



NEW ZEALAND

WORK RESEARCH INSTITUTE

AN INSTITUTE OF AUT UNIVERSITY



FUTURE OF WORK CONFERENCE A RESOUNDING SUCCESS

AIMEE WILKINS | INSIDE AUT | ISSUE 1 2015

The success of AUT's inaugural Future of Work Conference left organiser Professor Tim Bentley in no doubt that there is an appetite for further research and engagement in this space.

At the day-long February conference hosted by the Institute, a diverse group of future of work experts and practitioners from New Zealand and Australia shared their research findings and experiences with a capacity audience.

Labour Party MP Grant Robertson opened the conference with an introduction to Labour's planned Future of Work Commission.

More than 20 speakers, including researchers from AUT and beyond, presented on topics including the mental and physical health of workers, precarious employment, teleworking, Maori leadership, diversity and the ageing workforce.

AUT's Future of Work research programme was showcased with presentations from EEO Trust, Auckland Council, Kensington Swan, MBIE and the Office for Senior Citizens, along with several AUT researchers: Gail Pacheco, Katherine Ravenswood, Tim Bentley, Angsana Techatassanasoontorn, Antonio Diaz Andrade, Marcus Ho and Gayle Morris.

"Rapid workplace change is being driven by new digital technologies, globalisation, environmental pressures, changing workforce demographics and new forms

of social interaction," says Bentley. "The changing nature of work has big implications for the New Zealand economy and for employers, educators and workers."

"The people who came along to the conference included policy makers, employers and HR professionals keen to get a big picture overview of this evolving area. When they take conference insights back to their organisations and businesses it helps to inform decision-making and planning for the future. As researchers we get a lot of satisfaction from knowing that not only is our research being published and read by other academics, but also that our insights are being understood and used at the grass roots level as a result of events like this."

NEWS

April 2015



ISSUE 19

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First word

Associate Professor Gail Pacheco



This edition of the NZWRI newsletter contains a wide array of information, from numerous contributors. To begin with the year started with a flurry of activity, including a packed-out Future of Work Conference. The aim of the conference was to showcase the progress and outcomes for a myriad of projects that have resulted from the Strategic Research Investment Fund we received in 2014. The conference also illustrated the engagement with both the private and public sector that the Institute benefits from – we had presentations from Auckland Council, MBIE, Office for Senior Citizens, and Kensington Swan Lawyers.

Another highlight of this first quarter was the launch of a new research group within the Institute. We welcome Professor Edwina Pio to the Institute's leadership team, as the leader of the Immigration and Inclusion research group. It was formally launched by the Vice Chancellor on the 1st of April. This was done at the Stakeholder Summit: Muslims at Work in NZ, where invited speakers addressed both Muslim and non-Muslim stakeholders from business, university, community and government.

Other recent events include the AIRAANZ conference, and a Meta-Analysis workshop. We also say thank you to Professor Stephen Teo for his substantial contribution to the Institute - he has stepped down from leadership of the Wellbeing and Performance research group. In his place, we welcome Dr Katherine Ravenswood and Dr Marcus Ho, who have jointly taken over the reins. You can follow their progress on Twitter with the hashtag #NZworkwell.

Finally, this newsletter also includes a number of media contributions, which are indicative of the breadth and multidisciplinary nature of the research within the Institute. You will notice articles ranging from workplace diversity, to managing an ageing workforce, to investigation of a temporary worker wage penalty, and the cost of youth disengagement. For information on any of these studies or further details of the research programme at the Institute, please go to www.workresearch.aut.ac.nz

Gail Pacheco

NZ WORK RESEARCH INSTITUTE POSTGRADUATE AWARDS 2015

The AUT University Business School is committed to providing opportunities for students as they continue their study at tertiary level. The New Zealand Research Institute Postgraduate Awards provide the opportunity to have an innovative and contemporary university education.

This years recipients are Tim Pratt and Ronny Tedestedt. Tim's research looks at collaboration within New Zealand's expressive civil society organisations and Ronny's research focuses on worker participation in New Zealand cooperatives.

Each year the Institute offers two awards, each consisting of a stipend to contribute to professional development, and an offer of a limited employment contract as a Research Assistant within one of the Institute's research groups. The tenure of this award is for one calendar year, the year of application.

In the news

Anti-Islam workplace bias target of summit

LINCOLN TAN | THE NEW ZEALAND HERALD | 30 MARCH 2015

www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=11425037

Edwina Pio: Muslim work summit

MIKE HOSKING | NEWSTALK ZB | 1 APRIL 2015

www.newstalkzb.co.nz/on-air/mike-hosking-breakfast-with-asb/audio/edwina-pio-muslim-work-summit/

MUSLIMS AT WORK IN NEW ZEALAND

The Vice Chancellor of AUT University, Derek McCormack announced the creation of a new research group Immigration and Inclusion, led by Professor Edwina Pio, New Zealand's first Professor of diversity. This research group, part of the Work Research Institute is devoted to the promotion of a richer and more sophisticated understanding of immigration and work. It focuses on how immigrants – including refugees – navigate the world of work; examining immigrant entrepreneurship, and the impact of immigration on diasporas.

The STAKEHOLDER SUMMIT MUSLIMS AT WORK IN NEW ZEALAND 1st April 2015 aimed to dispel myths, shed light on the Islamic culture and create understanding of the diversity within our Muslim workforce. Speaking at the summit, the Vice Chancellor noted that “some of the oldest universities in the world are Islamic. Al-Zaytunah in Tunis and Al-Azhar in Cairo date back over 1000 years and were the models for the first European universities, such as Bologna, Heidelberg, and the Sorbonne”. Invited speakers included Dr. Jackie Blue, the Equal Employment Opportunities Commissioner at the Human Rights Commission; Rakesh Naidoo, New Zealand's first ethnic police inspector; Kevin Jenkins, managing director of MartinJenkins; Sheikh Rafat, the imam at AUT; Anne Lee and Fetiya Mohammed, from the Umma Trust, and Mohamud Mohamed, Managing Director, Ethnic Perspective Advisory Services. The summit was supported by the Office of Ethnic Communities, the Human Rights Commission and the New Zealand Police. Professor Geoff Perry, Dean of the Faculty of Business and Law, extended a vote of thanks to the speakers and the participants.

The 125 participants had the opportunity to share their thoughts via round-table discussions. Enthusiastic networking was evident during the morning and afternoon breaks fuelled by delicious ethnic food.

