

Industrial Relations Reform and the Consequences for Working Time, Job Security, Productivity and Jobs

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The changing paradigm

- Bargaining rather than arbitration
- Awards less prescriptive
- Lesser role for tribunals
- Non-union agreements



What is this paper about?

- Has IR reform enhanced productivity?
- Are any productivity benefits simply the result of many workers working longer hours?
- Has productivity been motivated by the fear of job loss?
- What about the employment consequences?



Figure 1

Productivity Growth, 1964/65–2000/01

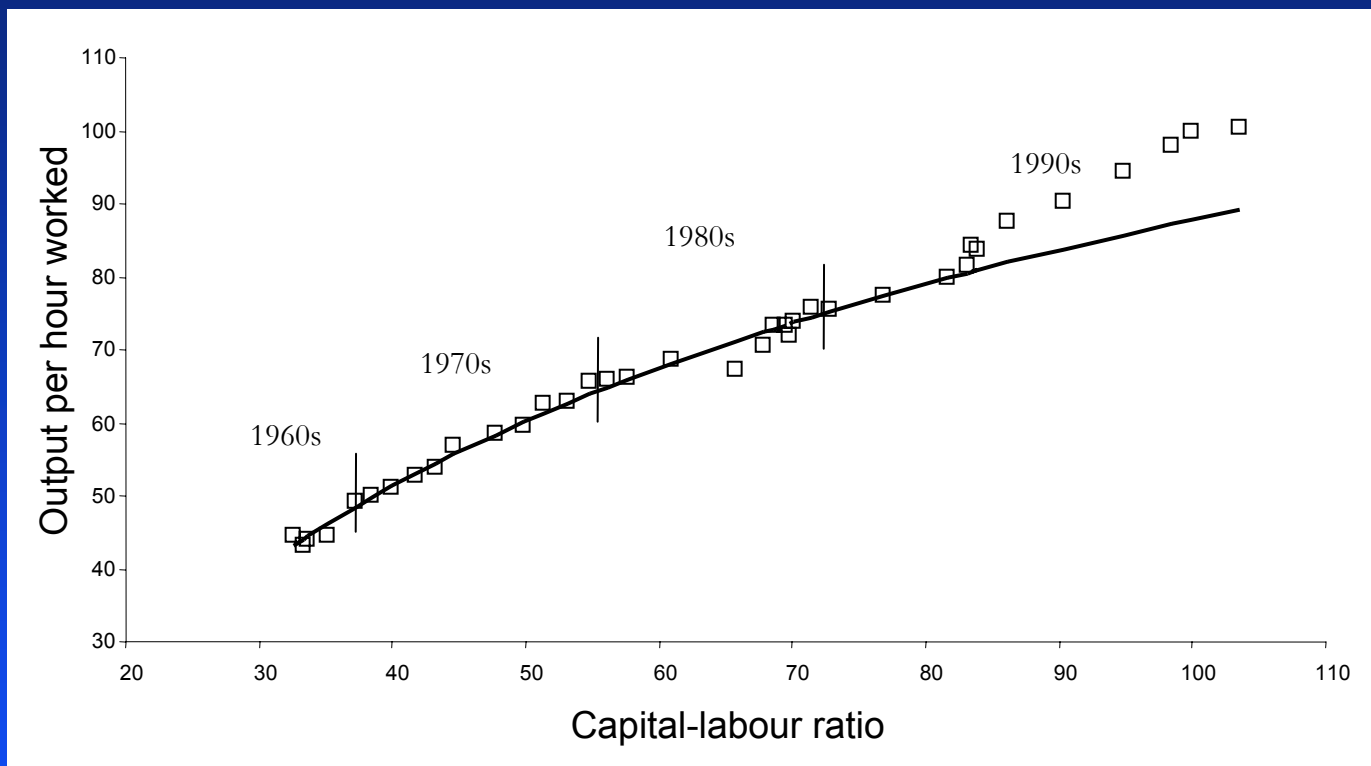


Figure 2

The Incidence of Long-Hours Working, 1964 to 2001 (% of all employed persons)

