



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

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# National Survey of Employers 2017/18: Summary Findings

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February 2019

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INNOVATION & EMPLOYMENT**  
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## Ministry of Business, Innovation and Employment (MBIE)

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## Contents

Executive summary .....	5
1 Introduction .....	8
1.1 Purpose and background .....	8
2 Workplace relations and employment standards.....	9
2.1 Trial periods.....	9
2.2 Employment agreements, and use of casual, fixed-term and self-employed workers .....	12
2.3 Internships.....	14
2.4 Pay equity and the <i>Equal Pay Act 1972</i> .....	15
2.5 Relationships with unions .....	17
2.6 Minimum wages.....	19
2.7 <i>Holidays Act 2003</i> and working on Easter Sunday .....	22
3 Health and safety systems, practices and perspectives.....	25
3.1 Health and safety leadership, and managing risks and hazards .....	25
3.2 Worker involvement in health and safety.....	28
3.3 Changes made to H&S systems or practices .....	30
3.4 Employer views on aspects of workplace H&S .....	33
4 Job vacancies and employing migrants.....	35
4.1 How vacancies are filled and extent of difficulties experienced.....	35
4.2 Hiring recent migrants and reasons for doing so.....	37
4.3 Difficulties with hiring migrants and impacts on the business .....	38
4.4 Employers' views on migrants' contribution to NZ, impact on job availability and the 2017 immigration policy changes .....	40
5 Appendix .....	42
5.1 Topics covered by the 2017/18 NSE.....	42
5.2 Summary of survey methodology .....	42
5.3 Business and employer characteristics .....	43

## List of Figures

Figure 1: Proportion of hiring employers that used trial periods in the last 12 months .....	10
Figure 2: Main reasons for using a trial period for employee most recently hired on a trial.....	11
Figure 3: Reasons for dismissing employee most recently dismissed from a trial .....	12
Figure 4: Proportion of employers with written employment agreements for all employees, by business size and by industry .....	13
Figure 5: Proportion of employers with casual and fixed-term employees, and self-employed contractors, by business size.....	14
Figure 6: Employer actions/awareness regarding the Equal Pay Act 1972 and pay equity, by business size.....	16
Figure 7: Proportion of employers with union members, by business size and by industry .....	18
Figure 8: Proportion of employers paying the adult minimum wage to one or more of their employees .....	20
Figure 9: Proportion of employers that usually increased the pay of non-minimum wage staff after an increase minimum wages – 2012/13 to 2017/18.....	21
Figure 10: Proportion of employers that usually increased the pay of non-minimum wage staff after an increase minimum wages, by business size and by industry.....	22
Figure 11: Proportion of employers reporting who was mainly responsible for providing health and safety leadership for the business, by business size .....	26
Figure 12: Proportion of employers with systems and process to manage the business’s main H&S risks and hazards, by business size.....	27
Figure 13: Business practices for involving workers in H&S, by business size .....	29
Figure 14: Proportion of employers that have H&S inductions for all new employees, by business size – 2012/13 to 2017/18.....	30
Figure 15: Proportion of employers that made significant changes to the business's health and safety systems and practices, by business size – 2012/13 to 2017/18.....	31
Figure 16: The biggest changes made to H&S systems or practices – 2016/17 & 2017/18 .....	32
Figure 17: Proportion of employers agreeing with statements about managing H&S.....	34
Figure 18: How businesses find staff to fill job vacancies .....	36
Figure 19: Proportion of employers that had a recent migrant on staff/had hired a recent migrant .....	38
Figure 20: Types of difficulties experienced with employing migrant workers.....	39
Figure 21: Proportion of employers agreeing with statements about migrants’ contribution, impact on job availability and recent immigration policy changes.....	41
Figure 22: Proportion of New Zealand business establishments in each industry category .....	44
Figure 23: Proportion of businesses in each industry sector, by business size (number of employees).....	45

## Executive summary

This report provides a summary of employer practices in New Zealand within the context of current employment-focused legislation. It is based on results from the Ministry of Business, Innovation and Employment's (MBIE's) 2017/18 National Survey of Employers (NSE).

The purpose of the annual NSE is to monitor employer practices and perspectives on workplace relations and employment standards, workplace health and safety, job vacancies, and employing recent migrants. Results from the NSE are used to develop and evaluate policies and programmes, and answer contemporary policy questions. The target population for the survey is New Zealand business establishments employing one or more employees. The NSE results are weighted to represent all employers in New Zealand.

### Workplace relations and employment standards

#### *Trial periods*

- Similar to previous years almost two-thirds of hiring employers had used a trial period, and reasons for using trials were similar to 2012/13 (when this question was last asked).
- One-quarter of hiring employers who used trials had dismissed an employee from a trial.

#### *Employment agreements*

- The majority of employers (88 per cent) had employment agreements for all of their employees.

#### *Use of casual and fixed-term employees, and self-employed workers*

- Fewer employers had one or more employees on casual agreements than in 2015/16.
- The proportions of employers with one or more employees on a fixed-term agreement or with self-employed contractors (who to the employer's knowledge worked solely for their business) were similar to 2015/16 and 2014/15.

#### *Internships*

- One in ten employers had taken on an intern in the last 12 months, and 58 per cent of employers of interns reported that they had paid their most recent intern.
- Most employers of interns reported that for the person most recently offered an internship the placement contributed to the intern's qualification requirements.

#### *Pay equity and the Equal Pay Act 1972*

- Almost one in five employers had undertaken reviews to check that men and women in the same role were paid equally. However, few employers reported that the business had undertaken training about potential gender bias (4 per cent) or sought advice regarding the *Equal Pay Act 1972* (5 per cent).
- Around half of employers were aware of the 2017 TerraNova pay equity settlement. Of those employers who were aware, only 5 per cent reported that this had influenced how the business approaches setting pay rates for employees.
- Almost one-quarter of employers reported that none of their employees worked in jobs mainly carried out by women in the NZ workforce, one-third reported that up to half of their employees did so, and 29 per cent reported that over half of their employees worked in jobs mainly carried out by women.

### ***Relationships with unions***

- Most employers reported having no current employees who were union members (87 per cent) although this was less common for larger employers (with 20 or more employees) than smaller employers (60 per cent and 90 per cent, respectively).
- Only three in ten employers with union members had engaged with unions on employment matters and one in ten had engaged with unions on business decisions.
- Employers with union members were more likely to describe their business management's current relationship with unions as positive rather than negative.
- Employers with union members most commonly reported that their business management's relationship with unions had a neutral impact on business outcomes.

### ***Minimum wages***

- Similar to previous years, almost one-quarter of employers were paying the adult minimum wage to one or more employees. Few employers were paying the starting-out or training minimum wage to employees 'potentially eligible' to be paid these rates.
- One-third of employers reported increasing wages or salaries for those paid above the minimum wage in response to an increase in minimum wages, up from one-quarter in 2016/17.

### ***Holidays Act 2003 and working on Easter Sunday***

- Most employers were confident the business was meeting its obligations under the *Holidays Act 2003*.
- Few employers reported that employees had raised concerns about their holidays or leave being underpaid.
- One in five employers had employees who worked in a shop, bar, café or restaurant – only around three in ten employers with shop workers intended to ask one or more of these employees to work on Easter Sunday in April 2018.

## **Health and safety systems, practices and perspectives**

### ***Health and safety leadership, and managing risks and hazards***

- Seven out of ten employers reported that the business's owners were responsible for H&S leadership.
- Most employers had processes in place to identify and manage H&S risks and hazards.
- Four in ten businesses had initiatives to support the psychological health and wellbeing of its workers, with larger business more likely to have initiatives in place.
- Half of employers reported that the business's officers (ie directors, board members or senior leaders) had asked for information on how H&S risks and hazards were managed.
- Two-thirds of employers who had 'shared duties' with another business for workplace H&S worked with other businesses to manage shared H&S risks.

### ***Worker involvement in health and safety***

- Employers most commonly reported involving workers in health and safety by having regular meetings where H&S was discussed and/or a system for regular H&S communications.
- Most employers reported involving their workers in decisions affecting their H&S – 68 per cent did so 'all or most of the time' and 27 per cent did so 'some of the time'.

- Most employers (85 per cent) provided H&S inductions for all new employees.

### ***Changes made to H&S systems or practices***

- One-third of employers had made significant changes to their H&S systems or practices in the last 12 months. This result was down from 49 per cent in 2016/17 but was consistent with the 2015/16 result.
- Employers who made significant changes to their business's H&S systems or practices had most commonly developed or reviewed their policies or systems.

### ***Employer views on aspects of workplace H&S***

- Most employers agreed that having good H&S systems and practices is good for their business.
- Sixty per cent of employers agreed that the 'time and effort involved in meeting H&S requirements' was *worthwhile*, while only 46 per cent agreed that it was *reasonable*.
- Seven out of ten employers were confident the business understood its obligations under the *Health and Safety at Work (HSW) Act 2015*.

## **Job vacancies and employing migrants**

### ***How vacancies are filled and extent of difficulties were experienced***

- Almost two-thirds of employers had job vacancies, and employers with vacancies most commonly filled these jobs through word-of-mouth and by using Trade Me or Seek.
- Six out of ten employers with job vacancies had difficulties finding staff to fill vacancies.
- One in five employers who had difficulties finding staff to fill job vacancies had sought out a migrant for a 'hard to fill' job vacancy.

### ***Hiring recent migrants and reasons for doing so***

- Twenty-eight per cent of employers had a recent migrant on staff and twenty-three per cent had hired a recent migrant in the last 12 months.
- Migrants were most commonly hired for their skills and qualifications.

### ***Difficulties with hiring migrants and resulting impacts on the business***

- One in ten employers had difficulties with employing migrant workers, with the most common difficulty being 'difficulties with the visa process'.
- Most commonly, difficulties employing migrant workers had resulted in the business stopping carrying out some activities/lost business opportunities.

### ***Employers' views on migrants' contribution to the workforce and the 2017 immigration policy changes***

- Seven out of ten employers agreed that migrants make an important contribution to New Zealand's economy.
- Over half of all employers disagreed that migrants take jobs away from other New Zealanders.
- Seventeen per cent of employers agreed that the 2017 immigration policy changes have made it easier for businesses to employ skilled migrants.

# 1 Introduction

## 1.1 Purpose and background

This report summarises findings from the Ministry of Business, Innovation and Employment's (MBIE's) 2017/18 National Survey of Employers (NSE).

### 1.1.1 The NSE monitors employer practices and perspectives within the context of employment-focused legislation

The purpose of the annual NSE is to monitor employer practices and perspectives on workplace relations and employment standards, workplace health and safety, job vacancies, and employing recent migrants. Results are used to develop and evaluate policies and programmes, and answer contemporary policy questions within the context of employment-focused legislation.

### 1.1.2 A total of 2,359 employers participated in the 2017/18 NSE

The target population for the NSE is NZ business establishments employing one or more employees. The survey sample is drawn from Stats NZ's Business Register based on the number of NZ businesses within six industry groupings and four business size categories – see Appendix for further details.

### 1.1.3 The NSE results are weighted to represent all employers in NZ

The survey data was weighted by industry category and business size to represent the 185,985 business establishments/employers in NZ as at February 2017.<sup>1</sup> Most NZ employers (89 per cent) are in 'smaller businesses' with fewer than 20 employees, and the remaining 11 per cent are in 'larger businesses' with 20 or more employees. The terms 'smaller employer/business' and 'larger employer/business' are used throughout this report to refer to businesses with 1–19 employees and businesses with 20 or more employees, respectively. All results presented in this report are estimates for employers/business establishments rather than being estimates of employees (ie the NSE data is all *employer-level data*).

This report provides commentary on statistically significant differences in the survey results by business size (larger versus smaller employers and, in some cases, at a more disaggregated business size), and by industry grouping (where a result was significantly different from the result for total employers). Comparisons are made with results from previous NSEs, where questions have remained consistent from year to year. Changes that are not statistically significant are referred to as being "in line with", "similar to" or "consistent with".<sup>2</sup>

### 1.1.4 Business and employer characteristics

The Appendix contains details about the employers who participated in the NSE and the types of businesses they operated. In summary, and as reflected in published business statistics:

- most New Zealand businesses are small
- fewer were operating from more than one site in 2017/18 than in 2016/17
- one in five businesses are in the Retail trade & Accommodation and food services
- two-thirds of businesses have been operating in NZ for 10 years or more
- seven out of ten businesses are in the North Island, with one-quarter in Auckland.

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<sup>1</sup> Source: Stats NZ's 2017 Business Register.

<sup>2</sup> The Appendix at the end of this report and a separate Technical Appendix contain details about using margins of error to identify statistically significant differences in the NSE results.



## 2 Workplace relations and employment standards

The employment relations and standards regulatory system aims to promote productive and beneficial employment relationships.<sup>3</sup> The system also provides for a number of work-related conditions or rights (eg to leave, pay or pay protection). Many of these conditions fulfil obligations New Zealand has agreed to meet under international labour conventions. Several measures to strengthen the enforcement of employment standards came into force on 1 April 2016.<sup>4</sup>

The NSE monitors the use of specific employment practices and issues around minimum employment standards. Results from the survey provide baseline data, and are used to assess the effectiveness of policy and identify where policy interventions may be needed.

### 2.1 Trial periods

Since April 2011, all employers have been able to make an offer of employment that includes a trial period of up to 90 days for new employees. A key objective of introducing trial periods was to encourage employers to provide employment opportunities for people who might face greater disadvantage in the labor market.<sup>5</sup> The NSE asked employers about their use of trial periods in the last 12 months.

#### 2.1.1 Use of trial periods among hiring employers was similar to previous years

In total, 68 per cent of employers had hired one or more new employees in the previous 12 months. Consistent with previous NSE results, larger employers (with 20 plus staff) were more likely than smaller employers to have hired new staff (99 per cent and 64 per cent, respectively).

Of all hiring employers, 64 per cent had employed one or more of these new employees on a trial period – see Figure 1. This result is similar to those from the 2014/15, 2013/14 and 2012/13 surveys (ie there was no statistically significant difference in results between years).

Note that the NSE data cannot be used to estimate the number or proportion of employees who were hired on a trial period. The NSE data is all *employer-level* data.

There was no significant difference in the use of trial periods when comparing larger (20 plus employees) and smaller sized (1–19 employees) hiring employers. However, looking at this result at a more disaggregated size level shows that hiring employers with 6 to 19 employees were more to have used a trial period compared with all hiring employers (72 per cent versus 64 per cent, respectively).

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<sup>3</sup> For further information on the employment relations and standards regulatory system please refer to: <https://www.mbie.govt.nz/cross-government-functions/regulatory-stewardship/regulatory-systems/employment-relations-and-standards-regulatory-system/>

<sup>4</sup> These measures to strengthen the enforcement of employment standards included:

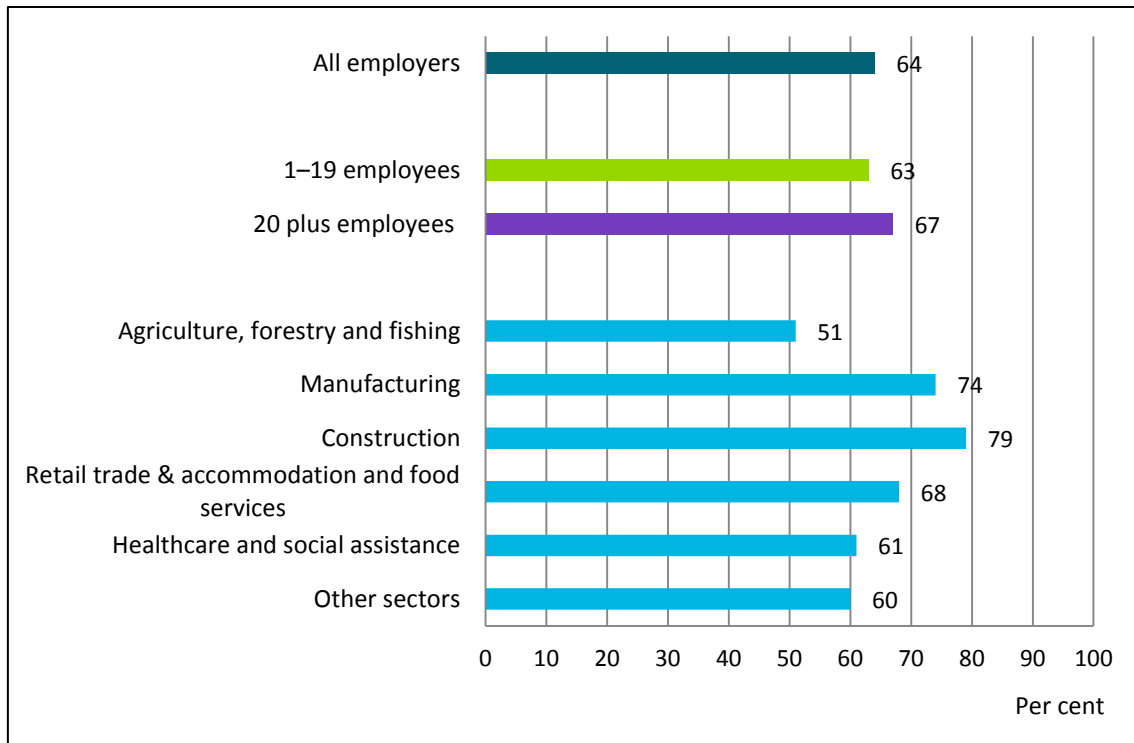
- sanctions for employers and officers responsible for breaches of employment standards
- clearer-record keeping requirements
- increased tools for labour inspectors
- changes to the Employment Relations Authority's approach to employment standards cases
- the requirement for employment agreements to state any set number of hours agreed between the employer and employee to address zero-hour contracts.

