CREATING JOBS AND PROTECTING WORKERS

Flexibility, choice and fairness in the labour market help create jobs, increase wages and encourage innovation. National believes a flexible workforce supported by fair employment law is critical for supporting a strong and productive economy.

We’re bringing a better balance to labour market rules, enabling businesses to grow while ensuring workers’ rights are protected.

National will continue to improve employment law, especially in relation to employment standards, flexibility and choice in the labour market.

We will pass the Employment Relations Amendment Bill to increase flexibility in the labour market. And we will strengthen the enforcement of New Zealand’s minimum employment standards to stamp out exploitation.

National will extend paid parental leave to 18 weeks, and increase eligibility to better reflect modern working arrangements and today’s diverse family structures.

National has set in motion the most significant changes in health and safety at work in more than two decades, and will continue to implement these changes, helping to ensure we meet our target of reducing New Zealand’s workplace death and serious injury toll by 25 per cent by 2020. We established WorkSafe New Zealand and have boosted its funding by $30 million to strengthen education and enforcement.

POLICY HIGHLIGHTS

→ 83,000 jobs created in the past year and unemployment down to 5.6 per cent.

→ Minimum wage increased responsibly every year since coming into office.

→ Starting-out wage and 90-day trial periods helping people into the workforce.

→ Passing the Employment Relations Amendment Bill to increase flexibility and fairness in the labour market.

→ Strengthening the enforcement of New Zealand’s minimum employment standards.

→ Progressing the most significant changes in health and safety at work in more than 20 years.

→ Paid parental leave increasing from 14 weeks to 18 weeks.
NATIONAL IS...

ENCOURAGING JOB GROWTH AND HELPING WORKERS GET A FOOT IN THE DOOR

✓ Maintaining a flexible, yet fair, labour market that encourages firms to take on new staff.
✓ Encouraging businesses to take on workers they may not otherwise have employed—with the voluntary 90-day trial period and the starting-out wage.
✓ Kept the Hobbit movies in New Zealand and saved thousands of highly skilled, high-value jobs.

STEADILY INCREASING THE MINIMUM WAGE

✓ Increased the minimum wage every year and maintained it at the most generous level in the OECD, as a proportion of the average hourly wage. We’ve been careful to do this incrementally so as not to price vulnerable workers out of the job market.

INCREASING FLEXIBILITY AND FAIRNESS IN THE WORKPLACE

✓ Increased flexibility in the Holidays Act to give employees more choice.
✓ Reformed the personal grievance system to reduce delays, costs, and vexatious claims.

MAKING WORKPLACES SAFER

✓ Established WorkSafe New Zealand, the stand-alone agency dedicated to workplace health and safety—and boosted its funding by $30 million to strengthen education and enforcement.
✓ Initiated the Working Safer reform programme, including an overhaul of New Zealand’s health and safety law.
✓ Acted on all the recommendations of the Pike River Royal Commission.
✓ Established the High Hazards Unit to oversee high hazard industries.
✓ Implemented a dedicated health and safety programme for the Canterbury rebuild, and boosted the labour inspectorate in Canterbury.
✓ Implemented new petroleum health and safety regulations, the first overhaul in 15 years, bringing us into line with the United Kingdom and Australia.
OUR RESULTS SO FAR

JOBS AND WAGE GROWTH

- 83,000 jobs were created in the last year and unemployment has dropped to 5.6 per cent – lower than in Australia.
- 1,600 people are coming off welfare each week because they have a job to go to.
- Our careful and balanced approach to the minimum wage has seen it rise to $14.25 while ensuring jobs are not lost. The starting-out wage is giving employers an incentive to hire young workers, where they can gain essential experience and job skills.
- The 90-day trial period encourages businesses to take on new staff and is giving thousands of people the opportunity to prove themselves in a new job. A third of employers who used trial periods in 2012 said they would not have hired new staff without it.

Selected OECD countries

- New Zealand
- Australia
- Canada
- United Kingdom
- Japan
- United States

HIGHEST IN THE OECD
MINIMUM WAGE RELATIVE TO THE AVERAGE WAGE

- New Zealand
- Australia
- Canada
- United Kingdom
- Japan
- United States
WHAT WE WILL DO NEXT . . .

1. MAINTAIN A FLEXIBLE LABOUR MARKET

→ Increase flexibility and fairness in our employment relations framework.

National will pass the Employment Relations Amendment Bill to increase flexibility and fairness in the labour market.

The Bill has a number of provisions that increase flexibility and choice, ensure a balance of fairness for employers and employees, and reduce compliance costs. These include provisions to:

→ Reduce overly protracted bargaining and give some certainty and balance to the collective bargaining framework.
→ Make it easier to establish flexible working arrangements.
→ Exempt small and medium enterprises from the provisions of Part 6A of the Act relating to continuity of employment.
→ Improve the timeliness of Employment Relations Authority decisions.

2. TACKLE EXPLOITATION IN THE WORKPLACE

→ Ensure all employers follow the rules.

National will strengthen the enforcement of New Zealand’s minimum employment standards to stamp out exploitation.

Employment standards protect workers by setting out minimum employment rights and entitlements, such as minimum wage rates and annual leave. The majority of New Zealand employers comply with these standards, but some do not.

National is committed to stamping out deliberate employment breaches, including practices that exploit vulnerable and migrant workers. We will ensure sanctions are an effective deterrent, use labour inspectors more effectively to identify unscrupulous employers, and improve information on how to comply and deal with alleged breaches.

We are also ensuring that the Canterbury rebuild and recovery meets employment, quality and safety standards. In particular, we are beefing up investigation and enforcement activity in Christchurch to combat potential exploitation during the city’s rebuild.
3. SAFER WORKPLACES

→ Progress the Working Safer reform package.

The Working Safer reforms represent the most significant changes in health and safety at work in more than 20 years, and are essential to meeting our target of reducing the serious injury and death toll in our workplaces by 25 per cent by 2020.

The reforms will include a new Health and Safety at Work Act, and more comprehensive regulations and guidance to support businesses.

We will invest $30 million in WorkSafe New Zealand to strengthen enforcement and education, employ more health and safety inspectors, focus on high-risk areas, and bring in stronger penalties.

→ Support the industry-led inquiry into forestry health and safety.

Forestry is New Zealand’s most dangerous industry. Our health and safety reforms will make a real difference in this industry, but we cannot change a safety culture on our own. We therefore welcome, and are supporting, the independent, industry-led inquiry into forestry safety.

→ Work to ensure our adventure activities meet world-class safety standards.

We will ensure that adventure tourism operators undergo safety auditing to mitigate any unnecessary risk to customers.

4. EXTEND PAID PARENTAL LEAVE

→ Support parents by extending paid parental leave to 18 weeks.

National will extend the paid parental leave entitlement from 14 weeks to 16 weeks in 2015, and to 18 weeks in 2016. This strikes the right balance between helping improve outcomes for families and children, while also being fiscally responsible.

We will also make paid parental leave available to more people, and bring more flexibility to the scheme. This includes extending eligibility to permanent carers and to more casual or seasonal workers.

DON’T PUT IT ALL AT RISK

Labour and the Greens would:

✗ Scrap the successful 90-day trial period, which would see opportunities lost for workers and make businesses less confident about taking on new staff.

✗ Scrap the starting-out wage, meaning young people are given less opportunity to get a foot in the door and gain the essential experience they need.

✗ Hike the minimum wage to a level that would hurt businesses, cost jobs and reduce growth.

✗ Bring back national awards, which would force all regional employers to pay the same pay rates as an employer in downtown Auckland.