

# RESEARCH INTO LABOUR, EMPLOYMENT AND WORK IN NEW ZEALAND: AN OVERVIEW

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The Eighth Conference on Labour, Employment and Work attracted 32 papers which, as well as covering themes addressed in previous conferences such as earnings differentials and regional labour markets, also ventured into new areas, notably the influence of health on labour supply, the role of the family and social exclusion. The conference received two further papers on the Maori and two comparative papers addressing differences between New Zealand and the experience of Denmark and the Netherlands. New concepts such as spatial hysteresis were applied and new types of data were introduced including Statistics New Zealand's micro level record data. New approaches were also taken to longstanding questions such as the trends in self employment and de-industrialisation.

**Duncan Melville** from the Labour Market Policy Group of the Department of Labour began the conference by summarising developments in the New Zealand labour market in the 1990's and considering prospects for the new millennium. Since the early 1990's through to the recent downturn in the economy, labour market performance improved and there was some recovery in the labour market position of the groups that had been adversely affected in the recession. Although the gap between Maori and non-Maori unemployment rates fell between 1992 and 1998, the gap was still much greater in 1998 than it had been in 1986. Similarly for young people (aged 15-24 years), while unemployment rates have improved since 1992 the gap compared to other age groups is bigger now than 12 years ago. And again, while the participation and pay gaps for women improved relative to men over the last five years or so this is largely as a result of a relatively poor performance of men in the labour market. A review of labour market indicators in the years leading up to this conference suggests that as more years pass since the Employment Contracts Act of 1991 the net influence of that act on labour market performance becomes less and less clear.

## Maori and the labour market

The position of Maori in the New Zealand labour market has received considerable attention in recent years and the two papers offered at this conference advance our understanding even further. **Simon Chapple** and **David Rea** from the Labour Market Policy Group, Department of Labour, explore the differences in labour market outcomes between those Maori who report only Maori ethnicity and those who

report Maori and another ethnicity ('mixed' Maori). They find that the bulk of time series variation in the disparity between Maori and non-Maori has in fact been driven primarily by changes in outcomes for the *sole* Maori group. By contrast mixed Maori, who make about a quarter share of the Maori ethnic group, has outcomes which closely track those of the non-Maori population over time.

Using just the distinction between Maori and non-Maori, **Rainer Winkelmann** shows that despite the economic recovery after 1992, Maori-non-Maori differences in employment and unemployment rates increased over the ten year period to 1996. Unit record data were used as control for changes in socio-economic and demographic factors. Increasing returns to skills and changes in the sectoral composition of the workforce were suggested as two potential reasons for the declining relative labour market outcomes of Maori.

## Structural change

Three papers consider various structural characteristics of the labour market. **Brian Easton** focuses on de-industrialisation, that is where the secondary sector grows more slowly than the rest of the economy. He shows that although all rich OECD countries have been experiencing de-industrialisation, New Zealand has been de-industrialising faster than the OECD average (even if the energy based industries developed in the 1980's are included). The reasons he advances include the weakness of microeconomic industrial policy, macroeconomic repression of the tradeable sector and the increasing dominance of the finance and business services sector.

Another way of interpreting change in the New Zealand labour market over recent years is to compare our experience with countries such as the Netherlands; both are small open economies in which unemployment rates have fallen to close to half of their respective post-1980 peaks. Utilising their Netherlands and New Zealand experience **Cees Gorter** and **Jacques Poot** observe that although they share superficially similar labour markets, the 'Polder' and the 'Kiwi' models of structural change show significant differences. In both cases the effects of deregulation on the labour market are hard to separate out from other influences. Certainly the success of deregulation policies can be easily overstated by selective use of labour market indicators,

or by making trough to peak comparisons over the business cycle.

Like many other countries New Zealand has seen a growth in self employment but the reasons still remain unclear. **Richard Bururu** concludes that over the last decade pull factors attracting people to self-employment appear to be stronger than push factors - those where people enter self-employment because of lack of alternative opportunities. Although the growth is modest and the results are not definitive they do suggest a negative relationship between self employment and lagged unemployment rate as well as a weak but positive influence of the ECA, tax and intellectual property rights reforms. And there are also regional differences in regard to factors that could be influencing individuals' decisions to enter into self employment.

