RESEARCH INTO LABOUR, EMPLOYMENT AND WORK IN NEW ZEALAND: OVERVIEW OF THE THIRTEENTH CONFERENCE

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The thirteenth LEW conference was run in conjunction with the Australian Labour Market Research Workshop (ALMRW). In addition to hosting guests from the Australian academy, government and private research sectors we also drew an impressive number of papers from New Zealand. It was gratifying to see so many from the government sector, in particular the Department of Labour and Statistics New Zealand, and to be able to host a special session on social mobility offered by the Treasury. Academics and private researchers from throughout the country continued their strong support of the conference.

Although the ALMRW retained their own session and format we made an attempt throughout the conference to draw comparisons between labour market, institutional practices and human resource issues across the Tasman. Several sessions made the links quite explicit and engaged participants from both countries, the 'Leading Indicators' group being a case in point.

Of the 92 papers presented at this conference, 12 were devoted to the ALMRW session where they were circulated in full prior to the conference and therefore only the abstracts of these papers are reproduced these LEW13 proceedings. The original papers may be requested from the authors whose full contact details are given in the ALMRW section below. The remaining 80 papers were distributed over 19 separate sessions: the Linked Employer-Employee Database (LEED), Immigration, Youth, Leading Indicators of Employment (LIOE), Gender and Equity, Rural Labour Markets, Labour Market Geography, Occupational Health and Safety, Workforce Diversity, Occupations, Nursing, Unemployment and Vacancies, Social Mobility, Aging Transitions, Productivity, Unionization and Organisation, Low Wage workers, Conditions of Work and the Employment Relations Act 2000 and Other Papers.

The following paragraphs summarise the main points raised by the 104 authors of the 59 LEW papers presented. Presenters who did not deliver papers for publication are included in this overview only (Ross, Dawson, Spoonley, Corak, Glasgow, Burgess and Ryan, and Buultjens and Cairncross).

1. Country overviews and keynote addresses

We began, as has become a tradition now, with an overview of the New Zealand labour market. **Monique Dawson** from Work Directions, Department of Labour gave an oral presentation only, outlining recent developments in the New Zealand labour market and she was followed by **Russell Ross** from The University of Sydney, current president of ALMRW, who spoke on challenges facing the Australian labour market into 2009 and beyond. He noted how Australia wants to push ahead with a number of policy reforms and initiatives which will impact on the labour market. Among the challenges are ongoing reform to wages policy parameters, the expansion of paid maternity leave provisions, the state of the child care industry, an aging infrastructure (especially in education, transport and health) and the continuing inadequate labour market position of Indigenous Australians.

Geoff Mason from National Institute of Economic and Social Research, London UK addressed the impact of skills on relative productivity performance. Given the widespread emphasis on the importance of increasing workforce skills in order to enhance productivity performance, Geoff was surprised to find that the evidence on the contribution of human capital to inter-country differences in productivity performance was still quite mixed. His paper argues that studies fail to find a strong role for skills in explaining relative productivity performance at national level because of difficulties in measuring skills adequately and through a failure to take account of the mechanisms or channels of influence by which skills may exert indirect effects on productivity. Examples include the complementarities of skills with other production inputs and the contributions made by skilled workers to knowledge generation and exchange and to innovation processes. At the same time, in any single country increases in measured skills may have no effect on relative productivity performance unless those skills are well matched to employer requirements and are effectively utilised within firms and other organisations.

Manjula Luthria from the World Bank, Pacific Region, spoke on migration and development and the links, policies and institutions that matter. She argued that the gains to global welfare from a modest increase in migration greatly outweigh the gains to welfare from any further trade liberalization. Yet, migration remains an ill-understood and under-researched instrument of development and only recently has the liberalization of labour markets been discussed in the same policy-oriented way as the liberalization of goods or capital markets. Manjula presented an analytical framework for thinking about economic migration and explored the channels through which development outcomes eventuate. She distinguished between permanent and temporary migration flows and outlined the policy

challenges faced in both forms of movement. Both sending and receiving countries have a role to play in ensuring that migration policies are development friendly while remaining market-driven. In particular, she highlighted the market failures that plague the temporary movement of people and keep such movements at sub-optimal levels world-wide. These market failures are particularly onerous for the small fragile states of the Pacific that seek to improve the economic outcomes of their citizens through regional integration but are faced with the challenges of geography and size. Given the importance of promoting more pro-poor migration globally and in the Pacific Manjula outlined the policy and institutional underpinnings that she believed are needed to facilitate temporary programs for the poor.

In the Social Mobility session sponsored by The New Zealand Treasury **Miles Corak** from the University of Ottawa, Canada asked whether poor children become poor adults. A cross country comparison of generational earnings mobility was offered, and evidence for the degree to which the long run labour market success of children is related to that of their parents. The rich countries, he noted, differed significantly in the extent to which parental economic status is related to the labour market success of children in adulthood. The strength of these associations should not be interpreted as offering a target or menu for the conduct of policy, instead he offered a framework for understanding the underlying causal process as well as the conception of equality of opportunity as a guide to public policy. This paper was followed by a panel discussion involving Miles Corak, Charles Waldegrave, Roger Kerr, David Bromell and Bronwyn Cross a summary of which we reproduce in these proceedings.

2. Using Linked Employer-Employee Data (LEED)

As in LEW12 held in 2006, we begin with the latest papers coming out of the LEED initiative drawing on administrative data. LEED was created by linking a longitudinal employer series from the Statistics New Zealand Business Frame into a longitudinal series of Employer Monthly Schedule payroll data from Inland Revenue. The six papers in this session covered teenage workers, breaks in job tenure, the implications of joining up broken spells of employment on the distribution of lengths of job tenure, work patterns following parental leave, the networks of wage and salary earners, and the transition between work and retirement.

In the first paper of this session **Dean Hyslop, Dave Maré , Steve Stillman** and **Jason Timmins** report on the effect of increasing relative wages of teenage workers over the period 2000–2007. Among firms present on the register throughout the period they find mixed evidence that high teen employing firms reduced their teenage employment relative to other firms. Over the period as a whole high teen-employing firms only reduced their subsequent teen employment by 2.5–3 percentage points, and in annual terms only very small and insignificant effects are apparent for these firms. The authors find preliminary evidence that high teen employment is associated with firm entry and exit.

Tas Papadopoulos from Statistics New Zealand notes how the LEED has provided New Zealand with the first comprehensive source of information on job tenure. His main contribution is to show how decisions over breaks in job tenure (with corrections for administrative churn) affect the level of short tenured jobs. The paper conveys the challenges involved in deriving longitudinal statistics from administrative data.

There are many short term jobs that appear in the LEED data and **Jason Timmins** of Work Directions, Department of Labour considers what happens to the tenure distribution if these individual job spells are joined together. He found that one in five jobs (21.1 percent) in LEED (as of March 2006) were repeat spells with the same employer and nearly half (44.4 percent) of repeat-job spells started following a single month of non-employment. Only 16.2 percent of repeat spells occurred after a non-employment period of over 12 months. Imputing all these non-employment periods as employment had a measurable but not a particularly dramatic effect on the job tenure distribution. For example, the share of job spells with elapsed tenure of 12 months or less falls by only 10 percentage points from 48.1 percent to 38.0 percent.

