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COLLECTION

WOMEN AT WORK: ISSUES FOR THE 1990s

Introduction to the Collection

Rose Ryan*

The celebration of one hundred years of women's suffrage in New Zealand in 1993 has provided a welcome opportunity to undertake something of a "stock-take" of many aspects of women's participation in the social and economic life of New Zealand. Participation in the paid workforce is one of the most important of these, given the centrality of employment and work to social identity and economic well-being. The current re-assessment has, however, raised more questions than it has answered, given the rapidly changing social and economic environment in which women work. This includes the restructuring of the economy, the growth of the service sector, social policy changes in health and education, and the greater emphasis on market regulation of many areas previously subject to legislative regulation.

As its contribution to further consideration of these questions, the Industrial Relations Centre at Victoria University of Wellington held a seminar on February 12 1993, entitled "*Women at Work: Issues for the 1990s*". The seminar was attended by women and men from the private and public sectors. Some of the important papers presented at the seminar have been brought together as a collection for publication in this issue of the *New Zealand Journal of Industrial Relations*. The breadth of the questions which were raised at the seminar indicates the complex and multi-dimensional nature of issues related to ensuring equity for women at work. This introduction gives an overview of the main themes which were raised during the seminar, including some raised by speakers whose papers, for reasons of space, have not been able to be included in this published collection. This introduction focuses on two issues - how is equity to be defined and how it is most likely to be achieved.

There are very few who would question the assertion that economically and socially, women as a collective are better off in 1993 than when our grandmothers won the right to vote. On the commonly used quantitative indicators of labour force participation rates and relative earnings, the relative position of women has improved considerably over the past 20 years. Recent figures from the Household Labour Force Survey (Department of Statistics, 1993) show women's participation rate to be 53.2%, up from about 40% in 1966 (Department of Statistics/Ministry of Women's Affairs, 1990). Average hourly earnings of women workers

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currently stand at about 81% of men's (Ministry of Women's Affairs, 1992) compared to approximately 70% at the time that the Equal Pay Act was introduced in 1972 (Wilson, 1988).

Other indicators, however, suggest that gender inequality still exists in New Zealand. For example, the extent of occupational and industrial segregation in New Zealand continues to be significant, with 45% of women employed as clerks or service and sales workers, and 63% of women employed in the Wholesale and Retail Trades, Restaurants and Hotels and Community, Social and Personal Services industrial groupings (Department of Statistics, 1993). There is also a considerable degree of vertical segregation, with women being more likely to be employed in the lower ranks of occupational groups (Department of Statistics/Ministry of Women's Affairs, 1990). Almost 85% of women are employees, and women are only half as likely as men to be employers or self-employed (Department of Statistics, 1993). All these statistical indicators suggest that the labour market is structured along gender lines. It has also been suggested that the qualitative aspects of the work experience differ between men and women. For example, Gold and Webster (1990) found some differences between New Zealand men and women in the reasons that they gave for working, and Gatenby and Humphries (1992) have discussed international findings on the different ways in which women and men approach the management task, with reference to New Zealand.

Across a variety of dimensions, therefore, it may be argued that the experience of women at work differs from that of men. What implications does this evidence of difference have for an assessment of the position of women in the New Zealand workplace? I suggest that answering this question requires consideration of two issues - clarifying what we mean by the term "equity", and considering the means by which equity may be achieved.

Defining "equity"

Accepting the proposition that gender equality in the labour market is yet to be achieved begs the question of what improvements are desirable and how they may be measured. Put simply, what do women workers want and how will we know when we have got it? The definition of equity rests on the adoption of criteria or indicators against which employment outcomes may be measured. In general three types of criteria may be used to assess equity:

(i) organisational and labour market outcomes;
(ii) the processes by which these outcomes have been achieved; and
(iii) the degree to which organisations adapt their policies and structures to meet the needs of different groups contained within them.

These are examined in further detail below.

Equality of outcomes has traditionally been assessed against quantitative measures such as the ratio of men's and women's earnings, and relative proportions of women at various levels of organisational structures and in different occupations and industries. The use of these criteria was often based on the assumption that differences in outcomes between men and women were problematic. Early explanations focused on direct discrimination against women, such

as differences in the pay rates applying to men and women workers, or barriers which prevented the employment of women. Remedies were sought in anti-discrimination measures such as the Equal Pay Act 1972, and the Human Rights Commission Act 1977. An implicit assumption of early conceptualizations of equity was that women's position in the labour force needed to be improved, and that progress would be measured against outcomes that had been achieved by men. Equality would be reached at such point as male and female workers achieved similarly in terms of pay and conditions of work, and were evenly spread across all groups in the economy.

