

New Zealand

Quotas

New Zealand does not have quotas for women's representation on boards, a topic that continues to receive media attention and debate among the business community.^{1,2} This is not least because New Zealand's women leaders, including the prime minister, are highly prominent domestically and abroad.

Other initiatives

Despite the lack of legislation to ensure women are represented at the board level, the prime minister has emphasized the need for women in decision-making positions.³ The government has delivered on its commitment to increase female participation in state-sector boards and committees, reaching its target of 50% female participation by 2021.⁴

Some of the largest New Zealand businesses have also made progress in this area, with women holding 31.6% of S&P/NZX 50 directorships, up 4% from 2018.⁵ Listed companies outside the S&P/NZX 50, however, saw a 1% drop during the same time frame.⁶

One way the business community in New Zealand is seeking to improve these numbers is through Global Women's Champions for Change initiative, led by 55 CEOs and board Chairs who are working to expand diversity in leadership positions.⁷ As part of this effort, the group set a target of achieving at least a 40% representation of women on their boards. As of March 2021, they were just one woman short of achieving the target after four years of dedicated focus.

Recent initiatives to support women in their careers and build leadership opportunities in New Zealand include legislation to extend paid parental leave and increase parental leave payments, a stronger emphasis on training, and a rise in the

minimum wage to NZ\$20 per hour (women represent 60% of minimum-wage earners). These initiatives also help strengthen the pipeline of women leaders moving into senior management and board positions.⁸

New Zealand's Equal Pay Amendment Act⁹ was implemented in November 2020 to grant pay equity to women in traditionally female-dominated occupations.

Measures to address racial and ethnic diversity

There is a drive to improve reporting and transparency with respect to ethnic diversity in business in New Zealand, and in leadership positions particularly. The annual NZ Census of Women on Boards asked NZX 100 companies to disclose ethnic representation on their boards, and Global Women's Champions for Change group¹⁰ also reports on racial and ethnic diversity and has a focus area for 2021 on increasing Māori and ethnic diversity across their more than 350 member organizations.¹¹

Transparency around ethnic diversity is also apparent at the government level, where the ethnic makeup of New Zealand's state-sector boards and committees was reported on for the first time in 2020.¹² This reporting showed that of people appointed to state-sector boards and committees, 22.3% were Māori, 5.4% from Pacific communities, 4% identified as Asian, and less than 1% identified as Middle Eastern, Latin American or of African descent.¹³

Organizations throughout New Zealand also regularly sponsor programs to showcase diversity on boards and to help build the capabilities needed for others to follow in the future.

- The Federation of Māori Authorities holds an annual women in leadership summit—Huihuinga Wāhine—for successful Māori leaders and those rising through the ranks. It provides a platform to discuss economic matters of interest to this community.¹⁴
- Early in 2021, the Ministry for Pacific Peoples and the Institute of Directors collaborated on a series of national events showcasing the value of Pacific perspectives in governance.¹⁵ Prominent Pacific leaders shared their experience with an audience of aspiring leaders to encourage and prepare the next generation to step into these roles.

The numbers	Percentage	% Change
Percentage of women directors on all S&P/NZX-listed company boards ¹⁶	22.5%	0.1% (2019)
Percentage of women directors on S&P/NZX 50 company boards ¹⁷	31.6%	2.6% (2019)
Percentage of female state-sector board and committee appointments ¹⁸	50.9%	5.2% (2017)

“It is great to see the work being done to increase the number of women on boards in New Zealand—an acknowledgment of the diversity of thought and variety of expertise they bring to the board table, which, in turn, allows boards to make faster and better decisions. You cannot expect to achieve diversity of thought if a board is predominantly made up of people with similar backgrounds and experience, or if an environment has not been fostered to allow diversity to be truly shared and embraced throughout the culture, focus, and operations of an organization.

However, there is more to be done to champion diversity at the board level. While efforts have predominantly focused on women, true diversity is about having perspectives that reflect a mix of ethnic backgrounds, LGBT+ affinity, age, culture, knowledge, and experience. Having a truly diverse board has been shown to improve both business performance and innovation, and it's important that we continue working to identify a broad mix of up-and-coming talent and help build their capabilities to sit on the boards of the future.

