A Review of the Literature on Non-Standard Work and the New Economy

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Introduction

The borderline between social exclusion and daily survival is increasingly blurred for a growing number of people in all societies. Having lost much of the safety net, particularly for the new generations of the post-welfare state era, people who cannot follow the constant updating of skills, and fall behind in the competitive race, position themselves for the next round of “downsizing” of that shrinking middle that made the strength of advanced capitalist societies during the industrial era. Thus, processes of social exclusion do not only affect the “truly disadvantaged” but those individuals and social categories who build their lives on a constant struggle to escape falling down to a stigmatised underworld of downgrounded labor and socially disabled people (Castells, 2000:376).

The reason for this literature review was to identify what was available for four types of non-standard work: (i) fixed-term employment (such as those defined by a particular task and include occupations that deal in contract work, temporary work, and the provision of particular home services, such as trade or security work); (ii) portfolio working, or the undertaking of two or more forms of paid employment including fitting employment alongside non-employment activities, such as working outside school hours; (iii) home-located work, or those who work from home, including occupations such as researchers and information technology (IT) support; and (iv) self-employment, excluding ‘standard’ self-employment occupations such as those in trade, but including new technology work and entrepreneurs. The four categories may all overlap. Whatman (1995) offers a definition of non-standard work as being work that is not fulltime (30 or more hours a week), permanent, regular hours over the whole year for someone else, and primarily at the employer’s premises.

A literature search was conducted using two primary means: the bibliographies of general texts or chapters dealing with work in New Zealand (such as Spoonley, 1996 and Austrin, 1994) and an Internet search. The Internet search provided only a brief amount of literature, mainly in the form of governmental reports, from both New Zealand and abroad. Much of the literature is empirical and lacks any robust theoretical grounding. In New Zealand, in the last decade of the twentieth century, a vast amount of literature was written surrounding the Employment Contracts Act and its affect on the labour market. Much of that legislative specific literature has been omitted as this review is primarily concerned with work in the ‘new economy’ and changing configurations of work in the twenty-first century. There are areas of omission in the literature with relation to non-standard work, notably as it applies to disabled and young people specifically. The literature tends to focus on political-economic factors, even when it is concerned with a specific gender (such as women in the work-force) or ethnicity (such as Maori or immigrants in the work-force) and thus deals less with sociological or psychological circumstances on the changing nature of the work force and the labour market. Debates surrounding post-Fordism, globalisation etc., are not covered extensively in this brief
literature review. However, an extended bibliography at the end of this review directs the reader to some texts in this area and expands on areas mentioned herein.

In his book, *End of Millennium*, Manuell Castells (2000) argues that a new world is taking shape, originating out of the historical coincidence of three independent processes: the information technology revolution, the crisis of both capitalism and the modern state, and the blooming of cultural social movements. These three processes provide a good starting point for the key areas identified in the literature on non-standard work. The review begins with literature surrounding non-standard work in New Zealand before specifically looking at self-employment, contract work, the ‘black’ economy, and the gendered labour market. This review then examines literature from abroad, beginning with material from the United States of America. This report examines the ‘new economy’, the changing structure of work, the changing nature of work, the changing labour market, demography and employment, and training and employment. The review then examines the new economy and IT in Asia before examining the new economy in the United Kingdom, specifically regarding employment sustainability, and in the United States.
Non-Standard Work in New Zealand

There have been various surveys carried out in New Zealand on non-standard work (e.g. Anderson, Brosnan, and Walsh, 1992a, 1992b, 1993; Heylen-Department of Labour Surveys of Labour Market Adjustment, 1993; NRB McNair-Department of Labour Survey, 1989). In addition, information is available from the Census, Household Labour Force Survey, and Quarterly Employment Survey. While non-standard work sometimes embodies a pejorative notion for work, it is now common and important for the labour market as a whole; likewise caution should be given in associating non-standard work with precariousness as the two are not inevitably the same (Whatman, 1995). Traditionally, non-standard work has been concentrated in service industries and occupations. Whatman (1995) suggests that non-standard workers are the most difficult to locate and obtain information on, and therefore research is both expensive and difficult.

Brosnan and Walsh (1997; cf. Atkinson, 1986) identify three types of labour market flexibility: functional, financial, and numerical. Functional flexibility involves the dissolution of traditional skill boundaries between jobs, the disappearance of some occupations and the retraining of workers to fit into the new working environment. Financial flexibility refers to the change in payment systems from traditional systems based on skill and service to performance-based systems, productivity, or profitability. Numerical flexibility is the most relevant here. It refers to the degree to which employers are able to move away from the standard model of employment to non-standard models. The standard model of employment undertaken by a predominately male workforce was generally a 40-hour working week for 52 weeks a year, performed in the daylight hours with the possibility of continuous employment until retirement. New technology, economic globalisation, economic recession, intensified product market competition, changing social attitudes, the extension of tertiary education, the increasing labour force participation of women, unemployment and underemployment, changes in the bargaining position of organised labour, and new forms of company ownership and structure (pp.192-212) challenged this traditional model of work and created a demand for, and made possible, non-standard forms of employment1. Austrin (1994) notes that sociological analysis on the process of redrawing a firms’ boundaries and contracts has concentrated on either describing new networks or hybrid organisations or has emphasised the break-up of existing hierarchically organised labour markets. The increased use of part-time work and the use of short-term contract work and youth employment are all examples of this process of numerical flexibility (cf. Mangan, 2000). This type of flexibility has traditionally been part of the hospitality and agricultural trades, but is now more obvious in other sectors of the labour market.

