PRECARITY

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UNCERTAIN, INSECURE AND UNEQUAL LIVES IN AOTEAROA NEW ZEALAND

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FOREWORD

The precariat is a structural feature of globalisation and is growing in all parts of the world, reflecting the impact of policies to make labour markets more flexible and open, and the impact of the ongoing technological revolution.

Governments, including New Zealand's, have pursued social policies that have further expanded the precariat, in the ostensible pursuit of 'competitiveness'. But they have done so in an inequitable way, by making labour relationships more insecure and uncertain. In sum, the precariat is not an incidental feature, or some failing of economic development. It is wanted by those steering and gaining from a global system that has veered a long way from anything close to a textbook version of a 'free market economy'.

As described elsewhere, the reality is that we have a system best described as *rentier capitalism*, in which private property rights have triumphed over free market principles.[1] That economic reality is outside the sphere of this book, but it is the context in which those entering or stuck in the precariat exist, and explains why their incomes are stagnant in real terms and increasingly uncertain.

There is an ongoing Global Transformation, in which a global market system is gradually taking shape. Old systems of regulation, social protection and income distribution that worked reasonably well in the middle decades of the twentieth century have broken down or been dismantled. But new systems suited to the more open, flexible economies have not yet been designed or put in place.

They are needed as a matter of urgency. A class fragmentation is taking shape that is forcing the precariat to hear a disproportionate cost in terms of disruption and multiple insecurities. So far, governments

have reacted passively and have done remarkably little to alleviate those insecurities, typically resorting to tired strategies designed in a different age.

The precariat is defined primarily in four dimensions, and it is analytically and politically important to recognise all of them, not just the first and most obvious, the insecure labour relationship. Indeed, one could say that is the least important. Why would anybody want to be in a stable, secure job if it was stultifying, onerous, stressful and low-paid? And most of us would hate ourselves if we were stuck in the same job, doing the same few tasks, for years and years.

What is more important and worrying is that those in the precariat typically have no occupational narrative or identity. They feel they are going nowhere in their jobs. And they typically must do a great deal of *work* that is not *labour*, work that is neither recognised statistically nor remunerated in any way, but which must be done.

The second feature is that, in most countries, although less so in New Zealand, members of the precariat have to rely mainly if not entirely on wages. They do not receive the sort of non-wage benefits and subsidised services that members of the *salariat* usually receive, which are worth a great deal, such as occupational pensions in prospect, paid holidays and paid sick leave. In New Zealand, the Kiwisaver scheme at least offers a universal occupational pension for those who can pay into it.

In any case, conventional income statistics underplay the value of non-wage benefits and thus understate the extent of income inequality. But to make matters substantially worse, the wages available to the precariat are not just low but have been stagnant or declining. This is a global phenomenon, and policymakers and those representing the interests of the precariat must recognise that this is unlikely to change in OECD countries for years to come. Wages are likely to fall in real value.

Third, and this is most likely to affect the groups considered in this book, perhaps the most crucial feature of being in the precariat is that those in it are losing all customary rights, often without realising it until they come to need them. The term *denizens* is appropriate, since it refers to people with an in-between status between *alien* (non-citizen, foreigner, outsider) and *citizen* (somebody with all the usual rights of being a citizen).

The precariat are becoming denizens, a process that must be reversed.[2] They lack or are losing all forms of rights — civil, cultural, social, economic and political. In the process, they are being reduced to being *supplicants*, depending on acts of discretionary charity and behaviour, from bureaucrats, employers, charities, NGOs and family members, from people in positions of authority or economic superiority. This is the most significant aspect of being in the precariat. A supplicant is unfree.

The fourth feature is the experience of a sense of *relative deprivation*, with respect to time and a sense of loss. Some, particularly those from old working-class families or communities, have a sense of a lost past, real or imagined. It is this group in the precariat, which I have called *Atavists*, who in various countries have been listening to populist politicians promising to bring back the past. The global leader of this promised mirage is the unlikely plutocrat Donald Trump.

A second faction consists of those who feel they have a lost present, a sense that they do not have a home here and now. Cultural deprivation is surely uppermost in this group, but it goes with economic, social and political deprivation as well. I have dubbed this group the *Nostalgics*. Surely this is pervasive in modern New Zealand.

The third faction consists of those who feel they have lost a sense of the future. This affects many of those who go to college or university, having been promised by their parents, teachers and mainstream politicians that this would lead to a promising future, a career of advancing security, status and personal development. They emerge saddled with debts and facing a mirage. But this is the group that will forge a new progressive vision, one that is ecological, liberating and proudly egalitarian. One hopes many in it will read this book and reflect on what could be changed for a better society.

Guy Standing
September 2017

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1 Guy Standing, *The Corruption of Capitalism: Why Rentiers Thrive and Work Does Not Pay* (London: Biteback, 2016).

