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Women and work in the New Zealand banking industry: Targets and debt following the crisis

Abstract: *Gender has played a role in post-crisis debates about the banking sector, with commentators arguing that boardroom gender diversity can ameliorate the excesses of predatory financial capitalism. This paper presents a trade union perspective on that debate, arguing that the contradictory tendencies of deregulated financial and labour markets have transformed work within the industry, putting women in a more vulnerable position. Job security is now primarily premised on a practice that the majority of those women are uncomfortable with – the sale of debt. The direct gender discrimination of the past has been transformed into a form of structural insecurity that, by dint of history, occurs on a gendered basis. This paper explores those changes, animating them with the insight of female members of FIRST Union working in the banking sector. These workers' voices are critical in ensuring national financial stability is not compromised, and it is proposed that we approach them as 'canaries in the mine' for financial instability.*

Keywords: women, banking, financial deregulation, insecure work, debt

Part I: Introduction

It is now five years after the collapse of Lehman Brothers, signalling an inexorable crisis of the US financial economy. The contagion quickly spread more broadly into the industrial economy, across borders to severely affect Europe and much of the developing world, through public service cuts and food and fuel crises. Indeed the common epithet of the 'great financial crisis' is much too tame, and others have described the episode as a full-scale global crisis of capitalism (Harvey 2010).

Long before the crisis, McDowell had documented the masculine behaviours valorised in the financial services industry – the "sober suited bourgeois men", a traditional image of rationality and stability, and the young exuberant image of aggressive, hetero-sexualised male confidence (1997). And, in the years since the crisis debates around the importance of gender equity in the banking and finance industry have developed further. Citing the poor record of boardroom diversity, Sunderland, for example, has asked the hypothetical question, 'If Lehman Brothers had been Lehman Sisters, run by women instead of men, would the credit crunch have happened?' (2009). It draws on the idea that there are some innate biophysical or psychological factors of femininity that militate against the (masculine) risk-taking culture that generated the crisis. A growing body of research has formed around similar research agendas, with global financial services firms like Goldman Sachs (2009), Deloitte, Pricewaterhouse Coopers and Ernst and Young (2010) all laying out the business case for tapping into the economic power of women. Roberts provides a critique on the trend, which she terms 'transnational business feminism' ('TBF'):

> ...[T]he new coalition of social forces aligned in favour of TBF reveals an increasingly powerful and pervasive project that helps to legitimize capitalism and the broader neoliberal macroeconomic framework that has created and sustained gender-based inequality and oppression. It does so by using gender as an ahistorical and depoliticized explanation for capitalist crises. (2010, 93).

It is of course true that banking is a gendered domain, and the New Zealand banking sector is no stranger to questions of gender equity. It's near clean-sweep of the 2013 NZ Human Rights Commission's ('NZHRC') White Camelia awards – for the implementation of the UN principles of Women Empowerment[1] – may appear to vindicate the 1984 inquiry by the same agency that found structural gendered discrimination (1984: 72). From a trade union perspective this seems somewhat astounding, considering the intensification of pressure and stress on female workers within the industry. While the upper echelons of the sector may be undergoing a sex change, the day-to-day reality of employment for these women is far from empowering; rather it demonstrates an embedded structural gendered discrimination that, it is contended, cannot be ameliorated simply by changing the boardroom's gender composition.

Despite radically deregulated financial markets, New Zealand was insulated from much of the crisis due to stability of our major banks' Australian parents. Yet these banks are not immune from speed wobbles, and a faltering recovery in the United States and Europe has slowed Chinese manufacturing and in turn depressed demand for Australia resources, the hitherto stable backbone of those banks. Globally, regulatory capture by the finance industry has frustrated attempts to re-regulate financial markets and systemic risk remains, exacerbated by the growing interconnectedness of these markets.