### Earnings inequalities

Following up the paper on the change in the distribution of earnings in New Zealand between 1984- 1995 which she presented at the 1996 LEW 7 conference, **Sylvia Dixon** provides new evidence on the growth of inequality in weekly and hourly earnings between 1984 and 1997. By decomposing the changes she is able to demonstrate that the increase in the dispersion of earnings was due largely to rising inequality *within* groups of workers with similar levels of education, age and potential work experience rather than between them.

**Heather Kirkwood** develops this same theme by exploring the difference between women and men in full-time employment. Confining herself to the wages and salaries from full-time employed from the 1997 New Zealand Income Survey, she concludes that the ratio of women's to men's earnings increased by 3.2% because men's earnings actually fell while women's earnings rose. The main reason for the remaining gap are the lower hours worked by women in fulltime employment.

Earnings can also differ from place to place. In their paper **Philip Morrison** and **Jacques Poot** explore the relationship between wages and the rate of (male) unemployment across New Zealand's regions. Evidence from overseas suggests that there is a stable downward-sloping convex 'wage curve' linking the level of pay to the local unemployment rate. Using grouped data from the 1996 census of population and dwellings, Morrison and Poot conclude that New Zealand too appears to have a wage curve which behaves in a similar manner to those observed in many other countries.

In a wide ranging paper **Prue Hyman** argues that those dismayed about social exclusion and increasing inequality, have tended to concentrate more on the tax/transfer/social policy areas rather than the labour market itself. Hyman asks why these labour market differentials need to be as wide as they are, why they are widening, and whether the economic justifications are real. She suggests that it may be difficult to make changes to the way the labour market works, especially with many markets being international

in nature. However on social justice grounds alone we must, Hyman argues, continue to question the widening of wage differentials.

### Health and labour supply

In a topic well overdue for systematic consideration in New Zealand, **Evan Roberts** examines the influence of health on labour supply. Roberts estimates the effects of changes in self assessed disability and health problems on the labour force participation rate. He finds that a ten percent increase in the prevalence of health problems decreased labour force participation by under one percent. His best results were obtained from questions about the effect of health on ability to carry out common everyday activities, and on the effects of having a long-term disability. Despite the use of aggregate data the goodness of fit of the models was low (approximately 0.35), highlighting the fact that many factors other than health also influence the participation rate.

The relationship between health and labour supply was also explored by **Michael Pye**. His approach was to examine the production of health and sickness services in New Zealand following a period of significant reform. He argues that a reformed health sector, with its cascade of principals and agents, output based contracts and contestable contracting, requires quite a different form of analysis. New and changing relationships both within and between the health occupational groups are explored together with the changing relationships between the health industry occupations and the State.

### Family and work

**Michael O'Driscoll** and **Peggy Koopman-Boyden** report on an interdisciplinary research project which examines the dynamics of family intra- and inter-generational transactions among individuals in the 40-54 year old age group. The project pointed out the linkages between work involvement, family involvement and the extent to which experiences in one domain generalised to those in the other. For example contrary to some popular conceptions, the total amount of care-giving provided by 40-54 year olds to their children, parents, and spouses/partners is relatively low and the levels are not systematically related to satisfaction with the job and family, nor to the amount of psychological strain experienced by respondents.

In her paper on redefining women's social status in the context of 'workfare', **Janet Bedgood** looks at the proposal for a community wage for domestic purpose beneficiaries. Far from denoting a shift in policy away from assuming that domestic labour is the primary role of women, the lack of adequate childcare provision in the package suggested that the community wage is driven mainly by an attempt to reduce state spending. And it was this inability of most women on the DPB to undertake community work without childcare that led to a retraction of the requirement - a policy shift that simply reinforces and legitimises women as a major source of surplus labour.

**Celia Briar** develops a closely related theme noting how New Zealand has been following the American lead in expecting solo parents (mainly mothers) to move off state benefits and rely upon a combination of their own earnings from paid employment and contributions from the absent parent. She suggests that there are three broad classifications in welfare policy towards the mother: liberal (prioritising individual responsibility), conservative (a focus on family and community responsibility) and solidaristic (state/collective responsibility). Briar argues that it is important to examine carefully the extent to which each of these approaches actually provides solo mothers with genuine options regarding paid and unpaid work as well as freedom from poverty.

