

A survey of employee experiences and attitudes in the New Zealand workplace

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Introduction

This article presents the results of an employee survey conducted during November 1998. The study set out to investigate bargaining trends, contract outcomes and employee opinions on a range of workplace issues. It provides a basis for comparison with similar studies, and highlights various employment issues for further research. Given the small number of random surveys since the introduction of the Employment Contracts Act (ECA), the results of this study make an important contribution to our overall understanding of worker experiences under the new legislation.

The article proceeds in two parts: first, the research method is outlined along with its limitations; second, the main research findings are analysed in the areas of contract structure, bargaining processes, union membership and effectiveness, remuneration and conditions of employment, hours of work and work stress, issues of workplace relations, and employee opinions of the ECA. The article concludes by summarising the key results and highlighting areas for further research.

Research method

The survey took the form of a telephone questionnaire and was carried out by a market research company, Phoenix Research Ltd. The sample of N=534 was drawn from six regions throughout New Zealand: Whangarei; the greater Auckland area; Hamilton, including Huntly, Matamata, Morrinsville, Te Aroha and Te Awamutu; Napier/Hastings; Wellington, including Kapiti; Christchurch, including Akaroa, Ashburton, Darfield and Rangiora; and Dunedin. Telephone numbers were randomly selected from the telephone books corresponding with these areas on a pro rata population basis.

Those eligible to participate in the study were in paid employment (self-employed were excluded) and were over 15 years of age. Where there was more than one eligible participant in a household the one with the most recent birthday was selected. Three call backs were made for each phone number before that number was discarded. Call backs were made at different times of the evenings and weekends.

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The response rate was 17 percent. The response rate is lower than other comparable telephone studies (for example, Hector & Hobby (1998) - 42 percent; Rasmussen (1996) - 24 percent) and is of some concern. In addition, there were some significant biases in the respondent group. In particular, there is an over-representation of those on higher incomes, with higher education and in professional occupations. Thus, the survey is biased towards the "primary labour market".¹ In addition, the sample is biased towards employees who work in larger organisations. *Table 1* below sets out a comparison of the demographics for which there is a notable difference from Statistics NZ (1998) figures.

Table 1: Comparison of survey demographics with Statistics NZ data

	Stats NZ	Survey
Income		
Below \$10,000	16%	7.4%
\$10,000 - \$20,000	19%	12.4%
\$20,000 - \$30,000	25%	22.7%
\$30,000 - \$40,000	19%	19.8%
\$40,000 - \$50,000	10%	16.5%
Over \$50,000	10%	17.4%
Education		
No formal education	22.0%	11.2%
University Qualification	12.5%	26.4%
Occupation		
Professional/Managerial	36.2%	42.6%
Manual/Semi-skilled/Labourer	25.0%	15.8%
Number of employees in organisation		
Less than nine	36.9%	14.0%
10 - 49	29.8%	20.2%
50 - 99	10.5%	8.4%
100 or more	22.8%	52.9%

Note: The Statistics NZ data on the number of employees is based on FTE (full-time employees plus half the number of part-time employees) and therefore a direct comparison cannot be made between the two sets of figures. However, the large differences indicate a definite bias towards larger organisations.

Given these biases in the sample group towards the upper end of the labour market, the results of the study should be interpreted with some caution. These workers are likely to have more positive bargaining processes and better outcomes, and therefore the results may present a more positive picture of employment relations than is the reality for some sections of the workforce. The biases also have implications for labour market research

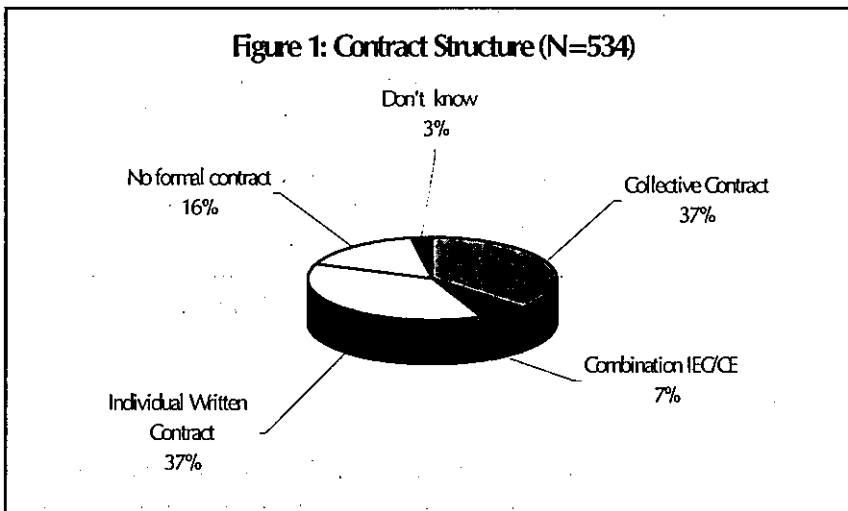
¹ We use the well-known expressions of "primary and secondary labour markets" as a heuristic device to indicate the existence of a segmented labour market (see Brosnan & Rea, 1991; Deeks et al., 1994; McLaughlin, 1998).