Non-standard work is becoming more standardised: more women are in the work force; there is more flexibility in the labour force; there is an increase in people working from home or as self-employed; contract and temping work are common-place; and there is a

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1 It should be noted that while this has been a predominant form of structuring work, non-standard work has long existed in the manufacturing, primary and service industries, especially as a gendered form of work involving female labour.
more internationally mobile work-force. Perhaps the ‘golden age’ of full sustainable employment (an anachronism in any case, as ‘full’ employment ever only meant men in full employment) has come to its natural end? Mangan (2000), using the work of Capelli (1999) and others, argues that this is so. A combination of factors has led to the standardising of non-standard work and the non-standardising of standard work. (The very labels are increasingly problematic). The internationalisation of production, post-war economic growth in Western countries, and the growth of labour unions all proved conducive factors to full-time employment. However, the post-oil shock recessions of the 1970s, an increase in global competition (as opposed to production), the entry of women, students, and retirees into the workforce and subsequent displacement (in some cases) of blue-collar workers, middle management, and males, and the removal of tariffs and adoption of free market principles, all challenged this ‘golden age’ of employment.

In the New Zealand context Brosnan and Walsh (1997) found that casual employment declined under the Employment Contracts Act (hereafter, ECA), while part-time temporary employment doubled during the period 1991 to 1995. Through this same period, women were more likely to be in non-standard employment than men were, although they tended to discount the claim that the ECA had casualised the female labour force. However, women were twice as likely as men to be casual workers in 1991 and 1995; in contrast to casual employment, men are more than four times as likely as women to be contractors or consultants. All non-standard employment categories increased in the private sector since 1991, and both the public and private sectors showed a substantial increase in fixed-term employment. But whereas temporary and part-time employment grew considerably in the private sector, it remained unchanged in the public sector. They found that rather than workplaces adopting a general policy of contracting out, they instead made individual choices to contract in or out depending on their particular circumstances. The biggest increase of non-standard work is expected to be in casual employment, although Brosnan and Walsh (1997; cf. Mangan, 2000) argue that this will be tempered by a continuing attachment to traditional models of employment. Brosnan and Walsh (1997) argue that any claims that there has been a pronounced shift toward non-standard employment in New Zealand should be treated with scepticism. However, they did recognize that there was an expectation of a growth of non-standard employment due to the labour market deregulation under the Employment Contracts Act.

The report of the Prime Ministerial Task Force on Employment 1994 (hereafter PMTFE, 1994a) noted that non-standard work is becoming more common. However, the report was unable to ascertain whether these changes were employer-driven or employee-driven, or both, and what the exact figures of workers were involved in non-standard employment. They identify issues that arise from this trend: less secure and lower-paid employment and less access to employment conditions and employee benefits. The report also identifies the rise in self-employment as common among many industrial countries. The report does not predict in any detail how non-standard work will affect the New Zealand labour market; however, they do note that the slowly rising average age of the labour force will be coupled by an increased labour market involvement by Maori and Pacific peoples. In a further report (PMTTFE, 1994b), they noted that there were no regulatory constraints preventing flexible working arrangements in New Zealand, such as
work-sharing, working from home, and telecommuting and that the Government should encourage innovative employment practices.

The next section provides further details of particular types or issues associated with non-standard work, beginning with self-employment.

(i) Self-employment in New Zealand

Bururu (1999) discusses self-employment in terms of push and pull factors. These factors may include: a highly regulated labour market, where difficulties in hiring and firing may encourage employers to contract out services to minimize their own labour costs; increasing non-wage labour costs, such as compliance costs, taxes, and levies; and rigid working arrangements, which may force out individuals who prefer flexibility in work. He suggests pull factors may be: easy access to capital, high returns to self-employment, an increased proportion of small firms in the economy, flexibility to both firms and employees, low corporate tax rates, being your own boss, and less rigid contracts for services. Push factors on the other hand are: rising unemployment, rigid wage or salary working conditions, demographic composition (such as a high proportion of women in the work force), non-transferable skills, high marginal rates of personal taxation, location and high relocation costs, and more rigid contracts of employment. The majority of self-employed are in trade occupations although about 35 percent of those in corporate management are also self-employed. Recent increases in self-employment amongst associate professionals may be explained by the trend to contracting out work. In relation to ethnicity, most self-employed workers are of Pakeha origin, although a larger proportion of Asian females are self-employed in comparison to any other ethnic groups; there was a marked increase in self-employment of Asians between 1991 and 1996.