<sup>5</sup> From 6 May 2019 90-day trial periods will be restricted to businesses with fewer than 20 employees. Businesses with 20 or more employees will still be able to use probationary periods to assess an employee's skills against the role's responsibilities.

Compared with all hiring employers who used trial periods (64 per cent):

- Construction sector employers were more likely to have used trial periods (79 per cent)
- Agriculture, forestry and fishing sector employers were less likely to use trial periods (51 per cent).

Figure 1: Proportion of hiring employers that used trial periods in the last 12 months\*



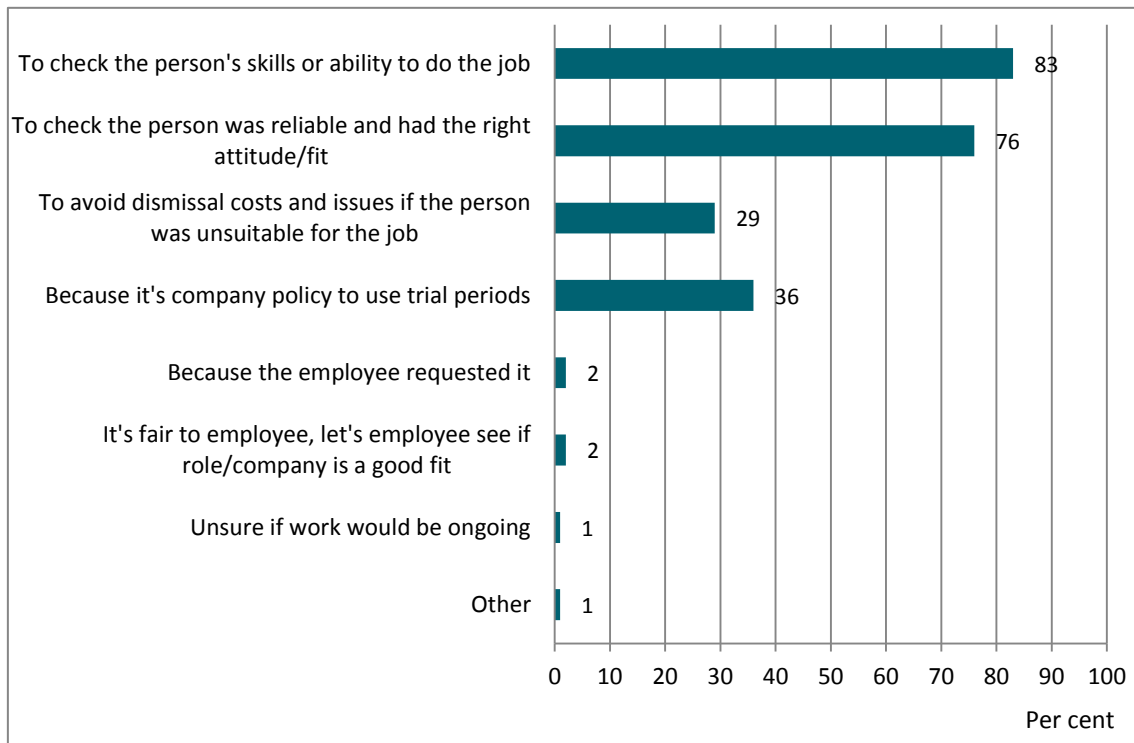
\* Sub-sample based on those employers who had employed new staff in the last 12 months, n = 1,993.

### 2.1.2 Reasons for using trials were similar to 2012/13

The most common reasons for using a trial period (for the person most recently employed on a trial) were ‘to check the person’s skills or ability to do the job’ (83 per cent of hiring employers who used trial periods) and ‘to check the person was reliable and had the right attitude/fit’ (76 per cent) – see Figure 2. These results are consistent with those from the 2012/13 NSE when a similar question on reasons for using trials was previously asked.<sup>6</sup>

<sup>6</sup> Different question wording for the 2017/18 and 2012/13 NSE questions on reasons for using trial periods mean that direct comparisons between these survey results are not possible.

Figure 2: Main reasons for using a trial period for employee most recently hired on a trial\*



\* Sub-sample based on those employers who had hired new staff on a trial period in the last 12 months, n = 1,373.

Hiring employers with 20 plus employees who used trials were more likely than smaller employers to report doing so 'because it's company policy to use trial periods' (44 per cent and 34 per cent, respectively).

### 2.1.3 One-quarter of hiring employers who used trial periods had dismissed an employee from a trial

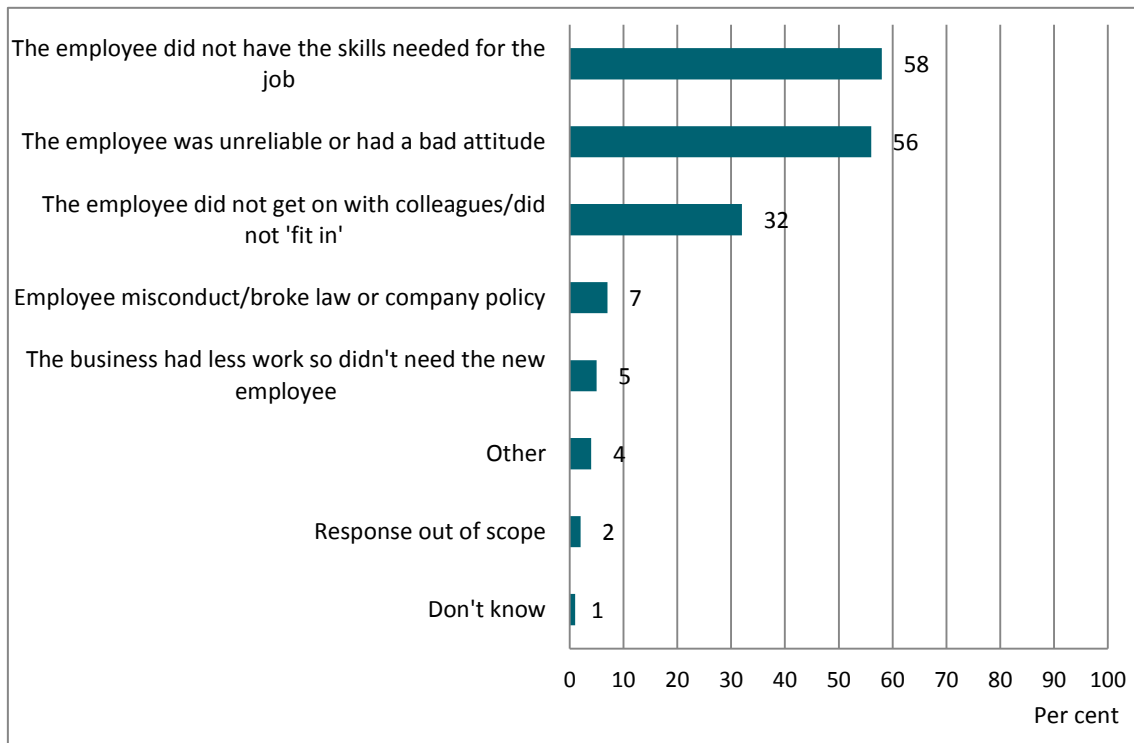
Of hiring employers who used trial periods, 26 per cent had dismissed at least one employee during or at the end of the trial (similar to 27 per cent in 2012/13).<sup>7</sup> It was more common for employers with 20 plus employees who used trial periods to have dismissed an employee on a trial compared with smaller employers who used trial periods (37 per cent and 23 per cent, respectively).

### 2.1.4 Employers most commonly dismissed employees from trials because they 'didn't have the skills needed' and 'were considered unreliable/had a bad attitude'

When asked about the person most recently dismissed while on a trial, employers most commonly reported that this was because 'the employee did not have the skills needed for the job' (58 per cent) and 'the employee was deemed to be unreliable or had a bad attitude' (56 per cent of employers who had dismissed someone) – see Figure 3. One-third of employers (32%) reported that the most recent dismissal was due to 'the employee not getting on with colleagues or not fitting in'. These results on reasons for dismissals were consistent with results to the 2012/13 NSE.

<sup>7</sup> The NSE data cannot be used to estimate the number or proportion of *employees* who were dismissed from trial periods.

Figure 3: Reasons for dismissing employee most recently dismissed from a trial\*



\* Sub-sample based on those employers who had dismissed an employee from a trial period in the last 12 months, n = 477.

## 2.2 Employment agreements, and use of casual, fixed-term and self-employed workers

Employees and contractors have different rights and responsibilities. Every employee (including casual and fixed-term employees) must have a written employment agreement. A well written agreement helps both parties to know what is expected from them and what they're entitled to. It can be either a collective agreement or an individual agreement. There are a number of elements that must be included in employment agreements by law.

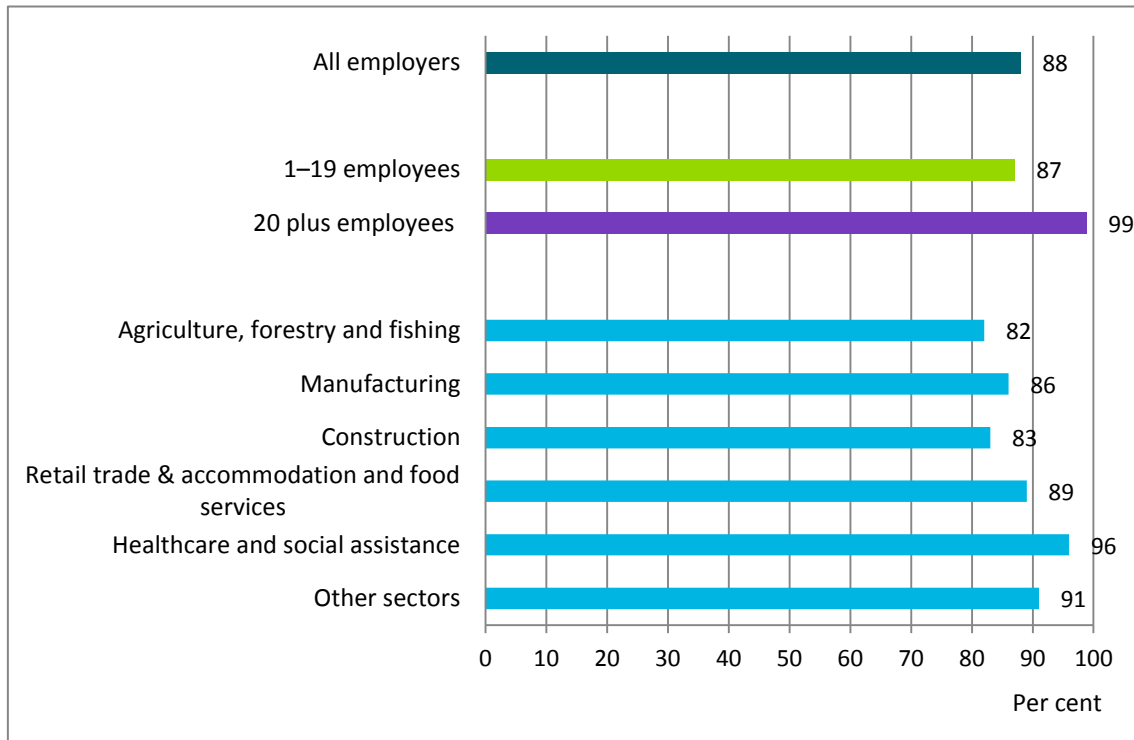
Self-employed contractors are engaged by a principal (or other party) to perform work under a contract for services (commonly called an independent contractor agreement). Contractors pay their own tax and ACC levies and are not covered by most employment-related laws. Businesses are not required to hold contractor records.

### 2.2.1 The majority of employers had employment agreements for all of their employees

Similar to results from previous NSEs, most employers (88 per cent) had written employment agreements for all of their employees. Compared with employers in larger sized businesses, those with fewer than 6 employees were less likely to have agreements for all employees (83 per cent). In these smallest sized businesses, 15 per cent of employers reported not having written employment agreements for all employees. Compared with total employers, Health care and social assistance sector employers were more likely to have written agreements for all of their employees (96 per cent).

Figure 4 shows the proportions of employers that had employment agreements for all employees, by business size and by industry.

Figure 4: Proportion of employers with written employment agreements for all employees, by business size and by industry



### 2.2.2 Fewer employers had employees on casual agreements than in 2015/16

Just over one-quarter of employers (27 per cent) employed one or more current employees on casual agreements (down from 34 per cent in 2015/16 and similar to 30 per cent in 2014/15). Three-quarters of employers reported that they did this to meet fluctuating demand. The other main reason for employing casual workers was to cover staff absence (35 per cent). These were also the main reasons given by employers for using casual labour in 2015/16.

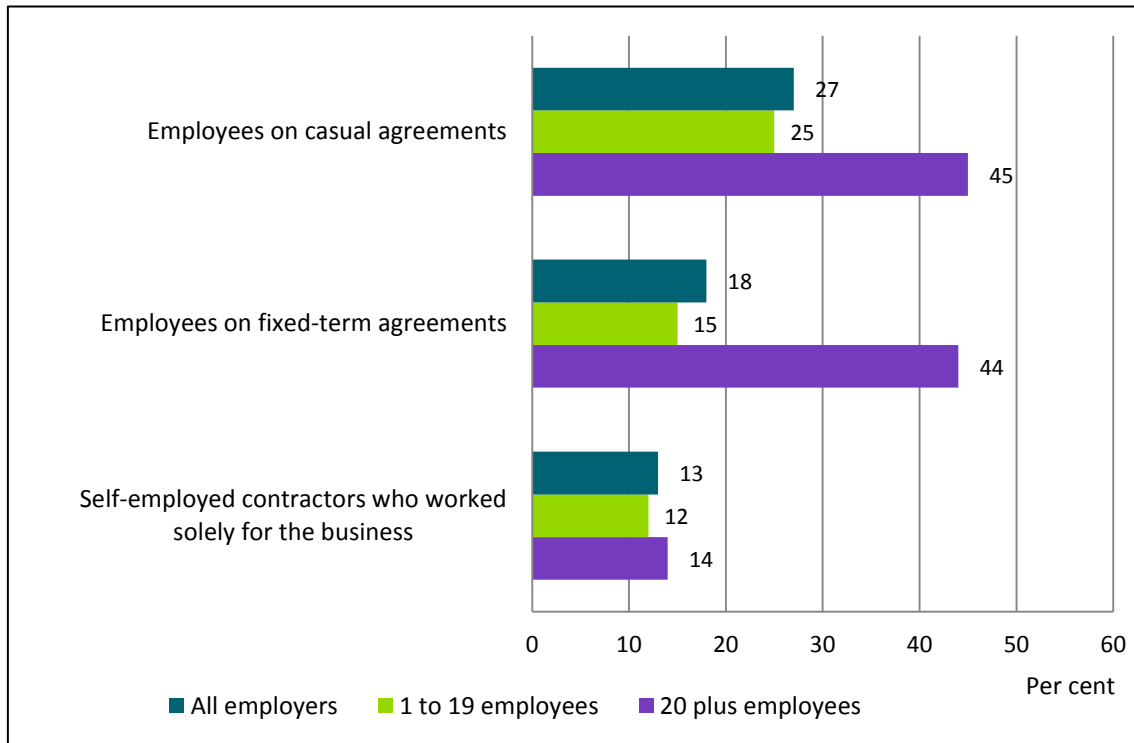
Almost one in five employers (18 per cent) had one or more current employees on fixed-term agreements (similar to 20 per cent in 2015/16 and 18 per cent in 2014/15). The main reasons for employing staff on fixed-term agreements were fluctuating demand (43 per cent), to cover staff absence (28 per cent) and needing specific skills (22 per cent).

The likelihood of using casual and fixed-term workers increased with business size. Over half of all employers with 50 plus employees had current employees on casual agreements (54 per cent) or on fixed-term agreements (57 per cent). Compared with total employers, those in Agriculture, forestry and fishing were more likely to have staff on casual agreements (46 per cent) or fixed-term agreements (28 per cent).

In total, 13 per cent of employers reported that the business used self-employed workers who, *to the employer's knowledge*, only worked for the business and did not currently work for any other business. This result was not significantly different from 11 per cent in 2015/16 and was consistent with 13 per cent in 2014/15. Employer use of these types of self-employed workers did not vary significantly by business size or by industry.

Figure 5 shows the proportions of employers by business size that used these different types of employment arrangements.

Figure 5: Proportion of employers with casual and fixed-term employees, and self-employed contractors\*, by business size



\* Employers were asked whether they used any self-employed workers who, to the employer’s knowledge, only worked for the business and did not currently work for any other business.

## 2.3 Internships

Internships provide work experience to improve job skills or career related knowledge. They may be paid or unpaid, and part-time or fulltime. If a business gains economic benefit from the work of an intern or an intern is doing work that is integral to the business, the intern should be paid. The NSE included questions on internships to collect some baseline information on employer use of interns.

### 2.3.1 One in ten employers had taken on an intern in the last 12 months

While 10 per cent of all employers had taken on an intern in the last 12 months, employers with 20 plus employees were twice as likely to have done so compared with smaller employers (21 per cent and 8 per cent, respectively).

### 2.3.2 Over half of employers reported that they had paid their most recent intern

Employers of interns were asked some questions about the person most recently offered an internship with the business.