Feedback from the summit included the following:

- Wonderful symposium. Great speakers, fantastic media cover, lovely food and terrific opportunities for networking
- An excellent event I learnt a fair few things. Most faiths appear far more similar than dissimilar
- It was very interesting and engaging
- I found the talks very informative and inspirational
- Thank you again for establishing this for us Muslims and for AUT.

It is pertinent to note that Muslims in New Zealand in 2013 constitute approximately 46,000 persons, or 1.09 per cent of the total NZ population. In addition to 39,177 mainly Middle East, Asian and African Muslims, the total includes 4353 Europeans, 1536 Pacific peoples and 1080 Maori. The summit received extensive media coverage in the NZ Herald, Botany and Ormiston Times, TVNZ Te Karere bulletin and a radio interview with Mike Hosking.

Professor Edwina Pio, New Zealand's first Professor of diversity and summit convenor.



Mohamud Mohamed, Managing Director, Ethnic Perspective Advisory Services.



Fetiya Mohammed, Umma Trust and Rakesh Naidoo, First Ethnic Inspector, NZ Police during the round-table discussions.

Recent events and engagements

29th Annual AIRAANZ Conference

Katherine Ravenswood

This year the annual Association of Industrial Relations Academics of Australia and New Zealand (AIRAANZ) conference returned to Auckland from 3rd to 5th February. The conference was co-hosted by AUT and the University of Auckland, and the organising committee comprised Julie Douglas, Katherine Ravenswood, Erling Rasmussen and Nigel Haworth (UofA). The conference was an outstanding success with around 150 registrations and 124 papers presented at the conference. This bucks a trend of slightly lower attendance when the conference crosses the Tasman to New Zealand.

The conference was a good example of collaboration and cross-institutional support with sponsors including the New Zealand Work Research Institute and the Gender & Diversity Research Group from AUT, as well as the Tertiary Education Union (TEU), MPower (Massey), and the New Zealand Employment Relations Society. Attendees came from across the world, and all parts of New Zealand, and included postgraduate students, academics (from multiple disciplines) and industry and practitioners, for example union officials and the Fair Work Commission in Australia. Our own Department of Management was well represented with members of our department chairing sessions, convening streams, reviewing papers and, of course, presenting papers at the conference.

The theme of the conference was 'Pacific Employment Relations', and the keynote speakers carried through this

focus. Dr Cybele Locke (Victoria) and the Honourable Mark Gosche spoke of women, Maori and Pacific Island people, and the importance of their activism in unions and community. While these highlighted the successes and contributions, the sad overtone was that despite this activism Maori and Pacific peoples are over-represented in low-paid jobs, atypical employment, and youth unemployment statistics.

There was a strong social programme, and two key events were the postgraduate networking breakfast which established contacts between postgraduate attendees and senior academic colleagues from AIRAANZ. The final day of the conference was welcomed in with a breakfast 'Young women, work and collectivism', which saw a rousing speech from Unite organiser Heleyni Pratley who spoke of the challenges and triumphs of organising workers in the fast food industry in New Zealand. The research panel, and these two breakfast events showed that today's younger academics and unionists can continue the activism and contribution that happened in previous decades, spoken of by the keynote speakers.

At the AGM, after the conclusion of the conference, Erling Rasmussen stepped down as President of AIRAANZ to take the role of past-president on the Executive Committee, Katherine Ravenswood was elected Secretary and Julie Douglas was elected to the Executive Committee.



Left to right: Clare Tedestedt-George (seated), Jason Thompson, Ronny Tedestedt, Erling Rasmussen, Danae Anderson (seated).

ASSOCIATE PROFESSOR GAIL PACHECO ANNOUNCED EDITOR-IN-CHIEF

The NZ Association of Economists and publishers Taylor & Francis are delighted to announce that Associate Professor Gail Pacheco has taken over the role of Editor-in-Chief of New Zealand Economic Papers for 2015-2017.

New Zealand Economics Papers is the international scholarly journal of the NZ Association of Economists Inc.

DR RAVENSWOOD APPOINTED TO “WORKFORCE INTELLIGENCE”

Dr Katherine Ravenswood has been appointed to the ‘workforce intelligence’ work stream of the Kaiāwhina Workforce Action plan. This is a joint project led by Health Workforce New Zealand and Careerforce to develop a workforce action plan for the non-regulated care workforce. Details of the workforce action plan can be found at www.workforceinaction.org.nz



WELLBEING AND PERFORMANCE RESEARCH GROUP

A group meeting was held in late February and was an opportunity for members to meet with the new co-leaders, Marcus Ho and Katherine Ravenswood.

Several items were discussed, including project and seminar funding for the group for this year, and a Twitter hashtag competition. The group’s hashtag is now #NZworkwell (thanks to Ben Kenobi and Gail Pacheco).

We also welcomed Jessica Xu (IBM) as a research associate.

DISCUSSING WORKPLACE TRENDS WITH EMPLOYERS

Professor Tim Bentley discussed workplace trends at the EMA Employer Forum meeting in February. Professor Bentley also gave an update on the recent Future of Work Conference, which covered employment law implications, the Future of Work Commission, skills challenges and the aging workforce.

“The workforce of the near future will be more flexible, collaborative and less secure, populated increasingly by older people and led by a generation with different values to their predecessors.” -- Prof. Bentley

THE ‘B’ WORD – BULLYING

Professor Bentley was also at the Employment Relations Conference in March. He spoke on the hot topic of bullying. Tim covered questions such as: When is it bullying? What else it could be. Are the guidelines doing their job? Are Employers doing their job - are you handling it right?

SAFETY 360

Professor Tim Bentley chaired the Health and Wellbeing Conference which was a part of Safety 360. Professor Bentley also spoke on the topic *Understanding and preventing workplace bullying*.

PROFESSOR BENTLEY APPOINTED TO FUTURE OF WORK COMMISSION GROUP

PRESS RELEASE: NEW ZEALAND LABOUR PARTY | 18 MARCH 2015

Professor Tim Bentley has been appointed to the Future of Work Commission’s External Reference Group, which will guide the Commission’s work over the next two years.

Labour’s Finance spokesperson and Chair of the Future of Work Commission Grant Robertson announced the membership of the External Reference Group, saying “the External Reference Group brings a wide range of knowledge and experience to this important project. We have people from business, union, academic and community backgrounds, all of whom bring specialist skills that will provide expertise to ensure the Commission meets its goals.