2 Guy Standing, *A Precariat Charter* (London: Bloomsbury, 2014).

INTRODUCTION

CLIFFORD VAN OMMEN,
SHILOH GROOT, BRIDGETTE
MASTERS-AWATERE AND
NATASHA TASSELL-MATAMUA

The concept of the precariat links to situations and experiences of uncertainty, dependency, powerlessness, perilousness and insufficiency. In one sense, precarity refers to the negative consequences for the wellbeing and survival of citizens following the gradual dismantling of the welfare state and union representation; in another related sense, it refers to the changing nature of work that becomes intermittent, insecure and insufficient. Precarity emerges within the global context of a neoliberal economic system that demands greater (job, skill, employment, time) flexibility among individuals so as to improve market competition on a global level.[1]

The British economist Guy Standing refers to the precariat as a class-in-the-making:[2] a 'class' typified by various forms of insecurity due to a lack of opportunities to consistently gain income at liveable levels, to retain a position of skill and access career mobility via the development of these skills, to work in physically and psychologically safe circumstances, to avoid being fired at a whim, and to have an influence via collective action. Whereas Standing focuses on the world of labour, within this book authors identify and illustrate other forms of precarity, such as the lack of opportunities for cultural expression and embodiment, and the struggle to secure safety in intimate and family relationships.

The commonality between Standing's work and this book is that aspects of precarity are not independent of each other. In this sense,

then, precarity is a web where narrow and naive solutions merely pluck at a single thread which fails to resonate with the wider circumstance and ultimately leaves those affected only more hopelessly entangled. The American philosopher and gender theorist Judith Butler points out that it is not only economic support that disintegrates under such circumstances but social systems as well, leaving a person more vulnerable to illness, injury, displacement and violence.[3]

Inequalities, in terms of justice for the precariat, are mirrored by the absence of just action with regard to those with wealth in this country. Lisa Marriott, Associate Professor of Taxation at Victoria University, has contrasted the lack of attention to extensive tax evasion with the unrelenting effort to prosecute benefit fraudsters. In 2014, tax evaders cheated the country of $1.24 billion, in comparison to $33.5 million lost as the result of benefit fraud.[4] Yet benefit fraudsters are three times more likely to be imprisoned than tax evaders.

Both these crimes are non-violent and financial in nature; they both have the same victim (government and broader society), reduce government resources, and are deliberate. However, an important distinction is that tax evasion is typically undertaken by wealthy individuals in privileged positions, whereas benefit fraud is typically undertaken by precariat members of society. The issue of vested interest cannot be ignored here given the number of investment properties owned by MPs, particularly National Party MPs.[5] We live in a society skewed in favour of those with extensive wealth, where attention is diverted away from an examination of inequalities by vilifying those who bear the greatest burden of a broken system.

AN UNDER-EXPLORED EXAMPLE: PRECARITY AND DISABILITY

Let us illustrate the points above by considering one particular population in New Zealand whose access to equitable labour conditions has always been denied: those living with disabilities. On 1 September 2013, the *New Zealand Herald* reported that through the organisational restructuring of fast-food company KFC, 17 workers with disabilities had lost their jobs.[6] The restructure, in which all staff were required to prove that they were 'capable' of performing *all* duties (regardless of their actual position), epitomised the narrow flexibility celebrated

in contemporary business and the real consequences of such practices for employees. When the news hit social media, the collective and representational actions taken by the Unite union, Labour MP Jacinda Ardern and deaf Green MP Mojo Mathers led KFC to reverse its decision a short while later.[7]

Those with disabilities are a particularly vulnerable population in the contemporary social context, and an easy target for exclusion and marginalisation. In the UK, fewer than 10 per cent of people with learning difficulties are in paid work and those with disabilities are twice as likely to live in poverty.[8] Austerity policies have led to a loss of £9 billion in welfare support for those with disabilities, with a third losing their Disability Living Allowance.[9] In Aotearoa New Zealand, the 2013 Disability Survey shows that people with disabilities are less likely to be in the labour force, are more likely to be unemployed, and tend to have part-time work and earn lower incomes.[10] The latter is especially true along gender lines; women with disabilities are more likely to work part-time, with 48 per cent earning less than $30,000 per annum compared to 28 per cent of men with disabilities.

The 2012 Disability Rights in Aotearoa New Zealand report describes the ongoing struggle for people with disabilities to be heard when the paternalistic 'we know best' attitude of current political stances marginalises their voices and concerns.[11] Of particular concern is the use of minimum wage exemption permits by businesses when employing people with disabilities. This is shocking considering that the current minimum wage is already 29 per cent less than the recommended living wage.[12]

An existence marked by insecure employment, inadequate income and compromised social, political and economic rights clearly locates many people with disabilities in New Zealand among the precariat. We live in a society that values ability over disability, that glorifies autonomy and competition and then castigates and exploits those who, under such a distorted view of humanity, are positioned as less able both instrumentally and politically. Current laws, policies and practices inhibit the full participation of the precariat who have disabilities in political and public life.[13]

There are many other groups whose situations are only touched on

in this book, but whose struggles are nevertheless also very real. These include, for example, university graduates who are not employable because they lack experience, sex workers, seasonal workers, low-skilled workers and shift workers.

