



**MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT**
HĪKINA WHAKATUTUKI

**LCE RESEARCH,
EVALUATION
AND ANALYSIS**



National Survey of Employers 2012/13

Summary Findings



**MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT**
HĪKINA WHAKATUTUKI

Ministry of Business, Innovation and Employment (MBIE)

Hīkina Whakatutuki Lifting to make successful

MBIE develops and delivers policy, services, advice and regulation to support economic growth and the prosperity and wellbeing of New Zealanders.

MBIE combines the former Ministries of Economic Development, Science + Innovation, and the Departments of Labour and Building and Housing.

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Executive Summary

This report summarises results from the Ministry of Business Innovation and Employment's National Survey of Employers (NSE) 2012/13. The purpose of this annual survey is to monitor labour market, immigration, and employment matters to improve the Ministry's evidence base for evaluating policy and answering contemporary policy questions. The survey findings are being used to inform policy evaluations and on-going policy development, for accountability reporting, and to regularly monitor current employer practices in New Zealand.

The NSE 2012/13 interviewed 1,529 New Zealand employers between October 2012 and March 2013. Respondents were asked to answer the survey questions about the business site they were currently working from, that is, for their establishment only rather than for the total enterprise.¹

Job vacancies and skills needs

Sixteen per cent of employers that had vacancies in the 12 months before the survey had a position they were unable to fill. Most commonly, employers could not fill vacancies for the following positions:

- automotive and engineering trades workers (12 per cent of those with unfilled vacancies)
- food trades workers (10 per cent)
- sales assistants and salespersons (9 per cent)
- design, engineering, science and transport professionals (8 per cent)
- health professionals (8 per cent).

Employers more commonly said they expected the number of high-skilled positions in the business to increase (20 per cent of employers) rather than the number of medium- and low-skilled positions (13 per cent and 11 per cent, respectively).

Use of trial periods

Around six out of ten employers who had hired new staff (59 per cent) had employed one or more of those staff on a trial period, and just over one quarter (27 per cent) of employers who had used trial periods said that they had dismissed at least one employee during or at the end of the trial.

Employment relations and workplace practices

Most employers (88 per cent) had written employment agreements for all employees, with smaller employers (those with up to 19 staff) less likely than larger employers (those with 20 or more staff) to say that all their employees had written employment agreements.

Just over one third (36 per cent) of businesses had one or more employees who had cashed up some of their annual holiday entitlement in the last 12 months. Cashing up was more common for larger employers than smaller employers. Among employers who did not have staff cashing up holidays, 12 per cent had a policy of not allowing employees to cash up any of their annual holidays, with the most common reasons for this being that employers wanted their employees to take their full holiday entitlement to get a break from work and that the business could not afford the extra cost.

¹Thirty-six per cent of the businesses surveyed operated from more than one site in New Zealand.

Employers were asked if their business offered various flexible work arrangements for any of their employees. Overall, 91 per cent of employers said they offered one or more flexible work arrangements. Flexible break times were most commonly offered, followed by unpaid leave, flexible start and finish times, and the choice to work part-time or reduced hours.

Around one in five employers (19 per cent) said that their business had experienced an employment relationship problem or dispute in the last 12 months requiring action or involvement by management.

Minimum wages

Just over one in five employers (22 per cent) paid the adult minimum wage to at least one employee. Few employers used the new entrants' minimum wage (2 per cent) or training minimum wage (1 per cent).

Health and safety: systems, practices and perspectives

The survey collected information on whether businesses had documented systems and records in the following areas relating to key duties for employers under the *Health and Safety in Employment (HSE) Act 1992*:

- a documented system for hazard identification and management that was actively used – 70 per cent of employers
- a documented process for investigating workplace accidents – 73 per cent of employers
- health and safety inductions for all new employees with records kept of these inductions – 56 per cent of employers.

Almost half of all employers (48 per cent) had all of the above elements in their health and safety system.

Among those employers who used contractors or subcontractors (60 per cent of employers), 54 per cent said that all contractors and subcontractors received health and safety inductions.

Employers were also asked whether they had a formal system for employee participation in managing health and safety, and 58 per cent of employers reported having such a system in place. Larger employers were more likely to have a formal employee participation system (83 per cent), than employers with 1 to 19 employees (55 per cent)².

Employers most commonly reported having the following types of employee participation in health and safety (both formal and informal):

- a regular system for health and safety communications (57 per cent)
- health and safety included as a regular team meeting item (54 per cent)
- informal health and safety representatives (44 per cent)
- elected health and safety representatives (38 per cent)
- a health and safety committee (22 per cent).

Approximately three quarters of employers (74 per cent) said that management or the business owner provided health and safety expertise and leadership within the business. Around one quarter of employers (24 per cent) reported making significant changes to their health and safety systems or practices in the 12 months before the survey. Most frequently, employers said that

² This result reflects the requirement under the HSE Act for employers with 30 or more staff to have a formal system for employee participation in managing workplace health and safety.

these changes were made in response to on-going improvements to the businesses' workplace health and safety, and improvements in industry practice.

Sixty per cent of employers agreed that the government was effective at enforcing obligations for businesses under the Health and Safety in Employment Act, while 13 per cent disagreed. The majority of employers (89 per cent) agreed that having good health and safety systems is good for their business.

Employing migrants

One in five employers (20 per cent) reported hiring a recent migrant in the 12 months before the survey³. Larger employers were more likely to have hired recent migrants (56 per cent) than smaller employers (16 per cent).

Most commonly, employers stated the following reasons for employing recent migrants:

- the migrant was the best candidate (41 per cent)
- the migrant's skills/qualifications were desirable (37 per cent).

Recent migrants were commonly hired to fill the following roles: professionals (19 per cent), low-skilled workers (12 per cent), technicians and trades workers (11 per cent), and sales workers (10 per cent).

Almost all employers (90 per cent) rated the overall performance of a recent migrant employee positively, due to their having the right attitude, being willing to learn and/or their work ethic. Other frequently mentioned reasons for rating migrant employees highly were their ability to share their experience and skills, having the skills and experience required and the very good quality of their work.

Among employers who had hired migrants in the last 12 months, 39 per cent reported that at least one employee had subsequently left. The most common reason given, by 28 per cent of employers, was that they had returned to their country of origin.

³ Recent migrants are those who arrived in New Zealand in the previous five years.

1 Introduction

This report summarises findings from the Ministry of Business, Innovation and Employment's (MBIE's) National Survey of Employers (NSE) 2012/13. This is the first summary report on the NSE and provides a basis for future comparisons.

The purpose of the annual NSE is to:

- monitor labour market, immigration and employment matters from the employer perspective
- improve MBIE's evidence base for developing and evaluating policy, and answering contemporary policy questions.

The NSE 2012/13 interviewed 1,529 New Zealand employers between October 2012 and March 2013. Approximately three quarters of the sample were interviewed by telephone and the remainder completed the survey on-line. Questions focused on the following topics:

- job vacancies and future demand for skills
- use of trial periods
- employment relations and workplace practices
- minimum wages
- health and safety: systems, practices and perspectives
- employing migrants
- migrant recruitment practices
- migrant staff performance and retention
- usefulness of Immigration New Zealand services.

The target population for the NSE is New Zealand businesses (at the geographic establishment level) employing one or more staff (in addition to the owner). The sample for the survey was drawn from Statistics New Zealand's Business Frame. Respondents (employers) were asked to answer the survey questions about the business site they were currently working from, that is, for their establishment only rather than for the total enterprise⁴.

The survey results represent the 176,400 employers in New Zealand as at October 2012⁵. Ninety per cent of these employers were in smaller businesses (with 1 to 19 employees), and the remaining 10 per cent were in businesses with 20 or more employees. Due to the large number of small businesses in New Zealand, the survey results at the total level tend to reflect the results for smaller businesses.

The maximum margin of error for the total sample at a 95 per cent confidence level is +/- 4.2 per cent. Margins of error for sub-groups, eg by industry, are larger. This summary reports on statistically significant differences in the results by business size (small compared with large) and by industry (compared with total employers). The report mainly presents proportions of employers using various workplace practices, with weighted numbers reported in some cases.

See Appendix 1 for detailed information on the survey methodology. The tables in Appendix 2 show the survey results by business size (1 to 19, and 20 plus, with sampling errors) and by the six industry groupings used for sampling and reporting.

⁴ One quarter of the businesses surveyed operated from more than one site in New Zealand.

⁵ Source: Statistics New Zealand's Business Frame.

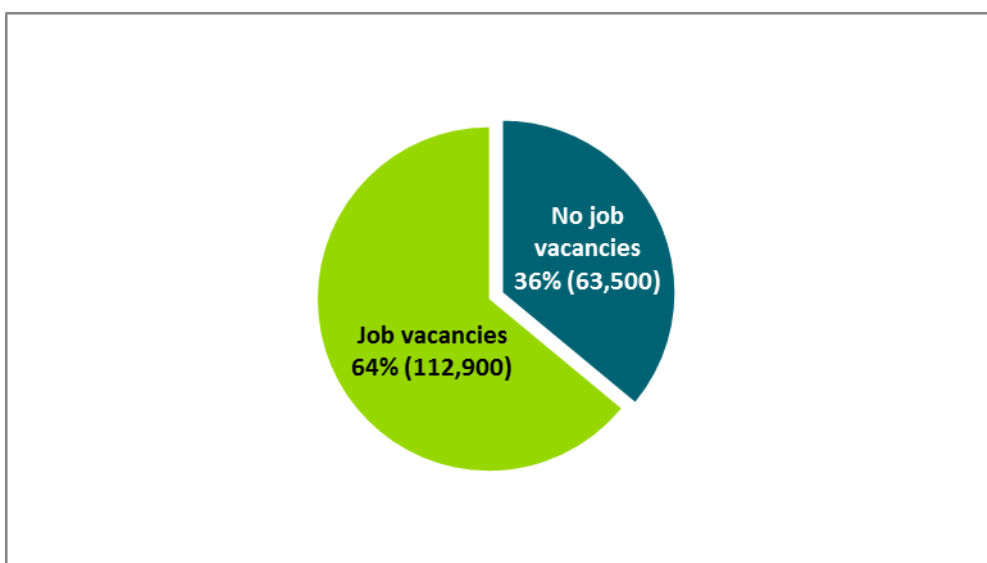
2 Job vacancies

(See Appendix 2, tables 3 to 5 and 78 to 81 for tables of results and sampling errors)

The survey started with some questions about employers' job vacancies in the preceding 12 months, difficulties experienced in filling vacancies, and the types of positions that couldn't be filled.

