



**MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT**
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National Survey of Employers 2016/17: Summary Findings



Background



Introduction to the National Survey of Employers (NSE)

- MBIE's annual National Survey of Employers (NSE) collects data on workplace practices in New Zealand business establishments, within the context of current employment-focused legislation.
- The NSE monitors business practices and employer views on workplace relations and employment standards, workplace health and safety, access to skills, and employing recent migrants. The results are used to develop and evaluate policies and programmes, and answer contemporary policy questions.
- This document presents a summary of results from the 2016/17 NSE, with some comparisons made with previous NSE results where questions were consistent. Differences reported between years are statistically significant at a 95% confidence level.
- Technical information about the survey and detailed result tables (by business size and by industry) are available here: [Appendix to NSE 2016/17 Summary Findings](#).
- Survey results at the total employer level reflect the results for employers with 1 to 19 employees, as most NZ employers (88%) are in smaller businesses (with 1 to 19 employees). Refer to [Appendix to NSE 2016/17 Summary Findings](#) for results by business size (1 to 19 and 20+ employees; 1 to 5, 6 to 9, 20 to 49 and 50+ employees).
- See slide 40 for an overview of the survey methodology and [Appendix to NSE 2016/17 Summary Findings](#) for more detailed information.
- More information on the NSE and results from previous years are located here: [MBIE NSE homepage](#).

Health and Safety (H&S)

The health and safety at work regulatory system provides for a balanced framework to secure the health and safety of workers and workplaces. The NSE collects information about workplace health and safety systems and practices including compliance with aspects of legislation and employer views on the law. The 2016/17 NSE was conducted after the enactment of the *Health and Safety at Work Act 2015*. Data from the survey will help in assessing how effective the new legislation has been in improving workplace health and safety.

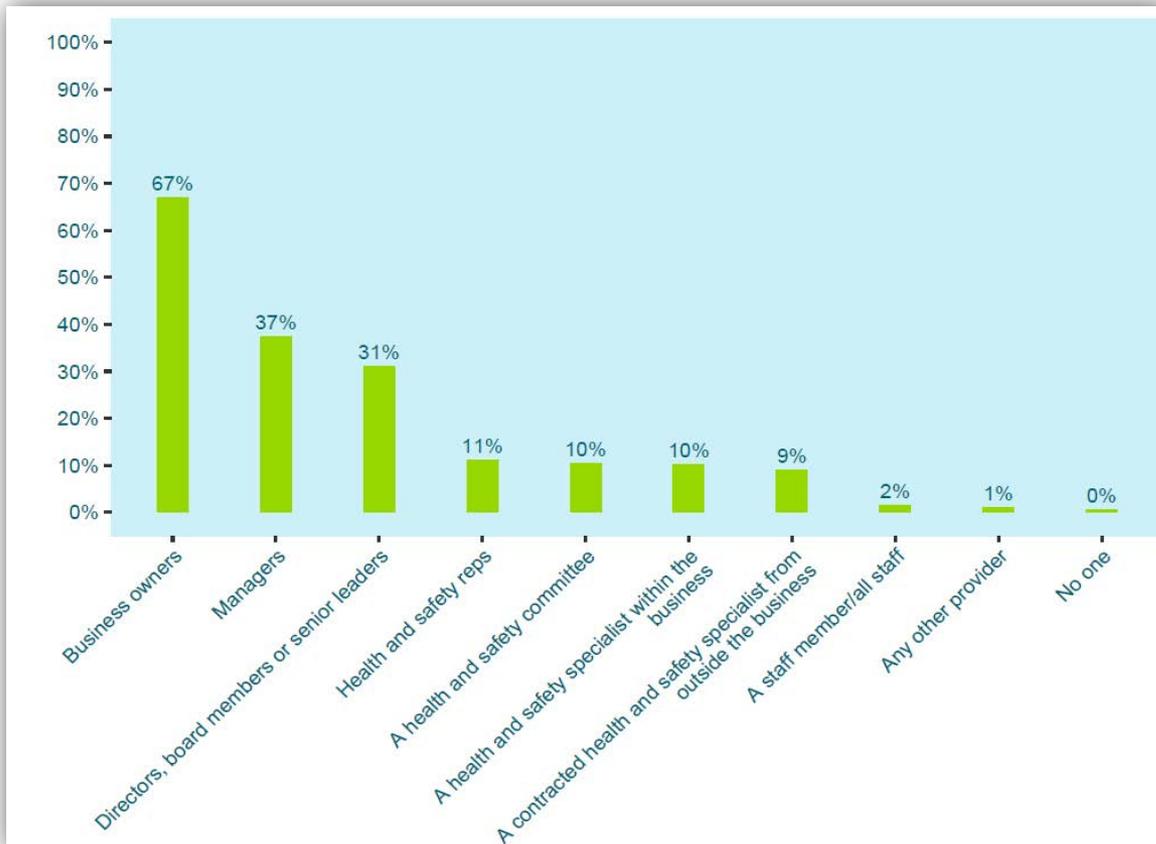
Topics covered in this section include:

- H&S leadership (slide 5)
- H&S inductions (slide 6)
- Managing risks and hazards (slide 7)
- Worker involvement in H&S (slide 8 & 9)
- Information requests from the business's officers (slide 10)
- Managing shared H&S duties (slide 11)
- Significant changes made to H&S (slides 12 & 13)
- Employer views about H&S (slides 14 & 15).



H&S leadership was most commonly provided by business owners

Question 4. Who is mainly responsible for providing health and safety leadership for the business? (n=1873)



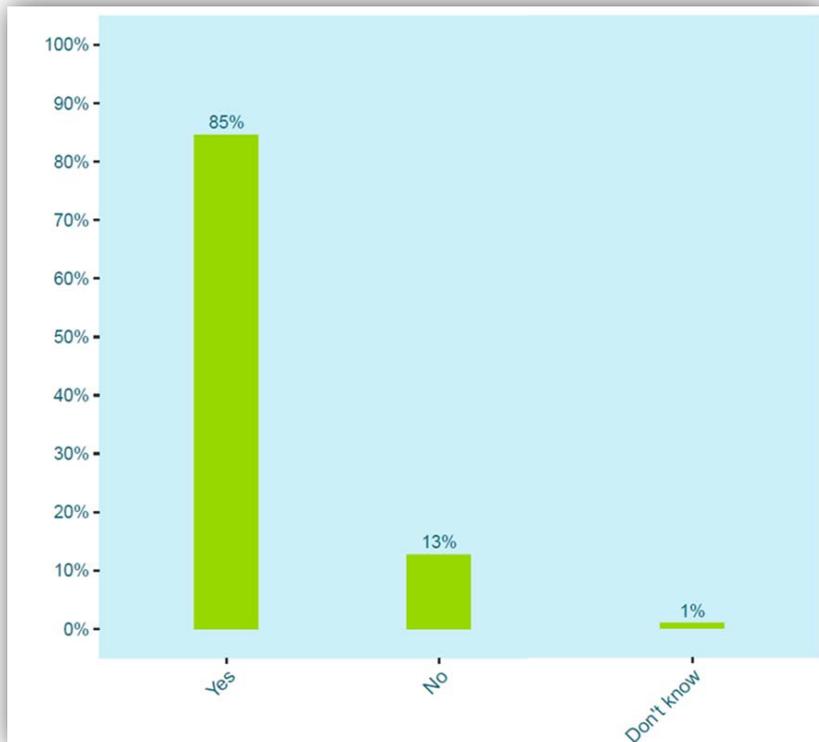
Note: Total exceeds 100% due to multiple responses to this question.

- About 7 in 10 employers (67%) reported that their business owners were mainly responsible for providing health and safety leadership for the business.
- Other main sources of health and safety leadership were managers (37%) and directors, board members or senior leaders (31%).
- Approximately one in ten employers reported using the following as sources of health and safety leadership:
 - health and safety reps (11%)
 - a health and safety specialist within the business (10%)
 - a health and safety committee (10%)
 - a contracted health and safety specialist from outside the business (9%).

Refer to [Appendix to NSE 2016/17 Summary Findings, Table 6.](#)

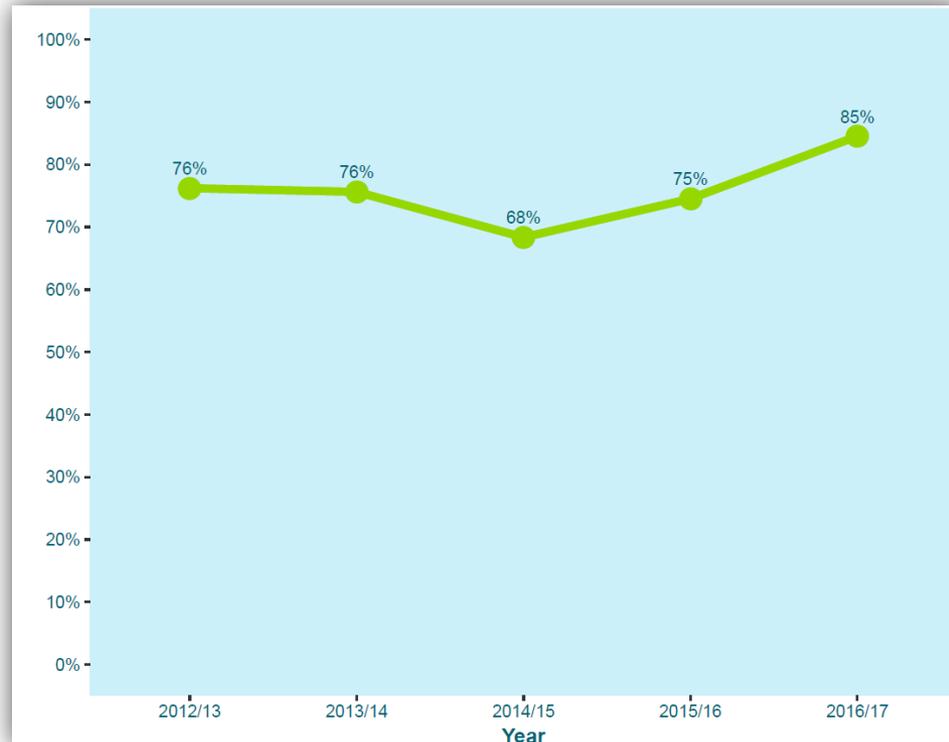
Most employers provided H&S inductions for all new employees

Question 5. Does your business have health and safety inductions for all new employees? (n=1869)



- 85% of employers provided health and safety inductions for all new employees.

Question 5. Does your business have health and safety inductions for all new employees? (range of n=1043 to 1869)

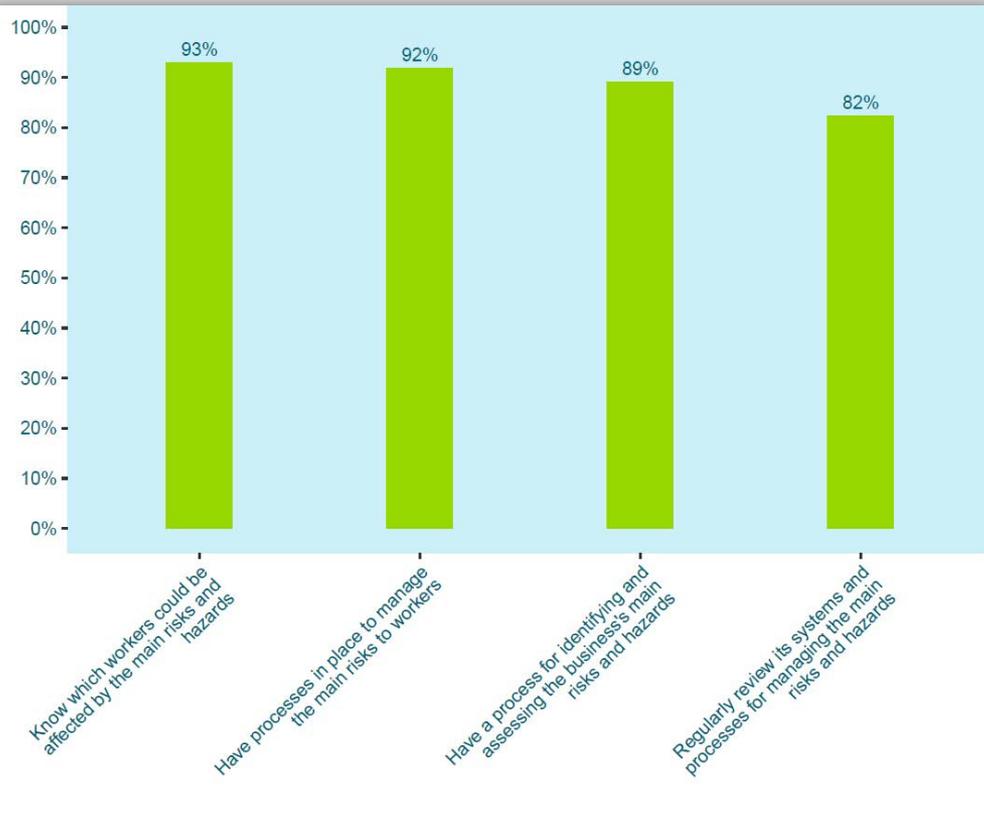


- The 2016/17 result of 85% was higher than results from the 2015/16, 2014/15, 2013/14 and 2012/13 NSEs.