- Most employers of interns (83 per cent) reported that the placement contributed to the intern’s requirements for a qualification.
- Longer internships were more common – 58 per cent of employers reported that the most recent internship was over three months in duration, with 30 per cent reporting internships of longer than six months. Only 15 per cent reported that the placement was for ‘4 weeks or less’ and 27 per cent of employers of interns reported an internship of ‘more than 4 weeks to less than 3 months’.

- Six out of ten employers of interns (58 per cent) reported that the business paid their most recent intern for their work during the placement. Compared with total employers who had taken on an intern, those in the Construction and Manufacturing sectors who took on interns were more likely to have paid the person most recently offered an internship (88 per cent and 80 per cent, respectively).

## 2.4 Pay equity and the *Equal Pay Act 1972*<sup>8</sup>

Having broader recruitment pools and employment practices unaffected by gender can upgrade workforce quality and productivity and help employers attract and retain the people their organisation needs. When pay rates for female-dominated jobs are too low, it is harder to attract and retain people who would be suited to, want to do, and want to stay in these jobs. When people are in jobs they are best suited to, are fairly treated and rewarded for their productivity without gender playing a part, the labour market functions better.

The Government supports implementing pay and employment equity response plans, and encourages voluntary participation of public and private sector organisations in pay and employment equity projects. The 2017/18 NSE asked employers a number of questions about the *Equal Pay Act 1972* and pay equity to gauge the extent to which employers are addressing pay equity issues.

### 2.4.1 Only 5 per cent of employers had sought advice regarding the *Equal Pay Act 1972* in the last 12 months

The 2017/18 result was consistent with the 2016/17 result of 7 per cent. Larger employers were more likely than smaller employers to have sought advice regarding the *Equal Pay Act 1972* (8 per cent and 5 per cent, respectively). And, Health care and social assistance sector employers (9 per cent) were somewhat more likely to have sought this advice compared with all employers.

### 2.4.2 One in six employers had undertaken reviews to check that men and women in the same role were paid equally

In total, 17 per cent of employers had undertaken reviews in the previous 12 months to check that men and women in the same role were paid equally (similar to the 2016/17 result of 13 per cent), with larger employers more likely to have undertaken reviews than smaller employers (27 per cent and 16 per cent, respectively). Compared with all employers, those in the Retail trade & Accommodation and food services (25 per cent) were more likely to have undertaken reviews to check that men and women were paid equally.

### 2.4.3 Few employers had undertaken training about potential gender bias

Only 4 per cent of employers reported that the business had undertaken training about potential gender bias in the previous 12 months. This result did not vary significantly by business size or by industry and was similar to the 2016/17 result of 5 per cent.

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<sup>8</sup> For further information on pay equity and the *Equal Pay Act 1972* please refer to:  
<https://www.employment.govt.nz/hours-and-wages/pay/pay-equity/>  
<https://www.employment.govt.nz/hours-and-wages/pay/pay-equity/gender-pay-gap/>

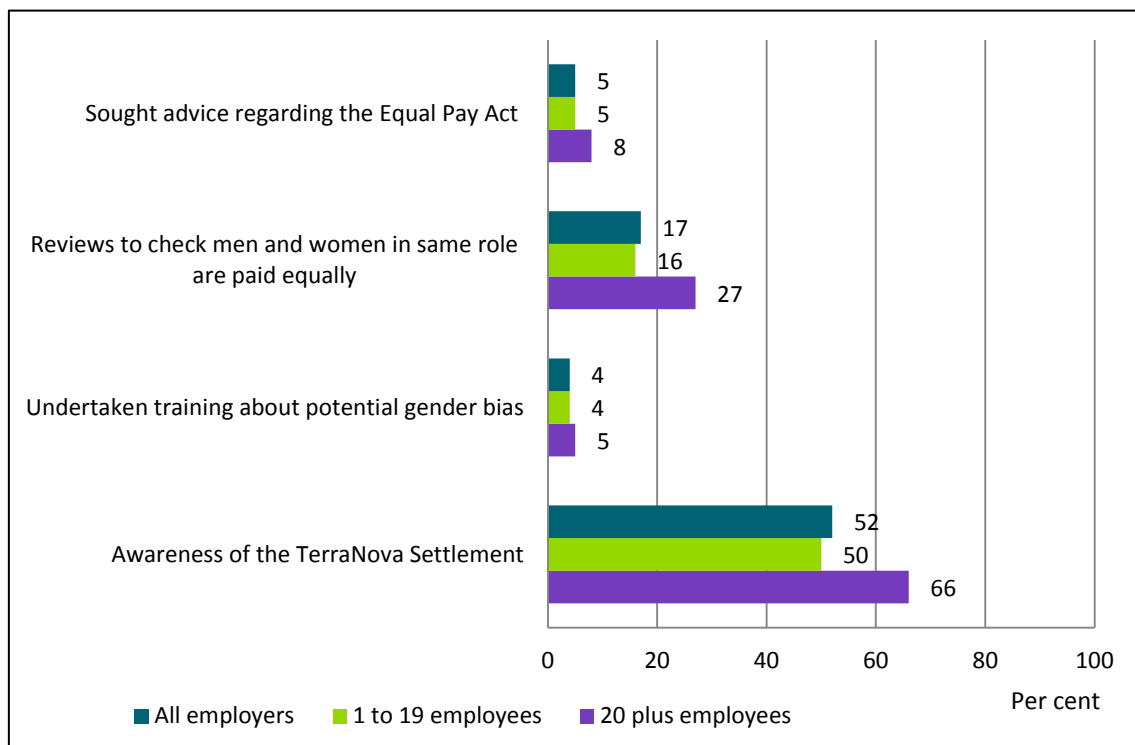
#### 2.4.4 Around half of employers were aware of the 2017 TerraNova settlement

In total, 52 per cent of employers were aware of the 2017 pay equity settlement for care and support workers, also referred to as the TerraNova settlement. Employers with 20 plus employees were more likely to be aware of this settlement than smaller employers (66 per cent and 50 per cent, respectively). And, as may be expected given the focus of the settlement on care and support workers, Health care and social assistance sector employers (65 per cent) were more likely to report being aware of the TerraNova settlement compared with all employers.

Figure 6 shows the proportions of employers by business size that:

- had sought advice regarding the *Equal Pay Act 1972*
- had undertaken reviews to check that men and women in the same role are paid equally
- had undertaken training about potential gender bias
- were aware of the 2017 pay equity settlement for care and support workers.

Figure 6: Employer actions/awareness regarding the *Equal Pay Act 1972* and pay equity, by business size



Of those employers who were aware of the TerraNova pay equity settlement, only 5 per cent reported that this influenced how the business approaches setting pay rates for employees. Similar to the results above regarding awareness of the settlement, larger employers were more likely than smaller employers to report that the settlement influenced how the business approaches setting pay rates for employees (12 per cent and 4 per cent, respectively), and Health care and social assistance sector employers (19 per cent) were more likely than all employers to report an influence on how they set pay rates.



### **2.4.5 Almost one-quarter of employers reported that none of their employees worked in jobs that are mainly carried out by women**

The NSE asked employers to estimate the proportion of employees in the business that worked in jobs that are mainly carried out by women in the New Zealand workforce. Almost one-quarter of employers (23 per cent) reported that none of their employees worked in jobs that are mainly carried out by women. Another one-third of employers, reported that up to half of their employees worked in jobs that are mainly carried out by women, and 29 per cent reported that more than half of their employees worked in jobs mainly carried out by women in the New Zealand workforce.

It was more common for smaller employers than larger employers to report that none of their employees worked in jobs that are mainly carried out by women (25 per cent and 8 per cent, respectively). As might be expected, there was significant variation in these results by industry. While 40 per cent of Agriculture, forestry and fishing employers and 38 per cent of Construction workers reported that none of their employees worked in jobs mainly carried out by women, this compared with only 13 per cent of Retail trade & Accommodation and food services employers and 4 per cent of Health care and social assistance employers who gave a 'none' response. Conversely, 61 per cent of Health care and social assistance employers reported that more than three-quarters of their employees worked in jobs mainly carried out by women in the NZ workforce compared with 17 per cent of all employers.

## **2.5 Relationships with unions**

Unions support employees in the workplace by acting as advocates for them collectively (and with the consent of the employee, individually). Unions bargain for collective employment agreements with employers and help employees with information and advice about work-related issues. Good relationships between employers and the organisations that represent their workers are important to improving productivity, and to worker wellbeing, loyalty and retention.<sup>9</sup>

### **2.5.1 Most employers reported having no current employees who were union members**

Employers were asked to estimate the proportion of the business's current employees who were union members. Response options were: none, less than 25 per cent, 25 to 50 per cent, more than 50 per cent. Five per cent of all employers gave a 'don't know' response to this question. The results below are likely to underestimate the proportions of businesses with union members due to the relatively high number of 'don't know' responses received.

Most employers (87 per cent) reported having no current employees who were union members, although this was less common for larger employers than smaller employers (60 per cent and 90 per cent, respectively). Three per cent of all employers reported that fewer than one-quarter of their employees were union members, 1 per cent reported that 25 per cent to 50 per cent were members and another 3 per cent reported that more than half of their current employees were union members. There was higher union density among employees working for larger employers at each of these three levels – 14 per cent of larger employers reported that less than one-quarter of their employees were union members, 5 per cent

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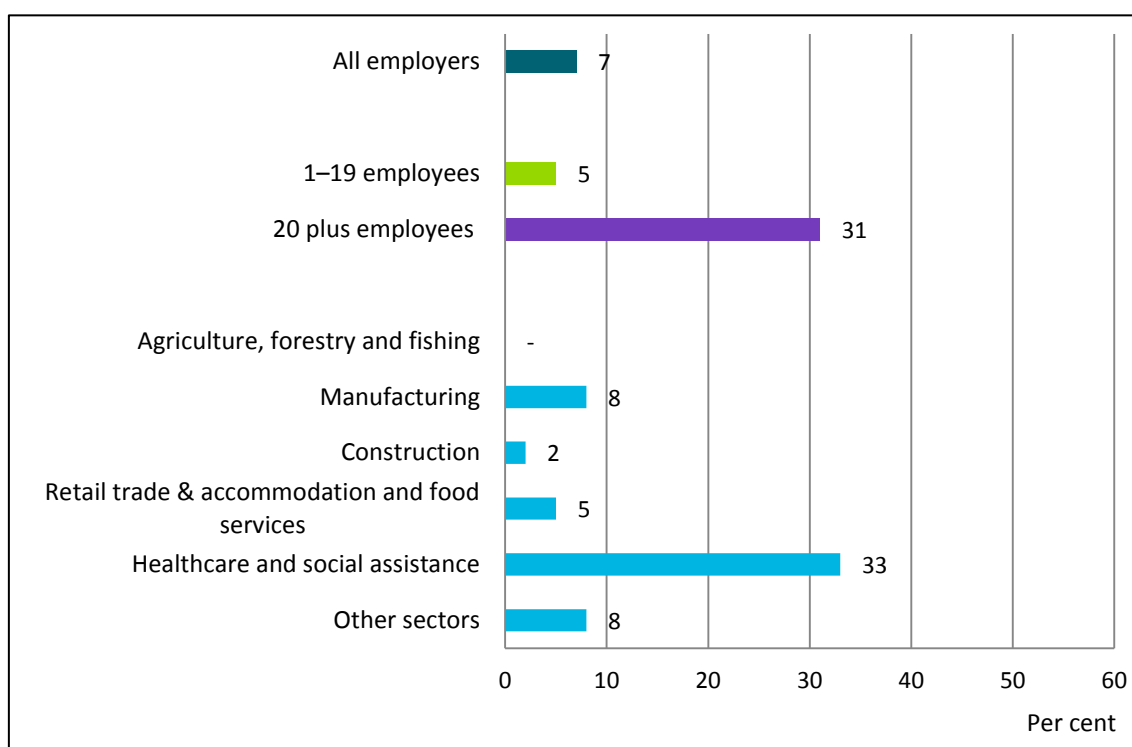
<sup>9</sup> From 12 December 2018 (after the 2017/18 NSE was completed), union representatives have been able to enter workplaces without consent, provided the employees are covered under, or bargaining towards, a collective agreement.

reported that 25 per cent to 50 per cent were union members, and 12 per cent reported that more than half were union members.

Compared with all employers, those in the Agriculture, forestry and fishing and Construction sectors were more likely to report that no current employees were union members (95 per cent and 94 per cent, respectively). Conversely, employers in the Health care and social assistance sector were more likely to report having current employees who were union members – only 61 per cent reported having no union members on staff.

Figure 7 shows the proportions of employers that reported having one or more current employees who were union members, by business size and by industry. These figures have been aggregated from the proportion of employers reporting that less than 25 per cent, 25 to 50 per cent or more than 50 per cent of their employees were union members. ‘Don’t know’ responses are excluded.

Figure 7: Proportion of employers with union members\*, by business size and by industry



\* These figures are likely to undercount the proportion of businesses with union members as there was a relatively high number of employers who gave a 'don't know' response when asked to estimate proportions of employees who were union members. See paragraph 1 of Section 2.5.1 for further details.

### 2.5.2 Only one in ten employers had engaged with unions on business decisions

Of those employers with current employees who were union members, 30 per cent reported engaging with unions on employment matters, such as terms and conditions of employment and skill development. Among larger employers with union members on staff, 50 per cent had engaged with unions on employment matters compared with only 19 per cent of smaller employers with current employees who were union members.

It was less common for employers of union members to have engaged with unions on business decisions such as developing business objectives and processes – only 9 per cent had done so (17 per cent of larger employers with union members and 5 per cent of smaller employers with union members).

### **2.5.3 Employers with union members on staff were more likely to describe their current relationship with unions as positive rather than negative**

When asked about their business management's current relationship with unions, 34 per cent of employers (with union members on staff) described this relationship as positive, 32 per cent described it as neither positive nor negative and only 5 per cent described the relationship as negative. However, 27 per cent of employers gave a 'don't know' response to this question.

Larger employers (with union members) were more likely to give a positive response than smaller employers (49 per cent and 26 per cent, respectively) and only 11 per cent of larger employers gave a 'don't know' response compared with 34 per cent of smaller employers. Similar proportions of larger and smaller employers reported that management's current relationship with unions was neither positive nor negative (36 per cent and 31 per cent, respectively). Almost seven out of ten employers in the Agriculture, forestry and fishing and Construction sectors who had union members on staff gave a 'don't know' response to this question. However, as noted above few employers in these industries had current employees who were union members.

### **2.5.4 Employers with union members most commonly reported that their business management's relationship with unions had a neutral impact on business outcomes**

Employers of union members were also asked about the overall impact on business outcomes of management's relationship with unions. Three in ten employers reported that their business management's relationship with unions had a positive impact on business outcomes (29 per cent), 6 per cent reported a negative impact, and 38 per cent reported that the impact was neither positive nor negative. One-quarter of employers gave a 'don't know' response to this question.

Larger employers were more likely than smaller employers to report that management's relationship with unions had a positive impact on business outcomes (38 per cent and 24 per cent, respectively), while smaller employers were more likely than larger employers to give a 'don't know' response to this question (30 per cent and 12 per cent, respectively). Compared with total employers, those in the Health care and social assistance sector were more likely to report that the impact of the relationship with unions was neither positive nor negative (55 per cent).

## **2.6 Minimum wages**

Minimum wage rates apply to all employees, whether full-time, part-time, fixed-term, casual, working from home, and people paid totally or partly by commission or piece rates. Employees aged 16 years and over must be paid at least the adult minimum wage rate, unless they are starting-out workers or trainees.<sup>10</sup>

For most of the period that the 2017/18 NSE was in the field, the adult minimum wage was \$15.75 per hour, and the starting-out and training minimum wages were \$12.60 per hour. On 1 April 2018, the Government increased the adult minimum wage by 75 cents to \$16.50 per hour. This is the first step of the progressive increase in the adult minimum wage to \$20.00 per hour by 2020, with the final increase to take effect in April 2021.