Continuing the theme of women in the workforce, **Máire Dwyer** draws on research commissioned by the Ministry of Women's Affairs to investigate the factors that influenced the pay and conditions of homecare workers. A literature search together with a small programme of field research revealed that wages in this industry are low, with effective wages even lower as no agencies paid for travel time and half did not pay allowances for using own vehicles. Only half of the homecare workers had received training and most workers spent more time with some clients than they were actually paid for.

## Industrial relations

**Jills Angus Burney** begins this section by using a case study of contract shearing employers in the New Zealand wool industry to cast light on the operation of accident compensation law and policy. She notes that one of the subsequent effects of tampering with employment law by various governments over the past decade is that the provision of workers compensation has become less about worker's law and more about social policy 'benefit'. In questioning the assumption of a binary contractual relationship Angus Burney draws on contemporary relations between shearing contractors and their workers to expose their high degree of informality, the fluidity of both workers and contractors entering and exiting the industry, and how this relates to the provision of 'workers compensation' in woolshed relations.

Still with rural industry, **Bruce Curtis** and **James Reveley** examine the 'hidden dimension' of registration in the meat freezing and waterfront industries. They point out that despite the centrality of registers to the arbitration system in New Zealand, we know very little about their role they play in state-society relationships and in the structuration of actors and interests in specific industries. As it turns out, registration systems that operate outside the industrial relations (i.e. arbitration) system per se, have considerable industrial relations consequences particularly in the meat and waterfront industries. Attempts by state actors to reform the industries and industrial relations practices also involved the abolition of the industry-specific registration schemes. They argue that the deeper industry wide implications of the ECA are missed so long as its impact is interpreted solely as an industrial relations issue. The example of the meat

freezing and waterfront industries and the role which registration systems play serves to underscore just how deeply the ECA penetrates into the issues of governance and institutional form.

Beginning with the observation that improved employment relations are perceived as one way of further raising efficiency in production **Rupert Tipples** and **Eriko Gould** explore the psychological contracts existing between dairy farmer employers and dairy farm employees. Described as the invisible glue which binds employees and employers together, psychological contracts involve the mutual expectations and perceived obligations that exist beyond the normal components of a legal contract of employment. They show the utility of using a critical incident approach to imputing the content of psychological contracts, among groups of employers and employees in major dairy farming areas. They note that in terms of the obligations facing employees, perceptions of the content of psychological contracts appear to be concerned partly with the traditional issue of the amount of time applied to work which, from the employers perspective, means hours worked and loyalty. Above all psychological contracts highlight the importance of the reciprocity of the employment relationship.

Since the enactment of the Employment Contracts Act 1991 (ECA), personal grievance procedures have become available to all New Zealand employees (not just to those employees who were members of unions and subject to a union negotiated document). In their paper **Dianne Donald** and **Joanna Cullinane** note that unions' roles in industrial relations have diminished and progressively fewer employees know their rights in employment. The authors then use statistical data from the Department of Labour on personal grievance cases resolved by the specialist employment institutions between 1989 and 1997 to show the large increase in the number of personal grievance cases taken to the specialist institutions since the ECA came into force and the large proportion of unjustified dismissal cases that make up the body of these personal grievance cases.

Union membership does not necessarily decline with deregulation and regulations and **Erling Rasmussen** and **Jens Lind** ask why the Danish unions have been able to avoid the widespread decline in unionism whereas the New Zealand unions have not. When comparing employment relations in New Zealand and Denmark in the 1990's the initial impression is that there has been a growing divergence between their employment relations. Underlying the differences is the implementation of free-market policies in New Zealand compared with a more mixed philosophical basis of the Danish reforms. The authors alert us to the dangers of drawing simple conclusions as closer analysis of key employment relations in both countries shows that a much more complex pattern of divergence and convergence exists.

## Workplace

The environment in which New Zealand businesses and public agencies operate is volatile, complex and uncertain.

Organisations face a wide and competing range of demands and managers and employees need to collaborate across functions, business units and teams. In their paper **Roberta Hill, Phillip Capper, Kathryn Hawes and Ken Wilson** illustrate how a *developmental work research* (DWR) approach can support business process improvements and organisational learning in continuously-changing complex environments. They present findings from a PGSF study of problem-solving by two project teams at DHL Worldwide Express in Christchurch between April 1997 and June 1998.