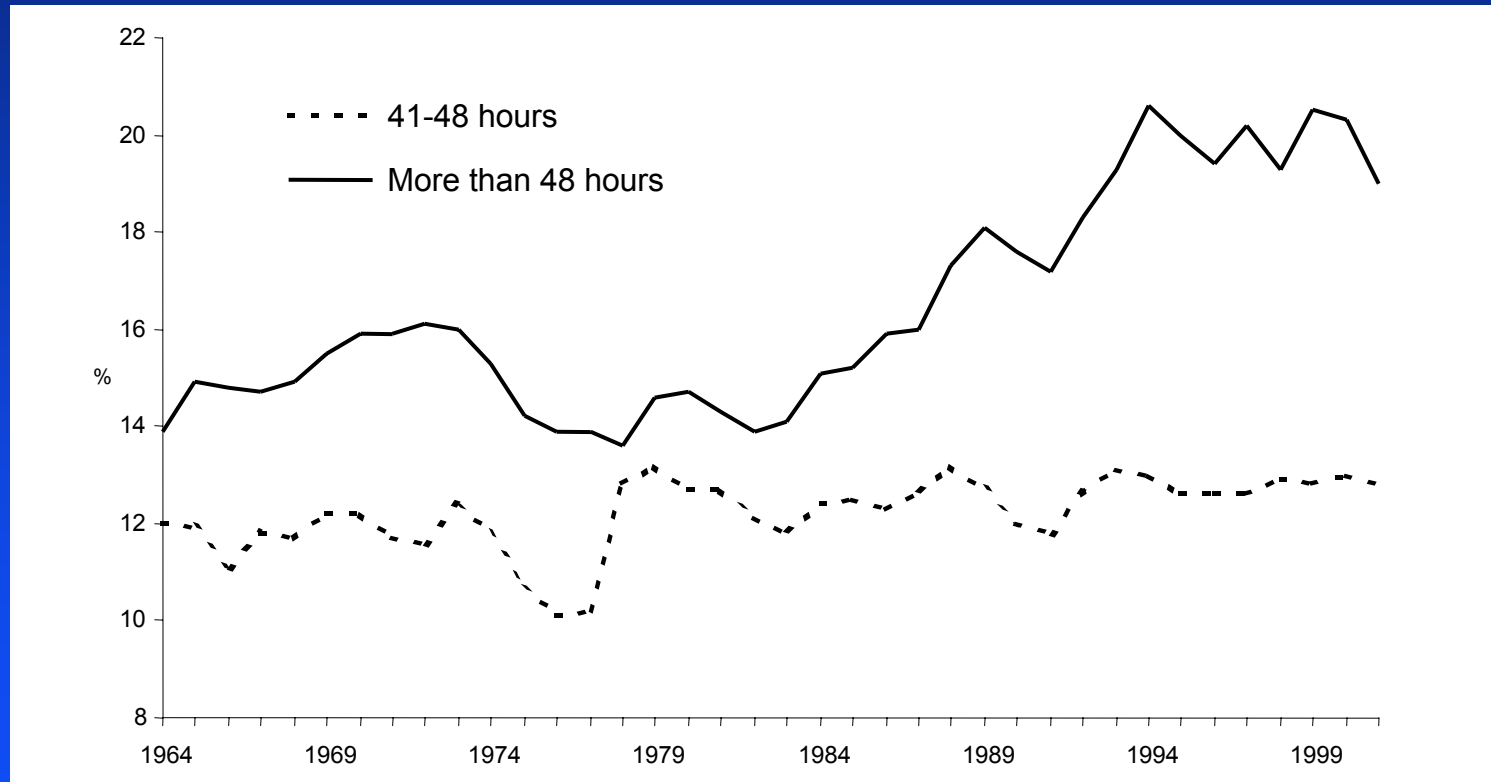


Figure 3

Expected Probability of Job Loss in Next 12 months, Employees: 2001 HILDA Survey

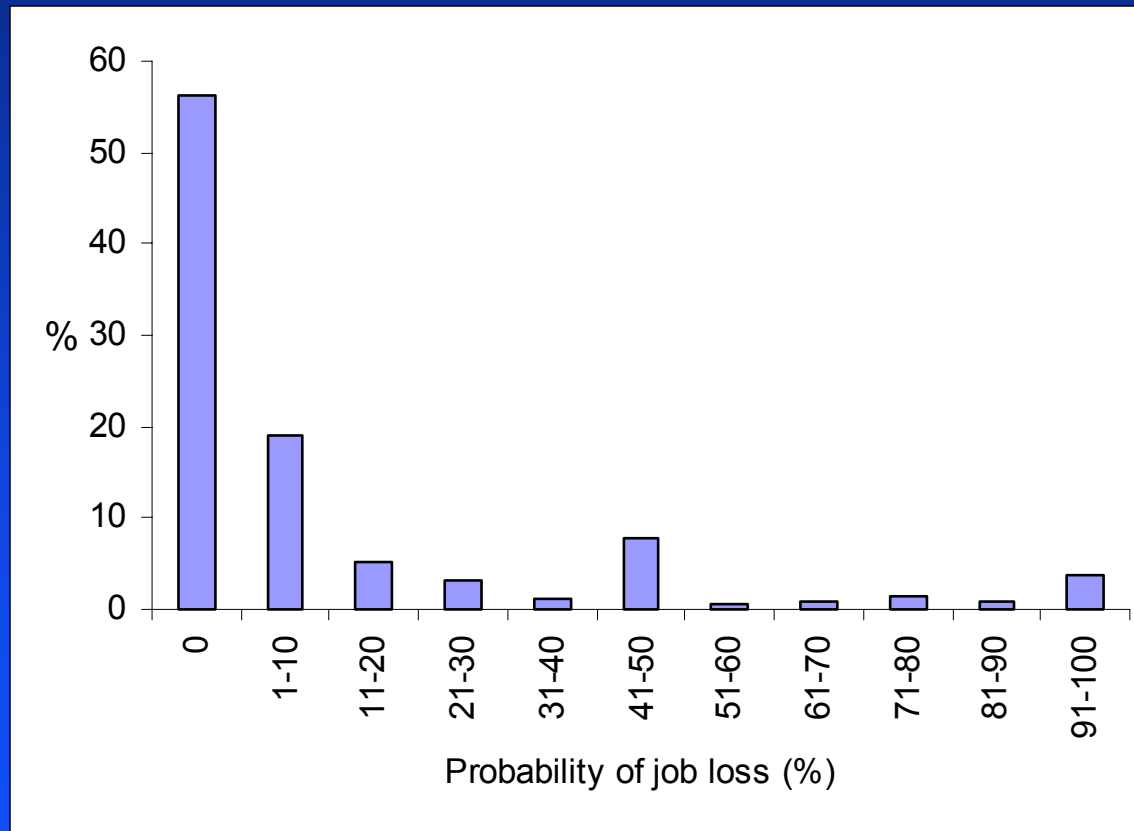


Figure 4

Job Security: 1975 to 2001

(% reporting present job is safe)