Refer to [Appendix to NSE 2016/17 Summary Findings, Table 7.](#)

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

Question 6. Does the business...? (range of n=1862 to 1871)



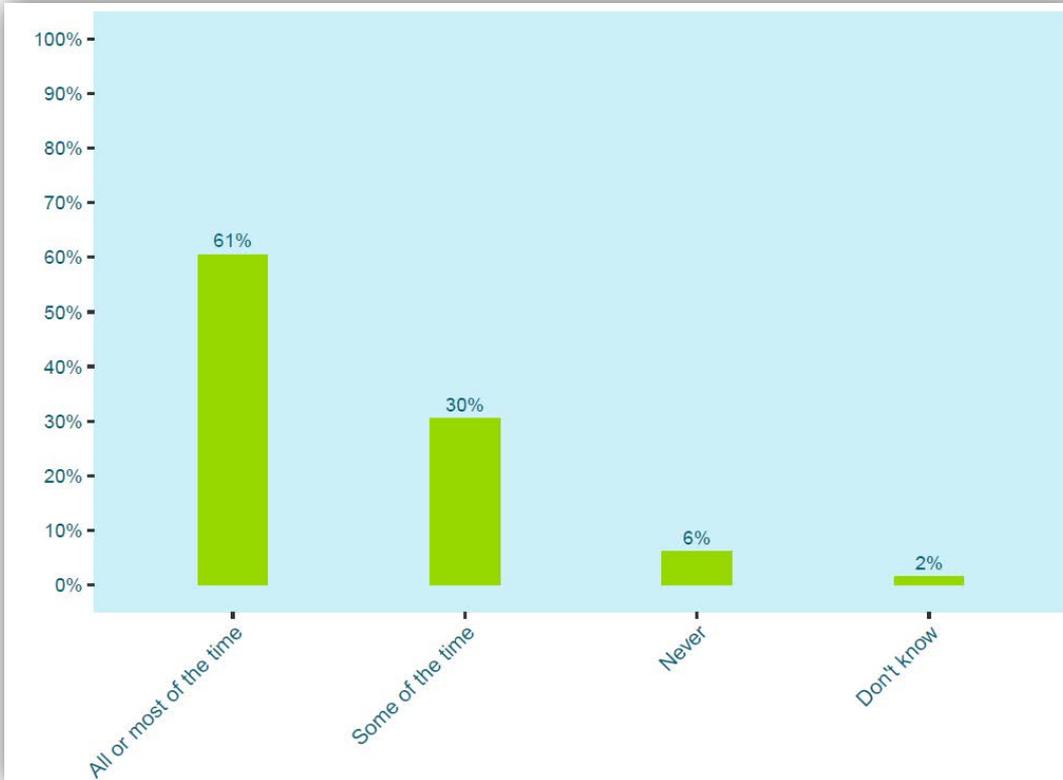
Note: Results presented above are from four separate questions.

- High proportions of employers had systems and processes in place to identify and manage the business's main health and safety risks and hazards, with:
 - 93% of employers reporting that they know **which workers could be affected** by the main risks and hazards
 - 92% of employers having processes in place to **manage** the main risks to workers
 - 89% of employers having a process for **identifying and assessing** the business's main risks and hazards
 - 82% of employers **regularly reviewing their systems and processes** for managing the main risks and hazards.
- In total, 8 out of 10 employers (79%) had processes in place **to identify, assess, manage and review** their business's main health and safety risk and hazards.

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 8 to 13.](#)

Nine out of ten employers involved their workers in decisions affecting their H&S

Question 7. How often does the business involve workers (including any contractors) in decisions that affect their health and safety? (n=1875)

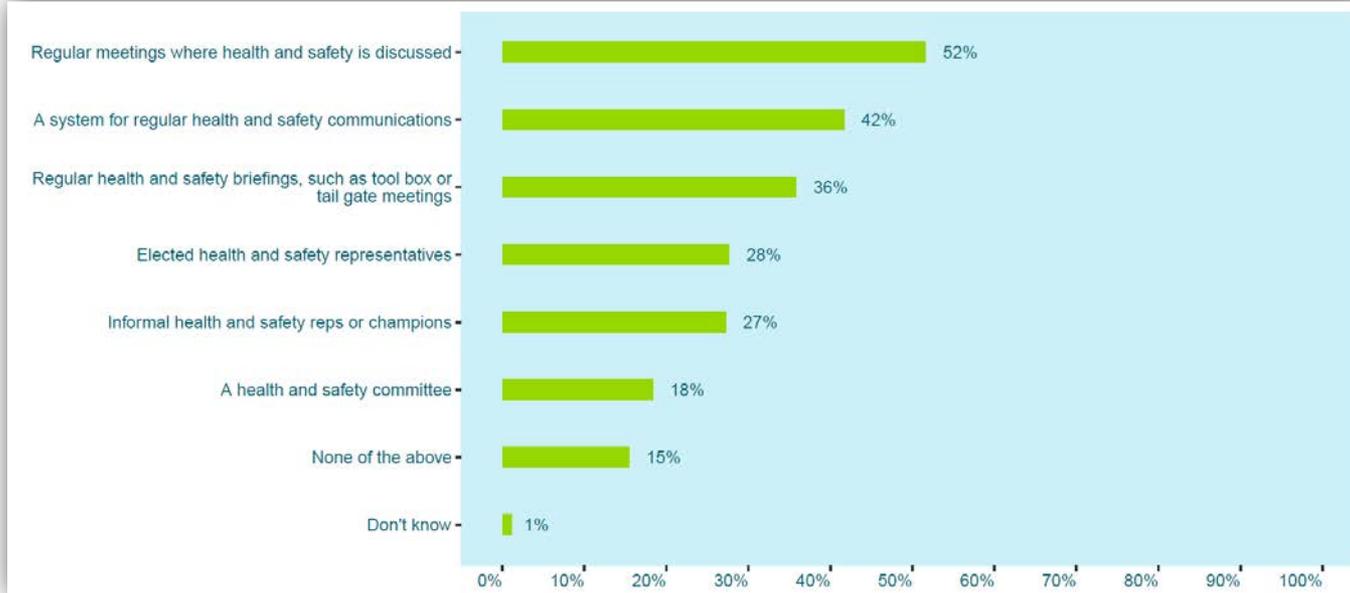


- 61% of employers reported that they involved their workers (including any contractors) in decisions affecting their health and safety “all or most of the time”. Another 30% reported that they did so “some of the time”.
- 6% of employers reported that they “never” involved workers in decisions that affect their health and safety.

Refer to [Appendix to NSE 2016/17 Summary Findings, Table 14.](#)

Employers involved workers in H&S in a range of ways

Question 8. Does the business have...? (n=1875)



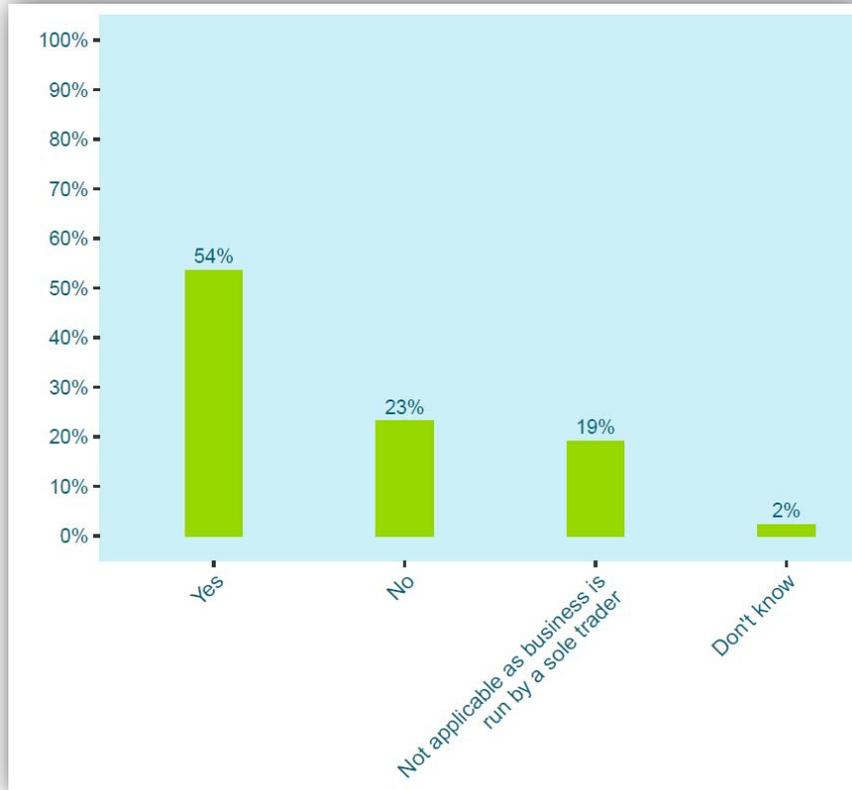
Note: Total exceeds 100% due to multiple responses to this question.

- The most common ways to involve workers in health and safety were by having regular meetings where health and safety was discussed (52%) and having a system for regular health and safety communications (42%).
- In addition, just over one-third of employers (36%) held regular health and safety briefings, such as toolbox or tailgate meetings.
- 28% of employers had elected health and safety reps, while 27% had informal health and safety reps.
- 18% of all businesses had health and safety committees.

Refer to [Appendix to NSE 2016/17 Summary Findings, Table 15.](#)

About half of employers reported that their business's officers asked about how H&S risks and hazards were managed

Question 9. In the last 12 months have the business's officers asked for information about how the business is managing its main health and safety risks and hazards? (n=1869)

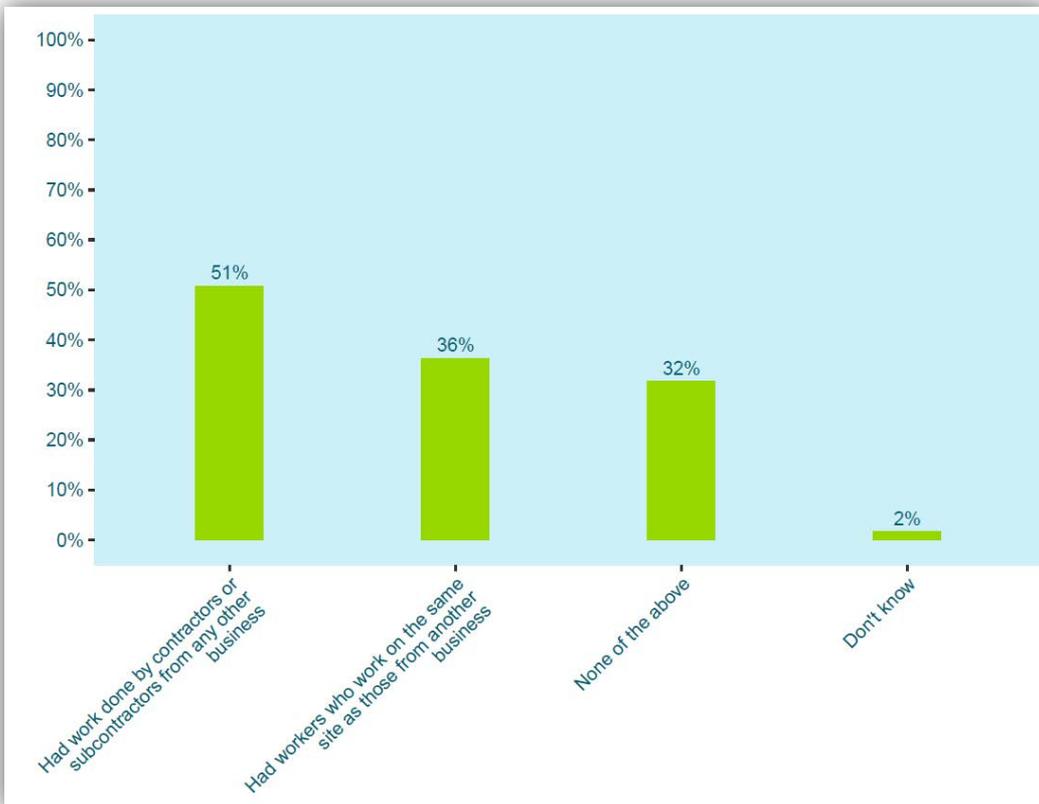


- 54% of employers reported that the business's officers (ie, the directors, board members or senior leaders of the business) had asked for information on how the business was managing its main health and safety risks and hazards in the last year.
- 23% of employers reported that officers had not asked for information about how the business was managing its main health and safety risks and hazards.
- One-in-five employers (19%) gave a 'not applicable' response to this question as they were sole traders (ie they did not have officers).