This collection of essays represents a unique dialogue between and among academics, emerging researchers and advocates. It is an attempt to distil into an approachable narrative the accumulated decades of expertise represented by the authors, typically disseminated through empirical and conceptual research that can yield technical books, reports and numerous peer-reviewed journal articles (some of which have been cited here). Drawing on their different vantage points to inform their analyses, the authors share their respective experiences of researching, teaching, advocating and/or working with precariat individuals and groups. Each of the contributors does this with the aim of developing a more nuanced understanding of the precariat in Aotearoa New Zealand and providing pathways forward.

In this book, we turn our attention to this emerging class, the precariat, not to further vilify them, but rather to place their lived experience in plain sight. It is time all New Zealanders understood the reality of what many of our own citizens endure in the struggle to make ends meet and live dignified lives. We have divided the book into three parts; here we give a brief description of each part, with more details of individual chapters provided in the introduction to each section.

In the first part, 'Selling Snake Oil', we explore the various ways in which precarity is contorted, inverted, perverted and obscured. William Cochrane and colleagues open this section by describing the composition of the New Zealand precariat, which currently includes one in six people in this country. James Arrowsmith and colleagues then define the poverty trap and identify what is needed for those affected to lift themselves out of such misery. Wayne Hope and Jane Scott provide us with a description of how inequality, and those most affected by it, are portrayed in the media — portrayals that do little to address the marginalisation of this class-in-the-making.

Turning the spotlight specifically on the vilification of beneficiaries, Darrin Hodgetts and his team describe penal welfare and criminalisation of citizens in need. Next Kimberly Jackson and Rebekah

Graham discuss food insecurity, and how many solutions suggested to address it fall short. Neville Robertson and Bridgette Masters-Awatere then highlight ways in which state structures amplify rather than ameliorate the precarity of abused women and their children. Finally, Mary Breheny focuses on the scapegoating of the elderly as the cause of contemporary youth hardship, drawing our attention back to how taking care of communities is the best way to address individual needs.

In the opening chapter of our second part, 'Native Disruption: Māori and the Precariat', the over-representation of Māori youth among the precariat is made clear by Thomas Stubbs and colleagues. They argue the potential for cultural engagement by formal institutions to offset the current prevailing negative attitude. This attitude is described by Delta King's team through the example of Miriama, who talks about 'getting into character, visualising appropriate appearance level and expected behaviour and attitude' when dealing with social services. Negative interference by the state is affirmed by Felicity Ware and her colleagues, who walk us through the impacts on young Māori mothers of the Young Parent Payment (YPP).

Debunking the perception that all providers are created equal, Bridgette Masters-Awatere explains how resource distribution and accountability by government funders impacts on Māori service providers. Finally, Shiloh Groot and colleagues provide verbatim narratives from homeless Māori youth, who powerfully illustrate their lived experiences of precarity. Rather than maintain a negative lens, these young people explain how through cultural connectedness they transform the streets from a place of despair to one of care and respite. Each of the chapters within this section sets out to place these experiences in (colonial) context and counter various stereotypes and common misconceptions of tangata whenua — the indigenous people of this country.

The third part, 'Arrivals Past and Present', addresses the precarity of a number of groups: Pasifika, migrants and refugees. Paul Spoonley opens by providing a history of the various recent arrivals to this country and the conditions these groups are currently experiencing. These broad aspects are brought to life by Byron Seiuli and Philip Siataga in their telling of the story of Tauivi; and then by Teuila, whose

experiences are related by Bridgette Masters-Awatere and Jessica Gosche. In the following chapter Seraphine Williams and Shiloh Groot share the stories of four young Samoan transwomen as they discuss their experiences of gender discrimination in the workplace, ranging from humiliation and denial of access to their basic human needs to unfair dismissal.

These Pasifika voices are followed by that of Abann Yor, in conversation with Sarah Hahn, as he provides a retelling of his journey from refugee to citizen. Ending this section, Rand Hazou considers the role that theatre and cultural practice might play in facilitating stability and belonging for asylum seekers and refugees in the wider community.

Finding a place in Aotearoa and overcoming precarity, then, is not about obliterating the past or eliminating the cultural traces that make us who we are, and it is not about accepting coercion by economic and social models that reduce us to cogs in the market. We return to this and other salient points in the conclusion to the book.

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1 Guy Standing, *The Precariat: The New Dangerous Class* (London: Bloomsbury, 2011).

2 Ibid.

3 Judith Butler, 'Performativity, Precarity and Sexual Politics', *AIBR. Revista De Antropología Iberoamericana* 4, no. 3 (2009): i–xiii.

4 Jenée Tibshraeny, 'Tax Professor Calls for Independent Inquiry into How Tax Evaders and Benefit Fraudsters Are Treated by the Justice System', Interest.co.nz, October 13, 2016, retrieved from http://www.interest.co.nz/personal-finance/84038/tax-professor-calls-independent-inquiry-how-tax-evaders-and-benefit

5 Max Rashbrooke, *Wealth and New Zealand* (Wellington: BWB Texts, 2015).

6 Amanda Snow, 'Disabled Staff Forced Out of Job', *New Zealand Herald*, September 1, 2013, retrieved from http://www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=11117584

7 Amanda Snow, 'KFC Calls Back Disabled Staff', *New Zealand Herald*, September 29, 2013, retrieved from http://www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=11131722

8 Keith Bates, Dan Goodley and Katherine Runswick-Cole, 'Precarious Lives and Resistant Possibilities: The Labour of People with Learning Disabilities in Times of Austerity', *Disability & Society* 32, no. 2 (2017): 160–75.

