



Labour Market Dynamics  
Research Programme

*Innovative research in employment*

## **NON-STANDARD WORK ANALYSIS**

**Mervyl McPherson**

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The data analysed for this report were supplied by James Newell of Monitoring Evaluation and Research Associates.



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## **Introduction**

There have been major changes in the structure of labour markets in all industrialised societies and these have been well documented (Firkin et al., 2003). One of the most significant outcomes, however, has been the emergence and growth of non-standard working arrangements (Mangan, 2000) as new occupations have emerged and occupations and skills have been restructured. Since non-standard work has existed throughout the history of work, it is probably more accurate to note that what has changed in the last 25 years is the increase in the extent and location of non-standard work (Zeytinoglu et al. 1999). Thus, instead of working full-time for a single employer with the assumption of ongoing employment, there is a growing trend towards self-employment, part-time work, irregular hours that vary and casual or fixed-term employment with less continuity of job tenure.

Unfortunately, labour market statistics in New Zealand do not adequately portray the changing dynamics of the labour market. Some statistical information is collected by Statistics New Zealand (self-employment, part-time employment, multiple job-holding), but details on the incidence of temporary employment like casual, fixed-term and contract work are not available. Consequently, this data will need to be generated to provide an indication of a quantitative measure of non-standard work. To achieve this, Newell (Monitoring, Evaluation, Research and Associates (MERA), 2003) has identified surrogate measures to compensate for the gaps in non-standard work data.

For Newell's analysis, the definition of non-standard work had to be in a form that is measurable using New Zealand employment statistics. Of the four potential data sets<sup>1</sup>, the most feasible is the New Zealand Census of Population and Dwellings which provides information on the following:

- The number of employees;
- Whether an individual is employed for wages and salaries; and
- Hours worked for the main and all jobs.

The Census does not, however, provide any information on the projected duration of the employment relationship which determines permanent versus temporary employment.

The first two criteria for separation of standard from non-standard work mentioned above are clear. It is the third point on hours worked where a decision had to be made on what degree of divergence from the 'normal' 40 hour week would distinguish non-standard from standard work. This is an arbitrary decision so for the purposes of this

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<sup>1</sup> Quarterly Household Labour Force Survey; five yearly Census of Population and Dwellings; records kept by the State Services Commission on employees in the New Zealand Public Service and one-off surveys.

analysis, Newell (2003) has assumed a deviation of 10 or more hours per week from the 40 hour norm.

The basic characterisation of work categories to be used in this analysis are as follows:

- ***standard work:*** employed on a wage or salary for between 30 and 50 hours and not a multiple job holder
- ***non-standard work:***
  - employed part-time on a wage or salary and a multiple job holder;
  - employed part-time on a wage or salary and not a multiple job holder;
  - employed on a wage or salary for between 30 and 50 hours and a multiple job holder;
  - part-time/full-time and multiple job holder / non multiple job holder breakdowns of each of the categories below:
    - self-employed with employees;
    - self-employed without employees; or
    - unpaid worker in a family business.
- ***unemployed***
- ***not in the labour force***

The aim of this report is to analyse trends in non-standard work over the period 1981 to 2001. For the purposes of this analysis, non-standard work is defined as any work that is not 30-40 hours in a single job. This includes part-time work, self-employment and multiple-job holding. It does not include (because statistics are not available) casual, fixed-term and contract work, including third party forms of employment, although, some of these categories will be encompassed in part-time and full-time work which is covered here. Differences in trends by gender, age and ethnicity are also investigated.

## **The Data**

As discussed in the introduction, the data analysed for this report were supplied by James Newell of Monitoring Evaluation and Research Associates. There are two datasets which were created by combining labour force status (full-time, part-time, unemployed or not in labour force) and employment status (wage and salaries, self-employed) in order to cover all non-standard work categories for which data were available in one data set.

The first section of this report is based on the dataset which covers the years 1986-2000. It includes only those aged 15+ who were in the labour force (i.e. includes the unemployed but not those not in the labour force). This data set can be analysed by multiple job holder or not, and can be disaggregated by gender and age only (not ethnicity).

The second section describes a data set for the years 1981-2001 and combines the standard employment and labour force status categories for the whole population aged 15+, including those not in the labour force, and can be disaggregated by gender, age and ethnicity, but not by multiple job holding.

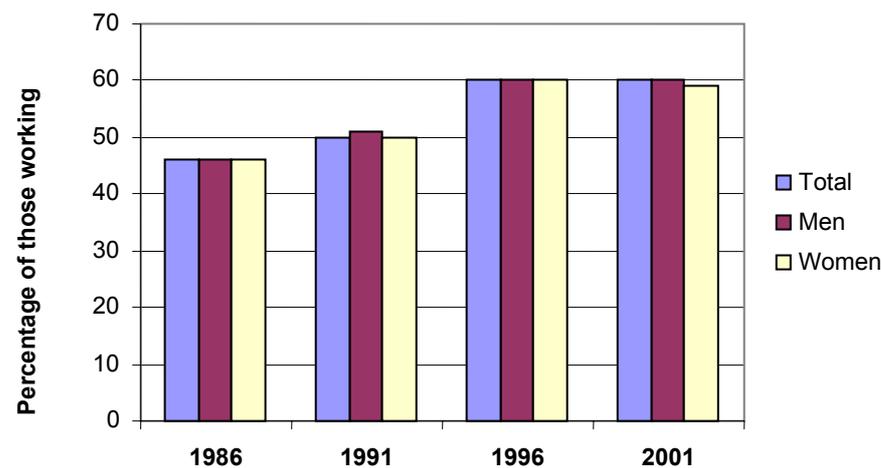
## Section 1:

### *Trends in Non-Standard Work 1986-2001, by Gender and Age*

The first section of the report explores trends in non-standard work (defined as anything other than working 30-50 hours per week in a single job for wages or salary) over the period 1986 to 2001 for the total population aged 15+, by gender and age. This section of the analysis uses the non-standard work data set, which is based on the labour force status of those aged 15+ who are in the labour force: these categories are full-time work, part-time work, and unemployed. It includes multiple job holding but is not disaggregated by ethnicity.

The growth in non-standard work occurred mainly between 1991 and 1996 and then levelled off between 1996 and 2001 (Figure 1). This might well be a product of the significant changes to the regulation of the labour market, especially in relation to the Employment Contracts Act (1991) and changes to the labour market that occurred from 1984 onwards as a result of economic reform generally. The effects on state ownership and involvement in economic activity, the decline of certain industries and types of employment (and the growth of others) and the numbers employed was very apparent by 1987-88 and reflected a significant shift in the New Zealand labour market. During this period, there was no difference by gender in total non-standard work trends for those in the labour force, but further analysis of types of non-standard work – multiple job holding, part-time work and self-employment – show differences in the types of non-standard work done by men and women.

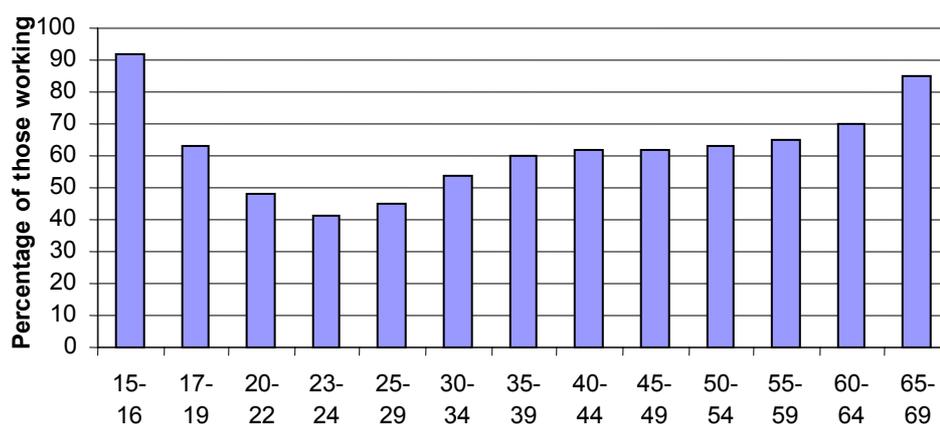
**Figure 1: Trends in Non-Standard Work, 1986-2001**



## Age

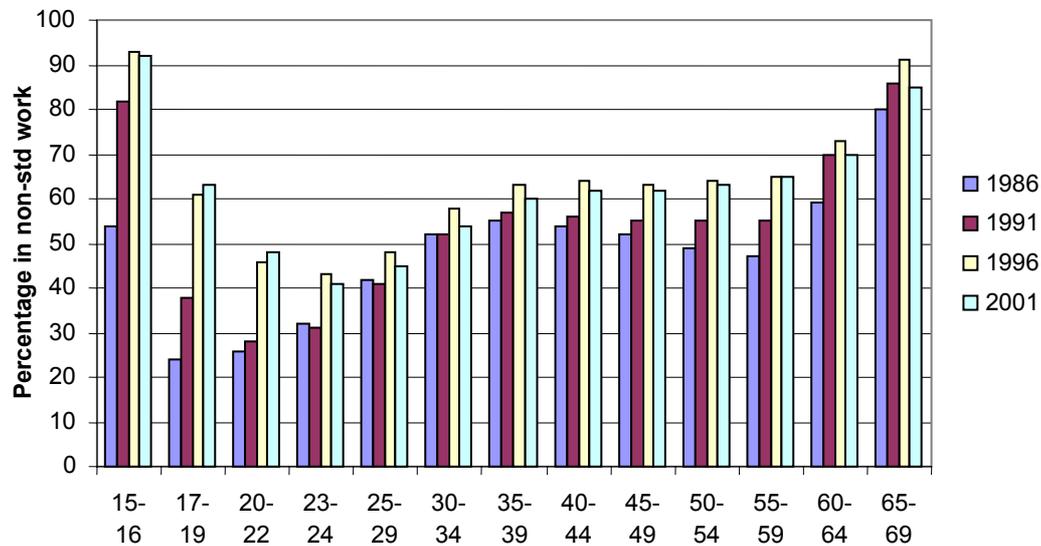
In 2001, non-standard work was highest for the youngest age group (15-19) and for those over 60 years (Figure 2). Non-standard work is lowest (under 50 percent) for those aged 20-29.

**Figure 2: Non-standard Work by Age, 2001**



The growth in non-standard work has been greatest among those aged 15-22 and those in their forties and fifties (Figure 3). This growth at the younger ages is due to increasing tertiary education participation over this period, which is not compatible with full-time work and delayed entry to the labour market, specifically to full-time employment. It also reflects the participation in some form of paid employment, typically part-time, for increasing numbers of school-age teenagers, which continues into their early twenties before tapering off. The growth among those in their forties and fifties may be a combination of responses to the difficulty of finding work after redundancy among older workers, the shifts in the nature of employment mentioned above and semi-retirement work options as life expectancy and the age of eligibility for government superannuation increase.

While there has also been growth in the 25-39 ages, it has been lower. This is the main child caring age group which has previously had higher levels of non-standard work than those under 25 years of age.

**Figure 3: Trends in Non-standard Work by Age, 1986-2001**

## Cohort Analysis

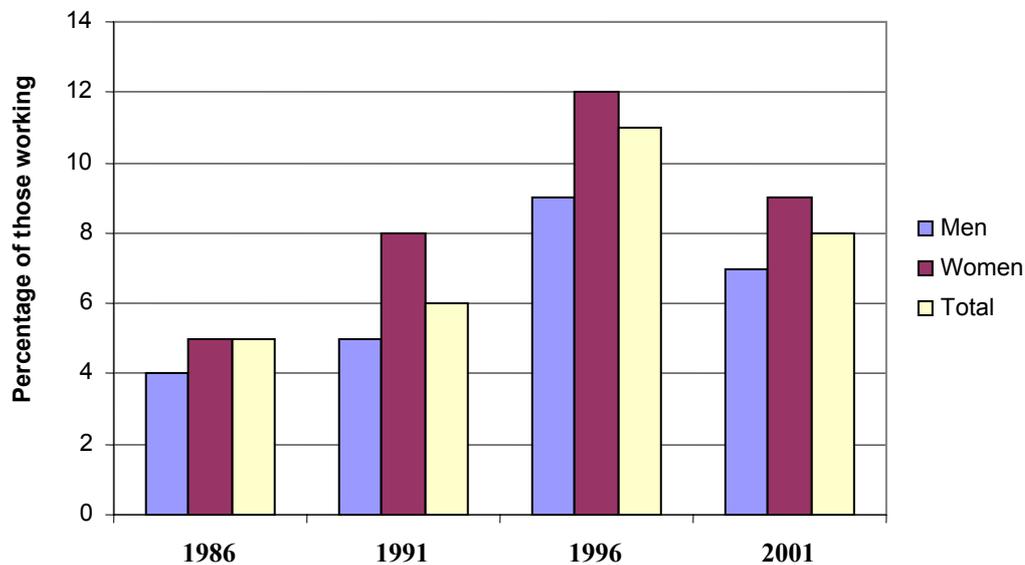
Because of the period effect of the levelling off of non-standard work from 1996 to 2001, there is no particular cohort<sup>2</sup> effect other than that each cohort experiencing this period effect experienced it at a different age. Therefore, younger cohorts had higher rates of non-standard work at younger ages than older cohorts, but unless there is a further upward trend in non-standard work in the future, younger cohorts will have lower rates than the older cohorts at older ages.