Almost two thirds of employers (64 per cent) reported having job vacancies in the last 12 months (see Figure 1). This equates to approximately 112,900 employers who said they had job vacancies in the 12 months before the survey⁶. As expected, due to business size, employers in larger businesses were more likely to have had job vacancies (97 per cent) than employers in smaller businesses (61 per cent)⁷.

Figure 1: Proportion of employers with job vacancies in the last 12 months



Of those employers that reported having vacancies in the last 12 months, 16 per cent had a position they were unable to fill. Again, it was more common for employers in larger businesses to report having job vacancies they couldn't fill (28 per cent of those with vacancies) compared with employers in smaller businesses (14 per cent of those with vacancies).

Most commonly, employers were unable to fill vacancies for the following positions:

- automotive and engineering trades workers (12 per cent of those who had unfilled vacancies)
- food trades workers (10 per cent)
- sales assistants and salespersons (9 per cent)
- design, engineering, science and transport professionals (8 per cent)
- health professionals (8 per cent).

⁶ See Section 1 (Introduction) for more information on weighted survey estimates.

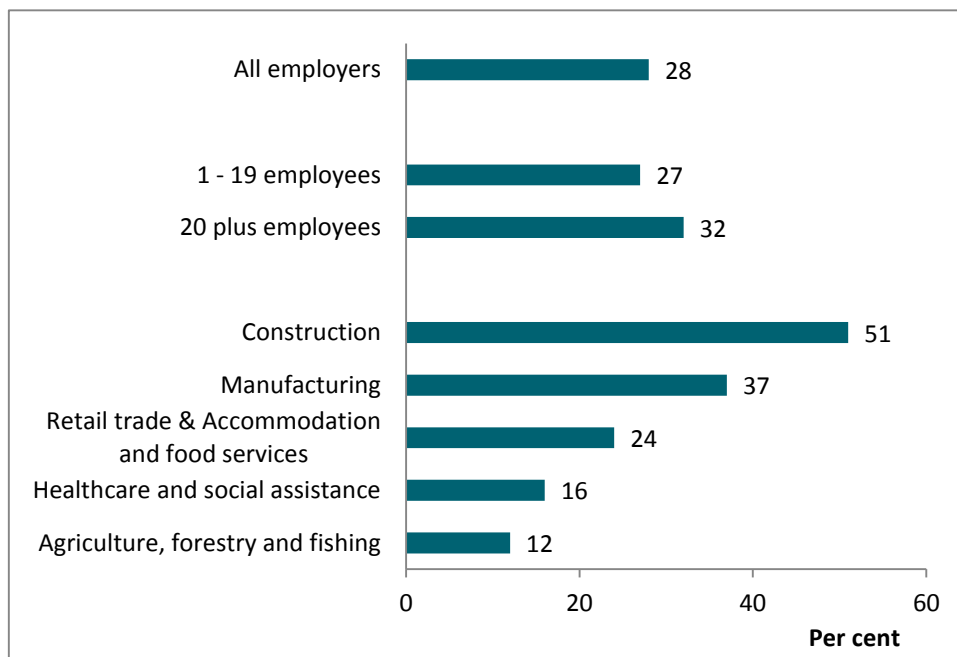
⁷ Smaller businesses/employers are those with 1 to 19 employees and larger businesses/employers are those with 20 or more employees.

3 Future demand for skills

(See Appendix 2, tables 13 to 16 and 89 to 92)

Employers were asked about the likely demand for skills, and for skills at different levels, over the coming year. Overall, 63 per cent were expecting the number of positions to stay the same, 28 per cent expected the number to increase (see Figure 2), and 6 per cent expected the number to decrease.

Figure 2: Employers expecting the number of positions to increase



Employers more commonly expected the number of high-skilled positions in their business to increase rather than the number of medium- and low-skilled positions (20 per cent, 13 per cent and 11 per cent, respectively)⁸.

Compared with total employers, those in the:

- construction sector were more likely to say they expected an increase in the number of medium-skilled positions (26 per cent)
- agriculture, forestry and fishing were less likely to expect an increase in the number of high-skilled positions (6 per cent).

⁸ For employers who were interviewed by telephone, skill levels were only defined if the respondent asked the interviewer for further clarification. The definitions provided for those who completed the interview on-line (and those who asked for further clarification during the telephone interview) were as follows. Low-skilled jobs are those that require only short-term on-the-job training. Medium-skilled jobs are those that require only a secondary school qualification. High-skilled jobs are those that require a post-secondary or tertiary qualification.

4 Use of trial periods

(See Appendix 2, tables 6 to 12 and 82 to 88)

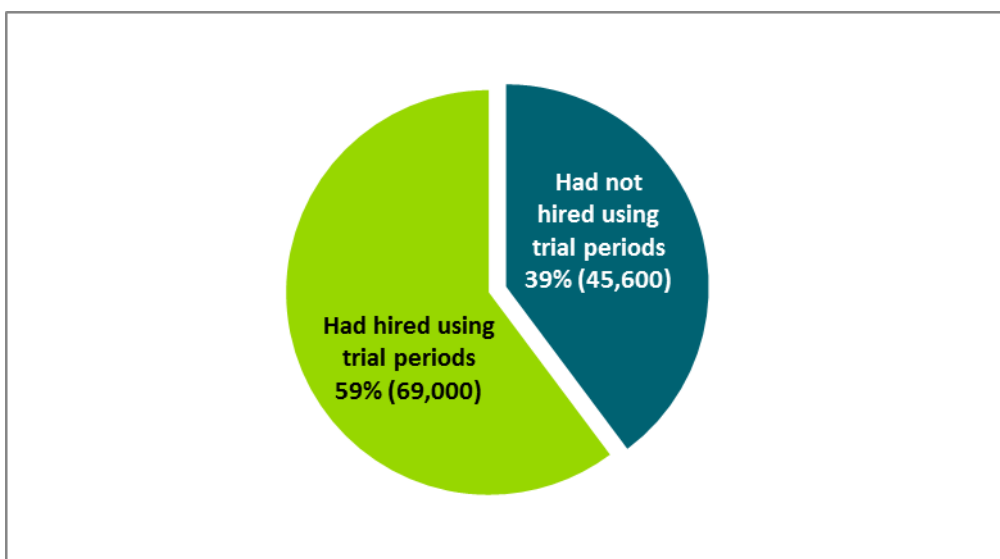
Since 1 April 2011, all employers have been able make an offer of employment that includes a trial period of up to 90 days for new employees. A key objective of trial periods is to encourage employers to take on employees and provide opportunities for people who face greater disadvantage in the labour market. In the NSE employers were asked about their use of trial periods in the last 12 months.

4.1 Rate of hiring new employees on trial periods

Two thirds of all employers (66 per cent) had taken on one or more new staff in the last 12 months (see Figure 3). Unsurprisingly, larger businesses were more likely to have hired new staff than smaller businesses (98 per cent and 63 per cent, respectively). Compared with all employers, those in the agriculture, forestry and fishing industry were less likely to have taken on staff (49 per cent).

Of all hiring employers, 59 per cent (or 69,000 employers) had employed one or more of these new staff on a trial period. This equates to around 39 per cent of all employers having taken on a new employee on a trial period in the last 12 months. Larger and smaller employers who had hired in the last 12 months were equally likely to have used trial periods when taking on new employees (60 per cent and 59 per cent, respectively).

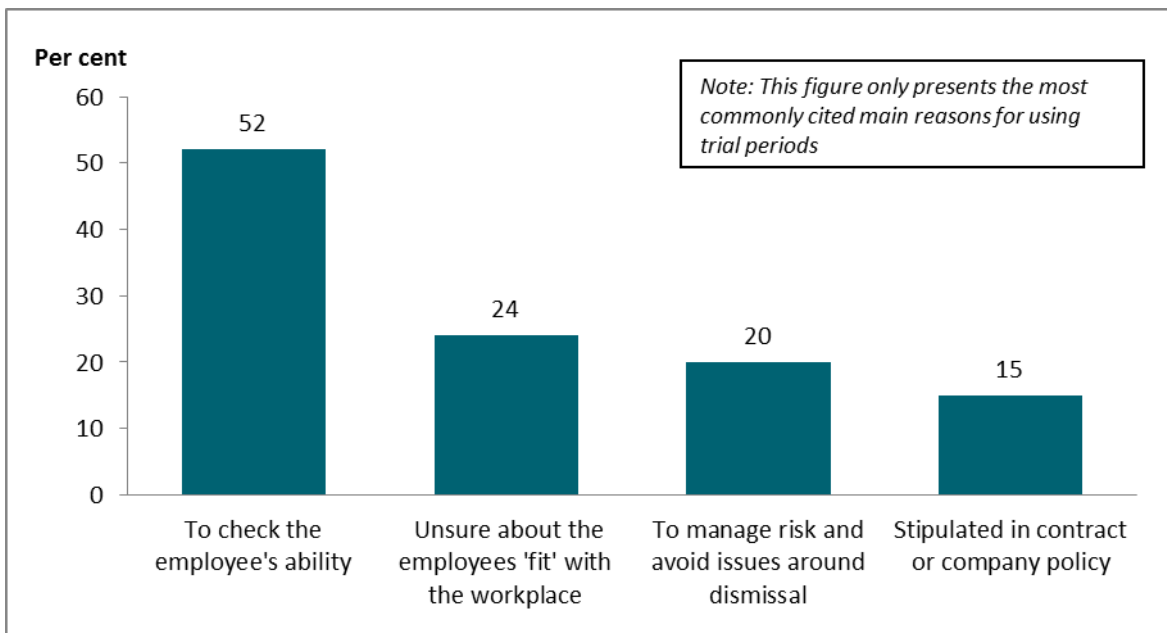
Figure 3: Proportion of hiring employers that used trial periods in the last 12 months



4.2 Reasons for using trial periods

The most commonly cited main reason for using a trial period (for the person most recently employed on a trial) was to check the employee's ability to do the job effectively before committing to employing them long-term (52 per cent of employers who had used trial periods). See Figure 4 for other main reasons for using trial periods.