Refer to [Appendix to NSE 2016/17 Summary Findings, Table 16.](#)

Almost two-thirds of employers with shared duties for managing H&S risks worked with other businesses to do so

Question 10. In the last 12 months, has the business...? (n=1875)



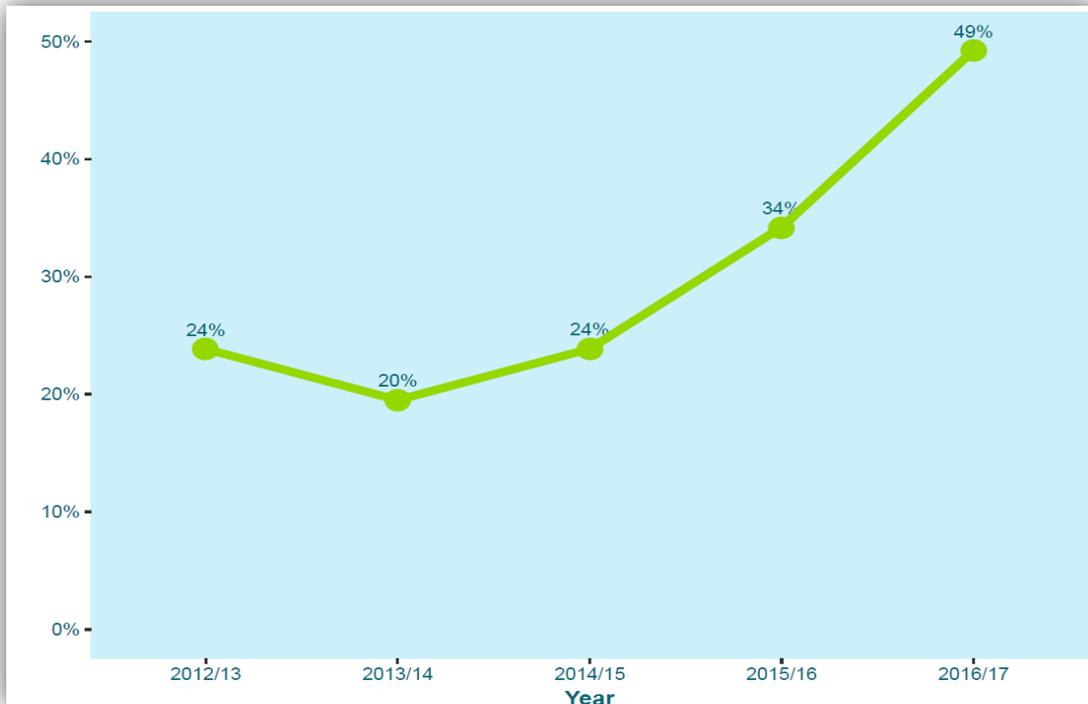
Note: Total exceeds 100% due to multiple responses to this question.

- In the previous 12 months:
 - 51% of employers had work done by contractors/sub-contractors from another business
 - 36% of employers had workers who were working on the same site as those from another business
 - In total, 65% of employers had 'shared duties' with another employer for managing health and safety risks (ie one or both of the above situations applied).
- Among those employers who had shared duties with another employer(s) for managing health and safety risks to workers, 64% reported that their business worked with other businesses to manage these shared risks.

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 17 and 18.](#)

Half of employers made significant changes to their H&S systems or practices in the previous year

Q12. In the last 12 months, has the business made any significant changes to its health and safety systems or practices? (range of n=1043 to 1878)

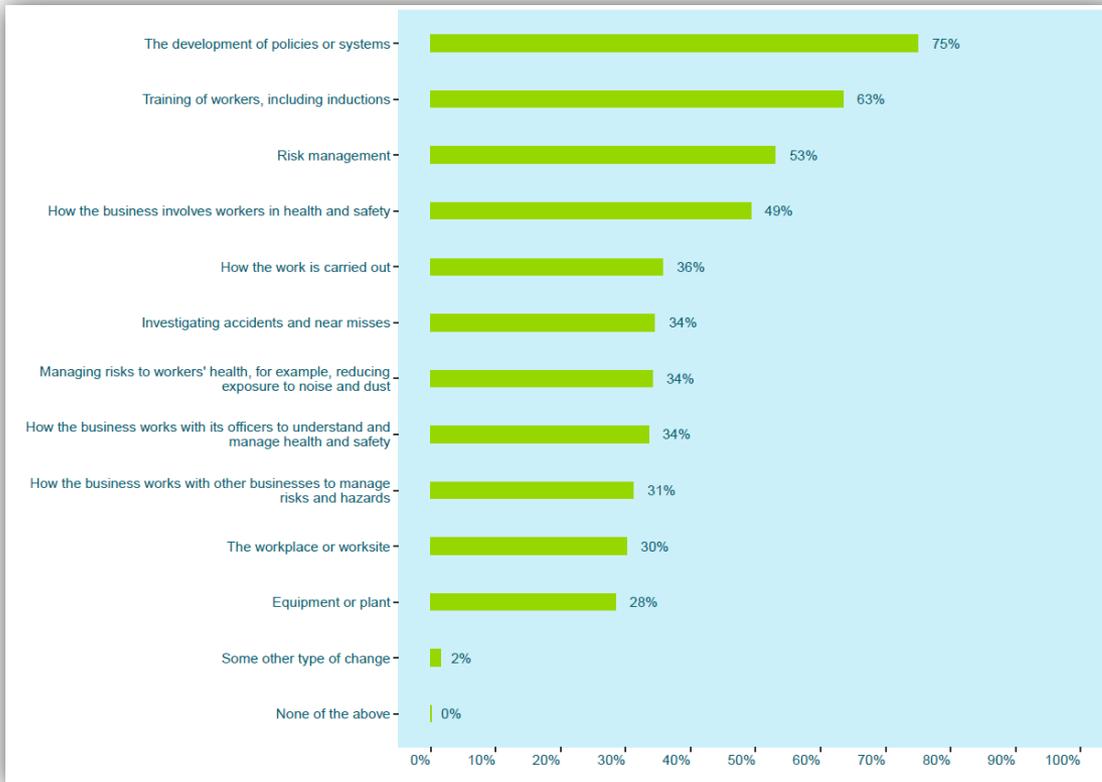


- 49% of employers had made significant changes to their health and safety systems or practices in the previous 12 months (48% had not done so). This was up from 34% in 2015/16 and 24% in 2014/15.

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 19 and 20.](#)

Three-quarters of employers who made significant changes to H&S, made changes to policies or systems

Q13. Thinking about the biggest change or changes made to the business's health and safety systems or practices in the last 12 months, what was this change? Was it a change to...? (n=1088)



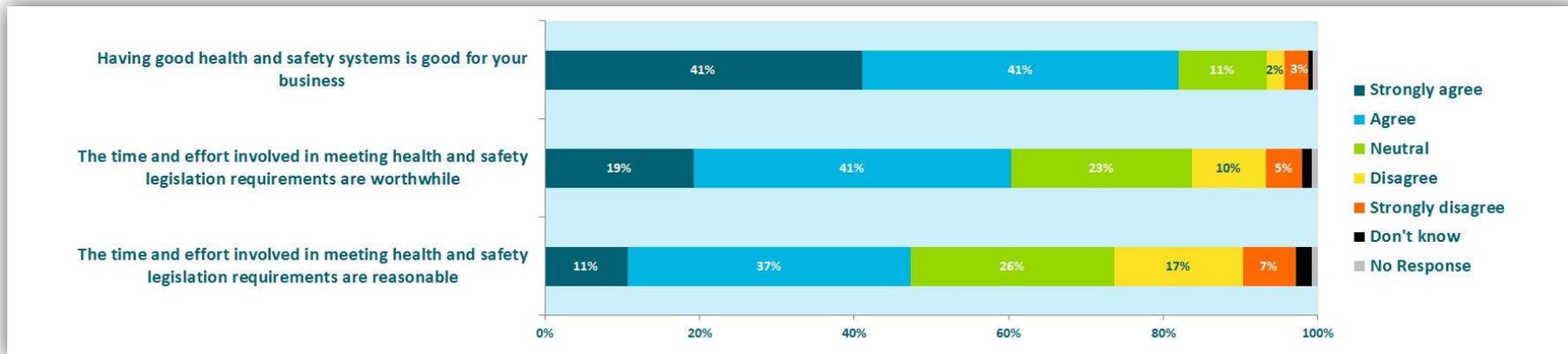
- Of those employers who had made significant changes to their health and safety systems, the four most common changes were to:
 - developing policies or systems (75%)
 - the training of workers, including inductions (63%)
 - risk management (53%)
 - how the business involved workers in health and safety (49%).

Note: Total exceeds 100% due to multiple responses to this question. Sub-sample based on employers who made a significant change to their H&S systems or practices in the last 12 months.

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 19 and 20.](#)

Most employers agreed that having good health and safety systems was good for their business

Question Q13a. Using a scale of 1 to 5 where 1 means 'strongly disagree' and 5 is 'strongly agree', please tell me how much you agree or disagree with each of the following statements... ? (range of n=1870 to 1871)



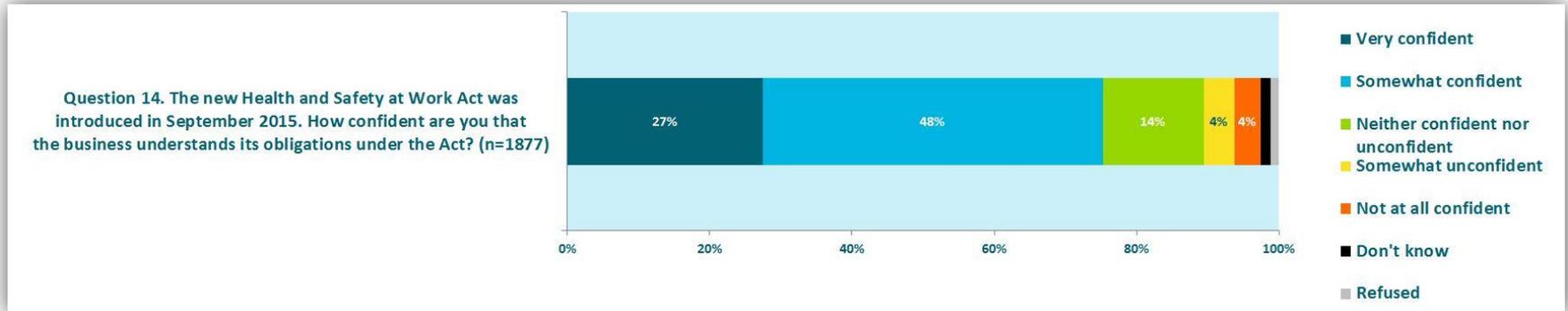
Note: Results presented above are from three separate questions.

- 82% of employers agreed that “having good health and safety systems is good for your business”, (41% ‘strongly agreed’ and 41% ‘agreed’). This result of 82% is similar to the 2015/16 NSE result of 84%.
- 60% of employers agreed that “the time and effort involved in meeting health and safety legislative requirements are **worthwhile**”, (19% ‘strongly agreed’ and 41% ‘agreed’). 15% of employers either ‘disagreed’ or ‘strongly disagreed’ with this statement.
- 48% of employers agreed that “the time and effort involved in meeting health and safety legislative requirements are **reasonable**”, (11% ‘strongly agreed’ and 37% ‘agreed’). 24% of employers either ‘disagreed’ or ‘strongly disagreed’ with this statement.

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 21 to 23.](#)

Three-quarters of employers were confident the business understood its obligations under HSWA 2015

Question 14. The new Health and Safety at Work Act was introduced in September 2015. How confident are you that the business understands its obligations under the Act? (n=1877)



- Most employers were somewhat confident (48%) or very confident (27%) that the business understood its obligations under the *Health and Safety at Work Act 2015 (HSWA 2015)*.
- However, 14% were 'neither confident nor unconfident' that the business understands its obligations under the *HSWA 2015*.
- A further 8% were 'somewhat unconfident' (4%) or 'not at all confident' (4%) that the business understood these obligations.

Refer to [Appendix to NSE 2016/17 Summary Findings, Table 24](#).

Workplace practices and the impacts of employment legislation

The employment relations and employment standards regulatory system aims to promote employment relationships that are productive and to the benefit of employers and employees. Data from the 2016/17 NSE will be used to better understand employment relations practices in New Zealand businesses, monitor employer compliance with minimum employment standards, and assess employer awareness, and the business impacts, of recent changes to employment legislation.