Sarah Crichton of the Department of Labour uses the LEED data to explore work patterns that prevail after parental leave. She describes the employment and earnings patterns of people who first received paid parental leave over a period of at least 36 months between 1 July 2002 and 30 June 2005 before starting leave and at least 18 months afterwards. She examines whether and when recipients returned to work, whether recipients returned to the same employer or not, and the changes in earnings before and after taking leave. Sarah found that 40 percent of recipients were working six months after starting parental leave, and nearly 70 percent were working 13–18 months later. Interestingly, three-quarters of recipients returned to work within 12 months of starting parental leave with many taking reduced earnings.

Nairn MacGibbon takes a quite different approach to the LEED data by testing the idea that on average people are connected by no more than six links to all other 6.7 billion people on Earth. The network of wage and salary earners in New Zealand displays characteristics of a 'small-world network' in being a sparse network with relatively short average path lengths, together with a high degree of clustering. Nairn argues that the structure of the network lends itself to the efficient creation and transfer of knowledge. Among the areas of future work is the need to understand the characteristics of employees who are not attached to the largest connected component of the network as well as exploring different subsets of the network based on demographic characteristics of employees.

In the sixth paper in the LEED session **Sylvia Dixon** from Department of Labour and Statistics New Zealand examined the transition between work and retirement.

Survey evidence suggests that the majority of New Zealanders would prefer to make a gradual transition from work to retirement, rather than move abruptly from full-time work to non-employment. Sylvia's study describes the employment patterns and transitions of people who were aged in their 60s and moved from wage or salary employment to inactivity during the 1999–2005 period. Four different types of transition to retirement were defined and the relative frequency of each explored. Phased transitions, involving either part-time work or a number of transitions in and out of employment before the final exit were far more common than discrete transitions from full-time work to non-employment. Men were more likely than women to take a traditional path from work to retirement and there were some significant variations in the frequency of different work-to-retirement paths across major industries, but phased transitions were more prevalent than traditional exits in all major industries.

Menaka Saravanaperumal from Statistics New Zealand noted how the construction industry experienced heightened activity from 2001 to 2006 concurrent with low interest rates, high population growth, strong wage and job growth, and property investments from overseas. Following this heightened demand, there was a 41.4 percent increase in employment in the construction industry over the six-year period. This compared with a 15.5 percent increase across all other industries excluding construction. This study looks at how the construction labour market adjusted to the higher level of employment using the Linked Employer-Employee Data (LEED).

Across the construction industry from 2001 to 2006, relative average wage growth was subdued. However, a change in the composition of labour hired was evident. The majority of inflows into the construction industry came from alternative industries, with every six in ten workers previously engaged in an alternative industry in the past year. The relative proportion of individuals that entered the construction industry from other industries was largely unchanged, showing that it continued to source its workers from the same industries. However, the composition of workers flowing from these industries into construction shifted towards younger and hence, less experienced workers. This shift suggests that there were concessions on quality in adjusting to the higher level of employment.

The increased inflow of younger and less experienced individuals, together with the relatively higher entry of self-employed individuals entering the construction industry, explains the relatively subdued growth in average wages across the construction industry, at a time of strong employment growth.

3. Immigration

The session on immigration included five papers, covering recent developments in immigration policy, the experience of recruitment consultants, the economic performance of immigrants, the relationship between labour market achievement and well-being of immigrants and reasons for migration and settlement.

Paul Spoonley of the Integration of Immigrants research programme at Massey University showed how the shift in immigration policy since 2000 towards a focus on "economic migrants" has produced some significantly different settlement patterns. Skilled migrants who have access to capital are beginning to exercise their agency in quite different ways with implications for urban landscapes, most notably in Auckland. Paul discussed some of the pilot work that has taken place and noted some of the key questions that have emerged from the existing literature and research in the field.

Jacqui Campbell and **Mingsheng Li** from Massey University reflect on the experience of recruitment consultants noting the highly competitive nature of the market. They note how the role is a sales one, volume driven and time pressured. Consultants follow the same standard process for all applicants: assessing skills, including communication skills, and preparing candidates for interview. The perceived differences between migrants and local candidates include difficulties in oral communication, limited knowledge of New Zealand culture, and lack of experience with behavioural interviews. Consultants adopted an educative role towards some highly prejudiced employers. Employers with previous positive experiences with migrants tended to be more receptive. Consultants considered that migrants needed to be more realistic in their job expectations, be prepared to accept contract positions and accept lower level roles initially.

Steve Stillman and **Dave Maré** from Motu Economic and Public Policy Research addressed the economic performance of immigrants. Using synthetic cohort based on data from the 1997–2007 New Zealand Income Survey, they examined the economic performance of immigrants in New Zealand. They found that newly arriving immigrants experience, on average, employment rates that are 20 percentage points lower than comparable New Zealand-born people. For immigrants who gain employment, hourly wages are 10 to 15 percent lower than for comparable New Zealand-born workers. After around 15 years in New Zealand, however, relative outcomes improve to the point where employment rates for immigrants are about the same level or slightly below those of their NZ-born counterparts. The relative wage disadvantage for immigrant men remains more or less unchanged at about 10 to 15 percent lower for many years after arrival and for immigrant women closed to within 5 percent of comparable New Zealand born women workers after 15 years. Overall, there is much stronger evidence of adaptation for employment rates than for wages. This dominance of quantity adjustment over price adjustment in the pattern of adaptation of New Zealand immigrants makes New Zealand more similar to Australia than to the United States. New Zealand's gross earnings dispersion is relatively low, suggesting more limited scope for relative wage adjustments.

High levels of subjective wellbeing is an indicator of successful assimilation of immigrants and its attainment will contribute to the harmony of a multi-cultural society. The job-life relationship component of wellbeing as experienced by immigrants to Australia is explored by

Weiping Kostenko, of the Institute of Applied Economic and Social Research, University of Melbourne. She notes how labour market achievement along with other domains, such as wealth, family and health, can directly contribute to overall life satisfaction. At the same time, individual career goals that are related to personality traits and cultural background influence the interactions that labour market outcomes have with subjective wellbeing. So two individuals with the same observable measures in all domains may have very different self-reported subjective wellbeing as they have different goals. Weiping estimates a bivariate ordered probit random effects panel model in order to separate out these effects. Using the large-scale longitudinal Australian national survey (HILDA) she notes how the discrepancy between career goal and employment reality plays a central role in influencing subjective wellbeing.

The Longitudinal Immigration Survey (LisNZ) presents a rare opportunity to study the relationship between reasons for migrating, the background characteristics of immigrants, and their settlement outcomes. **John Bryant** and **Paul Merwood** of Statistics New Zealand and Department of Labour respectively note how people migrate internationally for many different reasons: some want a better lifestyle while some want better employment opportunities. They use correlations between responses in order to group reasons into five main categories. They examine how migrants' social and demographic profiles differ according to their reasons for migrating. They then examine whether migrants with different reasons for migrating experience different settlement outcomes at six months after residence approval. Among other things, they find that lifestyle migrants are more likely to be satisfied with life in New Zealand.

