



Flexibility and security in employment

Findings from the 2012 Survey of Working Life



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1 Purpose and summary

Purpose

This report presents findings, mainly from the 2012 Survey of Working Life, on non-standard employment, job security, and job flexibility in New Zealand's labour market.

The survey is a rich source of information on the employment conditions, working arrangements, and job quality of employed New Zealanders. Topics it covers include the different forms of temporary work, length of job tenure, employees' perceptions of job security, and flexible working arrangements.

This report examines this information and provides a picture of the diverse nature of New Zealanders' jobs, and the degree of flexibility and insecurity they experience in their working lives. It aims to contribute to our knowledge about the changing nature of work in New Zealand and to inform debate and policy development related to flexible and insecure employment.

Summary of key points

Key findings in the report are:

- A third of employed New Zealanders could be described as non-standard workers in that they were either self-employed, temporary employees, or part-time workers.
- Just under 1 in 10 employees were in temporary jobs, with almost half of these being casual workers.
- Around half of those working in temporary jobs were doing so because of employment or industry conditions, and a similar proportion said they would prefer an ongoing or permanent job.
- Almost half of all employed people had been working for the same employer or in the same business for five years or more, while fewer than 1 in 5 had been in their jobs for less than a year.
- Most permanent employees felt reasonably secure in their jobs, with 8 in 10 saying there was almost no chance, or only a low chance, of losing their jobs in the next 12 months.
- Almost half of all employees said that they had flexible hours at least sometimes, meaning they could start and finish work at different times if they wanted to.
- Six in 10 temporary employees experienced changeable hours from week to week to suit their employers' needs, and fewer than 3 in 10 always had advance notice of their work schedule.
- Almost a third of employed people spent some time working from home over a four-week period, but for most employees it was a relatively small number of hours.



2 Introduction

Non-standard work, flexibility, and insecurity

One of the key changes in the labour market over the last three decades has been the increasing diversity in contractual arrangements and employment conditions. Today many people work in part-time or temporary jobs, are self-employed, or hold more than one job. Many also work irregular or changeable hours, or work remotely from home or other locations.

These types of work are sometimes referred to as non-standard employment, as they depart from what was once the standard model of permanent, full-time, waged or salaried jobs at a fixed workplace. Non-standard work usually includes part-time employment, various types of temporary employment, and self-employment. If defined more broadly it may also include permanent jobs involving irregular hours or remote working.

A key reason for the growth of non-standard work is the flexibility it gives both employers and employees. For employers it offers flexibility in the supply of labour and the ways it can be utilised to meet changing production requirements and work schedules. From an employer's perspective, different types of flexibility can be identified, including:

- *Numerical flexibility*: varying the number of workers employed by an organisation through the use of casual, fixed-term, or other temporary workers.
- *Working-time flexibility*: varying the number of hours and working schedules of employees by means of non-standard working-time arrangements such as part-time work, shift work, overtime, or flexitime.
- *Locational flexibility*: allowing or requiring employees to work away from their employers' premises for some or all of the time, either at home or at other remote locations (Reilly, 2001).

From a worker's perspective, these types of working arrangements may also offer greater flexibility in combining paid employment and other activities or responsibilities, and maintaining a better work-life balance. For these reasons many prefer to work in part-time or short-term jobs, while others in permanent full-time jobs may seek flexible work arrangements which allow some variation in the hours, days, or places at which they work.

These types of arrangements may therefore suit the needs of both employers and workers. However, some workers take on non-standard jobs, not out of preference, but because of a lack of opportunities for permanent full-time employment. And this may result in inadequate levels of work and considerable insecurity, with no guarantee of ongoing employment or regular hours. For some it may also mean low incomes, poor employment conditions, and a lack of career opportunities (New Zealand Council of Trade Unions, 2013; McLaren et al, 2004).

Insecurity is not just a feature of temporary work. Many permanent employees also face the prospect of redundancy or reductions in hours, particularly when economic downturns or market conditions force business closures, lay-offs or organisational restructurings. And in an environment where employment is less secure, workers often have less commitment to particular jobs or employers and are more likely to change jobs or career paths of their own accord if they have the opportunity. The result is considerable movement between jobs, shorter periods of job tenure, and more instability in people's working lives.

About the Survey of Working Life

Until recently, there has been limited official survey data on flexible and insecure work in New Zealand. The Household Labour Force Survey (HLFS) has provided data on part-time work, self-employment and multiple-job holding, but has not collected information on temporary work or job tenure. These gaps are currently being addressed in a major redevelopment of the HLFS.

In recent years the Linked Employer-Employee Data (LEED) has provided information on worker turnover, or the number of employees starting or leaving jobs within a given period. But the most comprehensive source of data on working arrangements and employment conditions is the Survey of Working Life (SoWL), which was first run as a supplement to the HLFS in 2008 and again in 2012. The survey collects a wide range of information on work-related topics beyond the scope of the quarterly HLFS, including information on temporary work, job tenure, job security and flexible work arrangements.

The aim of this report is to explore what the 2012 Survey of Working Life data tells us about the nature and extent of flexibility and insecurity experienced by New Zealand workers. Some information from other sources such as the HLFS and LEED is also presented to provide additional context. Unfortunately there are difficulties in comparing Survey of Working Life data from 2008 and 2012 as the two surveys were conducted in different quarters (March and December, respectively) and some of the data is subject to significant seasonal variation. Consequently this report largely provides a snapshot from the 2012 survey. In future the survey will continue to be run in the December quarter, enabling more reliable time series comparisons. For a detailed analysis of 2008 Survey of Working Life data on temporary workers, see Dixon (2009).



3 Trends in non-standard work

The economic and social context

In developed economies like New Zealand's, the period since the 1980s has seen a destandardisation of work, involving increasing flexibility and insecurity (Houseman and Osawa, 2003; Spoonley et al, 2004). Before this, between the 1940s and 1970s, employment had become relatively stable and standardised, with the vast majority of workers employed in long-term and full-time jobs. This model began to wane during the 1980s and 1990s as a combination of economic and social changes increased both the demand for, and supply of, non-standard workers.

Economically, globalisation and deregulation have resulted in more competitive markets and more uncertain economic conditions. One consequence has been a shift towards more flexible production models which enable businesses to adjust their output of goods and services in response to changing patterns of demand. This requires a flexible labour supply, and the use of non-standard workers helps employers to adjust the volume and type of labour to meet changing output requirements. Another consequence of the more competitive economy has been increased pressure to cut production costs, including the cost of labour. Non-standard workers offer cost advantages for employers by reducing the need to retain under-utilised workers during slack periods, and providing savings on non-wage costs such as paid leave, redundancy, superannuation, and training and development.

Meanwhile, social and demographic changes have resulted in an increasing supply of workers wanting flexible or non-standard employment because of the opportunity it provides to combine paid work with other commitments or activities. There have been three main factors here. The first is increasing labour force participation by women – particularly mothers with dependent children – wishing to combine paid employment with family responsibilities. The second is increasing participation in tertiary education by young people, many of whom require part-time or temporary work to support their studies. And the third is population ageing and changing attitudes towards retirement, which have seen increasing numbers of older people transitioning into retirement by reducing their hours or moving into part-time or temporary jobs. However, not all people working in non-standard jobs are doing so out of preference. For many it is a consequence of not being able to find suitable full-time or permanent employment.

The institutional context

Institutional changes have also encouraged greater flexibility in workers' employment terms. New Zealand, like many other countries, deregulated its labour market in the 1980s and 1990s. This involved moving from a highly centralised system of collective agreements between employer organisations and unions, to a decentralised system predominantly based on agreements between individual employers and workers. One of the consequences was that employment agreements were less standardised and allowed greater flexibility in the terms and conditions of employment (Deeks and Rasmussen, 2002).

Survey of Working Life data on employment agreements and unionisation shows the extent to which employment relations have become individualised. In 2012, less than a quarter of workers (24 percent) said they were employed on collective agreements, compared with 60 percent on individual agreements. A further 10 percent said they were not aware of being on any agreement and 6 percent didn't know what type of agreement they were on. The low incidence of collective agreements reflects low rates of unionisation, as only workers who belong to a union can be on a collective agreement. According to the 2012 Survey of Working Life, just 27 percent of employees were union members – and some of these were on individual rather than collective agreements.

Has non-standard work grown?