This paper will look at how deregulation of finance in New Zealand has transformed the nature of work in the banking sector, and how the post-crisis drive of banks to restore pre-crisis rates of profitability has restored that same structural discrimination. That discrimination has been transformed into an intensified sense of job insecurity premised on targets for the sale of financial products (mainly debt-based) for the predominantly female staff members employed in those roles. It is written from a trade union perspective, drawing on the experience of women union members within the banking sector that have witnessed the transformation and experience day-to-day. Part I looks at how banking developed as a pathway to work for women in the 1950s. Part II will look at the impact of financial deregulation on the New Zealand labour market and the New Zealand banking industry, and the changing demographics of New Zealand during that period. Part III is based on a survey of women union members in the industry, their day-to-day experience of the stress and pressure to sell financial products and services. It is concluded with the some commentary on the impact of growing indebtedness on our national financial stability. We argue that these women workers ought to be regarded as the 'canary in the mine' for gauging financial stability, and call for a greater voice for these workers in structuring their industry.

Part II: Cashier clerk and ledger girls

In the 1950s, less than 10 percent of married women in New Zealand were in paid work (Rashbrooke 2013: 25). World War II had highlighted the contradiction that despite the need for more women workers, unpaid domestic work still occupied a significant proportion of women's work (Montgomerie 2001: 1); the integration of women into the workforce thus required flexible working relationships. In the United Kingdom, Australia and New Zealand the banking industry provided an ideal entry point into the labour market for many women, and from the beginning these jobs have come embedded with an element of labour market flexibility.

In 1951 a woman's average salary was twenty percent that of a man's average salary (Rashbrooke 2013: 4). Educational opportunities were minimal and women had few career paths open to them. Austrin decribes how women could find work in the banking industry as 'ledger girls', operating machines and doing other menial work (1991: 204). Crompton describes how women's work in the banking industry of the 1950s was built on a demand for a mass of routine low level clerical work, arguing that despite no logical explanation for the exploitation of women, '[a] gender-aware rational capitalism has evolved what is a new and largely feminine occupation – the cashier clerk' (1989: 143). While men were recruited to a career women occupied 'women's jobs', characterised by low pay, repetitive work, and, overall, flexibility (Crompton 1989: 143). The patriarchal dual labour market increasingly farmed out the grunt work to women, while opportunities for career development and advancement relied on the apprenticeship relationship of male service work (Austrin 1991: 205-6). The aforementioned NZHRC study cites with approval an article by Game and Pringle describing this trend in the Australian banking system of the 1960s:

> The sexual division of labour with which we are familiar was consolidated, with the women basically operating the machines and taking over the most menial, lowest paid jobs. The male career structure was increasingly underpinned by this work. It was being done cheaper and more efficiently, while qualitative changes in the nature of bank work were disguised by the fact that it was being done by women. (1984: 28)

This period of New Zealand labour market history was underpinned by a conservative approach to international economic relations. As a colonial offshoot from the British Empire, New Zealand enjoyed preferential access to the British market, sustaining demand and providing a basis for post-Depression industrialisation. It remained among the most protected economies of the world, was home to a generous welfare state and minimal unemployment based on government-led job creation and heavily regulated interaction with the global financial system.

A system of industry-wide arbitration meant that collective bargaining was the basis for employment relations, based on Keynesian demand-driven economics. This welfarist attitude was accompanied by an early record of engagement with international human rights treaties, a body of norms rooted "...in the equal rights of men and women." The human rights lexicon filtered into the New Zealand legislative agenda also, with the passage of the Equal Pay Act 1972 allowing courts to actively facilitate gender equality in remuneration. The Human Rights Commission Act 1977 also facilitated compliance with our international obligations.

When the United Kingdom joined the European Union that preferential access was lost and New Zealand entered a series of protracted crises. External crises like oil shocks, a changing international economy and ham-fisted intervention by the Muldoon government saw debt, deflation, economic stagnation and unemployment rise (Kelsey 1995: 24). Since the mid-1970s Treasury and the Reserve Bank had internally espoused monetarist theory in response to the scourge of inflation and stability, finally receiving support for this position with the election of a new Labour government in 1984 (Kelsey 1995: 150).

Part II: Financialising the New Zealand economy

The 1984 NZHRC report into gender equity in the NZ banking industry gives us an insight into the changing nature of the employment relations within the sector. It was based on a complaint of sex-based discrimination filed by the Bank Officers' Union, sparked by a document supplied to Westpac bank staff members that referred to various types of activity within the banking structure that indicated gendered preference for each role. It mentions a built-in attitude that 'some types of work that are [considered] particularly suitable for women', namely the part-time teller roles, while

> The more important job categories of 'Career' and 'Graduate' are clearly intended to give preference to males without necessarily rejecting females entirely. Bank staff who were engaged in recruitment would have had every reason, on the basis of the document that was given to them, to accept it as a directive to make distinctions based on sex or appointing applicants to various categories of work. (NZHRC 1984: 12).