4. Youth

Three papers were offered in this session. The first opens up the practice of child labour in New Zealand, the second documents the changing nature of young people's transition into the labour market over the last three decades and the way they are related to varying levels of unemployment in the economy. The third paper focuses on the differences between the transitions experienced by young Māori and Pākehā women.

In the first of these papers **Danaë Anderson, Felicity Lamm, Peter Shuttleworth, Judith McMorland** and **Erling Rasmussen** of the New Zealand Work and labour Market Institute, Auckland University of Technology combine to explore the practice of child labour in New Zealand. They begin by noting that while the rights of New Zealand adult workers have been the primary concern of successive governments and their agencies, the rights of child workers have often been overshadowed. They note how New Zealand employment law discriminates against young workers in a variety of ways: there is no minimum age for work, the youth minimum wage is lower than the adult minimum wage and children under 16 have no minimum wage rate. Without such statutory protections such as minimum wages and working conditions, young workers risk marginalisation. Protecting children and young people at work requires raised awareness of employers, young employees, and their parents about existing or potential health hazards

David Rea and **Paul Callister** of the Institute of Policy Studies, Victoria University of Wellington investigate the changing nature of young peoples' transition into the labour market over the last 30 years. Their paper uses census data from 1976 to 2006 to compare the experiences of cohorts of young people born in New Zealand. A range of outcomes are analysed including living with parents, participating in education, employment, partnering, having children and migration. They find that the cohorts of young people born in the late 1960s and early 1970s experienced somewhat different outcomes. More recent cohorts are spending longer in education, are entering full time employment later, and are probably combining education and part-time work to a greater degree. Their labour market transitions seem more individualised and also more diverse. They attribute these differences to the fact that these cohorts entered the labour market in the late 1980s and early 1990s at a time of high overall unemployment.

Dale Warburton, a masters student in human geography at Victoria University of Wellington, focuses on the group with the lowest engagement with the labour market - young Māori women. He documents how their employment rates are much lower than their Pākehā counterparts (42% and 64% respectively) and how this is not offset by their greater involvement in education (at 33% Māori actually have much lower education participation rates than Pākehā, 46%). Using the full set of 178,776 unit records of young Māori and Pākehā women from the 2001 Census of Population and Dwellings, Dale develops a number of measures of household composition in order to identify differences in levels of domestic responsibilities associated with each. These are then used as arguments in a multivariate statistical model in which young women are modelled as either working in the formal sector, participating in education or not working or studying in light of constraints implicit in the structure of their household, such as the presence of elderly relatives, young children, and sickness can all lay claim to young women's labour. A full set of demographic controls are applied.

Contrary to expectations Dale's results do not uncover a disproportionate *response* to domestic responsibilities in the case of young Māori women that reduces their willingness to work for wages. What does separate young Māori from young Pākehā women is the greater presence of those factors in their households. In other words is it their differential 'exposure' to domestic claims on their labour rather than their 'responses' to these claims which accounts for the differences in their labour supply. Sharing a household with young children (their own and others), the sick and the elderly, are encountered more often by young Māori women which in turn constrains their ability to seek paid work and undertake the study and work more characteristic of young Pākehā women.

5. Leading indicators of employment

If one could predict down turns and upturns in employment additional preparatory measures could be put in place. Both the Australian Department of Education, Employment and Workplace Relations (DEEWR) and New Zealand Department of Labour have been attempting to develop an indicative series that would do just that – the so called 'Leading indicators of employment' (LIOE). The new DEEWR Monthly Leading Indicator of Employment for Australia has been in operation since July 2007. While it is too early to conduct a proper evaluation on its performance this is an opportune time to make some initial comments on how it has been performing.

Greg Connolly and **Jan Lee** from the Australian Department of Education, Employment and Workplace Relations (DEEWR) explain that there has been only one turning point in the indicator and in cyclical employment during this time – a peak in the indicator in January 2008, followed by a peak in cyclical employment in April 2008. While the peak in cyclical employment was correctly predicted by the indicator, the lead time was only three months, which is insufficient time to be really useful for policy or program responses. The three components of the indicator with the highest weightings also had a lead time of around three months with cyclical employment.

It is a well known feature of many leading indicators that there is a range of lead times between the indicator and the target variable Assuming that the lead time reverts to its historical mean, it is probable that in future the lead time of the Leading Indicator will be longer than at the most recent turning point.

As **Dirk Van Seventer** from the Department of Labour explains, New Zealand is currently testing a number of Leading Indicator of Employment series. These indicators are aggregations of different series into a single composite index designed to give advance warning of turning points in employment. The series have been shown to lead cyclical employment consistently over a long period. Results for recent periods are discussed in more detail as they show deviations from the close historic relationship and may indicate fundamental shifts in the New Zealand labour market.

6. Gender and equity

Three papers were presented in this session beginning with an update on pay equity and equal opportunity in New Zealand since the last LEW conference in 2006. **Prue Hyman,** Gender and Women's Studies, Victoria University of Wellington, observes how in the last two years the public sector, assisted by the Pay and Employment Equity Unit in the Department of Labour, has made significant progress in reporting on gender issues in most departments and in some parts of the public health and education sector. Practical action to reduce remaining gender pay gaps however is a slow process. Her paper discusses these public sector processes in the context of a period where women have surpassed men in terms of education outcomes - and hence the need for vigilance around women's position in the labour market is increasingly questioned. With respect to ethnicity, despite non-discrimination legislation there is substantial evidence of problems encountered by many immigrants entering the labour market. Prue's paper examines recent evidence on discrimination on the basis of ethnicity, age, and disability as well as recommendations for its elimination.

Vivienne Hunt together with **Erling Rasmussen** from the University of Auckland and Auckland University of Technology respectively explore the evidence for female career success in call centres. The study, initiated in 2003, reports on six case studies. Contrary to the prevailing negative portrayal of call centre employment and career paths, their findings demonstrate how women are achieving career success in call centres. Management practices can accommodate the different labour market needs of women, and many respondents reported feeling passionate about their jobs. Those working at entry level said they enjoyed meeting people and being part of a workplace which enhanced their career prospects. Most respondents mentioned the development of skills and confidence. Rather than deskilling therefore, call centre processes have enabled many respondents to become competent, connected and confident.

Kathy Tannous from the Social Policy Research Centre, University of New South Wales reports on the costs of providing family day care services across Australia where there are currently around 10,500 workers providing formal funded child care in either their homes or the homes of the children. They provide care for approximately 95,000 children country wide in both standard and non-standard hours. The purpose of Kathy's study is to determine the economic, social and institutional factors that determine the costs of providing family day care services (FDC). The study was based on three sets of data: a web-based financial survey designed to elicit basic financial and activity data for the agencies. The survey was sent in mid 2008 to all national providers obtaining useable response rate of 45%. The second data set was qualitative data obtained from in-depth interviews with 10% of all FDC agencies. The last data source was administrative data from the Australia's Department of Employment, Education and Workplace Relations.