## Multiple Job Holding

Multiple job holding peaked at 11 percent in 1996, having doubled from 5 percent in 1986. By 2001 it had dropped back to 8 percent (Figure 4). Women had higher rates of multiple job holding than men for all years, but the gender difference was greatest in 1991 and 1996.

<sup>2</sup> A cohort is a group of the population born in the same period. A cohort effect is when different cohorts have different experiences as a result of the characteristics of the historical periods during which they experienced stages of life such as childhood or middle age. This is a longitudinal analysis. A period effect is when you see the cross-sectional impact of a characteristic, such as high rates of multiple job holding, on different age groups. We do not have sufficient longitudinal data on multiple job holding to show any cohort effects, especially since the upward trend stopped between 1996-2001.

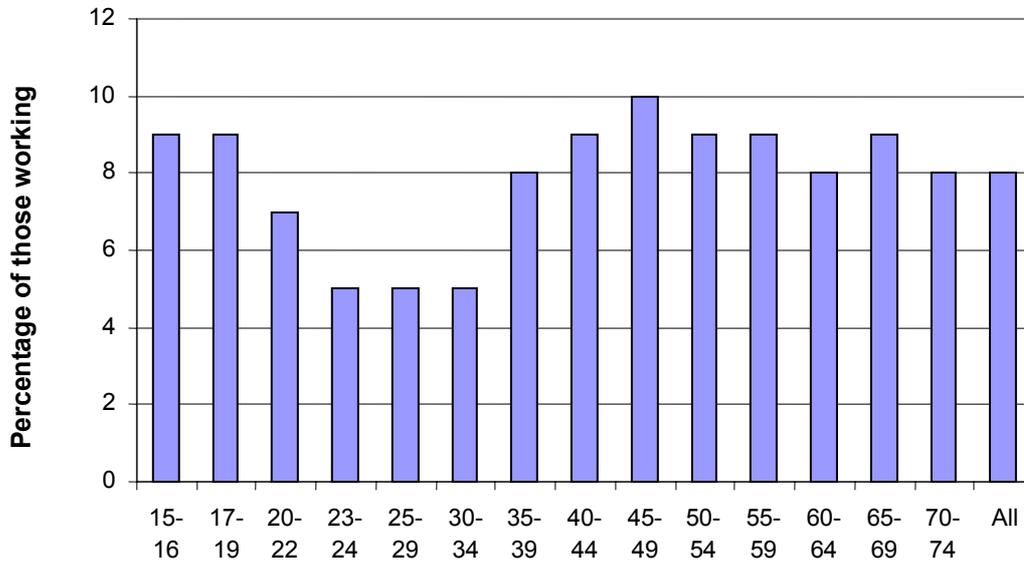
**Figure 4: Multiple Job Holding by Gender, 1986-2001**



## Age

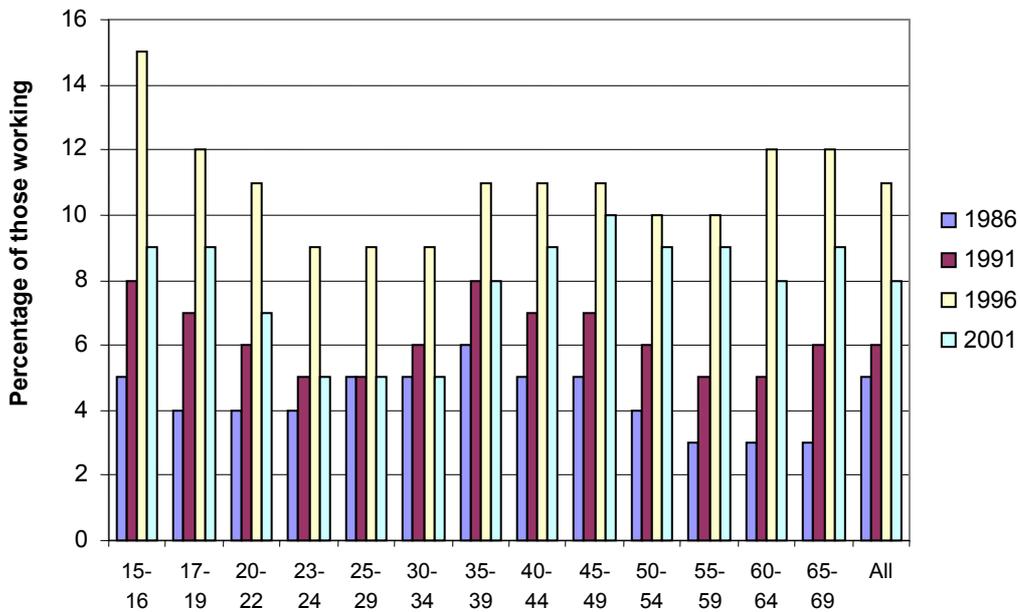
In 2001, multiple job holding was greatest among the young (15-19) and middle-aged (40-59) (Figure 5). The lowest rates of multiple job holding, for both men and women, were in the 23-34 age group. In terms of the middle-aged (40-59 years), it appears that multiple job holding is playing a more significant role as New Zealanders proceed through their working life, possibly to increase employment options and income, either as a chosen option or one that is forced on workers. The high levels of multiple job holdings of teenagers is an interesting phenomenon that requires further research to establish why it is occurring.

**Figure 5: Multiple Job Holding by Age, 2001**



Multiple job holding peaked in 1996 for all age groups, but the decline between 1996 and 2001 for those aged 40-59 was lower than for other age groups (Figure 6).

**Figure 6: Multiple Job Holding by Age, 1986-2001**



Taylor et al. (2004) analysed multiple job holding by education, occupational level, income, gender, age and ethnicity and found that it was more prevalent in higher occupational and educational groups, as well as among women and New Zealand Europeans/Pakeha. In relation to income, it was more prevalent at both the high and low ends than at middle income levels, which in association with high education and occupational levels suggests the low incomes were for part-time hours rather than low full-time equivalent hours. Taylor et al. (2004) conclude that these findings point to multiple job holding being a lifestyle choice for the better-off rather than a survival strategy for the poor.

I would speculate that it is a combination of a lifestyle choice together with a response to the economic restructuring that may have resulted in middle class women taking on more “bits of work” to supplement the family income (which might have been reduced by their husband’s restructuring), while still making children and the family their primary responsibility. This could be combined with the greater availability of non-standard work options in female dominated industries, such as the service sector. This needs to be considered in relation to the age group differences which show multiple job holding being higher in the young and middle ages rather than the main childbearing years. However, growth was high in the key childbearing ages of 25-34 from 1991 to 1996, which is consistent with this speculation. The decline since 1996 is consistent with this age group reverting to prior labour force participation patterns once the economy improved. The high and growing multiple job holding for young people would be related to both increasing tertiary education participation and high unemployment at those age groups. For the 40+ age group, multiple job holding has remained high since 1996 while declining for younger age groups. This is likely to be due to the discrimination mature job seekers seek in the work place, so that those made redundant during the 1990s have not been able to get back into full-time work.

Further research is needed to understand the reasons for these trends in multiple job holding. The peak from 1991 to 1996 at the same time as unemployment peaked suggests it is related to the economic downturn and restructuring, and research by Taylor et al. (2004) indicates some interesting patterns and reasons for the growth and who is most likely to be affected.

## Section 2:

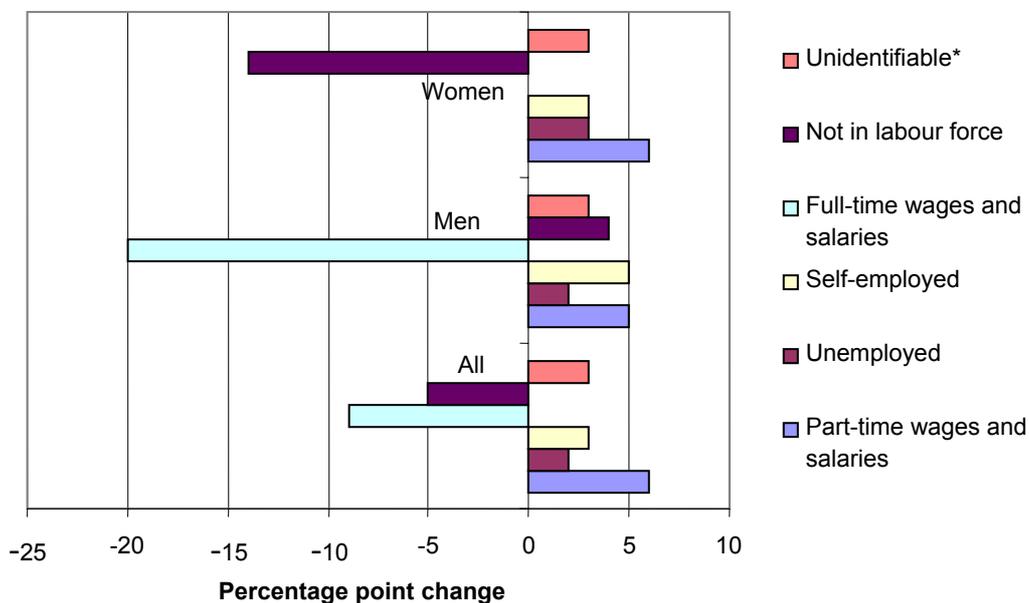
### *Trends in Standard and Non-Standard Work Categories, 1981-2001, by Gender and Ethnicity*

This section examines trends in employment and labour force status for the total population aged 15+, by gender and ethnicity. The employment and labour force status categories analysed comprise full-time work for wages and salaries, part-time work for wages and salaries, self-employed (with and without employees), unemployed and not-in-the-labour force.

Overall, in the period 1981 to 2001, there has been an increase in labour force participation but a decline in full-time standard work. The growth has occurred mainly in the non-standard work categories of part-time work and self-employment.

The increase in labour force participation is due to women entering the labour force, mainly into part-time work, as well as growth in self-employment and unemployment. The decline in full-time work is due to men shifting into part-time work and self-employment, some of which is also part-time (Figure 7).

**Figure 7: Employment Trends: Total Population Aged 15+ by Gender, 1981-2001**



\* A growth in unidentifiable categories occurred in all census variables during this period, not just employment and labour force status.

## **Total Population**

There has been a decline in the proportion of the population aged 15+ that work full-time for wage and salaries, from 44 percent in 1981 to 35 percent in 2001. At the same time, there has been an overall decline in the proportion of the population aged 15+ that are not in the labour force, from 37 percent to 32 percent.

In total, 11 percentage points<sup>3</sup> of the adult population shifted into non-standard work categories, mainly part-time wages and salaries (7 percentage points), in this period. Two percentage points went into self-employment and another two into unemployment.

## **Gender**

There are major gender differences in changing labour force participation patterns from 1981 to 2001. While men are moving out of labour force participation altogether, or from full-time to non-standard categories of part-time and self-employed, women are moving into the labour force, but not into full-time work – women are also moving into non-standard part-time work.

Men (aged 15+) have experienced a decline from 61 percent to 41 percent in full-time wage and salaries (20 percentage point decline). Equal proportions have gone into self-employment and part-time wage and salaries (5 percentage points each) and a similar proportion have left the labour force (4 percentage points). Unemployment accounts for 2 percentage points and the remaining 3 percentage points are accounted for by unidentifiable categories (see footnote 3 for an explanation).

Women (aged 15+) have experienced no change in the percentage in full-time wage and salaried work but there has been a 14 percentage point increase in their labour force participation (from 47 percent to 61 percent). This increase is mostly accounted for by a 6 percentage point increase in part-time work and a 3 percentage point increase in self-employment. Unemployment accounts for 3 percentage points and, as for men, 3 percentage points were accounted for by unidentifiable categories (see footnote 3 for an explanation).

## **Ethnicity**

This section begins with a comparison of each labour force category – full-time, part-time, unemployed and non-participation - by ethnic group, followed by a breakdown by gender. Changing patterns of labour force participation are then considered for each ethnic group separately, including analysis by gender within each group. The overall pattern is one of a dichotomy between predominantly New Zealand-born ethnic groups (New Zealand Europea/Pakeha and Maori) and those that experienced

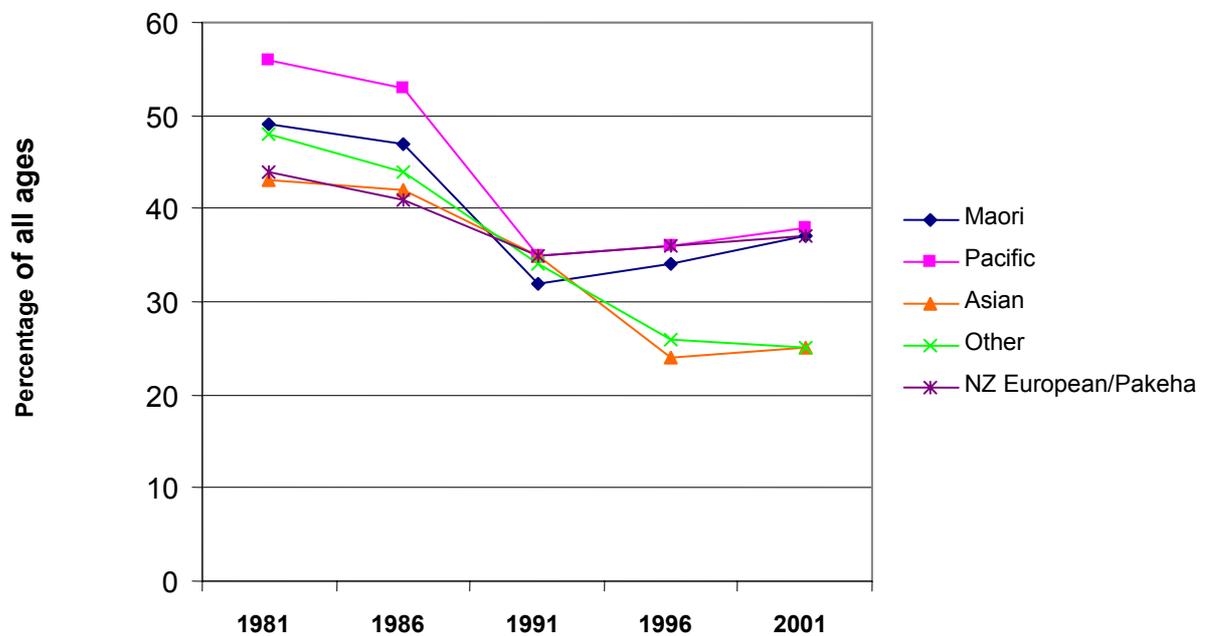
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<sup>3</sup> Three percentage points were accounted for as being unidentifiable work and labour force status. According to email communication from Newell, this occurs across all census variables except age, sex and years of residence and has always occurred as a data quality issue but the figures increased from 1996.

high immigration during the 1990s (Asian and Other), with Pacific people falling in between, sometimes being more like New Zealand-born, and at other times, more like the newer immigrant groups.