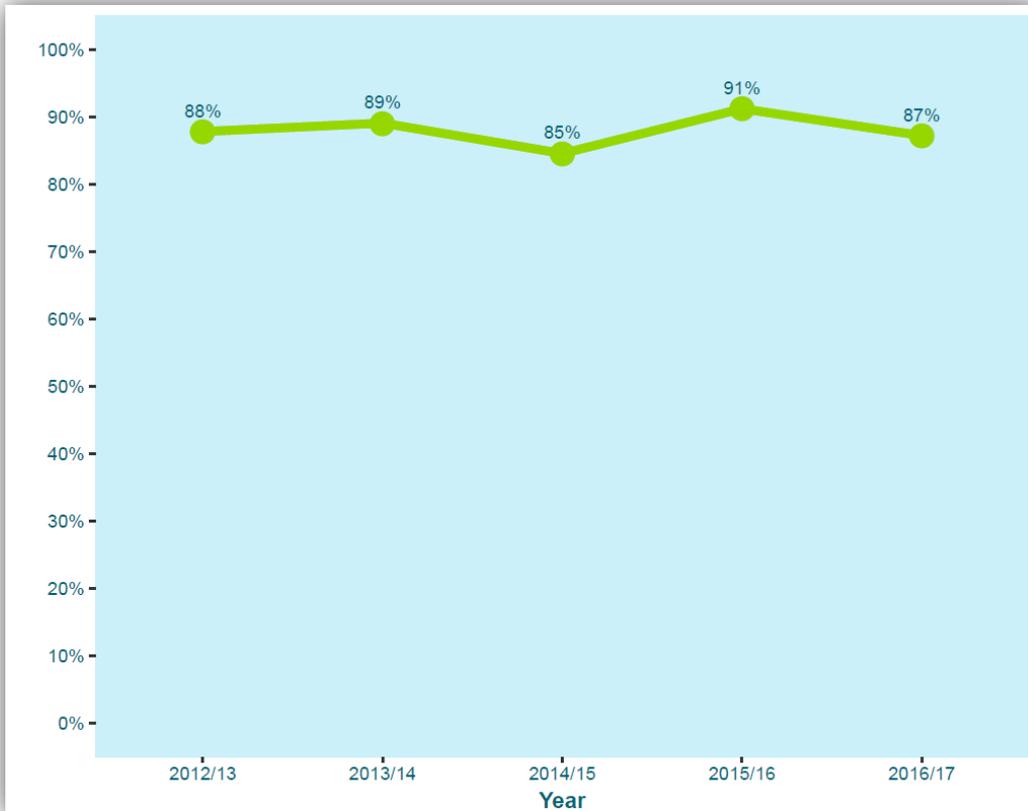
Topics covered in this section include:

- Employment agreements (slide 17)
- Zero-hour contracts (slide 18)
- Minimum wages and pay (slides 19 to 22)
- Employment disputes (slides 23 to 25)
- Managing the impacts of drugs and alcohol (slides 26 to 28)
- *Holidays Act 2003* (slide 29)
- *Shop Trading Hours Act 2016* (slide 30 & 31)
- Parental leave (slide 32 & 33).



Most employers had written employment agreements for all of their employees

Question 15. Do all employees of the business have a written employment agreement? (range of n=1043 to 1873)

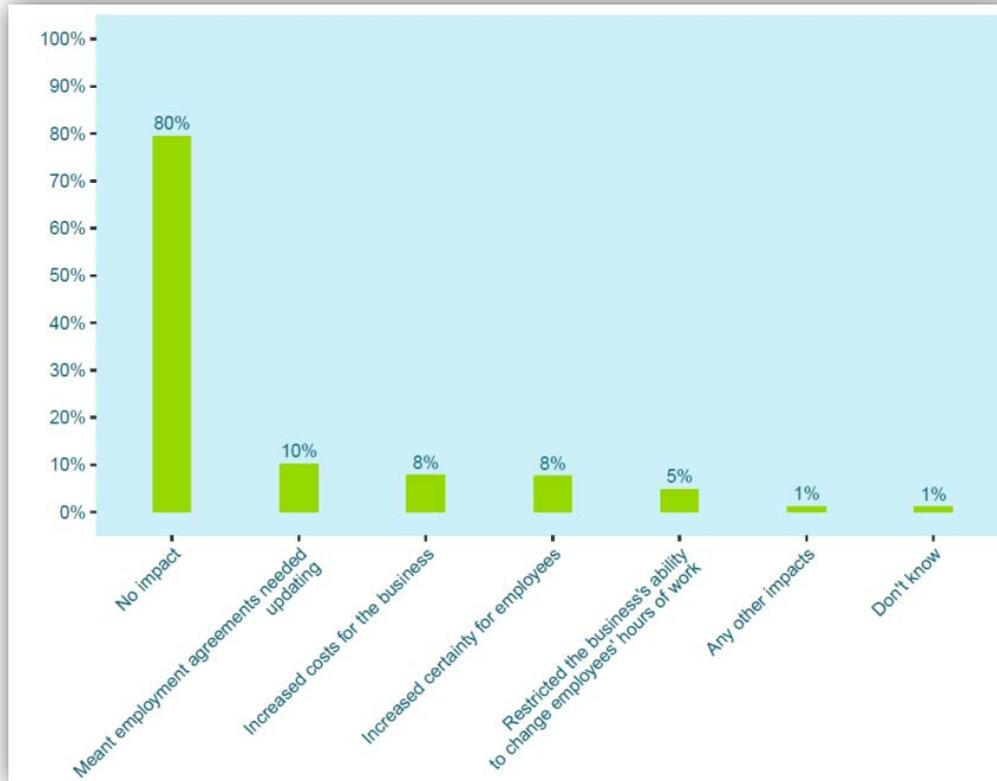


- Similar to results from previous NSEs, most employers (87%) had written employment agreements for all of their employees, while 11% of employers did not.

Refer to [Appendix to NSE 2016/17 Summary Findings, Table 25.](#)

Just over three-quarters of employers were aware of the new laws on zero-hour contracts

Question 17. Has this change...? (n=1572)



Note: Total exceeds 100% due to multiple responses to this question. Sub-sample based on employers who were aware of the April 2016 law change prohibiting zero-hours clauses in new employment agreements.

- 77% of employers were aware of the new laws prohibiting employers from including zero-hour clauses in any new employment agreements. This law change came into effect in April 2016.
- Of those employers who were aware of the new laws (prohibiting zero-hour clauses), 19% reported one or more impacts on their business from the law change, while 80% reported that the law change had no impact.

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 26 to 28.](#)

One-quarter of employers were using the adult minimum wage

Q18. The next questions are about minimum wages and payroll systems. Are any of your employees paid the adult minimum wage of \$15.25 per hour? (range of n=1043 to 1872)



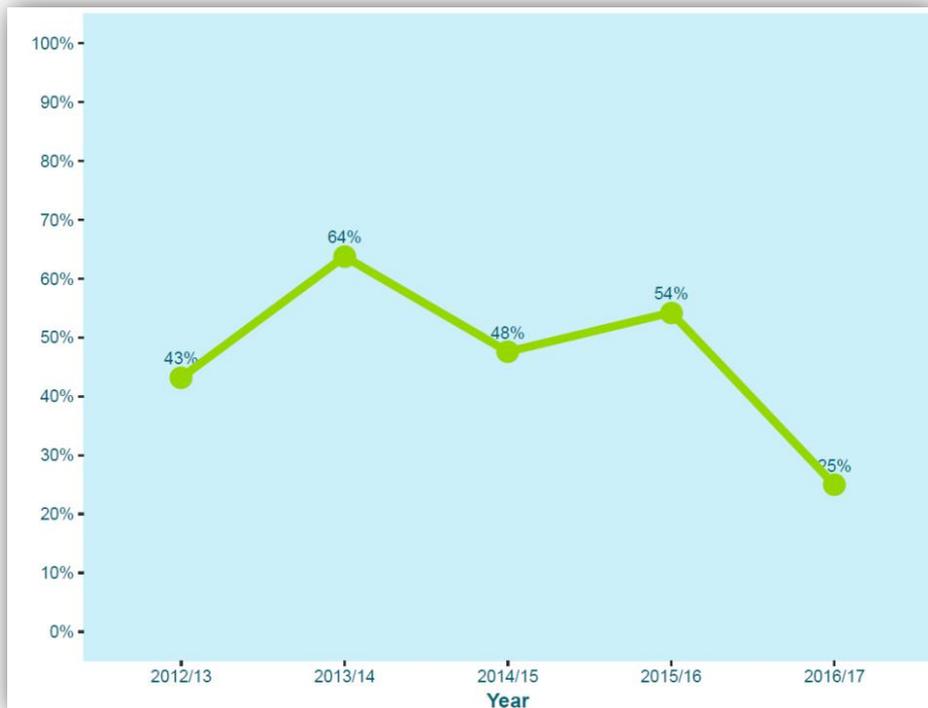
- 24% of employers were paying the **adult minimum wage** to one or more of their employees. This result was similar to the 2015/16 result (22%) but was an increase from 18% in 2014/15.
- 10% of employers had current employees eligible to be paid the **training minimum wage**. However, only 11% of these employers were using the training minimum wage (or a rate between this and the adult minimum wage) for any of these employees. This equates to 1% of all employers using the training minimum wage for any of their employees – similar to previous years.

- 31% of employers had employed workers aged 16 to 19 years in the previous 12 months. Of these employers, 14% were paying the **starting-out wage** (or a rate between this and the adult minimum wage) to one or more of these employees. Similar to previous years, this equates to 4% of all employers having paid any employee the starting-out wage in the previous 12 months.

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 29 to 35.](#)

One in four employers reported flow-on effects from minimum wage increases, down from half in 2015/16

Question 23. Does an increase in minimum wage rates usually prompt your business to increase wages or salaries for employees who are already being paid above minimum wages? (range of n= 1043 to 1868)

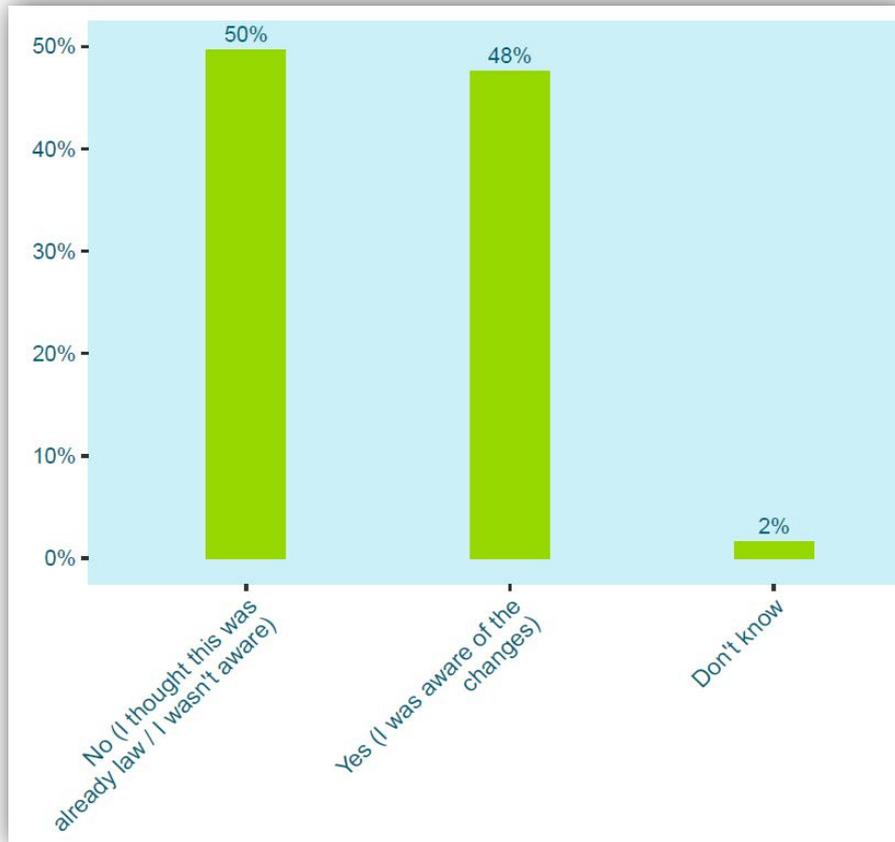


- Only 25% of employers reported that an increase in minimum wage rates usually prompted their business to increase wages or salaries for employees who were already paid above minimum wages.
- This result was a large decrease from the 2015/16 NSE result of 54% and was also lower than all previous NSE results in response to this question.
- No employers reported that their business paid any employee less than the eligible minimum wage rate in the previous 12 months.
- 1% of employers reported they paid an employee “off the books” in the previous 12 months.