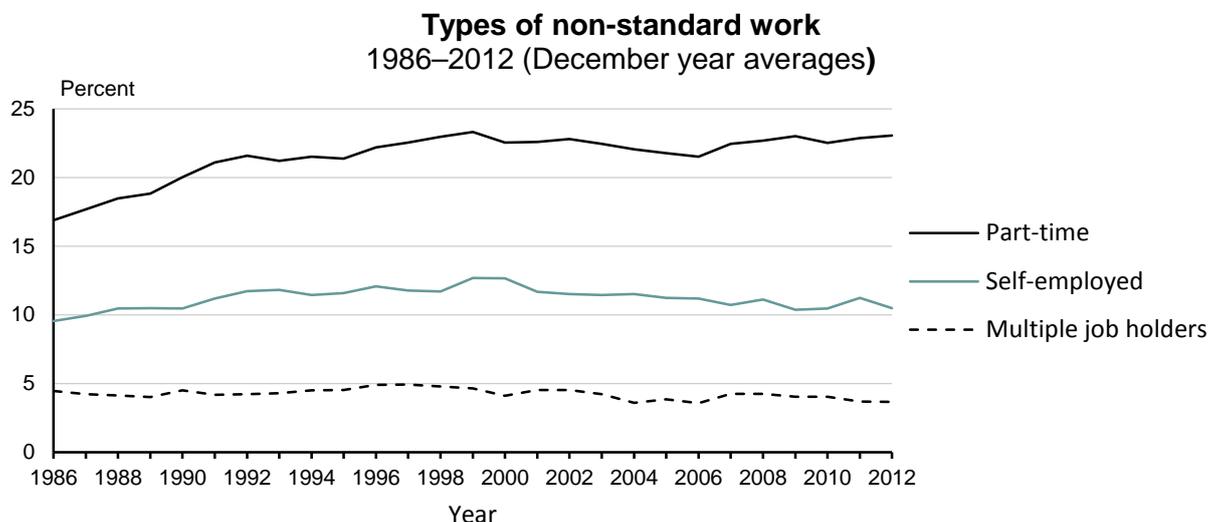
The lack of data on temporary work before the Survey of Working Life means that it is not possible to give a complete picture of the growth in non-standard work in New Zealand. However, using HLFS data we can look at trends in other types of non-standard work which are also often temporary in nature, specifically part-time work, self-employment, and multiple-job holding. These categories are not mutually exclusive, so some people may be counted in more than one category. As figure 1 shows, there was growth in these types of work in the 1980s and 1990s, but this was not sustained during the 2000s.

The largest increase has been in the number of part-time workers – from 16.9 percent to 23.3 percent of all workers between 1986 and 1999. Since then it has fluctuated between 21 and 23 percent.

Similarly, self-employment increased between 1986 and 1999, from 9.6 percent to 12.7 percent of all employment, but has since fallen back to 10.5 percent. This category includes both business owners and independent contractors, who tend to perform similar roles to employees but are engaged under a contract for services rather than an employment contract, and paid in fees rather than a wage or salary. Independent contracting is widely considered to have grown since the 1980s but as it is not identified separately in the official data, this is difficult to confirm. It is worth noting that because the distinction between independent contractors and employees is sometimes blurred, some independent contractors may be misclassified as employees in the HLFS, resulting in an undercount of self-employment.

Finally, there has been little change in the level of multiple-job holding, with the figure fluctuating at around 4 or 5 percent since the mid-1980s.

Figure 1



Source: Statistics New Zealand

Official data on temporary employment was not available until the first Survey of Working Life in 2008, which showed that 9.4 percent of employees, or 7.7 percent of all employed people, were in temporary jobs. As noted earlier, the 2012 survey is not strictly comparable because it was conducted in a different quarter, but it shows that temporary workers made up 10.4 percent of all employees and 8.7 percent of all people in employment. So there was only a relatively small increase between the two surveys and this may be partly due to seasonality factors and partly due to the economic downturn in the intervening years, which would have made some employers more cautious about taking on permanent workers. It is also worth noting that the Survey of Working Life figures are broadly similar to results from surveys of employers in 1991 and 1995, which

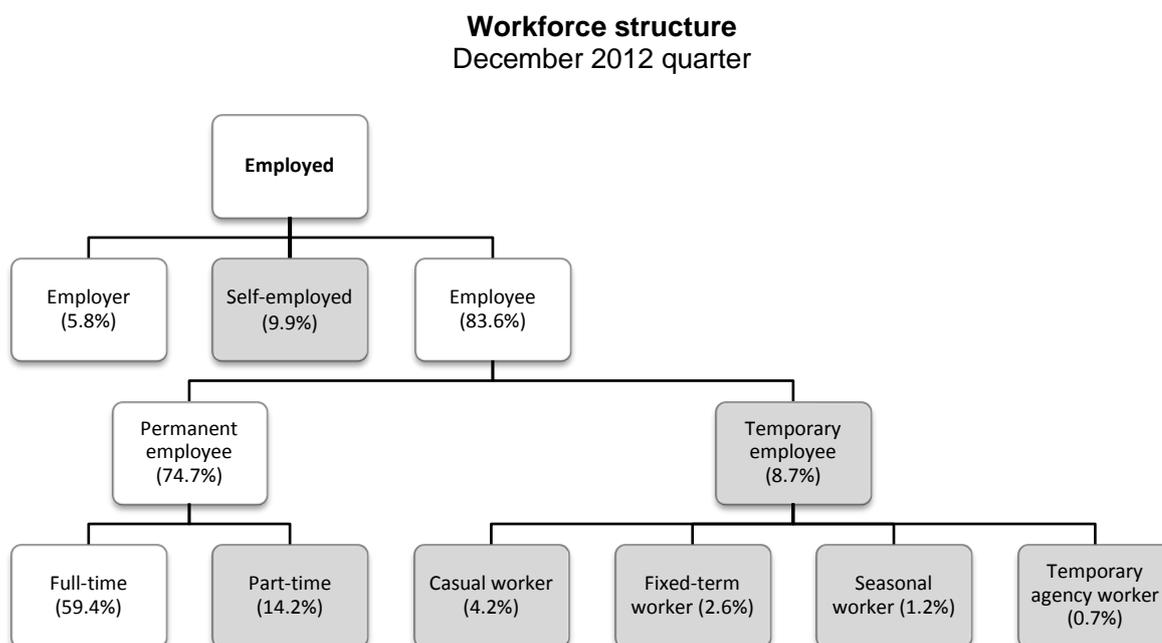
showed that around 1 in 10 of their employees were engaged on a temporary basis (Brosnan and Walsh, 1996).

Overall, the figures do not indicate a strong ongoing trend towards non-standard employment. There were substantial increases in part-time work and self-employment in the late 1980s and 1990s, which was a period of structural adjustment and economic uncertainty. But this slowed, and for a time reversed, in the more buoyant labour market of the 2000s, followed by some fluctuation since the onset of the global financial crisis in 2007–08. Trends in temporary employment are harder to gauge but – allowing for issues of comparability in the available data sources – there does not appear to have been a major increase since the 1990s.

Today’s workforce structure

In conjunction with the HLFS data, Survey of Working Life data on temporary employment now provides us with a more complete picture of the extent of non-standard work in New Zealand. This is illustrated in figure 2, in which categories of non-standard work are shaded in grey. If we limit the definition of non-standard employment to the self-employed, temporary employees, and permanent part-time employees, then one-third (32.8 percent) of all employed people can be classed as non-standard workers. That figure may be slightly higher if we were to include permanent full-time employees who have atypical working arrangements such as multiple job holding, working from home, or regularly working non-standard hours.

Figure 2



Source: Statistics New Zealand

Note: Shaded cells are categories of non-standard work. Percentages do not add to totals due to the exclusion of residual categories from the diagram.

This means that the majority of employed people are still in standard employment, with almost 60 percent engaged as permanent full-time employees. It seems likely that this will remain the norm in the foreseeable future, given that trends towards non-standard work appear to have slowed or reversed in recent times. However, with a third of New Zealand’s workers, or 723,000 people, in part-time or temporary work, or self-

employment, this still represents a substantial proportion of the workforce. And given the difficulties many of these workers face in terms of the security and adequacy of employment, they are a population of considerable interest for researchers and policy makers.



4 Temporary work

Who are the temporary workers?

Temporary work, as shown in figure 2, can be broken down into four main categories:

- casual workers, who usually work for short periods as needed by their employers without any guarantee of regular ongoing work
- temporary agency workers, who are recruited and paid through an employment agency
- fixed-term workers, who are hired until a fixed date or completion of a project
- seasonal workers, whose jobs are available only at certain times of the year.