The report also included a review of Trading Banks' Employment Policies. NZHRC concluded that the four major trading banks at the time (Westpac, BNZ, ASB and National Bank) had done little as a matter of policy to see to it that women have a more equal role in the banking system (1984, 720). Further this was coupled with the insight that in the context of existing inequalities, to achieve equality of opportunity may, and often will, require temporary inequality of treatment to redress traditional systemic advantages, as expressed in the Human Rights Commission Act 1977.

Meanwhile, across town another report had a far greater impact on the course of New Zealand's future economic climate, laying out the nation's economic direction of the next three decades: a financialisation of the New Zealand economy.[2] *Economic Management* argued that the reliance on state intervention, protection and control had caused economic stagnation, inflation, mounting international debt and a bleak economic outlook (NZ Treasury 1984). The market, it was argued, had to be allowed to do its job of allocating resources efficiently by freeing the invisible hand:

> Put simply, policies for faster adjustment allow changes in international prices to be reflected in the domestic economy. Ultimately this is the only way to ensure that the country's resources are continually being allocated so as to achieve the highest national income available. ... In the short term the government can only borrow to cover the deficit and/or squeeze domestic expenditure causing lost production and unemployment (1984, 107-8).

The core of this was a commitment to a monetary policy based on the primary objective of fighting inflation, 'monetarism'. That was underpinned by the broader economic and political agenda of neoliberalism, constituted by policies of strengthening and embedding individual private property rights, trade and financial liberalisation, deregulation, especially of labour and financial markets, the privatisation of state assets and slashing the welfare state. In New Zealand neoliberalism has resulted in a radical jump in income inequality, and has been coupled with attacks on worker and beneficiaries rights. Neoliberalism has, as we will see, made the experience of indebtedness in New Zealand a near-universal one, and exacerbated financial instability.

The banking sector of today was heavily shaped by the transformation that took place as a result of financial deregulation and the removal of capital controls. Foreign exchange controls were lifted in December 1984, which, combined with the relaxation of entry restrictions for foreign exchange dealerships in 1983, paved the road for a free float of the New Zealand dollar in March 1985 (Kelsey 1995: 154). The removal of interest rate controls meant financial institutions could charge what they liked, while compulsory reserve ratios and 'credit guidelines' – including reserve asset and lending ratios – were abolished. These changes created conditions where foreign debt could be accessed much more easily, and resulted in a wide range of new financial products (Hull 2003: 4-5).

Financial deregulation has also meant increasing consolidation in the sector, and the increasing foreign ownership of New Zealand banks, principally by Australian banks. Foreign ownership was not a wholly new phenomenon; Australian Westpac established branches in New Zealand from 1861, and the Bank of Australasia's merger with the Union Bank of Australia in 1951 formed ANZ. However this process was intensified, beginning in 1988 with the share float of ASB – the following year 75% of its shares were purchased by the Australian Commonwealth Bank, with the subsequent 25% purchased in 2000. PostBank was purchased by ANZ in 1989, and in 1992 Unite Bank was acquired by Countrywide Bank, BNZ was purchased by the National Australia Bank, and the Rural Bank was swallowed up by national Bank. In 1996 Trust Bank was acquired by Westpac and in 1998 Countrywide was acquired by the National Bank (which, in 2003, was acquired by ANZ). By 2001, 99% of the New Zealand banking system was foreign-owned (Liu and Tripe 2001: 2).

New Zealand set sail into the global financial economy, imbued with the ideological rhetoric that a rising tide would lift all boats. It was accompanied by a rapid removal of trade barriers and the aggressive pursuit of market access for agricultural exports. This spelt the beginning of a disastrous period of decline for the industrial economy, which struggled to compete against the increasingly competitive global labour market. The period was marked by a dramatic rise of inequality in New Zealand. From the 1986 to 1992 the annual income of the top 1% of the country increased from just over $150,000 to just under $250,000, while lower and middle incomes stagnated. Unemployment skyrocketed, from 4% in the fourth quarter of 1986 to 11% in the third quarter of 1991. Maori and Pacific islanders were hit particularly hard, with unemployment sitting over 15% for most of the 1989-1999 period, reaching 25% at one point (Rashbrooke 2013: 29).