Bururu (1999) notes that not all self-employment will be job creation: some forms of subcontracting are displacement from wage and salary employment. Bururu suggests several reasons, in addition to his push and pull factors, to explain the moderate rise in self-employment in New Zealand. These reasons include: labour market reforms and a decline of labour union activity (which in turn facilitates more flexible employment arrangements), the downsizing of large companies, easy access to capital (from financial market reforms), recognition of intellectual property rights, franchising, and changes to ACC legislation leading to more contract work for riskier tasks. Bururu concludes that self-employment has an enabling effect on labour market flexibility, it offers flexibility to the individual in terms of work hours and working arrangements, and it should be considered as an option when formulating employment policy. He suggests that further research should examine the influential factors on self-employment entry and exit rates, the unstable incomes of self-employed workers and the associated economic volatility, the effect of self-employment on discouraged workers, the demand side effect of self-employment on a subdued labour market, the welfare and income distribution effects of self-employment, and labour market flexibility.
(ii) Contract Work

A feature of modern work that Atkinson (1986) identifies is that of distancing, or sub-contracting. Sub-contracting has traditionally been common within the construction industry, but is now much more extensive in other industries, in both the private and state sectors. Examples of these other industries include specialist consultancy firms in communications and finance on one hand, and cleaning and catering contract firms on the other. A related industry model is franchising, common in the food and beverage industry. Austrin (1994) identifies three differently qualified groups of workers in three distinct types of labour market. The first group includes the core workers, who are full-time, multi-tasked, and permanent, carrying out essential activities within a firm or enterprise. The second group, the peripheral workers, carry out routine and mechanical activities; they are more likely to be female, members of an ethnic minority, and employed on a part-time or temporary basis and their skills are readily available on the labour market. The final category encompasses external, or contract, workers. They are drawn either from a specialized occupational labour market or from a secondary labour market.

(iii) The Informal Economy

Much of the recent literature, notably outside New Zealand, deals with the ‘new economy’, which more often than not is synonymous with ‘new technology’. However, what Deeks and Boxall (1989) refer to as the ‘informal economy’ is worth noting, and placing within emerging labour market trends. They, using work by Henry (1981), offer three typologies of informal economies and their institutions. The first type is the ‘official’ informal economy, which includes the ‘regular economy’, such as employment, health, and social services, and the ‘criminal economy’ such as professional theft and drug trafficking. The second type is the ‘unofficial’, which includes the ‘informal economy’ of perks-payment and voluntary organisations, and the ‘hidden economy’ of pilfering, fiddling, and amateur trading. The third type is the ‘alternative’, which includes the ‘social economy’ of domestic production, barter and exchange, and self-help groups, and the ‘black economy’, which includes irregular work, moonlighting, and fringe medicine. Deeks and Boxall (1989) argue that the redefinition of work will not solve the principal problem: access to paid jobs in the formal economy. Jock Young (1999:8) identifies a change in the nature of the work force, what he refers to as a ‘qualitative leap in the levels of exclusion’. He argues that the downsizing of the economy has led to the reduction of the primary labour market, the expansion of the secondary market, and the creation of an underclass of structurally unemployed. Young also comments that ‘the resulting effect of lean production and re-engineering is to remove a sizeable proportion of middle-income jobs and to engender a feeling of precariousness in those previously secure’ (Young, 1999:8). While it needs to be tempered by a recognition that non-standard work and precariousness are not synonymous, nevertheless, those workers who are displaced, or who are in non-standard work out of necessity rather than choice, may experience this precariousness.
The Gendered Labour Market

Sociological research on part-time work began in the 1950s with an enthusiastic assumption that part-time work was beneficial in the development of a women’s progression toward equality. By the 1970s, however, a more critical view had been adopted and by the 1980s, it was argued that part-time work did not serve the interests of women as it reinforced women’s unpaid labour in the home. Other criticisms highlighted the limited range of occupations, the poor pay rates and conditions of employment, and the lack of job security. Davidson and Bray (1994), citing Haines (1989), attribute the rapid increase in the numbers of New Zealand women in part-time employment to changing economic factors, such as falling household incomes during times of unemployment and the need for two incomes to support lifestyles, large numbers of women combining unpaid work at home with some paid employment, and the increasing numbers of young people combining study with part-time work. Davidson and Bray’s conclusion was that women were disproportionately experiencing the negative consequences of the flexibility of employment introduced under the ECA and the deregulated economy.

Briar (1992:78) makes a pertinent observation:

It is perhaps significant that the typical ‘full time’ employment patterns of male employees are seen as the ‘norm’, whereas part-time work, despite now being the most common form of employment for married women in some countries, is still defined as an ‘atypical’ work pattern.

It is important to make the distinction between women entering the ‘standard’ work force, such as in industries like printing and banking, and women entering, remaining, being forced into, or being confined to, the non-standard work-force. Austrin (1994) argues that the social organisation of paid part-time work has definite consequences for women in New Zealand as the majority of such jobs are found in service occupations, are usually located at the bottom of the occupational ladder, are generally segregated from men’s work, prevent women from being promoted within a single career (rather they pass from one job to another), are usually classified as less skilled and have few benefits, such as sick leave or maternity leave.