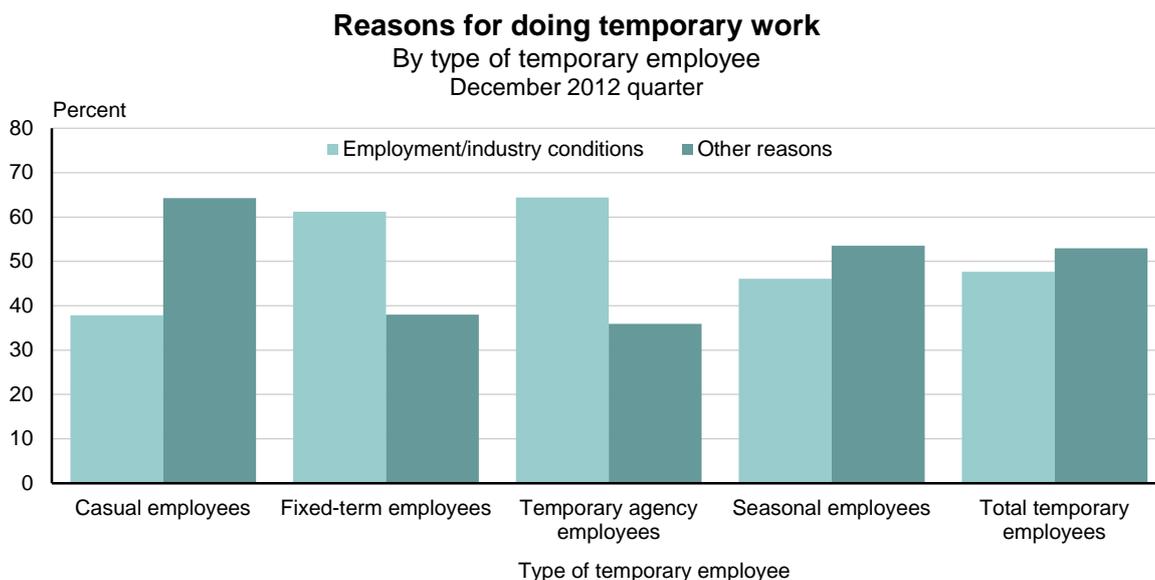
The 2012 Survey of Working Life showed that casual workers were by far the largest group, making up almost half (48 percent) of the 192,200 temporary employees. The majority of the remainder were fixed-term workers (29 percent), followed by seasonal workers (14 percent), and temporary agency workers (8 percent).

Temporary workers were more likely to be women and had a younger age profile than people in permanent jobs. Women made up 58 percent of temporary employees, compared with 48 percent of permanent employees. Women made up the majority of workers in fixed-term and casual jobs, but men were in the majority in temporary agency and seasonal jobs. Over half (55 percent) of all temporary workers were aged under 35 years, compared with just 36 percent of permanent employees. By comparison with other groups of temporary workers, casual workers included relatively large proportions of people at either end of the age spectrum, with 60 percent aged under 35 years and 19 percent aged over 55 years. This indicates that casual work is an important source of employment – out of either choice or necessity – for people transitioning in and out of the labour force.

Reasons for doing temporary work

The reasons employees gave for doing temporary work suggest that a combination of demand and supply factors encourage this type of employment. Just under half (48 percent) of all temporary workers said they were in temporary jobs because of employment or industry conditions, which includes reasons such as a lack of available permanent employment or the nature of the work in their particular industry or occupation. Just over half (53 percent), gave reasons which were more to do with their personal circumstances, for instance to fit in with family responsibilities or studying, or for health or lifestyle reasons. As figure 3 shows, there were some marked differences in reasons between different types of temporary workers. Employment and industry conditions were most important for temporary agency and fixed-term workers, with around 6 out of 10 giving these reasons. Casual workers were the least likely to cite employment or industry conditions (38 percent) and the most likely to cite other reasons including education, health, or financial reasons and family and lifestyle reasons.

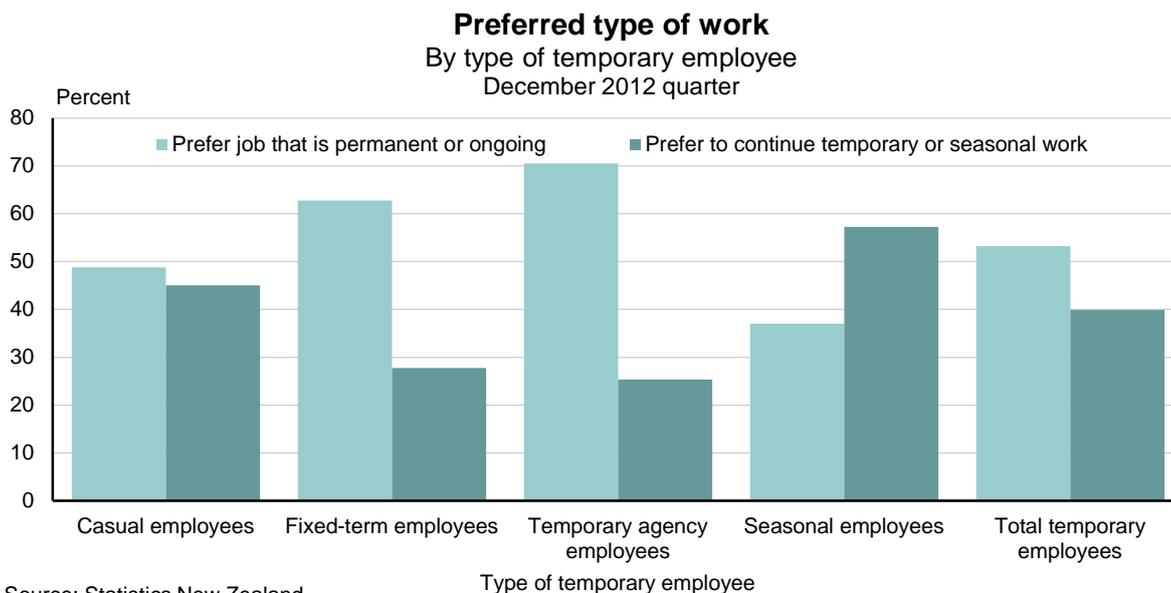
Figure 3



Source: Statistics New Zealand

These differences are also reflected in people’s preferences for permanent or temporary work, as shown in figure 4. Around half of temporary workers (53 percent) said they would prefer to get an ongoing or permanent job in the next 12 months. This preference was strongest among temporary agency employees (70 percent) and fixed-term employees (63 percent). On the other hand, many seasonal workers (57 percent) wanted to continue in temporary or seasonal employment, while casual workers were almost evenly divided in their preferences.

Figure 4



Source: Statistics New Zealand

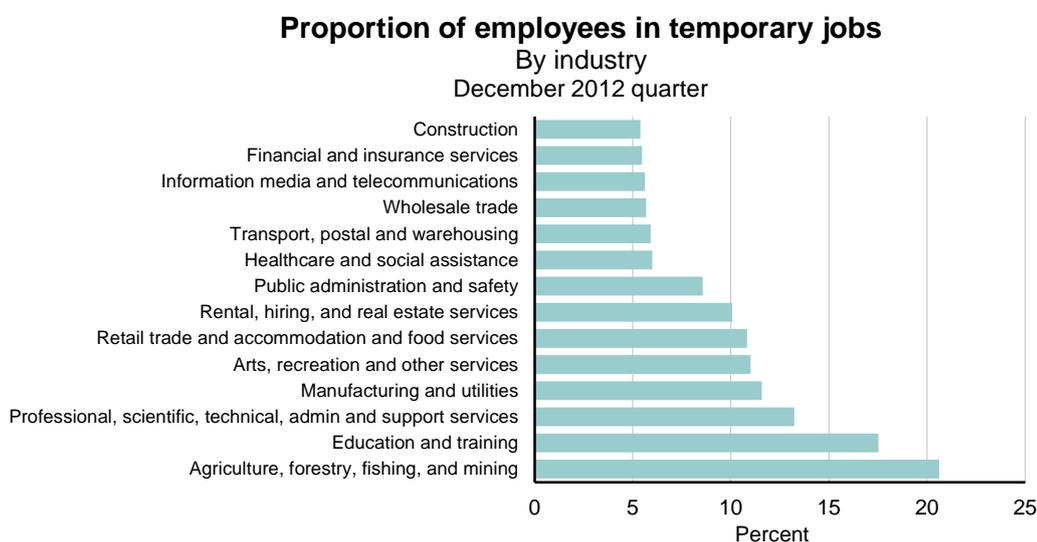
Supply factors therefore seem to be more important in encouraging casual and seasonal work than fixed-term or agency work. Casual and seasonal workers were less likely to be in such jobs because of labour market conditions and less likely to want permanent or ongoing jobs. However, demand factors are clearly also important, with a substantial minority of casual and seasonal workers and a clear majority of fixed-term and temporary

agency workers apparently in such jobs not out of choice, but because of a lack of alternatives.

