

# Report from Sustainable Livelihoods Project Group, June 2003

## 1. Background

The Sustainable Livelihoods project is a working group of the Healthy Christchurch Initiative. It is made up of representatives from the following Healthy Christchurch Charter signatories: -

- Volunteering Canterbury
- City Care Ltd
- Christchurch City Council
- Work and Income
- Linwood Resource Centre
- Small Business Enterprise Centre
- Richmond Fellowship
- Te Whare Roimata
- Canterbury Development Corporation
- Mayors Taskforce for Jobs
- Healthy Christchurch

The group was formed out of two projects proposed at the initial Healthy Christchurch workshops – a proposal to research the future of work and how that will impact on the city, and a proposal to ensure that companies pay employees a ‘living wage’. Early discussions identified that the two issues were highly related and part of a common issue about how to ensure that every person is able to achieve a sustainable livelihood, whether they are in paid employment or contributing to society in other ways. It was recognised that achieving sustainable livelihoods required a thorough understanding of the underlying issues around work and employment and a recognition that isolated interventions, which ignored the wider picture, could do more harm than good.

The group decided to collect existing research about a number of related issues – employment patterns, overwork, hidden or undervalued work. The synthesis of this research would then be used to promote debate and practical proposals from a wide range of stakeholders. After an unsuccessful application for Ministry of Labour Future of Work funding, a researcher was employed on a short-term contract through CCC and Small Business Enterprise Centre. The project team asked him to concentrate particularly on definitions of ‘work’ and on drawing together some of the different statistical sources in order to give a fuller picture of the current situation. The research would then be used as a means of raising the issues with a wider range of stakeholders and inviting suggestions for practical initiatives to respond to the issues raised.

## 2. Findings of the research

### 2.1: Importance of definitions

An early and continuing stumbling block for the group was to distinguish between definitions of “work”, “employment” and “income”, which are sometimes used interchangeably but which can allow a huge amount of unpaid labour to remain invisible.

The group acknowledged that different types of work exist and these are not mutually exclusive but can be defined as

- Paid work, including people on wages, salaries or living off investments.
- Unpaid work such as family members contributing their labour to the well-being of the family, domestic labour which maintains the home and family and emotional work, such as caring for the sick and elderly. This category includes voluntary work for organisations/ communities outside the home.

This inclusive definition is necessary to highlight the considerable contribution of those involved in unpaid work. Ruth Dyson, Associate Minister for Social Services and Employment, noted (in 2001) that it makes sense to promote a wider definition of work since

*“There are roughly 3.8 million people living in New Zealand. About 1.75 million of us are in paid jobs. A further 120,000 are actively looking for a job. This leaves around 1 million working age people (15-65) who are not in paid employment or actively seeking paid employment. They may be doing voluntary work, domestic labour, caring for children, the sick or older people, or engaged in training and education. To leave these people out of the definition of “work” would be to ignore their contribution to our economy and communities, as well as their needs and rights.”* (Address to Canterbury Volunteer Centre AGM, 17/7/01)

## 2.2: Statistical confusions

In pulling together statistics from a range of sources, the research highlighted the difficulties of clarifying an overall picture when different sources include different definitions/ boundaries. For example, the number of people in paid employment has increased but the number not in paid employment has stayed the same - which could mean people are starting work younger or working past 'retirement' age but this is not clear from the statistics. Similarly, a 'full-time job' is defined as anything over 30 hours. 30% of workers work a 40-hour week but 50% of workers work "full time", with the number of hours this describes unclear.

## 2.3: Poverty/ Inequality

The research highlighted the levels of inequality between genders, between young people and older people and between Pakeha and Maori and Pacific workers. The average gross weekly income for males was \$639 (\$33,228 p.a.), and for females was \$403 (\$20,956 p.a.). For those in paid employment average gross weekly income was \$732 (\$38064) for European/Pākehā, \$668 (\$34736) for 'Other' ethnic group, \$594 (\$30888) for Māori, and \$541 (\$28132) for Pacific peoples.

The median gross weekly income for men in employment is \$678 (\$35,256) and for women is \$485 (\$25,220). The median gross weekly income for employed people is \$614 (\$31,928) for Pakeha, \$543 (\$28,236) for Maori and \$500 (\$26,000) for Pacific peoples.

There is also a clear gap between the average gross annual income (\$26,936) and the median gross annual income (\$20,540), which indicates that the gap between high and low income is very wide. (Source for all figures: New Zealand Income Survey, June 2002 quarter).

According to the New Zealand Time Use Survey, men average two hours more paid work per day than women, while women spend two hours more per day doing unpaid work. Women spend around twice as long as men in activities such as meal preparation and other household work, and nearly three times as long looking after other people in the home. Māori women and men average more time per day than non-Māori on caregiving for household members, unpaid work outside the home, and participating in religious and cultural activities. The categories used in the Time Use survey did not clarify whether the unpaid work was voluntary work – further clarity is needed i.e. slavery is unpaid work, but not 'voluntary'. In an urban society, everyone needs access to some form of income and income maintenance is therefore a primary priority, sometimes above employment or meaningful work.