Econometric analysis of expenditure by FDC agencies showed that expenses were largely determined by the number of full time equivalent places with organisational structure explaining 84% of the variation. Staff costs inclusive of on-cost account for just over 70 per cent of all costs. Qualitative data identified recruitment of new carers, quality assurance and accreditation, training and supporting carers with high needs children as the main cost drivers. Her paper concludes by providing evidence of the important role that this sector plays in Australian child care industry and examples of innovative steps being undertaken by providers to ensure continued financial viability.

7. Rural labour markets

Huat Bin (Andy) Ang from the University of Auckland explores the perceptions of stress among farm managers

noting that the New Zealand primary sector has one of the highest rates of job-related injuries and illness. There are a high number of ACC cases among farmers and farm employees who are involved in fatalities, injuries and ill health where stress and fatigue are the major contributors. Stress-related illnesses, in particular attempted and successful suicides, are now some of the major concerns. The aim of Andy's research was to examine the extent of such stress by undertaking extensive interviews and farm visits. The pilot study is part of a larger questionnaire survey of self-reported 1041 participants. The preliminary analysis shows no significant difference in the level of strain compared with the non-farming population. Further, the demographic variables such as marital status, age group, occupational status and size of the farm are found to be insignificant factors for contributing towards stressors-strains. There are however, significant score differences in the perceived stressors between men and women. Individual characteristic are shown to have greater importance in determining the psychiatric disturbance associated with stress.

Ruppert Tipples of the Agriculture and Life Sciences Division of Lincoln University explores a possible role for once-a-day milking, noting how employment conditions in this major sector of the economy have been problematic since the early twentieth century with the prevailing industry mentality being one of cost saving, particularly of labour. Once-a-Day (OAD) milking appeared to provide the key system change which holds the possibility of dairy farming becoming socially sustainable rather that lurching from one employment crisis to the next. However, while the changes brought about by conversion to OAD milking are very positive, they have not affected dairy farm employment in ways that were anticipated. The paper reports findings of an in-depth qualitative study of social aspects of OAD milking and their implications, set in the context of data from the 2006 Census of Population.

Ram SriRamaratnam of the Department of Labour considers the use of surveys in seasonal horticulture and viticulture noting how regional seasonal labour shortages have become a common occurrence in recent years, especially in the major horticulture and viticulture regions. Low levels of unemployment have seen a greater reliance on workers from overseas sources under various visa and permit conditions. Regional seasonal labour needs and the potential seasonal labour supply were assessed for 2008 (and for seasons beyond) in order to allocate overseas workers under the Recognised Seasonal Labour Employer (RSE) and its Transitional (TRSE) scheme. The "Survey of Seasonal Labour Employers – Demand & Supply" was conducted by the local industry and/or the Labour Governance Groups with assistance from the Department of Labour. All the major regions with significant horticulture and viticulture activities such as Hawkes Bay (covering pipfruit, wine, kiwifruit & a number of vegetable crops), Bay of Plenty (kiwifruit), Marlborough (wine), Nelson (pipfruit) and Wairarapa (wine) had surveys carried out after the 2006/07 season.

Using these results this paper reports the level of seasonal labour requirements by major region and source of labour supply. The impact of labour practices on labour requirements and the nature of potential supply on implications for temporary migration policies are also identified. The method by which a forecasting framework is used for allocation decisions is considered along with how survey information has been used to refine and calibrate the Forecast Tool.

Richard Whatman and **Jerf Van Beek** from the Work Directions Group of the Department of Labour and National Seasonal Co-ordinator of Horticulture New Zealand respectively, consider the Recognised Seasonal Employer (RSE) scheme as the most prominent part of a broader labour market strategy for the horticulture and viticulture industries. The purpose of the Horticulture and Viticulture Seasonal Labour Strategy is to transform the seasonal labour market which this decade has been characterised by very low productivity, high turnover, and illegal work practices. This labour market failure has cost industry and the government hundreds of millions of dollars, although the full cost will never be known. The Strategy, working off the fulcrum of RSE, has been very successful in its early stages of implementation. Their paper explores the conception, theoretical underpinnings and implementation of this unique experiment in labour market transformation.

Sankar Ramasamy from International Migration, Settlement, and Employment Dynamics (IMSED) Research, Department of Labour, considers the net returns accruing to seasonal workers coming to New Zealand under the Recognised Seasonal Employer (RSE) policy. Given that workers from the Kick Start Pacific states work in a range of work settings, the Department of Labour undertook a sample audit of RSE employers during mid-2008. The audit was considered a cost-effective method of providing reliable estimates of what workers potentially earned and their likely net returns after costs and deductions. The results showed that on average workers had a net return of around NZ$6,000. This is early indicative evidence, for the audit mainly covered that part of the year when the weather and work availability was more settled.

John Gibson and **David McKenzie** from the University of Waikato and the World Bank respectively examine the impact of a new seasonal work programme on rural household incomes in the Pacific. Seasonal work programs are increasingly advocated by international aid agencies as a way of enabling both developed and developing countries to benefit from migration. They are argued to provide workers with new skills and allow them to send remittances home, without the receiving country having to worry about long-term assimilation and the source country worrying about permanent loss of skills. However, formal evidence as to the development impact of seasonal worker programs is non-existent. This paper provides the first such evaluation, studying New Zealand's new Recognized Seasonal Employer (RSE) program which allows Pacific Island migrants to work in horticulture and viticulture in New Zealand for up to seven months per year. They use baseline and follow-up waves of surveys they are carrying out in Tonga to form difference-in-difference and propensity score matching

estimates of short-term impacts on household income and consumption.

8. Labour market geography

Four papers in this LEW13 conference dealt with labour market geography issues. The first deals with labour sheds and their extension via longer commutes, the second compares local labour markets in New Zealand and Australia, the third explores employment motivations for moving and the fourth considers regional variation in social security benefit uptake.

The first, by **Martin Ralphs** and **Rosemary Goodyear** (Statistics New Zealand), documented the major commuting flows within New Zealand and showed how these have changed between 1996 and 2006 in the largest cities. A combination of factors such as high house prices and the desirability of small town and rural lifestyles have resulted in the development of more flexible commuting patterns. These changes have eroded some of the traditional boundaries between areas as people have taken advantage of relatively cheap petrol prices and better roads to access housing on the outskirts of cities. Lifestyle blocks around cities have increased and smaller towns close to cities have also expanded as people have chosen to move there for reasons of cost and lifestyle. Although these developments have occurred throughout New Zealand including Wellington and Canterbury, they have had the most visible effect in the Auckland region, which has experienced the largest numerical increase in population. As part of their presentation they demonstrated a dynamic mapping approach to the visualisation of commuting flows between areas.

