Women entrepreneurship
Key findings: New Zealand

Who wants to be an entrepreneur?

Entrepreneurship is crucial to economic development, promoting social integration and reducing inequalities. *OECD Entrepreneurship at a Glance* presents an original collection of indicators that measure the state of entrepreneurship, providing an important reference for policy insights and policy making.

*Perceived risks are higher for women.....*

One important determinant of entrepreneurship relates to the relative risk involved, or rather assessment of risk. This is to a large extent determined by risk of failure but also reflects other factors, such as social security safety nets, access to finance, access to child-care, and indeed potential rewards; which helps to explain the significant differences across countries on how entrepreneurial risk is perceived. One pattern however, is remarkably consistent: women, the world over, are less prone to taking the entrepreneurial plunge.

New Zealand is no exception to this pattern (Figure 1), with 59% of men and 47% of women expressing a preference for starting their own business rather than working for someone else. The relative gap between men and women is similar to that of most OECD countries, but the share of New Zealand women is significantly above the OECD average (35%) - although lower than the corresponding share in Canada and the United States.

**Figure 1. How is the entrepreneurial risk perceived?**
Percentage of individuals who agree with the statement “I would rather take a risk and build my own business than work for someone else”, 2013

Source: OECD based on Gallup data.

*.....reflecting perceived gaps in opportunities for: training...*

Most countries in the OECD area exhibit a significant gender gap with regards to access to training to create and grow a business. New Zealand, with a very small difference by gender, fares better than most countries, and the shares for both men (75%) and women (72%) are among the highest in the OECD (Figure 2)
Figure 2. Is it possible to access training on how to start or grow a business?
Percentage of individuals who consider they have access to formal or informal training on how to start or grow a business, 2013

Source: OECD based on Gallup data.

...and finance

Gender gaps exist across the world also regarding access to finance. However, the share of New Zealand women declaring that access to money is not a barrier to starting a business (49%, Figure 3) is well above the OECD average (27%), and very similar to the equivalent share for men (53%).

Figure 3. Is it possible to access money to start a business?
Percentage of individuals who consider they have access to money (own savings or any other source) they would need if they wanted to start or grow a business, 2013

Source: OECD based on Gallup data.

But perceptions towards entrepreneurship show little gender bias

The gender gap in the willingness to take the entrepreneurial risk cannot be attributed to a general aversion of women towards entrepreneurship. Indeed, in New Zealand a vast majority of women see entrepreneurs as positive role models, and, as in most other OECD countries, the share is only slightly larger than that of men (Figure 4).
Figure 4. In my country, people who run their own business are considered good role model for youth
Percentage, 2013

Source: OECD based on Gallup data.

...as well as lower rewards from entrepreneurship

Potential rewards are also an important determinant of risk assessment and in most countries earnings from self-employment are typically lower for women than men. Between 2006 and 2012 the gender gap in self-employment earnings in New Zealand decreased by almost 3 percentage points, yet in the recent years, New Zealand female entrepreneurs earned 32% less than their male counterparts (Figure 5).

Figure 5. Gender gap in self-employment earnings
Difference between male and female earnings as a percentage of male earnings

Source: OECD based on Labour Force Surveys.

Current trends in women entrepreneurship

Self-employment rates are often used as an important indicator of entrepreneurialism. The share of employed New Zealand women who are self-employed with employees (3%) is one of the highest in the OECD area (Figure 6). By contrast, the share of employed New Zealand women who are own-account workers (7.9%) lies just below the OECD average (Figure 7).

Differences in entrepreneurship levels across countries partly reflect ‘push’, notably limited paid employment opportunities, as well as ‘pull’ factors. However, in most OECD countries the gap
between the proportions of male and female entrepreneurs with employees (3.5 percentage points on average) is similar to the gender gap between the proportions of own-account workers (4.1 percentage points on average).

**Figure 6. Share of employed women and men who are self-employed with employees**  
Percentage, 2014

<table>
<thead>
<tr>
<th>Country</th>
<th>Women</th>
<th>Men</th>
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</thead>
<tbody>
<tr>
<td>USA</td>
<td>3.5%</td>
<td>6.0%</td>
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<tr>
<td>UK</td>
<td>3.1%</td>
<td>6.5%</td>
</tr>
<tr>
<td>Australia</td>
<td>2.8%</td>
<td>5.3%</td>
</tr>
<tr>
<td>Ireland</td>
<td>4.2%</td>
<td>6.8%</td>
</tr>
<tr>
<td>OECD</td>
<td>3.8%</td>
<td>6.3%</td>
</tr>
<tr>
<td>Canada</td>
<td>3.7%</td>
<td>6.2%</td>
</tr>
<tr>
<td>New Zealand</td>
<td>7.5%</td>
<td>11.0%</td>
</tr>
</tbody>
</table>


**Figure 7. Share of employed women and men who are own-account workers**  
Percentage, 2014

<table>
<thead>
<tr>
<th>Country</th>
<th>Women</th>
<th>Men</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ireland</td>
<td>13.5%</td>
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<td>Australia</td>
<td>10.2%</td>
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<tr>
<td>USA</td>
<td>9.1%</td>
<td>10.1%</td>
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<tr>
<td>New Zealand</td>
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<tr>
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Further reading