It is also important that boards and executives are bringing in different perspectives through the foundational values and purpose of an organization. If an organization's set of values doesn't align with the communities they draw from and interact with, the ability to truly thrive will be significantly limited.”

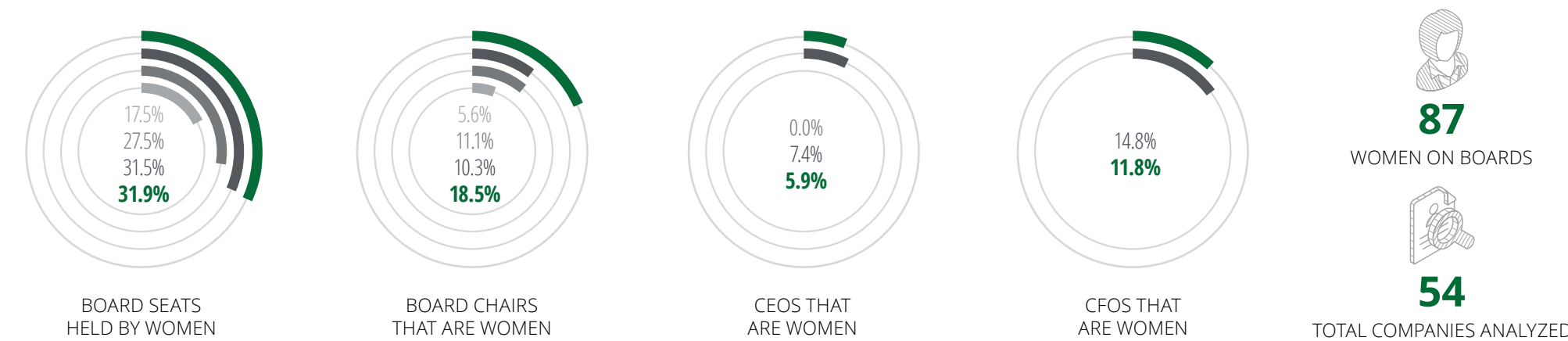
Mike Horne,

Chief executive, Deloitte New Zealand

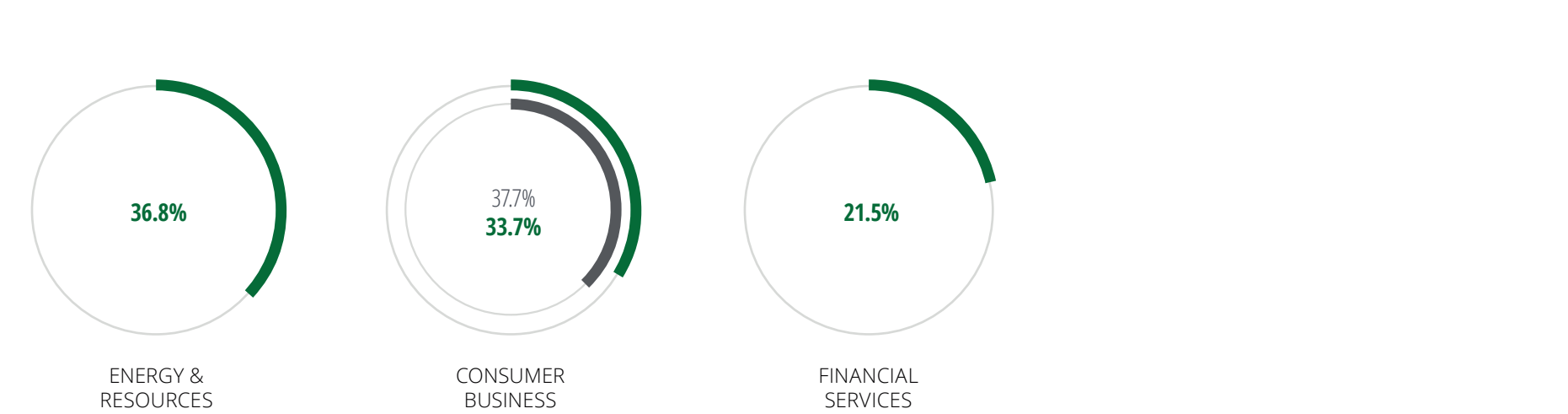


New Zealand

OVERALL NUMBERS

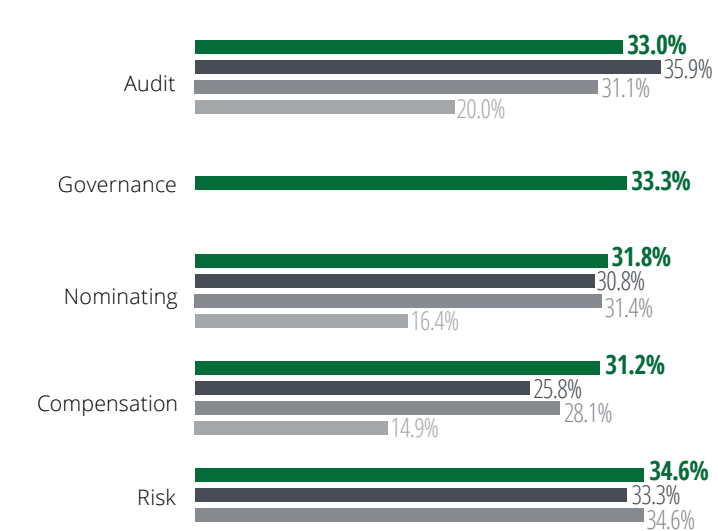


TOP INDUSTRIES WITH THE HIGHEST PERCENTAGE OF WOMEN ON BOARDS