Figure 4: Main reasons for employing new staff on trial periods (for employee most recently hired on a trial)



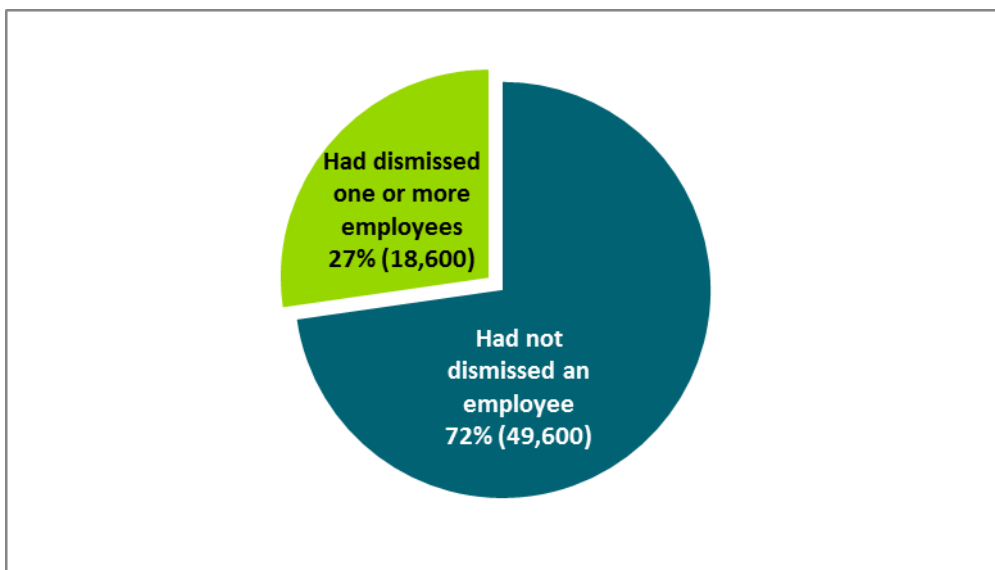
Note: This question was only asked of hiring employers who had used trial periods in the previous 12 months.

Around one third of employers who had used trial periods (32 per cent) said they would not have hired the person most recently employed on a trial if they had not been able to employ this staff member on a trial period. This result was similar for smaller (32 per cent) and larger employers (29 per cent).

4.3 Dismissal of employees on trial periods

Just over one quarter of hiring employers who had used trial periods (27 per cent or 18,600 employers) said they had dismissed at least one employee during or at the end of the trial (see Figure 5).

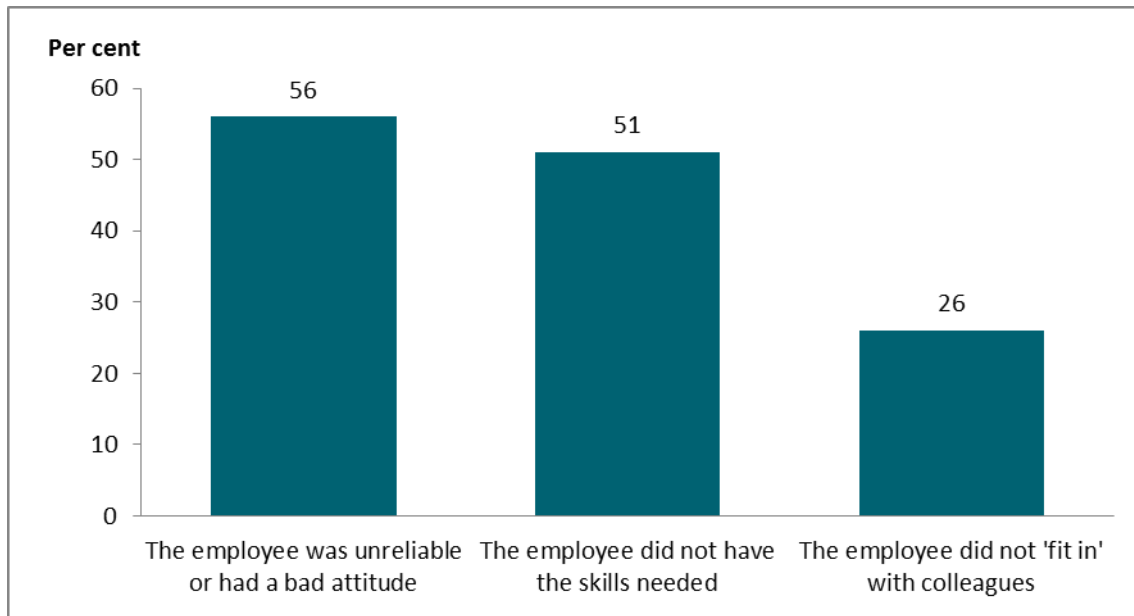
Figure 5: Proportion of employers that had dismissed an employee on a trial (of hiring employers that used trials)



Note: This question was only asked of hiring employers who had used trial periods in the previous 12 months.

When asked about the person most recently dismissed while on a trial, employers most commonly said this was because the employee was deemed to be unreliable or they had a bad attitude (56 per cent of employers who had dismissed someone), and the employee did not have the necessary skills for the job (51 per cent) – see Figure 6.

Figure 6: Most common reasons for dismissing employees who were on a trial (for employee most recently dismissed from a trial)



Note: This question was only asked of hiring employers who had used trial periods and who had dismissed someone from a trial.

4.4 Reasons for not using trial periods

Employers who had not used trial periods when employing new staff (39 per cent of hiring employers) were asked why that had not done so when hiring the person they had most recently employed. The most commonly cited main reasons for not using a trial period were:

- knowing the person's capabilities and skills (26 per cent of employers who had not used trials)
- existing practices for recruiting and dismissal were effective (19 per cent)
- trial periods were not needed when hiring for a short-term only (15 per cent)
- trial periods were not appropriate for the type of role (11 per cent)
- trial periods were not company policy/not in the contract or part of a collective agreement (9 per cent).

5 Employment relations and workplace practices

(See Appendix 2, tables 17 to 23, 29 to 31 and 93 to 99, 105 to 107)

Employers were asked about their employment relations and a variety of workplace practices, including use of employment agreements, cashing-up of annual leave, provision of flexible working arrangements and union access.

5.1 Use of employment agreements

Most employers (88 per cent) said they had written employment agreements for all employees. The key differences by size and industry were:

- smaller employers were less likely than larger employers to have written employment agreements in place (87 per cent and 99 per cent, respectively)
- employers in the agriculture, forestry and fishing industry (67 per cent) were less likely to have employment agreements for all employees compared with total employers.

5.2 Cashing up annual holiday entitlements and transferring public holidays

Employers were asked whether they had any staff cashing up annual holiday entitlements or transferring public holidays. These options were introduced in 2011 to increase choice and flexibility.

More than one third of businesses (36 per cent) had one or more employees who had cashed up some of their annual holiday entitlement in the last 12 months. This was more common among larger employers than smaller employers (56 per cent and 33 per cent, respectively).

Of those employers who did not have any staff who had cashed up holidays, 12 per cent had a policy of not allowing employees to do so. The most common reasons for not allowing cashing up were that:

- employers wanted their employees to take their full annual holiday entitlement to get a break from work (67 per cent)
- the business could not afford the extra cost (18 per cent).

Overall, 40 per cent of employers had at least one employee who had transferred a public holiday to another working day. Of these employers, around two thirds (68 per cent) said that less than 10 per cent of their staff had transferred a public holiday.

5.3 Sources of information on employment law

The Ministry of Business, Innovation and Employment was employers' most common source of information on employment law (57 per cent). Other commonly used information sources were:

- lawyers or accountants (55 per cent)
- professional bodies or trade associations⁹ (43 per cent)
- colleagues, friends or family (37 per cent)

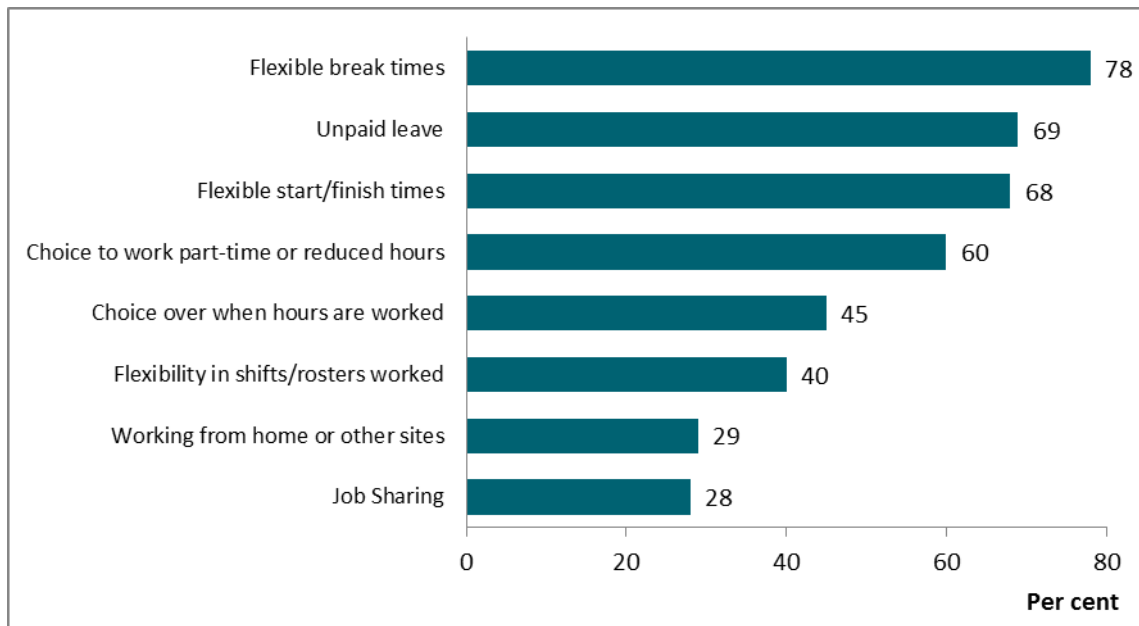
⁹ Organisations founded and operated by business for the advancement of a specific industry, such as the EMA or Master Builders.

- general media (22 per cent)
- other government organisations (21 per cent).

5.4 Flexible working arrangements

Employers were asked whether their business offered various flexible working arrangements to any of its employees. The majority of employers (91 per cent) reported offering one or more of the flexible working arrangements asked about, with flexible break times being the most commonly offered (see Figure 7).

Figure 7: Types of flexible working arrangements offered by employers



5.5 Employment relationship problems or disputes

Around one in five employers (19 per cent) said that their business had experienced an employment relationship problem or dispute in the last 12 months requiring action or involvement by management. The key differences by size and industry were:

- larger businesses were more likely to have had an employment relationship problem (50 per cent) than smaller businesses (16 per cent).
- employers in the agriculture, forestry and fishing sector were less likely to have experienced an employment relationship problem (10 per cent) compared with total employers.

5.6 Union access

Since 2011, union representatives intending to visit a workplace need to get consent from the employer first. Consent cannot be unreasonably withheld. This is to provide a balance of fairness for employers, employees and union interests.