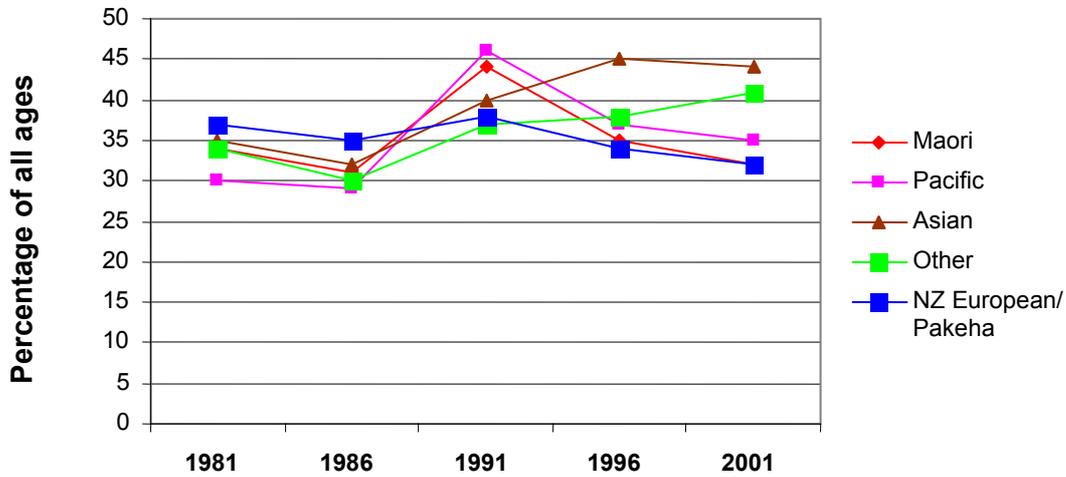
The decline in full-time work for wages and salaries from 1981 to 2001 has been across all ethnic groups but has been greatest for the categories “Asian” and “Other” people. Those in Maori and Pacific people ethnic groups have a slightly lower decline, and those from New Zealand European ethnic groups have experienced least decline, and then some growth since 1991. By comparison, Asia and other groups declined further between 1991 and 1996, and these low levels did not change significantly in the 1996 to 2001 period.

**Figure 8: Full-time Work by Ethnicity, 1981-2001**



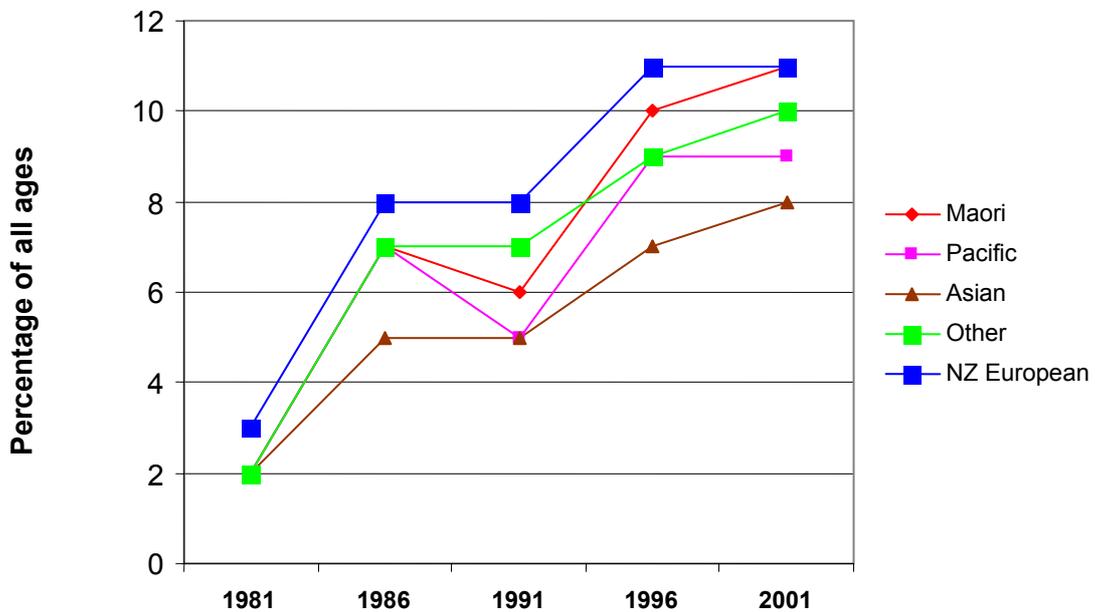
Over the same period, Maori and New Zealand European/Pakeha categories show increased labour force participation, while Asian, Pacific and Other people show decreased labour force participation. This tends towards a New Zealand-born versus immigrant split found by Winkleman and Winkleman (1998), although the majority of Pacific people are New Zealand-born.

**Figure 9: Non-labour Force Participation by Ethnicity, 1981-2001**



All groups show a similar increase in part-time work, but Asian people have the lowest level of part-time work in 2001.

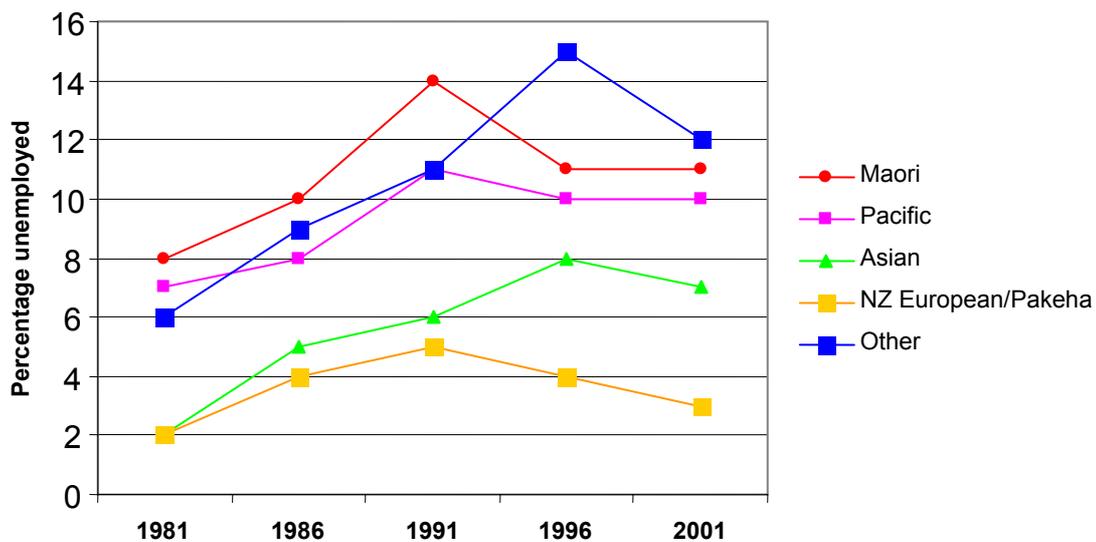
**Figure 10: Part-time Work by Ethnicity, 1981-2001**



While all groups show an increase in unemployment, the rates vary, with the increase and rates in 2001 being greatest for Maori and Other categories. This finding should be considered in relation to patterns of non-labour force participation as some groups

may prefer to consider themselves not actively seeking work than admit to unemployment which is defined as actively but unsuccessfully seeking work. Maori have high unemployment but lower non-participation compared with Asian groups who have low unemployment but higher non-participation, while Other groups are high in both categories and, therefore, worse off overall. Asian groups also have low rates of part-time work, suggesting non-labour force participation is preferable to non-standard work. Further research is needed into the reasons for these differences.

**Figure 11: Unemployment by Ethnicity, 1981-2001**



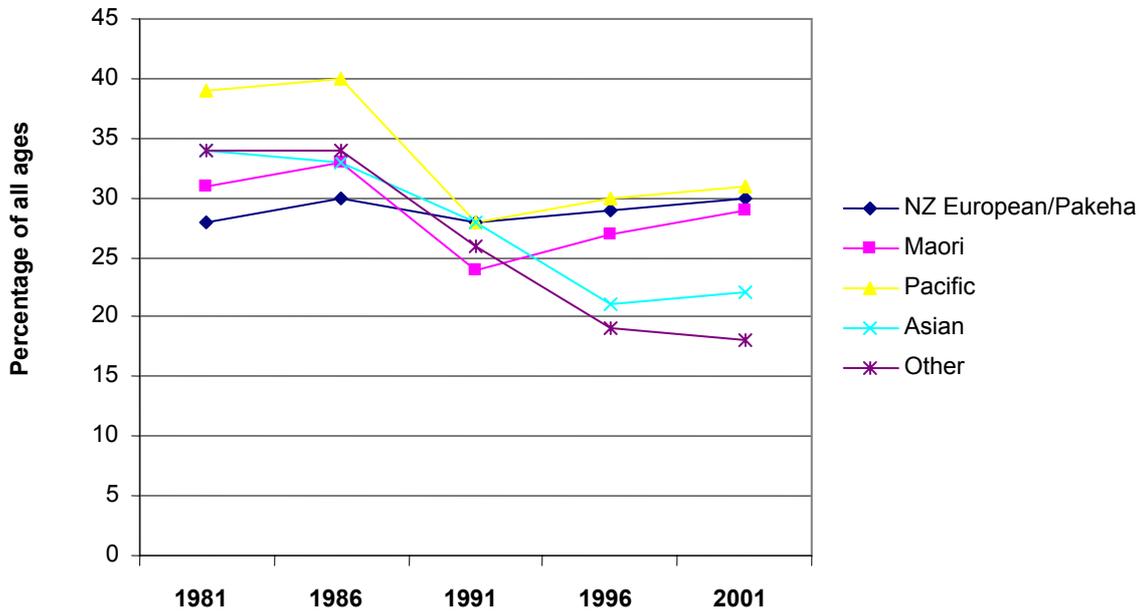
## Gender

Gender differences in the New Zealand European/Pakeha group are similar to those for Maori, while Pacific people, Asian and Others show similar trends to each other, reinforcing the New Zealand-born versus immigrant pattern in labour force trends from 1981 to 2001 which is apparent in the total population analysis above.

### *Full-time*

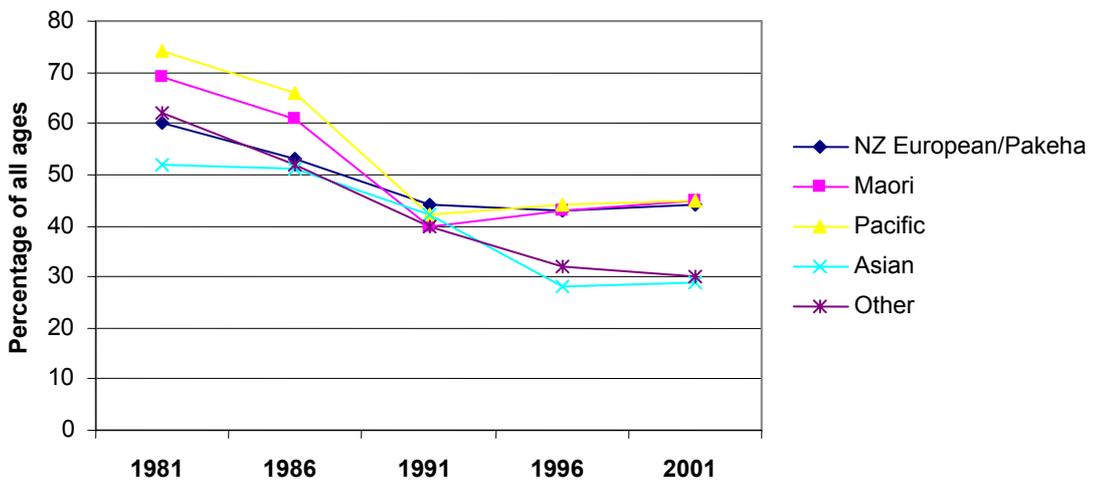
The greatest declines in full-time work for women have been for Pacific and Other women (Figure 12). Employment for New Zealand European/Pakeha, Maori and Pacific women have all been increasing since 1991, with the highest levels of full-time work for women. New Zealand European/Pakeha women are the only group to show an increase in full-time work from 1981 to 2001. The growth in female labour force participation has been attributed to the growth in traditionally or female oriented sectors, such as the service sector, while traditional male sectors such as manufacturing have been in decline (Spoonley and Davidson, 2004). However, Asian women's full-time employment has increased since 1996, but Other women have experienced a continuing decline, showing the overriding new immigrant effect.