Gendered implications of these changes were also evident. Where the average female income grew quite quickly from 20% of the average male wage in 1951 to 54% in 1986, that pace slowed until 1991 when it reached 60% and has stayed there ever since (Rashbrooke 2013: 26-27). The pay equity gap today sits at 13% on an hourly basis, however this is much wider for weekly and annual earnings due to the growth of part-time work, and the this means reduced access to government subsidies from schemes like Kiwisaver and Working for Families (Rashbrooke 2013: 5).

The downward pressure on wages from increased unemployment was coupled with a direct attack on collective bargaining. The industry-wide bargaining model was replaced with enterprise bargaining when the Employment Contracts Act 1991 was passed, based on an individualised vision of freedom of association. Rasmussen and Foster call this as an 'historic rise in individualism' characterised by a 'sharp shift in industry and occupation based bargaining to workplace and individualised bargaining, a steep decline in union density and new forms of employee representation' (2011: 62). Trade unionism in New Zealand began a dramatic freefall, as the workload upon trade unionists increased radically, their rights of access fell and their reach across the labour market collapsed.

As the labour market has changed, so too has the nature and representation of the trade union movement has similarly changed over this period. While only 25% of union members were female at the beginning of the 1980s, the decline of 'heartland' private sector masculine industrial worksites meant that by 1990s this had become 50% and growing (Nolan and Ryan 2003: 89). Nationwide levels of trade union membership dropped radically from 46% in 1991 to around 16% today. However women are commonly employed in roles that are difficult for unions to access, such as part-time and non-standard work arrangements.

The banking industry sits abreast of these two simultaneous forces of financial and labour market deregulation. On the one hand, the removal of capital controls, the blurring of boundaries between commercial and retail banks and the removal of interest rate restrictions has greatly increased the accessibility of foreign debt. At the same time, the removal of collective bargaining mechanisms and welfare nets rationalised that process; as wages have stagnated relative to the cost of living, debt has increasingly become the buffer helping New Zealand families maintain solvency. With increased access to international capital, the finance industry has put this experience at the heart of the encounter, recreating employment in a bank under the role of 'financial retailing' where the worker is compelled to sell financial products to a consumer:

> For the workforce, it also involves the introduction of targets and productivity norms. They are screened for their ability to sell and through their skills in this practice they can earn bonus and 'prize' payments. At the same time financial retailing resorts more and more to the use of female part time workers – up to 30% in one bank in New Zealand, but more generally at around 12%. More recent developments have been practices of employing women on short term contracts or as casuals. Like the part-timers the women involved in these arrangements generally occupy the position of teller. The combined effects of these moves is to construct financial retailing as an almost wholly female arena (Austrin 1991: 210-211).

This was the beginning of a new kind of interaction for workers in the banking industry, a form of flexible financial retailing that is based around the customer interaction and the pressure to sell.

The rapidity of the financialisation of the New Zealand economy is unparalleled in the developed world (Kelsey 1995). The neoliberal model was embedded in NZ policy with the passage of the Reserve Bank Act 1989, which set the primary function of the Bank as "achieving and maintaining stability in the general level of prices", targeting inflation to the detriment of all other policy objectives (Section 8). In effect, this also entailed a privileging of the operation financial markets over other arenas of social life, and the banking industry was transformed to reflect this interaction, mediating a relationship between the customer and the global financial system. By dint of history, women sit at the heart of this interaction, and, as that model enters and sustains the crisis tendencies of global capitalism, endure the weight of that conflict.