Industries and occupations

Some industries make much greater use of temporary labour than others. The primary sector relies strongly on both seasonal and casual workers due to seasonal cycles of production and other fluctuations in workloads. Figure 5 shows that just over 1 in 5 employees in the agriculture, forestry, fishing, and mining industries were temporary workers. The education and training industries are also significant users of temporary workers, with just over 1 in 6 employees engaged temporarily – mostly fixed-term or agency workers but also many casual workers. This includes a diverse range of occupations in teaching, administrative, and other positions. Other industries with relatively high proportions of temporary workers include professional, scientific, technical, administrative, and support services (13 percent), and manufacturing and utilities (12 percent).

Figure 5

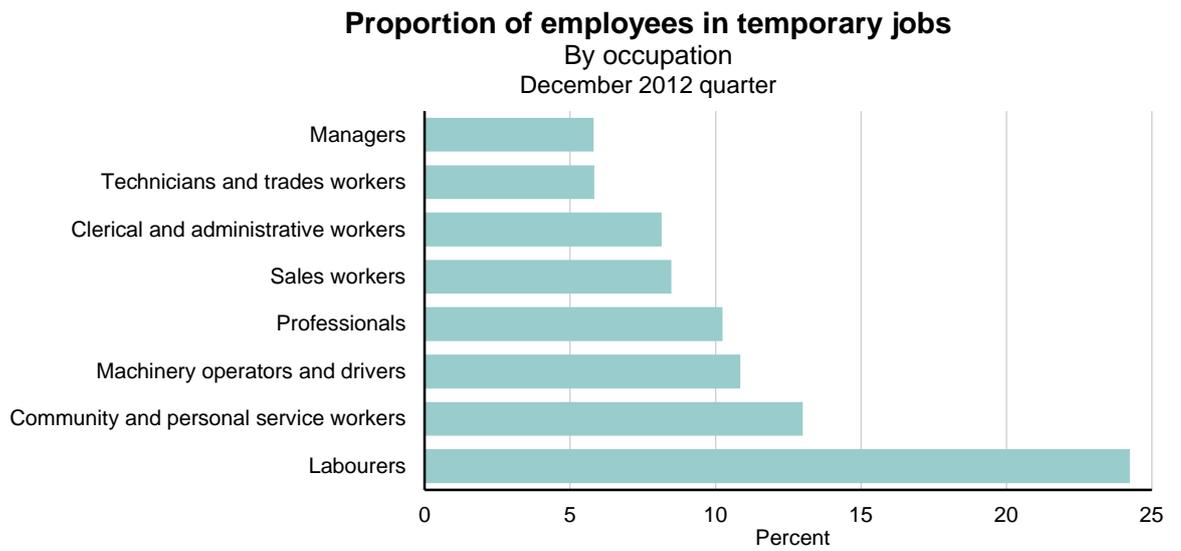


Source: Statistics New Zealand

Although the primary sector had the largest proportion of temporary employees in its workforce, it is a comparatively small employer and so only accounted for 9 percent of all temporary workers. The largest proportions of temporary workers were employed in the education and training industries and in retailing and accommodation and food services (both 17 percent).

Temporary workers are to be found in a range of skilled and unskilled occupations, but labourers were the most likely to be in temporary jobs. As figure 6 shows, almost one-quarter of people in labouring occupations in 2012 were in temporary positions. This category includes cleaners, construction labourers, factory process workers, agricultural workers, and food preparation workers. The other occupation group with a relatively high proportion of temporary workers was community and personal service workers (13 percent). This includes health and welfare support workers, carers and aides, hospitality workers, protective service workers, and sports and personal service workers. Temporary workers in labouring or community and personal service occupations were also more likely than those in other occupations to be casual workers. Those least likely to be in temporary jobs were managers and technicians or trades workers (both 6 percent).

Figure 6





5 Job tenure and job security

Worker turnover

Today's labour market is characterised by considerable job mobility and labour turnover, not just because of temporary employment relationships but also because of people moving between jobs or moving in and out of the labour force. These movements may be voluntary, due to wanting a change of job or experiencing life changes such as raising children, returning to study, or moving to a new area. Or they may be involuntary movements due to redundancies, layoffs, or business closures.

Statistics NZ's Linked Employer-Employee Data (LEED) shows that between the December quarters of 2010 and 2012, there was an average worker turnover rate of 15 percent – meaning that each quarter the number of people joining or leaving employers was equal to 15 percent of the total number of jobs. This represented an average of 277,000 workers joining new employers and 270,000 leaving their employers each quarter. When looked at by industry, worker turnover was highest in administrative and support services (30 percent), agriculture, forestry, and fishing (29 percent), and accommodation and food services (24 percent). It was also highest among young people, with turnover rates of 27 percent among those aged 15–24 years, and 20 percent for those aged 25–29 years. Turnover rates tend to decrease as people get older, except for a slight increase in the 60-plus years age group as people approach retirement.

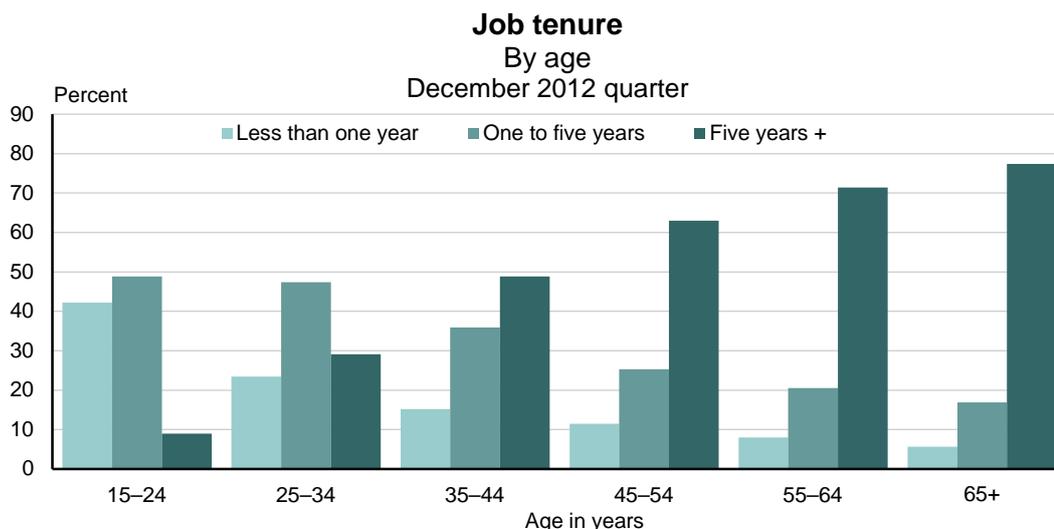
Job tenure

Although there is evidence of considerable worker turnover, the 2012 Survey of Working Life found that almost half (48 percent) of all employed people had been in their jobs – either working for the same employer or self-employed in the same business – for five years or more. Fewer than 1 in 5 (18 percent) had been in their jobs for less than a year, and just over a third (34 percent) for between one and five years.

Obviously job tenure tends to be considerably shorter for people in temporary jobs. The 2012 survey showed that almost half of all temporary workers had been in their jobs less than a year, compared with 16 percent of people in permanent jobs. Casual workers tended to have shorter job tenures than other temporary employees, with 19 percent having been in their jobs less than a month and a further 25 percent between one and six months. On the other hand, seasonal workers tended to have relatively long job tenures, with only a quarter having been in their jobs less than a year and just over half for longer than three years. These longer tenures do not necessarily indicate continuous spells of employment, as many would consist of periodic spells of work with a single employer.

Age is clearly another significant factor. Young people tend to have the shortest job tenure, having generally spent less time in the labour force and being more likely to work in temporary jobs. Young people may also be more inclined than older workers to move between jobs as they establish their careers. As figure 7 shows, 9 out of 10 workers aged 15–24 years had been in their jobs less than five years, including 4 in 10 for less than one year. These proportions declined progressively through older age groups, while the proportion in their jobs for five years or more increased. By the ages of 35–44 years almost half (49 percent) of employed people had been in their jobs for five years or more. By the time people had reached retirement age at 65 years and over, this figure had increased to 77 percent. There were no major variations in job tenure by sex.