When measured against outcome-based criteria, equity may be some way off. As noted earlier, women are still segregated in a limited range of occupations and industries, and women's average hourly earnings are only 81% of men's. Opinions vary as to whether the environment created by the Employment Contracts Act will reduce or widen this earnings gap. While the Minister of Women's Affairs claimed, on the basis of Quarterly Employment Survey figures, that women's average hourly earnings increased by 2.6% between May 1991 and May 1992 (quoted in the *Dominion* 1/12/92) research by Hammond and Harbridge (this collection) found that collective employment contracts which covered large numbers of women workers achieved less than half the wage increases negotiated for contracts under which large numbers of male workers were employed. Du Plessis and Hill (this collection) argue that it is inevitable that the Employment Contracts Act will have negative implications for women, because of the way in which it is mediated by a labour market structured along, inter alia, gender lines. Women are more likely to be employed in jobs in the secondary labour market, and thus to experience greater competition for jobs, worse than average wages and conditions, fewer training opportunities, and employment which is increasingly casualised. A vicious circle may be created as these workers are further disadvantaged by a system of contract negotiation in which market-based criteria determine wages, conditions of work, and employment security. The debate as to whether regulation or deregulation of the labour market is more likely to produce equitable outcomes is examined in greater detail below.

The second set of criteria by which equity may be assessed relate to the processes by which employment decisions are made. The Commission for Employment Equity, for example, defined EEO (Equal Employment Opportunities) as being where all employment and promotion decisions are made on the basis of merit (Commission for Employment Equity, 1991). This model of equity became more common with the increasing influence of neo-classical models of labour market operation, in which greater emphasis is placed on supply-side factors which influence the position of women in the labour market. It suggests that the differences in the labour market positions of women and men arise from skill differences, differences in participation patterns as a result of women's domestic responsibilities, and choices made by women themselves about the occupations and industries in which they work. Such models hypothesize that employers use generalised stereotypes about women as "proxies" for information about individual woman workers, resulting in indirect discrimination. This has led to the adoption of liberal models of EEO, which focus on the establishment of "bureaucratic" procedures to ensure "objective" assessment, along meritocratic lines (Webb, 1991). Consequently, remedial measures aim to reduce indirect barriers and discrimination, by developing and implementing policies and programmes which promote objective recruitment criteria, management training for women, the provision of child care, the establishment of women's networks within organisations and so on.

The extent to which New Zealand organisations have adopted EEO measures has differed in the public and private sectors. The public sector has been required to develop and implement EEO policies as a result of various legislative interventions, but the extension of a similar requirement within the private sector was in place for only three months prior to the repeal of the Employment Equity Act in 1990. Not surprisingly, then, larger numbers of public sector organisations have EEO programmes in place, while a voluntaristic approach has been adopted in the private sector, with the establishment of an EEO Trust, funded by a mixture of private and public sector funding.

More recently, questions have been raised about the efficacy of EEO programmes as a means of changing the position of women in organisations in any meaningful way. Aitkenhead and Liff (1991) have suggested that new criteria are required for assessing equal opportunity policies which focus on the degree to which organisational policies meet the needs of differing groups. More subjective measures for determining the position of women at work may be required, including the extent to which issues raised by women are given credibility and assigned priority within the organisation, the recognition given to alternative perspectives, the degree of role strain experienced by women in the organisation, and policy initiatives undertaken by the organisation to accommodate the needs of under-represented groups.

The development of alternative criteria for assessing progress towards equity in employment raises the challenge of measurability, but may in the long run offer greater potential benefits for members of groups which have traditionally been seen as being disadvantaged in the labour market. Trudie McNaughton, Executive Director of the EEO Trust commented at the seminar that EEO is not simply about getting rid of the "glass ceiling", but is about changing what can be glimpsed through the glass. EEO must be a philosophy that is integrated into *all* aspects of organisational functioning, rather than being a "programme" that may be dropped or given lesser priority in times of organisational crisis. The latter approach requires women to adopt strategies and "ways of being" (Pringle, 1992) in order to survive in an organisational world dominated by masculine ways of operating.

An approach which adopts EEO as a philosophy, in contrast, sees the adoption of diverse ways of operating as contributing to the strength and effectiveness of organisational functioning. These sentiments were echoed at the seminar by consultant Mary O'Regan, when she suggested that women have a different style of management which places greater emphasis on the interpersonal aspects of the employer-employee relationship, and view the managerial task as being one of facilitating the performance of work tasks by subordinates, rather than the traditional directive and controlling aspects of management. In such cases, equity is best served not simply by promoting women into management positions, but by encouraging the development of alternative models of leadership which recognise the different skills and experiences that women may bring to management positions.

In summary then, it may be seen that the question of defining equity is considerably more complex than has been viewed in the past. An assessment of the position of women at work requires a specification of the criteria which are being used, but against all the three sets of indicators used here, gaps in the labour market position of women in New Zealand are evident. Given that equity is yet to be achieved, but is generally accepted as a desirable social goal, the question thus arises as to the means by which it is most likely to be achieved. It is to this question that we now turn.