Davidson and Bray (1994) suggest that the most pervasive theme in the literature is that women’s part-time work has a negative impact on the development of a more equal distribution of domestic responsibilities between men and women, is only available in a limited number of occupations, is associated with low rates of pay, and offers poor employment conditions and little job security. Part-time employment may also mask ‘underemployment’ where people would work more hours if they were available. The increase of women’s role within the part-time workforce has been explained in the literature by a variety of factors, including: demographic developments (such as declining fertility and delayed childbearing); familial changes (such as increases in divorce, sole parent households, and reconstituted families); increased consumer expectations; changing expectations of gender roles; a need for two incomes to maintain living
standards, and the expansion of the service sector and in jobs traditionally seen as ‘women’s roles’. Davidson and Bray suggest that in the retail sector employment is becoming increasingly part-time, casualised, feminised, juvenilised and intensified. However, for some women, part-time work offers flexibility, freedom, and a degree of autonomy, extra income, and time to pursue other commitments. These positive attributes are usually only given by women who have chosen to work part-time and are not ‘underemployed’ and wanting more hours. Negative aspects of part-time work included differential treatment between full and part-time staff, and dissatisfaction with rates of pay and hours of work. Davidson and Bray observe that many women engage in part-time work out of necessity, rather than out of choice, and it is these women who suffer most in a deregulated employment environment.

Davidson and Bray draw a distinction between two types of part-time work: those in the primary labour force and those in the secondary labour force. The former involves jobs with specific skills while the latter involves less skilled and lower paid jobs. Most growth in the twenty years up to 1994 was in the secondary sector, where women predominate; thus, the growth of part-time work has occurred in occupations that perpetuate the differences between men and women across occupations. While there is an increase of women in the workforce, this increase is mainly in a few occupations and characterized by low pay. Davidson and Bray note that while there were two major studies carried out in the 1980s on the changes in the nature of part-time work (Dixon, 1985, Clark, 1986), very little research was undertaken in the 1990s.
Non-Standard Work Internationally

Carnoy and Castells (2001) estimate that non-standard employment increased in almost all countries in the OECD between the mid-1980s and the mid-1990s, rising to 37 percent in the United Kingdom, 30 percent in France and Germany, almost 40 percent in Italy, more than 40 percent in Holland, and almost 50 percent in Japan and Australia. Mangan (2000) suggests that the highest rates of non-standard employment are recorded in Spain at 60 percent. All his other estimates are lower than those offered by Carnoy and Castells; for example, while Australia – with the exception of Spain – had the highest proportion of non-standard workers at 33 percent, this is 13 percent less than the Carnoy and Castells (2001) figure. An explanation can be offered by using Mangan’s (2000:172) own words: “The disparate collection of alternative working arrangements that make up non-standard employment are united, principally by the fact that they all represent a departure from traditional employment.” Thus, the differences between these two estimations may come down to issues of both definition and measurement, and suggests that caution needs to be exercised in any international comparisons. Nevertheless, Mangan (2000) notes that women continue to make up the bulk of non-standard employees, particularly in part-time and temping work. A further reason offered by Mangan (2000) for the increase of non-standard employment is that employers are increasingly using it as a screening practice, and thus, the increase of males in non-standard employment could be seen as their entry and exit points from the labour force. In addition to this transformation of work, turnover rates are increasing in OECD countries: younger workers change jobs to increase their earnings, while middle-aged workers are restructured out of jobs and thereby taking income losses. Gone is the traditional relationship between earnings, seniority and security in the workplace. In addition, network technology is changing relations within and across companies, those workers who are not ‘looped in’ to this new technology are disaggregated from their traditional networks, but often not integrated into new ones (Carnoy and Castells, 2001).

(i) The United States

In the US, younger workers change jobs more frequently in order to increase their earnings while older workers are restructured out of jobs and according to a 1999 survey the proportion of non-standard workers in California is 57 percent, well above the national proportion of 27 percent (Carnow and Castells, 2001). A report by the US Department of Labor (USDOL, 1999) indicates that roughly one in ten workers work in an ‘alternative’ working arrangement and that nearly four out of every five employers use some form of non-traditional staffing arrangement. The majority of these workers are contract workers (8.5 million), with a growing number of temporary agency workers (1.3 million); this is an increase in ten percent from 1995 to 1997. However, agency temporary workers’ average weekly earnings are the lowest of all non-traditional workers earnings in the US. The USDOL futurework report identifies some significant factors that will affect work in the twenty-first century: baby boomers make up almost half of the work-force today; younger women are enrolling in college at a higher rate than men; young people hold an average of nine jobs before age 32; small businesses employ about half of the
nation’s private sector workforce; e-commerce revenue for 1998 was estimated at US$300 billion; in five years, almost half of all workers will be employed in industries that produce or are intensive users of information technology; and with more than 1600 corporate training institutions already established, of the number of ‘corporate universities’ could surpass the number of traditional universities by 2010. In addition, workers with disabilities are more likely to have two jobs, more likely to work part-time because they cannot find full-time work, more likely to be self-employed, more likely to earn less per month/hour/year, and are less likely to work in a white collar occupational group.