“We have deliberately cast a wide net to get people who will challenge us. We want to be clear that each person who has agreed to be on the reference group is doing so because they believe in the importance of the issues the Commission is considering. Their involvement should not be construed as indicating any political preference by them or their organisation.”

The External Reference Group currently consists of:

- Tim Bentley (Co-Director, NZWRI and Director, AUT Future of Work Programme)
- Michael Barnett (Chief Executive, Auckland Chamber of Commerce)
- Helen Kelly (President, CTU)
- Victoria Crone (Managing Director, Xero)
- Sue Ryall (Manager, Centre for Labour, Employment and Work, Victoria University)
- John Blakey (Chief Executive, Competenz ITO)
- Matthew Tukaki (Chief Executive, EntreHub)
- Linc Gasking (Founder and Chief Executive, 8i)

It is expected that the Group will be added to in the coming weeks.

Read more at www.scoop.co.nz/stories/PA1503/S00261.htm

META-ANALYSIS WORKSHOP

The Institute sponsored a Meta-Analysis Workshop run by Dr Damien Joseph from Nanyang Technological University in Singapore. The workshop addressed theoretical and methodological issues in the review and synthesis of results from multiple primary studies. This is the second time the Institute has run this workshop and feedback from participants was very positive.

KEYNOTE SPONSORSHIP

The Institute sponsored keynote speaker Andrea Thompson at the International Conference on Management Leadership and Governance (ICMLG) held at AUT University in February. Institute member, Associate Professor Coral Ingle co-chaired the event.

THE FUTURE OF WORK: IMPLICATIONS FOR PEOPLE, JOBS AND CAREERS

PROFESSOR TIM BENTLEY SPEAKS TO CAREER DEVELOPMENT ASSOCIATION OF NEW ZEALAND (CDANZ)
THE EZINE, AUTUMN 2014, VOL. 18, ISSUE 1 www.cdanz.org.nz

You don't have to be a crystal ball gazer to know that the work lives of the next generation are going to be unrecognisable from the way we think about work today. As the title of future of work guru Lynda Gratton's most recent book on the subject proclaims: 'the future of work is already here'. Indeed, the nature of work is changing before our eyes, and it is crucial for our economic and social wellbeing that New Zealand businesses don't get caught unawares by a tidal wave of change. In this brief essay, I outline some of the forces for change and consider their impact on the nature of future work, with a particular emphasis on the implications for workers and their careers. I will also briefly introduce AUT Business School's Future of Work Programme, which seeks to understand the impacts of changes and seeks to inform policy and help organisations leverage new ways of working.

In the future we will see a more flexible, collaborative and increasingly insecure workforce. In the future, no one is going to pay you just to show up. Organisations will increasingly rely on the participation of older workers in the workforce. Businesses will be run by a generation with different values to their predecessors and we will see a greater representation of women at the head of our organisations. These workplace changes are driven by new digital technologies, globalisation, environmental pressures, changing workforce demographics and new forms of social interaction and organising. These forces have a growing impact the structure of employment, the nature of work, and the demands for skills, and are shaping both career choices and the very notion of what a career is.

Future of work forces strongly impact the way work is organised, how, when, with who and where people work, and demands for different goods and services, and ultimately for skills. ICT has revolutionised how work and business are done. New markets have developed and technology has given people greater autonomy and flexibility at work. New digital technology has changed where work is located, and the ability to work remotely, including telework and work in the fast growing digital work-hub space, is rapidly changing the way we think about work – that is: what we do not where we are. The digital generation will not want to work in the way we do, and the commute may seem a foolish waste of productive or leisure time to our children and grandchildren! Technology is also affecting what is taught in schools and in higher education, and how it is taught and where it is taught.

Globalisation is an outcome of technological change, but is an important driver of workplace change in its own right. Outsourcing has grown considerable due to low transport and communication costs. ICT advancements have allowed work to be distributed on a global scale, and the reality of a single global market for everything is not so far away. We are now much less constrained by global boundaries and everything – including careers – is mobile.

Demographics are another major driver of workplace change. The workforce is becoming increasingly diverse, with growing ethnic diversity due to globalisation and the need for immigrant labour. Employers now need to manage up to five different generational cohorts, each with its own needs and expectations regarding work and careers. The aging population means people will have to work beyond traditional retirement age if we are to meet our national workforce and skills needs. So how will we replace the retiring Baby Boomers and their skills with less people coming into the workforce from our NZ population? Our options are simply these: retain older workers, attract more women into the workforce, increase immigrant labour. Each of these options have workplace implications. Career implications from these future of work forces include the decisions about when to retire or whether to seek a graduated retirement path. Certainly retirement behaviour is changing. We have moved from the acceptance of early retirement in the 1970s and 80s to the current drive to delay retirement and extend eligibility for super beyond 65.

Future of work forces and workplace changes have important implications for skill demands. In the same way we could have never predicted what some of today's jobs would be, we cannot claim to know what jobs in the future of work will look like. What we can do is to ensure future workers have the necessary set of core skills and competencies to be successful in the future of work. As ever, core skills of numeracy and literacy will be essential. Other skills and competencies include: adaptability and flexibility; communication skills and relationship building competency; cross-cultural skills and cosmopolitan competence; problem-solving skills and competence for novel thinking and ambiguity; trans-disciplinary skills and interdisciplinary work competence; team working and competence in cooperation and collaboration.

So what of careers? Those coming into the workforce now and in the near future will enter a work world with more global markets, meaning working overseas and away from home for long periods can be expected for some occupations. There will be an increasingly permeable boundary between work and home-life. Indeed, the 9-5 workday will be largely outmoded. Work will be less secure – and workers can never again expect a job for life with work increasingly freelance. This means individuals will be responsible for their own career development and for updating their skills. We will see more flexible organisations and work arrangements such as telework becoming more common as culture and management practice catches up with technological capability. So, what role do these factors play in career perceptions, in how we determine our career path, and for career customisation? Certainly, the individual will be in charge of their career – not the organisation. They will be highly mobile and will work across multiple projects and work teams. Commitment will be to one's profession rather than to any organisation.

Current projects and reports

2014 WORKPLACE DIVERSITY SURVEY

AUT NEWS | 31 OCTOBER 2014

The Institute, in partnership with the EEO Trust and the Chamber of Commerce, Northern, has released a report which documents findings from the first four surveys sent out quarterly to employers and business owners within the networks of the EEO Trust and Chamber of Commerce, Northern.