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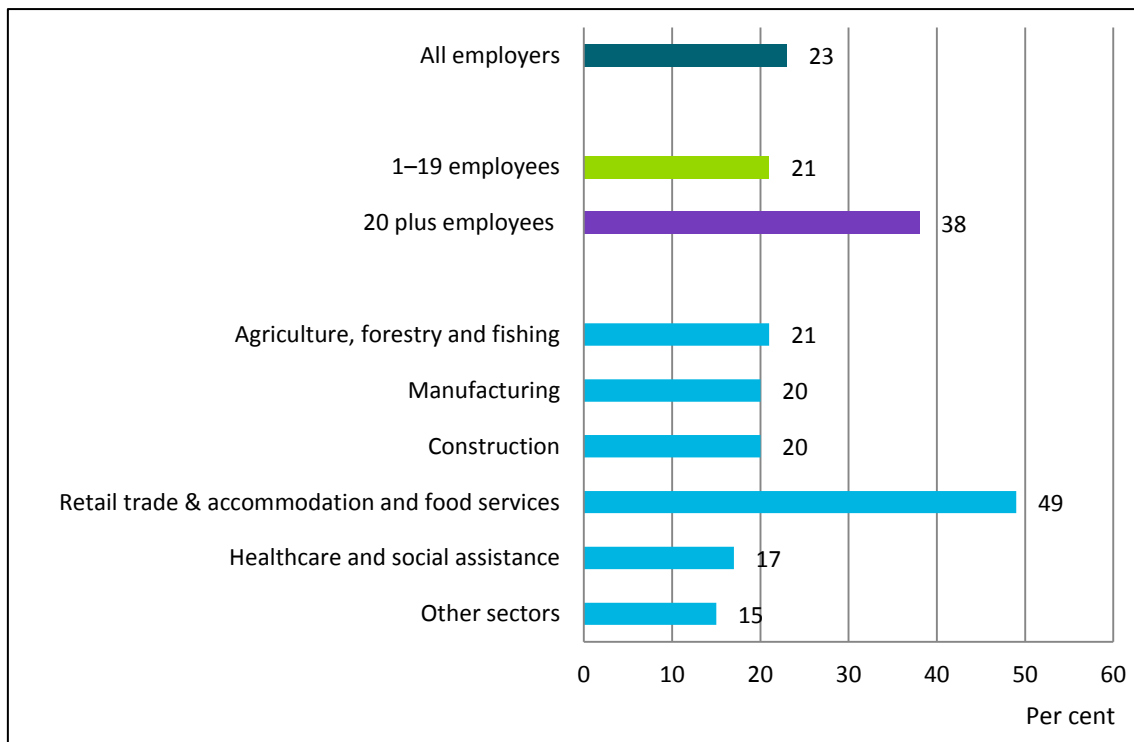
<sup>10</sup> For further information on the minimum wage please refer to:  
<https://www.employment.govt.nz/hours-and-wages/pay/minimum-wage/>

### 2.6.1 Almost one-quarter of employers were paying the adult minimum wage to one or more employees

Similar to previous years, 23 per cent of employers were paying the adult minimum wage to one or more of their employees. Also consistent with results from previous NSEs:

- employers with 20 plus employees were more likely to be paying the adult minimum wage to one or more employees than those in smaller businesses (38 per cent and 21 per cent, respectively)
- compared with all employers, those in the Retail trade & Accommodation and food services sector were twice as likely to be paying the adult minimum wage to one or more of their employees (49 per cent).

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



### 2.6.2 Few employers were paying the starting-out or training minimum wage to any employees

One in ten employers had current employees eligible to be paid the training minimum wage. However, only 4 per cent of these employers were using the training minimum wage (or a rate between this and the adult minimum wage) for any of these employees.

While larger employers were more likely than smaller employers to have current employees eligible to be paid the training minimum wage (15 per cent and 9 per cent, respectively), there was no difference by business size in the proportion of these employers who were paying the training minimum wage to one or more eligible employees (4 per cent). Compared with all employers, those in Construction were more likely to have current employees eligible to be paid the training minimum wage (23 per cent). However, there were no significant differences by industry sector in employer use of the training minimum wage.

Of the 68 per cent of employers who had hired a new employee in the last 12 months, 43 per cent had employed one or more workers aged 16 to 19. This equates to approximately 29 per cent of all employers having hired a younger worker in the last 12 months. Of these employers,

17 per cent were paying the starting-out wage (or a rate between this and the adult minimum wage) to one or more of these ‘potentially eligible’ employees.

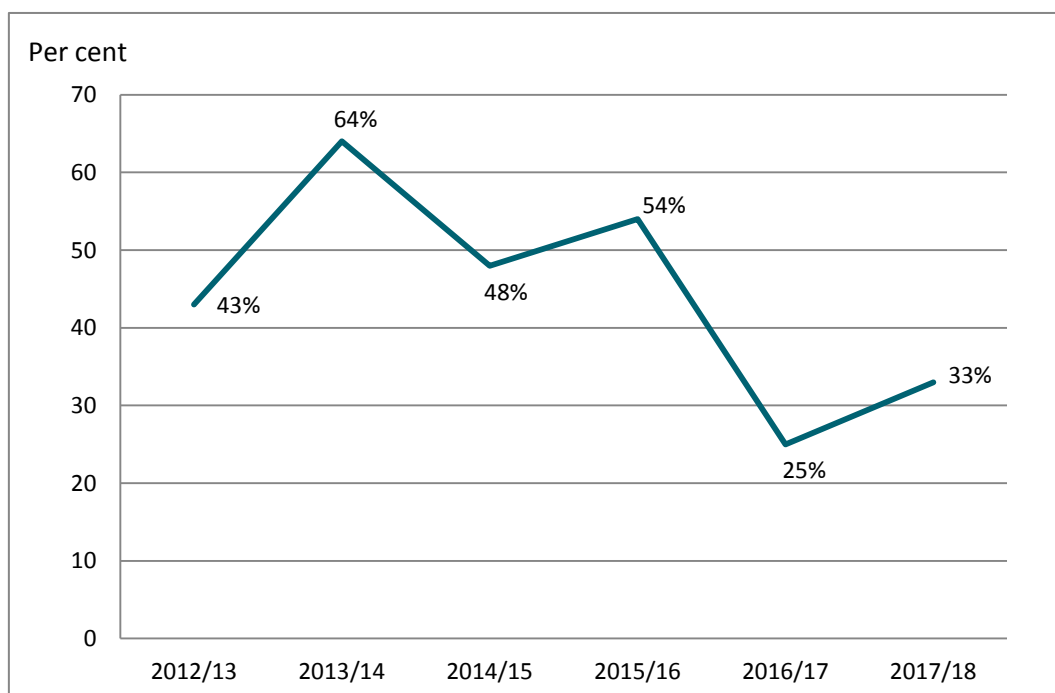
Among those who had hired a new employee in the last 12 months, larger employers were much more likely than smaller employers to have employed a worker aged 16 to 19 (61 per cent and 39 per cent, respectively). However, there was no significant difference between the proportions of larger and smaller employers of younger workers who were paying one or more of these employees the starting-out wage.

Compared with all employers, those in the Retail trade & Accommodation and food services sector who had hired a new employee in the last 12 months were more likely to have employed a younger worker (53 per cent, compared with 43 per cent of all employers). However, there were no significant differences by industry in the likelihood of employers of younger workers to be using the starting-out wage for any of these employees.

### 2.6.3 One-third of employers reported ‘flow-on’ effects from minimum wage increases, up from one-quarter in 2016/17

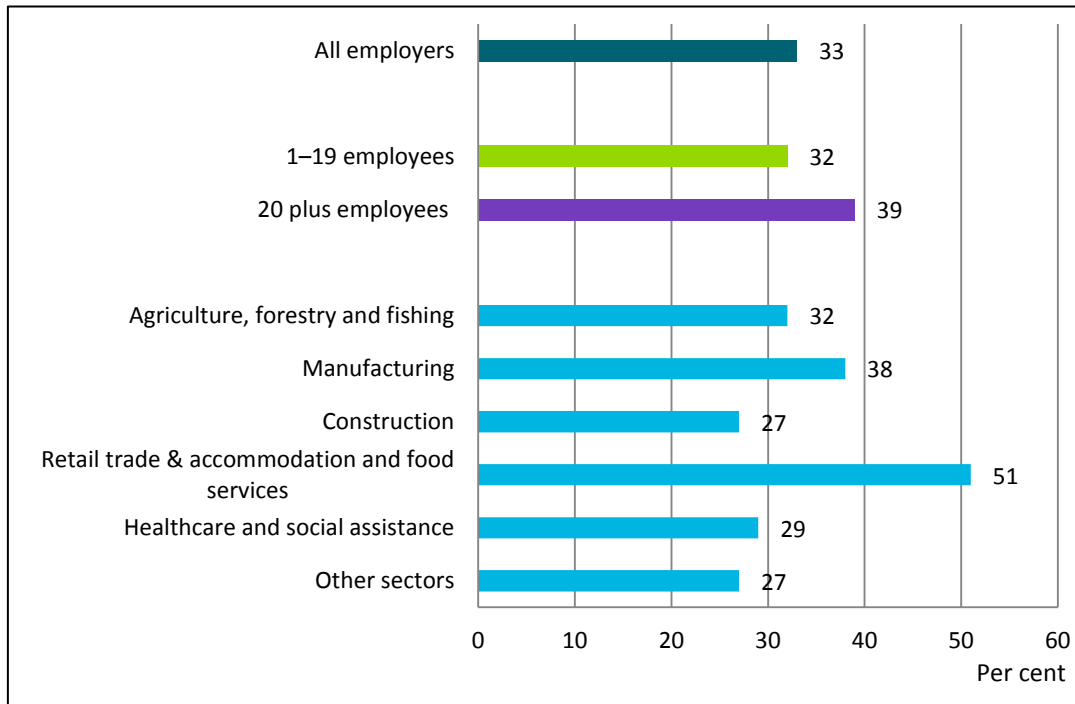
For 33 per cent of employers, an increase in minimum wage rates usually prompted their business to increase wages or salaries for employees who were already paid above minimum wages. This result has shown some volatility over the last few years, with the 2017/18 result up from 25 per cent in 2016/17. The 2016/17 result was a large decrease from the 2015/16 NSE result of 54 per cent, and it was also lower than all previous results to this question.

Figure 9: Proportion of employers that usually increased the pay of non-minimum wage staff after an increase minimum wages – 2012/13 to 2017/18



Employers with 20 plus employees were more likely to report ‘flow-on effects’ from minimum wage increases (39 per cent) compared with smaller employers (32 per cent) – see Figure 10. Compared with all employers, those in the Retail trade & Accommodation and food services sector were more likely to report ‘flow-on’ effects from minimum wage increases (51 per cent). ‘Flow-on effects’ were also more commonly reported by larger employers and those in the Retail trade & Accommodation and food services sector in the 2016/17 NSE.

Figure 10: Proportion of employers that usually increased the pay of non-minimum wage staff after an increase minimum wages, by business size and by industry



## 2.7 Holidays Act 2003 and working on Easter Sunday

The *Holidays Act 2003* sets out employee entitlements to annual holidays, public holidays, sick leave, bereavement leave, parental leave and other types of leave. The Act also specifies how leave payments should be calculated. The purpose of this Act is to promote balance between work and other aspects of employees' lives.

Systemic compliance issues with the *Holidays Act 2003* initially arose in 2012 and since then businesses have reported widespread non-compliance, with a large number of employers struggling to meet their obligations and a large number of employees not receiving their correct entitlements. This situation has led Government to undertake a broad review of the Act.

The *Shop Trading Hours Act 1990* was amended in 2016 to enable territorial authorities to decide whether retailers in their districts can open on Easter Sunday. All 'shop employees' have the right to refuse to work on Easter Sunday and they don't have to give their employer a reason for refusing. Employers who want a shop employee to work on Easter Sunday and shop employees who don't want to work on Easter Sunday have specific responsibilities to each other and need to follow a required process.

The 2017/18 NSE included questions on how confident employers are that they are meeting their obligations under the *Holidays Act 2003*, whether employers had raised concerns about their holidays or leave being underpaid and, if so, actions taken to address these concerns. The survey also asked employers whether they employed 'shop workers' and, if so, whether they would be asking any of these workers to work on Easter Sunday in April 2018.

### **2.7.1 Most employers were confident the business was meeting its obligations under the *Holidays Act 2003* – three-quarters were ‘very confident’**

Consistent with results from last year’s NSE, 94 per cent of employers were confident the business was meeting its obligations under the *Holidays Act 2003* – 76 per cent reported that they were ‘very confident’ and 18 per cent reported they were ‘somewhat confident’.

Confidence was higher among employers in larger businesses, with 86 per cent of larger employers reporting they were ‘very confident’ that the business was meeting its obligations under the Act compared with 75 per cent of smaller employers. These results did not vary significantly at the industry level.

### **2.7.2 Few employers reported that employees had raised concerns about their holidays or leave being underpaid**

Again consistent with 2016/17, only 4 per cent of all employers reported that any employee had raised concerns with the business about their holidays or leave being underpaid. However, it was more common for larger employers to report this than smaller employers (9 per cent and 3 per cent, respectively).

Where employees had raised concerns about underpayment of leave or holidays, the most common action taken by employers was to undertake an internal investigation of employees’ holiday or leave pay (63 per cent). Other actions taken to address concerns included:

- seeking help or advice from a source other than MBIE (41 per cent)
- undertaking an audit of the payroll system (30 per cent)
- making settlement payments to employees who raised concerns (19 per cent)
- seeking help or advice from MBIE (15 per cent).

### **2.7.3 One in five employers had employees who were ‘shop workers’**

In total, 21 per cent of employers reported having one or more employees who worked in a shop, bar or café, either directly with customers or doing tasks such as shelf stacking or stocktaking (ie a place where goods are kept, sold or offered for sale). This was down from 28 per cent in 2016/17, despite the proportion of all businesses in the Retail trade & Accommodation and food services sector remaining consistent in 2016/17 and 2017/18, at 19 per cent of all businesses.

Larger employers were more likely to employ shop workers than smaller employers (26 per cent and 21 per cent, respectively). Unsurprisingly, Retail trade & Accommodation and food services employers were much more likely to have ‘shop workers’ on staff compared with total employers (70 per cent and 21 per cent, respectively). Consistent with the result for total employers, 17 per cent those in the Manufacturing sector had one or more employees who worked in a shop. However, employers in all other industries were less likely to have ‘shop workers’.

### **2.7.4 Around three in ten employers with shop workers intended to ask one or more of these employees to work on Easter Sunday in April 2018**

Of the 21 per cent of employers with shop workers, 26 per cent reported that they would be asking one or more of their employees to work on Easter Sunday (consistent with 22 per cent

in 2016/17). Another 3 per cent reported that they would ask pending a decision by the Local Authority to adopt an Easter Sunday shop trading policy.<sup>11</sup>

Larger employers with employees who worked in a shop were more likely than smaller employers with shop workers to report that they would be asking one or more of these employees to work on Easter Sunday in April 2018 (50 per cent and 26 per cent, respectively, including those who reported they would ask pending a decision by the Local Authority.)

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<sup>11</sup> The the response option 'Yes, pending a decision by the Local Authority to adopt an Easter Sunday shop trading policy was not included in the 2016/17 questionnaire'.



## 3 Health and safety systems, practices and perspectives

The health and safety at work regulatory system provides a balanced framework aimed at ensuring the health and safety (H&S) of workers and workplaces. The NSE collects information about workplace H&S systems and practices including compliance with aspects of legislation and employers' views on the law.

The 2017/18 survey was conducted almost two years after the enactment of the *Health and Safety at Work (HWS) Act 2015*. Data from the NSE will help in assessing how effective the new legislation has been in improving workplace H&S in terms of employer practices towards and attitudes towards managing H&S.

### 3.1 Health and safety leadership, and managing risks and hazards

#### 3.1.1 Seven out of ten employers reported that the business owners were mainly responsible for H&S leadership

Most employers (70 per cent) reported that their business owner(s) were mainly responsible for providing health and safety (H&S) leadership for the business. Other main sources of H&S leadership were managers (37 per cent), and directors, board members or senior leaders (31 per cent).<sup>12</sup> Around one in ten employers reported that an H&S specialist within the business (11 per cent), H&S reps (11 per cent), an H&S committee (11 per cent) and/or a contracted H&S specialist from outside the business (9 per cent) were mainly responsible for H&S leadership. These results are consistent with those from the 2016/17 NSE (ie there were no statistically significant differences in these results between the two survey years).

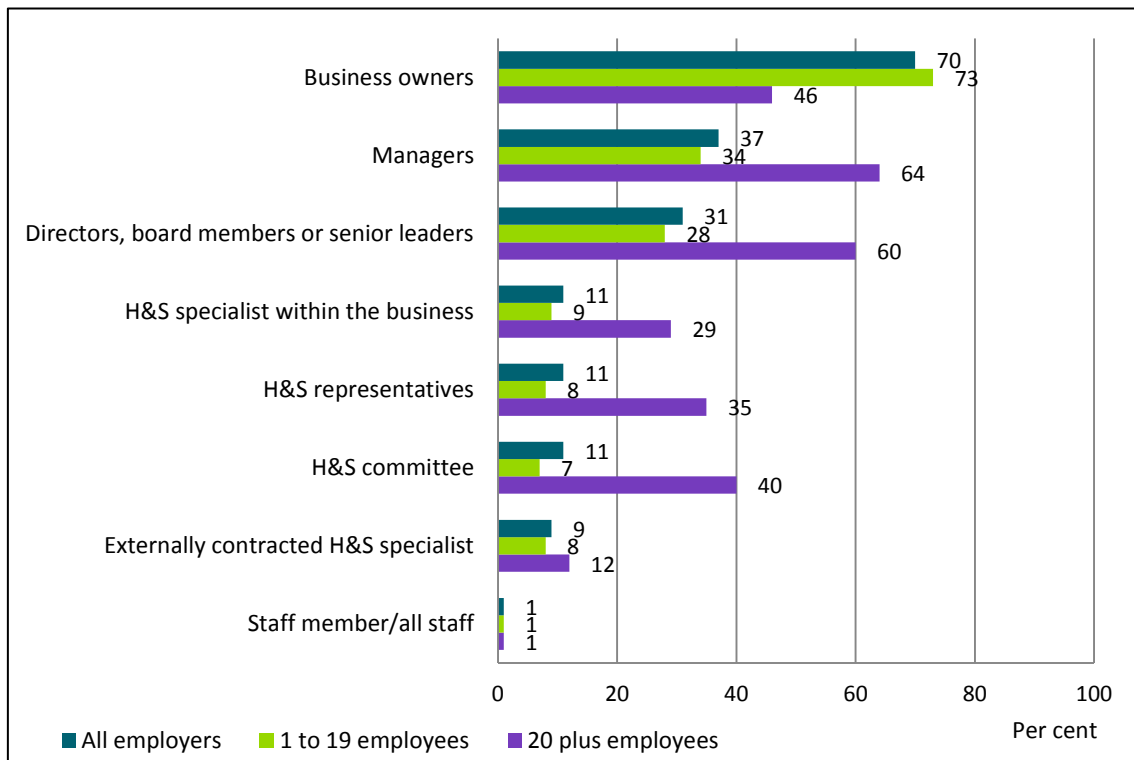
Employers in larger business (with 20plus employees) approach H&S leadership differently from smaller employers. Almost two-thirds of larger employers (64 per cent) reported that managers were mainly responsible for H&S leadership and 60 per cent reported that directors, board members or senior leaders were mainly responsible compared with 34 per cent and 28 per cent, respectively, of smaller employers.