(ii) British Colombia

The rise in non-standard forms of work which, while bringing flexibility and innovation, also raises concerns about job security and the adequacy of benefits for workers. A report by the Ministry of Advanced Education, Training, and Technology in British Colombia, Canada (n.d.; hereafter B.C.) notes that non-standard employment has been growing more rapidly in B.C. than standard full-time employment and is also projected to continue its growth at a faster pace which will, in turn, result in an increase in its share of total employment. The B.C. report attributes the growth in non-standard employment to a number of mutually reinforcing trends. The growth in the service sector, in which work was traditionally part-time, has increased the growth in part-time employment. The increased use of IT, and more demanding customers wanting rapid responses in the production and delivery of services, has seen an increase in full-time hours beyond the standard 9 a.m. to 5 p.m. working day. In addition, in order to concentrate on core services, many firms and organizations out-source work. In B.C., there is an increasing involuntary facet of part-time employment, as a number of part-time workers are looking for another job. Furthermore, the number of multiple jobholders in B.C. doubled twice, between 1975 and 1981 and again between 1981 and 1994. Likewise, in the latter period, there was an increase of 65 per cent of self-employed workers in B.C. and this category now accounts for about 18 percent of all employment; a major increase was between 1989 and 1994 where it increased by 36.3%. The report attributes the rise in self-employment to a variety of factors: corporate downsizing and the trend toward out-sourcing professional services where professionals set up their own businesses to serve former employers; the strength of the B.C. economy and growing population; and an increased demand for small-business and entrepreneurial training to support the growth in self-employment. The next section picks up some of the key themes that emerged in the B.C. report.

(a) The ‘New’ Economy

The B.C. report identifies trends in what they refer to as the “emerging knowledge and information economy” (B.C., n.d.:21) and what others have referred to as the “new economy” as being that the majority of work will be derived from adding value to both existing and new services and goods. The drivers of the economy will include new and existing industry sectors. There will be a fundamental change in the work functions
required of an individual, to producing something less tangible but of value or something that contributes to the production of traditionally tangible goods. These changes are no longer consequences of the vagaries of the economy, but are also driven by structural change, such as a mismatch between the skills of job seekers and the skills required for available job vacancies. Yet this problem, the B.C. report points out, is not solved by ‘matching’ the mismatch as ‘all employment is not created equally…offering the same level of income, or equally valued or pursued by workers (B.C., n.d.: 23).’ There appear to be two problems here: one on hand, some unemployed workers are unwilling to accept available positions for which they have the skills because these jobs do not meet their income needs and/or expectations. On the other hand, there is a strong demand for workers with highly marketable skills in knowledge and technical fields. However, these workers are in short supply. There is a third group: unemployed workers who have significant work experience, but lack the specific in-demand marketability skills or have skills redundant because of technological or organisational change.

(b) **The Changing Structure of Work**

The report also identifies the changing structure of work organisation. With regard to the growth in non-standard work, the report comments:

> The trends experienced in growing non-standard employment and employment in smaller firms are in part reflecting the pressures to move toward team-based approaches of work organization built on worker participation in the information flow and decision-making, broadly designed job descriptions and multi-skilled workers often receiving compensation based on performance and skill (B.C. n.d.: 18).

The report identifies three main interacting components of employment which have developed: a core workforce of full-time, full-year workers within organisations, a group of skilled, self-employed and professional workers who work on a contract basis, and a peripheral or contingent group of workers who are involved in part-time, temporary or seasonal work, and are often low-skilled. Of course, there may be movement of workers between these categories. Those workers with the least skills and training experienced the most severe adjustment problems, particularly if they are displaced involuntarily. In addition, workers entering or re-entering the workforce after an extended absence, regardless of education or skill level, are finding it increasingly difficult to immediately enter a core employment position. While there are some ongoing fundamental changes in the structure of work, the report adds an important caveat, worth quoting in full here:

> The fact is that although the nature and structure of the economy and employment is changing, it has not so radically altered as to expect that the vast majority of all the openings will be for scientific technicians, high tech knowledge workers and the like. (B.C. n.d.: 20, my emphasis)

(c) **The Changing Nature of Work**

Several processes are working together, although also to a degree independently, to change the nature of work. The B.C. report identifies four processes: economic restructuring, natural resource constraints, rapid introduction and the diffusion of new
technology, and international competition. However, the work force is not adapting as rapidly as the work environment. One consequence of this is structural unemployment. The report notes that the majority of net new employment is with small employers and in self-employment. In the public sector, fiscal constraints are not sustaining employment expansions as they used to, while in the private sector, the downsizing and outsourcing of work is limiting employment growth in large firms.

(d) The Changing Labour Market

The report then further identifies the changes in the labour market including: the globalisation of markets, technological change, changing customer-driven demands, changing patterns of trade, and changing demographic trends. All these changes combined lead to an upward shift in skill needs in the service and information sectors, while many traditional sectors require a changing and increasing set of skills from their workers. The explosion of information technology (IT) during the last ten to twenty years of last century has affected employment in every sector: for example, the computer is changing the way organisations operate, workers work, and the types of work they perform.