Survey respondents, averaging approximately 1000 individuals representing hundreds of organisations, were asked about what diversity issues were most important to them. The responses revealed wellbeing, ageing workforce and flexibility were rated as the top areas of concern. Other issues reported included bias, ethnicity, gender, bullying, and employment transition for younger staff.

Professor Tim Bentley says, “one pleasing finding from the survey was that most organisations had female representation within the leadership team (>80% of organisations) and at the governance level (>75% of organisations). Indeed, females held just under half of the roles within leadership teams or at the governance level, although the proportion of female representation decreases with increasing organisation size”.

The research found that organisations had policies or programmes to address many of the diversity issues regarded as important by respondents. This was particularly the case

for bullying and harassment, where more than 80 per cent of organisations had initiatives in place. The most notable exception was the ageing workforce, where less than 40 per cent of organisations had a relevant policy or programme.

The most commonly reported barriers to policies or programmes to address important issues were a lack of resources, lack of senior management support, resistance to change, lack of perceived need, small organisational size, and issues around specific types of staff needed in the organisation.

Flexible working arrangements were the most commonly reported diversity practice, offered by nearly 90 per cent of organisations.

The Survey aims to provide up to date information about diversity practices, and to provide a source of data for research carried out by the NZWRI, including a study of the perceptions and experiences of individual older workers in New Zealand organisations. A 2015 study will look at the challenges of managing an inter-generational workplace and its diverse and potentially conflicting working expectations.

Read the 2014 New Zealand Diversity Survey:
www.aut.ac.nz/_data/assets/pdf_file/0010/502003/NZDS-Annual-Summary-Report-to-EEO-Trust-Oct-2014.pdf



In the news

Flexibility high on wishlist

RAEWYN COURT | THE NEW ZEALAND HERALD | 24 JANUARY 2015

www.nzherald.co.nz/business/news/article.cfm?c_id=3&objectid=11390978

Your business: Working from home

CAITLIN SYKES | THE NEW ZEALAND HERALD | 3 FEBRUARY 2015

www.nzherald.co.nz/business/news/article.cfm?c_id=3&objectid=11395349

Managing an Ageing Workforce: NZ Research Report

PROFESSOR TIM BENTLEY, DR LAURIE MCLEOD, PROFESSOR MICHAEL O'DRISCOLL, PROFESSOR NATALIE JACKSON, ASSOC. PROFESSOR BEVAN CATLEY, BEV CASSIDY-MACKENZIE (EEO TRUST)

There is little doubt that New Zealand's workforce, along with its population, is aging. Internationally, the aging of society and the workforce is a dominant theme in commentaries on the future of work, as the retirement of the baby boomer generation nears. A decreased labour supply, and with it a sudden loss in skills and experience, is expected over coming years across many countries, while an aging population will put increasing pressure on health and welfare systems.

Among OECD countries, New Zealand recorded the second highest employment rate of people aged 55-64 years in 2012 and 2013, and third highest of people aged 65-69 years in 2012. In order to gain a better understanding of the current situation in New Zealand and of the issues that organisations need to address when engaging an aging workforce, the New Zealand Work Research Institute and their research partners from Massey and the University of Waikato conducted a survey of almost 300 EEO Trust organisational members.

The average proportion of older workers (55 years and over) in an organisation's workforce was 25%. Respondents had relatively positive perceptions about attitudes and behaviours in their organisations toward older workers. The majority of respondents (around 70%) felt that in their organisations older workers were appreciated and managed in an age-neutral way, while few felt that in their organisations there were pervasive negative stereotypes about older workers or biases that affected decisions by managers about older workers. Almost one-half had concerns about the medium-term (5 years) impact of an aging workforce on their industry sector or their organisation, or could see their organisation facing a shortage of highly experienced/skilled workers.

Compared to the general workforce in the organisation, older workers were perceived to be more likely to remain with the organisation and, to a lesser extent, to be more committed to the organisation and more engaged with their work. The greatest perceived benefit of employing older workers was retention of their job-related skills, expertise, knowledge and



experience. Related to this was the role that older workers play in knowledge transfer to other workers and mentoring. Just under half of respondents' organisations currently had or planned to put in place an age strategy or a diversity policy promoting older workers.

The majority of respondents' organisations currently had or planned to implement flexible work arrangements for older workers, or using older workers in a training or mentoring capacity. Other practices targeted at older workers were less prevalent, or even uncommon, in respondents' organisations. Further research in 2015 will examine the perceptions of individual older workers from a sub-sample of the organisations who participated in this study.

Read the full report: www.workresearch.aut.ac.nz/Media-and-publications/all-publications

In the news

Bosses ignoring elderly - survey

Nikki Preston | The New Zealand Herald | 2 January, 2015

www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=11381119

Older workers 'least used' option: report

Catherine Harris | The National Business Review | 16 March, 2015

www.stuff.co.nz/business/better-business/67415599/older-workers-least-used-option-report

Report finds Kiwi organisations ill-equipped for ageing workforce

Chloe Taylor | HRM Online | 19 March 2015

www.hrmonline.co.nz/news/report-finds-kiwi-organisations-illequipped-for-ageing-workforce-198260.aspx

Many reasons to take a real break from work, says AUT expert

AUT University News | 22 December 2014

www.news.aut.ac.nz/news/schools/business/many-reasons-to-take-a-real-break-from-work,-says-aut-expert?SQ_DESIGN_NAME=business

For most New Zealanders summer means a big break from work and the chance to unwind with family and friends. And Professor Tim Bentley, director of AUT's NZ Work Research Institute says there are more reasons than ever to 'switch off' properly.

Bentley has noticed attitudes to breaks and holidays changing, with some workers reluctant to step away from their jobs for any length of time. Our increasing connection to our work via technology coupled with a desire to keep a firm grip on our jobs mean many of us are blurring the lines between work and downtime, says Bentley.

"Workplaces are increasingly competitive places, but instead of thinking about time away from work as wasted time, we should see holidays as a way to stock up on the energy we need to remain productive and valued in our jobs," says Bentley.

He says holidays definitely shouldn't be seen as a time to catch up on work – anyone who is that busy at work should talk to their manager about workload and getting some extra resources to help.

Bentley says some people are forgoing not just long holidays, but also daily and weekly 'downtime', by remaining connected to their work via technology like smartphones.



"The workday used to end when we left the office, but now the lines are getting blurred by the constant presence of our work via technology. Having a break takes more self-discipline than it used to because we have to resist that blurring of and create boundaries. This lack of downtime during the year is yet another reason to step away from work completely on a regular basis, says Bentley.