**Figure 12: Women in Full-time Wage and Salary Employment, 1981-2001**



Men in all ethnic groups experienced a decline in full-time work from 1981 to 1991. Since then New Zealand European/Pakeha, Maori and Pacific men have had an increase in the proportions in full-time work, but not back to the levels of 1981. Asian and Other continued to decline, with some stabilisation for Asian men between 1996 and 2001, so that these two groups have the lowest rate of full-time male employment (Figure 13).

**Figure 13: Men in Full-time Wage and Salary Employment by Ethnicity, 1981-2001**



## Part-time

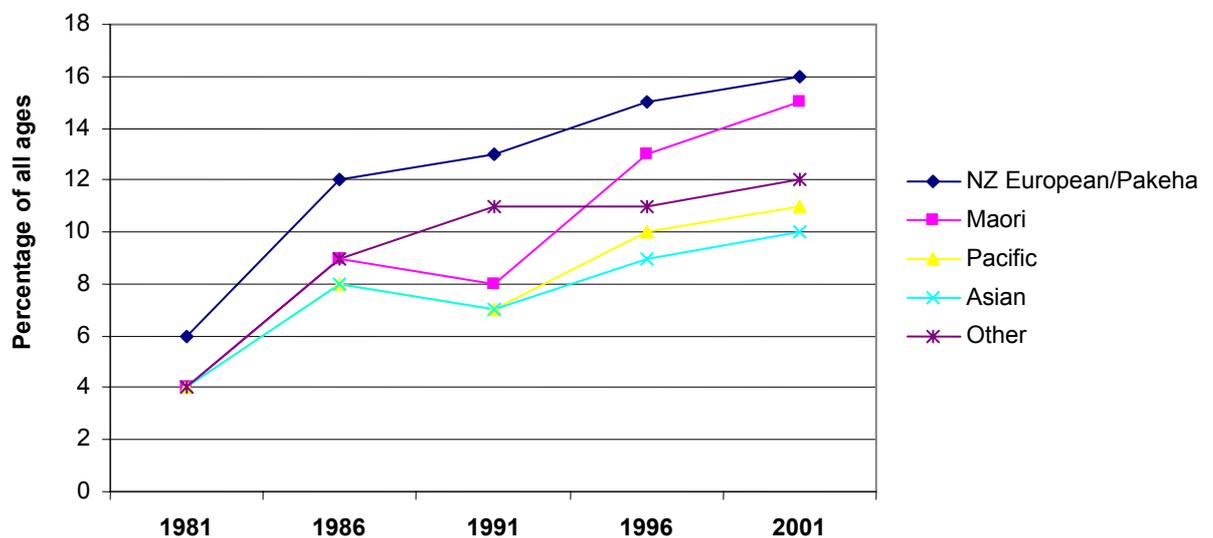
There is an interesting gender-ethnic differentiation in part-time work.

All women show an increase in part-time work but it has been greatest for New Zealand European/Pakeha and Maori (Figure 14). All men have shown an increase in part-time work but levels and increases are highest for non-New Zealand European/Pakeha groups (Figure 15).

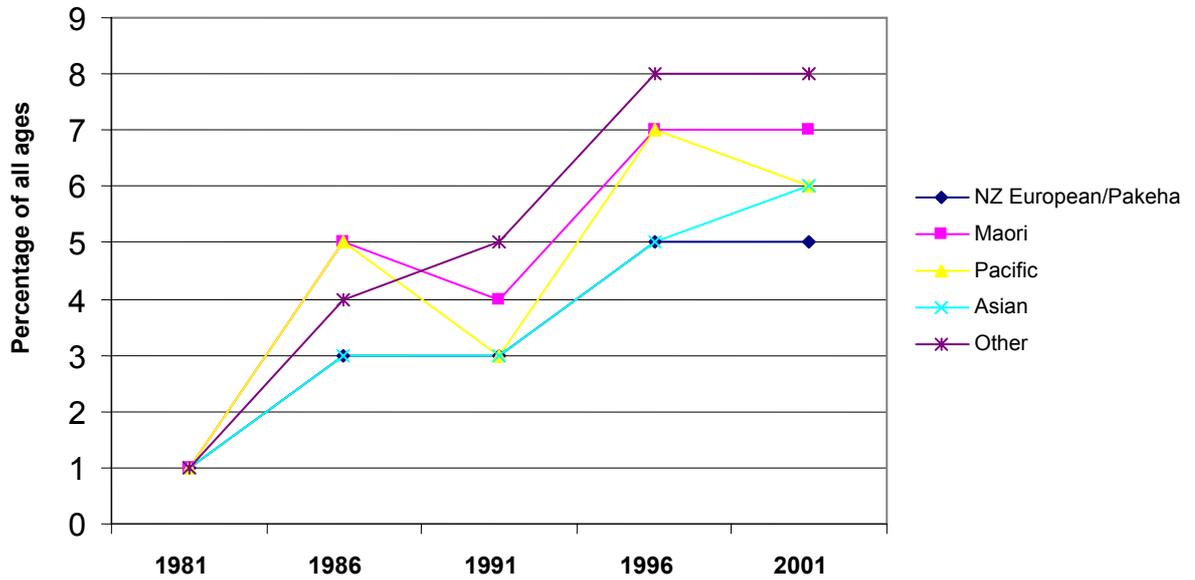
There are a number of possible explanations. Part-time work can be a preference for women with children if their partner's income is high enough to allow them to work part-time rather than full-time. New Zealand Europeans/Pakeha are the highest earning ethnic group. This does not account for the high part-time work of Maori women, which may be related to the types of industries they are more prevalent in, such as the service industry.

Part-time work is not generally a preference for men, who still primarily assume the provider role. Therefore part-time work for men is not likely to be a preference, but is perhaps the only option for the non-New Zealand European/Pakeha groups recovering from redundancy and unemployment (Maori and Pacific people), or as an entry point to the labour market for new immigrants (Asian and Other).

**Figure 14: Women in Part-time Work by Ethnicity, 1981-2001**

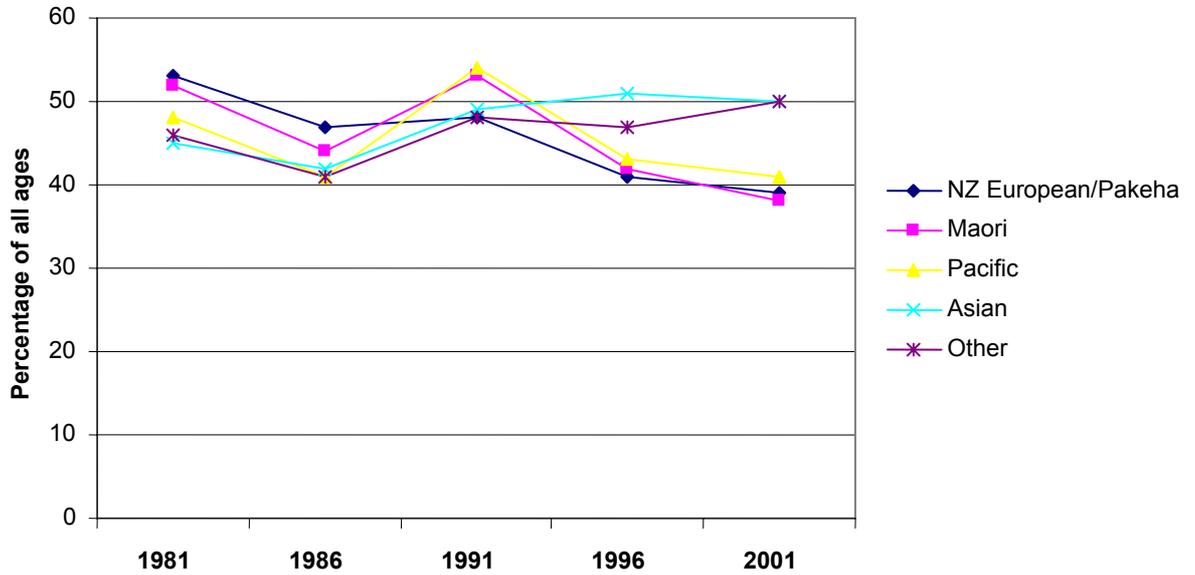


**Figure 15: Men in Part-time Wage and Salary Employment, 1981-2001**



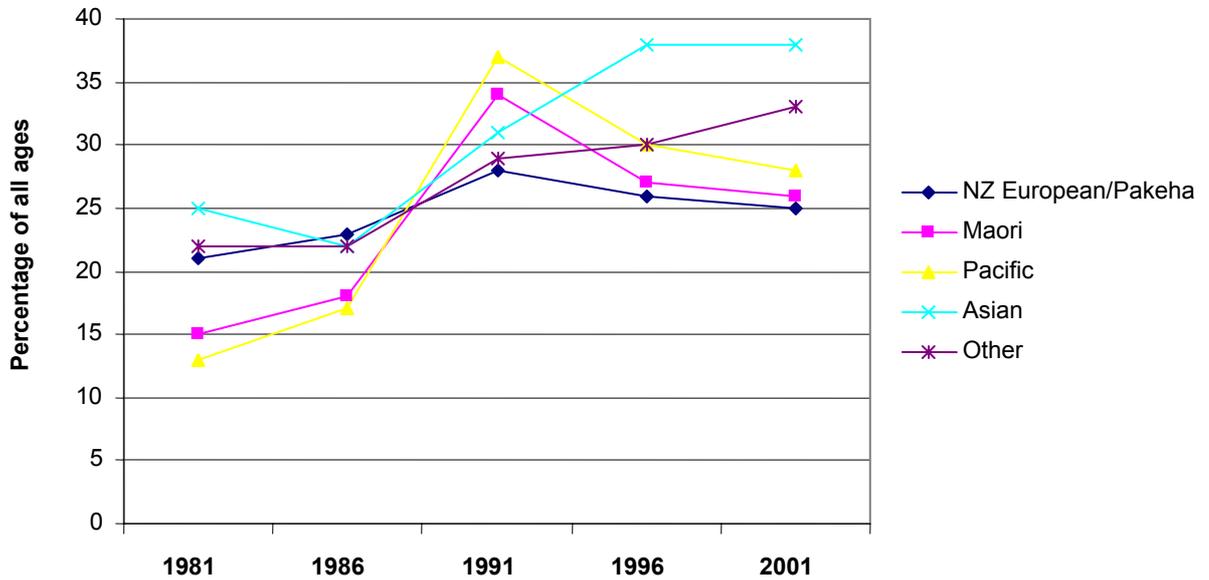
Non-labour force participation declined for all groups of women from 1981 to 1986, then increased for all groups to 1991, except for New Zealand European/Pakeha women. Since 1991, labour force participation for New Zealand European/Pakeha, Maori and Pacific women has increased but has continued to decline for Asian and Other women, the two groups with the highest rate of non-labour force participation (Figure 16). This is the New Zealand-born versus new immigrant dichotomy found elsewhere in this study. Some of this may be cultural choice relating to the customary role of women, but equally, it might result from forced options and represent a discouraged worker effect.

**Figure 16: Women Not in the Labour Force by Ethnicity, 1981-2001**



Labour force participation was increasing for Asian men from 1981 to 1986 while decreasing for all other groups. It then increased for all groups to 1991, especially Maori and Pacific men. Since 1991, male labour force participation has increased for Maori, Pacific and European/Pakeha men, but continued to decline for Asian and Other men. Asian men now have the highest rate of non labour force participation (Figure 17). Further analysis and explanation on this finding can be found under the Asian section.

**Figure 17: Men Not in Labour Force by Ethnicity, 1981-2001**



Unemployment is highest for Maori, Pacific and Other women and lowest for New Zealand European/Pakeha women (Figure 18). All groups experienced an increase to 1991, except for those of Other ethnicities. Since 1991, unemployment has declined for Maori and New Zealand European/Pakeha women, but increased for all other groups. Again, the dichotomy between New Zealand-born and new immigrant groups, which is repeated for men, with Pacific men tending to mirror the New Zealand-born pattern, and Pacific women the new immigrant pattern.

Unemployment increased for all men from 1981 to 1991. Since then it has continued to increase for Asian and Other men, but declined for New Zealand European/Pakeha, Maori and Pacific men (Figure 19).

