

# **Young workers in Precarious or Insecure Work**

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Our special thanks for their commitment to empowering our young people."

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# **Precarious or Insecure Employment**

Is the job you're applying for going to guarantee you the income you need? There are many types of jobs out there, and some will not provide you with a regular and realistic income. These jobs are called 'precarious', both because the job itself can be precarious in its nature i.e. unsafe or prone to change; but also because your life can become precarious as a result of the job. You may not be paid enough to cover the basics, have no opportunity to up-skill or no guaranteed work hours all of which can have a negative impact on family life.

The NZ Council of Trade Unions has released a report into insecure work *Under Pressure: Insecure Work in New Zealand.* CTU President, Helen Kelly says "whether we call it casualisation, precarious work, temporary, or non-standard work – it means that workers have worse conditions, less security, less say and are more vulnerable. That may suit the boss – but it is unfair and does not work for workers." Read the report summary and full report here <a href="http://union.org.nz/underpressure">http://union.org.nz/underpressure</a>.

#### Case studies:

Names and other details have been changed to protect identities. These case studies represent some of the range of problems precarious or insecure work causes. We also give some strategies you can use to avoid some of these problems.

## **The Gaming Store**



Michelle worked for a computer gaming store which was part of an Australasian chain. Like most of the other employees she loved gaming herself and was knowledgeable about the products and keen to give good customer service. It seemed to be her dream job but she couldn't earn enough to support herself because her employment agreement guaranteed her only 3 hours per week. She worked full time all through December and gave up a family Christmas holiday to stay in town and work in the hope of scoring a full time position. In spite of that in the New Year she was returned to very low hours. One of the other workers had showed his employment agreement to his parents before he signed it. They had suggested he insist on having 40 hours per week written in. He was the only non management worker to get enough hours. Michelle started applying for other jobs and eventually got a permanent full time job in tech support.

**Problem A**: low or no guaranteed hours

**Solution 1**: refuse to sign an employment agreement which doesn't have the hours you want in writing and guaranteed.

**Solution 2**: look for another job with an employer who will guarantee the hours and wages you need. When you leave the first job explain clearly why you are leaving.

**Problem B**: an employer asks you to do extra hours or work over the Xmas break on the promise you may be offered a permanent job in the future. This is called "grace and favour" but they rarely work out in the worker's favour.

**Solution**: ask for a proper meeting about the situation and get a firm offer in writing before you do the extra.

# Night Shift at the Fast Food Store



Sela is a student and last month started working 10 hours per week at a fast food chain store about 5 kilometres from her house. There is no public transport and she cycles to and from work. She did not agree to set shift times when she started working there and lately she has been given all evening shifts so that she is coming home in the dark. Last weekend she was followed on her bike by a car full of men who threw bottles at her. She told her manager that she feels too unsafe to continue doing night shifts. He pointed out to her a clause in her employment agreement which states that if she gives notice in the first 6 months of working there she will repay the \$1500 cost of training. (The training took 2 days)

**Problem A**: new employees are given the unpopular shifts.

**Solution**: join the union and organise the existing workers to call for a fairer system of shift sharing and for the employer to arrange safe transport home after dark.

**Problem B**: new workers are forced to stay in an unsafe work situation by the \$1500 repayment of training costs.

**Solution**: ask the Employment Relations Service 0800 20 90 20 to resolve this workplace problem. Is the \$1500 penalty fair and reasonable? Under S6 of the Health and Safety in Employment Act the employer has to ensure workers are healthy and safe – should this extend to their safety leaving the workplace?

## My First Job:



Laura got her first job at a restaurant. The owner said she would start at 6pm and work till 11 pm each evening. Often the restaurant is still busy at 10pm so the staff are expected to stay on later without any extra pay. The owner will offer them a meal "on the house". Laura raised it with the owner but he said that is what she agreed to when she took on the job. There was no written employment agreement covering hours, pay or overtime.

**Problem**: no written employment agreement

**Solution**: Download the relevant letter below and add your details. Send it to your boss with a request for a meeting to discuss it.

#### Form letter if you don't have a written employment agreement

By law you have the right to be given your employment agreement in writing. However you may feel too shy or embarrassed to insist on being given your employment agreement in writing. Instead you can send a letter to your new employer thanking them for the job offer and outlining your understanding of the pay, hours and what the job involves.

There are also a number of minimum conditions that you are entitled to by law, which you could also include in your letter. Then everyone knows what you have been led to expect. If your employer wants to change anything they need to do so straight away otherwise the letter basically becomes the written record of your employment agreement.

Form letter if you don't have a written employment agreement.doc

# No Holiday Pay:



Wang Ying had worked for a superette for several years and in that time had taken no annual leave. Her original employer had sold the business to a second owner. Wang Ying went back to China for an extended two month holiday with her family but when she returned she found that the second employer had not paid her any holiday pay. He had no pay records and said he did not owe her any money. Wang Ying rang the Department of Labour and asked for a mediation with her employer to resolve this problem. The Department of Labour mediator asked the employer to show the pay records and on being told there were none ordered the second owner to pay Wang Ying what she had estimated she was owed plus an extra \$1000.

Problem: employer ignorant of his responsibilities under the law

**Solution**: the Employment Relations Service can mediate between employer and worker to resolve the case fairly.

## The Supermarket:



Rupeet has worked for a supermarket chain for 5 years. She is a permanent staff member and works 29 hours per week. Recently the company went through a company-wide review of hours and it was proposed that Rupeet lose 4 of her hours. This would have had a very bad impact on her family budget. Fortunately Rupeet is a union member and with the help of the union delegate Rupeet was able to argue against losing hours.

