pay gap is a priority for the public service and has commitment from the Chief Executives. The work to date includes:
 - **Gender Pay Gap Action Plans** have recently been developed by agencies setting out 5-year goals and 12-month actions towards closing their pay gaps.
 - **A gender pay workshop series** is planned for early 2018 co-led by SSC and agencies, highlighting strong practices that have had successful results in progressing a reduced gender pay gap in individual agencies.
 - **Developing analysis** on how best to accelerate progress across the system, potentially using milestones or targets.

- **Developing transparency to ensure progress is visible.** The SSC's annual publication of the gender pay gap via the Human Resources Capability Survey has provided initial impetus. This will be extended through reporting of diversity and inclusion outcomes, including gender pay gaps, in Four-year Plans and annual reports.
- **A flexible workplaces initiative**, which research shows is fundamental to closing the gender pay gap, is due to commence early 2018.
- **A joint Council of Trade Unions and SSC Gender Pay Principles Working Group** has been established to develop a set of agreed gender pay principles to support equal pay for men and women who do the same work.

Recommendation

The Ministry recommends that you **note** the contents of this briefing.

Noted

Renee Graham
Chief Executive

Hon Julie Anne Genter
Minister for Women
Date.....