Only 4 per cent of all employers said they had been asked by a union for access to the workplace in the last 12 months and, of these, only 2 per cent said they had denied a request.

6 Minimum wages

(See Appendix 2, tables 24 to 28 and 100 to 104)

The minimum wage is reviewed annually. Setting this rate requires balancing the benefits of any changes, such as the protection of the lowest paid, against the costs that any changes might bring. To determine the likely impacts of changing the rate, MBIE monitors the extent to which employers are using the minimum wage and the flow-on effects.

Note that the new entrants' wage was replaced by the starting-out wage in April 2013. Uptake of this rate will be reported in the 2013/14 NSE summary report.

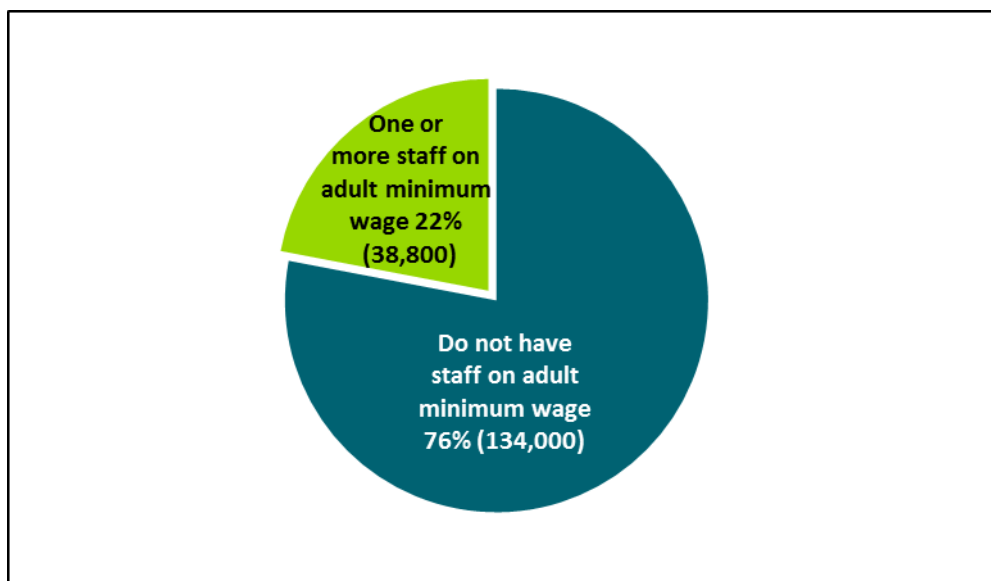
6.1 Adult minimum wage

Just over one in five employers (22 per cent) said they were paying the adult minimum wage to at least one employee (see Figure 8)¹⁰, with larger employers more likely to do so than smaller employers (30 per cent and 21 per cent, respectively).

Compared with total employers, those in the:

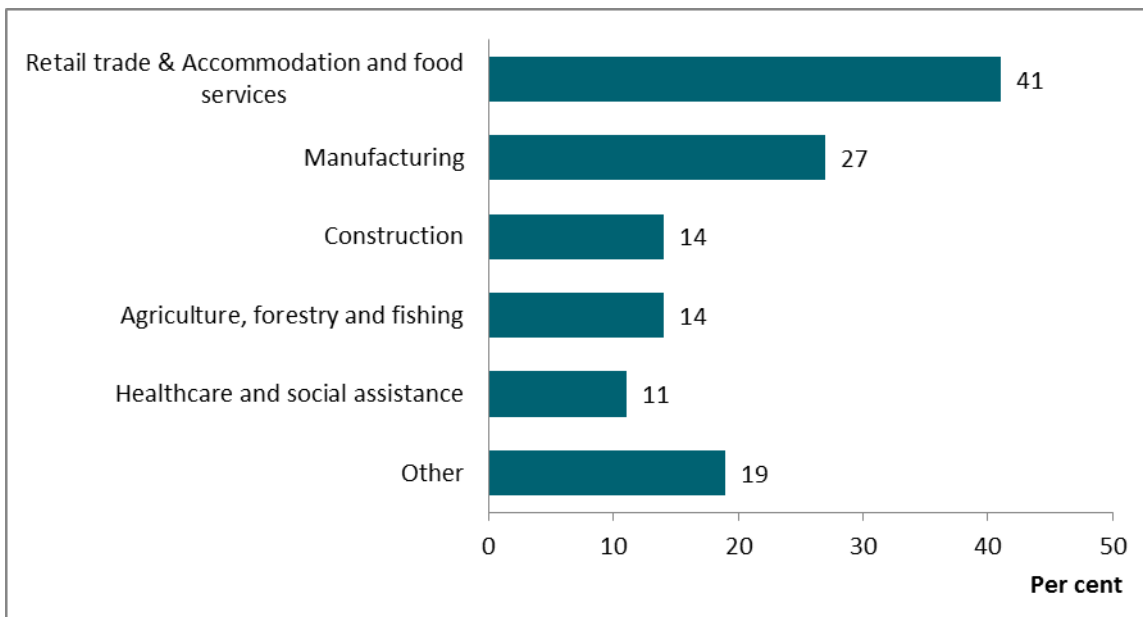
- retail trade and accommodation and food services sector were more likely to have employees paid the adult minimum wage
- health and social assistance sector were less likely to have staff on the adult minimum wage (see Figure 9).

Figure 8: Proportion of employers paying adult minimum wage to one or more employees



¹⁰ The adult minimum wage at the time the survey was run was \$13.50 per hour. The training minimum wage and new entrants' minimum wage rates were both \$10.80 per hour.

Figure 9: Proportion of employers paying adult minimum wage by industry



6.2 New entrants' and training minimum wages

Of those employers who had hired someone aged 15 to 24 years in the last 12 months (42 per cent of all employers), 5 per cent said they were paying the new entrants' minimum wage to one or more of their employees. This equates to only 2 per cent of all employers who were using the new entrants' minimum wage. Very few employers said they were paying the training minimum wage to any of their employees (1 per cent). Previous research showed a lack of awareness of the rates and the criteria for applying them. This lack of awareness is likely to be a contributing factor in the low uptake of these two wage rates¹¹.

6.3 Flow-on effects of minimum wage increases

Employers were asked whether, after an increase in minimum wage rates, their business usually increases the wages or salaries of employees who are already being paid above the minimum wage. Overall, 43 per cent of employers said they usually increase pay for employees paid above minimum wage rates in response to an increase in minimum wage rates, with smaller and larger employers similarly likely to do so (43 per cent and 48 per cent, respectively).

¹¹ See: MBIE (2012) [Employers' Perspectives – Part Two: The Minimum Wage System](#)

7 Health and safety: systems, practices and perspectives

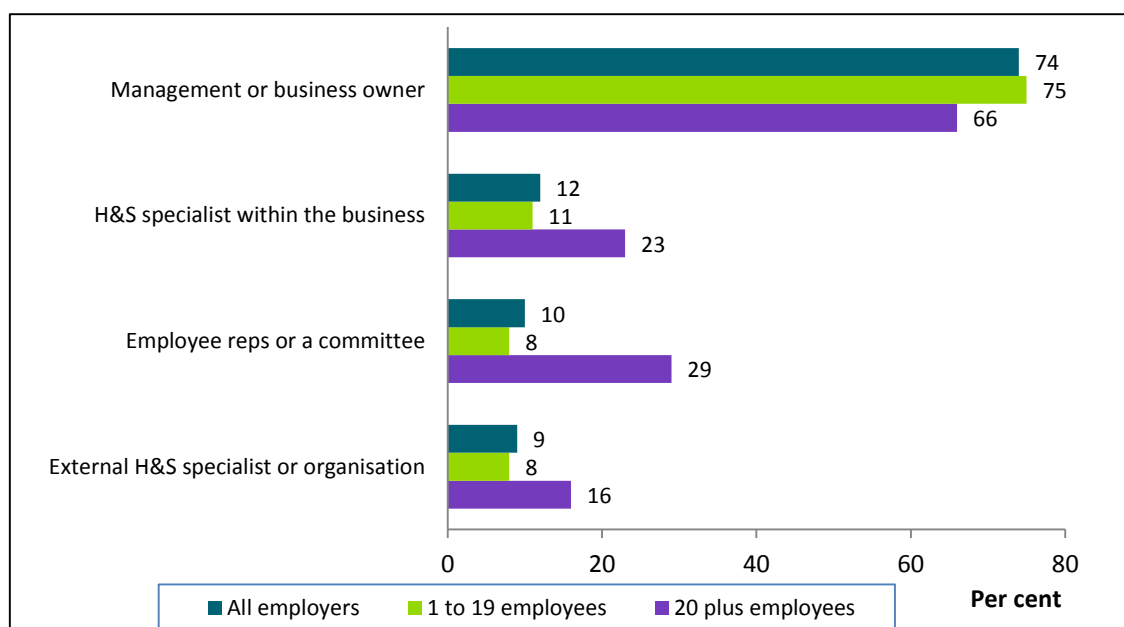
(See Appendix 2, tables 32 to 47 and 108 to 123)

The NSE collected information on health and safety leadership and systems within businesses, and employers' perspectives on health and safety. This information will serve as a baseline for evaluating the on-going reforms to workplace health and safety legislation.

7.1 Health and safety leadership, and advice

Employers were asked who provides health and safety expertise and leadership in the business. In most businesses (74 per cent), management or the business owner provided this leadership. There were some notable differences by size (see Figure 10).

Figure 10: Most common sources of H&S leadership and advice



The majority of employers (85 per cent) said that if they wanted more expert advice on health and safety matters for their business than they currently receive, they would know where to get this advice. The key results by size and industry were:

- larger employers (94 per cent) were more likely than smaller employers (84 per cent) to say that they would know where to get more expert advice if wanted
- construction sector employers (95 per cent) were more likely than all employers to know where to get more expert advice.

7.2 Elements included in workplace health and safety systems

The survey included a series of questions aimed at estimating the proportion of employers that were meeting their key duties under the *Health and Safety in Employment (HSE) Act 1992* by including all three of the following elements in their health and safety system:

- a documented system for hazard identification that was actively used¹² (70 per cent)
- a documented process for investigating workplace accidents¹³ (73 per cent)
- H&S inductions for all new staff, with records kept of every induction¹⁴ (56 per cent).

Almost half of all employers (48 per cent) had all of these elements in their system, with larger employers more likely than smaller employers to do so (82 per cent and 44 per cent, respectively). There were no statistically significant differences by industry in this aggregate measure¹⁵. These elements are reported on individually below.