in general and raise questions about how to ensure the coverage is representative of the whole working population. The majority of surveys across the labour market in New Zealand have tended to have similar biases away from more vulnerable employees (for example, Heylen, 1992, 1993; Hector & Hobby 1998; Rasmussen, 1996). There are clearly inherent biases with the telephone survey method (Rasmussen, 1996) and greater proportions of certain groups may be refusing to participate. Greater emphasis needs to be given to improving the quality and coverage of research of the secondary labour market (McLaughlin, 1998).

Analysis of survey data

Contract structure

The survey found a large number of respondents were covered by a collective contract, as set out below in *Figure 1*. While a greater proportion of respondents were covered by some form of individual contract, the proportion of employees on an individual contract is not as great as the estimates of some researchers (for example, Rasmussen & Deeks 1997). This survey supports the roughly even split between employees on individual and collective contracts reported by the three surveys commissioned by the Department of Labour and the surveys conducted by Statistics New Zealand in 1992 and 1993 (Heylen, 1992, 1993; Hector & Hobby, 1998; Statistics NZ 1994). The number of those covered by an IEC/CEC combination is also similar to the survey findings of the Department of Labour.



These results raise questions as to whether the shift of employees from collective to individual contracts seen during the first two or three years after the introduction of the ECA has now stabilised, or whether there is still an increasing trend towards individual contracting. However, given the bias in the sample towards those who work in large organisations these results should be interpreted with some caution. The results of this survey may well over-state the extent of collective contracting.

A large proportion of respondents (16 percent) had no formal written contract. This figure is comparable with Rasmussen's data (1996: 18 percent) and the first two Department of Labour surveys (Heylen, 1992 and 1993: 16 and 14 percent) though it is higher than the ten percent recorded by the latest Department of Labour survey (Hector & Hobby, 1998). Those without a formal written contract were more likely to be part-time, casual/seasonal workers, newly employed, crafts or manual workers or those on lower incomes. Given the bias in the sample away from such workers it is likely that the results here underestimate the extent of informal contracting arrangements. Clearly, we need more research on informal contracting.

The issue of *choice of contract structure* emerged as quite striking. Only 28.1 percent indicated they had a choice as to whether they were covered by an individual or collective contract, whereas 62.3 percent responded that they had no choice and 9.6 percent were unsure. Furthermore, part-time employees (16.6 percent) had much less choice than their full-time counterparts (31.4 percent). Clearly the type of contract structure is largely decided by employers with most employees having no influence. These results contrast markedly with that of the earlier Heylen (1993) survey where around 60 percent of respondents indicated they had a choice regarding an individual or a collective employment contract.

As the proportion of employees covered by collective contracts was still large, the results indicate that many employers prefer collective contracting arrangements. Further research needs to examine employers' reasons for choosing various contract structures. In addition, attention needs to be paid to the distinction drawn by Gilson and Wagar (1997), between "collective contracting" and "collective bargaining". Under "collective contracting", employees may be covered by a collective contract but no collective bargaining actually takes place and employees sign one by one. The reverse situation also needs exploration; that is, where employees are on individual contracts with identical or very similar terms (Boxall, 1997). Thus, the simple distinction between those on individual and collective contracts may increasingly tell us less about the actual bargaining process.

Bargaining processes

The majority (63.2 percent) of employment contracts had been settled or renewed in the previous 12 months with only a small proportion (11.0 percent) having been settled over two years previously. This stands in contrast to the results from the collective contract databases at Victoria University and the Department of Labour, which have shown a trend

towards longer contracts (DoL, 1998; Harbridge & Crawford, 1997). A factor in the high settlement and renewal rate is likely to be the high turnover reported with 22.2 percent having been with their present employer for less than 12 months and another 26.3 percent between one and three years. For 44.0 percent of respondents this present contract was their first contract with their current employer.

Negotiations over contractual arrangements did occur for the majority of respondents. As Figure 2 sets out, 57.5 percent indicated that negotiations had occurred, while there had been no negotiations for 39.3 percent of respondents, and 3.2 percent were unsure.