In their 1997 green paper on tertiary education the Ministry of Education said, "To ensure our prosperity New Zealand needs to be a 'learning society' recognising the importance for all of our people to continue to develop new skills and knowledge throughout a person's lifetime". It therefore comes as something of a surprise to learn that so little information is available on education and training undertaken in New Zealand. Using the Education and Training Survey (ETS) conducted in September 1996, **Raewyn O'Neill** reveals that nearly half of the New Zealand labour force participated in some form of education and training. While it was young and part-time workers who undertook education, it was the older workers with long term relationship with employers who gained most from training.

### Social exclusion, regions and the community

Unemployment in many OECD nations has remained persistently high over the last two decades in contrast to the predictions of mainstream macroeconomic models. Theories of hysteresis argue that unemployment is associated in a cumulative way with skill deterioration and withdrawal from the job search process. In his paper **Paul Soldera** examines the possibility that these duration effects are also linked to the spatial distribution of the unemployment rate within metropolitan centres. A Geographic Information System (GIS) is used to map the clusters of meshblocks of above average unemployment rates in Wellington and Auckland. The way these clusters continue to expand during periods of employment growth is quite consistent with the theory of spatial hysteresis. This evidence directs our attention to the processes which underlie such clustering, and the way it inhibits labour adjustment.

**Paul Callister** also points out that a significant group of people in industrialised societies are excluded from economic and social life. The loss of paid work in particular can lead to exclusion from family and community life. Using data from the 1996 census Callister documents how lack of formal qualifications can lead not only to exclusion from the labour market but also exclusion from the marriage market and from living in certain neighbourhoods. Nevertheless education is only one among several other variables which can be used to explain why a significant number of prime-aged people in industrialised countries, appear to be excluded from full participation in economic and social life.

For many Maori and Pacific Island Polynesians, local initiatives for employment creation would appear to be es-

sential steps in addressing high unemployment levels. In order that local communities be empowered to determine their own outcomes, government - both local and central - need to form partnerships with private business and community and work to common agendas. **Anne de Bruin and Grant Power** examine the extent to which the partnership approach to employment creation operates in some disadvantaged urban communities. Their paper details some of the current projects and comments on their progress and challenges. In particular they ask whether there are common elements associated with the success of such initiatives. They conclude that community based training and job creation projects which target specific labour market disadvantaged groups are beneficial in generating additional employment and/or enhancing capacity for future employability of participants. Such developments may be transforming the welfare state into welfare communities in which community work schemes are self-managed, contractually bound to end-users and part of a logic of local development founded on partnership. At minimum existing community projects have a pro-active role to play in mitigating the labour market disadvantage of those ethnic minorities who benefit little from opportunities that emerge as a normal consequence of market operations.

Unemployment is a process that manifests differently in different parts of the country. Despite growing evidence of the benefits of a regional focus, active labour market programs are still targeted to the characteristics of individuals rather than those of the particular regions in which they live and seek work. The appointment of regional commissioners along with the Community Wage implies an increasing awareness that programs do need to be tailored to local labour markets. In her paper **Hattie de Vries** argues the advantages of a local labour market approach and suggests a research program which looks at tailoring active labour market programs to local communities in light of the characteristics of regional labour markets.

### Immigration and the labour market

In recent years New Zealand has attempted to increase the country's human capital by encouraging well qualified immigrants to settle in New Zealand. Apart from the additional qualifications and work skills that immigrants bring they also possess proficiency in other languages and an understanding of other cultures. In their paper **Noel Watts and Andrew Trlin** examine the policies and practices of those companies engaged in the international business sector in order to determine the factors that influence effective use of this new pool of expertise. Drawing upon the findings of a survey of companies involved primarily in exporting and tourism together with follow-up interviews with selected companies, they identify examples of the best use of immigrant linguistic and cultural resources.

The ability of immigrants to secure employment which matches their education and experience is a matter of central concern to those responsible for immigration policy. The experience differs across immigrants from different countries. In their analysis of relevant census data and

a small longitudinal study of recent immigrants living in both Auckland and Hamilton **Jacqueline Lidgard** and **Hong-key Yoon** show that the Korean experience differs from that of the Chinese from Hong Kong and Taiwan. Levels of self-employment are high amongst recent Korean settlers, many operating small ethnic businesses patronised by Koreans. However much of this self-employment generates supplementary rather than primary income, much of which came from investments in their home country. Competition with labour in the host country means that relatively few find work as waged employees and a high proportion remain unemployed.