Figure 18: Women Unemployed by Ethnicity, 1981-2001

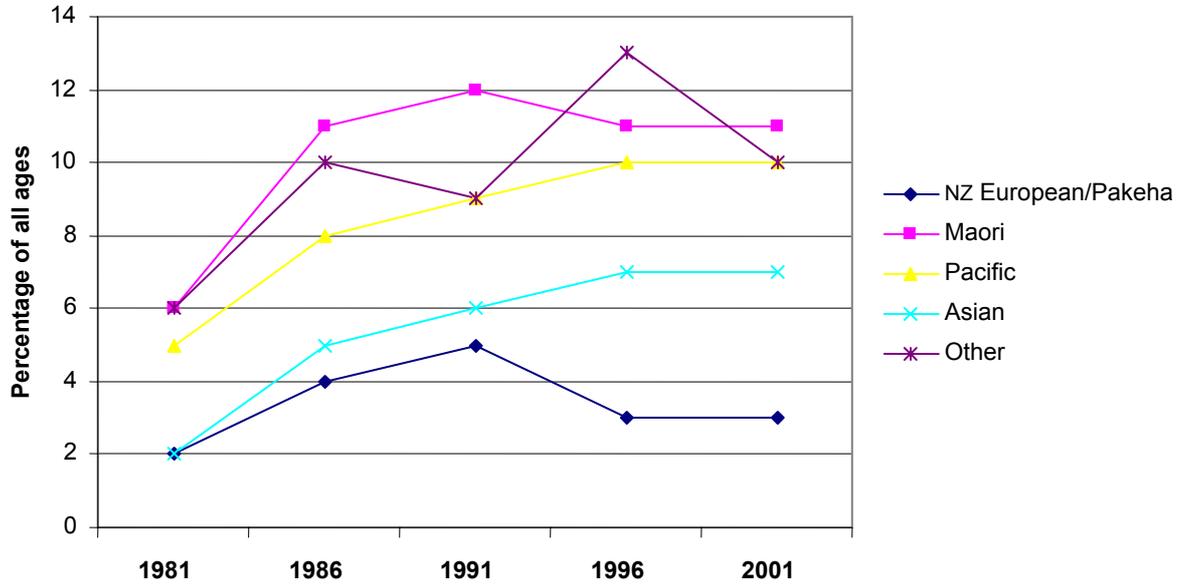
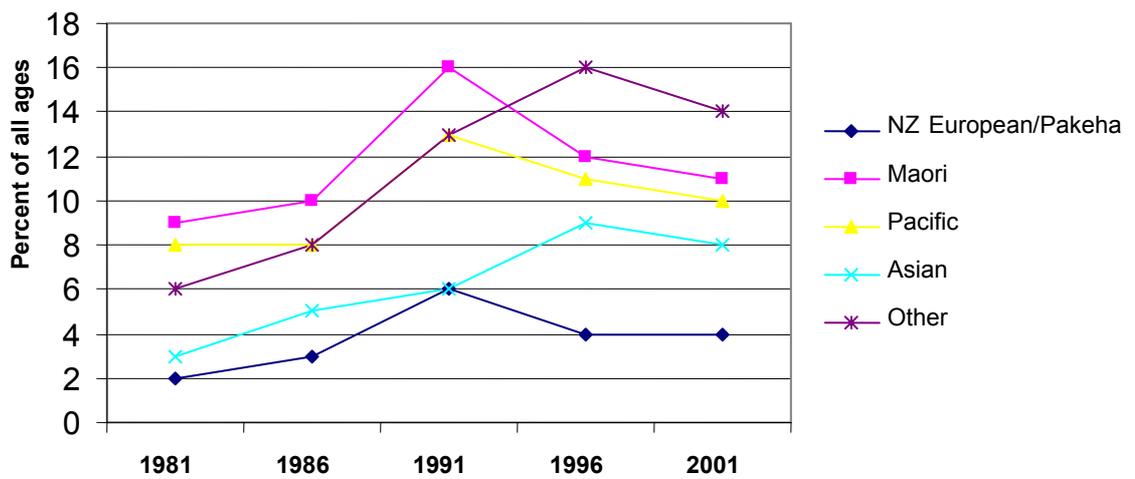


Figure 19: Men Unemployed by Ethnicity, 1981-2001



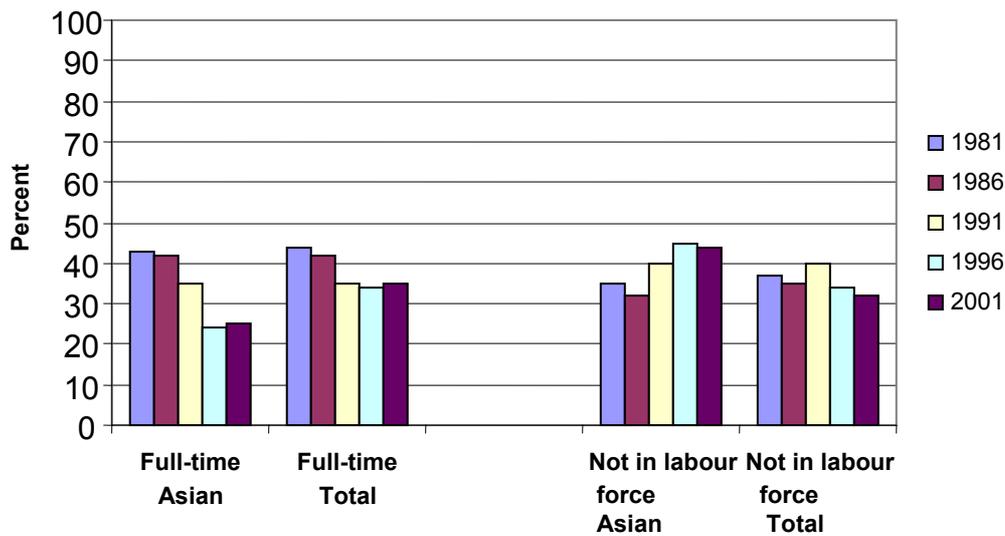
**Ethnicity**

**Asian**

There are major differences in the overall and gender patterns of Asian workers compared with the total population pattern over the period 1981 to 2001. Asian workers are much more likely to have moved out of full-time work than those in the total population (a decline of 18 percentage points compared with 9 percentage points) (Figure 20).

When they move out of full-time work, they are more likely to leave the labour force altogether compared to the total population which is more likely to move into non-standard work categories. Asians have similar trends in part-time work as the total population (Figure 10), but at a lower level, and there has been a marked decline in self-employment with employees (Figure 38).

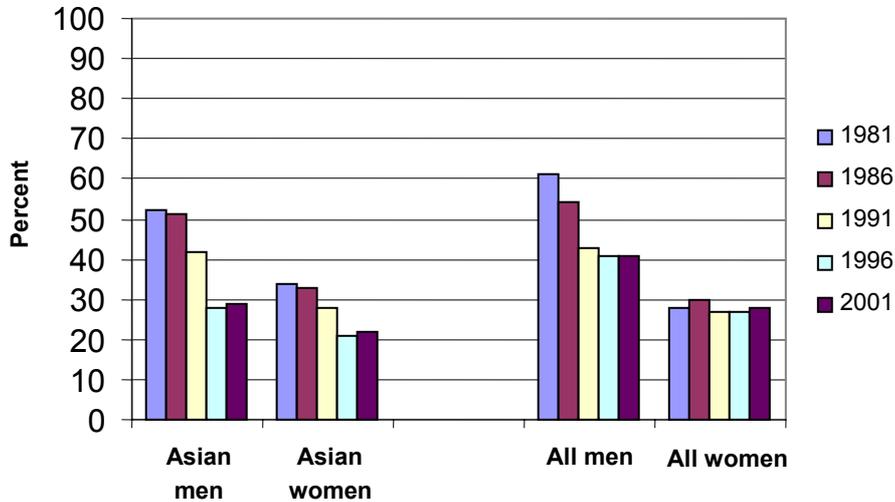
**Figure 20: Full-time Work and Not in Labour Force by Asian and Total, 1981-2001**



**Gender**

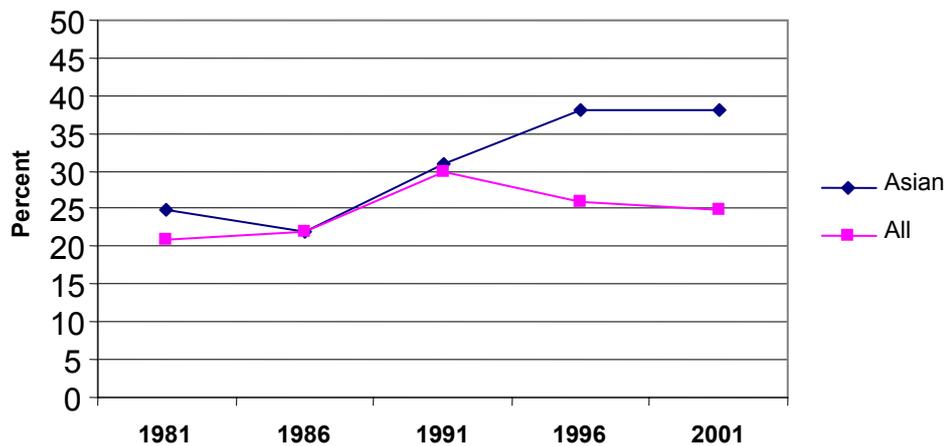
Asian men and all men have similar declines in full-time work (23 percentage points and 20 percentage points), but Asian men are less likely than all men to be in full-time work (29 percent in 2001 compared with 41 percent) (Figure 21).

**Figure 21: Percent in Full-time work, Asian and Total by Gender, 1981-2001**



Asian men are more likely to have moved out of the labour force (down from 75 percent to 62 percent) than all men (down from 79 percent to 75 percent) (Figure 22).

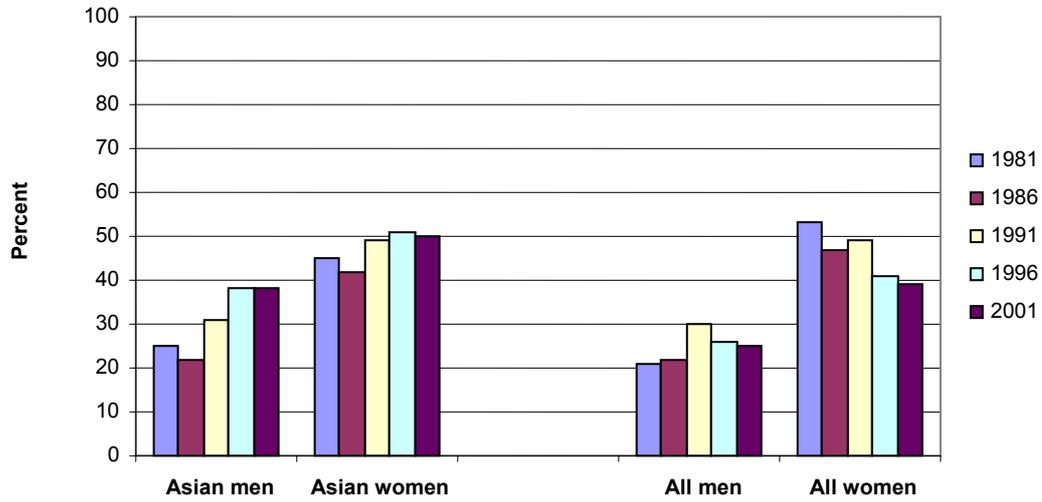
**Figure 22: Non-labour Force Participation, Asian and All Men, 1981-2001**



Asian women also have different patterns to all women. There was no decline in women overall in full-time employment from 1981 to 2001 (28 percent) but the proportion of Asian women in full-time work dropped from 34 percent to 22 percent (Figure 23). Nearly half of this decline was due to moving out of the labour force (down 5 percentage points), whereas women overall moved into the labour force (up 14 percentage points).

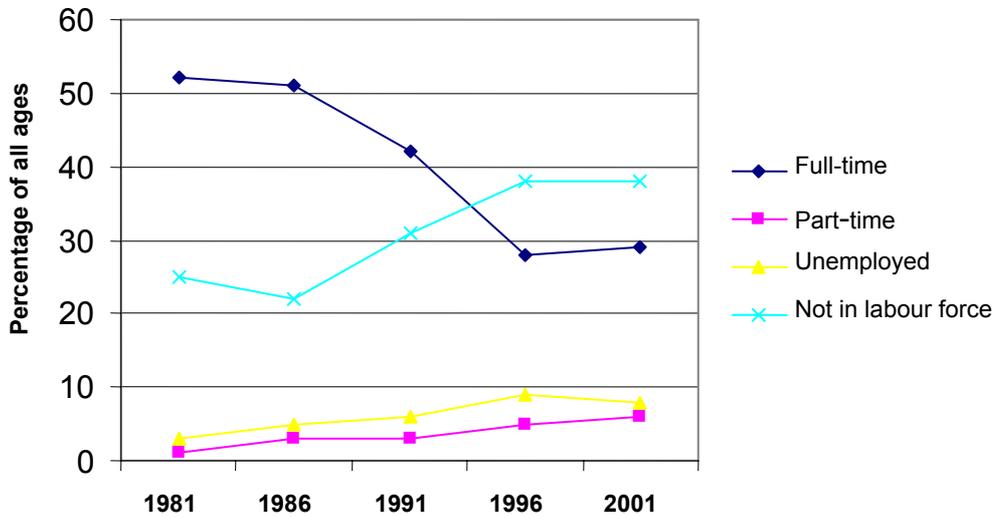
For both groups of women, the remainder leaving full-time work or entering the labour force were going into part-time work.