Larger employers were also much more likely to rely on an H&S committee (40 per cent), H&S reps (35 per cent) and/or an H&S specialist within the business (29 per cent) than smaller employers (7 per cent, 8 per cent and 9 per cent, respectively). Conversely, smaller employers (with fewer than 20 employees) were much more likely than larger employers to report that business owners were mainly responsible for H&S leadership (73 per cent and 46 per cent, respectively).

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<sup>12</sup> Respondents could provide more than one response to this question.

Figure 11: Proportion of employers reporting who was mainly responsible for providing health and safety leadership for the business, by business size



There was some variation in these results by industry. However, industry level results generally reflected the pattern of results for total employers. That is, employers in each of the six industry groupings were most likely to report that business owners were mainly responsible for providing H&S leadership, followed by managers, and directors, board members or senior leaders.

In 2017/18 fewer larger employers reported that an H&S specialist within the business was mainly responsible for providing H&S leadership than in 2016/17 (29 per cent and 38 per cent, respectively). Other results by business size and industry for health and safety leadership are similar to 2016/17.

### 3.1.2 Most employers had processes in place to identify and manage H&S risks and hazards

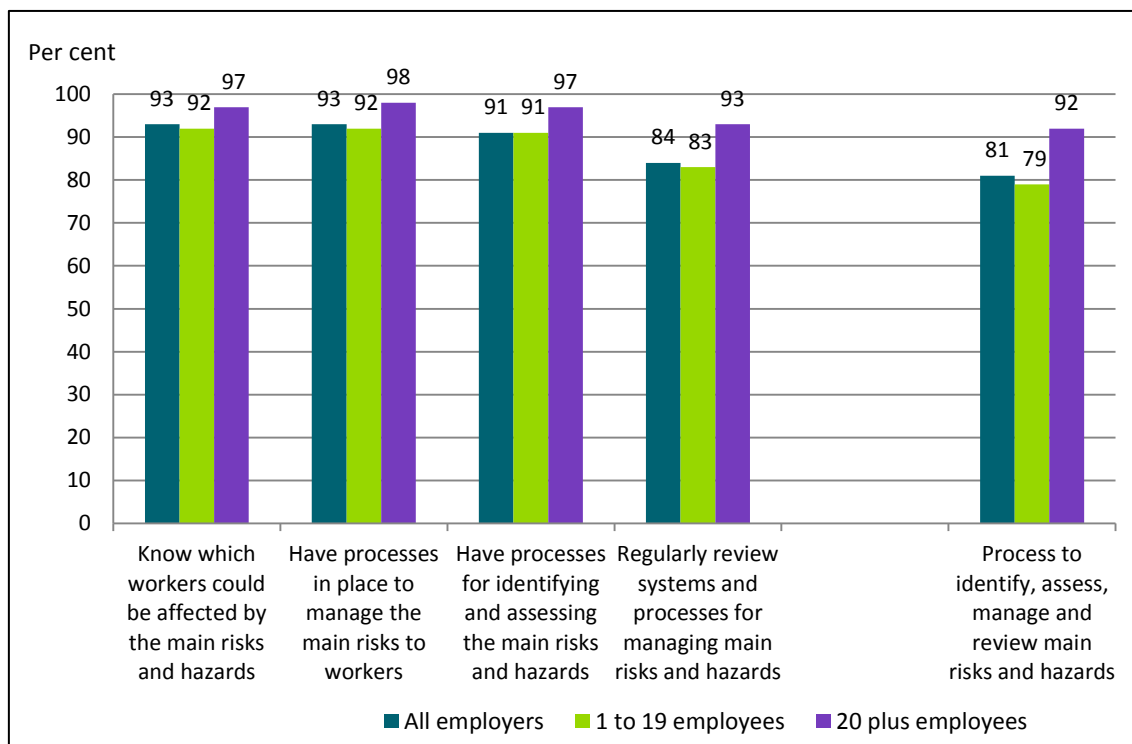
High proportions of employers had systems and processes in place to identify and manage the business's main H&S risks and hazards, with:

- 93 per cent of employers reporting that they knew which workers could be affected by the main risks and hazards
- 93 per cent of employers having processes in place to manage the main risks to workers
- 91 per cent of employers having a process for identifying and assessing the business's main risks and hazards
- 84 per cent of employers regularly reviewing their systems and processes for managing the main risks and hazards.

Larger employers (with 20 plus employees) were more likely to have each of the above elements in place than smaller employers.

In total, eight out of ten employers (81 per cent) had processes in place to identify, assess, manage and review their business’s main health and safety risks and hazards – this result is an aggregate of employers who responded ‘yes’ to all of the four questions about identifying and managing H&S risks and hazards (as per the four bullet points above). This result was much higher for larger employers (92 per cent) than it was for smaller employers (79 per cent). These results are all consistent with those from the 2016/17 NSE.

Figure 12: Proportion of employers with systems and process to manage the business’s main H&S risks and hazards, by business size



\* The final set of bars in Figure 12 show the aggregate result – the proportion of employers that gave a ‘yes’ response to all four questions.

### 3.1.3 Four in ten businesses had initiatives to support the psychological health and wellbeing of its workers

The 2017/18 NSE asked a new question on whether the business had any initiatives to support the psychological health and wellbeing of its workers. Compared with 42 per cent of all employers, 64 per cent of employers with 20 plus employees reported having initiatives in place to support the psychological health and wellbeing of its workers – the result for smaller employers was 39 per cent.

Compared with total employers, those in the Health care and social assistance sector were more likely to have initiatives to support the health and wellbeing their workers (58 per cent) while those in the Construction sector were less likely to do so (31 per cent).

### 3.1.4 Half of employers reported that the business’s officers asked for information on how H&S risks and hazards were managed

In total, 49 per cent of employers reported that the business’s officers (ie the directors, board members or senior leaders of the business) had asked for information on how the business was managing its main H&S risks and hazards in the last year, one-quarter of employers (24 per cent) reported that the business’s officers had not asked for information about how the

business was managing its main H&S risks and hazards, and 22 per cent gave a ‘not applicable’ response to this question (ie they did not have officers). These results were similar to those reported in 2016/17.

Eight out of ten employers in larger businesses (with 20 plus employees) reported that the business’s officers had asked for information on how the business was managing its main H&S risks compared with only 46 per cent of smaller employers. There were also significant differences in this result by business size at a more disaggregated level. There were no significant differences in these results by industry sector.

### **3.1.5 Two-thirds of employers who had ‘shared duties’ with another business for workplace H&S worked with other businesses to manage H&S risks**

In the previous 12 months, 50 per cent of employers had work done by contractors/sub-contractors from another business and 41 per cent had workers who were working on the same site with those from another business. Overall, 66 per cent of all employers had ‘shared duties’ with another employer for workplace H&S (ie one or both of the above situations applied). This result is in line with the 2016/17 NSE result.

As might be expected, larger employers (with 20 plus employees) were more likely to have shared duties than smaller employers (87 per cent and 64 per cent, respectively). Compared with all employers, employers in the Retail trade & Accommodation and food services sector were less likely to have shared duties (49 per cent) while those in Construction (96 per cent) and Agriculture, forestry and fishing (77 per cent) were more likely to do so.

Among employers who had shared duties for workplace H&S, 65 per cent reported that their business worked with other businesses to manage these risks. This result is consistent with the 2016/17 result of 64 per cent. Employers with 20 plus employees who had shared duties were more likely than smaller employers with shared duties to jointly managing shared risks (74 per cent and 64 per cent, respectively). Compared with all employers, Construction sector employers were more likely to be jointly managing shared risks (81 per cent) and Retail trade & Accommodation and food services employers were less likely to be doing so (49 per cent). Similar differences by business size and industry were seen in the 2016/17 NSE results.

## **3.2 Worker involvement in health and safety**

### **3.2.1 Employers involved workers in H&S in a range of ways**

The most common way to involve workers in health and safety was by having regular meetings where health and safety was discussed (55 per cent), followed by a system for regular H&S communications (43 per cent). Also in line with results from the 2016/17 NSE:

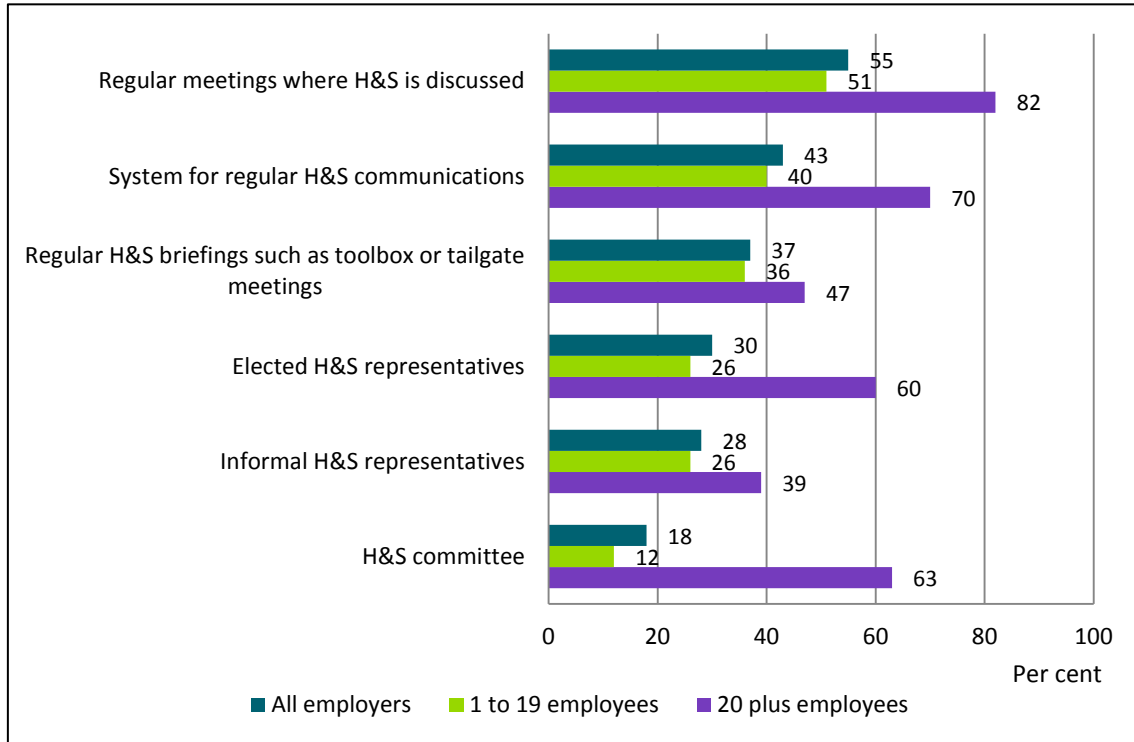
- 37 per cent of employers reported having regular health and safety briefings, such as toolbox or tailgate meetings
- 30 per cent reported having elected health and safety representatives
- 28 per cent reported having informal representatives or champions
- 18 per cent reported having a health and safety committee.

Similar to 2016/17 there were notable differences in these results by business size and industry sector, as shown in Figure 13:

- Employers with 20 plus employees were more likely than those with 1–19 employees to report using each of the methods asked about to involve their workers in H&S.

- Compared with 63 per cent of employers with 20 plus employees, only 12 per cent of employers with 1–19 employees (and 18 per cent of all employers) had an H&S committee.
- Compared with 37 per cent of all employers, 77 per cent of those in the Construction sector involved their workers by having regular health and safety briefings, such as toolbox or tailgate meetings.

Figure 13: Business practices for involving workers in H&S, by business size



### 3.2.2 The majority of employers involved their workers in decisions affecting their H&S

Just over two-thirds of employers (68 per cent) reported that they involved their workers, including any contractors, in decisions affecting their health and safety ‘all or most of the time’. This was up from 61 per cent of employers in 2016/17. Another 27 per cent reported that they did so ‘some of the time’. Only 3 per cent of employers reported that they ‘never’ involved workers in decisions that affect their health and safety. Results by business size and industry sector were similar to the results for total employers.

#### 3.2.2 Most employers provided H&S inductions for all new employees

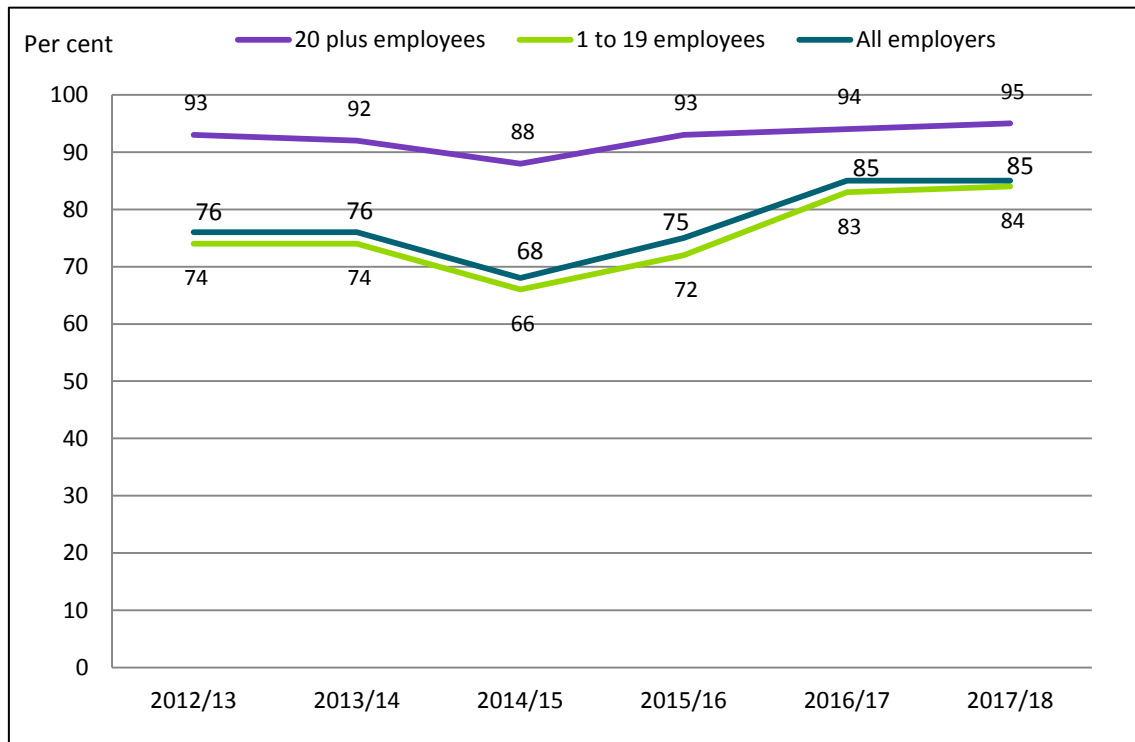
In total, 85 per cent of employers reported providing health and safety inductions for all new employees – this was consistent with 2016/17. The 2017/18 and 2016/17 results of 85 per cent were higher than results from the four previous NSEs – see Figure 14. The increase from 2015/16 to 2016/17 in the proportion of all employers providing inductions was driven by the increased proportion of smaller employers that reported providing inductions.

Consistent with results from previous NSEs, larger employers were more likely to provide H&S inductions than smaller employers (95 per cent and 84 per cent, respectively). Only eight out of ten employers in the smallest sized businesses (with 1 to 5 employees) reported providing

H&S inductions for all new employees, compared with more than nine out of ten employers in businesses with 6 or more employees.

Compared with total employers, those in the Manufacturing (93 per cent) and Construction (92 per cent) industries were more likely to report providing inductions for all new employees. This result is similar to previous years where, compared with total employers, there was a higher incidence of providing inductions reported by Construction employers in 2016/17, Manufacturing employers in 2015/16, both Manufacturing and Construction employers in 2014/15 and Construction employers in 2012/13.