9 Claudia Wood (2012) in Dan Goodley, Rebecca Lawthomb and Katherine Runswick-Cole, 'Dis/ability and Austerity: Beyond Work and Slow Death',

Disability & Society 29, no. 6 (2014): 980–84.

10 Statistics New Zealand, 'Disability and the Labour Market: Findings from the 2013 Disability Survey', retrieved from www.stats.govt.nz

11 Article 33 Convention Coalition Monitoring Group, 'Disability Rights in Aotearoa New Zealand 2012: A Systemic Monitoring Report on the Human Rights of Disabled People in Aotearoa New Zealand', retrieved from http://www.dpa.org.nz/resources/sector-resources/the-convention-disability-rights-in-aotearoa-new-zealand

12 Living Wage Aotearoa New Zealand, 'What is the Living Wage?', April 1, 2017, retrieved from http://www.livingwage.org.nz/what_is_the_living_wage

13 Article 33 Convention Coalition Monitoring Group, 'Disability Rights in Aotearoa New Zealand 2012'.

PART ONE:

SELLING SNAKE OIL

INTRODUCTION

CLIFFORD VAN OMMEN
AND SHILOH GROOT

Many of us would be familiar with the expression 'selling snake oil', which typically refers to a health product of questionable quality or benefit. There is an interesting story about the origin of the term. According to this tale, snake oil was originally an authentic medication, made from the oil of the Chinese water snake, which was brought into the US by indentured Chinese labourers.[1] The oil proved to be an effective and soothing treatment for inflammation but, since there were no Chinese water snakes in the US, demand quickly exceeded supply. Entrepreneurial locals soon turned to indigenous snakes, but these lacked the medicinal potency of their Asian relative. It wasn't long before alternatives bearing the same name, but not a molecule of oil or remedy, were being traded as cures for all sorts of ills.

There seems something appropriate about this narrative when considering our current times. The Trump-era US political scene has introduced us to a new term, 'alternative facts', which most of us would recognise as a synonym for 'lies'. 'Alternative facts' do seem to abound in our times and the tonics that some, both locally and elsewhere, are trying to sell us are so lacking in an ounce of truth or even common logic that many of us are simultaneously struck with the twin emotions of mirth and fear. Unfortunately for many — the members of the precariat — it is very hard, often impossible, to avoid such quack tonics and dodgy placebos. This obviously can have destructive effects physically, psychologically, relationally, spiritually and communally.

'Alternative facts' are not some radical new development in the sociopolitical landscape; rather, they represent an intensification of pre-existing practices. Such strategies typically make a lot of sense if you cannot look beyond the current system (that is, if you see the world as it currently is as the only possible world) since their aim is to keep the current system intact. Unfortunately this often leads to an escalation in the dosage of such strategies. If at first you don't succeed, then you just do more of the same, increasing the amount, intensity, focus and frequency.

For example, arguments with partners often take this form; one says something to the other at an everyday volume, subsequently repeating the same message at an ever-escalating volume when it doesn't seem to be making a difference. Eventually the back-and-forth escalation can even be heard by the neighbours and, in some cases, a profound shift in strategy occurs and things turn violent. Or, another example, if unemployment increases, you are encouraged to look at other people on the job market as competitors, possibly singling out those who arrived more recently or who look different to you. Before you know it, you're building walls. As systems break down, the solutions required to keep them intact typically become more and more ludicrous and, at worst, brutal. Ironically, the solutions aimed at sustaining the current system have led to it becoming unrecognisably transformed.

A common reductive explanation for many of the social issues that face our society is to blame the individual. So, the inability to find work, to feed and house one's family, or to successfully manage one's finances become seen as individual deficits and failures. The person is seen as lacking certain skills, whether this is in planning, thinking, regulating emotions, managing interpersonal interactions or self-presentation. Solutions become matters of further education, training or 'nudging' (the behavioural coercion) of such individuals.[2] Continued failure can then be regarded as a sign of moral failure: an unwillingness to contribute to society, to take responsibility and to toe the line, to pull oneself up by the bootstraps, which inevitably results in rejection from the system in some form or other. Shining the torch on such individuals is a great way to draw attention away from the system itself and those who benefit from its current organisation. It

also obscures and marginalises other more humane and community-building solutions that take time and collective commitment.

To demystify the fraudulent solutions 'snake oil merchants' tempt us with, or the offered solutions that do not take the complexity of many social issues into account, requires standing back from the current system and questioning the assumptions or rules on which power is enacted. The solutions that emerge from such an approach are often radical in that they seek to change the fundamental procedures and guidelines (values) on which the system is currently organised. Change can be frightening for many; not merely because it is a shift from the familiar (better the devil we know) but because some members of the system have deeply vested interests in keeping it intact — even if this means the suffering and mounting decline of others. Often solutions are dismissed with a well-rehearsed gesture, a sound-bite or a self-righteous chuckle and any serious public debate is not allowed to develop. But that debate is essential in a democracy.