**Figure 23: Percent not in Labour Force, Asian and Total by Gender, 1981-2001**

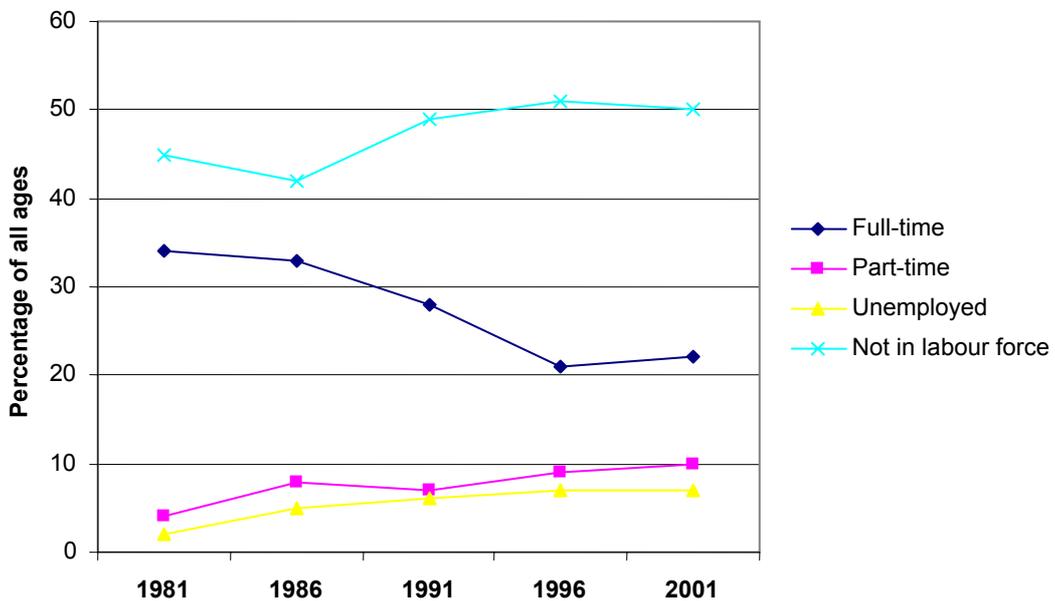


There has been a greater increase in non-labour force participation for Asian men than Asian women (Figures 24 and 25).

**Figure 24: Labour Force Status, Asian Men, 1981-2001**



**Figure 25: Labour Force Status of Asian Women, 1981-2001**



The most likely explanation for these trends and differences is the increase in Asian migration and the poor employment opportunities for new migrants, many with English as a second language and facing discrimination due, among other factors, to not having New Zealand experience. While this differential existed prior to the mid-1990s economic restructuring and immigration period, it has increased since that time (Figure 22).

The low labour force participation of Asian men compared with the total male population or men in other ethnic groups is not a factor of different age structures in the different populations, as it is across all age groups (Figure 26). If the different Asian male labour force participation pattern was due to the high young Asian male student population, it would show up only in younger age groups.

**Figure 26: Non Labour Force Participation, Asian and All Men, by Age, 2001**

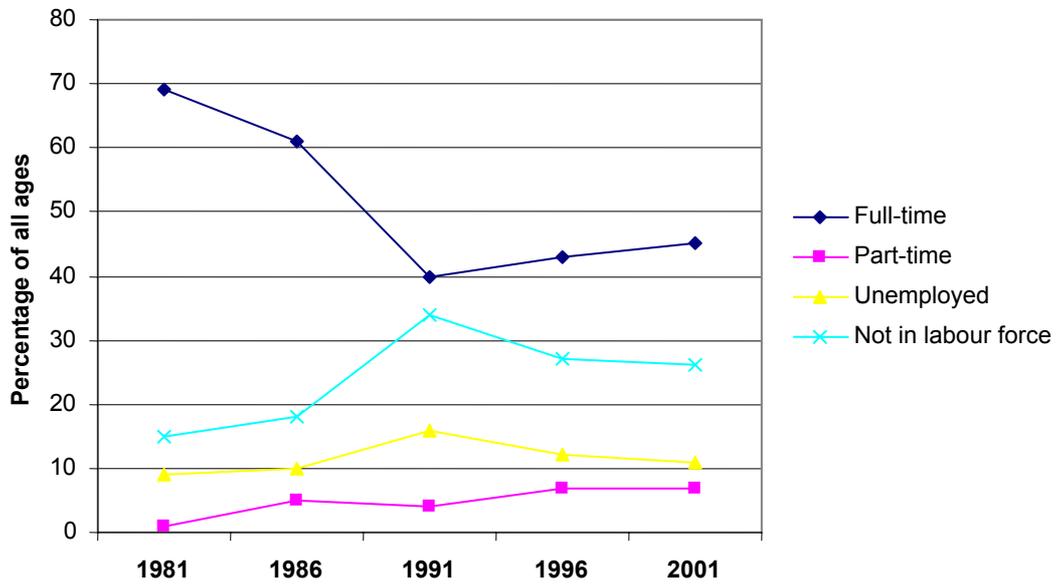
## **Maori**

Maori have experienced a 12 percentage point decline in full-time work for wages and salaries from 1981-2001, mostly between 1981 and 1991, as a result of the economic restructuring that affected industry sectors such as manufacturing where Maori were highly represented. Since then, as the economy has improved, they have had a 2 percentage point increase in labour force participation. Most of this has been accounted for by a 9 percentage point increase in part-time work, and a 3 percentage point rise in unemployment.

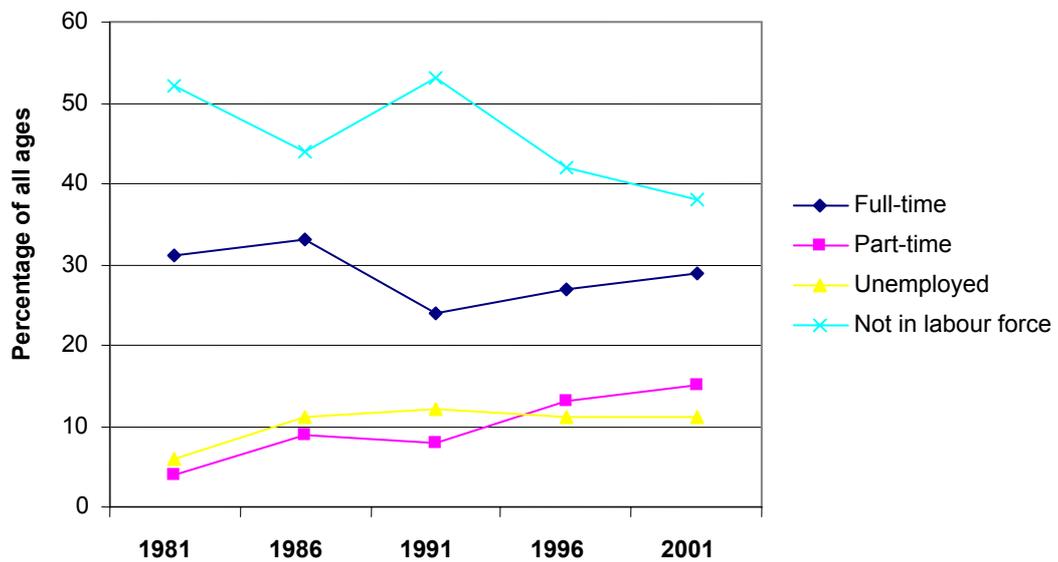
## **Gender**

There are marked gender differences in Maori trends in labour force participation from 1981 to 2001. Men are much more likely to have left full-time work and to have withdrawn from the labour force (Figure 27). Women are more likely to have entered the labour force, but this increase is into part-time work and unemployment, not full-time work (Figure 28). More research is needed into why Maori women are highly represented in part-time work rather than full-time work as the economy has improved.

**Figure 27: Labour Force Status of Maori Men, 1981-2001**



**Figure 28: Labour Force Status of Maori Women, 1981-2001**



## **Pacific Peoples**

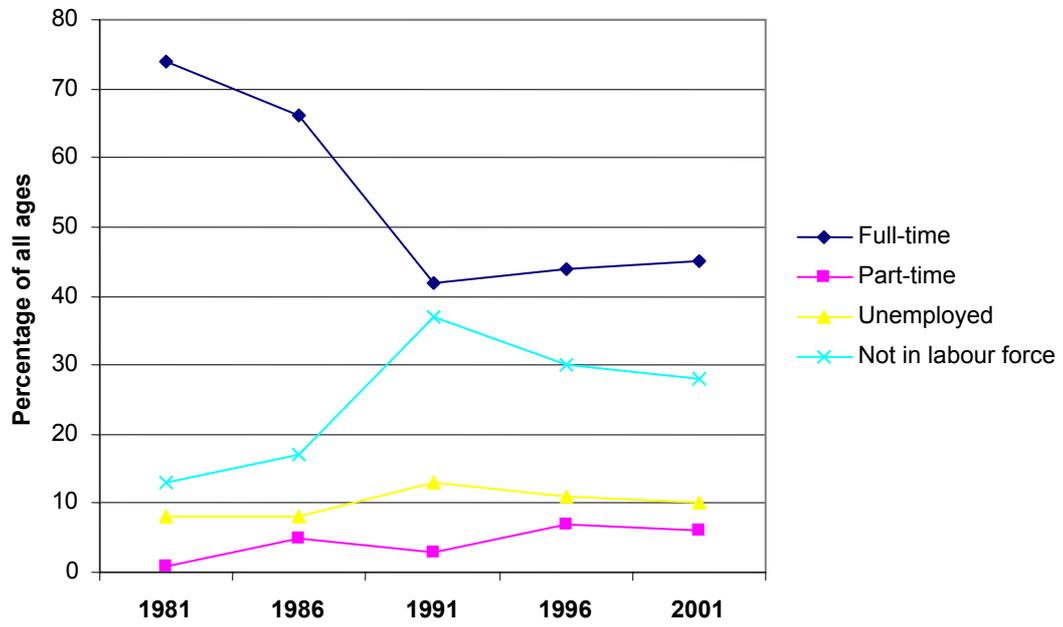
The pattern for Pacific people is similar to Maori in response to the same economic factors, but with a greater decline in full-time work, higher unemployment and lower labour force participation. Pacific women, in particular, show a different pattern to Maori women, having started with higher full-time employment in 1981 and experienced a greater decline. In response, they have been less likely to go into part-time work and more likely to be out of the labour force.

There has been an 18 percentage point decline in full-time wage and salaried work by Pacific people from 1981 to 2001. For Pacific people, full-time work has been replaced mainly by a combination of increased part-time work (7 percentage points), increased unemployment (3 percentage points) and increased withdrawal from the labour force (5 percentage points).

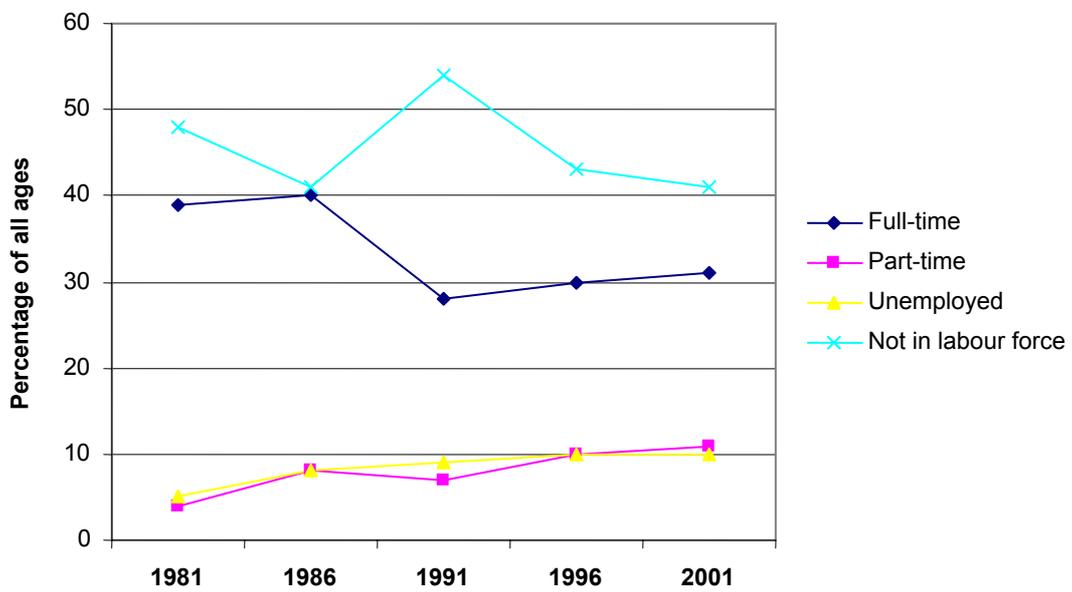
## **Gender**

There are marked gender differences in the patterns of change. Pacific men are much more likely than women to have experienced a decline in full-time work, and to have increased non-labour force participation, part-time work and unemployment (Figure 29). Pacific women have had a relatively small decline in full-time work and have increased labour force participation, most of which is part-time work and unemployment (Figure 30). As with Maori, Pacific men (and to an extent Pacific women) were concentrated in those sectors and industries that were most affected by deindustrialisation and economic reform after 1984. The impact on full-time work stabilised for both men and women after 1991, but was at a much lower level than was the case for both genders in 1981.