"Taking a break can be difficult if you are a small business owner or in an organisation with a strong emphasis on time spent in the office. But we have to move away from the 'always on' mentality, and accept that healthy work involves a balance of effort and rest."

Read more

Holidays essential to recharge yourself

Donna McIntyre | The New Zealand Herald | 10 December 2014

www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=11371516

RACE RELATIONS DAY

In March Professor Edwina Pio was invited to a function at Government House as part of Race Relations day. Race Relations Day celebrates the diversity amongst people who represent the many communities who have chosen to make New Zealand their home.

Read the Governor General's speech:

<https://gg.govt.nz/content/nationhood-neighbourhood>.

Professor Pio has also been invited to judge the finals of the Race Unity Speech awards for 2015 and presented a paper on *Indian Migration to the Pacific and Indian Ocean States* at a workshop in Christchurch.



Bullying prevention



Worksafe New Zealand has developed guidelines for employers designed to address workplace bullying and its negative impacts. These guidelines were released in February 2014. The [Preventing and Responding to Workplace Bullying Guidelines](#) have yet to be formally evaluated with a representative sample of end-users – New Zealand employers.

The NZ Work Research Institute, in collaboration with Massey's Healthy Work Group, are evaluating the guidelines for Worksafe NZ to determine their impact on employers' awareness of the guidelines and their content and any bullying prevention activities resulting.

If you are a manager or professional responsible for health and safety and/or human resources, we would like to interview you as part of this evaluation. The nature of the questions will require you to reflect on the Worksafe workplace bullying guidelines, your awareness of the guidelines and their content.

If you would like to know more about this study, please contact Danae Anderson danae.anderson@aut.ac.nz, NZ Work Research Institute Senior Researcher.

In the news

Bullies at Work-And How to Stop Them

Donna Chisholm | North and South | 1 March 2015

blog.beintent.com/wp-content/uploads/2015/02/north-and-south-article.pdf

Professor Tim Bentley says the commonest question he's asked is what bullying actually is, with some trying to excuse it as harmless banter, or simply requiring staff to do their jobs properly, and suggesting workers should just "toughen up". "There's a lot of that in New Zealand..."

The Worksafe bullying guidelines will increase pressure on companies to step up efforts to tackle bullying. "Up till now, they haven't known what it is and what to do about it - now they do."

Boss or Bully?

Dr Mary Grogan | MiNDFOOD | 1 March 2015

www.mindfood.com/article/boss-or-bully-how-to-deal-with-workplace-bullying/

The article has some useful advice on what to do if you're being bullied at work. Familiarising yourself with the behaviours that constitute bullying is a good start. Professor Bentley suggests carefully documenting what happens and when. It is also a good idea to talk to someone you can trust.

Everyone has the right to a safe, non-threatening work environment and the bullying guidelines are a step closer to achieving that.

TEMPORARY VS. PERMANENT EMPLOYMENT: IS THERE A WAGE PENALTY?

Gail Pacheco and Bill Cochrane

<http://briefingpapers.co.nz/2015/03/temporary-versus-permanent-employment-is-there-a-wage-penalty/>



Over recent years there has been an upsurge in the number of workers ending up in temporary employment (see for example De Cuyper et al., 2008). There are a number of reasons for the upsurge ranging from free choice whereby workers choose temporary work because of inherent and preferable characteristics such as greater flexibility whereas others end up in temporary employment because of a lack of suitable permanent employment opportunities. Many workers enter temporary employment hoping that it will eventually turn into a permanent contract.

In NZ, approximately one in ten employees were working in temporary jobs, based on the survey of working life 2008 and 2012 waves (SOWL). In general, workers on a temporary contract were more likely to be female (62%), younger, of Maori or Pacific ethnicity (15%), have lower educational attainment, be a sole parent, working part-time (51%), and work in agriculture, forestry, fishing; accommodation and food services; or education and training.

A recent study by Comi and Grasseni (2012)[1] analysed the wage gap between temporary and permanent jobs across Europe, and found evidence that permanent workers with the same characteristics as their temporary counterparts would receive a wage premium in almost all countries considered. This result was also consistent across the wage distribution, and suggested widespread discrimination against temporary workers. Their finding is in line with the 'insider/outsider' argument, whereby there is greater employment protection for permanent workers (the insiders), relative to temporary employees (the outsiders). Further weight was placed on this argument when it was also found that the wage gap appeared to increase, with greater levels of employment protection.

Employment protection legislation in

NZ has weakened since 2008[2], with the introduction of the 90-day trial period for new employees (in 2010), and political intervention in the Hobbit Film dispute[3] via the Employment Relations (Film Production Work) Amendment Bill. It is therefore timely to investigate the existence of a temporary wage penalty in this country.

Of course on the face of it, it is clear that temporary workers are lower paid than their permanent counterparts. Using SOWL, we find the hourly wage for a temporary employee is \$17.4, and for a permanent employee is \$20.8. However, much of this gap is due to observed differences in the characteristics of the worker, their job and their occupation / industry. For instance, we find that 42% of this gap is explained by personal characteristics such as age, gender, ethnicity and qualification; and another 51% is explained by characteristics of the job, occupation, and industry; leaving a mere 7% of the wage gap as unexplained, when using standard decomposition techniques.

It is important to note that temporary employment in NZ encompasses a diverse range of jobs, with fixed term workers being very similar to permanent employees, and distinctly different to casual / temp agency, or seasonal workers. In fact, we find no noticeable wage difference between the average fixed term contractor and permanent employee.

Besides decomposing the wage difference between temporary and permanent workers, another method to assess the likelihood of wage discrimination against temporary workers is to be able to compare like with like. However, as natural experiments are unavailable, economists are increasingly relying on propensity score matching (PSM). This involves simulating a randomized experiment, and matching observations in the treated group (in this case, the temporary workers) with the control

group (the permanent workers), such that matched individuals are as alike as possible. This provides a valid counterfactual – such that we can ask the question, if worker A, had no change in characteristics (i.e. no change in education, age, etc.), and moved from permanent to temporary work, would there be a wage penalty involved in this move?

Using PSM we find at most an average wage penalty of approximately 10% when comparing workers with similar characteristics in all respects, except for their employment type. The penalty found is equivalent to approximately \$40 per week for a full-time load of 40 hours per week. It is noteworthy that the penalty varies markedly across the employment types. If comparing seasonal workers with permanent workers with the same characteristics, the penalty is around 7%, and this rises to 13% and 14% for temp agency and casual workers respectively. Thus showing casual employees exhibiting the most obvious signs of wage discrimination, relative to their permanent counterparts. As expected, the difference between fixed term and permanent workers with the same characteristics is a mere 2% wage penalty, and even this is found to be statistically insignificant.