Turning to the Chinese, **Elsie Ho**, **Richard Bedford** and **Joanne Goodwin** ask just how the employment patterns of recent Chinese immigrants differ from those of their predecessors. The 1991 and 1996 census data reveal the diverse experiences of Chinese entrepreneurial migrants from different countries of origins and different age groups. Based on a survey of Hong Kong Chinese entrepreneurs conducted in Auckland, Hamilton and Hong Kong in 1998 they show that lack of local connections, and ignorance of government regulations and local market forces were perceived as the major barriers associated with doing business in New Zealand. The paper concludes by emphasising the need for a post-settlement policy which can assist business migrants adjust to a new country as soon as possible after their arrival. Unless such a policy is developed, they argue, it is unlikely that New Zealand can maximise on the opportunities provided by the newly announced changes to business immigration policies.

### Labour statistics

As some of the above papers have demonstrated, statistical microdata is now an important input to social science and economic research. **Sandra McDonald** shows how the demand for data on individuals (as opposed to groups) from the research community has been growing with increasing emphasis on linking research to policy and program targeting. Technological and methodological advances mean that researchers are increasingly able to undertake their own microdata analysis. With the introduction of the Data Laboratory, Statistics New Zealand has been able to offer researchers greater accessibility to micro level data for research projects. Sandra's paper looks at the eligibility for using the Data Laboratory, the process that researchers need to follow and the conditions that Statistics New Zealand set.

The ensuing panel discussion involving **Paul Callister**, **Sylvia Dixon** and **Rainer Winkelmann** highlighted the value of this new facility. They pointed in particular to the greater flexibility this offered researchers in getting the specific data they need but also the costs in terms of preparing a detailed proposal and seeking permission. Statistics New Zealand staff programming knowledge as well as detailed knowledge of survey instruments and data files was highly valued by the panelists, as was the ability of users to bring their own software to use on site.

### Future research

As we near the end of this century what do the papers from this eighth LEW conference suggest are the likely research frontiers in 2000 and beyond?

Each author was asked to suggest avenues for furthering the research in their own topic. Many leads emerged and we hope new graduates as well as experienced researchers will consider taking some of these ideas up and thus extending our understanding of the New Zealand labour market and its institutions.

After reviewing employment trends since the mid 1980's **Duncan Melville** is still left with a key question: the extent to which improvement in the 1990s have been due to the labour market reforms of 1991 and the changes to welfare support. It is significant that almost a decade later we are still unable to agree on how much (if any?) of the improvement in the major employment indicators has been due to the reforms which so radically altered the relationship between capital and labour in this country.

And of course not all indicators have improved. Relative Maori labour market performance for example was worse in 1998 than it was in 1985. In addressing this issue **Simon Chapple** and **David Rea** send an important message to researchers, namely to be more aware of the fluidity in ethnic identity when considering Maori and non-Maori populations, noting that virtually all the time series variation in disparity between Maori and non-Maori is accounted for by variations in the *sole* Maori subset of the Maori ethnic group. The challenge therefore is to find suitable background identifiers which more accurately predict disadvantage and which are less amenable to endogenous alteration than Maori ethnic identity. Here greater attention to geographic variations within the labour market are likely to pay dividends.

**Rainer Winkelmann's** research on the economic progress of Maori men in the decade to 1996 suggested that education and family decisions are likely to be determined jointly with labour market outcomes, but that this endogeneity is largely undeveloped in the literature (except for fertility decisions). There is a need, he argues, to better understand how decisions on levels of education, family size and structure and labour market participation are interrelated. This is best done at several levels ranging from focus groups to case studies through to formal modelling.

While **Brian Easton** himself does not pose any specific research questions, he does make a clear assertion that New Zealand de-industrialised more quickly than other OECD countries and ventures a number of reasons why. His thesis is worth examining in more depth and certainly constitutes a useful starting point for more country by country comparative work.

In one such comparison, although not testing the de-industrialisation thesis, **Cees Gorter** and **Jacques Poot** raise a number of questions of their own, urging researchers to

use the micro level data available for testing formal theoretical models of the impact of deregulation of the labour market across relevant countries such as The Netherlands.

