A SNAPSHOT OF FINDINGS FROM THE 2024 EMPLOYMENT MONITOR Employers in New Zealand



Employers in New Zealand



MBIE's worker and employer monitor delivers a comprehensive view of New Zealand workers' and employers' perceptions, experiences and pressures in the employment market. This infographic focuses only on NZ employers. Verian surveyed 855 workers from 26 February to 21 April 2024. No comparisons are made with previous years' surveys because of a change in survey methodology.

Number of employees

62% 1 to 5 employees

15% 6 to 9 employees

19% 10 to 49 employees

4% 50+ employees



Top industries



15% Construction



9% Retail



7% Hospitality



7% Manufacturing



6% Technology

Most employers in NZ show a strong moral obligation to workers, but many face significant business pressures.



95%

say the better you treat your workers the more successful your business will be.



55%

say it's hard to keep up with employment laws.



53%

say it's hard to make a profit, they need to do everything they can to get an advantage over the competition.

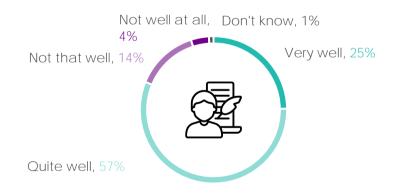


63%

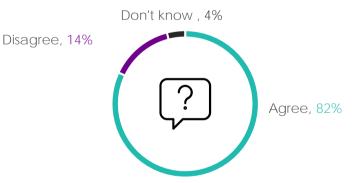
of employers feel it's difficult to find good workers in NZ.

Most employers rate their understanding of employment rules and regulations positively and know how to get help.

Employers understand employment rules and regulations



I know where to go or who to ask for help, if I need support with understanding my obligations



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However, nearly one in four small employers (less than 10 employees) rate their knowledge as poor

On average, employers incorrectly understand (or are unsure about) four of 19 areas of employment law tested.

Tested knowledge is lowest for...

52% Doing the job they were employed for

52% Overtime

58% Contractors

63% Payment for work done before contract start

67% Exploitative employers can be banned from employing migrants

Just 28% of employers who completed the survey from 1st April knew the new minimum wage.

53% of employers are aware of the accredited employer work visa.

Awareness jumps to 87% of large employers (50+ employees)



Employers in New Zealand



Online sources top the list of useful information on employment obligations, but tailored advice is also key.

Top 8 sources



71% Online searches



38% Employment NZ emails



35% Accountant



28% Lawyer or other advocate



28% Personal contacts



26% Immigration NZ emails



20% Industry specific organisations



17% Employer group or association

Most users find government websites useful for employment information.



87% useful



83% useful



68% useful



But 1 in 3 employers who rated their knowledge of employment law as poor found it difficult to find the information they needed online.

Top 5 ideas for getting information and support on employment obligations

% very helpful

48%

Dedicated website on employment law

40%

Employment information at IRD registration

40%

Free disputes resolution service

38%

Employment information at registration with Companies Office

36%

Employer helpline

Most NZ employers favour the 'stick over the carrot' in dealing with non-compliant employers

% who think employers would be <u>much</u> more likely to comply

57% Heavier penalties

57% Personally fined or taken to ERA

56% Personally fined or taken to Court

55% Banned from employing migrant workers

53% Not allowing employers to register, direct or manage businesses if caught on serious exploitation charges

52% Banned from being a director or manager of people

In their own words...

"More checking of businesses to make sure they're conforming. Proper penalties and publicity of those who exploit." "Teach them what is expected as an employee. Making sure they know their rights and have someone they can trust to come to if the employer breaks the laws."

"An employer rating like food shops have. A, very good, D bad, that must be shown in an obvious place. Then employees know whether an employer is good or not."



Employers in New Zealand



We identified four groups of employers that sit along two spectrums in line with the strength of their attitudes to moral and legal compliance. 'Potential exploiters' are a sizeable group of NZ employers.
This reflects the large number of small businesses in NZ. Small employers tend to know less about their employment obligations and exhibit weaker legal compliance creating risk of worker exploitation.

VIRTUOUS AND COMPLIANT

Stronger (consistent) legal compliance

CONFLICTED

- Strong moral responsibility.
- Strong legal compliance.
- Good understanding of employment rules and regulations.
- Skewed to larger businesses (50+ workers).

- Below average understanding of employment rules and regulations.
- Struggle with employment law but informed workers can ensure compliance.
- Face strong business pressures.
- Difficulties in finding good staff.
- Tend to be mid/larger businesses (10+ workers).

Stronger moral obligation

7%

19%

58%

Weaker moral obligation

- Average understanding of employment rules and regulations.
- Tend to comply with employment law, but not strongly motivated to.
- Tend to be smaller businesses.

16%

- Poor knowledge of employment rules and regulations.
- Strong business pressures bend employment law to keep business running.
- Weak moral obligation towards workers.
- Predominantly small businesses...

DOING RIGHT BY WORKERS

Weaker (contextual) legal compliance

POTENTIAL EXPLOITERS