In conclusion, we find a modest but statistically significant wage penalty for the average worker engaged in temporary work. This penalty varies greatly between different categories of temporary work, from close to 0 to 13-14%. It is perhaps useful to consider what this means in practice; taking a permanent employee working 40 hours a week for \$20.8 per hour and comparing them to a similar worker in temporary work the penalty amounts to around \$58.00 per week or about the amount it costs to feed a 5 year old child for a week[4].

For references see page 13.

THE COST OF YOUTH DISENGAGEMENT IN NEW ZEALAND

Prof Gail Pacheco for *Employment Today* | 1 April 2015

Young people out of employment or education are likely to have a lifetime of poorer outcomes in terms of unemployment, wages and even happiness and health. Associate Professor Gail Pacheco checks out the situation in New Zealand.

Over the last decade, interest in the economic state of the average young person has escalated and there has been growing speculation that more needs to be done to address the challenges and difficulties faced by young people in acquiring the appropriate skills for the workforce and ensuring a smooth transition into the labour market.

The rising level of New Zealand youth who are NEET (not employed, in education or training) is concerning at both the local and national level, with youth exclusion, disengagement, and overall under-utilisation in the labour market associated with serious economic and social costs.

There is a multitude of empirical evidence suggesting that young people out of employment or education are likely to have a lifetime of poorer outcomes in terms of future unemployment, lower future wages, and even reduced happiness and health.

Recent US evidence, for example, shows that early spells of unemployment may lead to a wage penalty in later years, with a six month spell of unemployment experienced at 22 years of age leading to wages that are two to three percent lower than they otherwise would have been at age 30-31.¹

There is also evidence in New Zealand of path dependence, with indications that youth who experience a long-term spell of NEET (at least five months) will experience much poorer outcomes than their non-NEET peers after two years; and that the outcomes are particularly poor for individuals who leave school between the age of 15 and 17.²

In March 2014, there were 81,500 young New Zealanders aged 15-24 who were NEET, 28,000 of them in Auckland. This equates to approximately 12.8 percent of all young New Zealanders (and 12.2 percent of young Aucklanders).



What's particularly concerning is the total number of NEET youth has grown steadily since data for this group was first collected by Statistics NZ in March 2004. While this is partly mitigated by the population growth in this age group, the rising numbers of NEET youth even prior to the 2008 recession is indicative of wider issues affecting youth that are yet to be addressed.

Figure 1 illustrates that the NEET rate (in Auckland, and NZ) is consistently lower for 15-19 year olds, relative to 20-24 year olds. This is expected as individuals in the 15-19 age group are more likely to be engaged in education. There is also evidence of seasonal fluctuations in NEET numbers – with drops in the NEET rate in quarter 4 each year, and rises in quarter 1 in many years. This is likely due to the rise in part-time and temporary work during the Christmas and summer season. It is also important to note that the steepest rise in NEET levels over the last decade has been experienced by 20-24 year olds in Auckland, with more than a 5 percentage point rise in their NEET rate over the last decade (12.4% to 17.6%).

To estimate the cost of rising numbers of NEET youth, it is possible to project the loss to productivity, measured in foregone wages, and the expected strain on public finances. Focusing on short-term costs over a one- to three-year time period, costs can be defined

as the excess cost of being in the NEET group compared to the hypothetical situation that these youth would have experienced (on average) as their non-NEET counterparts aged 15-24. There are three types of costs to explicitly consider: 1. The cost of unemployment, in terms of the expected loss in foregone earnings and tax revenue, and the expected benefit payments; 2. The cost of inactivity, in terms of foregone earnings, and benefit payments for those who are inactive and engaged in caregiving; and 3. The cost of educational underachievement. This relates to the wage differential NEET youth are likely to experience upon (re) engaging with the labour force. Once they re-enter the labour market, they are likely to find work at a lower skill level, relative to their non-NEET peers, who had a smoother transition into the workforce.

By employing the method outlined above, it can be shown that the expected short-run per capita cost (over the next one to three years) of each NEET youth in New Zealand is \$21,969. The comparable figure for NEET youth in Auckland is \$23,661, and this is primarily due to the higher wages found in Auckland, relative to the rest of the country.

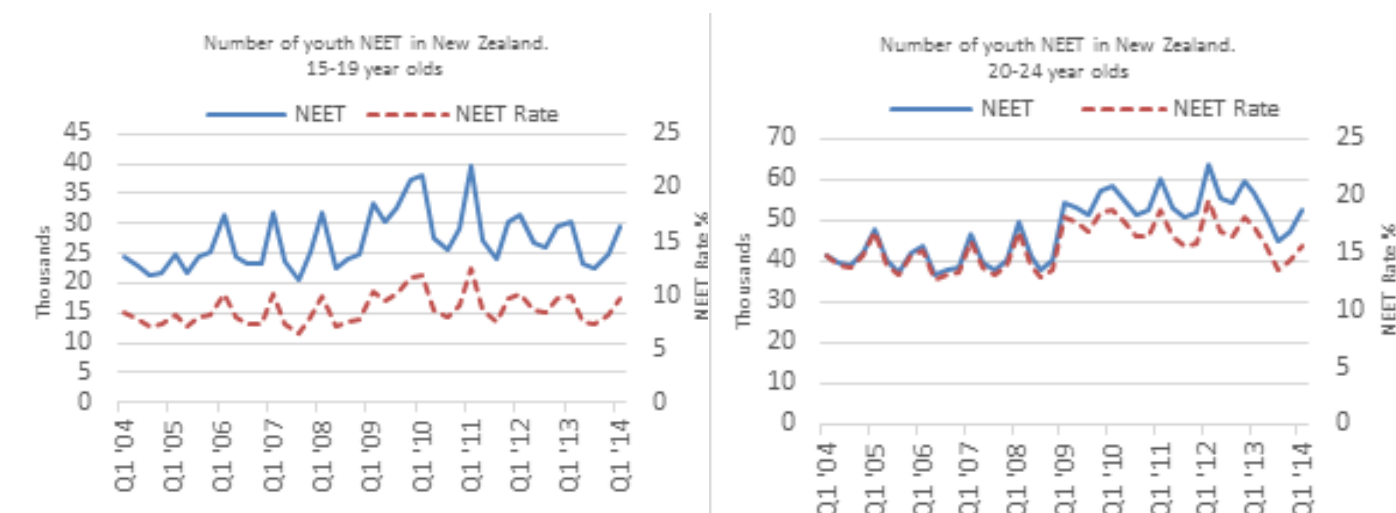
There is also significant variation in the cost associated with being NEET across

Continued on page 13.