Achieving equity

The industrial relations tradition of most Western developed countries, including New Zealand has been premised on an acceptance of the notion that left to itself, the market will not deliver fair and equitable outcomes, due to the power relationship that exists between employer and employee. Gender inequality is but one aspect of this "market failure", and has resulted in a series of legislative attempts to ensure equal pay, and equal employment opportunity. Such a philosophy has, however, come under challenge in recent times, with the return in the 1980s to neo-classical models of labour market functioning. These models argue that attempts to regulate for equity are likely to have the opposite effect from what is intended, and reduce employment opportunities for those whom they are designed to assist. It is argued instead, that the most effective way of achieving equity is through the operation of the market, and the governing of the employment relationship by the well-established principles of contract law.

Disagreements about the relative importance of legislation and the market in achieving equity formed the basis of debate which arose in response to the Report of the Working Group on Equal Employment Opportunities and Equal Pay which recommended the passage of legislation "...tc establish, promote and enforce the principle and practice of employment equity ..." (Wilson, 1988: 25). A coalition of interests, including Treasury and employer groupings, disagreed with the recommendations, arguing that the labour relations system of the time worked against the interests of women by delivering centralised power to officials in male-dominated unions who were likely to have little interest in negotiating work conditions that would expose them to competition from female workers (Brook, 1990b: 21). A longer term solution to the problem of labour market inequality was said to be the establishment of a labour relations system based on competition between workers in a freely functioning labour market. Brook admits a role for the state in formulating policies aimed at breaking down stereotypes, and reducing barriers to the employment and promotion of disadvantaged groups. She argues, however, that beyond this, employers will be required to compete for the best available worker by increasing their sensitivity to the needs and preferences of different groups of employees (Brook, 1990a). In essence, it is argued that the process of competition for workers will lead employers to make rational (i.e., non-discriminatory) decisions because it is in their own best interests to do so. This argument has been rebutted by Chen (1993) who demonstrates from her personal experience, that individuals may engage in economically "irrational" behaviour even where it is against their interests to do so.

In public policy terms, the National Government has, of course, accepted the argument that market regulation is preferable to state regulation as a means of achieving equity for women. This is seen in the repeal of the Employment Equity Act in 1990, and the establishment of the EEO Trust, which relies on a voluntary approach to the implementation of EEO by employers. More fundamentally, the Employment Contracts Act 1991 moves New Zealand's labour relations system away from the historical tradition of conciliation and arbitration as the preferred model of settling wages and conditions of employment, to the negotiation of individual and collective contracts of employment. Anne Knowles, Labour Market Manager for the New Zealand Employers' Federation, argued at the *Women at Work* seminar that the new regime has empowered women, who are given the authority under the legislation to

negotiate and enforce contracts which suit their individual family and work circumstances. Other participants at the seminar disagreed. Margaret Mulgan, Chief Human Rights Commissioner, for example, argued in her keynote address to the seminar that, historically, the common law relating to employment derived not only from contract law, but also the law of master and servant (see Mulgan, this collection). As Hammond and Harbridge (this collection) similarly point out, the law does not operate in a neutral way, but incorporates into the employment relationship the capacity of an employer to demand obedience from an employee. Thus the freedom of one party to the contract is in fact restricted as part of the process of contract negotiation.

While many women are sceptical as to the ability of the free market to deliver more equitable outcomes than those of the past, some empirical evidence supports the notion that legislation may be limited in the extent to which it is able to reduce gender inequality. A recent survey of OECD countries, using criteria of female participation in the labour force and women's relative earnings, found no correlation between these indicators and legislative measures passed in pursuit of gender equality (Whitehouse, 1992). Associations were demonstrated, however, between indicators of gender equality, and high levels of union density, centralisation of wage fixing mechanisms, and public expenditure on active labour market policies. The findings demonstrate that legislation on its own is not likely to be effective in reducing inequality if the economic and social environment is not conducive. Du Plessis and Hill (this collection) argue along similar lines in suggesting that the effect of the Employment Contracts Act on women, and on unions representing large groups of women workers, is at least partially dependent on environmental conditions, including levels of industry competition, employers strategies in response to competition, and political pressures. Similarly, in her seminar discussion of women in unions, Angela Foulkes, secretary of the New Zealand Council of Trade Unions made the point that improved equity for women was not simply a matter of negotiating better conditions of work in collective and individual contracts, but that it was associated with social attitudes. The negotiation of improved child care arrangements, for example, may be of value only to the limited number of those workers who have pre-school children at the time, but may have implications for employees beyond those actually covered by the contract.

In summary, the debate as to whether markets or legislation comprise the most effective way of reducing gender inequality and improving equity is likely to remain somewhat contentious for some time. It may be argued, however, that neither is able to achieve more than limited success in the absence of a social and economic environment which facilitates achievement of broader policy objectives for equity.

Conclusion

The scope of this overview demonstrates the complexity of questions related to women at work in New Zealand in the 1990s. It is notable that a number of questions currently of relevance to New Zealand women workers are those which are old ones in relation to women's employment, and stem from the fact that the labour market experience of women is distinctively different from that of men. Many of the issues currently of prominence, however, are those related to the deregulation of the labour market, and the economy more generally, and the implications of this for women at work. The achievement of employment

equity, however it is defined, is still some way off for New Zealand women, despite the gains that have been made in the hundred years since New Zealand women first obtained the right to vote.

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