Part III: Women after the crisis: targets, insecurity and financial instability

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The National government was elected in 2008, quickly planning to deepen the financialisation of the economy by designating New Zealand a 'financial services hub' (Capital Markets Development Taskforce 2009). Around the same time Finsec – the financial sector union that merged with the National Distribution Union in 2011 to form FIRST Union – called on the Reserve Bank to look at how bank lending is regulated in New Zealand, including imposing limits on how banks could use targets. Finsec's Banking Inquiry submission noted the banking sector's strong profitability in the years preceding. For the years 2001 to 2006 the average percentage of net profit after tax distributed to shareholders sat at around 60%, primarily driven by high interest margins – including credit card interest rate hikes of up to 200% in a single year, far out of step with the increases in the rates banks borrow at (i.e. the 90 Day Bill rate) (Finsec 2009). Five years on, has anything changed? Legislation in New Zealand established an independent regulator – the Financial Markets Authority – and a string of high profile prosecutions of failed finance companies picked off the market's baddest of apples. Yet the outcome, we contend, based on the exploitation of women workers, remains much the same.

While the financial crisis served as a wake-up call to financial regulators around the world, subsequent attempts to regulate financial markets have failed to cut to the root of the problem. Tridicio's description of the crisis in the USA and EU underscores its labour market origins:

> ...[T]he crisis is as complex as the financialisation process and finds its very roots in the uneven income distribution caused by wage stagnation, profit soar and labour flexibility ... The process of financialisation, measured as market capitalisation, started in the USA and EU in the 1980s and appears to be strongly correlated with inequality and labour market flexibility. In fact financialisation brought about a finance-led regime of accumulation, which begged for an agenda of deregulation, liberalisation and labour flexibility, causing a stagnation of real wages... (2012: 36).

Indeed the call for reform largely fell on deaf ears. By 2013 the New Zealand dollar was the tenth most traded currency, despite having only the 124th largest population (Bank for International Settlements 2013: 13). The four big banks have returned to profitability, with combined net profits rising 9% on last year to over $3.54 billion, a new record.

This trend is not unique to New Zealand. Indeed, multinational banking operations like those that operate across New Zealand (and more broadly across the Asia-Pacific region) have taken advantage of the benefits of trade and financial liberalisation in this regard. Banks are shifting their call centre jobs for the entire Australasian market to New Zealand to take advantage of a similar accent and an estimated 74% wage mark-up (NZCTU 2013a).

Backend jobs from Australasia that don't require phone contact have been shifted to India and the Philippines.

Restarting this profitability in the context of little quantitative wage growth indicates an accelerating level of financialisation. From 1991 until the crisis hit in 2008 the ratio of average household debt to income ratio increased from under 60% to around 150%. It fell momentarily after the crisis but has begun rising again as people have begun borrowing again. In a March 2013 survey of consumer credit expectations four out of ten people noted they were planning on increasing their credit limit over the coming months. One in five also noted that they could not survive on their current savings following a job loss (Dunn and Bradstreet 2013: 3, 9). Economic analysis from BERL indicates that the increase in lending has not been to the commercial sector, but rather into the dangerously volatile New Zealand housing market, especially in Auckland.

For workers in these banks, this has meant a dramatic intensification of the model of financial retailing, and the way performance-based structures affect their work. FIRST Union's membership – 4000 of the approximately 50,000 workers in finance and insurance industry – have increasingly expressed concerns among the growing burden of targets for the sale of financial services and products. Many of our members, who have worked in the same bank for a period of over ten years, have relayed to us the rapid increase of these targets in the past 5-10 years. They have reached a point where they are commonly considered unrealistic by staff. The pressure on staff has become stress-inducing, as not reaching targets can result in performance management plans, disciplinary hearings, and ultimately dismissal. Not reaching these targets has become the primary cause of employment insecurity in the banking sector, as continuity of employment become less assured.

Premising ongoing employment security on achieving debt targets for these workers is part of a broader trend of increasing insecurity right across the labour market. The New Zealand Council of Trade Unions notes that at least 30% of New Zealand's workforce (upwards of 635,000 workers) are now affected by insecure work, where workers are denied the stability and control over their work situation they need for good life (2013b: 3). They similarly underscore the structural discrimination inherent in these outcomes, arguing that women are '...prone to being in insecure forms of work, given their higher prevalence in part-time casual and low-paid work' (NZCTU 2013b: 234).