FIGURE 1: NUMBER OF NEET YOUTH (AND THE NEET RATE) IN NZ

15-19 year olds

20-24 year olds



Source: Statistics NZ, Household Labour Force Survey.

Continued from page 12.

different ethnic groups within Auckland. In particular, the per capita cost over the next one to three years is lowest for NZ European NEET youth at \$18,178, and highest for Maori NEET youth at \$28,289, while that for Pacific Peoples NEET youth sits in between at \$22,242.

Further analysis shows that this difference is a result of the greater propensity of Maori and Pacific Peoples to disengage from the education system earlier, to withdraw from the workforce due to caregiving responsibilities at a younger age, and to experience, on average, longer durations of unemployment than their NZ European counterparts.

These costs are conservative in nature as there are numerous other costs associated with youth becoming NEET that are

difficult to quantify; for instance, poorer physical and mental health outcomes, increased substance abuse and prevalence of criminal activity. It is therefore prudent to consider these estimates as lower bound thresholds in terms of the true cost of youth disengagement.

The sizeable costs highlight the need for policy intervention directed at improving transitions from NEET status to the workforce or further education/training. The Department of Labour (2009) describes NEET individuals as “missing the opportunity to develop their potential at an age that heavily influences future outcomes”.

This article has been abbreviated.

¹ Mroz, T.A., & Savage, T.H. (2006) The Long-term Effects of Youth Unemployment. *Journal of Human Resources*; 41(2), 259-293.

² Samoilenko, A. and Carter, K. (2015, forthcoming) Economic Outcomes of Youth not in Education, Employment or Training (NEET); *Treasury working paper series*.

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[1] Based on nine European countries – Austria, Greece, Hungary, Ireland, Italy, Poland, Portugal, Spain, and the UK.

[2] See OECD (2014).

[3] See Walker & Tipples (2011).

[4] See Department of Human Nutrition, University of Otago. (2014).

The Future of Work Programme

CAITLIN SYKES, *THE NEW ZEALAND HERALD* TALKS TO TIM BENTLEY ABOUT THE RAPID CHANGE OF PACE IN OUR WORKPLACES | 3 FEBRUARY 2015

www.nzherald.co.nz/business/news/article.cfm?c_id=3&objectid=11395349

Is working from home on the rise?

"It's definitely on the rise and for a number of reasons. Firstly, there's obviously a rise in the technology that enables people to better work from home. Secondly, legislation in many countries now actually gives people the opportunity to go to their boss and say they'd like to work flexibly at least some of the time. That option used to be more just for people with caring responsibilities, but that's now being extended and people are becoming more aware of that.

And thirdly, there's an increase in awareness among employers that it can be a win-win situation; that it's not just about the flexibility needs of the employee, but that it can also have advantages for the employer. Obviously there are space and office savings, and without commuting people have more time in which to be productive. And of course the beauty of working from home at least part of the time is it helps reduce stress levels, by saving commuting time, allowing people to do the tasks that are best suited to not having interruptions, or through just the natural relaxation that comes from being in the home environment.

And when we talk about home, that could be extended. Some people will go down to the local cafe and sit and work there, for example. It's about having that flexibility, because technology means we're no longer tied to the desk in the office. So unless there's a customer facing or other specific reason why people have to be at the workplace every day, why do we have to do it other than it just being tradition and cultural practice?"

Do you think there are still fears, around people's perceptions of working from home, though? For example, around things like health and safety?

"Generally I think the fears about health and safety - and who's responsible for that when people work from home - are generally going. As part of our research we talked to more than 1000 people who worked from home and they didn't have any different health and safety concerns or problems. They had some minor ergonomic problems with their office set up, but that's something that's fairly easily resolved. If an organisation could do one thing it's perhaps give a bit of

training or instruction on setting up a home office. But the beauty of the home office situation is most people will work in different areas of the house, and it's good to work in a variety of situations and postures."

How about perceptions around productivity - that people just won't be as productive in the comfort of their own home?

"The studies show that people who work from home have lower stress levels and better wellbeing. That's got to be good for productivity, which is also what they report. What does need to be broken down is those fears that managers have that they need to see someone to know they're being productive; the number one thing that's holding us back now is cultural, not technological. The big thing is changing the way we manage, so we're not managing by hours spent working, but by what people are producing. We know that kind of management is more productive, and gives people flexibility about how they use their time and greater work life balance.

Things do have to change because Generation Z has a completely different way of thinking about how they work and communicate with others. Whether good or bad they wake up and go to bed with digital devices in their hands, and there's no way they're going to sit in traffic for an hour each way each day to sit in an office when technology enables them to work elsewhere."

But that phenomenon of always being 'switched on' can have its downsides too, can't it? How important is it to keep the boundaries between home and work separate?

"It is going to be harder and harder to separate the two, and work is becoming more and more fragmented. Increasingly we're not necessarily going to be sitting spending eight hours at a time on a task; we'll have our work split more and more into tiny tasks, which we can divide up and do at different times throughout the day. More and more we'll break away from the nine-to-five work day and it will be more about developing our personal discipline around certain times being devoted to family life or work. But because the work, leisure and home life boundaries are blurred so much it is really hard to keep them separate."

Catalyst: Future Work Spaces

Learn how AUT's NZ Work Research Institute worked with Geoff Lawrie of Cisco Systems NZ to look at the benefits of teleworking for their staff and business modelling.

- Survey into flexible work practices funded by Cisco in NZ & Australia
- Over 1700 teleworkers and approximately 100 managers of teleworkers surveyed
- Resulted in increased telework productivity and job satisfaction.

www.youtube.com/watch?v=natKR7s0aGg&list=PLR3IJD4eYfwTH-xEsmFOWQTPVXcvLE306&index=1





BUSINESS & LABOUR HISTORY GROUP

Global business practices in historical perspective

Call for Papers

You are invited to submit papers addressing the conference theme, including papers relating to accounting history, business history, economic history, labour history, management history, marketing history, tourism history, transport history and other areas of interest relating to historical research in business schools. We also invite papers / panel suggestions around teaching and pedagogy relating to business and labour history.