**Problem**: reviews can lead to staff feeling they have to agree to drop hours. **Solution**: being a union member means you have the support to refuse to change your conditions of employment.

# Help for young workers

Help for young workers in precarious or insecure work can be provided by the NZ Council of Trade Unions website <a href="www.together.org.nz">www.together.org.nz</a>. Here are some practical form letters for specific problems which might arise.

## Writing to the boss

Sometimes it's a good idea to write to your employer to make sure you get what you are entitled to. Writing and keeping a copy of your letter or email means there is a paper trail of the dates, facts and issues involved. It also shows your boss that you are serious about getting your rights at work. A letter can be easier and less confronting than a face-to-face meeting. Download the letter



below that suits your situation and follow the instructions to make the letter fit your issues. Remember to always keep a copy!

#### How to use these letters

Download the relevant letter below and add your details. Send it to your boss with a request for a meeting to discuss it.

## Form letter if you don't have a written employment agreement

Form letter if you don't have a written employment agreement.doc

# Form letter for personal grievances other than dismissal

This letter should be sent for grievances other than dismissal. It must be sent so that the employer receives it within 90 days of the grievance arising (or the member becoming aware of it).

Form letter for personal grievances other than dismissal.doc

# Form letter for personal grievances re dismissal

This letter must be sent only if it relates to a dismissal and is sent within 60 days of the date of dismissal. An employer is not obliged to supply written reasons for dismissal if the request is not made within 60 days.

Form letter for personal grievances re dismissal.doc

#### Form letter re annual leave

Are you having problems agreeing with your boss about taking your annual leave? Or are you having trouble getting your holiday pay? Fill in this letter with your details and then send it to your boss with a request for a meeting to discuss it.

Form letter re annual leave.doc

#### Form letter re bereavement leave

If you are having problems being paid for bereavement leave.

Form letter re bereavement leave.doc

## Form letter re break times

If you are having problems over break times.

Form letter re break times.doc

### Form letter re KiwiSaver

If you are having problems with getting your boss to pay your KiwiSaver deductions. Form letter re KiwiSaver.doc

## Form letter re minimum wage

If you are having problems being paid the minimum wage. For information on the minimum wage go to <a href="http://www.dol.govt.nz/er/pay/minimumwage/index.asp">http://www.dol.govt.nz/er/pay/minimumwage/index.asp</a>
Form letter re minimum wage.doc

# Form letter re Public Holidays

If you are having problems with time off for public holidays. Form letter re Public Holidays.doc

## Form letter re sick leave

If you having problems with time off for sickness.

Form letter re sick leave.doc

# Definitions - different kinds of employment and employment contracts

Those marked with an asterisk\* are most associated with being precarious or insecure.

## **Employee**

Contract of services. Employees get special employment protections and are covered by employment legislation (e.g. holidays, parental leave, and minimum wage) but in return they have certain duties to their employer that contractors don't have (e.g. duty of fidelity, duty of personal service)

For information on minimum employment rights go to: http://www.dol.govt.nz/er/minimumrights/index.asp

#### Contractor

Contract <u>for</u> services. An Independent Contractor is in business on his or her own account and can contract their services to whomsoever they wish (the principal). Contractors are not covered by employment legislation and so do not receive sick leave, holidays, parental leave etc. The word 'independent' is used to describe the relationship between the contractor and the principal.

\*The term <u>Dependant</u> Contractor does not exist in law; however it does exist in reality and is used to describe the terms under which many workers are engaged. Contractors who are required to sign contracts which significantly reduce their rights and/or earnings (e.g. must only work for the one employer and/or who are required to purchase all gear from the business owner or primary contractor) are considered 'dependent' on the principal.

For more information on differences between contractors and employees go to: <a href="http://www.dol.govt.nz/er/starting/typesofemployment/difference-between-selfemployedcontractor-and-employee.asp">http://www.dol.govt.nz/er/starting/typesofemployment/difference-between-selfemployedcontractor-and-employee.asp</a>

#### \*Casual worker

A casual worker is one whose employment is intermittent and irregular and who works for the employer as and when required. Casual workers must by law receive 8% pay **on top** of their hourly rate if they do not get paid annual leave.

## \*Temporary worker

A temporary or fixed-term worker is one who is employed by the employer for a fixed period of time e.g. to cover for maternity leave or to work on a special project which will finish.

## Permanent part-time worker

A permanent part-time worker is one who is in ongoing employment but who works less than full time. Full time employment is commonly understood to be 40 hours per week.

## Collective Employment Agreement - CEA

This is a contract between the employer and the union. The union is a group of workers in the organisation who bargain the contract together with the employer. In joining the union you will have better bargaining power, support from your co-workers and access to other benefits not available to a non-member i.e representation if you get in trouble with the boss.

To find out what union covers your industry go to: <a href="http://union.org.nz/findyourunion">http://union.org.nz/findyourunion</a>

# \*Individual Employment Agreement - IEA

This is a contract between the employer and you. You have to negotiate about pay or terms and conditions on your own which means you have less bargaining power. Many workplaces have the option of both a CEA and an IEA. The Department of Labour website gives advice about the minimum conditions which must be in every employment agreement. <a href="http://www.dol.govt.nz/er/minimumrights/index.asp">http://www.dol.govt.nz/er/minimumrights/index.asp</a>