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 36 to 38.](#)

Almost half of employers were aware of the new law requiring employers to keep records of hours and pay

Q25. As a result of a law change in April 2016, all employers are now required to keep records for every employee of the hours worked each day within a pay period, and the pay received for those hours. Were you aware of these changes? (n=1862)

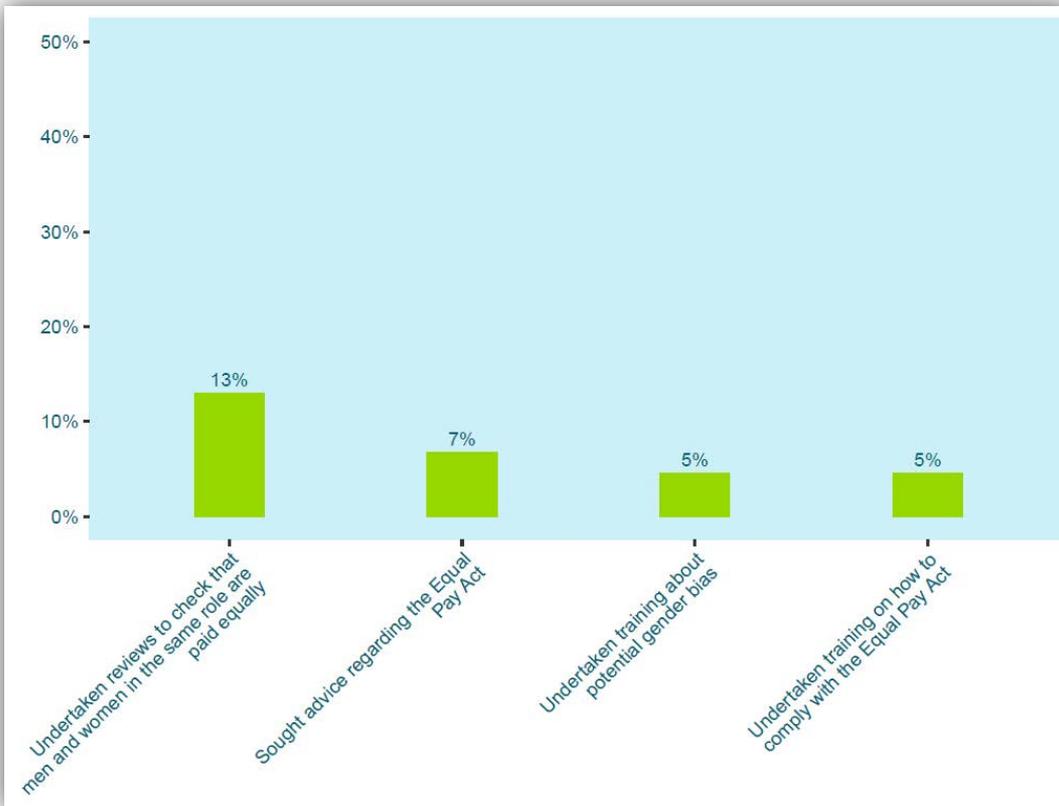


- In April 2016, new legislation came into effect requiring all employers to keep records of the hours worked each day for every employee within a pay period, and the pay received for those hours. 48% of employers reported that they were aware of this law change, while 50% were not aware.
- Of those who were aware of the law change, almost one-quarter (23%) had changed their record keeping practices in response to the new requirements.
- This equates to 11% of all employers having changed their record keeping practices in response to the new requirements.

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 39 to 41.](#)

Few employers had undertaken training or sought advice on the *Equal Pay Act*

Question 27. Thinking now about wage and salary setting, in the last 12 months has the business done any of the following? (range of n=1848 to 1851)



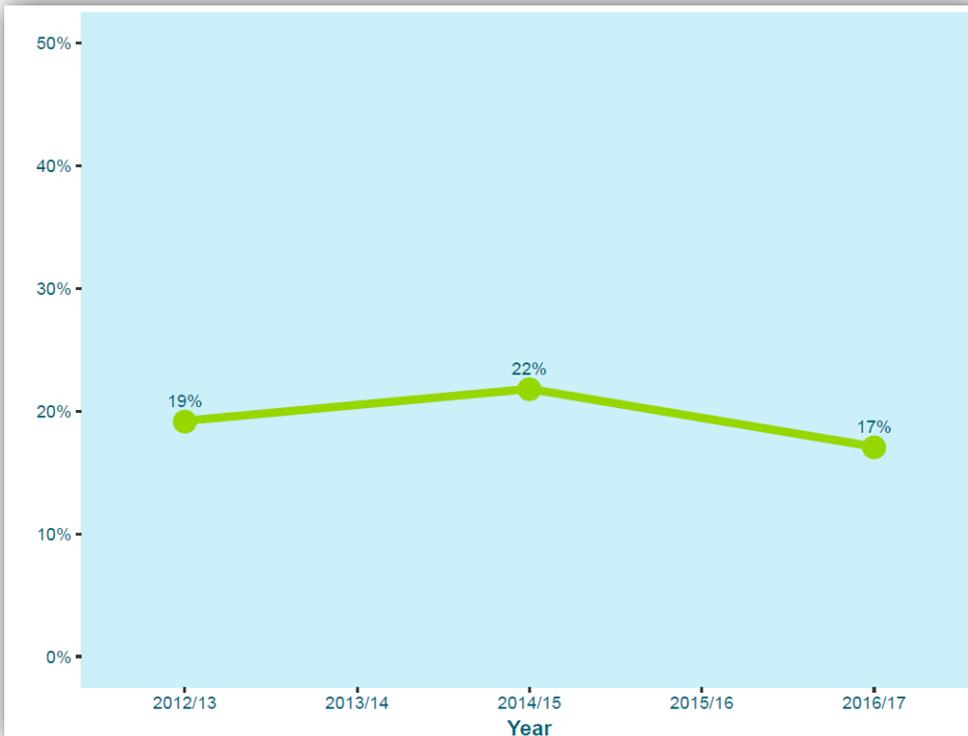
- In the previous 12 months, when thinking about wage and salary setting:
 - 13% of employers had undertaken reviews to check that men and women in the same role were paid equally (while 79% had not)
 - 7% of employers had sought advice regarding the *Equal Pay Act* (84% had not)
 - 5% of employers had undertaken training about potential gender bias (87% had not)
 - 5% of employers had undertaken training on how to comply with the *Equal Pay Act* (while 87% had not).

Note: Results presented above are from four separate questions.

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 42 to 45.](#)

Almost one in five employers had an employment relationship problem that required management action

Question 28. In the last 12 months, has the business had any employment relationship problems or disputes that required action or involvement by the business owners or managers? (range of n= 1483 to 1863)

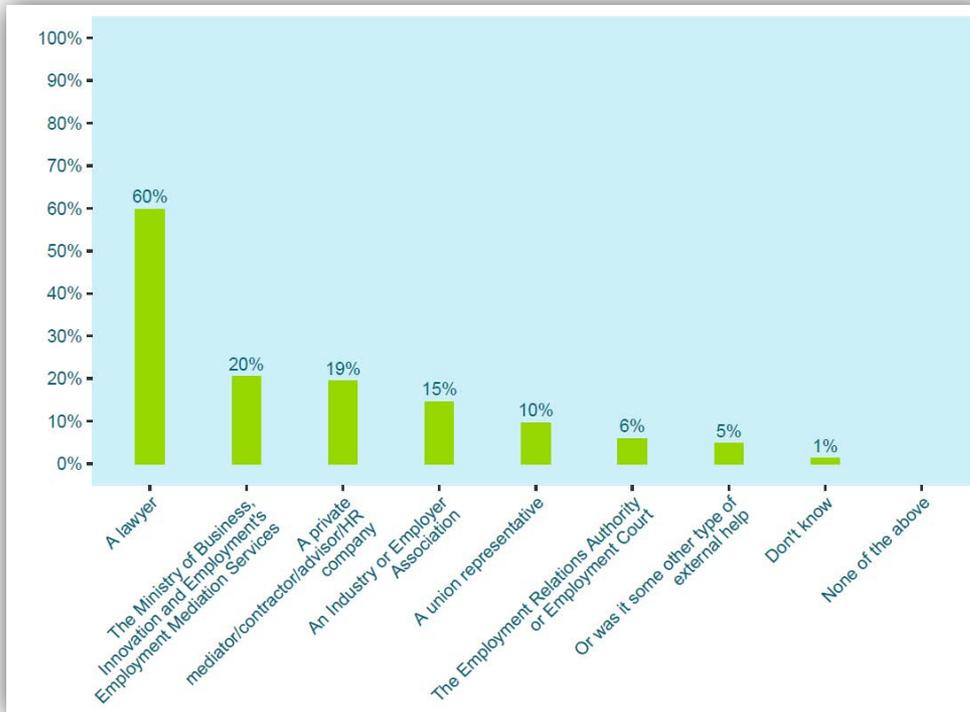


- In the previous year, 17% of businesses had an employment relationship problem or dispute that required action or involvement by the business owners or managers. This was a decrease from the 2014/15 NSE result of 22%, but similar to the 2012/13 result of 19%.
- Of those employers who experienced an employment relationship problem, the reasons given for the most recent problem were as follows:
 - performance issue (47%)
 - misconduct (37%)
 - personality conflict (21%)
 - restructuring or redundancy (15%)
 - alleged unfair treatment, such as allegations of harassment or discrimination (14%)
 - some other type of issue (7%).

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 46 and 47.](#)

About half of employers reported that employment relationship problems were handled using external help

Question 32. Who or which of the following provided the external help to deal with the most recent problem or dispute? You can choose more than one option. Was it...? (n=288)



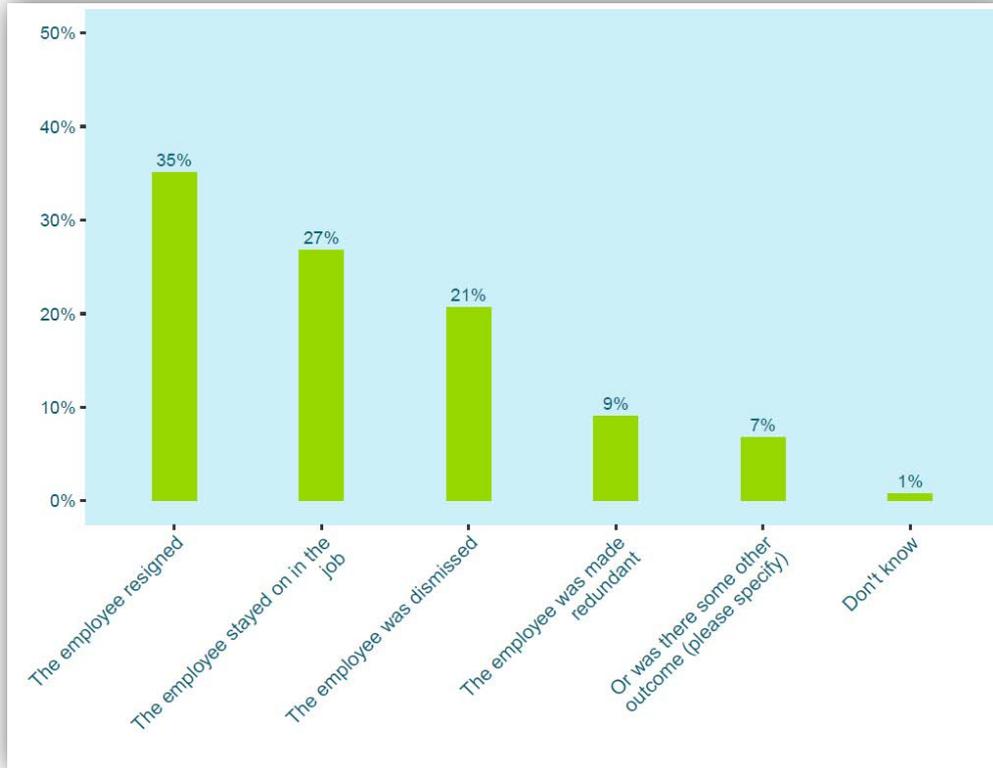
Note: Sub-sample based on employers who had an employment relationship problem in the last 12 months that required involvement by the business owner and was handled with the help of an external party.

- Focusing on the most recent employment relationship problem in the previous year, 55% of employers (who experienced problems or disputes) handled these internally, while 49% of employers handled problems with the help of an external party. Most employers who experienced these problems or disputes (82%) reported that this is how the business usually deals with these types of problems.
- In cases where external help was sought:
 - 60% of employers used a lawyer
 - 20% of employers sought help from MBIE's Employment Mediation Services
 - 19% used a private mediator, contractor, advisor or HR company
 - 15% used an industry or employer association
 - 10% were assisted by a union representative
 - 6% used the Employment Relations Authority or Employment Court
 - 5% of employers got some other type of help.

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 48 to 50.](#)

Over one-third of employers reported that an employee resigned following a recent employment problem

Q33. And which of the following best describes the outcome of this problem or dispute? (n=582)



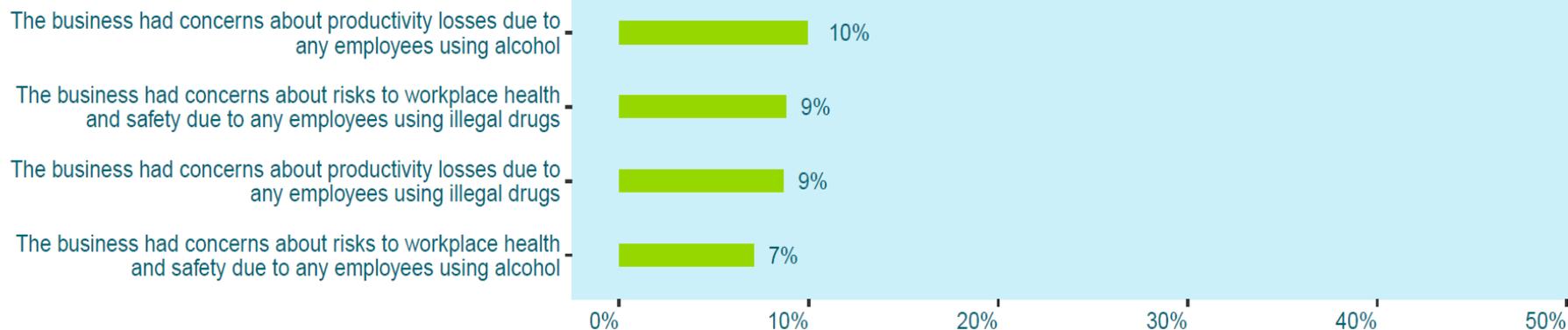
Note: Sub-sample based on employers who had an employment relationship problem in the last 12 months requiring involvement by the business owner/manager.