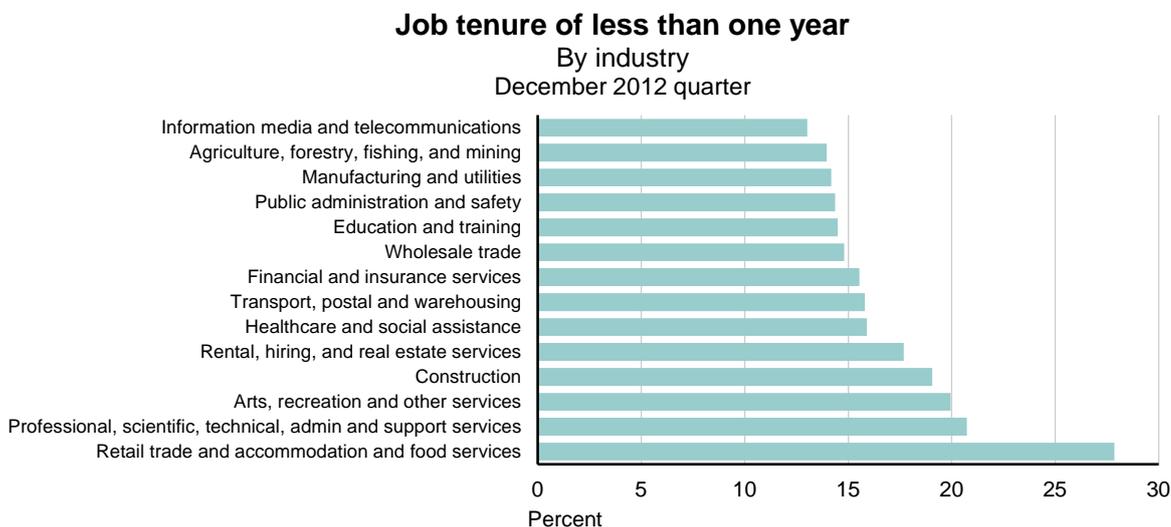
Figure 7



Source: Statistics New Zealand

These age variations are reflected in tenure by industry, with short job tenures being most common in the industries with the highest proportions of young workers. In the retail trade, accommodation, and food services industries – where almost a third of the workforce was aged under 25 years – almost 3 in 10 workers (28 percent) had been in their jobs for less than year. As figure 8 shows, this was considerably higher than in any other industry. These industries also employ a relatively high proportion of casual workers.

Figure 8



Source: Statistics New Zealand

Short job tenures were also most common in occupations with high proportions of young and casual workers, with 27 percent of sales workers and 26 percent of labourers in their jobs for less than a year.

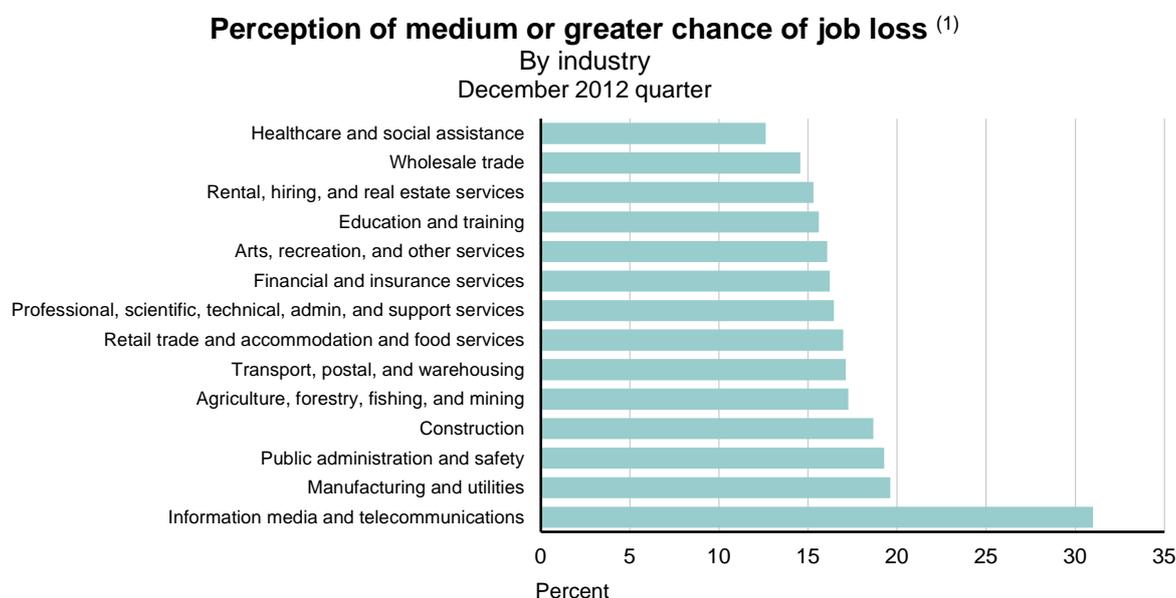
Job security

The 2012 Survey of Working Life also asked permanent employees what they thought the chances were of losing their job in the next 12 months for reasons beyond their control.

Most people said there was almost no chance (42 percent) or only a low chance (37 percent). However 13 percent felt there was a medium chance, and a further 4 percent felt there was a high chance or that it was almost certain. Perceptions of job security will clearly be affected by the economic climate and the state of the labour market. In 2008, before the effects of the global financial crisis were felt, more people felt there was almost no chance of losing their jobs (52 percent) and fewer thought there was a low chance (33 percent) or a medium chance (9 percent). However, there was little difference in the proportion who thought there was a high chance or that it was almost certain.

As figure 9 shows, the perception of insecurity in 2012 was by far the greatest in the information media and telecommunications industries, where almost a third (31 percent) of permanent employees felt there was at least a medium chance of losing their job in the next 12 months. For most other industries the figures were between 15 and 20 percent, with the lowest being in the healthcare and social assistance industries (13 percent). Workers in information media and telecommunications were also the least likely to think there was no chance of losing their job in the coming year (28 percent), while those in healthcare and social assistance were the most likely to think this (51 percent).

Figure 9



1. Includes permanent employees only.

Source: Statistics New Zealand

In terms of occupation, workers in lower-skilled jobs seemed to have the greatest sense of insecurity. Twenty percent of labourers and machine operators and drivers, along with 19 percent of sales workers felt there was at least a medium chance of losing their jobs in the next 12 months. This compared with 15 percent of professionals and community or personal service workers and 16 percent of managers.

Although disproportionately represented in lower-skilled occupations, young workers were less likely than others to feel their jobs were insecure. Just 13 percent of 15–24 year-olds felt there was at least a medium chance of losing their jobs in the next 12 months. This figure increased progressively in older age groups, reaching 20 percent in the 55–64 years age group, before falling back to 16 percent in the 65-years plus age group.

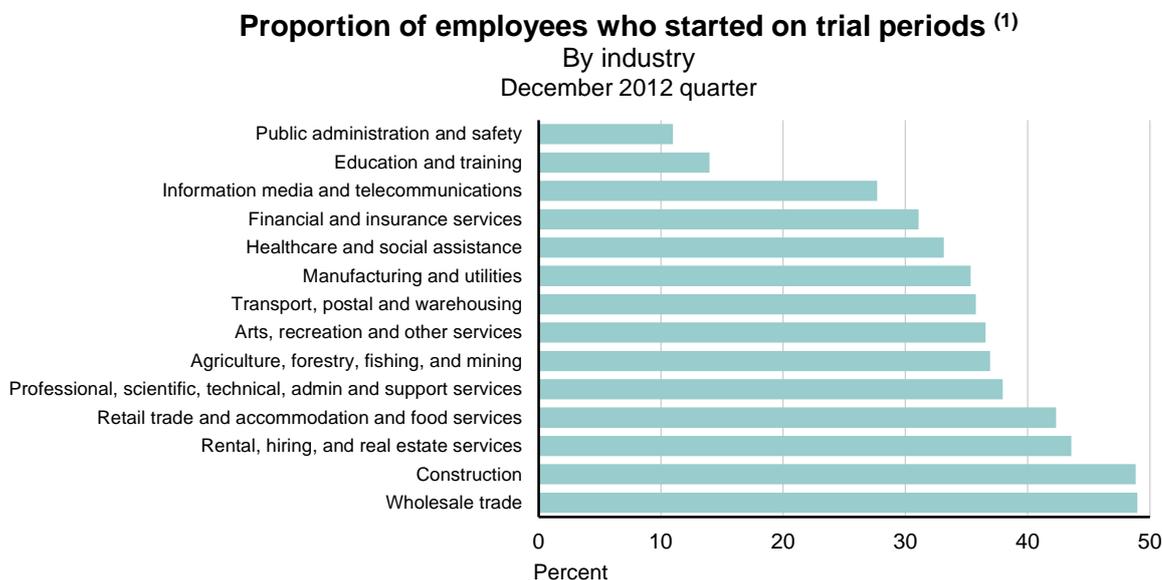
Trial periods

Workers starting new jobs may face further insecurity by being engaged on a trial period. Provisions for these trial periods were introduced for small employers in March 2009 and extended to all employers in April 2011. They allow an employer and employee to agree that for a period up to 90 days after starting a job, the employee can be dismissed without being able to take a personal grievance case for reasons of unjustified dismissal.