This section of the book explores both current solutions that we are told are 'common sense' and potential alternatives for a healthy and inclusive society. As its title suggests, the first set of solutions will strike many readers as familiar, but such ready-to-hand solutions almost always obscure other facts and arguments. The authors of each chapter show how some of our 'common sense' responses and practices are filled with non-sense, and are even morally dodgy. Many of these authors also argue for different routes — not alternative facts but fact-based alternatives. It is our hope that these chapters will make current responses less convincing and render other routes more substantial, and — more than this — will reignite serious and wide-reaching debate and action among our country's citizenry.

The first chapter, by William Cochrane, Thomas Stubbs, Mohi Rua and Darrin Hodgetts, describes the demographic composition of the New Zealand precariat, noting that this currently includes about one in six New Zealanders. James Arrowsmith, Stuart Carr, Jarrod Haar, Harvey Jones, Jane Parker and Christian Yao then define the poverty trap that keeps families stuck in a state of immobility, and how those affected can lift themselves out of it.

Wayne Hope and Jane Scott explore media representations of

inequality and the framing of precarity. This is important since the media can act as a powerful platform for influencing public opinion and connecting us to one another — or pitting us against each other. The less than sympathetic characterisations of people in poverty have important implications for those seeking support and assistance. Darrin Hodgetts, Ottilie Stolte, Kerry Chamberlain and Shiloh Groot describe the criminalisation of families in need. They draw on the term 'penal welfare' to refer to the shift in welfare from a universal system based on citizenship rights to one that is unnecessarily cruel and punitive.

Next, Kimberly Jackson and Rebekah Graham detail the food insecurity experienced by many families and how the solutions suggested to address this basic need are woefully ignorant of the living circumstances of those affected. A further example of this lack of understanding can be seen in the responses to the blight of domestic violence, as described by Neville Robertson and Bridgette Masters-Awatere, who show that state structures actually amplify rather than ameliorate the precarity of women and their children. Finally, Mary Breheny draws our attention to the scapegoating of the elderly as the cause of contemporary youth hardship, reminding us that taking care of all members of our communities is the best way to address social issues.

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1 Lakshmi Gandhi, 'A History of "Snake Oil Salesmen"', August 26, 2013, retrieved from http://www.npr.org/sections/codeswitch/2013/08/26/215761377/a-history-of-snake-oil-salesmen

2 John Cromby and Martin E. H. Willis, 'Nudging Into Subjectification: Governmentality and Psychometrics', *Critical Social Policy* 13, no. 2 (2013): 241–59.

1:1

A STATISTICAL PORTRAIT OF THE NEW ZEALAND PRECARIAT

WILLIAM COCHRANE,
THOMAS STUBBS, MOHI RUA
AND DARRIN HODGETTS

Social inequalities have been increasing in New Zealand since the 1980s, widely understood to be a consequence of labour and welfare reforms that increased flexibility in employment, reduced protection for workers, and introduced stricter criteria for unemployment and other benefits. Perhaps the most alarming outcome of these changes has been the growth of low-paid temporary jobs. This has resulted in an increase in households struggling to meet basic food, health and housing needs.

This chapter explores the characteristics of the 'precariat' in New Zealand, shedding light on an emerging yet marginalised group in our society, which — until now — has been neglected in academic and policy circles. We begin by defining the precariat and deploy data from Statistics New Zealand to form an empirical description of the groups that make up this new 'class'. Using data obtained from the 2014 New Zealand General Social Survey, we then outline the prevalence, composition, location and lived experience of the New Zealand precariat.

Overall, we find that the precariat comprises about one in every six New Zealanders. The group is dominated by Europeans, females, younger age groups, those with low or no qualifications, and those with low incomes. As a percentage of their populations, Māori and Pacific peoples have the highest prevalence of precarity, while Northland, Bay of Plenty and Gisborne emerge as regions with the greatest prevalence rates. We also find that people in the precariat are four times as likely

to express complete dissatisfaction with their lives compared to those not in the precariat, and almost one-third of the precariat reported that their income was not enough to secure everyday needs, such as food and accommodation.

DEFINING THE NEW ZEALAND PRECARIAT

As defined elsewhere in this volume, the precariat is a class-in-the-making that can be characterised by three dimensions.[1] First, its members have insecure employment; that is, they are in and out of jobs often, failing to secure long-term contracts. They are, as a result, habituated to a life of unstable labour and unstable living. Second, its members rely on money from wages that are flexible, rather than from wealth or enterprise-based incomes. They thus experience chronic income insecurity on top of their employment insecurity. Third, its members have fewer civil, cultural, social, political and economic rights, which translates into limited access to rights-based state benefits. Accompanying these reduced rights, they must perform a great deal of work outside of their paid jobs, in 'seeking jobs and in appeasing the state, by queuing, form filling, [and] retraining'.[2] This combination tends to induce a sense of relative deprivation and a consciousness of loss.[3]