Figure 14: Proportion of employers that have H&S inductions for all new employees, by business size – 2012/13 to 2017/18



### 3.3 Changes made to H&S systems or practices

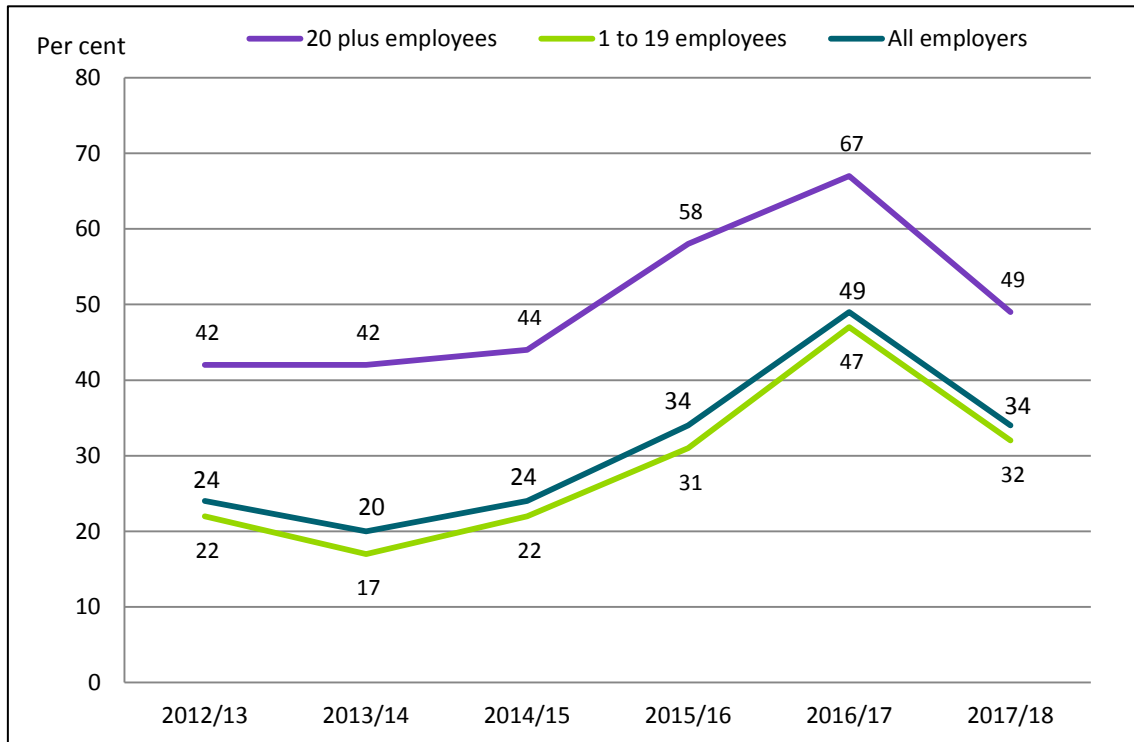
#### 3.3.1 One-third of employers had made significant changes to their H&S systems or practices in the previous year

In total, 34 per cent of employers had made significant changes to their health and safety systems or practices in the previous 12 months (64 per cent had not done so). This result was down from 49 per cent in 2016/17, but was consistent with the 2015/16 result (which was up significantly from the previous year). The increases in the 2015/16 and 2016/17 results were likely to reflect the large number of employers who made changes to their systems or practices to ensure compliance with the new *HSW Act 2015*.

Consistent with previous years, employers with 20 plus employees were more likely to have made significant changes than those with 1–19 employees (49 per cent and 32 per cent, respectively). Results to this question for employers in different industries were consistent with the result for total employers. However, there was a decrease from 2016/17 to 2017/18 in the proportions of employers that made significant changes to H&S and who were based in the following industries: Manufacturing (down from 52 per cent to 36 per cent in 2017/18),

Construction (down from 56 per cent to 38 per cent), Retail Trade & Accommodation and Food Services (down from 45 per cent to 31 per cent) and Other industries (down from 49 per cent in 2016/17 to 32 per cent in 2017/18).

Figure 15: Proportion of employers that made significant changes to the business's health and safety systems and practices, by business size – 2012/13 to 2017/18



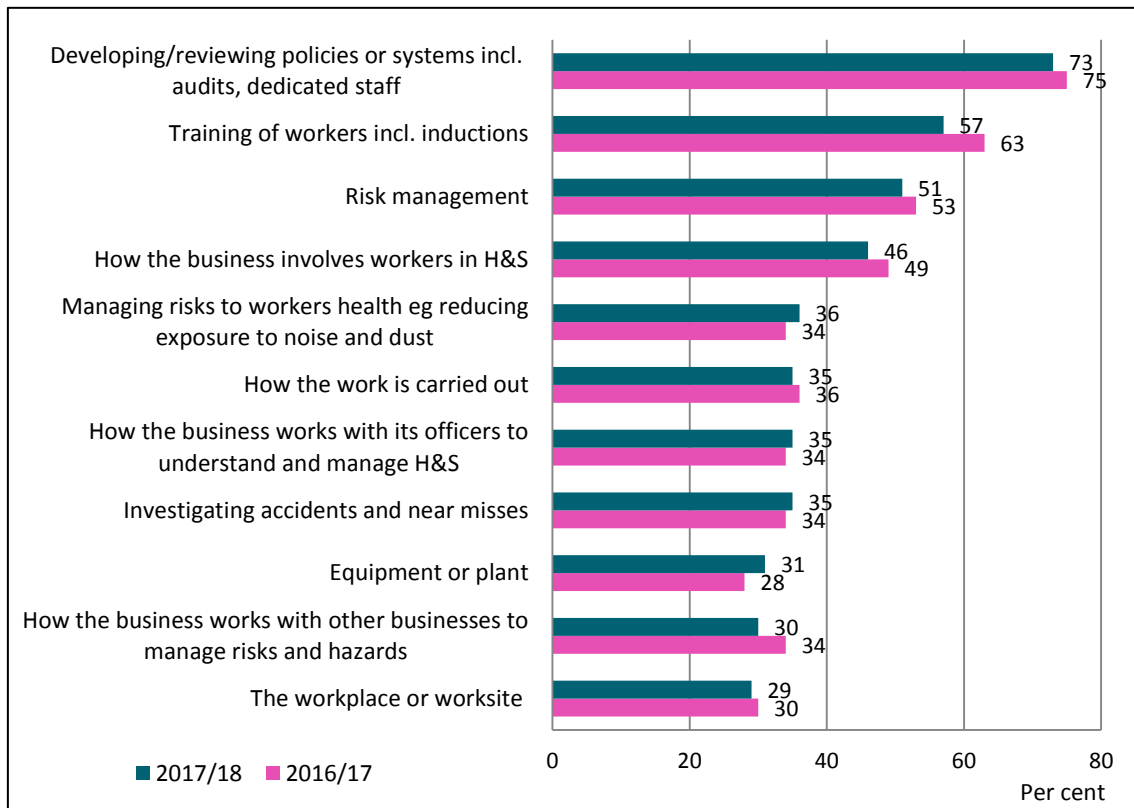
### 3.3.2 Employers who made significant changes to their H&S systems or practices had most commonly developed or reviewed policies or systems

Of those employers who had made significant changes to their H&S systems or practices, the most common changes were to:

- developing/reviewing policies or systems (73 per cent)
- the training of workers, including inductions (57 per cent)
- risk management (51 per cent)
- how the business involved workers in health and safety (46 per cent).

These types of changes to H&S systems or practices were also the changes most commonly reported in 2016/17 – see Figure 16. And, there were no significant differences between the two years in the proportions of employers reporting that these were the biggest changes made to their H&S systems or practices.

Figure 16: The biggest changes made to H&S systems or practices – 2016/17 & 2017/18\*



\* Sub-samples based on those employers who had made significant changes to the business's H&S systems and practices in the last 12 month, n = 1,030 (2017/18), n = 1,088 (2016/17).

Employers with 20 plus employees, who made changes, were more likely than those with 1–19 employees to have made changes to investigating accidents and near misses (44 per cent and 33 per cent, respectively). Other differences by business size were not statistically significant.

Compared with 2016/17, larger employers who made changes in 2017/18 were less likely to report that the biggest changes were to:

- risk management (down from 66 per cent in 2016/17 to 56 per cent in 2017/18)
- how the business involved workers in health and safety (down from 58 per cent to 42 per cent)
- how the business works with its officers to understand and manage H&S (down from 50 per cent to 38 per cent).

Compared with total employers who made a change to managing risks to workers' health (36 per cent of those who made significant changes), those in Construction and Manufacturing were more likely to report making this type of change (53 per cent and 52 per cent, respectively). There were no other differences by industry compared with the results for total employers. And, there were no significant differences from 2016/17 to 2017/18 in the proportions of employers by industry reporting on the biggest types of changes made to H&S system and practices.



## 3.4 Employer views on aspects of workplace H&S

### 3.4.1 Most employers agreed that having good H&S systems and practices is good for their business

A total of 83 per cent of employers agreed that ‘having good health and safety systems is good for your business’ (42 per cent ‘strongly agreed’ and 41 per cent ‘agreed’). Ten per cent gave a neutral response – see Figure 17. These results are consistent with the 2016/17 and 2015/16 NSE results.

Larger employers, with 20 plus employees, were more likely to agree with this statement than smaller employers (93 per cent and 82 per cent, respectively). Larger employers were also more likely to ‘strongly agree’ than smaller employers (60 per cent and 40 per cent, respectively). There were no differences observed in these results by industry, and results by size and industry are consistent with those from 2016/17.

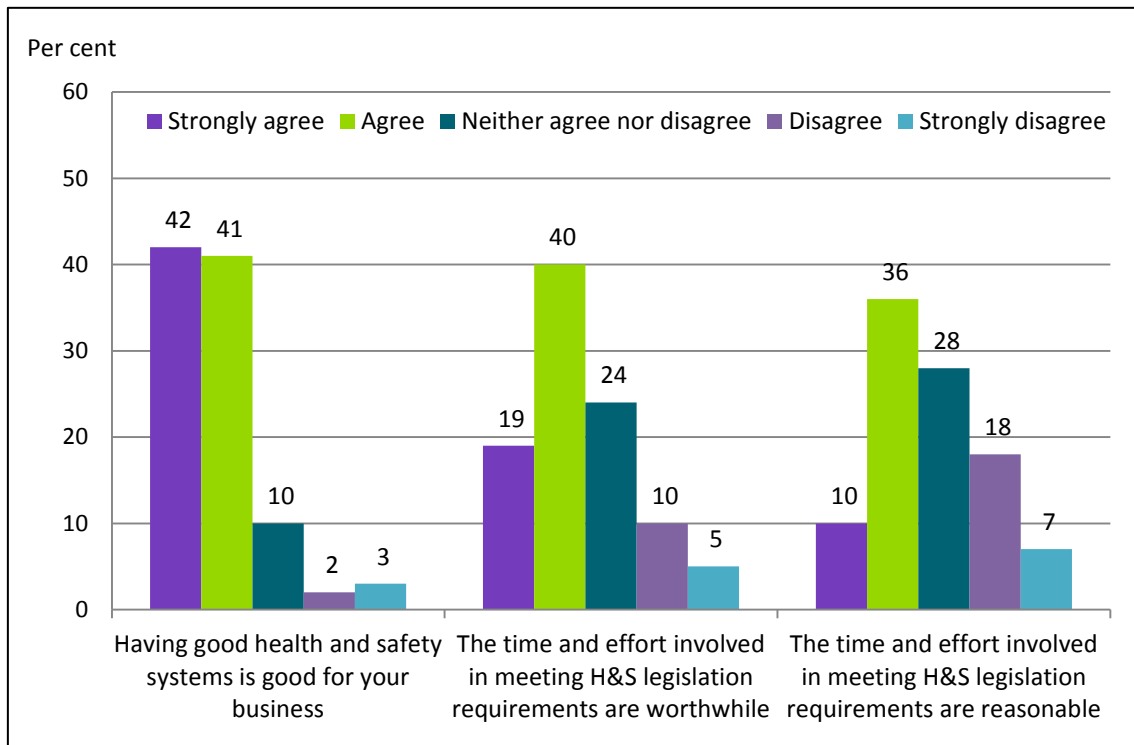
### 3.4.2 Six out of ten employers agreed that the ‘time and effort involved in meeting H&S requirements’ was worthwhile

Consistent with results from the 2016/17 NSE:

- 59 per cent of employers agreed that ‘the time and effort involved in meeting H&S legislative requirements are worthwhile’, (19 per cent ‘strongly agreed’ and 40 per cent ‘agreed’) – see Figure 17. However, one-quarter of employers gave a neutral response to this question and 15 per cent either ‘disagreed’ or ‘strongly disagreed’ with this statement.
- 46 per cent of employers agreed that ‘the time and effort involved in meeting H&S legislative requirements are reasonable’, (10 per cent ‘strongly agreed’ and 36 per cent ‘agreed’). Twenty-eight per cent of employers gave a neutral response and one-quarter ‘disagreed’ or ‘strongly disagreed’ with this statement – see Figure 17.
- Employers were more likely to agree that the time and effort involved was ‘worthwhile’ (59 per cent) than they were to agree that it was ‘reasonable’ (46 per cent).
- Employers with 20 plus employees were more likely than smaller employers to report they ‘strongly agreed’ that ‘the time and effort involved in meeting H&S legislative requirements are worthwhile’.
- There were no statistically significant differences in these results by industry (compared with total employers).

In 2017/18, larger employers were more likely than smaller employers to ‘strongly agree’ that that ‘the time and effort involved in meeting H&S legislative requirements are reasonable’. There was no significant difference in this result between larger and smaller employers in 2016/17.

Figure 17: Proportion of employers agreeing with statements about managing workplace H&S



### 3.4.3 Seven out of ten employers were confident the business understood its obligations under the *HSW Act 2015*

Again consistent with results from the two previous NSEs, most employers (72 per cent) were ‘somewhat confident’ (44 per cent) or ‘very confident’ (28 per cent) that the business understood its obligations under the *HSW Act 2015*. Another 14 per cent were ‘neither confident nor unconfident’ about their understanding and 12 per cent were either ‘somewhat unconfident’ or ‘not at all confident’ that the business understood its obligations under the *HSW Act 2015*.

In 2017/18 there was an increase in the proportion of employers reporting that they were ‘somewhat unconfident’ that the business understood its obligations compared with 2016/17 (up from 4 per cent in 2016/17 to 8 per cent in 2017/18).<sup>13</sup>

Larger employers, with 20 plus employees had a higher level of confidence about their understanding of obligations under the *HSW Act 2015* than those with 1–19 employees (87 per cent and 69 per cent, respectively), and almost half of larger employers reported that they were ‘very confident’ compared with only one-quarter of smaller employers.

Compared with all employers (28 per cent), those in the Agriculture, forestry and fishing sector were less likely to report that they were ‘very confident’ that the business understood its obligations under the Act (17 per cent). In 2016/17, the difference between results for these two groups was not statistically significant.

<sup>13</sup> This result was driven by the increased proportion of small employers in 2017/18 reporting they were ‘somewhat unconfident’ compared with 2016/17 (9 per cent in 2017/18 and 5 per cent in 2016/17).

## 4 Job vacancies and employing migrants

Migrants are very important to New Zealand's population and workforce, bringing skills and experience that are sometimes in short supply and increasing diversity within New Zealand workplaces. In addition, the effective use of the knowledge and skills of all workers is a key driver of innovation and growth, leading to increased wages, competitiveness, productivity, and better social and economic outcomes. NSE data helps in understanding issues for employers around accessing skills both in New Zealand and from overseas.

### 4.1 How vacancies are filled and extent of difficulties experienced

#### 4.1.1 Almost two-thirds of employers had job vacancies in the last 12 months

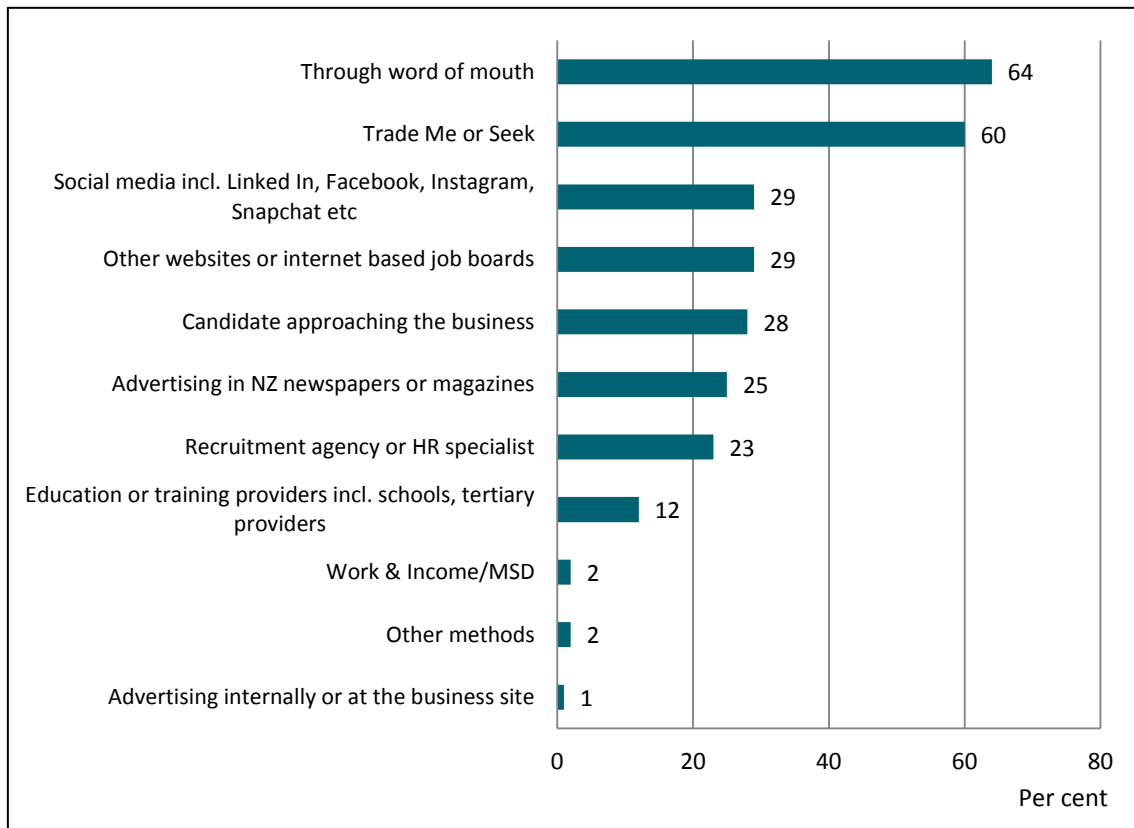
Almost two-thirds of employers had job vacancies in the last 12 months (64 per cent), with larger employers more likely to have had vacancies than smaller employers (96 per cent and 60 per cent, respectively). These results are consistent with results from the 2014/15, 2013/14 and 2012/13 NSEs, when this question was previously asked (ie there were no statistically significant differences between these results for different survey years).