7.2.1 Hazard management system

Most employers (81 per cent) reported having a documented system for identifying and managing workplace hazards. Of these, 87 per cent said that new hazards are documented in the system as they are identified or if an existing hazard changes. This equates to 70 per cent of all employers having a documented system for identifying and managing hazards that was also actively used.

Larger employers were more likely to:

- have a documented hazard management system (96 per cent) than smaller employers (79 per cent)
- regularly record new hazards or changes to existing hazards in the system (99 per cent of those who had a system) than smaller employers (86 per cent of those with a system).

Compared with all employers, those in the:

- construction sector (97 per cent) were more likely to have a documented hazard management system
- health and social assistance sector who had a documented system were more likely to record new hazards and changes to existing hazards in the system (96 per cent of those with a system).

7.2.2 Accident investigation process

Around three quarters of employers (73 per cent) reported having a documented process for investigating workplace accidents. The key results by size and sector were:

- larger businesses were more likely to have this process in place (94 per cent) than smaller businesses (71 per cent)
- construction sector employers were more likely to have a documented process (87 per cent) compared with all employers.

7.2.3 Health and safety inductions for new employees

Around three quarters of employers said that all new employees receive a health and safety induction (76 per cent). The key results by size and sector were:

- larger businesses were more likely to provide all new employees with a health and safety induction (93 per cent) than smaller businesses (74 per cent)

¹² See: Identification of hazards, section 7(1) HSE Act

¹³ See: Identification of hazards, section 7(2) HSE Act

¹⁴ See: Information for employees generally and health and safety representatives, section 12(1) HSE Act

¹⁵ The HSE Act does not specify that documentation and written records are required, but the survey asked about this as evidence of having a systematic approach.

- construction sector employers were more likely to provide health and safety inductions for all new employees (88 per cent) compared with all employers.

Among those businesses that provided all new employees with inductions:

- 73 per cent kept a record of every induction. This equates to 56 per cent of all employers who both provided inductions and kept records of those inductions
- larger businesses that provided inductions were more likely to keep a record of every induction (89 per cent) than smaller businesses (71 per cent).

7.3 Health and safety inductions for contractors

Overall, 60 per cent of employers said they used contractors or subcontractors to do some work for their business. The key differences by size and industry were:

- larger businesses more likely to use contractors or subcontractors (82 per cent) than smaller businesses (58 per cent)
- construction sector employers (92 per cent) were more likely to use contractors or subcontractors compared with all employers.

Among those employers who used contractors or subcontractors:

- 54 per cent said that all contractors and subcontractors received health and safety inductions
- larger employers were more likely to provide inductions for their contractors and subcontractors (74 per cent of the sub-sample) than smaller employers (51 per cent).

If 'inductions for contractors' (where contractors were used) is included in the aggregate measure for employers meeting their key duties under the HSE Act, the percentage of employers with all four elements in their health and safety system drops from 48 to 39 per cent.

7.4 Employee participation

Employers were asked whether they had a formal system for employee participation in managing health and safety, and 58 per cent of employers reported having such a system in place. Note that 'formal system' was not further defined for respondents¹⁶. Reflecting the requirement under the HSE Act for employers with 30 or more employees to have a formal system for employee participation in managing workplace health and safety, larger employers were more likely to have a system (83 per cent), than those with 1 to 19 employees (55 per cent)¹⁷.

The survey also asked about types of employee participation in health and safety (including both formal and informal types), and employers most commonly reported having:

- a regular system for H&S communications
- H&S included as a regular team meeting item (see Figure 11).

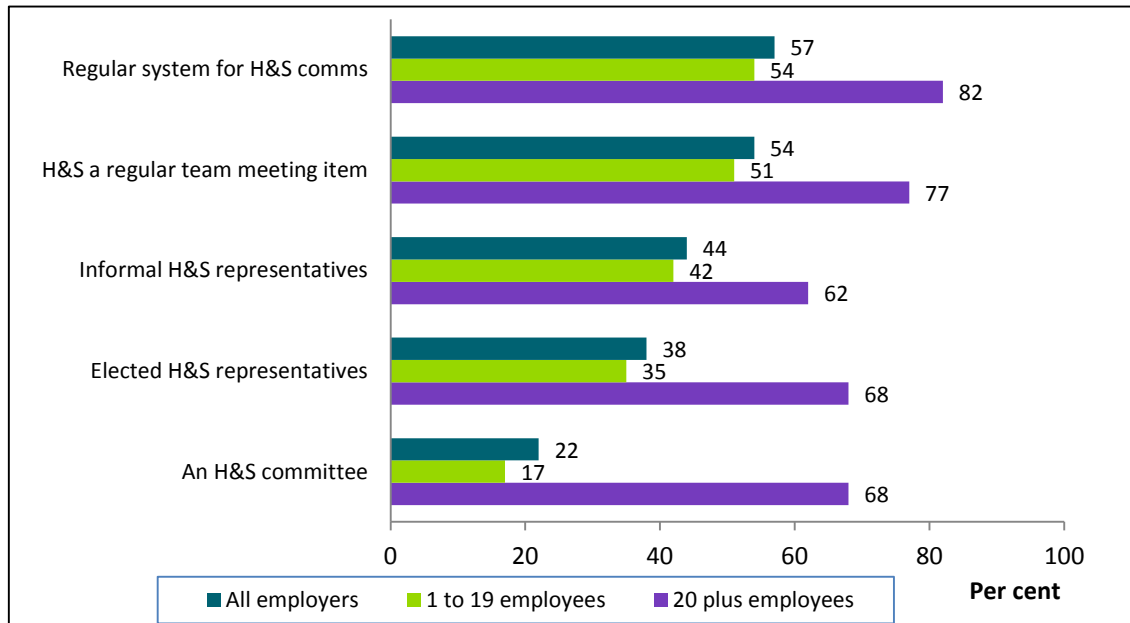
¹⁶ While using the word 'formal', this question was not limited to elected health and safety representatives and committees.

¹⁷ The requirement under the HSE Act for an employee participation system also applies "if an employer employs fewer than 30 employees, whether or not at a single location, and 1 or more of the employees, or a union representing them, requires the development of a system for employee participation".

Around one in five employers (19 per cent) said they had none of these types of employee participation in place, with smaller employers more likely to say they had ‘none of the above’ than larger employers (21 per cent and 3 per cent, respectively).

Construction sector employers were more likely to say that health and safety was included as a regular team meeting item (75 per cent) and that they had a regular system for health and safety communication (73 per cent) compared with total employers.

Figure 11: Types of employee participation in H&S



7.5 Changes made to health and safety systems

Around one quarter of employers (24 per cent) said they had made significant changes to their health and safety systems or practices in the 12 months before the survey. The key results by size and sector were:

- larger employers were more likely to have made changes than smaller employers (42 per cent and 22 per cent, respectively)
- those in the construction sector more likely to have made changes (41 per cent) compared with total employers.

Of those employers who had made changes, this was most commonly in response to:

- on-going improvements to the business’s workplace health and safety (81 per cent of those who made changes)
- improvements in industry practice (50 per cent of those who made changes).

7.6 Employer perspectives on workplace health and safety

Employers were asked about the extent to which they agreed with the following statements:

- your business owners or managers have a good understanding of their obligations under the *Health and Safety in Employment Act*
- government is effective at enforcing obligations for businesses under the *Health and Safety in Employment Act*

- having good health and safety systems is good for your business.

Most employers (82 per cent) agreed that their business owners or managers had a good understanding of their obligations under the HSE Act, with larger employers (89 per cent) more likely to agree this was the case than smaller employers (81 per cent).

Sixty per cent of employers agreed that the government was effective at enforcing obligations for businesses under the HSE Act, while 13 per cent disagreed. These results were very similar for both larger and smaller employers.

There was a high level of agreement among employers that having good health and safety systems is good for businesses (89 agreed with this statement), with larger employers more likely to agree with this statement than smaller employers (96 per cent and 88 per cent, respectively).

8 Employing migrants

(See Appendix 2, tables 48 -52 and 126-130)

Employers were asked whether they had any migrants on staff and about the types of roles that migrants fill.

8.1 Migrants on the staff

Over a quarter of employers (28 per cent) reported having a recent migrant¹⁸ on the staff (see Figure 12), and one in five had hired a recent migrant in the last 12 months (see Figure 13). Employers who had hired staff in the last 12 months were much more likely to also have migrants on staff (35 per cent, compared with 14 per cent of those who hadn't hired staff).

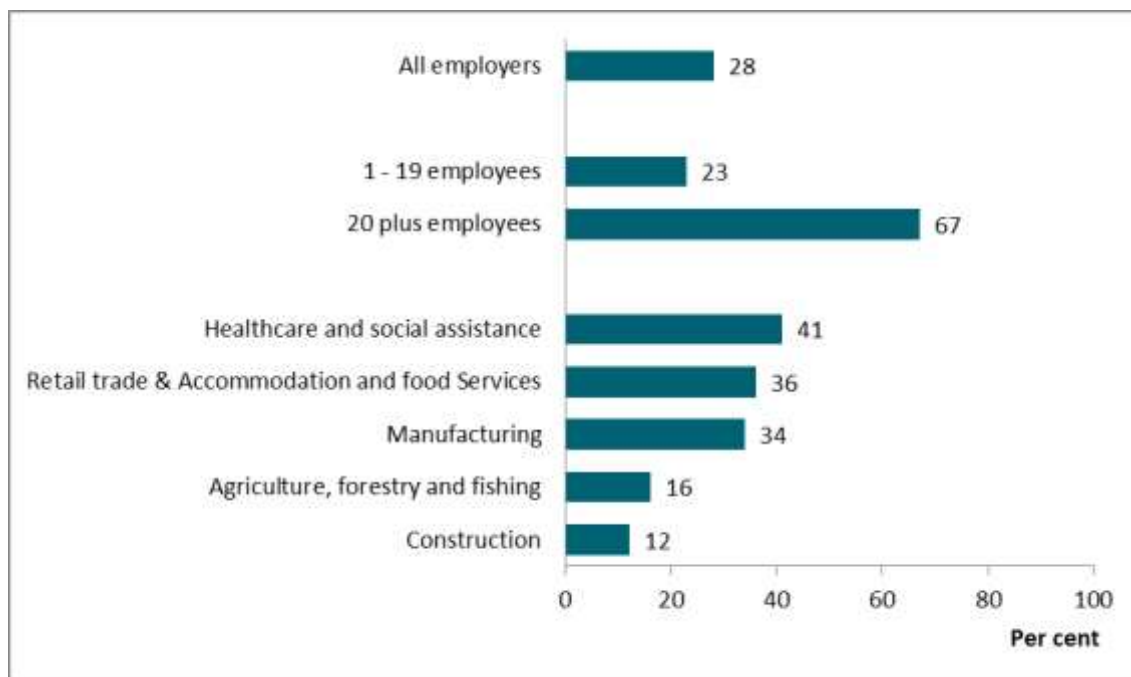
Larger employers were more likely than smaller employers to have:

- recent migrants on their staff (67 per cent compared with 23 per cent)
- employed a recent migrant in the last 12 months (56 per cent compared with 16 per cent).