Yet in addition to being able to keep abreast and trained given the rapidly changing IT influence on work, there is also the need to have what the B.C. report refers to as generic employability skills. For example, no longer can workers in businesses just be narrow specialists for distinct functions or just require up-to-date technical and occupational specific skills, but workers also need generic skills such as problem-solving, computer literacy and customer responsiveness. These generic skills are not generally part of on-the-job training; rather are accumulated through work and life experiences. However, “generic employability skills are critical for workers to enable their flexibility to respond to the growing trends of non-standard employment arrangements” (B.C. n.d.: 6). In an ever-and-fast changing labour market, with less job security than in the past, generic employability skills are more durable and more transferable than the specific skills of a particular occupation. The B.C. report predicts that the greatest number of employment openings in B.C. between 1993 and 2005 are projected to be in the service sectors. A 1996 American Management Association survey of mid-size and larger businesses found that 19 percent of job applicants taking employer-administered tests lacked maths and reading skills necessary for the jobs for which they were applying, a percentage that rose to 36 percent in 1998 (United States Department Of Labour, 1999; hereafter USDOL)

(e) Demographic Changes

The relationship between demography and employment is becoming increasingly important. Roughly the same number of people live in British Colombia as in New Zealand (3.6 million in B.C.) and, like New Zealand, the age structure of B.C. is shaped by the post war baby boom and a subsequent drop in birth rates. This changing demography has a direct impact on the mix of domestic demand for goods and services and is projected to increase demand for areas such as financial planning, retirement housing, health care, travel services and restaurant meals. Front-end baby boomers in B.C. (aged 35 to 48) have a variety of skills and experience but are coming up against too
few management positions and in the case of women, a ‘glass ceiling’ culture of traditional male management. In B.C., 75% of the existing workforce will still be in the workforce in fifteen years time and they will need skills upgrading in order to cope in the changing world of work. In addition, traditionally under-represented groups in the labour force, such as women, indigenous peoples and other minority groups, should be given equal opportunity to enter the workforce as they will make up an increasing share of new labour force entrants. The B.C. report identifies the strongest increases in unemployment duration being experienced by older workers aged 45 and above.

(f) Training and Employment

The relationship between training and employment is becoming increasingly important and the B.C. Report asks the important question: ‘training for what?’, to which it implicitly adds, ‘training by whom?’. The training of a student, a fifty year old unemployed worker and a small business owner necessarily differ from each other. Training once guaranteed a job, which is no longer the case; however, training does make seeking work more competitive. The paper answers this question as follows:

Yet, much of the appropriate answer to the training for what question rests upon understanding and actively meeting the demand for workers by employers – by better ensuring the skills imparted and acquired by learners are those which employers value and need, and which in turn lead to improved employment outcomes for workers.

In B.C., the unemployment rates continue to be inversely related to their level of educational attainment, a relationship that has become more pronounced since the 1960s. The report suggests that unlike demand-deficiency unemployment, which results from fluctuations in business cycles, structural unemployment can be directly addressed through skills and training efforts, which in turn provide marketable skills to workers which directly apply to employment opportunities. The B.C. report judiciously points out that there is enormous pressure on young people – or indeed anyone in search of employment – to present themselves in ways attractive to employers. Whereas once graduates took a job and remained with an employer for their entire working career, that is no longer the case. It is expected that an employer will work for several employees during their working career. Therefore, preparation and training for a working life should encompass this fact and it is important that an employee is able to have inter-occupational flexibility and be able to adapt to intra-occupational changes; therefore, the concept of lifelong learning is not only necessary, but essential. The B.C. report argues strongly that training and skills development should be an integral part of a larger range of active measures like work experience, counselling and job search assistance.

(g) Training and Education: New Zealand and the United Kingdom

Within the New Zealand context, the PMTFE notes that the New Zealand Curriculum Framework (NZCF) provides room for flexibility within the curriculum, through seven essential learning areas (mathematics, English, technology, social studies, arts, health and physical well-being) and eight essential skills (communication, numeracy, information, problem-solving, self-management and competitive, social and cooperative, physical, and
work and study skills.) To that end, *Skill New Zealand*, the strategy of industry training reforms in place since 1991, has two prongs: the National Qualifications Framework (NQF) and the Industry Training Strategy (ITS). These are designed to facilitate continuous training skills upgrading and retraining for an individual throughout their working life. The report makes two comments regarding training in employment: it works best when it is placed within the workplace and is targeted to the moderately disadvantaged, and short training programmes are insufficient. Another report by the PMTFE (1994b:53, my emphasis) states:

> An innovative workforce is a learning workforce. Workers need to have learned skills, including the ability to think creatively, to identify and solve problems, to take initiative and to communicate with other members of a team. *The changing work environment will result in a greater emphasis on transferable skills.*

Proposal 87 of this report (PMTFE, 1994b) is ‘encourage better integration between off-job and on-job learning’. In the summary of this report (PMTFE, 1994b), education is emphasized as a major component of the employment strategy.