#### 4.1.2 Vacancies were most commonly filled through word-of-mouth and by using Trade Me or Seek

Employers with job vacancies most commonly found staff to fill these jobs through word of mouth (64 per cent) and Trade Me or Seek (60 per cent, up from 51 per cent in 2014/15). Between 20 and 30 per cent of employers with job vacancies found staff to fill these vacancies using the following methods:

- other websites or internet based job boards (29 per cent)
- social media (including Linked In, Facebook, Instagram, Snapchat etc (29 per cent)
- a candidate approaching the business (28 per cent)
- advertising in NZ newspapers or magazines (25 per cent)
- a recruitment agency or HR specialist (23 per cent).

Figure 18: How businesses find staff to fill job vacancies\*



\* Sub-sample based on those employers who reported that the business had job vacancies in the last 12 months, n = 1,910.

Larger employers with vacancies were more likely than smaller employers with vacancies to find staff through:

- Trade Me or Seek (79 per cent and 56 per cent, respectively)
- other websites or internet based job boards (42 per cent and 27 per cent, respectively)
- a recruitment agency or HR specialist (38 per cent and 20 per cent, respectively)
- advertising in NZ newspapers or magazines (34 per cent and 24 per cent, respectively)
- a candidate approaching the business (34 per cent and 27 per cent, respectively)
- education or training providers (21 per cent and 11 per cent, respectively).

There were also differences by industry in how employers found staff to fill job vacancies. Compared with total employers who had job vacancies:

- Agriculture, forestry and fishing industry employers were less likely to use Trade Me or Seek (30 per cent) and more likely to use other websites or internet based job boards (48 per cent), but they still most commonly found staff through word of mouth (75 per cent)
- Construction sector employers were less likely to use other websites and internet based job boards (13 per cent)
- Manufacturing sector employers were more likely to use a recruitment agency or HR specialist (36 per cent), but they still most commonly used Trade Me or Seek (69 per cent)

- Retail trade & Accommodation and food services employers were more likely to use social media (42 per cent) and to find staff through a candidate approaching the business (40 per cent), and less likely to use a recruitment agency or HR specialist (11 per cent). Like total employers, those in the Retail trade & Accommodation and food sector most commonly found staff via work of mouth (66 per cent).

#### **4.1.3 Six out of ten employers with job vacancies had difficulties finding staff to fill vacancies**

Six out of ten employers who had job vacancies in the last 12 months reported having difficulties finding staff to fill vacancies.<sup>14</sup> Larger employers with job vacancies more commonly reported difficulties with finding staff to fill vacancies than smaller employers (72 per cent and 57 per cent, respectively). There were no significant differences in this result by industry.

#### **4.1.4 One in five employers who had difficulties finding staff to fill vacancies had sought out a migrant for a 'hard to fill' job vacancy**

Of those employers who had job vacancies in the last 12 months and who also reported having difficulties finding staff to fill job vacancies, one in five (19 per cent) reported that they had intentionally sought out a migrant for a job vacancy that was hard to fill. There were no significant differences in this result by business size or by industry and these results are consistent with the 2016/17 NSE results.

## **4.2 Hiring recent migrants and reasons for doing so**

### **4.2.1 Almost three in ten employers had a recent migrant on staff**

In total, 28 per cent of all employers had at least one recent migrant on staff and 23 per cent of employers had hired a recent migrant in the last 12 months. Both of these results were in line with the 2016/17 results of 25 per cent and 24 per cent, respectively.<sup>15</sup>

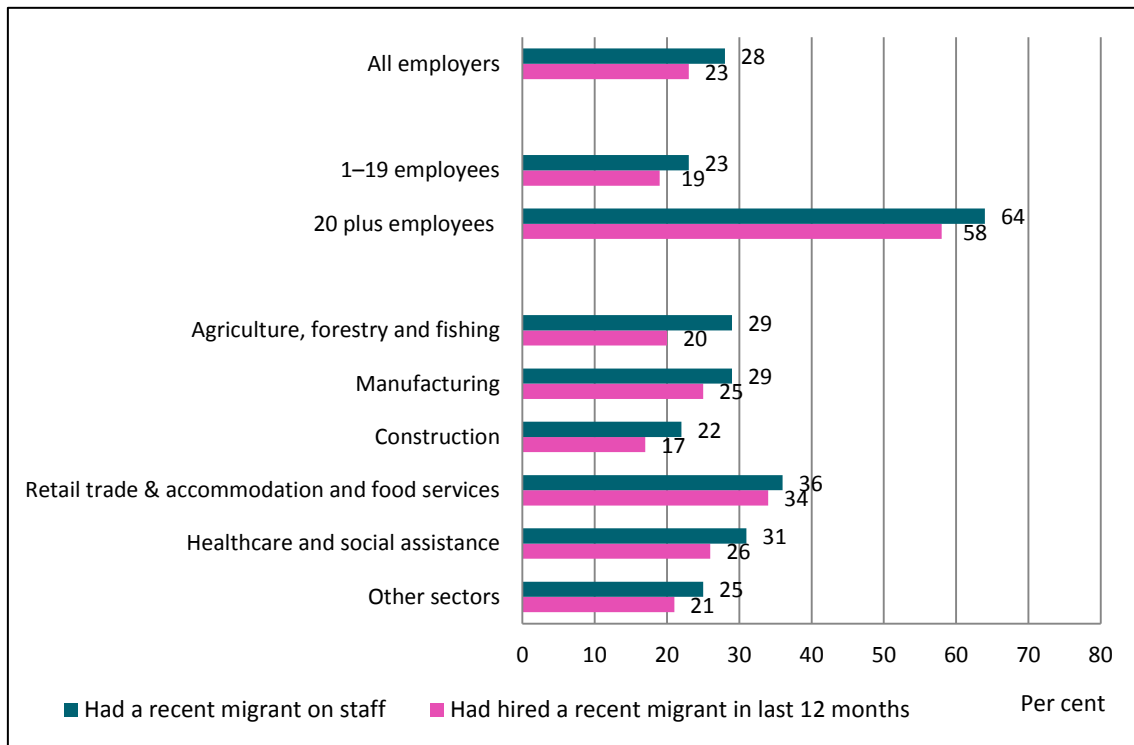
Larger employers were more likely than smaller employers to have a recent migrant on staff (64 per cent and 23 per cent, respectively) and to have hired a recent migrant in the last 12 months (58 per cent and 19 per cent, respectively). Compared with total employers, those in the Retail trade & Accommodation and food services were somewhat more likely to have a recent migrant on staff (36 per cent) and to have hired a recent migrant in the previous 12 months (34 per cent) – see Figure 19.

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<sup>14</sup> This result is consistent with the 2016/17 result where 38 per cent **of all employers** reported having difficulties finding staff to fill job vacancies.

<sup>15</sup> The NSE data cannot be used to estimate the number or proportion of employees who were recent migrants, as the NSE is *employer-level* data.

Figure 19: Proportion of employers that had a recent migrant on staff/had hired a recent migrant



#### 4.2.2 Migrants were most commonly hired for their skills and qualifications

Of those employers who had hired a recent migrant in the last 12 months, the most common reason for employing the migrant most recently hired was their skills and qualifications – 73 per cent of employers of migrants gave this reason, as did 71 per cent in 2016/17. Other common reasons for employing the migrant most recently hired by the business were:

- their experience (noted as a reason by 59 per cent of employers of migrants)
- it seemed like they would be a good fit for the business (56 per cent)
- it seemed like they had a strong work ethic (55 per cent)
- New Zealanders were not willing to do the job or did not apply (44 per cent)
- New Zealanders who applied did not have the necessary skills, qualifications or experience (43 per cent).

Reasons for hiring the migrant most recently employed were similar for larger and smaller employers. Compared with all employers, those in the Manufacturing sector were less likely to report that they chose to employ the migrant most recently hired because they seemed like they would be a good fit for the business (41 per cent).

### 4.3 Difficulties with hiring migrants and impacts on the business

#### 4.3.1 One in ten employers had difficulties with employing migrant workers

In total, 11 per cent of employers had experienced difficulties with employing migrant workers in New Zealand or from overseas in the previous two years, similar to 8 per cent in 2016/17. Larger employers were more than twice as likely as smaller employers to have experienced difficulties with employing migrant workers (24 per cent and 9 per cent, respectively). However, there were no significant differences in this result by industry.

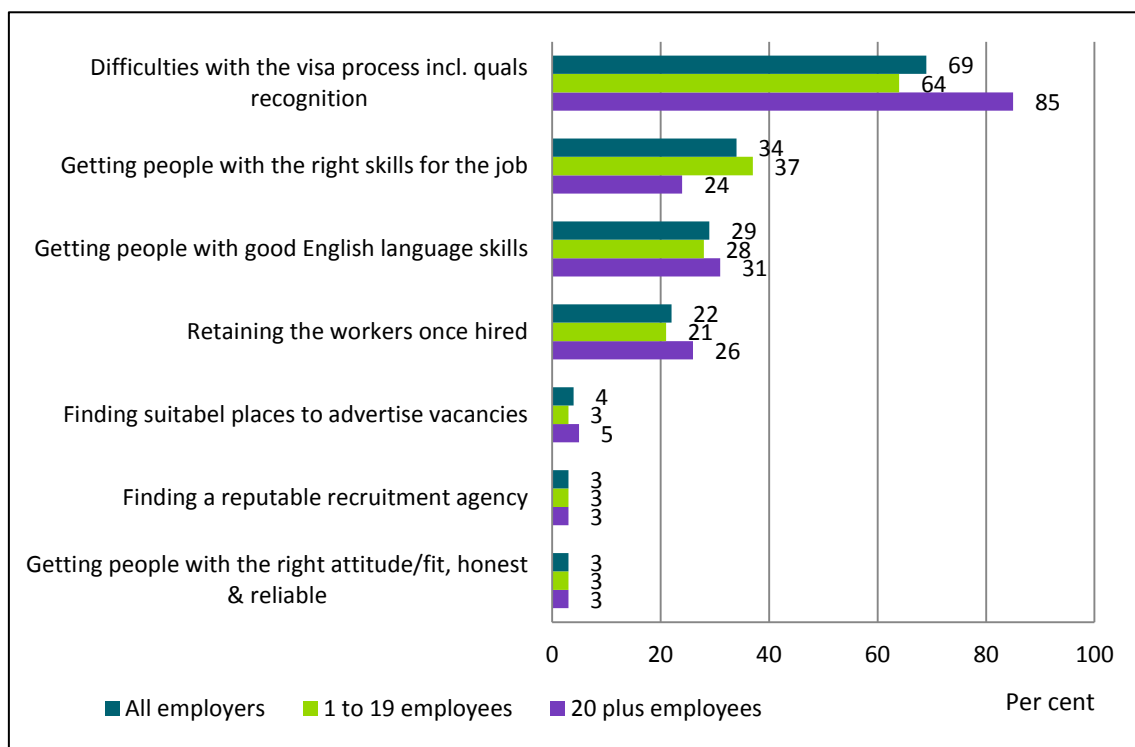
### 4.3.2 The most common issue with employing migrant workers was ‘difficulties with the visa process’

Consistent with the 2016/17 result of 71 per cent, the most common difficulty in employing migrant workers was difficulties with the visa process (reported by 69 per cent of employers who had difficulties with employing migrants). This was more of an issue for larger employers than smaller employers – 85 per cent of larger employers who had difficulties hiring migrant workers reported that this was due to ‘difficulties with the visa processes compared with 64 per cent of smaller employers – see Figure 20.

The other difficulties most commonly reported (in 2017/18 and 2016/17) were:

- getting people with the right skills for the job (reported by 34 per cent of those who had difficulties)
- getting people with good English language skills (29 per cent)
- retaining the workers once hired (22 per cent).

Figure 20: Types of difficulties experienced with employing migrant workers in NZ or from overseas\*



\* Sub-sample based on those employers who reported experiencing difficulties with employing migrant workers in NZ or from overseas in the last two years, n = 451.

### 4.3.3 Difficulties employing migrant workers most commonly resulted in the business not carrying out some activities/lost business opportunities

Employers who had difficulties employing migrant workers were asked whether these difficulties had impacted on the business in particular ways. The proportions of employers that reported experiencing business impacts due to difficulties employing migrant workers were as follows:

- 36 per cent had stopped carrying out some activities, lost business opportunities or revenue, or reduced quality
- 26 per cent had redesigned jobs

- 20 per cent had employed someone locally
- 17 per cent had used contractors or consultants
- 16 per cent had offered current staff better pay or conditions to get them to stay
- 13 per cent had improved pay or conditions to attract New Zealand workers
- 13 per cent had automated more task or processes
- 8 per cent had experienced increased administration/recruitment costs or delays in filling vacancies
- 1 per cent settled for lower quality or less skilled workers

Another 8 per cent reported other types of impacts and 9 per cent gave a 'don't know' response to this question. These results are similar to those from the 2016/17 survey.

#### 4.4 Employers' views on migrants' contribution to NZ, impact on job availability and the 2017 immigration policy changes

All employers were asked about the extent to which they agreed or disagreed with the following statements:

- migrants make an important contribution to NZ's economy
- migrants take jobs away from other New Zealanders
- the 2017 immigration policy changes have made it easier for businesses to employ skilled migrants.<sup>16</sup>

The results to these three questions are shown in Figure 21.

##### 4.4.1 Seven out of ten employers agreed that migrants make an important contribution to New Zealand's economy

Generally employers had positive views about migrants' contribution to New Zealand with 69 per cent agreeing that migrants make an important contribution to New Zealand's economy, for example, by bringing skills or new technologies into NZ – 40 per cent 'agreed' and 29 per cent 'strongly agreed' with this statement. One-in five employers gave a neutral response to this question, 4 per cent 'disagreed' and 2 per cent 'strongly disagreed'. These results are consistent with results from the 2014/15 survey, when this question was previously asked.

Larger employers were more likely to 'strongly agree' with this statement than smaller employers (40 per cent and 28 per cent, respectively). And, compared with all employers, those in the Construction sector were less likely to 'strongly agree' that migrants make an important contribution to New Zealand's economy (only 20 per cent 'strongly agreed'). This somewhat less positive response from Construction sector employers was also observed in 2014/15.

##### 4.4.2 Over half of all employers disagreed that migrants take jobs away from other New Zealanders

Similar to 2014/15, 33 per cent of all employers 'disagreed' that migrants take jobs away from other New Zealanders and 22 per cent 'strongly disagreed' with this statement. While 23 per cent of employers gave a neutral response to this question, 17 per cent agreed that migrants take jobs away from other New Zealanders (with 12 per cent 'agreeing' and 5 per cent 'strongly agreeing').

<sup>16</sup> For further information on the 2017 skilled migrant category changes please refer to: <https://www.immigration.govt.nz/about-us/media-centre/news-notifications/skilled-migrant-category-changes>



Larger employers were more likely than smaller employers to report that they ‘strongly disagreed’ with this statement (31 per cent and 21 per cent, respectively), while smaller employers were more likely to report that they ‘agreed’ that migrants take jobs away from other New Zealanders (13 per cent and 6 per cent, respectively). This difference in views by business size was not seen in the 2014/15 NSE results.

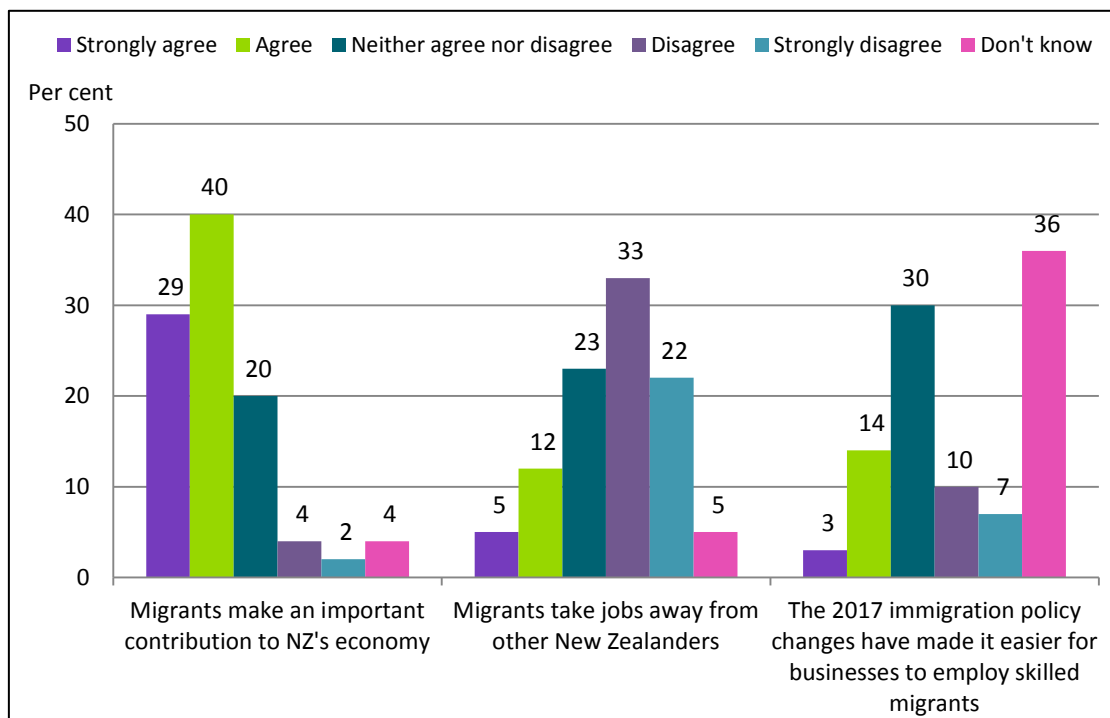
Compared with total employers, Construction sector employers were less likely to ‘strongly disagree’ that migrants take jobs away from other New Zealanders (13 per cent) and they were somewhat more likely to ‘strongly agree’ with this statement (11 per cent).