Those who did not have negotiations were asked to provide reasons for the lack of negotiations. Table 2 below sets out the main reasons given. Clearly a large proportion were happy with the changes offered by their employer or did not feel the need for negotiations. As McAndrew (1991) has pointed out, employers may take into account both the needs of their employees as well as their organisation in presenting what they consider to be a fair contract.

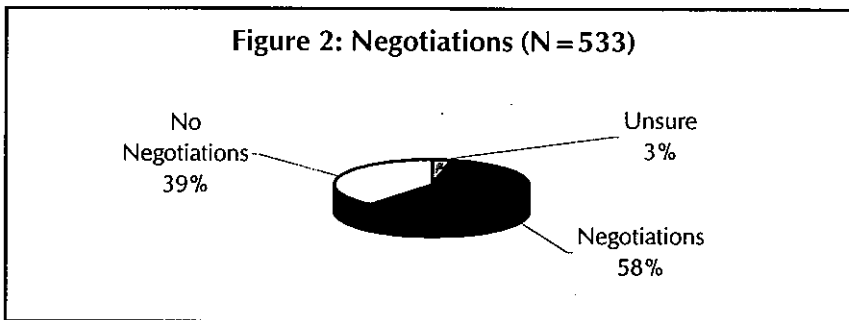


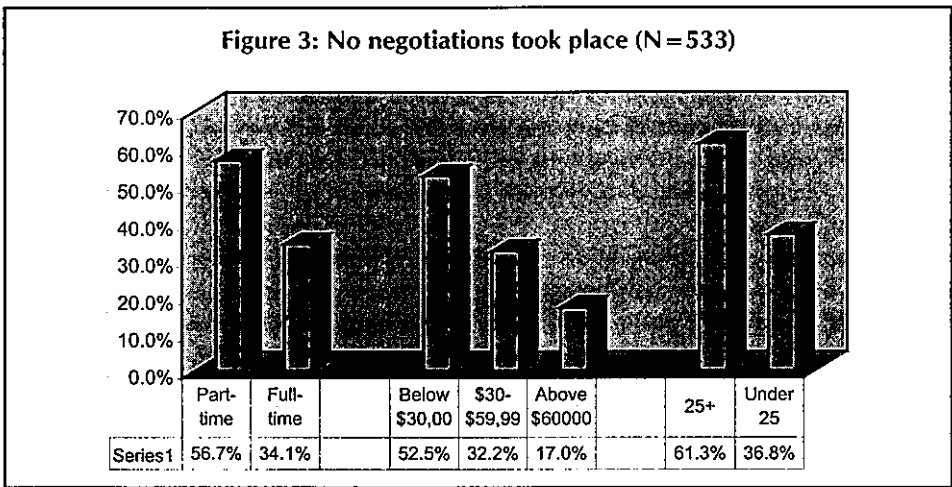
Table 2: Reason for no negotiation (N = 209)

Reason	Percent
Happy with changes	29.7
New employee and accepted what was offered	23.9
No change to contract conditions	21.1
No negotiations offered	15.8
Employer did not want to	4.3
Did not want to upset the working relationship	2.4
Other	12.4

Note: The percentages do not add up to 100 percent as respondents were able to give more than one response.

An analysis of satisfaction with contract outcomes also suggests that many employees were happy with their contract outcomes and that the absence of negotiations does not necessarily imply dissatisfaction. On a scale of one to five, the mean score for “overall satisfaction with my current pay and conditions of employment” was 3.57, with 60 percent rating their satisfaction at four or above (good and very good).

While these results present a generally positive picture of bargaining processes, there are clearly issues of labour market segmentation. As Figure 3 depicts, those for whom there were no negotiations were far more likely to be part-time, on lower incomes and younger employees. In addition, there was a slight gender difference with males (61.4 percent) more likely to have had negotiations than females (53.3 percent). However, employment status, income and age appear to be much more significant factors than gender when it comes to whether negotiations are taking place.



Those respondents who did indicate that negotiations had taken place (58 percent, N=307) were then asked a number of further questions in relation to representation, choice of representation, and the degree of influence they were able to exert over the negotiation process.

In relation to *representation*, the majority of employees were either represented by a group of nominated employees (48.9 percent) or represented themselves (51.8 percent). Only 5.5 percent indicated they were represented by a trade union representative in the workplace and only 1.3 percent by a union representative from outside the workplace. Given that 25 percent of respondents were members of a union this low level of union representation is quite surprising. In addition, positive comments about the role of the

union in bargaining in a subsequent section show that there was some confusion among respondents in relation to this question. It is highly likely, therefore, that there was union involvement in some negotiations by groups of nominated employees.