Compared with all employers, those in the:

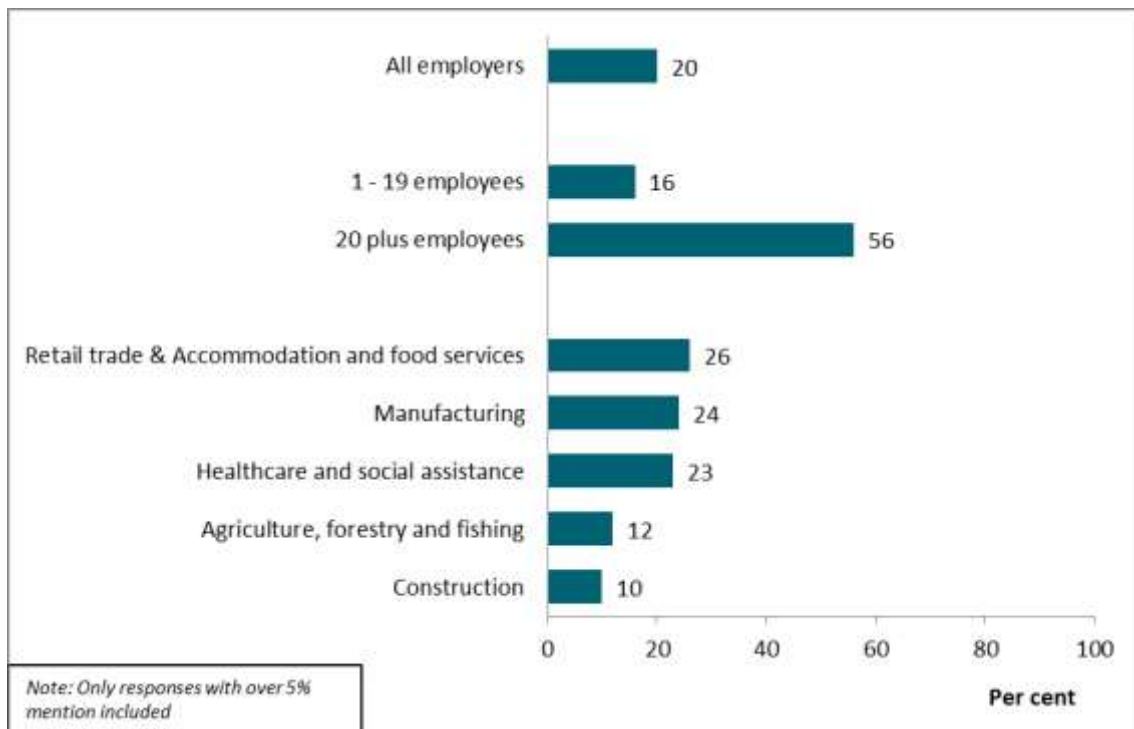
- construction sector reported lower employment of recent migrants – on their staff (12 per cent) and recruitment of recent migrants in the last 12 months (10 per cent)
- agriculture, forestry and fishing sector reported having fewer recent migrants on their staff (16 per cent). While this seems unusual, given evidence that migrants are a big part of the agriculture workforce, it may be that migrants are hired as contractors and not reflected in these statistics.

Figure 12: Firms with a recent migrant on staff



¹⁸ Recent migrant was defined as someone who was not born in New Zealand but had arrived in the last five years.

Figure 13: Firms that hired a recent migrant in the last 12 months



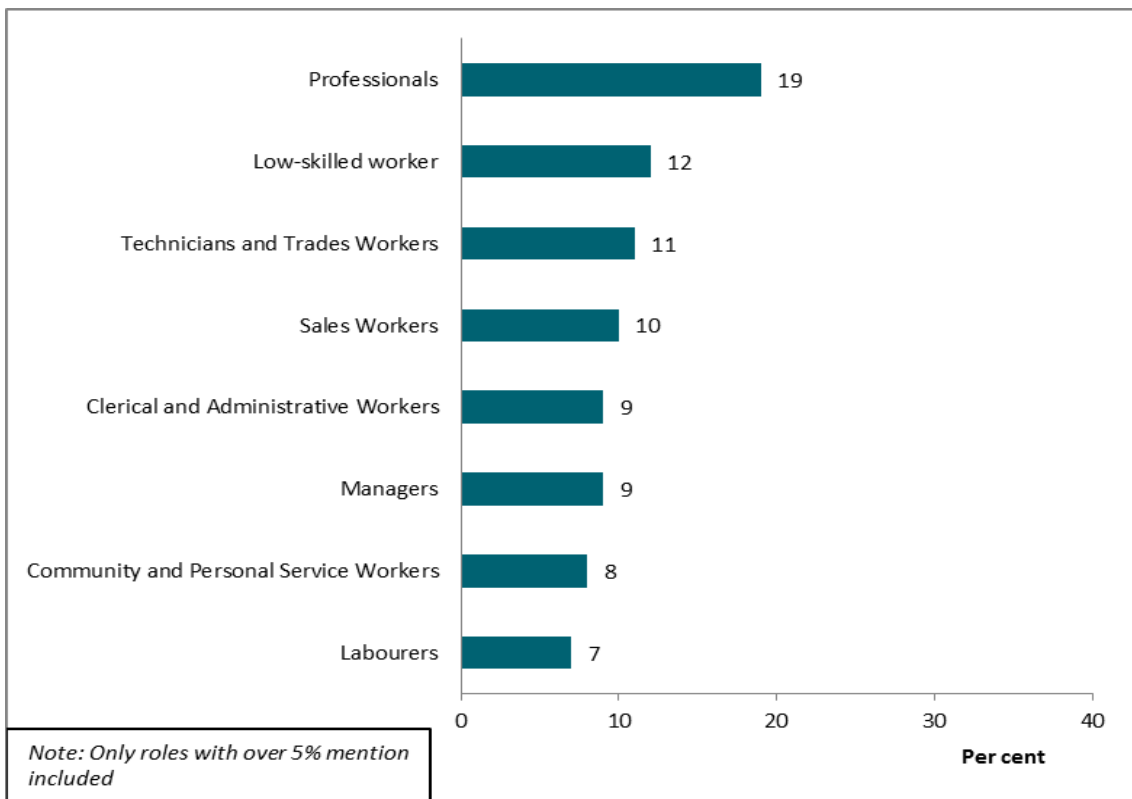
8.2 Roles filled in the business

Employers were asked which role the most recently hired migrant had filled. Recent migrants were most often recruited for the following roles: professionals, low-skilled workers, technicians and trade workers, and sales workers (see Figure 14).

Employers in some industry sectors were more likely to report hiring for certain roles:

- healthcare and social assistance sector:
 - professionals (44 per cent) or community/personal service workers (36 per cent)
- construction sector:
 - labourers (46 per cent)
- agriculture, forestry and fishing sector:
 - low-skilled workers (50 per cent)
- manufacturing:
 - low-skilled workers (35 per cent).

Figure 14: Roles filled by recent migrants



9 Migrant recruitment practices

(See Appendix 2, tables 52, 55-58 and 130,135-136)

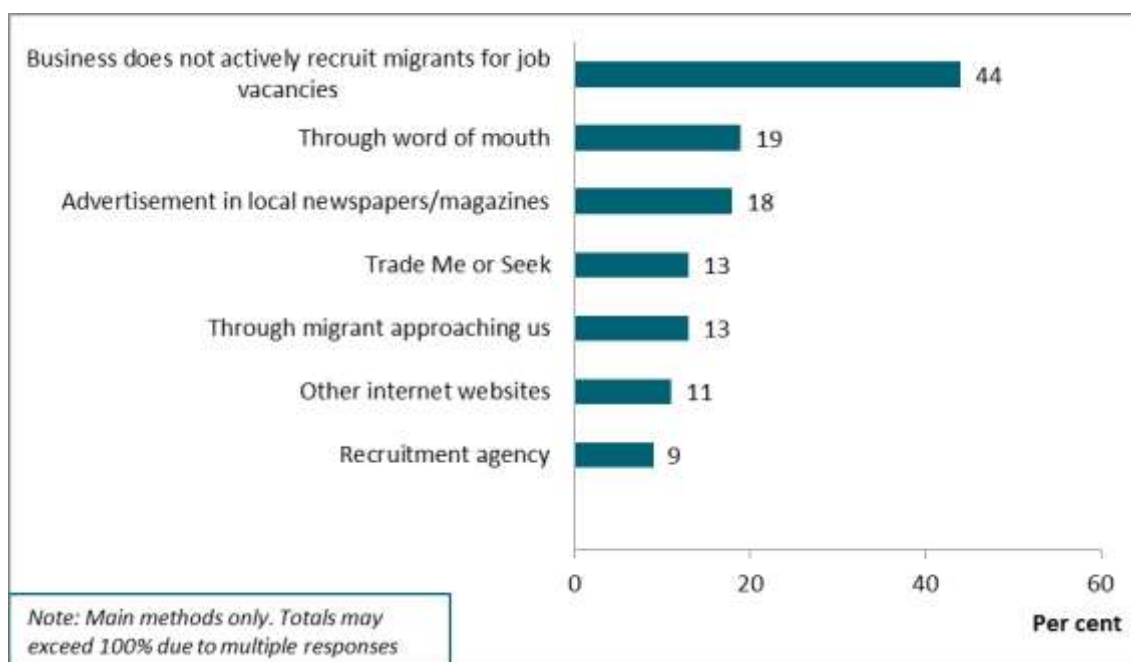
Employers with migrant staff were asked about the methods used to find suitable migrants and their reasons for hiring migrant staff. Those without migrant staff were queried on their reasons for not hiring migrants.

9.1 Method of recruitment of migrants

Businesses that had a recent migrant on their staff or had hired a recent migrant in the last 12 months were asked how they usually go about finding migrants for a role. A large majority (44 per cent) said that they did not actively recruit migrants. Some relied on word of mouth (19 per cent) or ads in local newspapers/magazines (18 per cent) to attract migrants (see Figure 15).

Compared with the industry average, employers in the agriculture, forestry and fishing sector were more likely to actively recruit migrants through word of mouth (47 per cent).