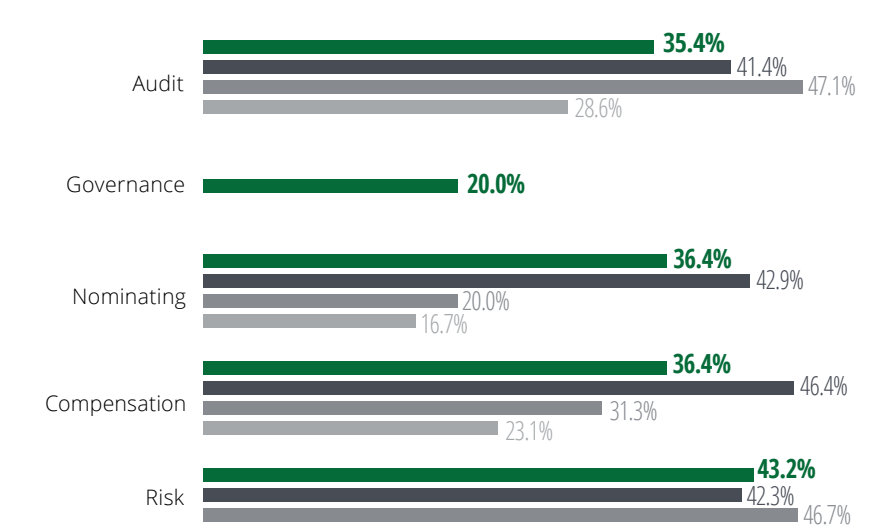


COMMITTEES

FEMALE MEMBERS



FEMALE CHAIRS



AVERAGE TENURE (YEARS)

AVERAGE AGE (YEARS)

STRETCH FACTOR

BOARD MEMBER			
MEN	2021	2018	WOMEN
6.4	6.7	4.8	4.5
2021	2018	2021	2018

BOARD MEMBER			
MEN	2021	2018	WOMEN
62.9	59.6	56.8	53.0
2021	2018	2021	2018

WOMEN			
2021	2018	2016	2014
1.32	1.28	1.19	1.32
2021	2018	2016	2014

CHAIR			
MEN	2021	2018	WOMEN
6.9	6.4	2.5	3.5
2021	2018	2021	2018

CHAIR			
MEN	2021	2018	WOMEN
65.8	62.8	-	-
2021	2018	2021	2018

MEN	
2021	2018
1.21	1.16
2021	2018