There is little evidence of other types of bargaining agents with only 1.3 percent indicating they had been represented by an alternative agent such as a lawyer, industrial relations consultant, or accountant. After seven years of experience with the ECA, the dominant types of bargaining agents have not altered to any significant degree.

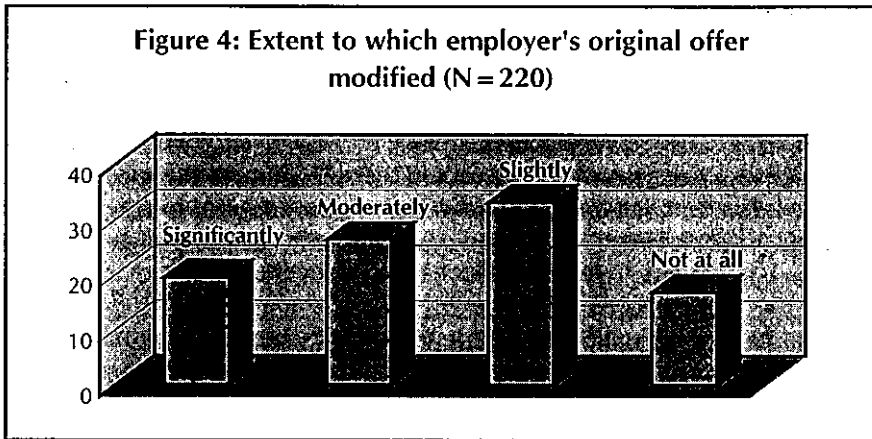
When it comes to *choice of representative*, the majority of those for whom there had been negotiations felt free to choose who represented them (75.8 percent - or 43.4 percent of the total sample). The reported freedom to choose representatives is in sharp contrast with the lack of choice over contract structure. This raises the question of how employees regard this choice given employer dominance of contract structure.

Those who reported not being able to choose their representative were more likely to be manual employees and in the lowest income group. The most common reasons given for not being able to choose were: "no opportunity was offered" (40.8 percent), "other" (38.2 percent - which included some on individual contracts having to represent themselves and some on collective contracts where union representatives or employee representatives are already selected), and "didn't know I could choose" (15.8 percent).

Those for whom negotiations had taken place were then asked whether they or their representative had raised any issues or requests for their employer to consider and the extent to which, as a result of the negotiations, the final contract was different from their employer's initial offer. The number of respondents indicating they had raised issues for their employer to consider (71.6 percent of N = 307 - or 41.1 percent of all respondents) is quite high and suggests that a significant proportion of employees are not afraid to raise issues within the bargaining process. There are only slight differences according to occupation and age but notable differences according to length of service and income with longer serving and higher income employees more likely to raise issues for their employer to consider, perhaps indicating a perception of greater bargaining power. However, even for those earning less than \$30,000, the proportion of respondents raising issues was still high at 65.6 percent (constituting 37.6 percent of all respondents earning less than \$30,000).

These results were reflected in the results of one of the opinion items in the survey. Respondents were asked the extent they agreed or disagreed (on a one to five scale) with the statement, "If I'm not happy with some aspect of my pay and conditions, I feel comfortable talking about it with my boss". Roughly two thirds of respondents (65.5 percent) agreed or strongly agreed, while only 23.4 percent disagreed or strongly disagreed with the statement.

For those who had been able to have some input in the bargaining process, a significant proportion of their suggestions had resulted in modifications to their employer's initial proposals (see *Figure 4*).



Over 40 percent reported that their employer's initial proposal was modified significantly (19.5 percent) or moderately (26.4 percent) by the issues they raised. Interestingly, females were more successful than their male counterparts at modifying their employer's proposals, as were older employees, professionals, longer serving employees and middle and higher income earners. There were, however, many who were unable to exert influence over the bargaining process with 33 percent reporting that their employer's contract was modified only slightly and 16.9 percent not at all. Some 4.1 percent were unsure.

In summary, a mixed picture of the quality of employee choice and influence emerges from the study. Proponents of the ECA claim that the legislation enables employers and employees to negotiate mutually beneficial contract arrangements to suit their individual needs, and this study shows this is the case for a significant proportion of employees. Respondents in this group are able to raise bargaining issues with their employer, exert some influence over the process and are generally satisfied with their contract outcomes. These respondents are more likely to be full-time, experienced employees, in professional occupations and in middle to higher income brackets. In contrast, there is another group of respondents who have little choice in relation to bargaining and representation, who often have no negotiation, and even when negotiation does occur are unable to exert much influence. These employees are more likely to be part-time, in less skilled occupations and on lower incomes. Segmentation in the labour market emerges from the survey as an important issue in relation to bargaining processes and satisfaction with contract outcomes.