Using data from the 2014 New Zealand General Social Survey,[4] we measure the New Zealand precariat as comprised of three categories: temporary employees, the jobless, and beneficiaries.[5] Temporary employees are those whose job only lasts for a limited time or until the completion of a project, including casual, agency, fixed-term and seasonal workers.[6] The jobless category is composed of three subgroups of the working-age population (i.e. those aged 15 to 65): the unemployed, defined as those who are without a paid job and are available for and actively seeking work; those outside the labour force who are actively seeking but unavailable for work; and those outside the labour force who are available for but not actively seeking work.[7] Unlike our chapter on the Māori precariat (which uses Statistics New Zealand's Te Kupenga survey of Māori wellbeing), we are unable to distinguish students from the jobless. The final category, beneficiaries, are those not otherwise counted in the aforementioned groupings who

received a benefit income — including sickness, invalid and domestic purposes benefits — in the previous year and who remain outside the labour force.[8]

We acknowledge that measuring the precariat in this way represents a compromise. On the one hand, due to constraints on the availability of data, we are unable to capture those who are deemed to be permanently employed but have no sureness of job security. This could include an employee on an open-ended contract who is certain to lose their job within the next year, or one who works highly variable hours of permanent employment who may — in practice — experience chronic income insecurity where a minimum number of work hours are not assured each week. On the other hand, we count students who may not be experiencing income insecurity and habitual unstable living. For example, wealthy students who can maintain a decent standard of living without paid work or government benefits would not fall within our definition of the precariat.

Table 1. Composition of the New Zealand precariat and non-precariat by gender.

	Male	Female	Total (male + female)
Precariat	256,000	350,000	606,000
Non-precariat	1,457,000	1,472,000	2,929,000
Total (precariat + non-precariat)	1,713,000	1,822,000	3,535,000

FINDINGS

Of the 3.53 million New Zealanders aged 15 years and over in 2014, a total of 606,000 were in the precariat, or about one in every six (17.1 per cent). In Table 1, we present the composition of the New Zealand precariat by gender. A gendered differential within the precariat is apparent, with 350,000 (57.8 per cent) female and 256,000 (42.2 per cent) male. This differential may in part be explained by the greater prevalence of temporary work among females, especially among those with child-rearing responsibilities.[9]

Figure 1 shows that the New Zealand precariat is largely composed

of younger age groups. About 33.7 per cent of New Zealanders in the precariat are in the 15 to 24 age bracket, and 19.9 per cent in the 25 to 34 age bracket. The concentration of the New Zealand precariat in the younger age groups possibly reflects the difficulties new entrants have in attaching to the labour market.

Figure 1. Composition of the New Zealand precariat by age.

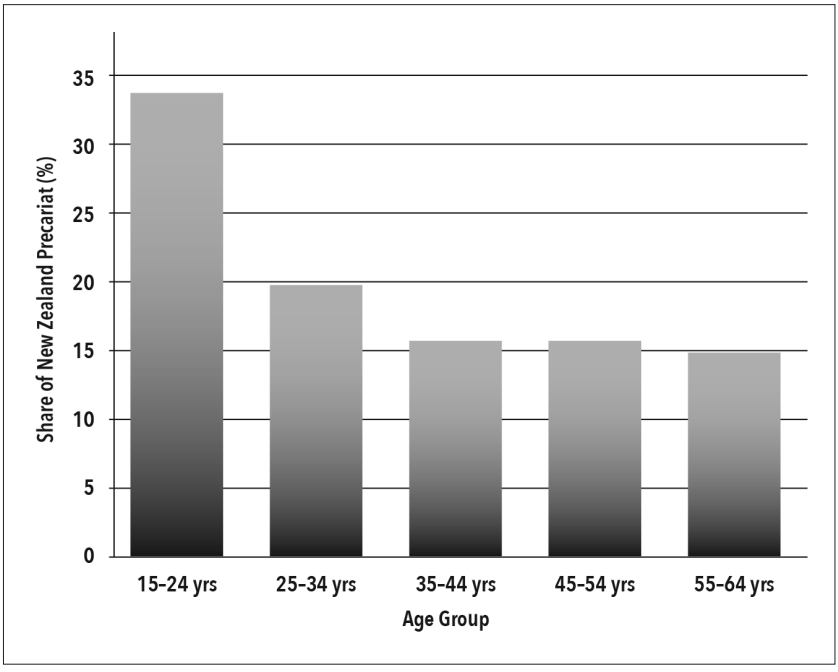


Table 2 presents the ethnic composition of the New Zealand precariat. People who identify as European compose the majority of the precariat, at 63.2 per cent, followed by Māori (21.8 per cent), Asian (12.4 per cent) and Pacific peoples (10.1 per cent). The concentration of the precariat among those who identify as European is largely a reflection of the fact that the highest proportion of New Zealand's total population also identifies as European.

Table 2. Composition of the New Zealand precariat and non-precariat by ethnicity. Note: ethnic categories are not mutually exclusive.