Information from the Ministry of Business, Innovation and Employment's National Survey of Employers shows that in 2012 there were 69,000 employers who used trial periods for new staff, representing 39 percent of all employers, or 59 percent of those who had taken on new staff in the past year. Almost a third (32 percent) of employers who had used trial periods said they would not have hired their most recent employee without using a trial period. Just over a quarter (27 percent) of employers who had used trial periods had dismissed at least one employee during or at the end of the period (Ministry of Business, Innovation and Employment, 2013).

Information from the 2012 Survey of Working Life shows that 36 percent of employees who started their main job in the previous 12 months did so on a trial period. This amounted to just over 131,000 people. The proportions were similar for all age groups up to the age of 44 years (between 36 and 38 percent) but fell in older age groups. There was considerable variation in the use of trial periods by industry, as figure 10 shows, ranging from almost half of new starters in the construction and wholesaling industries to just over one in 10 in education and training and in public administration and safety. When viewed by occupation, trial periods were most common among technicians and trades workers (46 percent) and least common in professional occupations (22 percent).

Figure 10



1. Includes only employees who started their main job in the previous 12 months.

Source: Statistics New Zealand



6 Job flexibility

Types of job flexibility

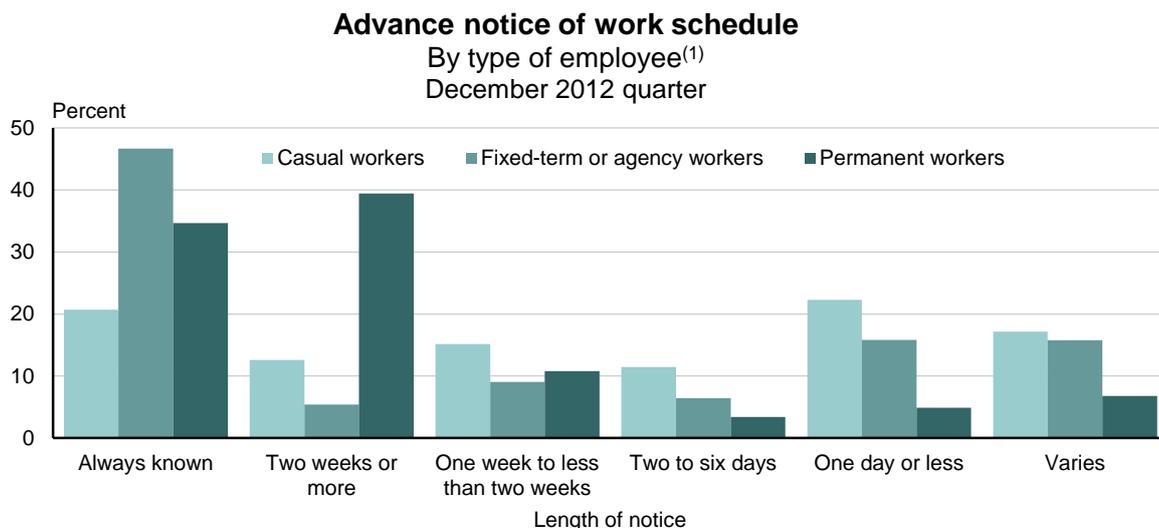
Flexible working arrangements allow employers and/or workers to vary the hours, days, and location of work. This may be to suit the requirements of employers for flexibility in meeting variable and uncertain work schedules; or it may be to provide workers with the flexibility to combine paid employment with other activities and responsibilities. The 2012 Survey of Working Life asked employees about flexible working-time arrangements oriented towards the needs of both employers and employees. Employer-oriented arrangements included whether the worker's hours varied to suit their employer's needs and how much notice they had of their work schedule. Employee-oriented arrangements included whether workers thought they could take unpaid leave, whether they had flexible start and finish times, and whether full-time workers thought they could reduce to part-time hours. The survey also asked about the amount of time people spent working at home, an arrangement which may help workers to balance paid employment and domestic activities, but may also benefit employers if it increases working hours and productivity.

Employer-oriented time flexibility

The survey asked temporary employees whether their hours of work changed from week to week to suit the needs of their employers. Six out of 10 (61 percent) said that this was the case, although the figure was considerably higher among casual workers (81 percent). Consequently it was also highest in industries which employed relatively large numbers of casual workers, most notably in retailing and accommodation (77 percent) and in primary industries (76 percent). Occupations with a strong presence in those industries also experienced changeable hours, particularly sales workers (77 percent) and labourers (73 percent). The temporary workers who were least likely to have their hours changed to suit their employers were those in the financial services and insurance industries (37 percent) and in professional occupations (44 percent).

Temporary agency, seasonal, and casual workers, along with permanent employees who said they worked changing shifts or some other varying work pattern, were also asked how far in advance they were told the days and times they had to work. Among these groups, 35 percent of permanent employees and 28 percent of temporary employees said they always knew what days and times they would be working. Temporary workers tended to have less notice of their work schedules – around three in 10 knew less than a week in advance, compared with one in 10 permanent employees. As figure 11 shows, casual workers tended to have the least notice of when they would be working, with 22 percent knowing a day or less in advance, and a further 11 percent between two and six days in advance.

Figure 11



1. Only temporary agency, seasonal, and casual workers, and employees who said they worked changing shifts or some other varying work pattern, were asked this question.

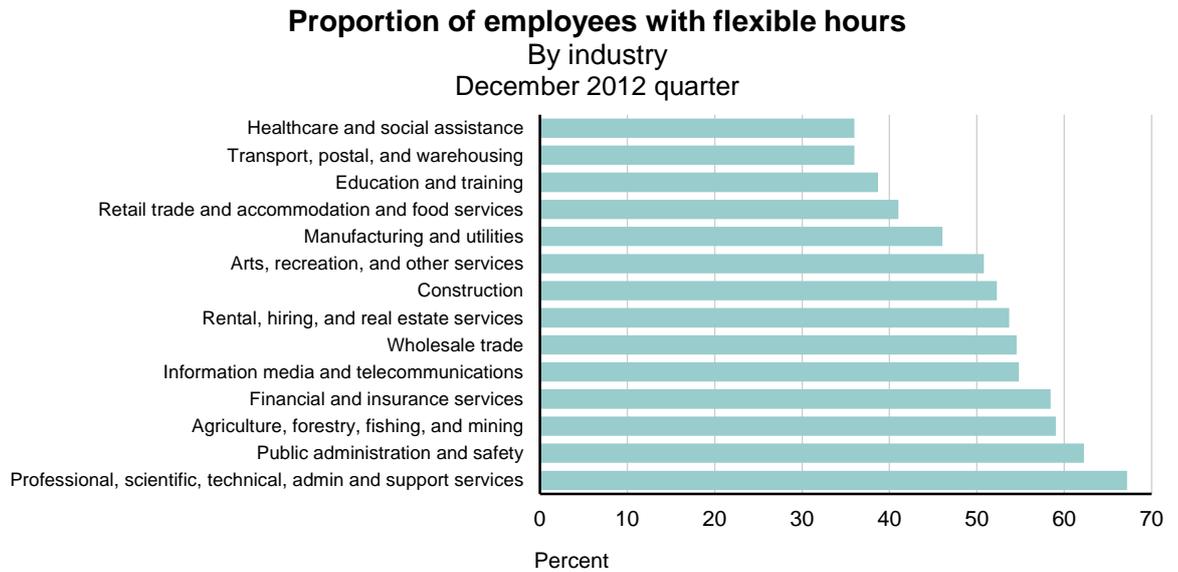
Source: Statistics New Zealand

Workers in the construction industry tended to have the least notice of their work schedules – more than half (55 percent) knew less than a week in advance, including 36 percent who only had notice of a day or less. Labourers also tended to have less notice of their work schedules than other occupational groups – 39 percent knew their schedules less than a week in advance, including 27 percent who had notice of a day or less.