**Figure 29: Labour Force Status of Pacific Men, 1981-2001**



**Figure 30: Labour Force status of Pacific women, 1981-2001**



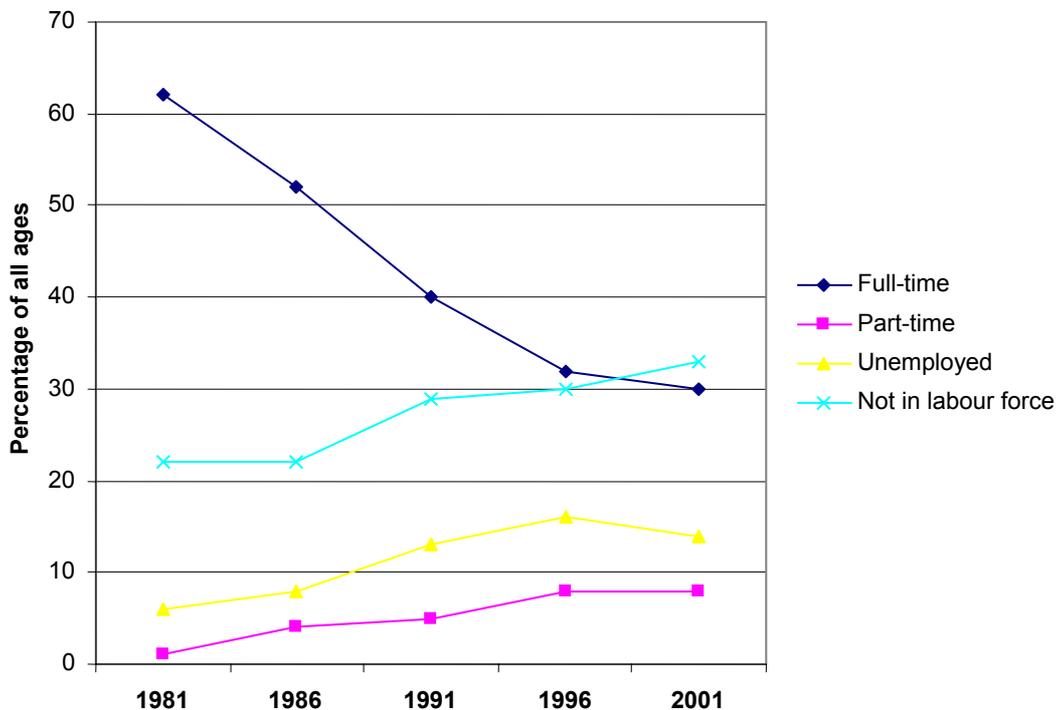
## Other

Those in “Other” ethnic groups show a decline in full-time work of 16 percentage points. This is replaced by an increase in part-time work of 8 percentage points, an increase in unemployment of 4 percentage points, and a withdrawal from the labour force of 4 percentage points. While the decline in full-time work is similar to that experienced by those in the Asian groups, the response is more likely to be part-time work or unemployment rather than withdrawal from the labour force.

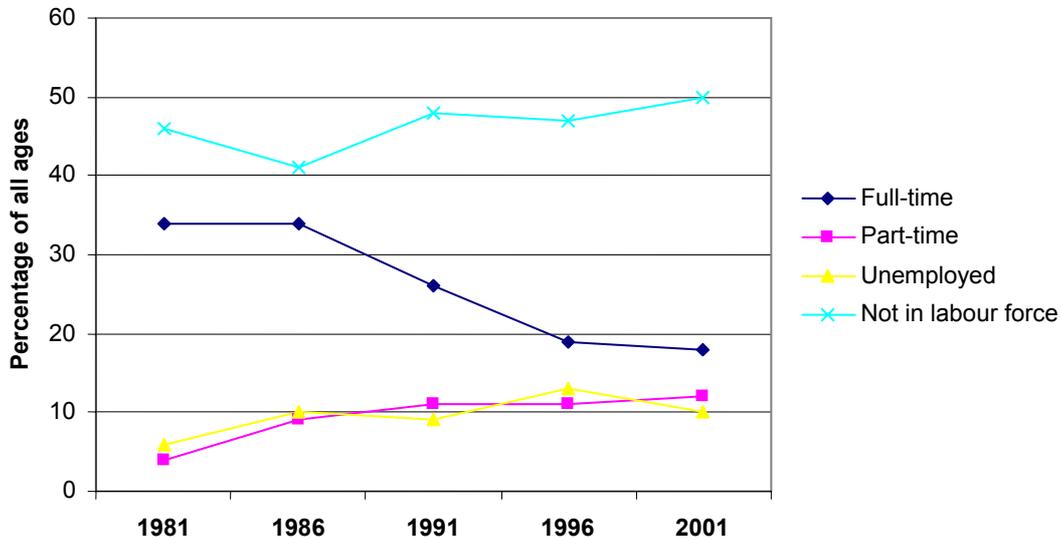
## Gender

Men from Other ethnic categories show double the decline in full-time work than women. They are more likely than women to have an increased rate of non-labour force participation and to be unemployed (Figures 31 and 32). Both men and women show similar rates of increase in part-time work, but women are more likely than men to be in part-time work.

**Figure 31: Labour Force Status of Other Men, 1981-2001**



**Figure 32: Labour Force Status of Other Women, 1981-2001**



## New Zealand European/Pakeha

New Zealand Europeans/Pakeha have experienced a decline in full-time work (7 percentage points) along with increased labour force participation (5 percentage points).<sup>4</sup> The growth areas have been part-time work (8 percentage points) and self-employment (4 percentage points, most of which is without employees).

## Gender

New Zealand European/Pakeha women are the only group to show increased full-time work while European/Pakeha men show a decline in full-time work, but not as great as those in other ethnic groups. New Zealand European/Pakeha men still have higher levels of full-time work than New Zealand European/Pakeha women.

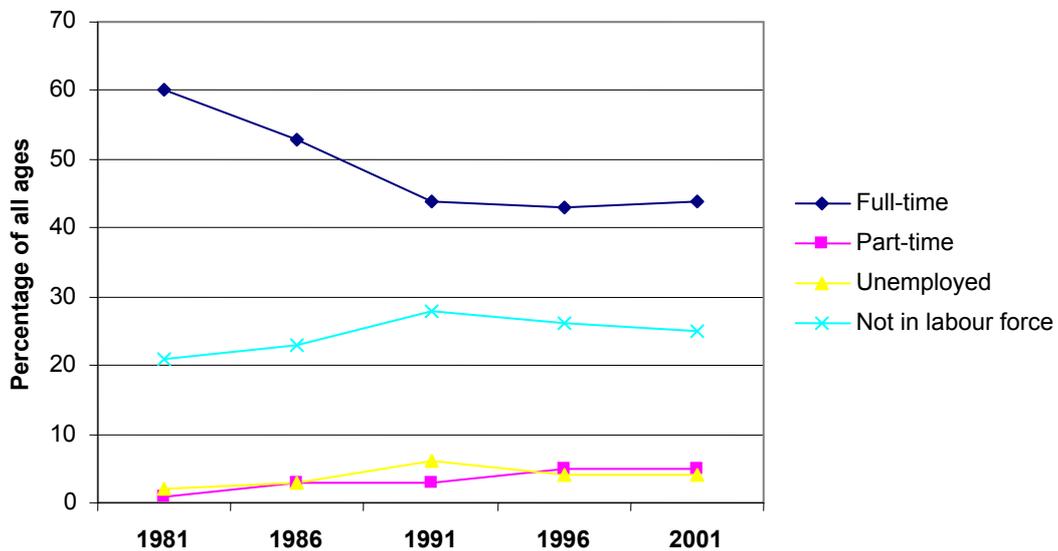
New Zealand European/Pakeha women show the same percentage increase in labour force participation as Maori women, while New Zealand European/Pakeha men show decreased labour force participation.

<sup>4</sup> All data is from age 15+ with no upper age limit. The New Zealand European/Pakeha population has the oldest age structure and would be most likely to show decreased labour force participation as they move out of the labour force into retirement. But this has not happened. Thus the lack of upper age limit is not likely to be affecting the comparative analyses showing increased non-labour force participation in other ethnic groups such as Asian, Other and Pacific.

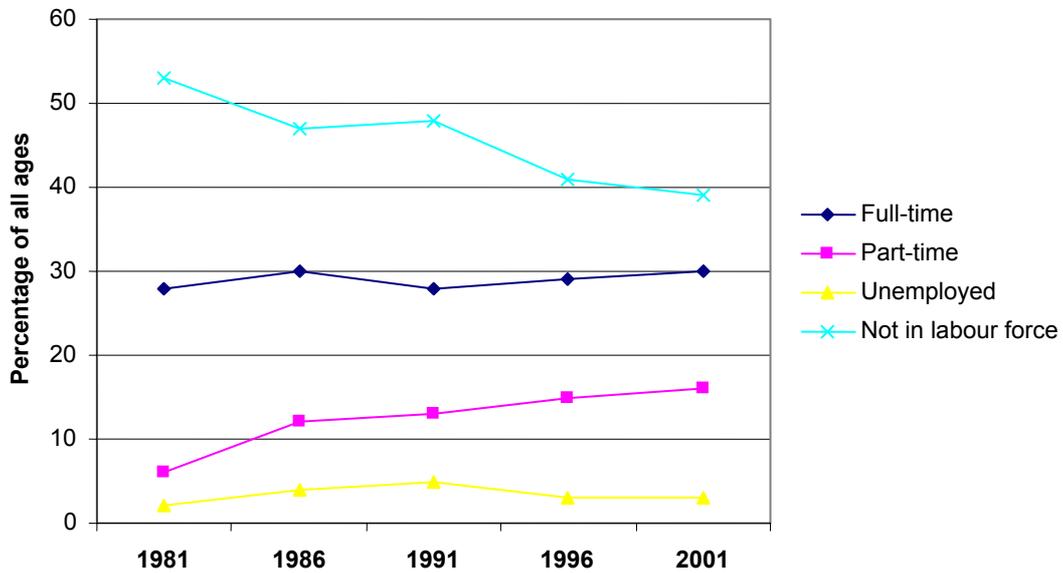
Most of New Zealand European/Pakeha women’s increased labour force participation is part-time, but there is also some increase in self-employment, especially without employees (Figure 33). New Zealand European/Pakeha men have experienced a lower increase in part-time work than women and a similar increase in self-employment. Men have been more likely to leave the labour force than go into part-time work (Figure 34). More analysis by gender, age and occupation would provide a greater understanding of the reasons for these differences.

New Zealand European/Pakeha men show a similar pattern to Maori men, with the exception that they are more likely to replace full-time work with self-employment than with non-labour force participation.

**Figure 33: Labour Force Status of New Zealand European/Pakeha Men, 1981-2001**



**Figure 34: Labour Force Status of New Zealand European/Pakeha Women, 1981-2001**

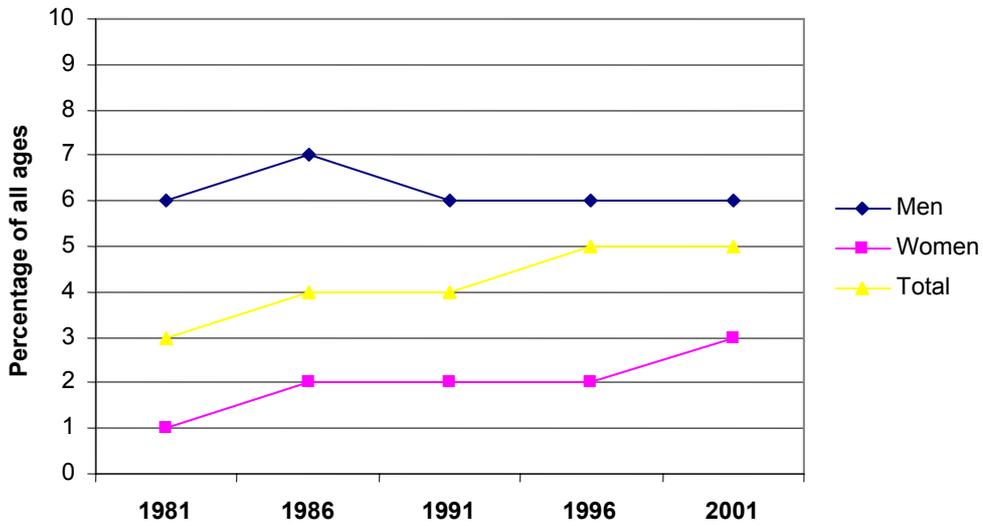


### *Self-employment*

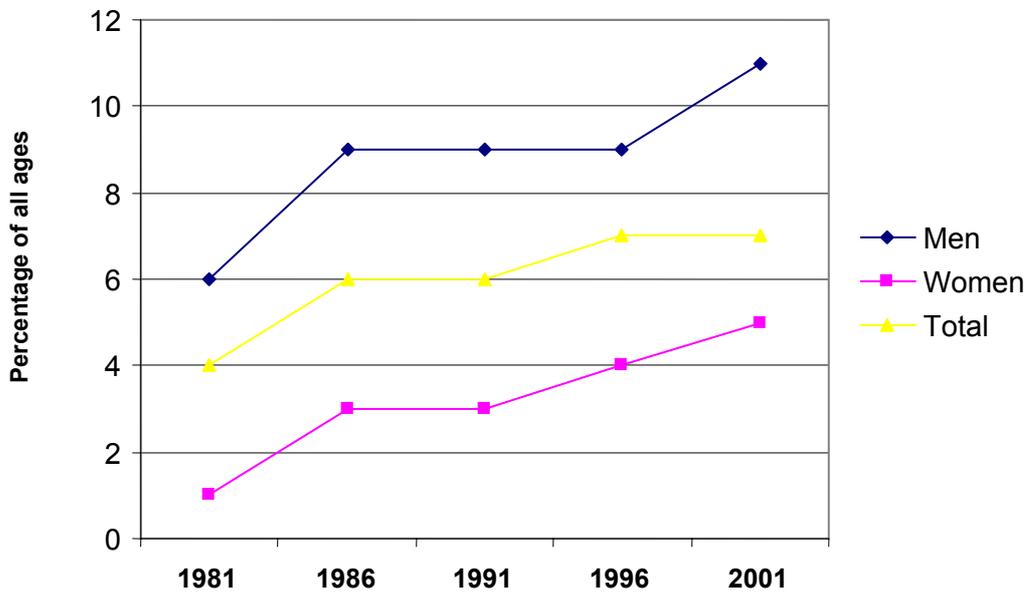
Only a small proportion of New Zealanders are self-employed, but the proportion has almost doubled from 7 percent in 1981 to 12 percent in 2001.