Union membership and effectiveness

One in four employees in this survey (25.5 percent) is a member of a union, a figure consistent with Boxall’s (1997) calculation of union density in New Zealand at the end of 1996, suggesting that union density may be stabilising around this level. Union membership is concentrated among older, longer serving and middle income respondents. Among the young, union density is particularly low at only 10.5 percent of those under 25. It is highest among the 40–59 age bracket at 33.1 percent. Newer employees are also far less likely to be union members with union density only 8.5 percent for those who have worked for less than 12 months with their current employer. As Table 3 depicts, union membership seems to rise significantly with length of service. High levels of staff turnover are clearly problematic for union organising.

Table 3: Union membership by length of service (N = 533)

	Total Sample	0 to 12 Months	1 to 2 years	Over 2 years
Union member (%)	25.5	8.4	12.3	34.7
Not a union member (%)	73.7	89.9	87.7	64.7

Those who were union members were asked to list some of the advantages of being a member. Respondents cited individual support (40.5 percent), bargaining (36.0 percent) and collective power (25.7 percent) as the most important advantages (see similar findings in Tolich & Harcourt, 1999). Far fewer respondents referred to individual benefits such as special rates or discounts (12.5 percent), indicating a preference among contemporary New Zealand union members for a classical model of trade unionism (Boxall & Haynes, 1997). Female union members were more likely to refer to individual support/back-up (45.6 percent) than their male counterparts (35.3 percent), while males were more likely to refer to the collective power of the union (32.4 percent) than females (19.1 percent). The high number of respondents who referred to bargaining and collective power is surprising given that almost no one indicated the union had represented them in negotiations. As stated previously, there appears to be some confusion in relation to who actually represents people in a collective bargaining situation.

While the overall picture is positive, respondents do report variability in union effectiveness. A large majority described their union as effective, varying from very effective (24.3 percent), reasonably effective (19.1 percent), to moderately effective (19.1 percent). Additionally, other respondents pointed to specific instances of effectiveness such as bargaining (12.5 percent) and achieving pay rises (10.3 percent). Only 13.2 percent described their union as ineffective. Few respondents were completely negative

about the advantages of membership with only 11 percent saying there were no advantages to belonging and 3.7 percent reporting their union performed poorly. Some 4.4 percent said they had never had to use the services of their union.

Those who were not members of a union were asked to specify their reasons for not joining a union. The most common reason given (40.2 percent) was that respondents see themselves as capable of representing their own interests and do not see the need for joining. Other reasons for not joining included: not knowing there was a union (13.5 percent); no union exists for this occupation (6.0 percent); don't know how to join or haven't been approached to join (13.0 percent); union inefficiency (6.9 percent); lack of power (4.1 percent); previous negative experiences (7.1 percent); cost of membership (4.1 percent); and nobody else at my work is a member (8.7 percent). There was little evidence of overt anti-union pressure from employers with only 2.5 percent indicating that their reason for not joining the union was discouragement from management. Younger respondents were far more likely to report that their reason for not joining the union was they did not know how to join or that they did not know a union existed. This indicates that high turnover among young workers poses a major difficulty for union recruitment in New Zealand.

Remuneration and conditions of employment

The majority of respondents were paid an hourly rate (58.9 percent) while those on a salary constituted 41.1 percent. Those paid on an hourly basis were more likely to be manual/semi-skilled workers, trades people or clerical/sales workers, part-time, more recently employed, and earning below \$30,000 per annum. In contrast, salaried employees were more likely to be professional, full-time, longer serving and earning above \$30,000 per annum.

A majority of both hourly wage earners and salaried earners had received an increase in the previous 12 months, though salaried earners were more likely to have had an increase (64.8 percent) than waged earners (54.7 percent). There were also very few decreases in basic rates with only 2.5 percent of wage earners and 4.1 percent of salaried earners reporting these. Given the economic climate of recession during the survey period, these results are quite positive. However, they need to be interpreted with some caution. Firstly, the survey does not measure the extent of the reported increases. Secondly, a large number of respondents (41.1 percent) had not experienced an increase in their basic rate during this 12-month period. Thirdly, the increases are not spread evenly across all groups of respondents with part-time workers less likely to have received an increase (47.5 percent) than full-time workers (62.2 percent), and those earning less than \$30,000 (51.8 percent) less likely to have received an increase than those earning over \$30,000 (65 percent). Another question showed that pay is a key concern for low paid employees. When asked about possible employment relations improvements, pay increases were

primarily asked for by those earning under \$30,000 (25.6 percent) and those earning between \$30,000 and \$60,000 (22.5 percent), while those earning over \$60,000 were more likely to answer that no improvements were needed (34 percent).

