

Parents Centres New Zealand Inc - Submission on the Employment Relations (Flexible Working Hours) Amendments Bill

This is a submission in support of the Employment Relations (Flexible Working Hours) Amendment bill. We are happy to appear before the committee in support of our submission if the committee considers this to be appropriate.

Background

The extreme stress of attempting to work full-time and balance family responsibilities is taking a significant toll on families **being the best that they can be**. As two parent working families are normalised, and more parents are represented in the workforce, many employees say they feel under constant stress. This is having a debilitating effect on their lives and those of their families. It has a debilitating effect on how we raise the next generation of New Zealanders and on society as a whole. We see evidence of this in our social structure now.

Key research supports the effect that this has on families in New Zealand

As an employer of over 25 years in both the commercial business sector I would challenge the business community to recognise the value to Business of entering into flexibility based negotiations with employees.

Experience shows a reduced rate of attrition and increased employee loyalty. In today's environment where a possibly unsustainable rate of unemployment exists and an immense skill shortage hampers employers this is another initiative government can take to increase the leverage employers have over hiring and sustainable employment issues.

I would also suggest that the stress we talk about in this submission does not only fall upon *employees* but *employers* also fall under pressure with increased attrition, higher numbers of special leave and sick days, lower productivity due to worry and ineffective time focused on work issues. To recognise that the outcomes of employment are key not face time is innovative and long overdue.

This submission recognises that there are industries where the challenge will be greater but with good faith on both sides **and effective management** it is entirely feasible. To use the argument that compliance costs will be greater and that it will require more time in managing is a moot argument. Managing is about just that and the preminent role of any people manager is to understand employee needs and motivation. We suggest that good management practise all ready covers this. The legislation is required in order to protect those who are managed ineffectively. Compliance will simply be lifting management standards in NZ to what should all ready be the expected norm.

A recent survey of New Zealand parents asked what helps them to do paid work. Seventy-five per cent rated flexibility in start and finish times as 'very important' by ninety-three per cent of respondents, and sixty-eight per cent rated as 'very important' the ability to occasionally change their working hours.¹ Due to the absence of a flexible working hour's policy, it is no surprise that many employees with children give up the struggle and drop out of the labour market, because they cannot find ways of combining paid work and the demands of looking after young children.

¹ New Zealand Equal Employment Opportunities Trust, Parenting and Paid Work – on-line survey analysis, October 2005.

A survey by the Equal Opportunities Trust in 2003 found that eighty per cent of fathers want to spend more time with their children.² It also realised that, of men polled who anticipated fatherhood, fifty-five percent felt that they could not be the sort of father they deemed to be effective if they continued current employment.³ This demonstrates that those workplaces that are interested in seeking and retaining the best employees will need to seriously consider the parenting desires of men as well as women.

It is fair to say this government's vision for women encourages more women than ever to return to the work place. This is clearly an economic performance indicator and we understand why it may reflect favourably as a percentage of our national gross domestic product.

However the net result to families is simply that in return for fiscal benefit we see an increase in more parents spending more time in the work environment and less time in raising their families.

Parents deliver returns to our corporations and to our shareholders; we manage and drive the supply chains; we serve in shops; we deliver infrastructure and service and are conscientious civil servants and volunteers.

Flexible working conditions offer a powerful point of difference for employers of these people

Talented and skilled people will trade remuneration for flexibility, respect, dignity and the ability to parent their families effectively. Attrition may drop as a result; the skill base will increase; and give greater access to more effective staff and best of all employers may keep them longer; small business may open up access to those highly sought after skills that are only usually available to those that can remunerate more; engendering a much lost loyalty in the workplace.

This has a tangible fiscal value.

Twentieth Century management practice insisted upon face time at the workplace as all important.

Insightful twenty first century managers understand that output and outcomes delivered are what really turns a value proposition.

When we leave our working environment whatever shape that may be and whatever it looks like we go home to a full time job; the most important job we will ever have actually; for our children and for our society. That is the untrained and unpaid fulltime 24/7 job of parenting our children

While it is possible to accept as a business person a possible return against our economic indicators when we encourage both parents to work the cost to the fabric of our society is massive and the fiscal cost to the Country responds accordingly.

Parenting should be affirmed and validated by employers. It can't be "Just that other thing we do" any longer!

For those who approach this with trepidation I encourage you to take the first tentative step. You may just be surprised by the return of many benefits that perhaps aren't anticipated. This has to start with legislation to adopt the practice.

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² New Zealand Equal Employment Opportunities Trust, *What Do Kiwi Fathers Want?* October 2003.

³ NZ EEO Trust, *What Do Kiwi Fathers Want?* October 2003.

Some employers have recognised the demand for more flexible working hours for parents with young children, and have tried to make their workplaces more responsive to employees needs through more flexible working options.

Regrettably, these workplaces are the exception rather than the rule, and not enough is being done to encourage and support parents who want to work part-time or flexibly when their children are young. There are also many who may pay lip service to the practise and employees find themselves in the invidious position of not being able to take advantage of so called work life balance initiatives.

It is clearly noted when work-life balance policies are in place, employees do not use them unless it is conveyed to them that it is acceptable to do so. Work ethic and protocol barriers can be hard to break down even through highly effective change management process. It also acknowledges that 'some workers are not in a strong position to successfully negotiate solutions with their employers, and many employees do not even feel that they can raise these issues with their employers.'⁴

This is why legislation is imperative to drive the behaviour in the first instance and encourage employers to show innovation.

This is in the best interest of both employee and NZ Business.

This will assist those who want to work more flexibly and have more choice about how they balance work and family life, especially when their children when they are young. It should also be noted that in an aging population much more care will be and is required to attend to our aged. This also falls within the work life balance threshold.

It should also be noted there are many who are happy with the status quo and will not require negotiation however the bill generically benefits all.

Germany, Denmark and the Netherlands all provide employees with a legal right to request more flexible working arrangements or to reduce their working hours.⁵ The UK government introduced legislation giving employees with young and disabled children the right to request flexible working hours.

Clearly, New Zealand is dragging the chain in provision for employees to balance life and an effective working life.

Work life balance is a prime motivator for position, company or career change. Approximately 30% of employees site this as reason for change.

Parents Centres NZ Inc supports the introduction of legislation to provide effective work life balance initiatives for Parents in New Zealand and believes fully that such initiative benefits society as a whole.

⁴ NZ EEO Trust, *Work and Life Bulletin*, Volume 5, Number 5, June 2004.

⁵ Germany – *Part-time and Fixed Term Employment Law 2000*, Denmark – *Act on Part-time Work 2002*, Netherlands – *Part-time Employment Act 2000*.