New Zealand is not the only country where the issue of targets in the banking sector has been publicly raised. Written evidence from Unite the Union to the UK Parliamentary Banking Inquiry charged that the 'performance based remunerations system presently rewards target driven sales which can lead to inappropriate selling and pressures on the workforce to deliver unachievable levels of sales' (Unite 2012). According to a survey of their membership, 85% of respondents reported that they felt stressed at work, 77% agreed that they generally suffer from symptoms caused by stress in the workplace including headaches, depression and anxiety attacks. They also cited the large gender pay gap across the sector as a whole of 55% compared with the economy-wide average of 28%. A 2013 Consumer report found that across the major British banks, 43% of staff felt pressurised into selling by the culture of the industry and that 32% of staff were uncomfortable of with bank's approach to sales (Which 2013: 6).

FIRST Union undertakes quarterly forums for its three major banks (ANZ, BNZ and Westpac) detailing the concerns of members in their branches. Prior to the forums union organisers and delegates meet with workers to discuss issues, and a wide cross-section of these viewpoints are canvassed. The results were startling. While there are some differences, workers' concerns displayed a remarkable uniformity, with the main issue in all banks being the targets workers had to achieve. Respondents characterised the targets as ‘strict’ ‘unrealistic’ or ‘unacheivable’. Pressure to achieve these was variously described ‘huge’, ‘150%’, and some staff noted they were doing unpaid overtime to reach targets.

Targets were commonly characterised as stress-inducing, expressed in very strong terms and often in capital letters (e.g. ‘STRESS, STRESS and MORE STRESS’). Some respondents linked the stress of failure to job insecurity, with one respondent commenting ‘I’m actually concerned that I won’t have a job in Dec’. Stress was ‘de-motivating’ ‘demoralising’ and affected self-esteem. Some respondents also linked stress to sickness, panic attacks and depression. Many noted how the stress was undermining relationships – between bank staff, with management, and with customers. A worker commented that ‘Staff are being treated like machines’. Another noted that workplace morale was ‘shocking’, commenting ‘If you asked me if I had a friend here I would say “Hell no”.’ Some staff noted they hadn’t filled in identifying details for fear of information getting to management. Respondents felt they were not satisfying the customers’ interests and that selling was not ‘need-based’, noting that customers were being ‘harassed’, ‘creating a bad image’ and a feeling ‘that the bank does not care.’

Targets were also not sensitive to regional differences and economic climate. Targets were the same for major metropolitan areas as small towns, where ‘the same clientele [are] visiting the store week in and week out’ and there is little chance for more ‘“walk in” new business’. There was insufficient regard for the needs of ‘low socio-economic climates’, and one noted their region was in ‘real decline’, and thus the chance of getting more sales was low. Targets were also constantly getting larger. Respondents commented on how ‘they increased the targets 2 quarters in a row’ and said they were ‘sick and tired of having goal posts shifted... NOT motivating’. Further, workers who didn’t reach target were often put on performances management plans or, in some instances, subjected to humiliation. Performance management plans appeared to amplify stress. Achieving targets was increasingly seen as insufficient – ‘even when we are meeting targets it is no good’.

These comments encouraged us to undertake a survey of some of the female union members we had in the banks. Through an online survey, we asked the women about their experience with targets, their feelings about selling debt and then asked them how well they thought their employer was doing with regards to gender equity. The survey was done anonymously, and workers could answer as many or as few of the survey’s fourteen questions as they felt comfortable with. 94.45% of the women that responded had worked in banking for over five years, with 57.4% having worked in banking for over ten years. The attitudes of these women, in particular, demonstrate the changes that have taken place in the sector over the last decade, and the transformation of the role towards a more intensified model of retail financing.

Of the workers we surveyed, 85.46% of them had targets imposed upon them. This figure does include ‘referrals’, which we see as equivalent to targets for teller and are imposed in a similar way. This does not include the members we have in Co-operative Bank, where they who have ‘expectations’ as opposed to targets, however respondents indicated that this is currently being review by management. Responses to other questions indicated that while of a lesser magnitude, pressure to achieve these ‘expectations’ was still apparent. If these were included then 89.1% of surveyed staff had targets imposed on them. Targets include a wide range of products and services.[3] One respondent, who had worked in the bank for 36 years, questioned the logic of targets, arguing that doing right by the customer and ‘customer retention’ was much more important.