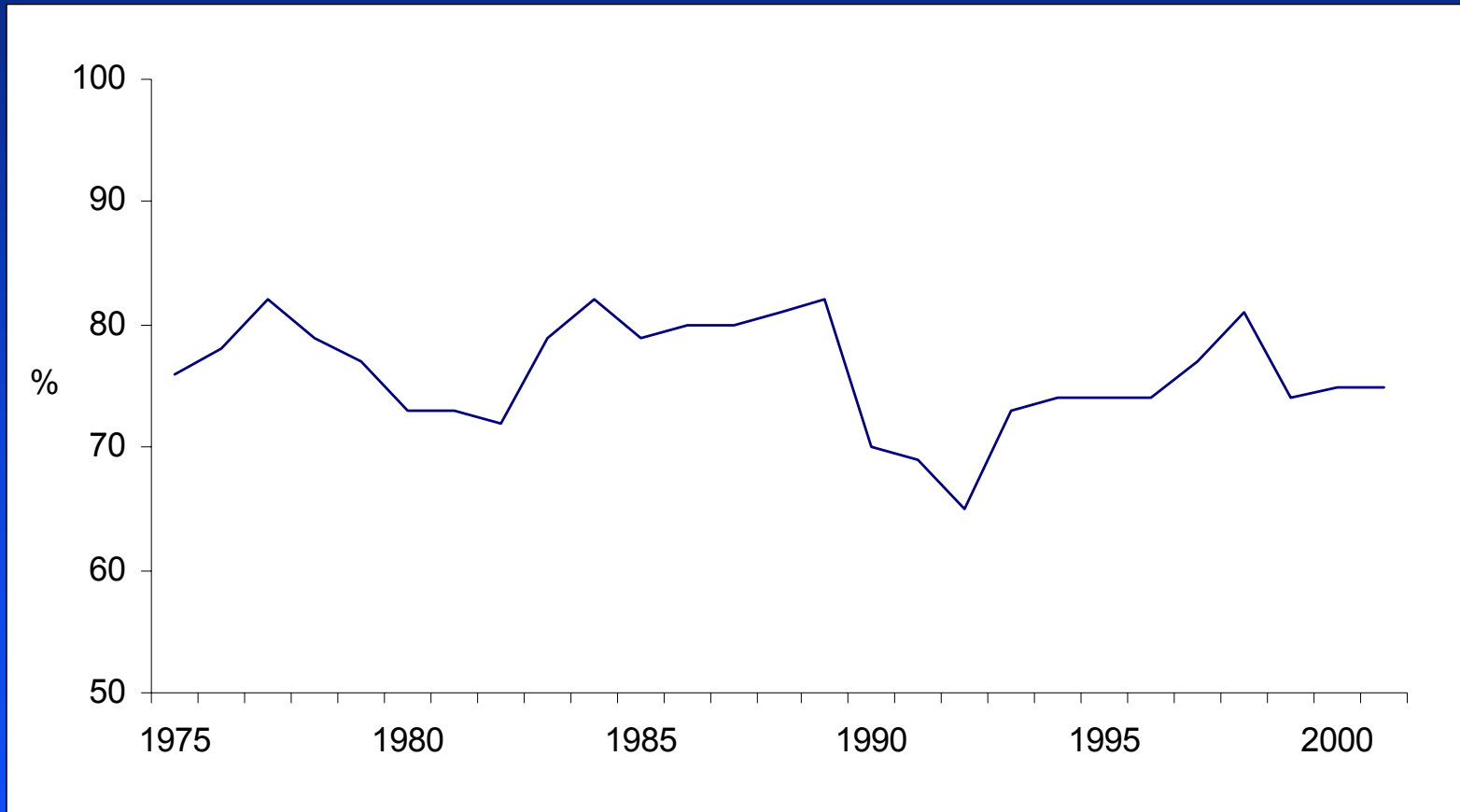
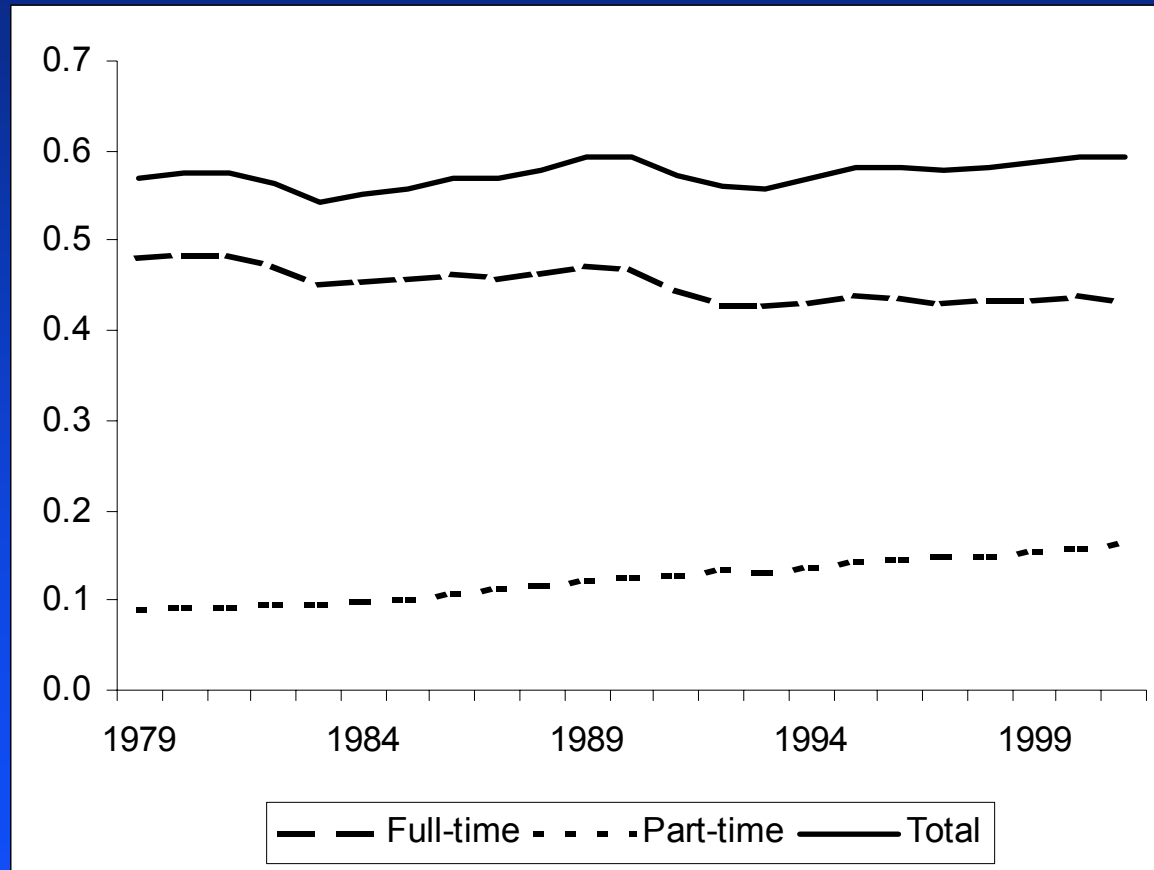


Figure 5
Employment–Population Ratios, 1979–2001



Conclusions

- Productivity – Marked increase in late 90s. Significance of IR reform is uncertain but evidence is compelling.
- Longer working hours – No evidence that IR reform is a contributory factor.
- Job security – Very little change in the 90s.
- Jobs – Capacity of economy to generate jobs enhanced but yet to be translated into a higher E/P ratio.