Employee-oriented time flexibility

Almost half (48 percent) of all employees said that they had flexible hours at least sometimes, meaning they could start and finish work at different times if they wanted to. There was little difference between permanent workers and various types of temporary employees. However, as figure 12 shows, there were some differences by industry, with flexible hours being most common in professional, scientific, and technical industries (67 percent), followed by public administration and safety (62 percent). Flexible hours were least common in healthcare and social assistance (36 percent), and transport, postal, and warehousing (also 36 percent). There were also differences by occupation, with managers being the most likely to have flexible hours (63 percent), and machinery operators and drivers the least likely (31 percent).

Figure 12



Source: Statistics New Zealand

The ability to take unpaid leave was much more common than flexible hours. The vast majority (89 percent) of employees said their employers would probably or certainly allow them to take a few days of unpaid leave if necessary. This was more common for permanent employees (90 percent) than for those in temporary jobs (82 percent). There was some variation by industry, with figures ranging from 95 percent in the financial and insurance services industries to 83 percent in the transport, postal, and warehousing industries. This type of flexibility was greatest for managers and clerical and administrative workers (both 93 percent) and least common for labourers (82 percent).

Reducing to part-time hours was not an option for most workers. A third of employees who worked at least 35 hours a week said their employers would definitely or probably allow them to reduce to less than 30 hours a week. The figures were similar for permanent and temporary employees (33 percent and 35 percent respectively). By industry, the figures ranged from 48 percent in healthcare and social assistance to 24 percent in the wholesale trade. Occupationally, there was also a considerable range, from 47 percent for community and personal service workers, to 27 percent for three occupational groups: managers; technicians and trades workers; and machinery operators and drivers.

Non-standard working hours

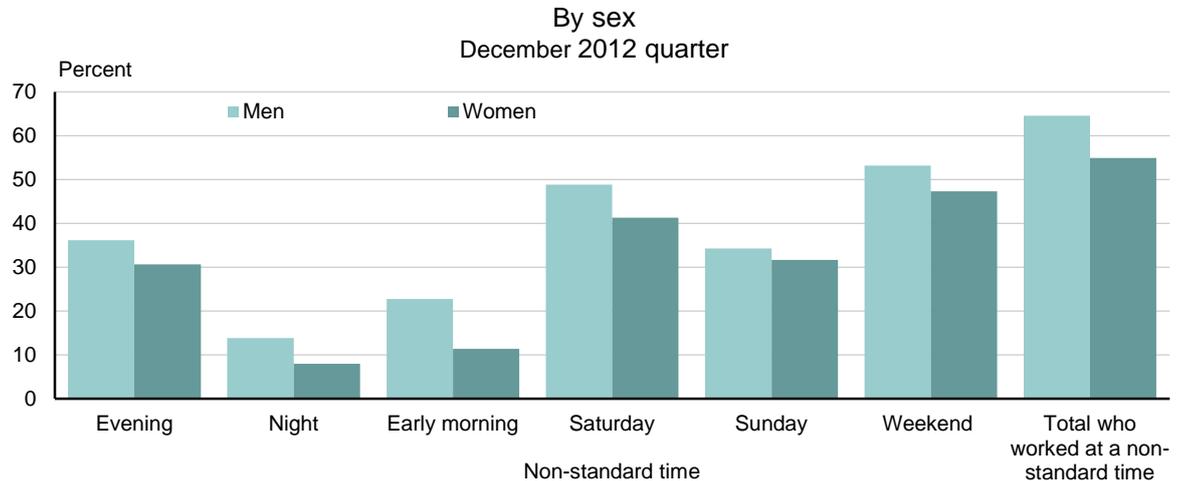
Although flexibility in working times is relatively common, most employed New Zealanders usually work only at standard times, that is on weekdays between the hours of 7am and 7pm. The survey showed that almost two-thirds (63 percent) of all employed people usually worked all their hours in all their jobs at these times, although this was less common for employers (44 percent) and other self-employed people (49 percent) than for employees (66 percent).

While most people *usually* worked at standard times, the majority did at least work non-standard hours on *some* occasions. Sixty percent of employed people said they had worked at non-standard times in the previous four weeks, including 24 percent who said they had done so between one and five times, 12 percent between six and 10 times, and 23 percent more than 10 times. This is not necessarily an indication of flexible work arrangements, as many people working non-standard hours will be doing so as part of a rostered or shift-work arrangement, or working unpaid overtime. As figure 13 shows,

working on the weekends was more common than working at non-standard times on weekdays, and men were more likely than women to work at non-standard times.

Figure 13

Proportion of employees who worked at a non-standard time in last four weeks



Source: Statistics New Zealand

Evening and night work was relatively common in some industries, particularly those providing services outside regular business hours. In the transport, postal, and warehousing industries, 40 percent of people had done evening work and 24 percent had worked at night in the previous four weeks. Similar proportions of around 4 in 10 had worked evenings in the retail trade, accommodation and food services industries, in information media and telecommunications, and in rental, hiring, and real estate services. Night work was relatively common in healthcare and social assistance, in public administration and safety, and in manufacturing and utilities, with around 1 in 6 people in those industries having worked at night in the previous four weeks.

One quarter of those who worked at non-standard times over a four-week period reported that this caused them difficulties. These difficulties most commonly related to family and home issues (11 percent) or sleeping and health (10 percent). Those most likely to experience difficulties included parents or caregivers (33 percent), people working long hours (31 percent), those working changing shifts (35 percent), and those who worked non-standard hours more than 10 times over a four-week period (33 percent).

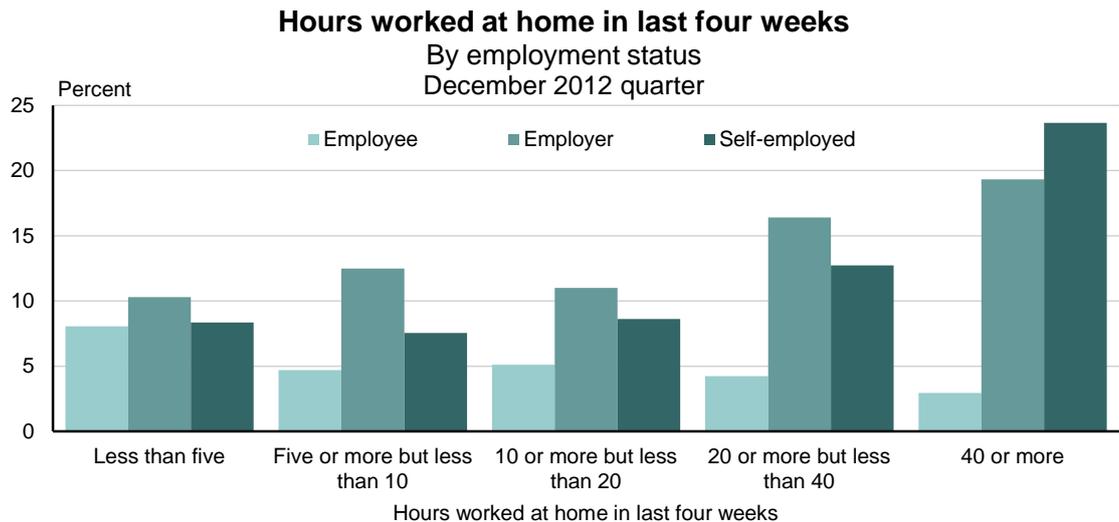
Working from home

Working from home has become a more feasible option for many workers in recent years due to the development of information communications technologies and more flexible working arrangements. While it is still relatively rare for people to work predominantly or solely from home, the 2012 Survey of Working Life showed that almost a third of all employed people had spent some time working at home over the four weeks before being surveyed. This does not necessarily indicate that flexible home-working arrangements are common, as it includes employees working unpaid overtime at home and self-employed people running businesses from home.

As figure 14 shows, working from home was much more common among employers and other self-employed people than among employees. Overall, 73 percent of employers and 64 percent of people who were self-employed without employees had spent some

time working at home over the previous four weeks, compared with 26 percent of employees. Those employees who had worked at home also tended to spend fewer hours doing so. While 36 percent of self-employed people with or without employees had spent at least 20 hours working at home over the four weeks, just 7 percent of employees had worked this many hours at home. The differences are likely to reflect the extra hours of work often involved in running a business, the fact that self-employed people have more autonomy in when and where they work, and the fact that many run their businesses from home rather than having separate business premises.