84.32% of survey workers did not feel targets were realistic, with a further 7.84% of workers saying they are sometimes realistic. This depended on location and time of year, and many respondents referred to issues with uniform targets being applied in rural areas (like Invercargill) and low socio-economic areas (like South Auckland or post-earthquake Christchurch). One worker stated that targets were ‘absolutely not [realistic], we see the same customers week in, week out, you can only sell so much debt to a customer.’ Other comments addressed the increasingly difficult economic environment, citing factors such as low incomes and new Reserve Bank loan-to-value ratios that have tightened lending criteria. Some BNZ workers said their targets were set at 27 sales a week, compared to last year’s target of 25 per week (an 8% increase in one year). In a store with 5 sales staff, this meant 135 sales a week. Another worker mentioned that the only way to reach targets was by pushing lending products. Multiple respondents noted how sick leave and annual leave were not taken into account in determining targets, with one worker noting she had been told to achieve 120% of her target to allow for potential sickness and time off. This experience is corroborated by union officials themselves, who have also often noted that union representatives in the industry are increasingly reluctant to attend their delegate training for fear of not reaching their targets. Multiple respondents felt that there was no reward for factors outside of achieving targets, or recognition for reaching targets. Another respondent noted that the benefits accrue unfairly to management, who ‘receive huge dividend[s].’

Only 34% of staff that had targets said they regularly reach them, and 20% said they sometimes reach them. Many of those respondents that said they regularly reached them commented how difficult it was, and how they had to put in ‘extra work’. Some said that they used to always reach their targets but cannot anymore. Respondents were also asked about whether ever they felt stress over targets. 22% responded that they ‘sometimes’ feel stress over targets, 30% ‘often’, and a remarkable 46% responded that they feel stressed over targets ‘all the time’. One respondent noted the high incidence of anti-depressant usage amongst staff.

A third (33.33%) of all respondents with targets said that they had been disciplined as a result of not reaching targets, with 12.96% being disciplined more than once. A further 48.15% said that while they had not been disciplined, they still felt under scrutiny over their targets. 43.4% of respondents said their employer had publicly embarrassed or demeaned workers for not reaching targets (37.74% answered 'Yes, occasionally or sometimes' and 5.66% 'all the time'), and a further 22.64% said that while they hadn't been embarrassed or demeaned they 'had reason to believe they might'. A respondent from Westpac described the 'name and shame boards ... where all staff can see how well or how poorly you are doing'.

Workers were very aware of the social effect of targets that were based on the sales of debt products. 41.51% said they were 'very concerned with social effect of an increasingly indebted society'. 3.78% said 'consumers are sometimes already indebted or not in a good position to repay their debt' and a further 16.98% said that 'it can be a questionable practice' but had never encountered issues with it. A number of respondents underscored the social responsibilities of the role, making comments like 'I only sell debt responsibly ... never sell if not right for the customer' and 'I am a responsible lender – I will not sell to gain points or bonuses.' One respondent also noted the social benefits of the role, commenting that '...it is cool seeling people being able to purchase their very [own] house.'

Questions also addressed issues of gender equity. Most respondents felt that women and men receive equal pay in their workforce, with 9.26% saying they didn't and 42.55% saying they didn't know. The vast majority of respondents (90.57%) also felt targets were imposed fairly on men and women, with 9.57% saying that women were disproportionately affected on the basis that women were more likely to occupy the affected positions. 56.6% of workers felt that men and women received similar promotions and opportunities for training, with 13.21% saying they didn't and 30.19% saying they didn't know. The high proportion of 'I don't know' responses to these questions indicates that even if gender equity is being adequately addressed there is room for greater transparency.

Other comments addressed the issue of gender equity. One respondent said that 'women are the main sales force & men in management', underscoring the structural discrimination that exists in the workplace. 'Unless a woman is prepared to sacrifice her children's wellbeing she is unable to climb the ladder' noted one respondent, and another said that while she had no evidence, she had noticed that one store was 'more likely to hire males as they have had a lot of staff on maternity leave in the past'. Age was another relevant factor. One respondent note the 'pressure on older women staff, while another noted that 'if you are a young beautiful both male and female you will get front roll jobs [sic]'.

Despite recent awards regarding gender equity, these result indicate the banking sector still has a way to go. The representation of women on the boards of New Zealand's major trading banks is still only 22.92%, a proportion comparable to that of women directors serving on boards of the largest banks in Europe and (remarkably) ahead of the global trend (NZHRC 2012: 69). Almost half of women surveyed working in the finance industry felt they were not well represented, while a majority of men thought women were well represented (2012: 69).