The increases in basic rates are reflected in similar increases in take-home pay with 66.4 percent reporting an increase, 24 percent staying the same and 7.9 percent reporting a decrease. The reasons given for these changes include changes to basic rates (58.4 percent), tax reductions (22.7 percent), changes in the number of hours worked (12.3 percent) and "other" (28.2 percent), which included such things as performance bonuses, promotions and job shifts. Few respondents reported changes to penal rates and overtime allowances. Thus, unlike earlier surveys (for example, Heylen 1992, 1993) where these played a significant role in changes to take home pay, these rates may now have either stabilised or been completely removed.

There appear to be few changes to other contractual entitlements. A small number of respondents reported increases in annual holiday (9.1 percent), sick leave (6.1 percent) and parental leave (1.5 percent) entitlements. Small numbers reported decreases in annual holidays (3.2 percent), sick leave (3.9 percent) and parental leave (0.9 percent).

The issue of parental leave has been topical throughout 1998 and 1999, and the results of the survey are interesting. Some 27.5 percent of respondents answered that they were unsure about their leave entitlement or that it was not applicable, despite parental leave being a universal entitlement. More interesting was the result relating to *paid* parental leave. Almost equal numbers reported being unsure whether they had paid parental leave (31.7 percent), were not entitled to it (33.5 percent) or were entitled to it (34.8 percent). Those entitled to it were more likely to be permanent, full-time employees in professional occupations.

Hours of work and work stress

A section of the questionnaire specifically asked about hours of work, flexibility in relation to work hours, the impact of unsociable work hours on family and private life, and respondent opinions about such workplace issues.

The average weekly hours worked in the survey was 39.0, with men on average working 43.0 hours and women working 34.6 hours. Full-time workers averaged 44.8 hours per week while part-timers averaged 19.2 hours per week. In effect, the average full-time worker is now employed for "five and a half" days per week. Professional and managerial occupations are working longer hours with the average for directors/managers being 46.1 hours per week. Likewise, longer serving employees are working longer hours (37.4 hours for people with 0-7 years service and 42.8 hours for people with more than seven years service). Longer hours of work are also more common among higher paid respondents with the average weekly hours worked for the three income groups being 31.0 (less than \$30,000), 44.8 (\$30,000 to \$60,000), and 48.6 (over \$60,000).

Unsurprisingly, these long hours of work for some respondents were reflected in feelings of over-work and increased stress. Approximately 60 percent of respondents agreed or strongly agreed that their work had become more stressful, while 65 percent reported that the amount of work they had to do had increased. Only 25 percent agreed that staffing levels had increased at their workplace while almost 60 percent disagreed.

One of the outcomes of the increasingly long hours of work and the higher workplace stress is a desire to work less hours. While 49 percent are happy with the number of hours they work, a substantial proportion (38.2 percent) would like to work less hours. These respondents were primarily full-time, professional, longer serving, and higher income earners, that is, the same respondents who reported working longer hours. These respondents also reported higher mean scores on the items relating to workplace stress and increasing workloads. Interestingly, these same groups of respondents also reported higher mean scores in relation to their work having become more interesting.

In an increasingly "flexible" labour market, a related and important issue is the extension of the working week into hours traditionally reserved for leisure time. A very high proportion of respondents (63.6 percent) were working outside of normal hours (8am – 6pm, Monday - Friday). Many respondents pointed to the negative impacts of such hours on family time (31.2 percent), social life (22.6 percent), quality of life (10 percent) and physical tiredness (7.1 percent), while others noted the negative impact of long hours (17.6 percent), night and weekend work (20 percent), shift work (5 percent) and early starts (3.5 percent). Only 27 percent of respondents reported few, if any, negative impacts from the hours they worked, and a very small number (4.1 percent) reported that their hours of work had advantages for their family life. It seems clear that most employees do not view the culture of long hours and the erosion of the traditional weekend in recent years as an advantage to family life.

While increasing hours of work and stress are a worry, mainly in the primary labour market, the survey indicates some under-employment in the secondary labour market. Overall, only 12.8 percent of respondents wanted to work more hours and only 6.5 percent of respondents worked for more than one employer. However, the proportion of respondents working for more than one employer is much higher for part-timers (14.1 percent) and for casuals (26.8 percent). Similarly, the proportion wanting more hours is much higher for those employed part-time (37.5 percent), on a casual basis (48.8 percent), in manual/semi-skilled employment (25 percent) or who earn less than \$30,000 (25.2 percent). With the skew in this survey away from the secondary labour market, these figures probably underestimate the reality for these groups of workers. Thus, while one of the key concerns of higher paid employees is workload stress, for lower income employees key issues often concern insufficient hours of work and income related stress.