The institutional changes associated with the labour market reforms and the de-industrialisation that preceded them was also accompanied by various forms of adaption by individuals. One of these was manifest as the steady growth of self employment and **Richard Bururu** highlights the need for a deeper understanding of the dynamics involved in this process, particularly the factors that induce entrance and exit from self employment as well as duration in that state.

**Sylvia Dixon** in her further assessment of the effects of supply and demand shifts on educational earnings differentials suggests a research opportunity in which the relationship between changes in the industrial and occupational structure of employment and changes in income inequality are explored at the regional level. Such exploration, she argues, might shed light on impacts of exogenous factors such as import competition or technological change on earnings inequality.

**Heather Kirkwood's** research points to the role which differences in hours of work play in explaining why men earn more than women. The next question therefore is *why* women work less hours than men in all occupations (or alternatively why men work longer hours). Although superficially obvious, the deeper answers to this question reach far into social institutions that cause us to divide labour by gender. That these divisions are gradually changing means that there is considerable scope for use of recent time-use and childcare data to explore just where the changing distribution of hours of work is occurring and why.

Now that **Philip Morrison** and **Jacques Poot** have provided evidence for the existence of the wage curve in New Zealand and have shown that wages are lower in regions with high unemployment, attention must now shift to weaknesses in the theoretical underpinning of this world wide empirical regularity. They already have work planned to explore the impact of dynamics in generating the cross sectional pattern. It is possible for example that permanent values of pay and joblessness will be positively related across regions as argued by Harris and Todaro while short run adjustments about this mean might be negative as argued by Blanchflower and Oswald.

Given the world wide evidence of widening of pay scales, uncovering the reasons that apply to New Zealand ought to be a local research priority. Particularly interesting is the notion that globalisation is enhancing the capability of the highly skilled to move internationally and to command more equivalent remuneration packages. Returns to lower skilled work on the other hand tend to be determined primarily by local conditions. Testing these and related ideas should address one of the central concerns in **Prue Hyman's** paper to do with which are the underlying value structures that lead to widening remuneration gaps.

In one of the first New Zealand studies of the relationship between health and labour supply, **Evan Roberts** concluded that the effect of ill health on labour supply appears to be minimal. What is critical here is the ability to accurately measure the health variable and therefore the next step in such research is to move from simply indicating the presence or absence of health impediments to actually measuring the severity and prevalence of particular conditions.

**Michael Pye's** analysis of the role of the institutional context in which health care is administered lead him to ask what impact changes in the regulation of the division of labour will have on the future composition and distribution of the health and sickness industry. A research priority is the effect of further government intervention on relationships between occupational groups at all levels of the industry.

**Michael O'Driscoll** and **Peggy Koopman-Boyden** take a number of important steps in examining the relationship between households and the workplace, between jobs and family domains. They suggest in particular the need to examine in greater detail the dynamics of both intra and inter-generational family transactions. There is also the need to see how these transactions alter participation in the labour market, job performance, and the impact of changes in the labour market behaviour within the family.

Women's domestic labour and the returns to them through the market labour are intimately related but poorly articulated. As **Janet Bedggood** points out, "research which focusses on the gender division of labour in *either* the household *or* the labour market in isolation of each other, fails to take account of their mutually reinforcing effects". Again the New Zealand time-use survey is going to be particularly helpful in investigating women's marginalisation including multiple job holding, part-time work, non-unionisation, and trends in the paid work of domestic purpose beneficiaries.

There is also plenty of scope for adapting the prevailing international classification of 'welfare policy towards mothers' to the New Zealand context. The challenge, **Celia Briar** points out, lies in developing alternatives to the so called 'liberal' welfare policies into which New Zealand is classified, for these fail to provide equality, freedom and choice for mothers. Research needs to be directed to trying to incorporate a wider range of caregiving responsibilities as in the more 'solidaristic' welfare states of France and Sweden and away from the rhetoric that states that mothers are responsible for choosing ways of promoting their own welfare.

**Máire Dwyer** highlights the gap between the nominal and actual wage rates of homecare workers. The gap is not confined to such workers but extends to many part-time or non standard work situations. The costs involved in earning nominal wages reduce the effective wage and yet there have been few attempts to quantify this discrepancy.