In a research brief on the training and development of flexible workers for the Department for Education and Employment in the UK (hereafter: DFEE), Rix et al (1999) found that training provided for flexible workers was more likely to be task-specific than for traditional workers whose training was more likely to be industry-specific. They found that in higher occupational groups, there was a greater expectation amongst employers that flexible workers should arrive ready skilled. They note that as the labour force has grown overall, the proportion of flexible workers has grown more rapidly. (However, 60% of the workforce in the UK remain in traditional employment). They noted that the available evidence on training shows that: there is a bias toward traditional workers, there is a trend toward increased training for part-time workers, agency and contract workers receive less training, and people in professional, intermediate, skilled and non-manual occupations receive more training than those in lower occupational groups. Thus: ‘[t]he implications are that a relatively small number of specialists and professionals are enhancing their skills and employability but many who are currently in part-time and temporary employment are not’ (Rix et al, 1999:2-3). The business services are the fastest growing employment sector in the UK economy, with part-time and agency work forming a significant proportion of this growth. The hotel and catering sector has the highest proportion of flexible workers of any sector in the UK, about half the industry is part-time, and has the highest proportion of temporary workers and many seasonal workers.

(iii) **The New Economy and IT in Asia**

The new economy is perhaps more noticeable in Asia than in any other part of the world. It is not so much that Asian economies are experiencing a boom in the IT industry (Asia has experienced the same Internet bubble downturn as the rest of the world), but that Asian graduates, trained in IT, are in considerable demand in the West. A recent *Asiaweek* article (18 May, 2001:25-6) states:
An economy with too few knowledge workers cannot hope to compete in a rapidly globalizing world where a consumer in Boston can search for the cheapest note-book computer through the Internet – and buy it even if the seller is somewhere in China.

There are parts of Asia that can compete in the ‘IT race’; however, to do so they must poach talent. For example, Singapore’s universities produce only 2,500 IT graduates annually, not enough to staff an estimated 10,000 new IT posts a year; South Korea produces only 48,000 graduates for 100,000 ‘knowledge worker’ positions. Those displaced by the dotcom bust (the web designers, editors, and content managers) are mismatched to employment openings for programming and technical support skills. IT companies in Asia recruit through universities rather than hire mid-career employees, as recent graduates are cheaper, in more plentiful supply and, most importantly of all, trained for the employment opening. The total number of students currently studying information technology in 20 of Asia’s leading universities is 50,000. Interestingly, five of those top universities (including the top university for IT students) are in Australia. It is estimated that 200,000 IT trained people leave the Philippines every year, as they are enticed abroad by more attractive remuneration packages. The article makes an interesting and relevant comment: ‘With more and more countries relaxing immigration rules for IT professionals, it is becoming easier for them to pull up stakes and move to other companies and nations’ (Asiaweek, 2000:28). The article is not short on providing numbers: the average age of the typical IT worker in Asia is 25; there are 100 jobs in China for every computer-science graduates; Japan is seeking 200,000 IT professionals, 200,000 IT jobs will be unfilled in India by 2006, 60% of Hong Kong companies say they face an IT crunch; and it is projected Malaysia will need 306,000 IT workers by 2010, a per annum growth of 11%.

(iv) The New Economy and IT in the United Kingdom

According to Carnoy and Castells (2001), non-standard employment has increased in the period mid-1980s to mid-1990s. In Europe: by 37 percent in the UK, 30 percent in France and Germany, almost 40 percent in Italy, more than 40 percent in Holland, almost 50 percent in Japan, and 50 percent in Australia. Spilsbury (2001), through the Learning and Training at Work 2000 Survey undertaken in the UK, found that learning in information technology and managing their own development were the most commonly offered learning opportunities offered for employees. Estimates of the number of IT professionals within the UK have been put at anywhere between 499,000 and 708,000, and it is estimated that there are at least 13 million end users of IT; by 2000, it was estimated that 90% of the workforce in the UK would interface with IT (Beard and Breen, 1998). Beard and Breen note that many end-users lack basic IT literacy, although this is less of a problem for young labour market entrants. These younger workers, however, are more likely to be lacking in general skills such as communication, numeracy and literacy. They make an interesting observation that: “[w]hat can be stated with certainty, is that an individual’s flexibility and basic aptitude with IT will remain key skills for business competitiveness: simply being competent with one particular product will not ensure long
term success” (Beard and Breen, 1998:3) However, they note that IT training is a high priority for many businesses. They note that there is some anecdotal evidence that higher education is not producing graduates with the IT skills that the market requires. They argue that,

> it is vital to differentiate between skills that will retain their relevance – deep underpinning knowledge and understanding that eases personal updating and portability across existing and new platforms – and more specific, technical skills that may be required in the immediate future, but do not confer flexibility (Beard and Breen, 1998: 22).

Significantly, the use of foreign IT labour in the UK has increased dramatically; work permits offered to foreign computer specialists have almost doubled in the period 1995-1998. This shift comes alongside a move of IT staff from permanent employment within large businesses to contracting; contracted staff generally receive higher remuneration than if they remained within a firm. It appears that highly skilled IT staff are aware of their position within the labour market and are therefore able to exploit the benefits of contracting.