- Employers reported the following outcomes for the most recent employment relationship problem experienced in the previous year:
 - the employee resigned (reported by 35% of employers)
 - the employee stayed on in the job (27%)
 - the employee was dismissed (21%)
 - the employee was made redundant (9%)
 - some other outcome (7% of employers).
- Three in ten employers (30%) reported that the outcome (of the most recent employment relationship problem) included a confidential settlement, while 66% said that a confidential settlement was not included.

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 51 and 52.](#)

More than one in ten employers had concerns about H&S and/or productivity due to employee drug and alcohol use

Question 35 & 36. In the last 12 months has the business had concerns about...? (range of n: 1846 to 1855)



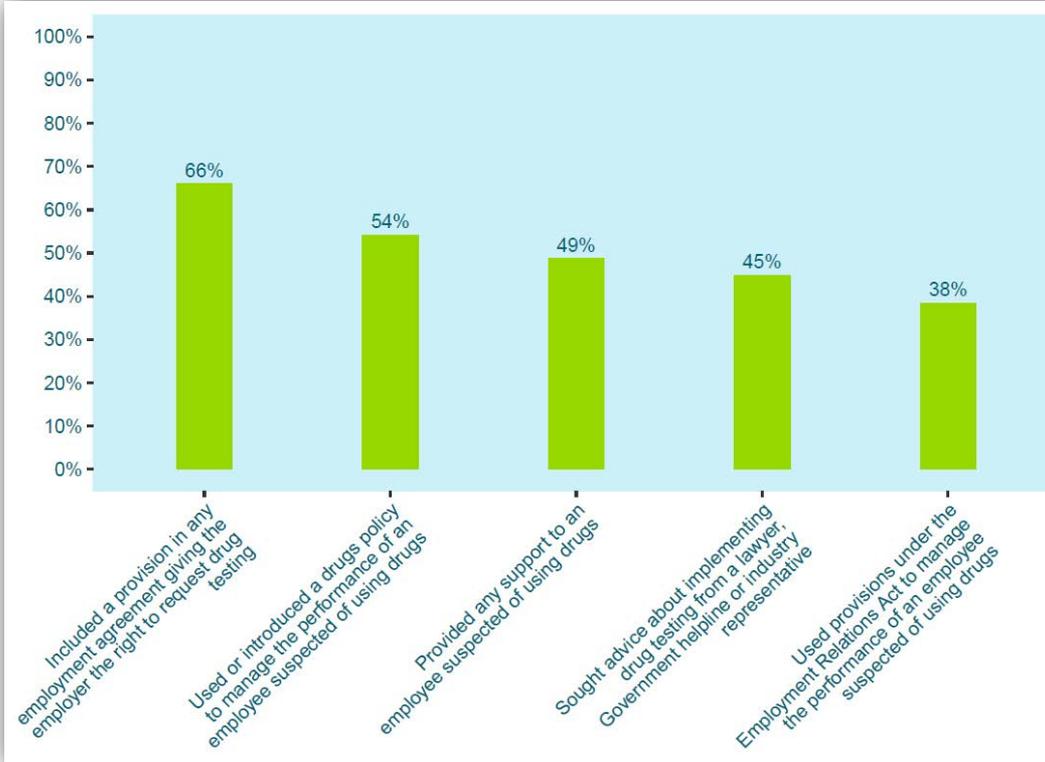
Note: Results presented above are from four separate questions.

- In the previous year, one in ten employers had concerns about **productivity losses** due to one or more employees using alcohol, and 9% had concerns about **productivity losses** due to employee use of illegal drugs (either in their own time or while at work).
- Similar proportions of employers had concerns about risks to **workplace health and safety** due to an employee using illegal drugs (9%) and/or alcohol (7%) in the previous year.
- In total, 14% of employers had concerns about productivity losses and/or risks to workplace health and safety due to employee use of illegal drugs or alcohol.

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 53 to 56; 59.](#)

Employers with concerns about suspected employee drug use took various actions to address these concerns

Question 37. In the last 12 months, has the business done any of the following because of concerns about suspected use of illegal drugs by employees? Have you...? (range of n: 364 to 368)



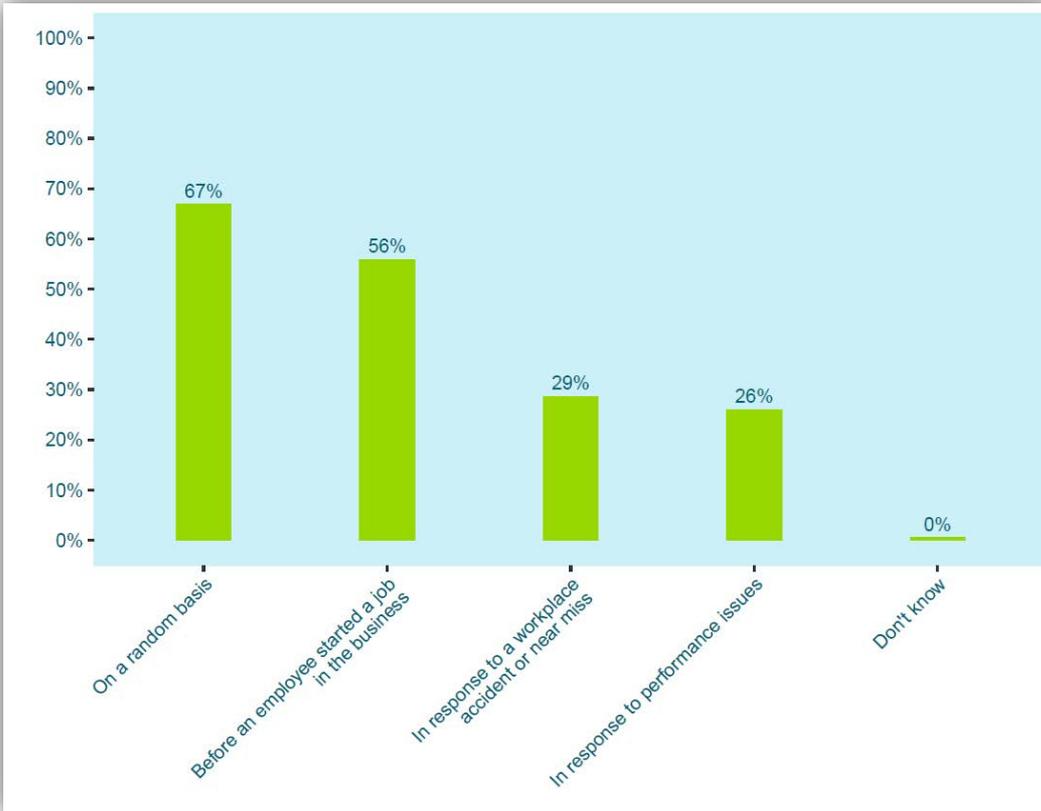
Note: Sub-sample based on employers who had concerns about productivity losses or risks to workplace H&S due to any employee using illegal drugs.

- Of the 10% of employers who had concerns about either productivity losses or risks to workplace health and safety due to the suspected use of illegal drugs by employees:
 - 66% included a provision in an employment agreement giving the employer the right to request drug testing
 - 54% used or introduced a drugs policy to manage the performance of an employee suspected of using drugs
 - 49% provided support to an employee suspected of using drugs
 - 45% sought advice about implementing drug testing from a lawyer, Government helpline, or industry representative
 - 38% used provisions under the *Employment Relations Act* to manage the performance of an employee suspected of using drugs.

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 60 to 64.](#)

Approximately one in ten employers required an employee to undergo testing for illegal drugs

Question 39. In which of the following situations was this drug testing requested? (n=346)



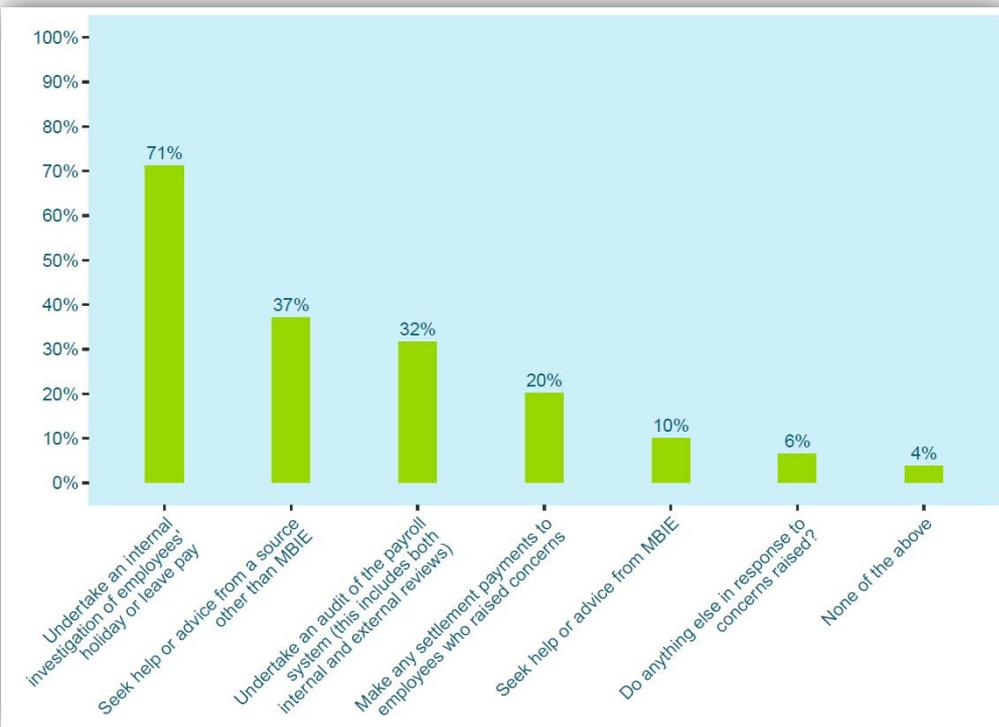
Note: Total exceeds 100% due to multiple responses to this question. Sub-sample based on employers who required any employee to undergo testing for illegal drugs in the last 12 months.

- 9% of all employers had required an employee to undergo testing for illegal drugs in the previous year.
- Among those employers who had concerns about either productivity losses or risks to workplace health and safety (due employee use of illegal drugs), 43% had required drug testing.
- Of the 9% of employers who required drug testing, this was requested in the following situations:
 - on a random basis (67%)
 - before an employee started a job (56%)
 - in response to an accident or near miss (29%)
 - in response to performance issues (26%).

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 65 to 66; 69.](#)

Most employers were confident the business was meeting its obligations under the *Holidays Act*

Q42. Which of the following actions, if any, did the business take in response to these concerns being raised? Did the business...? (n=164)



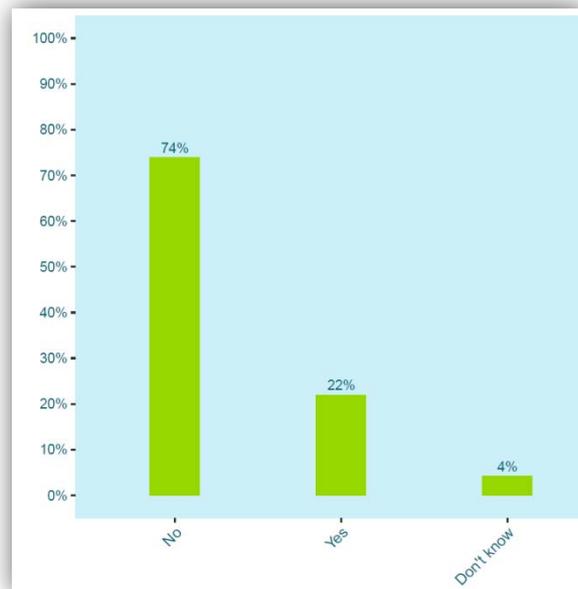
Note: Total exceeds 100% due to multiple responses to this question. Sub-sample based on employers with an employee who raised concerns in the last 12 months about their holidays or leave being underpaid.

- 75% of employers were 'very confident' and 21% were 'somewhat confident' that the business was meeting its obligations under the *Holidays Act*.
- While most employers (93%) reported that their employees had not raised concerns about their holidays or leave being underpaid, 5% reported that one or more employees had done so.
- Where employees had raised concerns about underpayment of leave or holidays, the most common action taken by employers in response to concerns was to undertake an internal investigation of employees' holiday or leave pay (71%). Other actions taken to address concerns included:
 - seeking help or advice from a source other than MBIE (37%)
 - undertaking an audit of the payroll system (32%)
 - making settlement payments to employees (20%)
 - seeking help or advice from MBIE (10%).