Plenary speaker: Professor Ray Markey, Macquarie University.

We welcome papers from researchers outside business schools who have an interest in these fields of study.

Both abstracts and full papers may be submitted. Full papers will be published in the conference proceedings. Please submit either a 1000 word abstract or a 6,000 word maximum paper for refereeing by 12 June 2015 to Simon Mowatt at simon.mowatt@aut.ac.nz

The abstract will provide:

- (i) A summary of the argument of the paper
- (ii) A summary of the findings of the paper
- (iii) A selected list of references for the paper

Papers should follow the Labour History style guide - <http://asslh.org.au/journal/style-guide/>

All authors of the abstracts will be notified by 14 August 2015 at the latest whether their abstracts or papers have been accepted for the conference.

Postgraduate Students awards

The Business and Labour History Group is pleased to be able to offer up to four competitive travel support awards for postgraduate students of NZ\$250 each. These will be awarded to the best full papers as decided by the AAHANZBS conference committee. Details of these awards, including conditions and eligibility, will be available on our website in April www.workresearch.aut.ac.nz

Member news

NEW APPOINTMENTS

Professor Erling Rasmussen has been seconded to the role of Associate Dean Academic. The secondment commenced 9 March and will run through to 18 December 2015.

Associate Professor Simon Mowatt has been appointed as Head of Department for International Business for a three year term effective from 1 February 2015.

Congratulations to Erling and Simon.



VC EXCELLENCE IN TEACHING AWARDS

Two of our members, and leading teachers, received the VC's Excellence in Teaching Award in February. We congratulate Dr Angsana Techatassanasoontorn from Business Information Systems, and Professor Simon Mowatt, (formerly) Management.



GRADUATION SUCCESS

Two institute members received a Doctor of Philosophy at the graduation ceremony last December: Karen Lo and Maria (Pita) Ponce-Pura.

Karen studied in the Management Department, with Associate Professor Keith Macky and Professor Edwina Pio as her supervisors. The title of Karen's thesis is, "Contextualising the Requirements for Human Resource Competencies".

Pita also studied in the Management Department, with Professor Judith Pringle and Professor Ray Markey (Macquarie University, Australia) as her supervisors. The title of Maria's thesis is, "Diversity and Inclusion in a Multinational Corporation: Senior Managers' Perceptions across Three Asian Regions".

THE FIVE-MINUTE INTERVIEW WITH... GAIL PACHECO

JOHN CREEDY | ASYMMETRIC INFORMATION | ISSUE NO. 51 / DECEMBER 2014

www.nzae.org.nz/wp-content/uploads/2015/01/Asymmetric-Information-Issue-51-Nov-2014.pdf



1. When did you decide that you wanted a career in economics?

I really enjoyed economics in high school – partly due to an enthusiastic and passionate teacher, with a keen interest and focus on the policy relevance of economic models. Despite that, I entered university thinking I should major in accounting, as I had read some statistics on the fact that many of the most successful women in the world were chartered accountants. I soon realised that I could not major in a subject I had no intrinsic interest in. Postgrad study in economics furthered my enthusiasm for an academic career, as I was fortunate to have a lot of research assistant work, which peaked my interest in a broad range of fields.

2. Did any particular event or experience influence your decision to study economics?

It was probably an accumulation of life events, rather than any particular one. I grew up in Kuwait, spent time at boarding school in the UK in the mid-80s, and experienced the Gulf War in 1990. The war itself forced our family to experience life as refugees, and we escaped via Iraq to India, where I spent more time at a boarding school. In my late teens we migrated to NZ. I therefore grew up experiencing first-hand the vast differences that exist between countries and wanting to know more about the mechanisms at play behind such diverse and divergent economies.

3. Are there particular books which stimulated your early interest in economics?

My interest in the field of labour economics began during my Honours degree at Auckland, as I read the Card and Krueger book of “Myth and Measurement: The New Economics of the Minimum Wage”. It was an interesting time in minimum wage research; as there was a surge in studies dispelling many of the traditional views regarding the impact of a rising minimum wage on the labour market outcomes of affected individuals. In addition to this, there was an equally substantial rise in the number of studies criticising Card and Krueger’s work. It was interesting to watch this debate unfold and eventually become a part of it.

4. Did any teachers, lecturers or supervisors play a significant role in your early education?

As I mentioned earlier, I had an inspirational teacher for my A-level economics (high school equivalent in the British system) – although I of course cannot remember her name. I must also pay homage to my PhD supervisor (Professor Tim Maloney) – I don’t think I realised how much he had shaped my way of thinking about research, until I recently heard myself spouting similar words of wisdom / advice to my own doctoral students.

5. Do you have any favourite economists whose works you always read?

As an applied economist working in a broad range of areas including education, health and labour, I tend to read widely – but unfortunately not as much as I would like to. In the labour realm, I try to keep up with the latest research in the minimum wage space, by Neumark, Wascher, Card, Manning, and any work emanating from the Low Pay Commission in the UK.

6. Do you have a favourite among your own papers or books?

That is a tough choice to make. If I had to choose, I would probably pick a couple of my sole authored works. While I really enjoy working with colleagues on a variety of applied economics topics, there is always a sense of greater accomplishment from a sole authored piece. In particular, I would probably choose my work on revisiting the link between minimum wage and wage inequality in Economics Letters; and estimating the employment impacts of a binding minimum wage in Economic Record. The latter of these was fairly innovative at the time as no other research to my knowledge had tried to empirically construct probabilities of being a minimum wage worker, and then impose these probabilities on the distribution of workers to identify those for whom a rise in the minimum wage would be binding – instead most studies assume that certain groups will find the minimum wage binding; such as youth, or those with low levels of educational qualifications, etc.

7. What do you regard as the most significant economic event in your lifetime?

Many of my peers would often refer to the global financial crises if asked this question, but I tend to think long term and view the accelerated rate of globalization over the last 20 years as having a significant impact on how many economies across the world operate.

8. What do you like to do when you are not doing economics?

I enjoy relaxing with my immediate family, which consists of my husband, 7 year old son, and 4 year old daughter. I am also an avid spectator of many sporting codes, including being a loyal member and season ticket holder for the NZ Warriors rugby league team – to the extent that when they made the grand final in 2011; I immediately bought tickets to the game and hopped on a plane to Sydney with my then 4 year old boy!! Pity they lost – but I would do it again, in a heartbeat.