James Newell of Monitoring and Evaluation Research Associates Ltd and **Paul Callister** from the Institute of Policy Studies, Victoria University of Wellington used the joint conference to explore some of the similarities and differences in the local labour markets in Australia and New Zealand. They use Australian and New Zealand census and labour force survey data to build a 2006/2008 centred comparison of local labour market in the two countries. A 2006 Australasian comparative labour market geography was developed using the Coombes algorithm as implemented by Newell and Papps 2001. Key areas they considered included how the restructuring of the New Zealand economy in the 1980s/early 1990s affected the relative rates of prime-aged male employment in New Zealand compared to Australia, whether there been the same growth in employment of women on both sides of the Tasman and how the timing of retirement by Australians compares with that of New Zealand residents. They also explore similarities in the occupational patterns of the two countries.

Philip Morrison, Victoria University of Wellington, **William Clark** from the University of California Los Angeles, together with **Kirsten Nissen** and **Robert Didham** from Statistics New Zealand report on their analysis of the new Dynamics of Motivation for Migration survey (DMM) by asking who moves for employment reasons. Labour migration is usually modelled on the assumption that those of working age move to maximise returns to employment, that is by securing the best job in the best location at the best wages possible. This staple of neo-classical migration theory prevails in spite of several decades of international evidence showing that employment reasons are cited by only about ten percent of all the people who change their usual residence.

The DMM survey elicits multiple reasons for internal migration. The research team explain the above discrepancy by distinguishing between employment *enabled* movement and employment *motivated* movement. While most people in the work force do not move in order to increase the returns to employment per se, securing employment at the destination is essential for realising the consumption reasons that do motivate most migration (better housing, amenities and adjustment to social networks). Understanding the difference between employment enabled movement and employment motivated movement helps resolve much of the stand-off that still prevails between those who infer the drivers of migration from inter-place flows and those who actually ask people why they move.

Bill Cochrane and **Jacques Poot**, (Population Studies Centre, University of Waikato) address the regional variations in social security benefit uptake. In many countries downward trends in official unemployment rates have coincided with increases in hidden unemployment, particularly among low skilled older workers. Using data drawn from the five yearly Census of Population and Dwellings (1991-2006), and aggregated to functionally defined local labour market areas (LMAs), their paper models the determinants of regional variations in benefit uptake: unemployment, sickness, incapacity and single parents caring for dependent children. Given the strong possibility that spatial spillover in social security benefit uptake may exist, and that the pattern of these spill over's may vary with time, estimation is conducted using a spatial Seemingly Unrelated Regression (SUR) model. These results are compared with those obtained in previous work using standard spatial panel techniques.

They found that during the economic boom and declining unemployment up to 2006, the uptake of the unemployment benefit and the DPB declined but that the secular increase in the uptake of the sickness and invalids benefit continued as has been observed in many other countries. Nonetheless, cross-sectionally, LMAs with lower unemployment rates had lower benefit uptake rates of all types. Moreover, across LMAs there is geographical clustering in benefit uptake. The uptake of sickness and invalids benefits is greater, but quantitatively similar, in LMAs where the labour force is relatively older. Several other features of LMAs also affect benefit uptake, such as qualifications, the composition of employment, household composition and ethnicity but their impact varies across benefit types. While there is little evidence of spatial heterogeneity, there is some spatial instability of the coefficient of the ethnicity variable which deserves further investigation.

9. Occupational health and safety (OHS)

The two papers in this session began with **Felicity Lamm** and **Edwina Pio** from the Auckland University of Technology Business School who review the links between culture and OHS. They note that as workplaces become more culturally and ethnically diverse, OHS prevention and investigation should be seen within the context of a cross-cultural milieu. In particular, investigations into workplace fatalities, injuries and illnesses have indicated that many of the root causes are the lack of communication or the inability to make sense of the communication where cultural diversity factors are at play. The paper identifies the key debates, strengths and weaknesses of the research on the topic. It is argued that more attention is required on the subject of cultural diversity and its impact on OHS and employment relations in general for these have implications for power relations between different groups/individuals in the workplace.

Christophe Martin, Franck Guarnieri and **Jean Lin** from CRC Ecole des Mines de Paris Rue Claude Dauness report on a multi-lingual literature review of Occupational Health and Safety (OHS) in the small business sector. There is the growing recognition that OHS regulations and initiatives applied in the small business sector are frequently ineffectual. However, most of the discourse on OHS in the small business sector is ethnocentric with little or no insight into the relationship between the Anglo and French literature. This has meant that models of OHS intervention and prevention adopted by and/or adapted to the New Zealand small business sector are those that have been, by and large, written up in English. Given that workplaces are becoming more ethnically diverse, it is imperative that OHS models and research located in non-English speaking discourses are given due consideration.

Cathy Robertson and **Felicity Lamm** from the Auckland University of Technology, Business School explore occupational health and safety issues in the Kuwait construction industry and its relevance to New Zealand. They show that over half of all construction businesses in Kuwait are small firms employing fewer than 10 employees, most of whom are contingent, migrant workers. There is also anecdotal evidence that the practice of employing illegal migrant labour in the Kuwaiti construction industry, particularly amongst sub-contracting firms, is rife. There are disturbing indications that the injury and illness rate amongst construction workers is extremely high. Although acknowledged as inaccurate official records show that in 1998 an accident occurred every three days and one worker died each month whilst working on Kuwaiti construction sites.

The paper presents the rationale for the proposed study and highlight the characteristics of the Kuwaiti construction industry. A review of the literature outlined in the paper will also attempt resolve the following questions: what are the intersections between the literature on contingent workers and the literature on OHS in the construction industry? What does the research literature say on the extent to which cultural factors shape employers' practices and attitudes toward employment relations and workplace health and safety? And to what extent does the literature inform OHS in the Kuwaiti construction industry? Areas for future research on the topic are identified.

10. Workforce diversity

Mervyl McPherson from the Equal Employment Opportunities Trust reviews a wide range of literature on the impact of workforce diversity on business outcomes and how that diversity can be best managed for business success. The review considers various types of diversity, different methodological approaches from quasi-experimental to case studies, and a range of positive business outcomes, these include improved staff recruitment and retention, improved creativity, innovation and problem solving, improved marketing strategies and outcomes, productivity and net financial returns.

Although there are some specific studies or instances that appear to prove the exception to the rule, the consensus is that diverse workforces have the potential to result in positive/enhanced business outcomes. The exceptions are generally explained away as being due to lack of best practice implementation of diversity and equality policies, and management of diverse teams and workforces. This paper also investigates the key workplace, management and implementation factors associated with positive outcomes.

Catherine Murray from the Auckland Regional Council considers the potential for 'green' jobs in the Auckland Region arguing that the move to a more sustainable economy requires us to rethink how our current economy and society operates within a dynamic environmental and cultural setting. The concept of 'green jobs' is a relatively new means of classifying jobs with environmentally beneficial outcomes, and a methodology was developed under a joint project of the United Nations Environment Programme, International Labour Organisation and International Trade Union Confederate in 2008 to measure green jobs. Employment indicators show the type of activities within an economy, and the way they link industry and businesses to communities and individuals.

Tracking employment shifts across industries and sectors exposes structural changes in an economy's composition. Tracing business and workers' practices within those industries reveal changes in behavior toward more sustainable practices or otherwise. The paper explores the concept of green jobs and its relevance to the Auckland labour market. It measures the number of green jobs in the Auckland region using a regional input-output model of the Auckland economy. This is the first attempt in using this methodology to quantify green jobs.