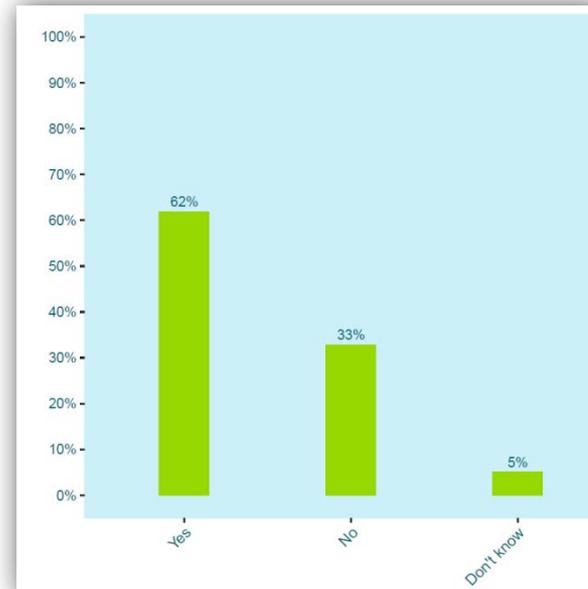
Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 70 to 72.](#)

Three in ten employers had employees who worked in a shop, café, bar or restaurant

Question 44. Will any of these employees be asked to work on Easter Sunday in April 2017? (n=481)



Question 44a. The Shop Trading Hours Act was amended in 2016 specifically in relation to Easter Sunday. Were you aware of this? (n=482)



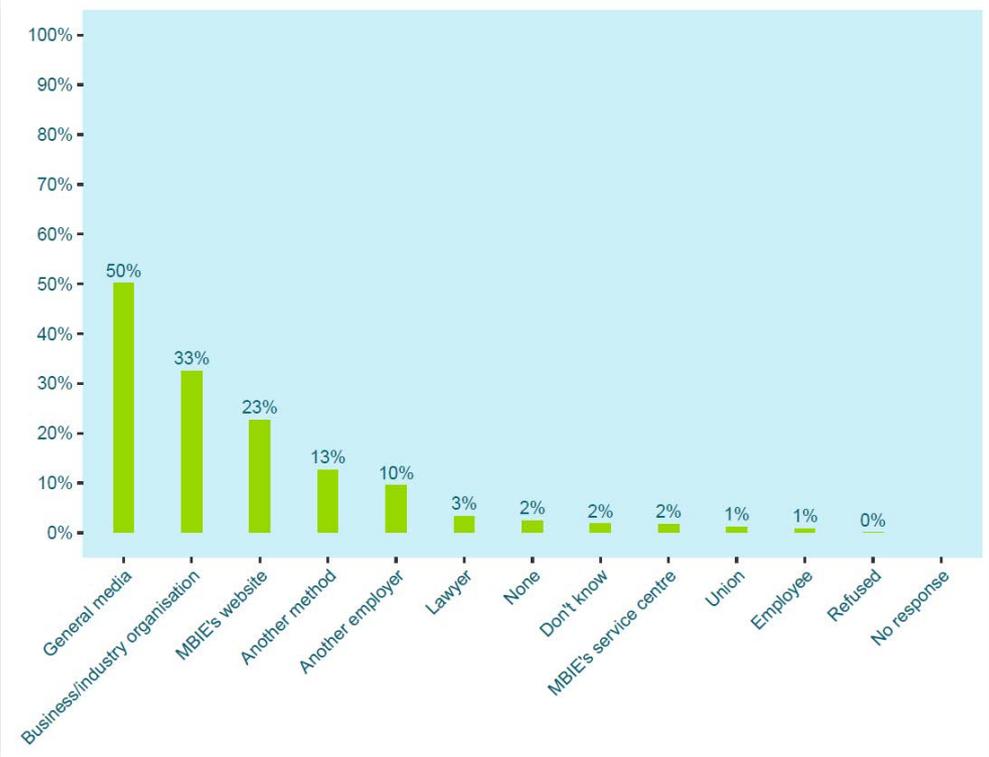
Note: Sub-samples based on employers with employees who worked in a 'shop'.

- 28% of employers had one or more employees who worked in a business where goods were kept, sold or offered for sale. (This includes cafes, bars or restaurants.)
- Of these employers with 'shop' workers:
 - 22% reported that they would be asking one or more of their employees to work on Easter Sunday in April 2017
 - 62% were aware that the *Shop Trading Hours Act* was amended in 2016, specifically in relation to Easter Sunday.

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 73 to 76.](#)

Most employers intending to ask staff to work Easter Sunday were going to inform them of their right to refuse to work

Question 46. Which of the following has the business used to find out about the changes to shop trading laws? (n=290)



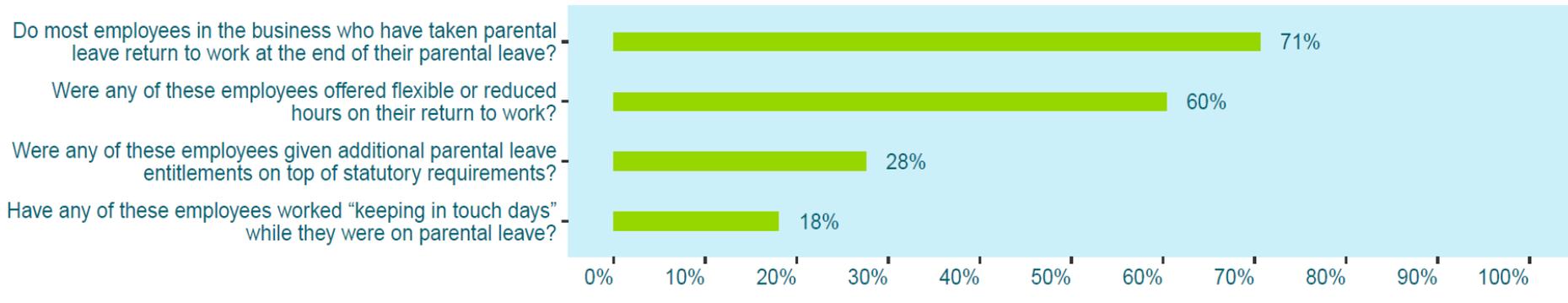
Note: Total exceeds 100% due to multiple responses to this question. Sub-sample based on employers with employees who worked in a shop and who were also aware of the changes to shop trading laws.

- Most employers (81%) with staff who worked in a 'shop' and who they intended to ask to work on Easter Sunday were going to inform these employees of their 'right to refuse' to work on Easter Sunday. However, 8% were not intending to do so and another 8% gave a 'don't know' response.
- Of employers who were going to inform their employees of their 'right to refuse' to work:
 - 61% were intending to do so via a discussion with each employee
 - 12% intended to send an email to all employees
 - 11% intended to send a letter to each employee
 - 7% intended to do so via a phone call
 - 14% intended to do so via another method.
- Half of all employers with staff who worked in a 'shop', and who were aware of the changes to the *Shop Trading Hours Act (2016)* used general media to find out about changes to shop trading laws, 33% used business/industry organisations and 23% used MBIE's website.

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 73 to 78.](#)

One in five employers reported having at least one employee who had taken parental leave in the last 2 years

Questions 48 to 51. Among employers whose staff had taken parental leave in the last two years... (percent saying yes to each question) (range of n=762 to 764)



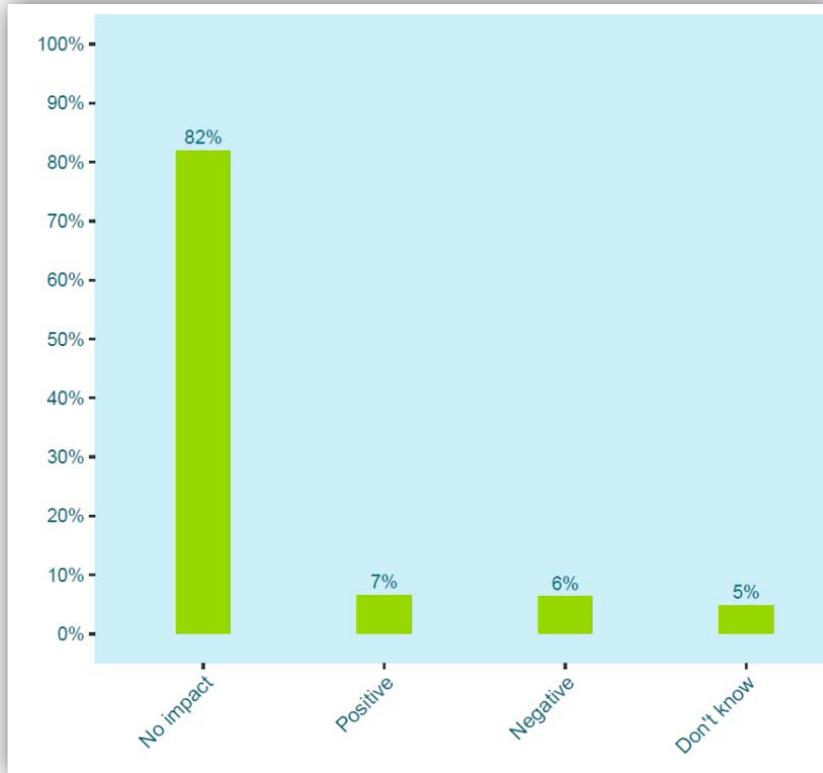
Note: Results presented above are from four separate questions. Sub-samples based on employers with employees who had taken parental leave in the last 2 years.

- 22% of employers reported that one or more of their employees had taken parental leave in the previous two years.
- Of these employers (with staff who took parental leave):
 - 71% reported that most employees who took parental leave returned to work at the end of this leave
 - 60% had offered one or more of these employees flexible or reduced hours on their return to work
 - 28% had given one or more of these employees additional parental leave on top of statutory requirements
 - 18% reported that one or more of these employees had worked "keeping in touch days" while on parental leave.

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 79 to 83.](#)

Six in ten employers were aware of the 2016 parental leave law changes, but few employers reported business impacts

Question 53. Thinking about the overall impact of these changes on the business, have the changes had a positive or negative impact, or no impact? (n=1227)



Note: Sub-sample based on employers who were aware of the April 2016 changes to parental leave laws.

- 59% of all employers were aware of the changes to parental leave laws that came into effect in April 2016, while 37% were not aware.
- Of those employers who were aware of the law changes:
 - 82% reported that the changes had no impact
 - 7% reported that they had a positive impact
 - 6% reported that the changes had a negative impact on the business.

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 84 and 85.](#)

Access to skills and employment of migrants

The immigration system provides services that include facilitating and processing visa applications and attracting and supporting 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.

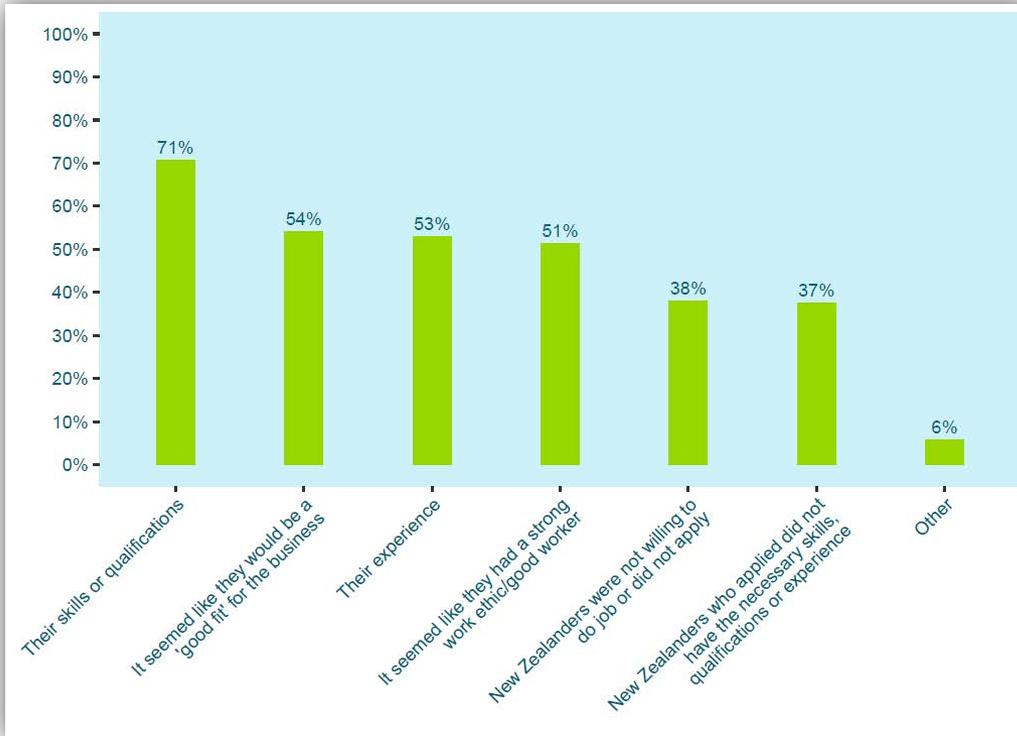
Topics covered in this section include:

- Employing recent migrants (slide 35)
- Difficulties experienced by migrant employees (slide 36)
- Difficulties filling job vacancies (slide 37)
- Difficulties employing migrant workers and impacts on the business (slide 38).