Figure 14



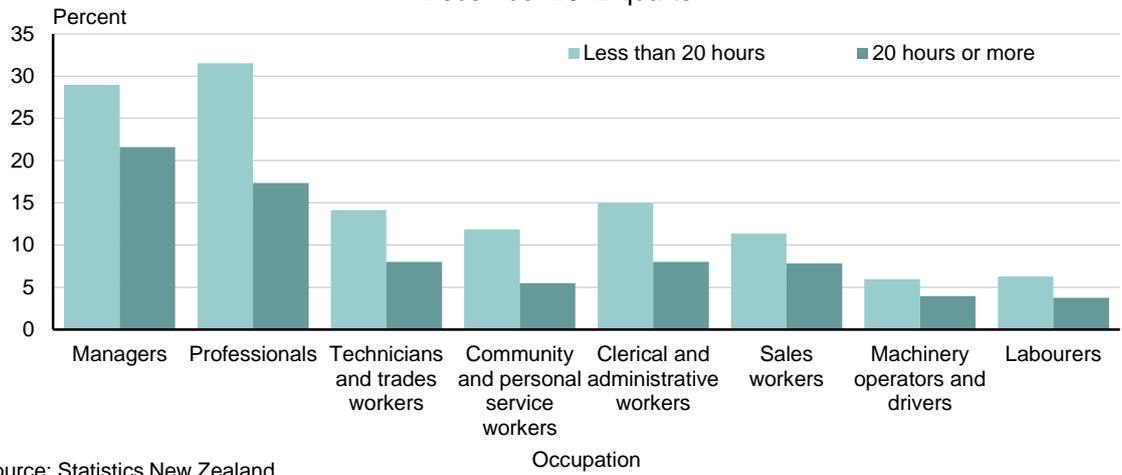
Source: Statistics New Zealand

Working at home was far more common in some industries than others. Over half of all people in rental, hiring, and real estate services (57 percent) and education and training (52 percent) had done some work at home over the four weeks. By contrast just 16 percent of people in retailing, accommodation, and food services and 21 percent in manufacturing had worked at home. People employed in rental, hiring and real estate services were also the most likely to have worked 40 hours or more at home (16 percent), followed by people in primary industries (14 percent).

Managers and professionals were far more likely than other occupational groups to work at home. As figure 15 shows, 53 percent of managers and 50 percent of professionals had worked at home in the four week period. This included 22 percent of managers and 17 percent of professionals who worked more than 20 hours at home during that period. People in lower-skilled manual occupations were the least likely to work from home – just 10 percent of machinery operators and drivers and 11 percent of labourers had done any work at home over the four weeks, reflecting the fact that this type of work usually needs to be done at work sites.

Figure 15

Worked at home in last four weeks
 By occupation and hours worked at home
 December 2012 quarter



Source: Statistics New Zealand



7 Conclusion

Flexibility and insecurity in employment have become topics of considerable interest in recent years with changes in the nature of the labour market, employment relationships, and working arrangements. But until recently there have been significant information gaps which have limited our ability to monitor and understand these changes. The Survey of Working Life addresses many of those gaps, providing a rich new source of data on topics beyond the scope of the quarterly HLFS.

Thanks to the survey, we now have a more complete picture of the composition of the workforce. It reveals that despite the changes of the 1980s and 1990s, the standard model of permanent, full-time waged or salaried employment still accounts for the majority of the workforce. However, with a third of employed people in either part-time, temporary, or self-employed jobs, there is considerable diversity in employment.

Temporary work

Temporary workers make up just 1 in 10 employees, but are a group of particular interest because of the insecure and often precarious nature of their work. They also provide an important source of labour in certain industries and occupations, particularly in the primary sector and in low-skilled manual jobs. People have a variety of reasons for doing temporary work, and for many it is a preference, but around half are in temporary jobs because of employment or industry conditions and would prefer permanent or ongoing work if it was available.

Insecurity of work

Insecurity can also be an issue for permanent workers, particularly during economic downturns, and the 2012 Survey of Working Life showed that around 1 in 6 workers thought there was at least a medium chance of losing their job during the coming year. But despite considerable worker turnover as people move in and out of employment and between jobs, the data on tenure shows that most workers have been in their jobs for several years, including almost half for periods of five years or more.

Flexible working arrangements

Increasing flexibility in the labour market has been accompanied by moves towards more flexible working arrangements within jobs, which may be in the interests of either employers or workers, or in the interests of both parties. For temporary workers, it is common to have changeable hours depending on the needs of their employer, and many receive little notice of when they will be working, which adds to the insecurity of temporary work. Among the positive aspects of flexibility for employees are that almost half are able to work flexible hours and the majority are able to take unpaid leave if they need to. Working at home is also an option for many, although for most of those who do so it is for a relatively small number of hours.

A snapshot in time

This report provides a snapshot of flexibility and insecurity in the labour market and the employment arrangements of New Zealand workers. It shows there is much diversity in the terms on which New Zealanders are employed and the nature of their jobs. The picture we see today is likely to be considerably different to that of two or three decades ago, given the substantial economic, social, institutional, and technological changes impacting on the nature of work since that time. Until now it has been difficult to monitor these trends with existing labour market data, but as the range of information expands with the addition of surveys such as the Survey of Working Life and the current redevelopment of the HLFS, we will be in a better position to monitor the changing nature of work in the future.



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Appendix 1: Definitions

Employee: A person who receives remuneration for his or her work in the form of wages, salary, commission, tips, or piece rates. These will usually, but not necessarily, involve a formal employment contract between the employee and their employer. This category includes permanent employees, casual employees, temporary agency employees, fixed-term employees, and seasonal employees.

Permanent employee: An employee who is guaranteed continuing work. They can stay in their job until they decide to leave or their employer makes them redundant.

Temporary employee: An employee whose job only lasts for a limited time or until the completion of a project. Temporary employee is a prioritised classification. As all types of temporary employment are not mutually exclusive, people with multiple responses to the temporary employee questions were assigned to a single group using the following priority order:

1. Casual worker.
2. Temporary agency worker.
3. Fixed-term worker.
4. Seasonal worker (employment relationship not further defined).
5. Other temporary worker.

For example, an individual could respond that they were working on a fixed-term contract and also respond that they were a temporary agency worker. Using this priority system, this individual would be classified as a temporary agency worker.

Individuals who said they were permanent employees but also went on to state that their job was seasonal were reclassified as temporary employees.

Casual worker: A temporary worker who only works when their employer asks them to, on an as-needed basis, whose work is typically done in short episodes. A casual worker may be asked to work a shift, for a few days or, less often, for several weeks at a time. Casual workers do not have any guarantee of regular ongoing work.

Temporary agency worker: A temporary worker who is paid by, or through, a temporary employment agency and placed by this agency to perform work at the premises of a third party customer enterprise, that is, someone other than the business enterprise that pays their wage or salary.

Fixed-term worker: A temporary employee who is hired until a fixed date or until a project has been completed. This includes replacement workers who are employees contracted to temporarily replace another employee who is absent on leave.

Seasonal worker: A temporary worker whose job is only available at certain times of the year.

Self-employed: A person who operates their own economic enterprise or engages independently in a profession or trade (including partnerships).

Employer: A self-employed person who hires one or more employees.

Part-time worker: Usually works less than 30 hours per week in all jobs.

Full-time worker: Usually works 30 hours or more per week in all jobs.

Main job: Job in which a person usually works the most hours.

Multiple job holders: People who work in more than one job during the survey reference week, but not as a result of changing jobs.

Standard working time: Usually working all hours in all jobs between 7am and 7pm, Monday to Friday.

Non-standard working time: Working for one hour or more in the evening, at night, in the early morning, on a Saturday, or on a Sunday.

Flexible hours: Flexible hours allow an employed person to vary the time they start and finish work. This is often referred to as 'flexi-time' or 'glide-time', and excludes one-off arrangements to vary a start or finish time, for example, because of an emergency at home.

Job tenure: Continuous period of time working for the same employer, or business for those who are self-employed. Any periods of paid or unpaid leave for up to, and including, six months or parental leave of 12 months or less would not constitute a break in continuous employment.

Employment agreement: Agreement between an employee and an employer that covers the terms and conditions of employment.

Individual agreement: Employment agreement that applies only to an individual employee.

Collective agreement: Employment agreement that covers two or more employees who are members of a union.

Work at home: Work in a paid job at the respondent's usual place of residence or any associated land and buildings for which they are responsible. This includes work undertaken in any office attached to the house or any associated land or buildings, such as a stand-alone garage or workshop, and any work on the property associated with their home eg farm work.