The self-employed are slightly more likely to be without staff than with staff: 7 percent compared to 5 percent in 2001, up from 4 percent and 3 percent respectively in 1981 (Figures 35 and 36).

**Figure 35: Self-employed with employees, 1981-2001**



**Figure 36: Self-employed Without Employees, 1981-2001**



## Gender

Men are more likely to be self-employed than are women, but women are showing more growth in this area than men, although all growth is small. Male self-employment with employees has been stable since 1991, and self-employment without employees has only grown since 1996. Women have shown growth in self-employment without employees since 1991, and with employees since 1996.

## Ethnicity

In 1981, self-employment, with and without employees, was greatest for Asian ethnic groups (Figures 37 and 38). By 2001, New Zealand Europeans/Pakeha had the highest rate of self-employment. The cross-over happened in 1991 (i.e. the 1991 census data, so between 1986 and 1991).

Since 1991, it is New Zealand European/Pakeha and Maori who have shown growth in self-employment, both with employees and without employees. Pacific people have also shown some growth in self-employment without employees from 1991 to 1996, then stabilising.

Self-employment for Asians and Others peaked in 1986. Self-employment without employees has been stable since then for both groups, while self-employment with employees has declined for both these groups.

**Figure 37: Self-employed Without Employees, by Ethnicity, 1981-2001**

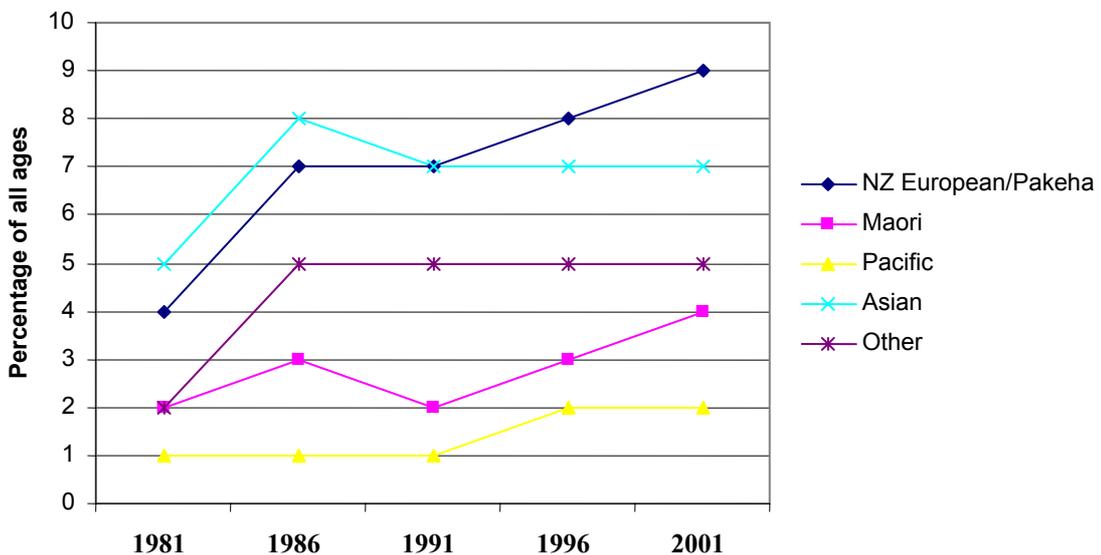
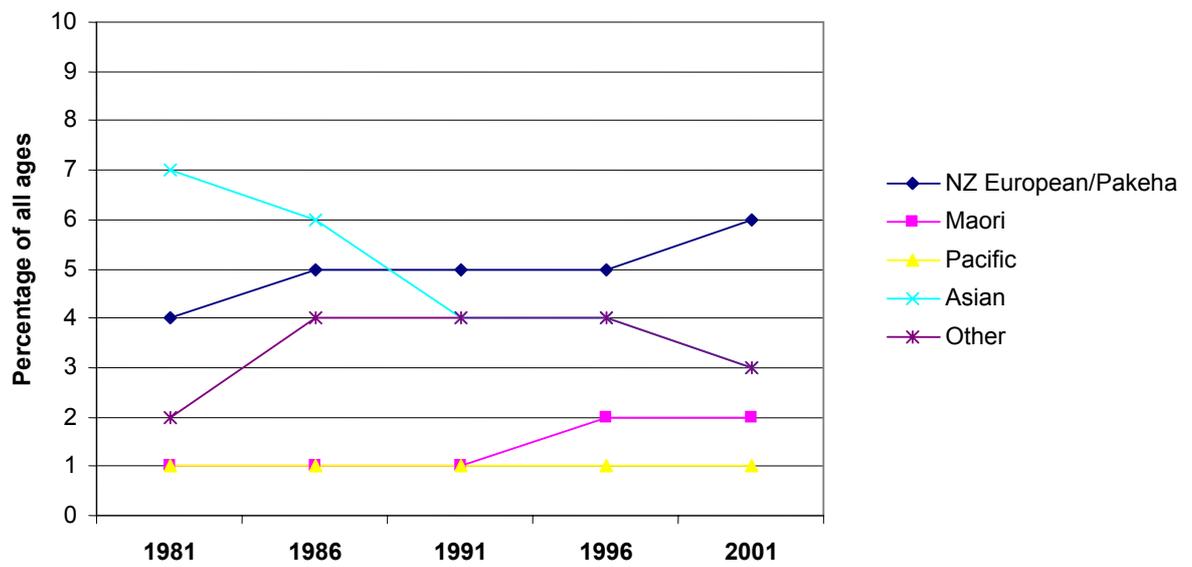


Figure 38: Self-employed with Employees, by Ethnicity, 1981-2001



## **Summary**

The analysis of non-standard work in New Zealand over the period 1981-2001 which is contained in this report highlights some key trends, and some distinctions by gender and ethnicity.

*Non-standard work* began to receive more attention in New Zealand after the incidence increased as a result of the economic restructuring period from 1984. But despite its coincidence with this economic period, growth in non-standard work was a feature of other developed countries (ILO, 2003; 2004). In spite of this increase however, information about temporary working arrangements are not included in Statistics New Zealand surveys. Hence, surrogate measures have been used to compensate for the gaps in non-standard work data.

The main point to emerge in the analysis in this report is the plateauing of non-standard work from 1996 to 2001 after previous growth. It will be important to monitor what has happened since 2001 when the 2006 census results become available.

A second point to note is that non-standard work was highest for those at each end of the age continuum, those aged 15-19 and those over 60 years, with most growth happening at ages 15-22 years, along with increased participation in tertiary education, but also high unemployment in this age group. While there was no gender difference in the total amount and growth of non-standard work, there were differences in the types of work, with men being more likely to become self-employed and women more likely to be in part-time work and multiple job holding.

*Multiple job holding* was a particular feature of non-standard work to be identified in the literature, both nationally and internationally (Taylor et al., 2004). This was accompanied by the recognition of the lack of data collected to enable monitoring and analysis of multiple job holding.

The main points to emerge in this report are that multiple job holding declined from 1996 to 2001, after previous growth, and that women have higher rates than men, especially from 1991 to 1996 when unemployment peaked. This is interesting given that there is no gender difference in non-standard work as a whole.

Multiple job holding is highest for those aged under 23, and those aged 40-59, but growth was high across all age groups from 1991 to 1996. While it has declined since 1996 for most age groups, there has been little change for those aged 45-59. On the other hand, women, youth and older workers are the groups most likely to prefer non-standard work arrangements to fit with their lifestyle choices and may choose this form of employment (McPherson, 2004).

*Part-time work* has been the main growth category of non-standard work. This applied to both men and women, although it is stronger for women, and across all ethnic groups. Part-time work can be perceived as either a negative or positive work arrangement, depending on whether it is chosen by the employee to fit with other life circumstances, or imposed on them by employers wanting to avoid the provision of

the working conditions associated with full-time work or a labour market that offers low-paid, flexible work for many. It is more likely to be positive in a strong labour market such as has been present since 2001 than it was during the period from 1981 to 2001 which is covered in this report, when the labour market was weak.

*Self-employment* can also be perceived either positively or negatively, again depending on the element of choice for the worker. It is likely that, given the high unemployment through the early part of the analysis period, self-employment was largely a response to redundancy and unemployment. Since growth was mainly in the category of “self-employed without employees”, this is more likely to be the case. In an expanding economy, self-employment with employees might be more prominent.

Self-employment was mainly a New Zealand European/Pakeha male option, which together with the greater proportion of women and New Zealand Europeans/Pakeha with part-time work and multiple jobs, suggests cultural and gender differences underlying responses to the decline in full-time work.

### *Gender*

The growth period for non-standard work was during a period of high unemployment and low labour force participation. The final key point to emerge from this analysis is the gender and ethnic differentials in the patterns of non-standard work, unemployment and non-labour force participation.

Women have always been less likely to work full-time, due to their childcare responsibilities, which perhaps meant they were better able to adapt to the growth in part-time work and multiple job holding than men whose identities were more strongly attached to the full-time “breadwinner worker” model. The economic restructuring also favoured traditionally female occupations, such as in the service sector, and had a more negative effect on traditionally male occupations in the manufacturing and primary sector.

Men were more likely to opt out of the labour force or into self-employment than into part-time work. The choice of options in response to the decline in availability of standard work during the 1990s was ethnically distinct.

### *Ethnicity*

The findings in this analysis are consistent with those of Winkelmann and Winkelmann (1998) and Boyd (2003) in finding a general ethnic dichotomy between New Zealand-born groups (Maori and New Zealand European/Pakeha) and groups with high proportions of recent immigrants (Asian and Other) with Pacific people fitting somewhere between, but more closely with the New Zealand-born. There are also more specific ethnic trends.

Asian people have not, in general, shown any growth in non-standard work in response to a decline in standard work. In particular, Asian men show high rates of non-labour force participation compared to men in other groups, and higher growth in non-labour force participation than Asian women. While men from Other ethnic groups share their recent immigrant status and face discrimination in the labour force, they are more likely to categorise themselves as unemployed and actively seeking work, or to be in part-time work. There has also been a marked decline in the

proportion of Asian men who are self-employed, particularly with employees and they have low rates of part-time employment. Further research is needed to explain these findings, but, in general, it shows that despite a decline in standard work for Asian men in New Zealand since the high immigration of the mid-1990s, which coincided with high unemployment due to economic restructuring, they are not replacing standard full-time work with non-standard work, but rather by withdrawal from the labour force. While their labour force participation has always been lower than in the total population, the gap has increased since 1991.

All other ethnic groups showed increased levels of non-standard work in response to the mid-1990s economic restructuring, along with increased unemployment and labour force withdrawal. As the economy improved, Maori and Pacific people, who were particularly affected by the decline in the manufacturing sector during the late 1980s and 1990s, have showed some movement back into standard work, but not to the levels seen in 1981. While they still have relatively high levels of unemployment, they show strong growth in part-time work and Maori also show growth in self-employment.

Growth in labour force participation through non-standard work is particularly strong for Maori, New Zealand European/Pakeha and Pacific women in part-time work, and for Maori and New Zealand European/Pakeha men through self-employment.

The decline in standard work has been greatest for men and women from “Other” ethnic groups. Although they show a similar rate of movement into part-time work, in general they are unemployed or out of the labour force rather than replacing standard work with non-standard work.

## **Conclusion**

Key trends to watch or respond to:

- A continued plateauing or decline of non-standard work, in particular multiple job holding, as labour market demand for standard full-time work remains high due to an ageing workforce.
- Possible new growth in employee driven into non-standard work options such as part-time work and self-employment to match lifestyle options over the life course, from studying, raising children through to partial retirement. This would be accompanied by employee driven improvements in working conditions for non-standard work in a tight labour market.
- Relatively high unemployment for Maori and New Zealanders of Pacific origin who are disadvantaged in the 21<sup>st</sup> century labour market that requires higher education levels and for whom non-standard work options in low income occupations do not provide a living income.
- Trends in Maori employment patterns that are closer to the dominant New Zealand European/Pakeha group than are any of the other ethnic groups. Maori are showing increasing self-employment and Maori women have a high level of part-time work. However, given their high rates of unemployment, research is needed into whether these are positive or negative non-standard work option preferences or due to a lack of standard work options.
- High non-labour force participation in new immigrant groups who have difficulty getting standard work for a range of reasons, including discrimination and inadequate levels of English language for the 21<sup>st</sup> century high skill job market, and either do not want or cannot get non-standard work.
- Further research is recommended in these last two areas in order not to waste potential human capital in a future where demographic trends mean New Zealand will be competing with the rest of the developed world for skilled workers to sustain their economy and well-being.

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