Consistent with the previous NSE results, one-quarter of employers had a recent migrant on staff

Question 56. Thinking about the migrant most recently hired by the business, for which of the following reasons did the business choose to employ this person? (n=776)



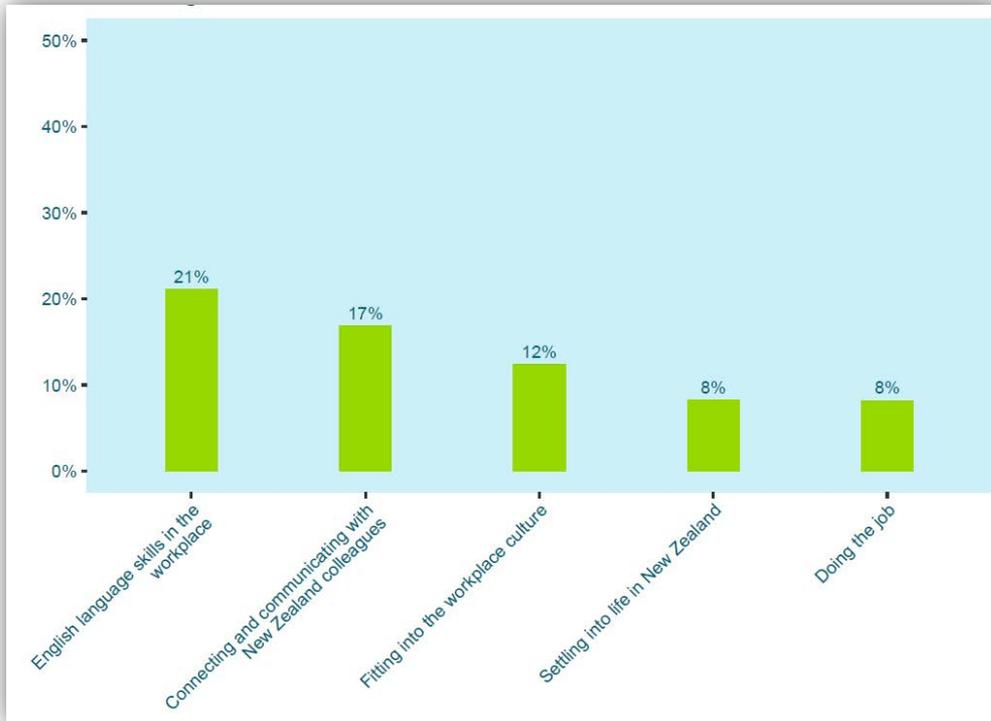
Note: Total exceeds 100% due to multiple responses to this question. Sub-sample based on employers who had hired a recent migrant in the last 12 months.

- 25% of employers had a recent migrant on staff, and 24% had hired a recent migrant in the previous 12 months. These results are similar to those from previous NSEs.
- Employers who had hired a recent migrant in the previous year gave the following reasons for employing the migrant most recently hired:
 - their skills and qualifications (71%)
 - it seemed they would be a 'good fit' for the business (54%)
 - their experience (53%)
 - it seemed like they had a strong work ethic (51%)
 - New Zealanders were not willing to do the job or didn't apply (38%)
 - New Zealand applicants didn't have the skills, qualifications or experience (37%).
- In previous NSEs, employers gave similar reasons for employing recent migrants.

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 87 to 89.](#)

One in five employers of migrants reported that a recent migrant employee had problems with English at work

Question 57. To the best of your knowledge, in the last 12 months have any recent migrant employees in the business had difficulties with the following? (range of n=891 to 894)



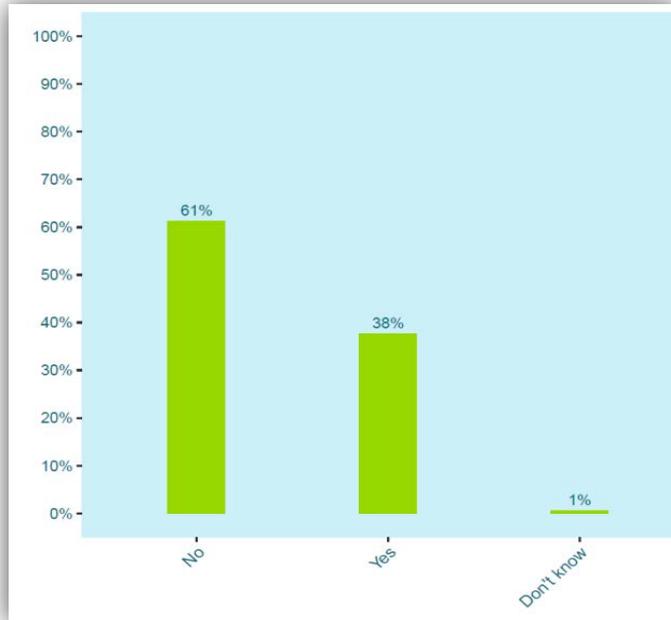
Note: Results presented above are from four separate questions. Sub-samples based on employers who had hired a recent migrant in the last 12 months and/or currently had a recent migrant on staff.

- Employers with a recent migrant on staff, and those who had hired a recent migrant in the previous year, were asked if any recent migrants had difficulties with particular aspects of working and living in NZ:
 - 21% of employers reported that one or more migrants had difficulties with English language skills in the workplace
 - 17% reported that a migrant had difficulties connecting and communicating with colleagues
 - 12% of employers reported that a migrant had difficulties fitting into the workplace culture
 - 8% of employers reported that one or more migrants had difficulties doing the job
 - 8% of employers reported that a migrant had difficulties settling in NZ.
- These findings are consistent with those from the 2014/15 NSE where a similar question was asked about difficulties experienced by migrant employees.

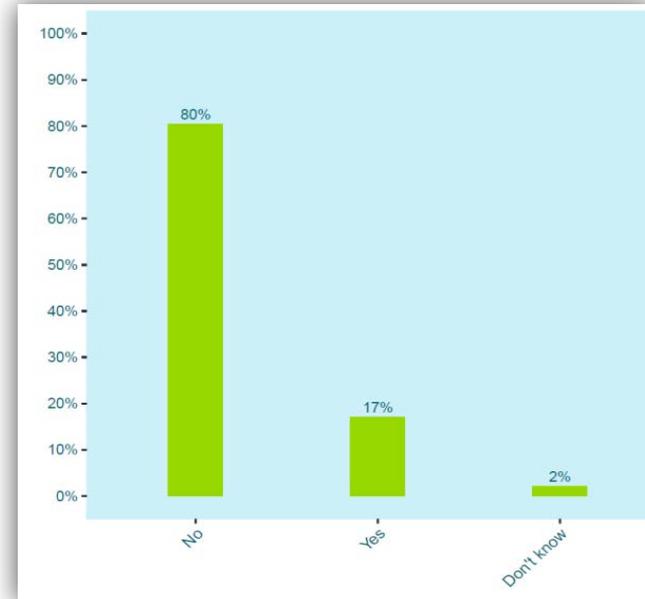
Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 90 to 94.](#)

About four out of ten employers had difficulties finding staff to fill job vacancies in the last year

Question 58. In the last 12 months has the business had any difficulties finding staff to fill job vacancies? (n=1851)



Question 59. Did the business intentionally seek out a migrant for any of these job vacancies that were hard to fill? (n=1038)



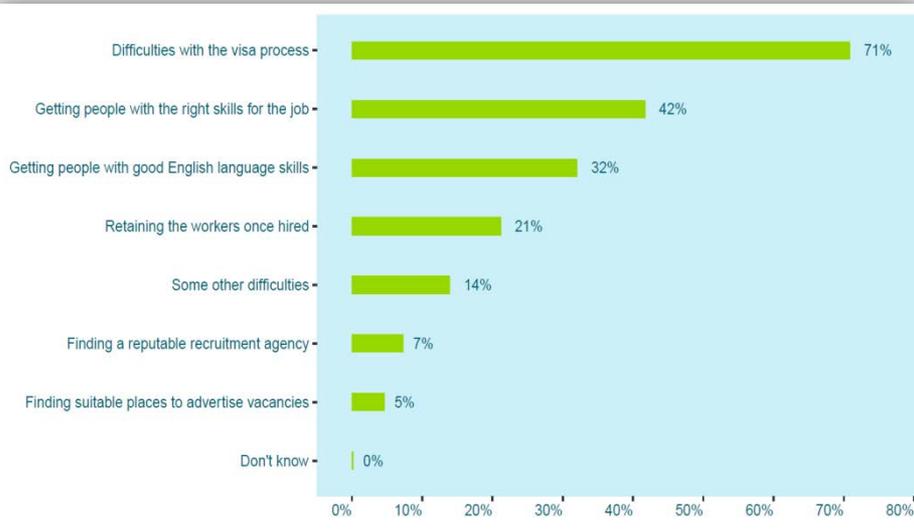
Note: Sub-sample based on employers who had difficulties finding staff to fill job vacancies in the last 12 months.

- 38% of employers reported difficulties finding staff to fill job vacancies in the previous 12 months.
- Of those employers who had difficulties filling job vacancies, 17% had intentionally sought out a migrant for a 'hard to fill' job vacancy.

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 95 and 96.](#)

Almost one in ten employers had difficulties employing migrant workers either in NZ or from overseas

Question 61. What types of difficulties have you experienced with employing migrant workers in New Zealand or from overseas? (n=257)



Note: Total may exceed 100% due to multiple responses to this question. Sub-sample based on employers who had difficulties with employing migrant workers in NZ or from overseas in the last two years.

- 8% of employers had difficulties in the previous 2 years with employing migrant workers in NZ or from overseas.
- Of employers who had problems employing migrant workers, difficulties with the visa process were most frequently reported (71%). Other common difficulties included:
 - getting people with the right skills for the job (42%)
 - getting people with good English language skills (32%)
 - retaining the workers once hired (21%).
- Employers reported that the difficulties they experienced with employing migrant workers had resulted in the following business impacts:
 - stopped carrying out some activities/lost business opportunities (37%)
 - redesigned jobs/existing staff had to take on extra work (25%)
 - employed someone locally (21%)
 - used contractors/consultants (17%)
 - offered current staff better pay/conditions to stay (16%)
 - automated more tasks or processes (11%)
 - improved pay/conditions to attract NZ workers (11%).

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 98 to 100.](#)

Methodology and respondent demographics

Topics covered in this section include:

- Methodology overview (slide 40)
- Business demographics (slide 41)
- Respondent demographics (slide 42).



Methodology overview

- The target population for the NSE is NZ businesses (at the geographic establishment level) employing one or more staff (in addition to the owner). The survey sample is drawn from Statistics New Zealand's Business Register.
- Research New Zealand conducted the pilot survey from 11 November to 12 December 2016 and the main survey (including follow-up with non-respondents to the pilot) from 2 February to 9 May 2017.
- Of the 1,878 employers who responded to the 2016/17 NSE, 981 completed the survey online (51%), 636 filled in and returned a paper questionnaire (35%), and 261 were interviewed via computer-assisted telephone interviewing – CATI (14%).
- The overall response rate for the survey for all sampled records was 33%.
- The survey data has been weighted by industry category and business size to represent the 182,259 employers in New Zealand as at February 2016.¹
- Technical information about the survey, detailed result tables (by business size and by industry) with margins of errors at a 95% level of confidence, and the CATI version of the questionnaire are available here: [Appendix to NSE 2016/17 Summary Findings](#).

¹ Source: Statistics New Zealand's Business Register.

Respondent demographics

- For the NSE, the respondent was the business owner or a senior manager in the business who dealt with employing staff, and health and safety matters (i.e., the person best placed to answer the survey questions). Over two-thirds of respondents to the survey (67%) were the owner of, or a partner in the business, while 23% were a senior manager (other than a Human Resources manager). 3% were managers in Human Resources and 5% had some other type of position in the business.
- Just over three-quarters of respondents (78%) were New Zealand-born and 21% were born overseas. Of overseas-born respondents, 40% were born in Europe, 27% were born in Asia/Middle East and 10% were born in Africa. Another 6% were from North/Central America and 5% were Australian-born.
- Most overseas-born respondents (81%) had lived in New Zealand for more than 10 years. 10% had been here for 5 to 10 years and 7% had lived in New Zealand for less than 5 years.
- Eight out of ten respondents (80%) identified as NZ European (Pakeha or New Zealander), 8% identified as other European, 7% reported their ethnicity as Maori, and 7% identified as Asian.
- Over half the respondents were male (56%) and 43% who were female.

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 101 to 106.](#)

Business demographics

- Most New Zealand business establishments operate from a single site (68%) and are small, with:
 - 61% having fewer than 6 employees
 - 11% having 6 to 9 employees
 - 16% having 10 to 19 employees
 - 7% having 20 to 49 employees
 - 4% having 50 or more employees.
- Just over two-thirds of businesses (68%) had been operating in New Zealand for 10 years or more, 11% had been in business for 6 to less than 10 years, 14% for 2 to less than 6 years, and 5% had been operating in New Zealand for less than 2 years.
- One in five businesses (19%) are in the retail trade, and accommodation and food services sector, and 12% each are in the construction, and the agriculture, forestry and fishing sectors. 7% of businesses are in the manufacturing sector and 6% are in the health care and social assistance sector. Just under half of businesses (45%) are in 'other' industry sectors.
- Seven out of ten businesses are located in the North Island, with 24% in Auckland, 12% in Wellington, 9% in Waikato and 7% in the Bay of Plenty. Businesses in the South Island are mainly based in Canterbury (15%) and Otago (6%).

Refer to [Appendix to NSE 2016/17 Summary Findings, Tables 1 to 4; 5; 107 to 109.](#)