In the third paper in this session **Dean Rutherford** from Directions Work, Department of Labour provides estimates of the "knowledge economy" for New Zealand using the Population Census. Although the meaning of knowledge economy may differ slightly depending on the context, it is reasonable to say that it refers to the influence of differently skilled individuals on performance of an area, be it social, economic or

developmental. Two overseas methodologies were reviewed and applied to the New Zealand context. The paper presents initial findings at a regional and sub-regional level and goes on to consider areas of future research.

11. Occupations

The first of the three papers on occupations compares the Australian and New Zealand classifications, the second looks at vacancies generated by occupational turnover, and the third adjusts measures of productivity for occupational composition. The paper by **Andrew Hancock** from Statistics New Zealand, Classifications and Standards was presented by **Hilary Fowler**, Statistics New Zealand, who noted how the Australian and New Zealand Standard Classification of Occupations (ANZSCO) into statistical collections, particularly the 2006 Census of Population and Dwellings, has enabled the first real comparison of occupation data using a consistent standard framework between Australia and New Zealand. The paper discusses the issues of introducing a harmonised classification into statistical collections and the impact for time-series and comparability of occupation data. Issues related to what to include in the classification structure, to ensure consistency in skill levels and to establish a framework that is practical for both countries to produce occupation data are examined.

This paper also discusses whether ANZSCO meets the need as a standard framework and introduces a strategy for ongoing maintenance and ensuring relevance and consistency moving into the future and in this context a commentary on the relationship with the 2008 International Standard Classification of Occupations is provided.

In the second paper on occupation **Maria Guerra** and **Ram Sri Ramaratnam**, Department of Labour, considers the number of job openings that arise from individuals leaving an occupation, net of jobs taken by individuals re-entering an occupation. This measure of the net replacement demand may be used for resource allocation planning for education and training as well as diagnosing occupations experiencing recruitment and retention difficulties.

The average net replacement rate estimated across all occupations in New Zealand was in the order of 1.4% for three digit and 1.7% for five digit occupations during 2001-06. The 5-digit rates varied considerably between 0.1 (e.g. microbiologists) and 10 (e.g. checkout operators). The rates in New Zealand are lower than those derived in the U.S (2.4%), Australia (2.0%) and the Netherlands (3.8%). These variations may be due to differences in the level of occupational mobility as well as the age and gender structure of the workforce from one country to another. Social and economic policies and differences in each country's retirement schemes and social assistance policies also give rise to differing net replacement demand rates.

Thomas McNaughton from Statistics New Zealand showed how Statistics New Zealand's measures of labour productivity has been adjusted for changes in labour composition. In measuring labour productivity, a composition-adjusted series is generally considered to provide the most representative measure of labour input. The rationale for adjusting changes in labour composition is that workers are not homogenous and have different skill levels. Not only should this provide a more accurate measure of labour input, but it can also provide insight into the effects that changes in labour composition have on productivity. In practice, this process is undertaken by cross-classifying labour by proxies for skill, such as educational attainment and experience, with the relative skill levels of different groups being estimated via regression analysis, through differences in hourly wages. This paper evaluates the various theories behind compositional adjustment, and presents the results of applying such an adjustment to the labour productivity series, under various conditions. The ultimate contribution of the paper is an experimental composition-adjusted labour productivity series.

12. Nursing

Both the papers in this session consider the role of overseas trained nurses. The first by **Juthika Badkar, Paul Callister**, Institute of Policy Studies, Victoria University of Wellington and **Robert Didham**, Statistics New Zealand begin by noting that little is known about the composition of the third of nurses in New Zealand who are born overseas. Globally, as the population ages, and fertility rates decline, the demand for health professionals, particularly doctors and nurses is projected to increase over the next 20 years. Among OECD countries, the reliance on overseas trained health professionals is currently strong and growing. It is estimated that in the OECD countries, 11 percent of employed nurses and 18 percent of employed doctors were foreign born, however there are significant differences between the foreign-born and foreign-trained health professionals (OECD 2007). The proportion of international nursing students has also grown, from one percent (of total enrolments) in 1995 to seven percent in 2006. The proportion of registered nurses who were born in New Zealand has also changed and decreased from 82 percent in 1991 to 72 percent in 2006. These differences are more evident when examined by age groups.

The purpose of this paper was to gain an understanding of the origin of overseas-born nurses, their labour market outcomes and their family structures. In New Zealand nurses from Great Britain form the largest supply of migrant nurses followed by the Philippines. Compared to the other OECD countries, the main countries of origin of foreign-born doctors and nurses in New Zealand are India and the Philippines respectively. Overall, nurses were more likely to migrate as part of a family unit compared to other occupational groups like doctors, although such differences vary by nationality.

The second paper in this session **Leonie Walker** (New Zealand Nurses Organisation) began with the observation that some migrant nurses (especially those from countries

with lower standards of living, and for whom English is a second language) report significant hardship and distress linked to difficulties experienced in migration and finding employment as Registered Nurses in New Zealand. Anecdotal evidence exists of individual exploitation linked to overseas emigration advisers, immigration advisors and employment agencies based in New Zealand, and of employers in New Zealand requiring binding contracts obliging the nurses to work as Care Givers or Care Assistants under terms and conditions and rates of pay far below those they had been led to expect. A project exploring the issue is currently being undertaken by the New Zealand Organisation of Nurses in two separate parts. This presentation concerns the results and implications of the first part of the study - an anonymous survey examining the issues, and extent of the experiences reported anecdotally. The results are presented in the context of information on the international migration of nurses, and the implications for the health care services in New Zealand.

13. Unemployment and vacancies

The first of the two papers in this session considers the extent to which unemployment is a guide to underutilised labour. The second considers supplementing newspaper advertisements with on-line job vacancies to augment the job vacancy series.

Simon Hall from Work Directions, Department of Labour considers the degree to which underutilised labour extends beyond the unemployed. However these official unemployment rate in New Zealand has been below 5% for nearly six years and reached a 22-year low of 3.4% in late 2007. The official unemployment statistics understate the availability of labour in New Zealand because they do not include an important group of people who want to work, but are either not available or are not actively seeking work and therefore are not classified as unemployed.

In this paper Simon asks how different the marginally attached are to the labour force compared to the unemployed. Since 1999, strong employment growth has coincided with a large drop in unemployment but the number marginally attached has fallen only slightly. Using data from the Household Labour Force Survey, Simon explains the reasons behind this showing that those marginally attached to the labour force are significantly different to the officially unemployed. He then considers whether there is a case to be made for combining the two.

Continuing work on vacancies originally reported in LEW11, **Brian Silverstone**, University of Waikato together with **Victoria Wall**, Department of Labour notes how the widespread use of the internet as a source of information on job vacancies may have undermined the usefulness of newspaper advertisements and possibly surveys as the traditional sources of timely, cost-effective and accurate information on labour market openings. This paper outlines a project by the New Zealand Department of Labour (DoL) to reassess, and possibly enhance, its newspaper-based job vacancy monitoring as a result of online job advertising. It compares and contrasts New Zealand's newspaper and online job vacancy series together with selected international illustrations. It also covers the background to the DoL project, the issues involved, their possible resolution and the information content of an enhanced job vacancy monitoring report. The overall aims of the project are to raise the awareness and usefulness of job vacancy data as an accurate and major indicator of labour market conditions.