#### 4.4.3 Seventeen per cent of employers agreed that the 2017 immigration policy changes have made it easier for businesses to employ skilled migrants

Three per cent of all employers ‘strongly agreed’ and 14 per cent ‘agreed’ that the 2017 immigration policy changes have made it easier for businesses to employ skilled migrants. Conversely, 7 per cent of employers ‘strongly disagreed’ and 10 per cent ‘disagreed’ with this statement. Most employers either gave a ‘don’t know’ (36 per cent) or a neutral (30 per cent) response when asked whether they agreed or disagreed that the 2017 immigration policy changes have made it easier for businesses to employ skilled migrants. These results may indicate limited employer awareness and understanding of the 2017 immigration policy changes.

Results were similar for smaller and larger employers, although smaller employers were more likely than larger employers to give a ‘don’t know’ response to this question (37 per cent and 30 per cent, respectively). Compared with total employers, Construction sector employers were less likely to ‘strongly disagree’ that the 2017 immigration policy changes have made it easier for businesses to employ skilled migrants (3 per cent). Again, compared with the average result for all employers, those in the Retail trade & Accommodation and food services sector were more likely to ‘strongly disagree’ with this statement (13 per cent) and they were less likely to give a ‘don’t know’ response.

Figure 21: Proportion of employers agreeing with statements about migrants’ contribution, impact on job availability and recent immigration policy changes



## 5 Appendix

### 5.1 Topics covered by the 2017/18 NSE

The NSE questions are developed to meet the information needs of MBIE's internal stakeholders and, in particular, MBIE's Labour and Immigration Policy branch. Some NSE questions are asked every year (where annual measures are required), some question modules are rotated in and out of the survey in different years, and in some cases new questions are developed to address emerging policy priorities. A copy of the questionnaire for the 2017/18 survey is included in the Technical Appendix to this report. For the 2017/18 NSE, employers were asked questions on the following topics:

- trial periods
- employment agreements and use of casual, fixed-term and self-employed workers
- pay equity and the *Equal Pay Act 1972*
- relationships with unions
- minimum wages
- the *Holidays Act 2003* and Easter Sunday trading
- health and safety leadership, and managing risks and hazards
- worker involvement in health and safety
- changes made to H&S systems or practices
- views on aspects of workplace H&S
- job vacancies and employing migrants
- how vacancies are filled and extent of difficulties experienced
- hiring recent migrants and reasons for doing so
- difficulties with hiring migrants and the resulting impacts on the business
- migrants' contribution to the workforce and the 2017 immigration policy changes.

MBIE contracted Research New Zealand to contact respondents for the NSE, undertake the survey fieldwork and coding of responses, and prepare a dataset, technical report and summary result tables.

### 5.2 Summary of survey methodology

The target population for the NSE is New Zealand business establishments employing one or more employees. The survey sample is drawn from Stats NZ's Business Register. The sample is selected based on the number of NZ businesses within six industry groupings (Agriculture, forestry and fishing; Manufacturing; Construction; Retail trade & Accommodation and food services; Health care and social assistance; other sectors), and four business size categories: 1 to 5, 6 to 19, 20 to 49 and 50 plus employees.

Telephone calls were made to all businesses selected for the survey (where a phone number was found during the tele-matching stage) to identify the name of the business owner or senior manager at each workplace responsible for employing staff and for health and safety matters, ie the person most appropriate to respond to the survey on behalf of the business. Survey invitation letters/emails were then sent to these named respondents or to the business owner/manager in cases where a named respondent could not be identified.

Responding employers were asked to answer the survey questions about the business establishment/site they were currently working from, that is, for their establishment only rather than for the total enterprise (in multi-site businesses).<sup>17</sup> The pilot survey was conducted from 21 November to 12 December 2017 and the main survey was in the field from 24 January to 30 April 2018. A total of 2,359 employers participated in the 2017/18 NSE. This is the largest achieved sample for the NSE since the survey has been conducted in its current form (ie since 2012/13), with the survey sample being drawn from Stats NZ's Business Register.

Of the 2,369 employers who completed the survey by the close-off date, 418 were interviewed by telephone, 713 completed and returned a paper questionnaire, and 1,238 responded online.<sup>18</sup> The survey response rate for the total sample where a pre-notification letter or email was sent (regardless of whether the business had been successfully tele-matched) was 37 per cent. The average telephone interview length was just over 19 minutes.

The survey data was weighted by industry category and business size to adjust for the sampling scheme and any non-response biases among businesses with the 24 sampling strata. This means that the results are representative of the 185,985 business establishments/employers in New Zealand (as at February 2017).<sup>19</sup>

The Technical Appendix to this report provides more detailed information about the survey methodology, as well as tables showing the survey results by business size and by industry, including margins of error (MoEs). The MoEs in the Technical Appendix can be used to calculate confidence intervals.

A confidence interval gives a level of certainty about a survey estimate, as it indicates the range of values that would be likely to include the true result for the total population if we were to repeat the same survey with different samples. Confidence intervals can also be used to compare two different results (eg results for different years, or results by business size or industry).

Where there is no overlap between confidence intervals when comparing two results, we can be 95 per cent confident that an observed difference is statistically significant. Conversely, overlapping confidence intervals indicate that a difference between two results is not statistically significant at a 95 per cent level of confidence.

The maximum MoE for the 2017/18 NSE for the total achieved sample is  $\pm 3.0$  per cent at the 95 per cent confidence level. Maximum MoEs for sub-groups – for example, by industry – are larger (see Appendix to National Survey of Employers 2017/18 Summary Findings).

### 5.3 Business and employer characteristics

The survey started by asking employers some questions about their business including:

- whether the business operates from more than one site in New Zealand
- the number of employees working at the employer's business site
- the length of time the business had been operating in New Zealand.

The NSE also collects some information about the person who responded to the survey. These data help to contextualise the survey findings by providing a weighted demographic profile of responding employers and their business establishments.

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<sup>17</sup> One-quarter of employers reported that their organisation operated from more than one site in NZ.

<sup>18</sup> Ten records were removed from the achieved sample due to high levels of non-response to questions.

<sup>19</sup> Source: Stats NZ's 2017 Business Register.

### 5.3.1 Most New Zealand businesses are small

Nine out of ten New Zealand business establishments (89 per cent) have fewer than 20 employees, and 61 per cent employ 1 to 5 employees. Only 4 per cent of businesses have 50 plus employees.

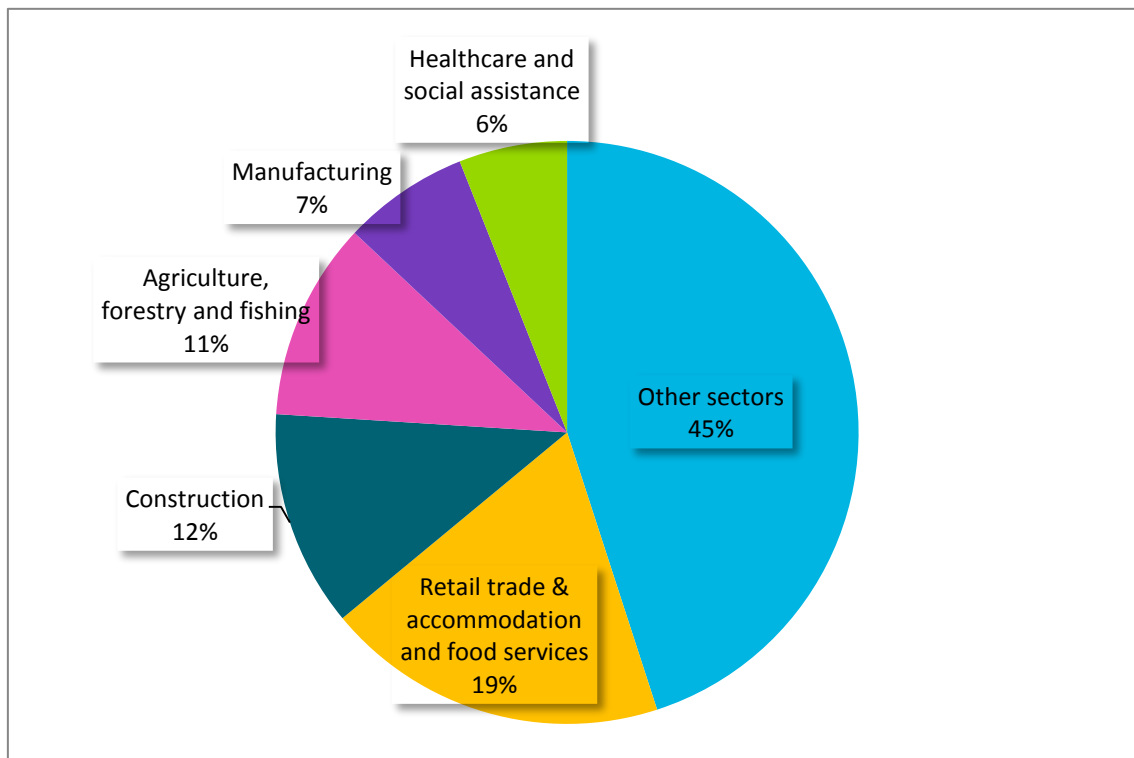
### 5.3.2 Fewer businesses were operating from more than one site than in 2016/17

One-quarter of employers (26 per cent) reported that their business establishment operated from more than one site in New Zealand, and this result was down slightly from 32 per cent in 2016/17. As may be expected, larger businesses were more likely than smaller businesses to operate from more than one site (41 per cent for those with 20 plus employees; 26 per cent for those with 1–19 employees). However, this was a decrease from the 54 per cent of larger businesses that were operating from more than one location in 2016/17.

### 5.3.3 One in five businesses are in the Retail trade & Accommodation and food services

After the ‘other’ category (45 per cent), the largest industry grouping of New Zealand’s 185,985 business establishments is those in the Retail trade & Accommodation and food services sector (19 per cent), followed by those in the Construction (12 per cent) and Agriculture, forestry and fishing (11 per cent) sectors – see Figure 22.<sup>20</sup>

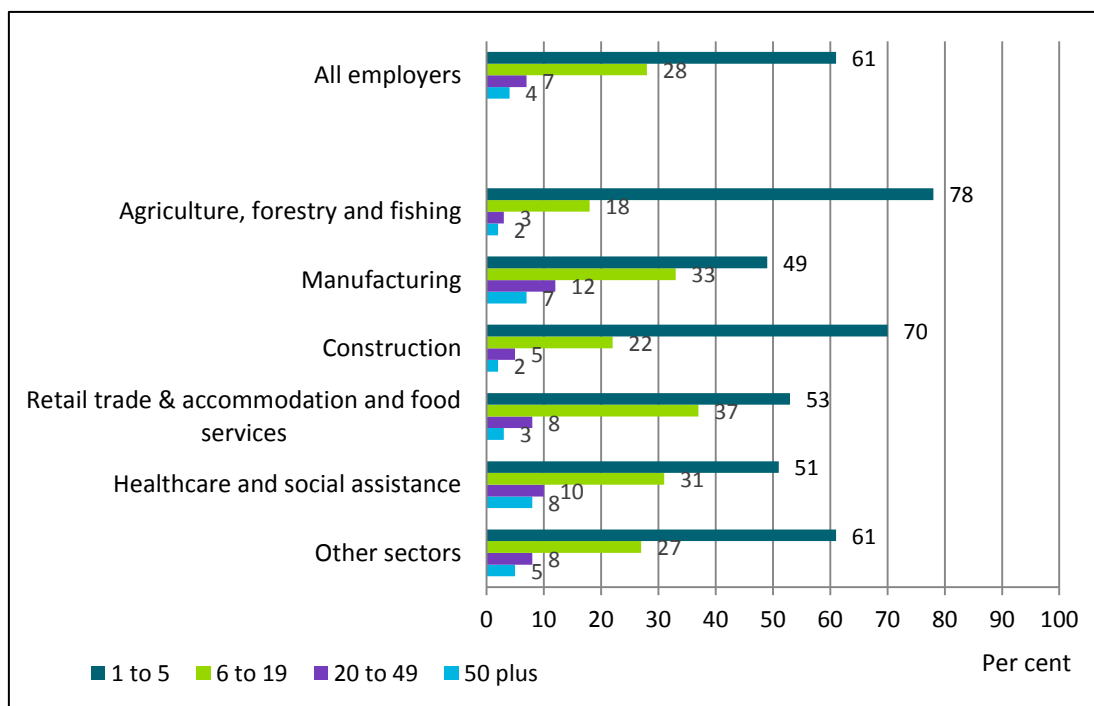
Figure 22: Proportion of New Zealand business establishments in each industry category



<sup>20</sup> Business Register data, Stats NZ.

Figure 23 shows the proportion of New Zealand businesses in each industry sector by business size category (number of employees). The smallest New Zealand businesses (in terms of the number of employees) are in the Agriculture, forestry and fishing and Construction sectors, where 78 per cent and 70 per cent of employers, respectively, have fewer than six employees (compared with 61 per cent of all employers). The largest businesses are in the Manufacturing, and Health care and social assistance sectors, where 8 per cent and 7 per cent of employers, respectively, have more than 50 employees (compared with 4 per cent of all employers).

Figure 23: Proportion of businesses in each industry sector, by business size (number of employees)



### 5.3.4 Two-thirds of businesses have been operating in NZ for 10 years or more

While it is more common for New Zealand businesses to be well-established, with 66 per cent having been in operation for 10 years or more, another 13 per cent have been operating for 6 to 10 years. Only 5 per cent had been in business for less than 2 years and another 16 per cent had been operating for 2 to less than 6 years.

Business with 20 or more employees and those in the Manufacturing sector were more likely to have been in business for 10 years or more (81 per cent and 77 per cent, respectively) compared with the average for all businesses (66 per cent).

### 5.3.5 Seven out of ten businesses are located in the North Island, with one-quarter in Auckland

The North Island accounted for 71 per cent of all business establishments, with one-quarter located in Auckland, 11 per cent in Wellington, 10 per cent in the Waikato and 8 per cent in the Bay of Plenty. Three in ten businesses (29 per cent) were in the South Island, with 17 per cent located in Canterbury.

It was more likely for larger businesses than smaller businesses to be located in Auckland (32 per cent and 24 per cent, respectively) and less likely for larger than smaller businesses to be located in Canterbury (12 per cent and 17 per cent, respectively).

### **5.3.6 In most cases, the business owner or a partner in the business completed the survey**

While 71 per cent of NSE respondents were business owners or partners in the business, 22 per cent were 'other senior managers' and 4 per cent were human resource managers. Another 2 per cent of respondents were in some other type of position in the business. In larger businesses it was much more common for a senior manager (other than the HR manager) to have completed the survey (47 per cent) and less common for the business owner/a partner to have responded (36 per cent).

Reflecting results by business size, industry results show that it was more likely for NSE respondents in the Agriculture, forestry and fishing (84 per cent) and Construction (85 per cent) sectors to be business owners or partners in the business. And, it was less likely for those in the Health care and social assistance sector (55 per cent) to be business owners/partners – 40 per cent were 'other senior managers'.

Respondents to the NSE were more likely to be male (55 per cent) than female (44 per cent). However, in larger businesses, the gender split of respondents was more even with 51 per cent being female and 48 per cent being male, ie there was no statistically significant difference in these figures. This result is likely to reflect the gender of the relatively high proportion of senior managers who responded to the survey in larger businesses.

By industry, compared with the gender split for total employers, there was a higher proportion of female employers/respondents in the Health care and social assistance sector (65 per cent) and lower proportions of female employers/respondents in the Manufacturing and Construction sectors (31 per cent and 27 per cent, respectively).

### **5.3.6 One-quarter of NSE respondents were overseas-born, with Europe being the country of birth for four out of ten overseas-born respondents**

Three-quarters of NSE respondents were born in New Zealand and this was consistent for smaller and larger businesses. Compared with the one-quarter of all employers/respondents who were born overseas, there was a higher proportion of overseas-born employers/respondents in the Retail trade & Accommodation and food services sector (35 per cent) and a lower proportion in the Agriculture, forestry and fishing sector (15 per cent). Most overseas-born respondents had lived in NZ for more than 10 years (81 per cent), 12 per cent had lived in NZ for five to ten years and 6 per cent had lived in NZ for less than five years.

Of those respondents who were not born in New Zealand, 41 per cent were born in Europe and 29 per cent were born in Asia/Middle East. Another 9 per cent of overseas-born respondents were born in Africa and 8 per cent were born in Australia. In larger businesses, fewer overseas-born employers had come from Asia/Middle East (only 12 per cent) compared with in smaller businesses (31 per cent).

By industry, the main variations in country of birth compared with all overseas-born employers were: the higher proportion of Agriculture, forestry and fishing sector employers who were born in Europe (69 per cent) with a lower proportion coming from Asia/Middle East (5 per cent); and the lower proportion of overseas-born employers in the Retail trade & Accommodation and food services sector who were born in Europe (26 per cent) with a significant proportion (48 per cent) being born in Asia/Middle East.