(a) Employment Sustainability

In a report for the UK Department for Education and Employment, Walker and Kellard (2001:ii) define employment sustainability as ‘the maintenance of a stable or upward trajectory in the longer term’. They define it as the dynamic counterpart of employability, which encompasses ideas of job retention, job stability, and career advancement. Its goal is self-sufficiency, which is either an income above poverty or benefit levels, or the ability to prosper in the labour market without government intervention. They argue that employment sustainability results from the interplay of structural factors and individual circumstances. These structural factors include the trend toward labour market flexibility, increased non-standard employment, and the limited emphasis placed by employers on retaining employees. Individual characteristics include gender, age, health, qualification, and labour skills. They define employment as sustainable if it lasts for three months (short term sustainability) or nine months (long term sustainability) or if earnings grow or remain constant in real terms during the period. Short-term employment is concentrated in industrial sectors such as the distribution, hotel, and agriculture sectors, and within these hospitality and distribution sectors, there is a fragility of employment. Unstable employment is concentrated amongst both certain industrial sectors and certain geographic regions in the UK. It is also concentrated amongst certain types of workers, namely, the young, women, those with limited qualifications, and those with a history of casual employment or unemployment. Supply side policies designed to enhance employment sustainability may be constrained by the characteristics of labour demand and trends toward labour market flexibility, which may reduce job security and erode employment sustainability. Walker and Kellard (2001) suggest various policies to promote employment sustainability, including: upgrading skills, job search and placement assistance (traditionally restricted to unemployed people, however they suggest extending this to employed people), career mediation (offering structured career advancement and facilitating movement between firms or enterprises), counselling, career and life-planning
tuition, benefits advice and advocacy, service referrals, earnings supplementation, financial bonuses, transitional provisions, emergency support services, support groups, employer mediation, and provision of in-work support services. Walker and Kellard (2001: 24) argue that ‘[t]he attraction of policies that foster employment sustainability is that they offer the possibility of a ‘win-win’ situation: individual and family welfare is enhanced, the skill-base of the economy is increased with positive benefits for international competitiveness, and public expenditure on welfare is reduced’. They argue that employment policies limited to job stability have been found to restrict people in low quality, entry level jobs, and fail to assist people to move out of poverty and off in-work benefits.
Conclusion

This review has examined literature from New Zealand, British Columbia, Asia, the United Kingdom and the United States. Non-standard work has been defined as work that is less than 30 hours a week, that is temporary, has irregular hours (that is outside the 9 a.m. to 5 p.m. standard working day), it may not be for someone else, and may not be at the employer’s premises. Traditionally, non-standard work has been concentrated in service industries and occupations, although this is noticeably changing under the ‘new’ economy. In New Zealand, all non-standard employment categories increased in the private sector since 1991 and non-standard work is expected to become more common. While sub-contracting has traditionally been common within the construction industry, it has now extended to other industries including specialist consultancy firms, cleaning and catering contract firms, and franchising in the food and beverage industry. Three forms of ‘informal’ economies have been suggested and studies on the ‘new economy’ should not exclude these forms of ‘official’, ‘unofficial’, and ‘alternative’ economies. Women have a significant role in non-standard work in New Zealand and it is significant that part-time work for women, despite being the most common form of employment for married women, is still seen as ‘atypical’. Part-time employment also masks under-employment, where part-time workers want to work more hours but are unable to. Women may engage in part-time work out of necessity rather than choice. There is very little literature on young people, particularly students, engaged in part-time work.

The British Columbia report identifies trends in the ‘new’ economy: the changing structure of work, the changing nature of work, the changing labour market, the relationship between demography and employment, and the relationship between training and employment. The report identifies three emergent groups of workers: full-time, full-year workforce; a skilled self-employed workforce on contract; and a peripheral workforce involved in part-time or temporary work. The explosion of information technology has also changed the way organisations operate, workers work, and the tasks they perform. The report argues that structural unemployment can be directly addressed through training as an integral part of skill development for the work force. There are an increasing number of students studying IT in both Asia and elsewhere, and a number of those students are either employed by local companies or enticed offshore. The business services are the fastest growing employment sector in the UK economy, with part-time and agency work forming a significant proportion of this growth. There has been a significant growth in the number of foreign computer specialists admitted to the UK. There has also been a shift amongst IT staff from permanent employment to contracting. A key attribute in this new IT economy is flexibility and thus knowledge in a wide range of skills, both generic and specific. In the US, the majority of non-standard workers are contract workers, and there has been a significant increase in temporary agency workers.

So what are the consequences of the increase in non-standard employment? How do gender, occupation and industry affect it? Do non-standard employees genuinely have less security in their employment? What implications does this have for the conditions of work? What are its other social implications (Mangan, 2000)? All of these questions, and then some, are asked in the literature, and answers are attempted. However, there is still a
lack of recognition that our hitherto conceptions of what constitutes ‘standard’ and ‘non-standard’ employment are becoming inadequate. To use the words of Tony Giddens, we live in a world that has introduced ‘new kinds of unpredictability, new kinds of risk, new kinds of uncertainty’ (Giddens, 1999:2). It is this unpredictability, risk and uncertainty that challenges our perceptions and conceptions of what is ‘standard’ and ‘traditional’ and what is not. It makes us aware of who is engaged in productive work and who is not. And it informs and challenges us about who is included and who, through re-structuring, restriction, circumstance, or choice, is excluded.
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