	European	Māori	Pacific	Asian	Total
Precariat	**383,000**	**132,000**	**61,000**	**75,000**	**606,000**
	63.2%	21.8%	10.1%	12.4%	
Non-precariat	**2,240,000**	**325,000**	**147,000**	**343,000**	**2,929,000**
	76.5%	11.1%	5.0%	11.7%	

In Table 3, we report the prevalence of the precariat within each ethnic group. Europeans have the lowest prevalence of precarity, at 14.6 per cent, even though the New Zealand precariat is predominantly composed of Europeans. Asian prevalence of precarity is similar to the European rate, at 17.9 per cent. However, prevalence rates for Māori and Pacific peoples are almost double those of Europeans, at 28.8 per cent and 29.2 per cent respectively.[10] Thus, while one in every seven Europeans is in the precariat, for Māori and Pacific peoples more than one in every four fall into the precariat. This finding is consistent with other research that reports higher rates of unemployment and poverty among Māori and Pacific peoples.[11]

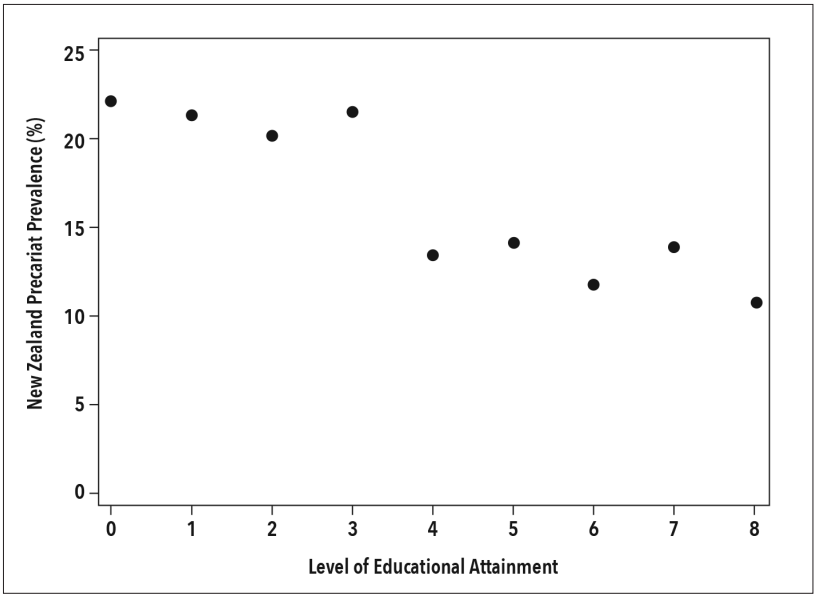
Table 3. Prevalence of the New Zealand precariat by ethnicity. Note: ethnic categories are not mutually exclusive. Reported figures for Māori diverge from those in Chapter 8, 'The Māori Precariat', due to differing data sources.

Ethnic group	Precariat	Total	Prevalence (precariat as % of total)
European	383,000	2,623,000	14.6%
Māori	132,000	458,000	28.8%
Pacific	61,000	209,000	29.2%
Asian	75,000	418,000	17.9%
Total	606,000	3,535,000	17.1%

In Figure 2, we plot the prevalence of New Zealand precarity for each level of educational attainment and find a clear association between the two. Of New Zealanders who have no qualification, 22.2 per cent

are in the precariat, while 14.0 per cent of New Zealanders who have obtained a Bachelor's degree are in the precariat. This finding is consistent with previous studies that report lower levels of educational attainment among those on social security benefits or in temporary work.[12] While those with higher levels of education are less likely to be in the precariat, there is minimal difference between those with no qualification up to NZQF (New Zealand Qualifications Framework) levels 1–3. Similarly, those with NZQF levels 4–6, a Bachelor's degree and other postgraduate degrees also display minimal differences in prevalence rates. This discontinuity is likely to be due to the decline in demand for unskilled labour, and the greater value attached by employers to post-secondary-school training.

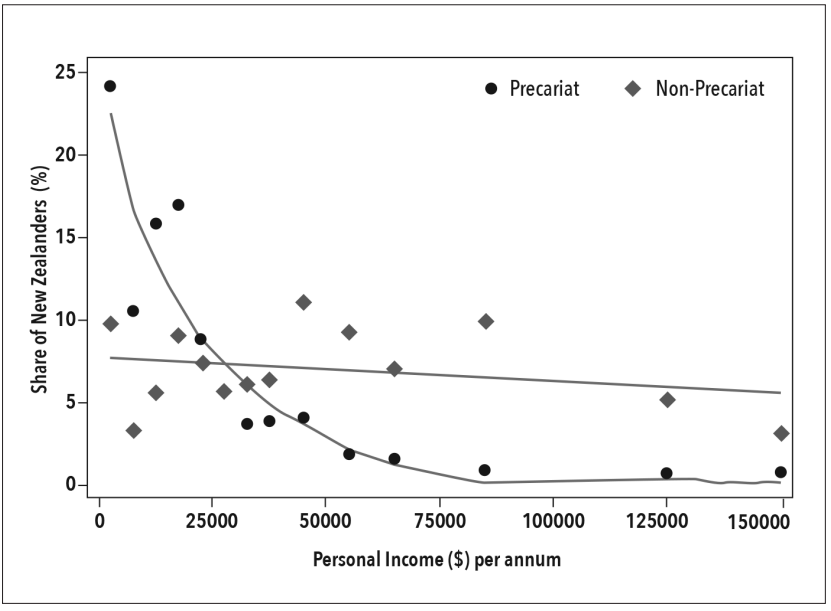
Figure 2. Prevalence of the New Zealand precariat by level of educational attainment. Note: level of educational attainment 0 is no qualification; 1 to 6 corresponds with NZQF levels 1 to 6; 7 is Bachelor's degree; 8 is Master's, Doctorate, and other postgraduate degrees.