14. Social Mobility

Matthew Gibbons, University of Canterbury, updated our understanding of social mobility in New Zealand by contributing a paper to the Treasury session on social mobility. He notes how intergenerational social mobility is about the extent to which a person's economic circumstances when they are growing up influence their economic circumstances as an adult. Treasury has interpreted intergenerational social mobility as being about removing barriers that prevent people from meeting their full potential. Intergenerational social mobility is therefore about inclusion, opportunity, and economic efficiency. Matthew shows that, in terms of income and occupational social mobility, New Zealand has a relatively high mobility compared to the United States and Britain has lower mobility than the Nordic countries, and has similar levels of mobility to Australia. However, election based occupation data suggests that social mobility among Māori women is relatively low. Important caveats are that the Otago cohort study on which this study was based contains very few Māori people, was conducted in a culturally distinct part of the country, and its participants have not yet reached their peak earning years. The election study data is now almost 12 years old and different results might occur if more recent data were available. A summary of the ensuing panel discussion is included in these proceedings.

15. Aging transitions

The first of the three papers in this session decomposes the effect of workforce ageing into scale, skill, taste and public effects. The second explains how and why people plan for their retirement. The third develops a conceptual framework for understanding the way some older women undertake 'foreign experience' as a potential way of re-entering the labour market.

James Giesecke and **G.A. Meagher** from the Centre of Policy Studies, Monash University analyse the effects of ageing on 64 skill groups, 81 occupations and 106 industries. The effects are modelled by comparing two economies: a basecase in which population ageing takes place, and an alternative (counterfactual) economy in which the age structure of the population – insofar as it affects workforce participation rates and hours worked per week - remains unchanged. In the interests of transparency, the *total effect* of population ageing is decomposed into scale, skill, taste and public effects: a *scale effect* due to age-related shifts in total hours of employment (with the skill composition of employment unchanged), a *skill effect* due to age-related shifts in hours

of employment distinguished by skill (with total hours of employment unchanged), a *taste effect* due to age-related shifts in the commodity composition of household final consumption, and a *public effect* due to age-related shifts in government final consumption.

The simulations are conducted using the MONASH applied general equilibrium model of the Australian economy. They generated results for each year from 2004-05 to 2024-25, but the analysis concentrates on explaining the deviations in the levels of selected variables in the basecase (ageing) simulation from their values in the counterfactual (no ageing) simulation in the final year, i.e., 2024-25. Results are reported separately for each of the four effects and for all four taken together (the total effect). The paper pays particular attention to the implications of the analysis for economic policy.

Kathy Glasgow from the New Zealand Institute for Research on Ageing, Victoria University of Wellington explores how and why people plan for their retirement. She asks why some people plan and others don't – and what happens when the best laid plans don't work out as expected. Her paper presents initial findings from qualitative interviews with mid-life individuals conducted in 2008 as part of the Health, Work and Retirement (HWR) longitudinal study. A total of 65 participants (including 15 couples) aged 55-70 years were asked about planning for retirement – what they thought about planning, what had influenced their own level of planning, and what advice they have for others. The interviews shed some light on the interplay of factors influencing planning behaviour and retirement decision-making, including prior and current labour force experiences. Implications for policy and practice are discussed.

Studies on older workers suggest that organisations expect to employ more older workers (particularly older women workers). These new expectations may reflect employer expediency in a strong labour market rather than a change in employer attitude towards older workers. **Barbara Myers** from the Auckland University of Technology notes that while many older workers themselves expect to continue in paid employment there are sub-groups exploring alternative life paths. One such path involves undertaking an OE or 'self-initiated foreign experience' (SFE), a period of autonomous travel and work in another country. While there is a nascent career literature on these foreign experiences (suggesting that career development is a substantial outcome arising from what appears to be a carefree endeavour) there has been limited research on individual older workers who are opting out of employment. By reviewing the literature on older workers and careers, Barbara develops a conceptual framework to better understand older women who undertake a 'foreign experience' as a potential catalyst for life renewal and possible re-entry into the labour market.

16. Productivity

The first of these two papers reviews the literature on labour productivity and the second explores the relationship between employee participation, workplace productivity and employee wellness.

Jane Bryson, Michelle Renton, Sally Davenport and Urs Daellenbach from the Victoria University of Wellington together with Shirley Leitch and Judy Motion, University of Wollongong present a review of various academic discipline and policy literatures in a search for consensus on what is meant by productivity. They subsequently narrow their focus to explore firm level productivity. They review how productivity at the firm level has been defined, studied and measured and then summarise the main influences on productivity as documented in different countries.

The paper then turns its attention to the New Zealand context by reviewing recent attempts by several government policy agencies to map the terrain and drivers of productivity. Within this domestic literature they find both consensus and divergence. The gaps in knowledge about productivity form the basis for their FRST funded 'Building productivity' research project.

Ray Markey, Candice Harris, Felicity Lamm, Stefan Kesting, Katherine Ravenswood, Gay Simpkin, and **David Williamson** (Auckland University of Technology) outline a rationale and methodology for an international comparative project investigating the links between workplace productivity and employee wellness and wellbeing via the operation of representative employee participation structures in Denmark and New Zealand. They define and discuss the often contentious terms of productivity, wellbeing and participation and how employee participation and wellbeing and the work environment impact on productivity. This paper employs a multi-dimensional theoretical framework and assesses the significance of the issues examined. The authors analyse the impact of employment practices and quality of the work environment on productivity and present the methodology developed for the international project.

17. Unionisation and organisation

Robbie Field from the Eastern Institute of Technology and **Alan Coetzer** from the Department of Management, College of Business, Massey University examine the effects of organisational socialisation on individual and organisational outcomes. Organisational socialisation (OS) is a critical process that all employees experience and the efficiency and effectiveness of the OS process impacts on the individual's ability to adjust and perform, as well as the organisation's capacity to obtain employee commitment and retain staff. The purpose of their paper is to provide a review of the literature, in order to identify opportunities for further empirical research. They find that despite the strong arguments supporting the significance of OS and its links to important individual and organisational outcomes, important knowledge 'gaps' exist on the relationship between pre-encounter and encounter socialisation, the role of individual differences in newcomer adjustment, and the differences in OS approaches between small and large firms. They also uncover significant methodological weaknesses in the

little research examining OS from an employer and employee perspective.

Union decline in the UK and NZ is a familiar story. **Jane Parker** from the Auckland University of Technology Business School asks whether women's structures help union revival in New Zealand and the United Kingdom. Drawing on NZ research and an advanced UK project involving two national surveys, interviews and documentary evidence, Jane shows that mediated by context, women's structures contribute to revival strategies, not just in terms of quantitative and external outcomes, but in the qualitative processes of engaging members. Her findings inform a discussion of future directions for revival strategies and gauges of union vitality.

