

Women directors 'paid less than men'

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According to a study released yesterday by the National University of Singapore, female executive directors of Singapore Exchange (SGX)-listed companies made just 56.1 per cent of what their male counterparts are paid.

At that level, men were paid an average annual salary of \$1,118,877 while women pulled in just \$628,024.

But excluding the roles of chief executives and executive chairmen, the difference was less stark with female executive directors earning 86.1 per cent of what their male peers made.

Dr Marleen Dieleman, an associate professor at NUS Business School who led the study, said it shows "women are paid less, partly because they have less influential roles on boards".

Of the top positions, 3.6 per cent of chief executives in the study were female, and just 1.2 per cent of executive chairmen were women.

She noted that with so few women in the top roles, it is fairer to compare the pay of "ordinary" executive directors. She said the gap of around 20 per cent was comparable with the situation in Europe.

She said the "disappointing results" show "board diversity in Singapore should move beyond merely increasing the percentage of female directors to also address... inequalities including remuneration and women's share of board leadership roles".

The study made use of director remuneration disclosures required under the Singapore Exchange's new corporate governance code. However, only 199 of 631 listed firms in the NUS database disclosed exact remuneration on a named basis. Among these firms, only 8 per cent of directors were female.

The pay gap was smallest among independent directors, who are often paid fixed fees. Female independent directors earned 83 per cent of what their male peers made, while female non-executive directors earned 70.4 per cent of their male peers.

Associate Professor Mak Yuen Teen from NUS said men dominate management roles like chief executive and chief operating officer, which tend to pay more with higher variable pay. He does not think there is a significant pay gap between men and women for the same role with similar, comparable experience. But as most boards are male-dominated, "there may be a bias when appointing board and committee chairs, which are positions that attract more fees, even if the women on the board are more capable".

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