Looking at the prevalence of the New Zealand precariat for each region in the country, the Northland group — Northland, Bay of Plenty and

Gisborne — emerges as the region with the highest prevalence, at 22.2 per cent. This pattern is likely due, in part, to relatively high levels of employment in seasonal industries — such as meat processing or horticulture — that play a central role in these regional economies. Canterbury has the lowest prevalence of precarity, at 11.3 per cent. The reasons for Canterbury's low rate are not well understood. The remaining regions — Auckland, Wellington, a residual group for the rest of the North Island, and a residual group for the rest of the South Island, have comparable prevalence, at about 16–18 per cent.

Figure 3. Composition of the New Zealand precariat and non-precariat by personal income. Note: personal income brackets are plotted at the midpoint.



In Figure 3, we plot the composition of the New Zealand precariat and non-precariat at each personal income bracket. As we might expect, the precariat is overwhelmingly concentrated within the lowest income brackets: 24.1 per cent are in the $0 to $5000 income bracket, and half the population of the New Zealand precariat live on a personal income of less than $15,000 a year.

Turning to the lived experience of the New Zealand precariat,

14.7 per cent indicated they were 'completely satisfied' with their lives, against 18.4 per cent of the non-precariat. However, members of the precariat were four times more likely to report that they were 'completely dissatisfied' with their lives than members of the non-precariat, at 1.2 per cent and 0.3 per cent respectively. Alarmingly, 30.0 per cent of the precariat indicated their income was insufficient to meet everyday needs for such things as accommodation, food, clothing and other necessities, compared to 8.4 per cent of the non-precariat.

CONCLUSION

The precariat is an emerging group in New Zealand that is over-represented by females, younger age groups, those with low or no qualifications, and those with low incomes. Another notable feature of this group is the higher rates of prevalence in regions associated with meat processing, horticulture and other seasonal employment. While larger numbers of Europeans are in the precariat, policy responses need to be sensitive to the fact that prevalence rates are highest among Māori and Pacific peoples. With few material resources and little opportunity for upward mobility, for many young New Zealanders the stage has been set for a lifetime of precarity. Government action is therefore essential.

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1 Guy Standing, *The Precariat: The New Dangerous Class* (London: Bloomsbury, 2011).

2 Guy Standing, 'Why the Precariat Is Not a "Bogus Concept"', *openDemocracy* (2014), available at: https://www.opendemocracy.net/guy-standing/why-precariat-is-not-bogus-"concept" [Accessed October 14, 2016].

3 Guy Standing, 'Understanding the Precariat Through Labour and Work', *Development and Change* 45, no. 5 (2014): 963–80.

4 Statistics New Zealand, *New Zealand General Social Survey 2014* (Wellington: Statistics NZ, 2014). The General Social Survey is a survey conducted every two years by Statistics New Zealand, and is designed to provide information on the wellbeing of New Zealanders aged 15 years and over. In 2014 some 8795 individuals participated in the survey, further details of which can be found at: http://www.stats.govt.nz/browse_for_stats/people_and_communities/well-being/nzgss-info-releases.aspx

5 Access to the data used in this study was provided by Statistics New Zealand under conditions designed to give effect to the security and confidentiality provisions of the Statistics Act 1975. The results presented in this study are the

work of the authors, not Statistics New Zealand.

6 Statistics New Zealand, *Flexibility and Security in Employment: Findings from the 2012 Survey of Working Life* (Wellington: Statistics New Zealand, 2014).

7 Statistics New Zealand, *Household Labour Force Survey Sources and Methods: 2015* (Wellington: Statistics NZ, 2015).

8 Christina Beatty, Stephen Fothergill and Rob Macmillan, 'A Theory of Employment, Unemployment and Sickness', *Regional Studies* 34, no. 7 (2000): 617–30.

9 Statistics New Zealand, *Flexibility and Security in Employment*.

10 Reported figures for Māori diverge from those in Chapter 8, 'The Māori Precariat', as a result of using a different data source.

11 Ministry of Social Development, *The Social Report 2016: Te Pūrongo Oranga Tangata* (Wellington: MSD, 2016).

12 Sarah Crichton, *The Impact of Further Education on the Employment Outcomes of Beneficiaries* (Wellington: Ministry of Business, Innovation and Employment, 2013); Sylvia Dixon, 'Temporary Employment and the Quality of Temporary Jobs', *New Zealand Journal of Employment Relations* 36, no. 1 (2011): 1–20.