## 2.4: Unemployment, Underemployment and Overwork

Research evidence demonstrates unequivocally that a relationship, if not causality, exists between unemployment and a wide range of social problems such as ill health, premature death, suicide, marital breakdown, child abuse, racial conflict, violence and crime. While full employment was achieved in the 1960s and 1970s, it is now accepted that an unemployment level of around 5 -7% of the working age population is inevitable. This is a major change in cultural thinking in NZ since the 1970s.

In the September 2002 quarter, an estimated 108,600 people were employed part time and wanted to work more hours. Underemployment is reflective of trends in part-time employment to more casual, precarious and insecure employment.

Conversely, many workers complained that their working hours regularly far exceeded those they were contracted for. While several group members had anecdotal evidence of people with unhealthy, unsustainable work practices, whose salaries looked good until divided by the actual hours worked, much of this issue is hard to quantify. The Thirty Families Project: The Impact of Work Hours on New Zealand Families is a report commissioned by the New Zealand Council of Trade Unions (July 2002) aimed to examine the issue of overwork. The report notes the adverse effect of long hours on the health of individual workers, their families and their social networks. Many participants relied on a female partner to maintain domestic duties largely alone and most reported that they no longer had time to take part in external social and leisure pursuits. The impact of new technologies like cellphones and e-mail which required them to be constantly available to their employer was noted. The report highlights the adverse outcomes for worker health, gender equity, family life and social capital on a wider scale.

Unemployment, underemployment and overwork are all hallmarks of a society where the full contribution of people to their families and communities is not fully understood or valued – where the burdens fall on too few and many contributions are not recognised. These attitudes distort the real global picture –

*“A substantial proportion of the world’s population has never had a JOB in the ...contractual or regularized sense of the term. The world labour force of around three billion, only 400 million are ‘employed’ in the industrialised countries.”*

(John Lawrence, 2002: Adult Education and Jobs, or Sustainable Livelihoods?, p2)

## 2.5: Impact on support networks

While the statistics may have been somewhat confusing, it was clear from the underlying picture that there were high levels of stress and unhappiness with NZ’s emerging work patterns. Traditional support patterns are undermined by a variety of factors, including changing work patterns, low wages, flexible working conditions, increased mobility and smaller family size. When unwaged productive work, domestic, emotional and voluntary work go unvalued, it places extra stress on those caring for family members or others. Studies estimate that worldwide 40% of economic activity (measured by hours of work) is unpaid. Informal caring activity is crucial to social support systems, but remains largely invisible in a market-obsessed economy.

## 2.6: Debt

While it was hard to trace within the statistics, debt is an important issue when considering sustainable livelihoods. There is a worrying disparity between household income and expenditure and it is clear that once a certain level of credit card or hire purchase debt is accrued, people will find it almost impossible to break free of the cycle of work and debt

repayment. This is also a major factor for people with student loans. All these issues will have long term effects on societal trends like house-buying and parenting.

### **2.7: Relationship between skills/qualifications and income**

There is a clear correlation between level of qualifications/formal training and ability to earn. This places high importance on good, equitable access to education and training and means that those who are unable to attain a reasonable level of qualification/training for whatever reason, will continue to be disadvantaged in achieving good employment prospects. Sustainable livelihoods will require appropriate developments in education and training.

### **3. Conclusions and proposed responses**

The Sustainable Livelihoods Project team are keen to promote a wider definition of 'work', which recognises and values all contributions to sustaining and strengthening our communities. The group identified a number of questions which they felt are the basis of the discussion for this wider definition of work. These include

- What makes for a genuine sense of security?
- How does a lack of a secure livelihood distort our values as individuals and collectively?
- What are the things we most value as individuals and communities?
- What keeps people and communities going during the hard times?
- What values and treasures do we want to pass on to future generations?

They wish to promote broad ranging discussion of the above issues, especially in regard to what tools or projects might assist in the transition, in this city and elsewhere, to a healthier, sustainable and more equitable culture around work in its widest sense.

They propose to promote this discussion by means of the following:-

- By hosting a seminar which provides an opportunity for Healthy Christchurch signatories to explore these issues more thoroughly and begin identifying possible tools for the transition to a healthier, sustainable and more equitable future.
- Through networking with identified stakeholders i.e. Ministry of Women's Affairs, Te Runanga O Ngai Tahu, Department of Statistics, Manufacturer's Association, Chamber of Commerce, and others.
- Further exploring the viability of a Living Income scheme, where employers who offer their workers pay and conditions which enable them and their families to 'thrive' within the local economic environment, are recognised.
- Promotion and support for existing initiatives which promote sustainable livelihoods i.e. Healthy Workplaces project, CTU Get A Life Campaign, Volunteering Canterbury, Green Dollars.

Lucy D'Aeth

For the Sustainable Livelihoods Project Team, June 2003