At the end of her paper **Jills Angus Burney** asks the important question: who will benefit from the privatisation of ACC? It is her contention - with respect to the shearing industry at least - that although privatisation of accident compensation may promise benefits from private enterprise competition, may improve accountability and will no doubt provide choice for the individual employer, it will also reinforce the inequitable liability basis for all parties. It is unlikely that these concerns stop at the shearing industry and research into the distribution of benefits in a range of industries following the privatisation is likely to be worthwhile.

In a similar vein **Bruce Curtis** and **James Reveley** note a pressing need to examine union strategies in light of demise of the registration system especially in the meat and waterfront industries and the prospects for organised labour generally.

**Rupert Tipples** and **Eriko Gould's** work on psychological contracts will also benefit from expansion. It has been based on two occupations so far and they want to extend their application especially within the dairy sector by looking at the scale of the enterprise and the influence of respondents' age. Of particular interest they argue will be the content of psychological contracts for different ethnic groups.

**Dianne Donald** and **Joanna Cullinane** are also investigating change in the industrial relations environment following the ECA of 1991. In light of the fact that unions' role in industrial relations have diminished and progressively fewer employees know their rights in employment, there is a need to extend their examination of personal grievance cases in light of the level of industrial activity, unemployment and perceptions about economic conditions.

**Erling Rasmussen** and **Jens Lind** illustrate some of the benefits as well as difficulties to be found in comparative research. They observe with respect to Denmark and New Zealand that an overall divergence between an individualistic and a collective focus has become more pronounced. The fact that employment relations are embedded in the economic, social and political institutions of the society show how deeply one has to dig to satisfactorily explain such international differences.

**Roberta Hill** on behalf of the research team at WEB point out that managers and employees need to collaborate across functions, business units and teams, and that there are therefore advantages in undertaking a developmental work research approach. The research challenge in such an environment lies in improving organisational learning as well as strategy development and the management of technological change.

**Raewyn O'Neill** reported on short term effects of education and training and how there is now a need to turn to their long-term effects on individuals. Here the Longitudinal Survey of Income Dynamics under development may prove helpful.

**Paul Soldera's** study of the growing clustering of the unemployed even while the economy was growing only explores the surface of the problem and his research underscores the importance of going beyond unemployment to the larger number of jobless. A second research need inspired by this work is the need in New Zealand to investigate more closely the role of the neighbourhood in the persistence of joblessness in particular contexts. To the extent that hysteresis does indeed have significant spatial origins then such research may also have macro economic consequences.

**Paul Callister's** work on social exclusion too has led him to begin thinking about the role which geography plays. The challenge in this case is how to conceptualise and measure social and economic exclusion within both metro and small town, as well as in rural contexts in New Zealand.

**Anne de Bruin** and **Grant Power** point out the need for more rigorous study and evaluation of active labour market policies at the community level. They argue the need for more research on individual work histories in order to measure the extent to which programs which focus on building life skills lead to measurable employment outcomes. Comparative studies of disadvantaged urban communities in Australia with those of New Zealand may also be helpful.

**Hattie de Vries's** research reinforces an international call for closer attention to regional and locally specific labour market policies. How any given program works in one part of the country may differ from another simply because of their different geographical, social and historical circumstances. The next step is to develop a conceptual framework which will allow the relative importance of these contextual factors on labour market outcomes of particular programmes to be explored in a rigorous manner.

After examining government policies and practices developed for companies engaged in international businesses and using well qualified immigrants, **Noel Watts** and **Andrew Trlin** argue for extending such research into the policies and practices of individual companies that govern the employment of immigrants from non-English speaking backgrounds. Of particular relevance is the design of specialist programmes which combine language learning with business management studies, plus several other practical initiatives suggested by the authors.

Having investigated the employment experiences of recent Korean settlers **Jacqueline Lidgard** and **Hon-key Yoon** want now to devote closer attention to the operation of small-scale ethnic businesses on which so many Koreans are now reliant for their employment.

Research into the self employment patterns of the Chinese by **Elsie Ho**, **Richard Bedford** and **Joanne Goodwin** suggests that there may be different reasons for entering self employment depending on the country of origin. For example, migrants from the People's Republic of China seem to enter self-employment for different reasons compared

to those from Hong Kong and Taiwan who enter. In fact a comparative study of the development of Chinese businesses in these three countries would likely contribute to our understanding of the relationships between migrations and ethnic entrepreneurship.