18. Low wage workers

Sarah Wilkin and **Jocelyn Pech** from the Australian Fair Pay Commission consider the Australian approach to in-work benefits and their interaction with low wages noting how it is not always well understood that Australia has a comprehensive set of tax/transfer arrangements with the potential to significantly supplement low wages, especially for families with children. These provisions have evolved over a long period, beginning with the introduction of child endowment in the 1940s. During the past twenty-five years, the coverage of income transfers as a supplement to earnings has been significantly expanded, such that it now provides support for partners as well as for children and, in some cases, for low-paid full-time workers themselves.

The Australian approach differs in a number of ways from approaches typically taken in other countries. In recent years the OECD has found that four English-speaking countries (Australia, New Zealand, the UK and Ireland) consistently provide higher relative incomes for low wage earners than comparable arrangements in many other developed countries.

The paper outlines how the Australian system of wage supplementation has evolved over the last century, and the ways in which economic, social and labour market changes have influenced policy settings. It analyses trends in the disposable incomes of low-paid workers in a variety of household situations and highlights the influence of key policy changes on those trends. Finally, it examines trends in, and the effects of policy changes on, financial incentives to take low-paid work.

John Burgess and **Shaun Ryan** from the Employment Studies, School of Business and Management, University of Newcastle present findings from their research into labour-utilisation strategies in low wage industries in Australia. Low wage workers are to be found across all sectors of the economy, particular amongst part-time employees and those employed in retail, accommodation, cafes and restaurants, education, health and community service, cultural and recreational services. While there is good evidence documenting the number and prevalence of low wage employees, less is known about the structural and other factors contributing to the their incidence, in particular the role of industrial agreements. With the end of the Howard era and the promised changes under the Rudd Labour government, they seek to explore contemporary developments in agreement making and labour use strategies.

The empirical research presented in this paper is drawn from two sources: the first is an analysis of a sample of Australian Workplace Agreements (AWAs) lodged under the fairness test with the Workplace Authority from May 2007 to March 2008; the second is an analysis of a sample of collective agreements lodged in 2007. Their findings include, but are not limited to, hours of work (including rostering), wages, training, incentives and bonuses. Through these findings they present a contemporary account of low wage work in Australia and discuss the implications and challenges for policy making.

19. Conditions of work

Nadine McDonnell, Auckland University of Technology, Business School asked how the New Zealand's Workers' Compensation will fare in a changing environment. The 1972 Accident Compensation Act not only codified the New Zealand law but also provided one source of compensation for personal injury. The right to sue to recover compensatory damages arising directly or indirectly out of personal injury was abolished, although there was still the provision to take an action for damages in a court outside of New Zealand. Since then, workers' compensation in New Zealand has evolved and metamorphosed into our current scheme. However, the effectiveness of workers' compensation schemes in terms of providing for injured workers and their dependents is largely determined by decisions in relation to: 1) who is covered; 2) the extent of injuries and diseases are covered; 3) the nature and level of entitlements; and 4) how administrative processes handle claims. Moreover, given the possible changes in the political environment, issues regarding coverage and the need to understand the policy and practice implications for changing the existing ACC scheme have become an employment relations imperative. This paper not only explores the policy implications for workers' compensation coverage within the context of a changing political environment but it also sets out the rationale behind the decisions regarding compensation and calls for more research to inform the imminent debate.

Michelle Barnes, Sharon Boyd and **Sophie Flynn** from Statistics New Zealand report on the first results from the Survey of Working Life Work arrangements in New Zealand noting how New Zealanders' working arrangements have changed substantially in the last 30 years, leading to increased diversity in contracting arrangements, hours and times worked, and terms and conditions of employment. The paper describes the current work arrangements, employment conditions and job satisfaction of employed people in New Zealand from data collected in the Survey of Working Life. The survey was conducted as a supplement to the Household Labour Force Survey in the March 2008 quarter to answer questions such as: 'How prevalent is casual work in New Zealand?', 'How many employed people work non-

standard hours?' and 'Who is most likely to experience stress or discrimination at work?

The authors identify workers with different types of employment relationships (for example, temporary compared with permanent employees), and describe the demographic and job characteristics associated with each. In addition they analyse working-time patterns and conditions of employment. It is intended that the Survey of Working Life be repeated every three years to monitor changes in employment conditions, work arrangements and job quality in New Zealand.

Amanda Reilly from the School of Accounting and Commercial Law, Victoria University of Wellington, focuses on Articles 6, 7, and 8 of the International Covenant on economic, Social and Cultural Rights which are respectively: the right to work, the right to the enjoyment of just and favourable conditions of work, and the right to form and join trade unions. The extent to which these rights have been realised with respect to New Zealand law and policy and with respect to other International Conventions which align with, and strengthen, the rights conferred by Articles 6, 7 and 8 will be explored. Potentially problematic areas and areas for possible future development are signalled.

20. The Employment Relations Act 2000

Brett Lineham, Louise Fawthorpe, Boaz Shulruf, Stephen Blumenfeld and **Roopali Johri**, from the Department of Labour explore the impact of the Employment Relations Act 2000 on collective bargaining. Their paper is based on a study carried out by the Department of Labour in 2007/08 to assess whether there have been any significant changes in the coverage of collective bargaining that can be attributed to the ERA 2000. The research draws on statistical data relating to unionisation and collective bargaining from administrative databases, as well as quantitative and qualitative data from employers, employees, union representatives and other employment relations stakeholders.

The research looks firstly at changes in unionisation rates, exploring the factors that promote or discourage unionisation. They then examine the factors that promote collective bargaining, the effects on collective bargaining of specific provisions of the Act, the process of bargaining and the content of collective agreements. The perceived costs and benefits of collective bargaining are also assessed. Interim findings show that collective bargaining has yet to regain pre ERA levels, though it has risen and fallen over the last eight years. Collective bargaining remains concentrated in the public sector, with low density in the private sector. The reasons for this are multi factorial and include union density rates, unions' resources, and the economic environment. The study also discusses whether the impact of the Employment Relations Act 2000 has been a sufficient condition to secure a sustained increase in collective bargaining over the last eight years.

21. Other papers

Malathi Velamuri (Economics, Victoria University of Wellington) and **Steven Stillman** (Motu Economic and Public Policy Research) examine the impact of being a victim of violent or property crime on labour market outcomes and general well-being using longitudinal data from the nationally representative Household Income and Labour Dynamics of Australia (HILDA) survey. They estimate fixed effects regression models that examine changes in outcomes for individuals before/after victimisation relative to changes in outcomes over time for non-victims. Their results highlight considerable heterogeneity in the causal impact of crime victimisation: (1) the impacts of violent crime victimisation are stronger and more wide-ranging than those of property crime victimisation; (2) male victims of violent crime experience poorer employment prospects following victimisation; (3) older victims of violent crime report a deterioration in mental health for two years after the event; (4) women face reduced, persistent prospects of marriage/co-habitation following crime victimisation; and (5) there is strong evidence of a negative impact of victimisation on life satisfaction measures but these effects do not persist.