Other issues of workplace relations

Despite the issue of increasing workload stress, workplace relations are generally rated positively, though there is definitely room for improvement. On a five-point scale (with one being very poor and five being very good), respondents rated a range of workplace issues between 3.5 and 4 (see *Table 4a & 4b* below for issues and mean scores).

The highest mean score (4.16) was for satisfaction with the job itself, while the satisfaction ratings were lower, though still positive, with the way they were managed (3.73) and with the pay and conditions of employment (3.57). The high satisfaction rating with the job itself was supported by the large number of respondents (57.5 percent) who agreed that their job had become more interesting during the previous twelve months. Only 26.7 percent disagreed with this. The major area of concern employees have is with promotion opportunities. This achieved a mean score of only 2.93. The mean score on job security (3.74) was surprisingly high given the period of economic recession.

Table 4a: Employee opinions of employment relations issues (N=534)

Job Aspect	Mean
Communication from management to staff	3.57
Employee trust in management	3.55
Co-operation between staff and management	3.81
Employer’s Concern for employee health and safety	3.98
Job security	3.74
Opportunity to gain more skills on the job	3.72
Opportunity to gain more skills or education off the job	3.39
Promotion opportunities	2.93
Employer’s attitude to responsibilities at home	3.78
Overall satisfaction with the way you are managed	3.73
Overall satisfaction with the work you do	4.16
Overall satisfaction with current pay and conditions of employment	3.57

Note: The mean scores are calculated on the basis of a 1 to 5 point scale: 1 = very poor, 2 = poor, 3 = fair, 4 = good, 5 = very good.

When asked about things they would like to see changed at work to help make work more satisfying, the most common response was “nothing” or “everything is fine” (21.5 percent). There were also, however, a very wide range of practical responses such as better communication (11.2 percent), more staff to lessen workloads (9.4 percent), pay increases (8.4 percent), and better working conditions (8.4 percent). The wide range of suggestions may indicate that there is no one burning workplace issue facing employees, or it may be a result of the survey covering the entire labour market. What the results do show, however, is that many employees do have practical ideas about improving work and that a more participative management style would enable employers to tap these ideas and in doing so, improve job satisfaction and productivity.

Table 4b: Employee opinions of employment relations issues (N = 534)

Statement	Mean
My work has become more stressful over the last twelve months	3.41
My work has become more interesting over the last twelve months	3.39
The amount of work I have to do has increased over the last twelve months	3.61
Staffing levels at my work have increased over the last twelve months	2.57
If I'm not happy about some aspect of my pay and conditions I feel comfortable talking about it with my boss	3.47
I frequently think of quitting my job	2.45
I am likely to leave my job within the next twelve months	2.53
Over the last twelve months it has become easier for me to balance the demands of my job and my responsibilities at home	3.21

Note: The mean scores are calculated on the basis of a 1 to 5 point scale: 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree.

The survey also asked about any other important changes that had happened at work. Two-thirds reported no major changes while the changes mentioned by other respondents covered a very wide range of issues. Radical restructuring seems to be less common now than it has been, although restructuring (five percent) and redundancies (four percent) still scored higher than most other changes mentioned.

These generally positive ratings of workplace relations must be interpreted in the light of the survey findings on intention to leave. The majority of respondents disagreed with the statements “I frequently think of quitting” (66.4 percent) and “I am likely to leave my job within the next 12 months” (60.6 percent). However, there were still significant numbers of respondents indicating they frequently thought of leaving (26.8 percent) and were likely

to leave within 12 months (28.7 percent), which must be of concern to employers given the direct costs involved with recruitment and training and the opportunity costs of lost productivity. Intention to leave was also highest among those who have not been with their current employer for very long (39.5 percent of those with less than twelve months service).

Employee opinions of the Employment Contracts Act

While almost a third (32.9 percent) of respondents were happy with the ECA, a slightly larger proportion (37.8 percent) did wish to see changes, and a significantly large group (29.3 percent) did not have a view on whether changes were needed to the Act. Our questions were slightly different from other attempts to evaluate the ECA (for example, NZEF 1996, Hunt 1999), and thus direct comparisons of response rates are inappropriate.