Figure 15: Methods of finding migrants

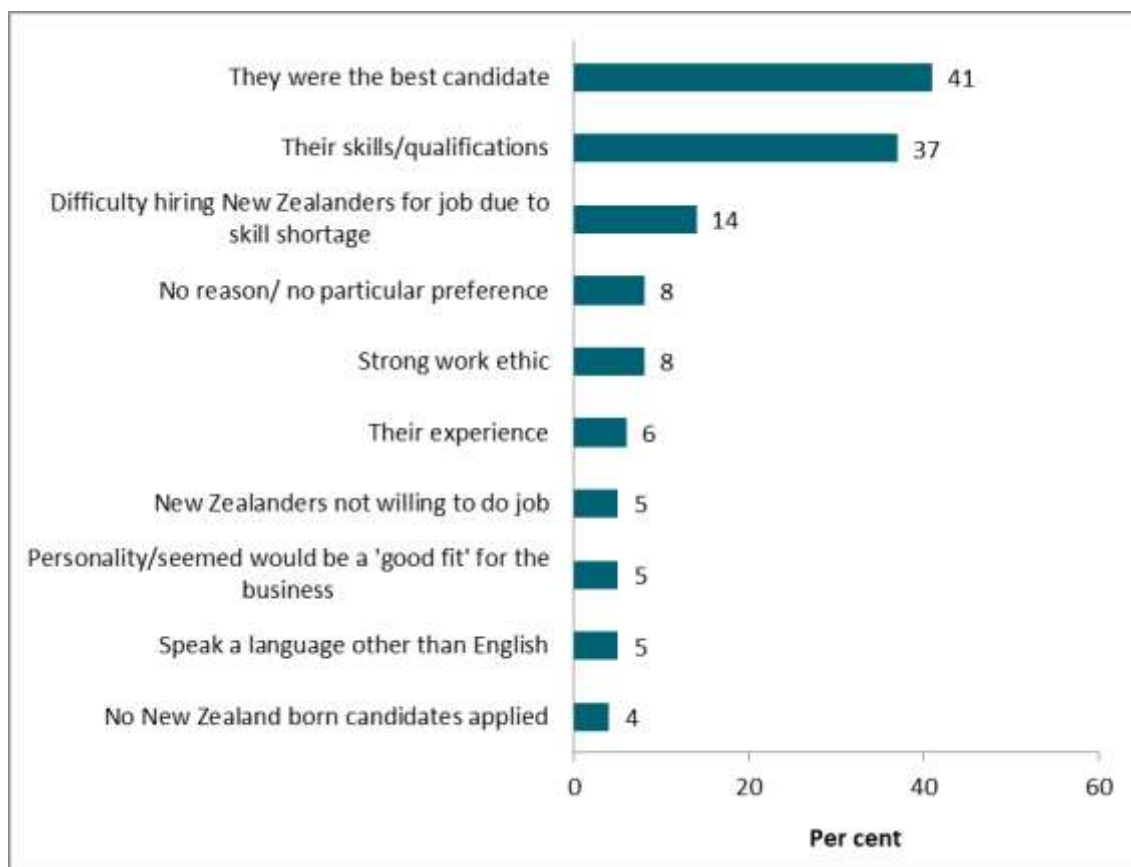


9.2 Reasons for hiring migrants

The most frequent reasons given for hiring migrants were that they were the best candidate or had the skills/qualifications (see Figure 16).

Most migrants (82 per cent) hired recently were living in New Zealand at the time they applied for their job. Only 17 per cent had applied from outside New Zealand.

Figure 16: Reasons for hiring recent migrants



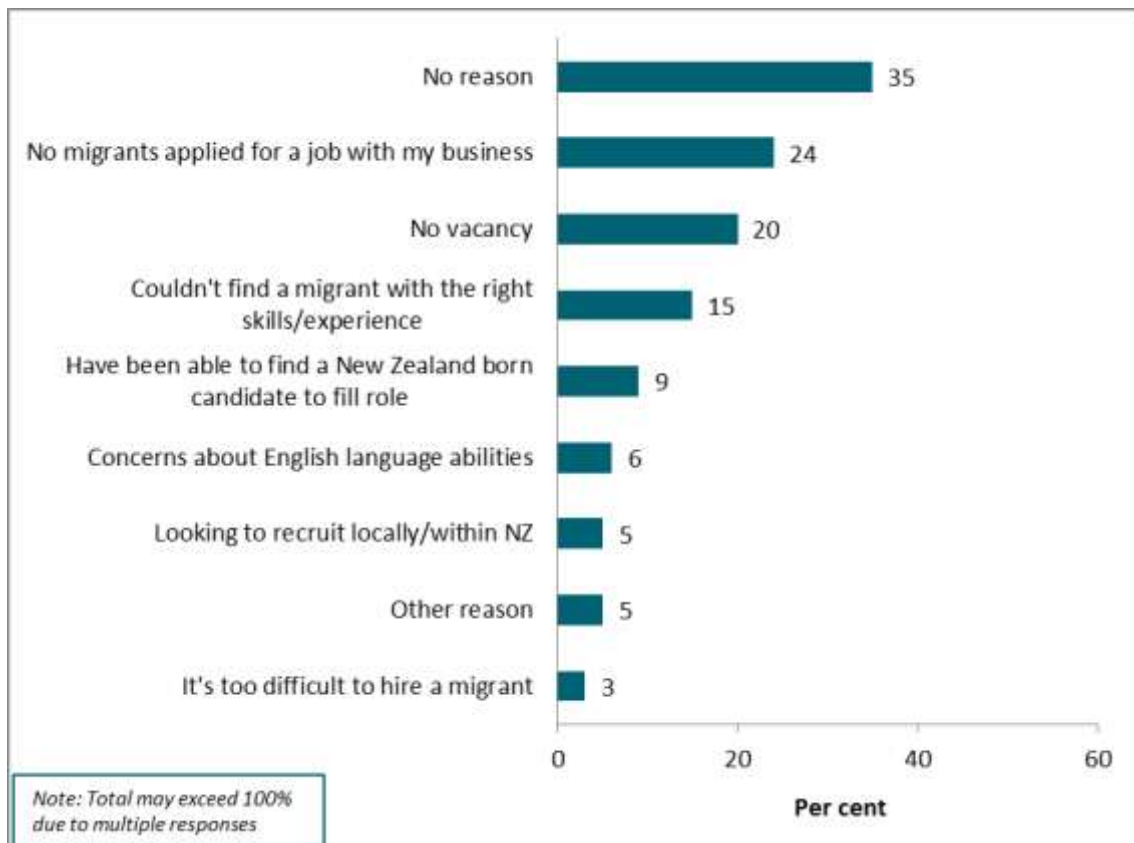
9.3 Reasons for not recruiting migrants

Employers who had not recruited any recent migrants in the last year, and had stated that they had a job vacancy, were asked for their reasons (see Figure 17).

- The most frequent reason stated was that no migrants had applied for a job (24 per cent) and/or that the business had not had any vacancies (20 per cent).
- Other reasons given were that they could not find a migrant with the right skills (15 per cent) or were able to fill the role with a New Zealand-born candidate (9 per cent).
- More than one third of the employers queried had no particular reason for not recruiting a migrant (35 per cent).

(Note: One fifth of employers stated that they had no vacancy to fill, even though this question was to be responded to only if they had a job vacancy. We believe employers misinterpreted this question.)

Figure 17: Reasons for not hiring migrants



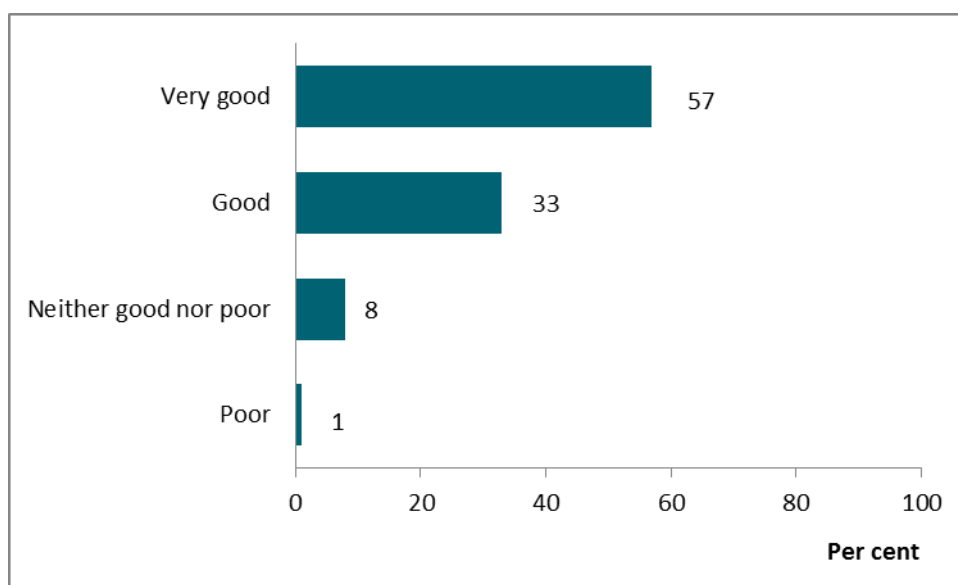
10 Migrant staff performance and retention

(See Appendix 2, tables 53-56, 131-134)

10.1 Overall staff performance

Businesses that had a recent migrant employee on their staff were asked to rate their migrant employees' job performance. Almost all (90 per cent) rated their overall performance as very good or good (see Figure 18).

Figure 18: Overall performance of migrant employees



The main reasons for the good/very good rating were (see Figure 19):

- right attitude/willing to learn/work ethic/go above and beyond their role (46 per cent)
 - this was higher in the agriculture, forestry and fishing sector (70 per cent)
- able to share their experience and skills (27 per cent)
 - this was higher in the healthcare and social assistance sector (56 per cent)
- have the skills and experience needed (22 per cent)
- work is of good quality (19 per cent).