Part 4: Conclusion

In the wake of the crisis, the connection between financialisation and increased wealth inequality have increasingly been discussed. Stagnating wages for lower- and middle-income households are commonly supplemented by debt, and the impact of this debt is intensified by the extant gendered division of labour. Not only do women's lower average incomes make them a more likely candidate for indebtedness, but emotional pressure often compels women to accept liability for their partners' debts, a phenomenon Bailey calls the "sexual transmission of debt" (1999). In these circumstances, making ends meet can become a full-time job, pre-occupying women's minds and eroding quality of life (Nettleton 1998).

The increasing incidence of indebtedness also has implications for financial instability. The growth of debt-to-income ratios among lower- and middle-income households generates an additional profit stream to the upper-income earners through interest payments, exacerabating existing inequality. After a period of decades the growth of this wealth inequality becomes unsustainable, as outlined by Kumhof and Ranciere:

> ...investors use part of their increase income to purchase additional financial assets backed by loans to workers. By doing so, they allow workers to limit their drop in consumption following their loss of income, but the large and highly persistent workers' debt to income ratios generate financial fragility which can eventually lead to financial crisis (2010: 3).

In New Zealand wealth inequality has hardly been discussed in the context of financial instability. As a result, post-crisis financial reforms have failed to slow the rate of borrowing in New Zealand, and household-debt to income ratios are again trending upwards. On the back of this trend, New Zealand's foreign owned banking system has returned to profitability, and the New Zealand industry is increasingly forming part of the low-cost solution to an Pacific-wide banking complex. Downward pressure on wages across the board fuels the expansion of that complex while imperilling financial stability.

The majority women workforce sits at the heart of this interaction, and as this study shows, clearly feel uncomfortable with it. Over four-fifth of surveyed workers with targets felt they were unrealistic, the vast majority experienced some degree of stress, and a third of workers had been disciplined for failure to reach targets. These voices are critical and indicate that the ability of these banks' clientele to take on more debt is waning. Recent stress tests conclude that the banking system could withstand shocks to either mortgage or corporate lending, but notes these are linked and sizeable combined shocks could have a much greater impact (Kyoong J and Kataoka 2013: 19). “Given their size”, they note, “they [the banks] are perceived as *too big to fail* and pose a potential financial risk [emphasis added]” (2013: 20).

This must serve as a wake-up call, and we propose that enhancing stability must start at the most basic level – the conditions of workers themselves. The voices of these workers must be seen as “canaries in the mine” for financial stability. At the point that their targets seem unrealistic and stress becomes a widespread everyday occurrence the drive to maintain and improve profitability has clearly gone too far. And, now that the reliance of the Australian economy on resource exports is looking increasingly precarious we cannot rely on our Australian-owned banking system to be immune from global shocks. To avoid the next crisis, we must listen to the voices of those who would be affected by it, before it is too late.

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[1] Seven awards were presented for six of the Women Empowerment Principles and one supreme award for implementing the principles across the board. ASB won the award for establishing high-level corporate leadership for gender equality, ANZ for treating all women and men fairly at work – respecting and supporting human rights and non-discrimination, Kiwibank for ensuring the health, safety and wellbeing of all women and

men workers, Deloitte (an accounting and financial services firm) for promoting education, training and professional development for women, Coca-Cola Amatil for implementing enterprising development, supply chain and marketing practices that empower women, and BNZ for promoting equality through community initiatives. ASB was given the overall prize.

[2] While the term ‘financialisation’ has multiple meanings, such as the ascendancy of shareholder value (Froud 2000) as a model of corporate governance or the increasing political and economic power of a rentier class, here it is used to refer to a ‘pattern of accumulation in which profit making occurs increasingly through financial channels rather than through trade and commodity production’ (Krippner 2004: 14).

[3] Some of the financial products and services mentioned were: internet banking services, phone banking, savings and transactional accounts, everyday accounts which involve monthly fees, term deposits, new to bank accounts, kiwisaver, home loans, personal loans, top-up loans, credit cards (i.e. visa), insurances (life, income, car, crisis, and home and contents),investments, overdrafts, risk products and retirement plans.