There are only slight gender differences in the spread of attitudes with more men wishing to see changes (39.5 percent) than women (35.9 percent). Professional groups (44 percent) and manual workers (38 percent) are more opposed to the ECA than clerical and sales workers (32.8 percent) and crafts persons (33.3 percent). In relation to income, over a third (36.1 percent) of those earning below \$30,000 would like to see changes, and a slightly greater proportion (42.0 percent) of those in the \$30,000 - \$60,000 group would like to see changes. Only 27.6 percent of those earning over \$60,000 would like to see any changes. Desire for change was also higher among longer serving employees with 31 percent of those with one year service or less wanting change, 38 percent of those with two to five years of service, and 50.7 percent of those with more than seven years of service.

Those who want reform of the ECA think that it favours employers too much (32.2 percent), does not give sufficient power to workers (24.8 percent), allows vulnerable groups to be exploited (17.1 percent) and has brought about worsening employment conditions (11.4 percent). While some are opposed to the ECA because of personal experience, the high proportion of professionals and middle income earners wanting change suggests that many are opposed because of their perception that the Act has impacted negatively on the more vulnerable in the labour market.

While a proportion indicated they wanted the Act scrapped altogether (15.3 percent), it could be argued that most suggestions for change did not point to a desire for a radical reversal of the Act but for reforms aimed at bringing a fairer balance of rights and powers under the legislation. Thus, some pointed to the need for more protections (12.4 percent), greater rights for unions (9.4 percent) and wage increases (7.9 percent). Reasons for wanting change are set out in *Table 5*.

Table 5: Reasons for wanting change to the ECA (N = 202)

Reason for wanting changes to ECA	Percent
ECA favours employers too much	32.2
Workers need more power	24.8
ECA allows vulnerable groups to be exploited	17.3
ECA should be scrapped	15.3
More protection of workers needed in the ECA	12.4
Worsening employment conditions under ECA	11.4
Would like to see unions back	9.4
The employer will not negotiate	8.4
Wages should be increased throughout NZ	7.9
Balance the ECA more	7.4
ECA has lowered wages	6.9
Paid parental leave should be considered	5.9
Better rates for more unusual hours worked	5.4
Inequality	5.4
Other	34.7

Note: The percentages do not add up to 100 percent as respondents were able to give more than one response.

The third of all respondents who support the Act primarily do so because of personal satisfaction with their employment opportunities and conditions (40.3 percent) or because they are "happy with the way the ECA is" (35.2 percent). The reasons for not wanting change are set out in Table 6. Interestingly, no support was expressed by any respondents for a greater degree of labour market liberalisation.

Table 6: Reason for no change to ECA (N = 176)

Reason for no change	Percent
Happy with my personal situation	40.3
Happy with the EAC the way it is	35.2
Don't know anything about the ECA	13.1
Idea of being able to negotiate is good	8.5
ECA doesn't affect me	8.0
I'm happy although I know others have problems	5.7
ECA is okay but not properly enforced	2.3
Other	17.0

Note: The percentages do not add up to 100 percent as respondents were able to give more than one response.

Conclusion

This survey is somewhat biased towards the primary labour market in New Zealand with an over-representation of employees on higher incomes, those with higher education, in professional occupations and in larger workplaces. Survey findings should be interpreted with this bias in mind.

The survey indicates that patterns of employment relations have largely stabilised in New Zealand workplaces. Long-term impacts of the Employment Contracts Act 1991 can now be better identified. Bargaining structures are predominantly decided by employers while bargaining representative choice and bargaining issues are influenced to some degree by employees.

Employee influence is greater among those in full-time, permanent employment, in professional occupations, or who have middle to high incomes. These employees are generally able to raise bargaining issues with their employer and are largely satisfied with their contract outcomes. However, long working hours and increasing work stress are major worries for well-paid employees. They enjoy their work but often there is too much of it. In the main, they hold positive opinions about management performance but can still find various ways in which to improve their workplaces.

On the other hand, employees characterised by part-time or casual employment, in low-skill occupations and on low incomes often have bargaining structures and employment conditions decided without their input. A significant proportion of workers in the secondary labour market find their income level inadequate. While needing the benefits of union representation, including improved awareness and advocacy of their rights, they are less likely to have access to it. Among these workers, and across the labour market generally, the reasons for and the impacts of high levels of turnover need further study.

The survey reports data that is consistent with much that we know about labour market segmentation in contemporary industrial societies like New Zealand. As such, it raises issues in terms of contract structures and processes, employee influence, turnover rates, and the balance between work and family life. In public policy terms, it underlines the pressing need to find better ways of researching worker experiences in the secondary labour market.

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