Figure 19: Top reasons for rating migrant employees as very good or good



10.1.1 Migrant staff retention

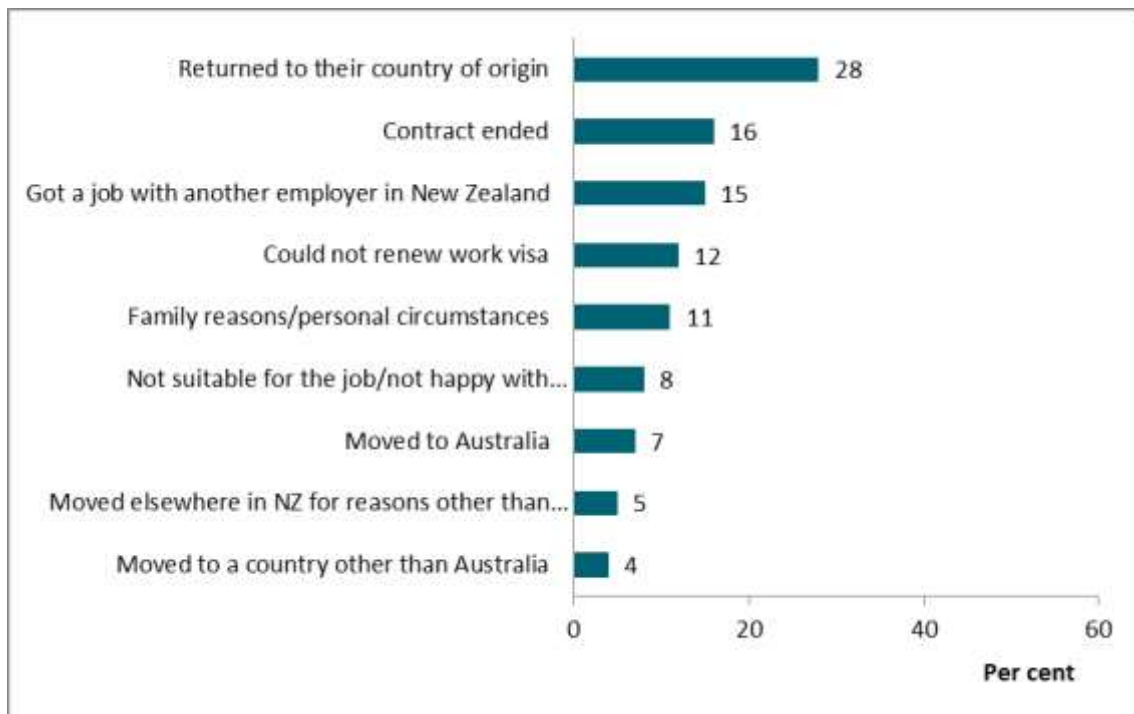
Among employers that had hired a recent migrant in the last 12 months, almost two fifths (39 per cent) reported that at least one migrant employee had subsequently left (see Figure 20). Probably reflecting the seasonal nature of the sector, this was higher in the agriculture, forestry and fishing sector (69 per cent).

The most frequent reasons given for leaving¹⁹ were:

- the employee had returned to their country of origin (28 per cent)
- the contract had ended (16 per cent)
- the migrant had got a job with another employer in New Zealand (15 per cent)

¹⁹ Employers were queried about the most recent migrant who had left.

Figure 20: Top reasons why migrant employee left



11 Usefulness of Immigration New Zealand services

(See Appendix 2, tables 59-74, 137-152)

This section reports employers' opinions regarding different assistance and resources provided by Immigration New Zealand for helping the business to attract, employ and retain migrant staff.

Employers were asked to comment on the usefulness of each type of assistance or resource.

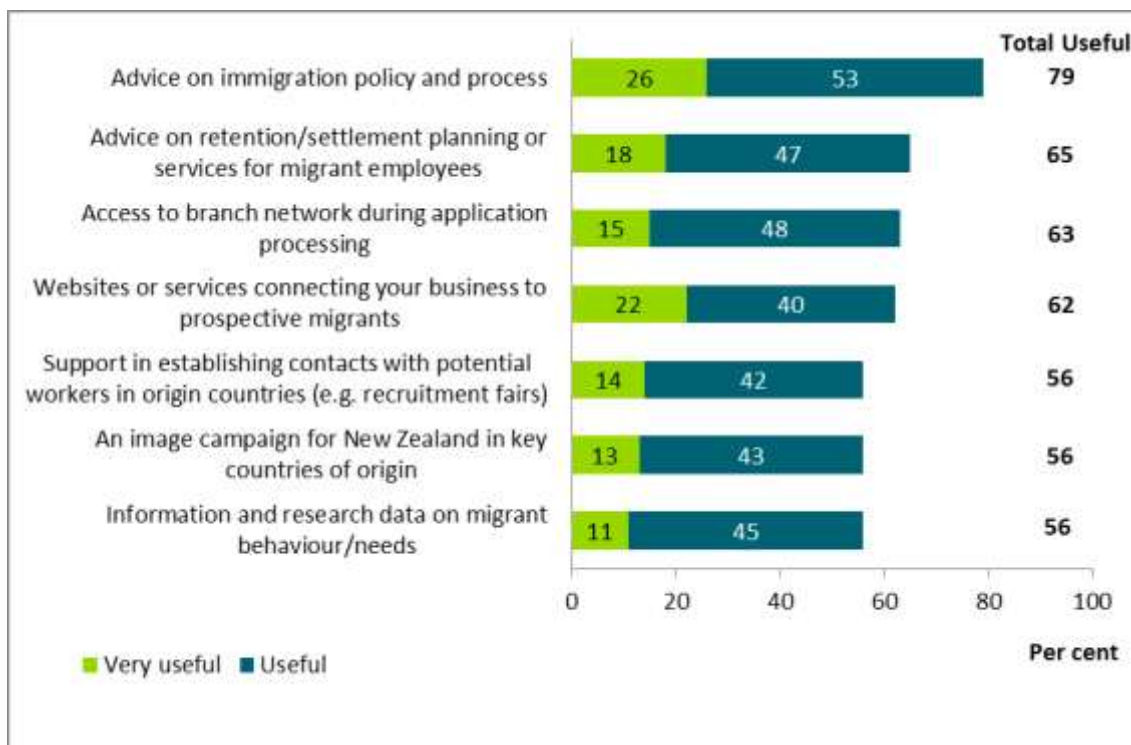
11.1 Assistance in helping employers to attract migrant staff

Generally, employers had a positive opinion of all the specified assistance/resources provided by Immigration New Zealand (INZ), with over half agreeing that they were useful or very useful (see Figure 21). Advice on immigration policy and process was the area that employers regarded as being most useful to businesses (79%).

The other three areas of assistance that employers regarded as being most useful to businesses were:

- advice on retention, settlement planning or services for migrants (65 per cent)
- access to branch network during the application process (63 per cent)
- websites or services connecting businesses to prospective migrants (62 per cent).

Figure 21: Usefulness of INZ assistance in helping to attract migrant staff

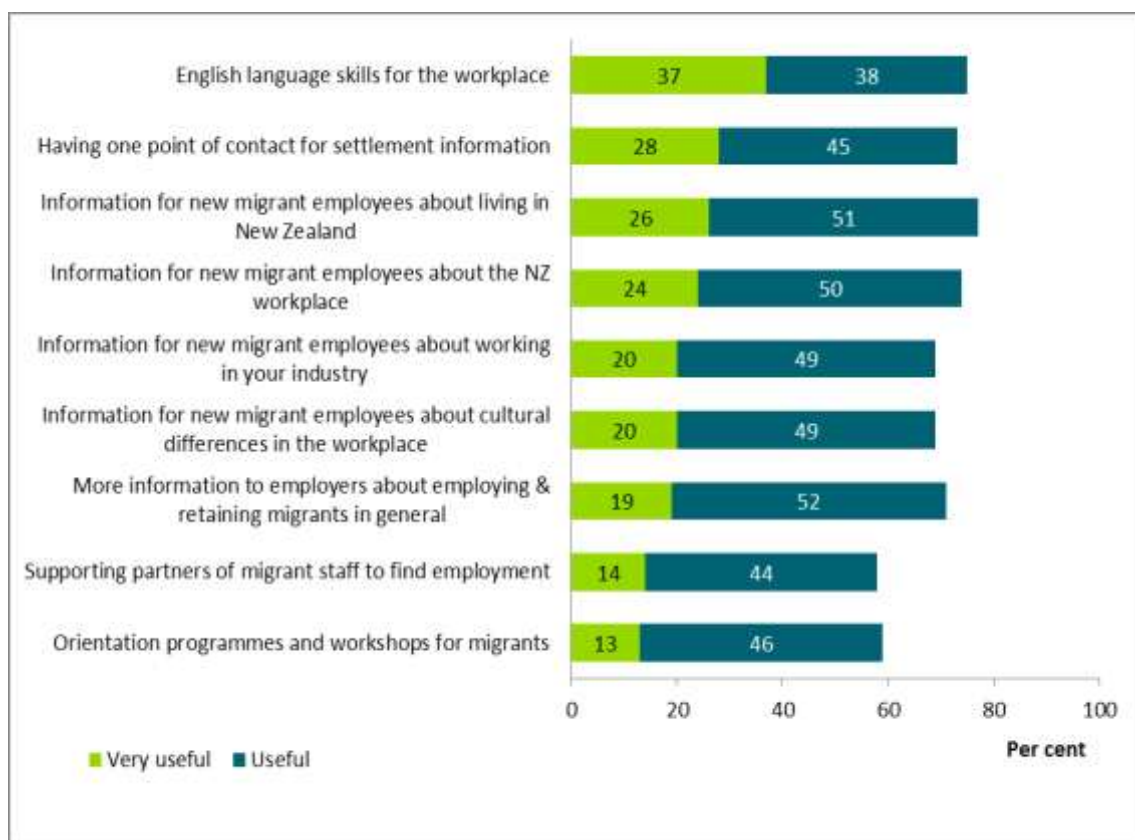


11.2 Resources or assistance in helping to employ and retain migrants

Employers felt that in order to help them employ and retain migrants in the workplace, the following assistance and resources would be most useful (see Figure 22):

- English language skills resources for the workplace (75 per cent)
- having one point of contact that employers can go to for settlement information (73 per cent)
- information for new migrant employees about living in New Zealand (77 per cent)
- information for new migrant employees about the New Zealand workplace (74 per cent).

Figure 22: Usefulness of INZ assistance in helping to employ and retain migrant staff



Employers in the construction sector, when compared with other industry sectors, rated the following resources as significantly more useful, perhaps reflecting the profile of recent migrants in this sector:

- English language skills resources for the workplace (65 per cent)
- information for new migrant employees about working in specific industries (42 per cent)
- providing more information about employing and retaining migrants in general (41 per cent).

12 Conclusion

The results of the 2012/13 NSE provide an evidence-base for developing and evaluating policy, answering contemporary policy questions, and improving settlement services. As this is the first summary report on the NSE, the results provide a basis for future comparisons.

The 2013/14 survey results are currently being analysed and development of the 2014/15 survey is underway. The 2014/15 survey will include a mix of existing questions for monitoring trends and new questions on emerging policy issues.

